



A NOTE FROM PAUL

As we wrap up 2022, it can feel like heightened macro and market volatility has become the new normal. Can it add to stress levels? Yes. But, more importantly, can it create opportunity? That is another resounding yes. Perspective matters. Your goals drive us. We have experience, we have perspective and we have prepared you for this. A view I love to share when the conversation focuses on ‘the noise’ is how even in the face of rising inflation, interest rates, recession fears and a volatile 2022, many investors still bought ‘the bear’. Investors bought a net \$195 billion of stocks even as major U.S. and global equity indices lost almost a fifth of their value.

This is not uncharted territory; we’ve been here before. Tune out the sensationalized headlines; they tend to focus on the negative. At TD, we are empowered with extensive research and sought-after analysts that help us find opportunities. We are seeing some encouraging signs that increases in interest rates are beginning to have an impact on curbing inflation and markets are starting to anticipate a more constructive environment for earnings. History has shown that remaining invested is typically the most prudent approach and that simply missing out on the top gaining days over the course of a calendar year can have a material impact on long-term return performance. Bear markets can provide the opportunity for investors to better position portfolios for future gains. After all, stock market corrections are when quality companies usually become more attractively priced.

The second half of 2022 has been very memorable for the team at Morse Wealth. We were featured in Hideaways Magazine for our expertise in continuity planning. Our team brings so much more to the table than just strategic portfolio construction which is why it felt so rewarding to be acknowledged for our expertise in some of the other areas that contribute to overall holistic financial wellness. The acknowledgment also reaffirmed why I chose to participate in the Family Enterprise Advisor (FEA) program. The journey was intensive, but the expanded knowledge is so valuable to me and all of you. I now hold the FEA designation. I am 1 out of 500 advisors globally to achieve this. Our commitment to ongoing growth and development is motivated by wanting to always bring you the best. To wrap up the highlights, we were also featured in The Rider News for our expertise in continuity planning for family farms.

As we prepare for the holidays, and the days seem a bit shorter, it is so important to take the time to infuse your day with things that bring you joy. As important as productivity is, it is also so important to take the time to reflect and recharge. When speaking with a client recently, I asked how they were doing. They said, “Paul I am practicing living in the Wow!” So simple, yet so profound. Incredible things are happening all around us. It is important to be present to notice them.

On behalf of the entire team at Morse Wealth, we hope you and your loved ones enjoy the holidays. We wish you health, happiness and prosperity in 2023.

All the best,

Paul



FEATURED IN
HIDEAWAYS 2022

We are thrilled to be featured in Hideaways magazine for the experience we have and the advice we give when it comes to estate planning strategies.

Passing on the family summer home is often not as simple as you may think or want it to be. In estate planning, the common refrain is, treating people fairly doesn't always mean treating them the same. There are many things to consider.

[Click for full magazine \(we're on page 124 - 128\)](#)

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MARKET PERSPECTIVES *

- Recent earning results for North American companies were relatively positive, though most sectors continue to face challenges and we anticipate softer demand in 2023. Forward earning estimates have been lowered broadly, but further deterioration in forecasts is expected amid a slowing economic backdrop. Overall global equities are likely to remain rangebound, which supports our neutral outlook.
- We expect below trend growth to carry into 2023 as central banks continue to tighten monetary conditions to restrict growth. Higher interest rates to combat the persistence of high inflation (particularly on the services side of the economy), increasing concerns around a global recession, and the war in Ukraine among other ongoing geopolitical turbulence, all remain risks to the market outlook through to next year.
- We believe that an increased allocation to fixed income presents a quality opportunity to improve risk-adjusted returns over the next 12-18 months. All in yields appear attractive, and fixed income can help to provide diversification benefits, reduce overall portfolio volatility and preserve capital over the longer term.
- Given that high equity volatility is likely to persist for risk assets, investors may benefit from an allocation to alternative assets to help manage portfolio volatility. Assets like mortgages, infrastructure and real estate may also provide some long-term inflation protection and attractive absolute returns. Alternatives could also help portfolios through either transitory or more structural inflation outcomes.

