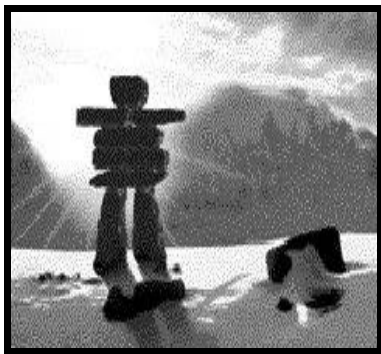


TD Wealth



The Inukshuk The newsletter on Stress-Free Investing

"All there is to investing is picking good stocks at good times and staying with them as long as they remain good companies."

Warren Buffett



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Trump?

Wow!! A Trump victory! This certainly has sent shock waves around the world! Now that everyone has had some time to digest this reality and now that everyone knows this is not a 'bad dream' we can get on with the business at hand. Many of you may be wondering "what does a Trump victory mean to me?" That is the million dollar question but I can say that the market is telling us it is not all bad.

Yes, there will be some volatility over the next several months as there are still many unknowns regarding what the new President and Congress may be able to accomplish. President Trump has indicated that he intends to bring forward significant changes to trade, tax, regulatory, and domestic spending policies. Not all of these will pass congress but the uncertainty around them could result in further volatility. We could see an increase in US inflation. Trump's US protectionist agenda and anti-trade agenda would have a negative impact on the Canadian dollar and economy. If the Trump administration eases some of the regulatory pressures on banks this would be a positive for the financial sector. All in all it is still too early to tell how this will all play out but it will not be an 'all bad' outcome.

It is important to maintain your long term view of investing and if you liked your portfolio strategy on Monday November 7th - and it reflected your circumstances, emotional tolerance for volatility, and financial goals - it is still the right one for you the day after the election, regardless of whom you wanted to win.

Walking in my shoes

I hope everyone had a wonderful year! This Christmas my husband Bruce and I will be heading home to Saskatchewan to spend Christmas in the prairies with my family. I am looking forward to a White Christmas and Bruce can't wait to skate on the outdoor hockey rinks!

As I do every year, I will be donating to Plan and our foster child Augustine again this year in lieu of Christmas cards and gifts. Augustine is still enjoying school and comes from a very large family. She has been healthy and happy for the support we give. I wish everyone a Merry Christmas, Happy Hanukkah and Happy Holidays. May the new year bring you and yours health and happiness.

I would like to mention that since the majority of my business is built through referrals, I would welcome the opportunity to help your friends, colleagues and family who may benefit from the type of services I provide. I would also like to extend my thanks to all of those who recently provided me with referrals. Feel free to pass on my website information to those you feel may be interested.



What is CRM2? What can you expect?

CRM2 (Client Relationship Model, Phase 2) refers to regulatory amendments introduced by the Canadian Securities Administrators (CSA), IROC, and the MFDA, to provide investors enhanced cost disclosure and introduce new performance reporting requirements for investment products. What does this mean for you? For clients, CRM2 will result in clearer understanding of fees and costs and performance of their investments. Clients will also begin to receive enhanced statements which show information concerning fees, compensation and performance.

The main items for the CRM2 regulations will follow the timeline listed below:

1. POS3 (Point of Sale 3) at the end of May. This was explained in some detail in the e-mail I distributed to everyone the week of May 9th, 2016. We are now required to deliver the Fund Facts to clients prior to the sale for any new purchases of Mutual funds. This will mean more information sent your way via handouts, mail or e-mail.
2. New reporting requirements beginning Dec. 31, 2016 that require:
 - Watch for your new TD Wealth statements.
 - Extensive disclosure on all account fees, costs etc. including compensation from 3rd parties (trailer fees, new issue commissions, commissions from GICs and principal protected notes). At TD Wealth we will be reporting these fees monthly on your statements. This outlines the cost to you that "TD Wealth" receives.
 - Enhanced reporting. The reporting will be done using "money-weighted rates of return" instead of "time-weighted rates of

return" which is what is currently used. It is believed that money-weighted returns will more accurately reflect an individual's personal rate of return as it takes cash flows in and out of the account into greater consideration. ("Where am I?" "What did I put in?" "What have my returns been since inception?", etc.

If you have any questions or if you would like to set up a meeting to review the new statements please give me a call.

Year end reminders

1) Tax loss selling: Consider selling your unprofitable securities and using the realized losses to offset your capital gains. These losses may be carried back for three years or carried forward indefinitely and used toward your future gains.

You must allow 30 days before buying that security back. You have until Dec 23rd to enter any of your tax loss trades.

2) The contribution deadline for TFSAs and RESPs is December 30th

3) January 1st: A new year and new beginnings. Time to top up your RSP contributions and TFSA contributions. The earlier you do this the longer they are able to compound and generate tax free returns.



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