*Excerpted from: TD Wealth, WAAC Perspectives November 2022.
<https://digital.tdwealthmedia.com/wp-content/uploads/2022/11/WAAC-Perspectives-November-2022.pdf>

FEATURED IN THE RIDER NEWS

Morse Wealth sponsored the Steel City Slide Derby at the Ancaster Fairgrounds this summer. It is a Reining horse show – if you watch Yellowstone you'll know Reining horses are the ones that execute precise patterns of circles, spins and stops!

Following the event, Paul was asked to write an article for The Rider News to share his knowledge and experience about continuity planning for family farms. He stressed the importance of starting the conversation early. The earlier the planning begins, the better prepared the next generation likely will be. Engaging in a constructive discussion can help minimize family disputes and disharmony.

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TEAM UPDATES & REMINDERS

Completing the Family Enterprise Advisor (FEA) Program

Paul graduated from the Family Enterprise Advisor (FEA) Program! The FEA designation sets the benchmark in the family enterprise advising field. As mentioned in his note, he is 1 in 500 advisors globally that have this designation.

The FEA program focuses on augmenting formidable technical skills with a more sophisticated level of understanding around family enterprises and their unique challenges. It helps raise interpersonal intelligence and deepens understanding of how family dynamics can impact the enterprise. The program supports a multi-disciplinary approach to serving family enterprises with the health and well-being of the family foremost in mind.

Increased contribution room for 2023 in your TFSA

A tax-free savings account (TFSA) can be a great tool for Canadian investors. The registered account allows you to save, invest and withdraw money without paying taxes. The 2023 TFSA annual dollar limit increased from \$6,000 to \$6,500. We wanted you to be aware of this change. This means that if you have not contributed before, and were at least 18 years old in 2009 when TFSAs were launched, in 2023 your total contribution room is \$88,000.

The new normal

Morse Wealth is embracing the new normal in regards to office protocol. The surge in technology enhancements due to the pandemic has enabled us to work more effectively both at the office and remotely. Your convenience is our top priority. Moving forward, Paul is available for in-person and virtual meetings based on your preference. Please indicate your preference when scheduling meetings. Ashley will support you and our business from a remote location at a full-time capacity. Jodi will provide administrative support both from the office and remotely. We can be reached through our regular channels during business hours.

TD will continue to maintain and adjust operational protocols to promote a safe environment for clients and employees.

SELECTED FOR YOU



READ

The Hybrid Workplace is Here to Stay: 5 Ways to Make it Work

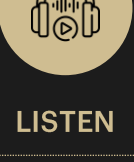
Uncover ways organizations – in particular, family-owned companies – can make the shift from a traditional, in-person work environment to an effective hybrid workplace. The article discusses both the opportunities and challenges of a hybrid work environment and provides a neuroscientific-based perspective on adaptation to change, and why we are wired to resist it.



WATCH

The prescribed loan rate is rising: Here's how it could affect your tax strategy

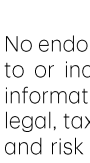
The prescribed rate increased to 2% on July 1, 2022. If you use prescribed rate loans as part of your tax strategy, this increase could affect your financial plan. Georgia Swan an additional TD specialist we work with at Morse Wealth, joins Kim Parlee to look at these changes and how they could impact your plans for income splitting.



LISTEN

What Enables Family Entrepreneurship Over Generations?

This podcast addresses the success factors that underpin multigenerational family success around the world. It was shared with Paul during the FEA Program. He wanted to share the insightful discussion about the findings from KPMG Private Enterprise and the STEP Project Global Consortium's Annual Report, which surveyed 2,439 CEOs and other leaders from top family businesses across 70 countries and territories.



TD Wealth

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