

FROM THE DESK



TOUCHSTONE 1.93%*

As of May 7th, 2021

Touchstone for this purpose is the 5 year, annual pay, CDIC insured GIC rate. The assumption is that this represents an extremely low risk investment. Investors seeking higher rates of return will / must assume greater risk.

*Home Bank / Trust - Not an offer or solicitation for sale. Rates subject to change without notice.

50 Ways Your
Advisor Makes A
Difference

Full service advisors can be a valuable resource in helping you attain your financial goals. Please [click here](#) for 50 ways that DMWM can be of assistance to you. If this triggers an immediate need, please contact Liz, Martha or me at your earliest convenience.

THOUGHTS ON THE MARKET

Energy / Oil Is Dead - Don't Bet on It

The 'Green Movement' and government policies have led many investors to believe that the Age of Oil is dead (or at least in severe decline). Such beliefs may be about to be proven shockingly wrong and Energy investors may be massive winners. When the price of Oil crashed to the low \$30 per barrel range, the fracking industry was devastated and capital investment in energy projects dried up. That remains the case today; most energy companies are focused on paying down debt, buying back shares and / or issuing dividends. They are not investing in future production. So you have to ask; what happens to they price of Oil if Demand returns to normal (i.e. growth of 1 to 2% per year) and Supply goes flat of goes negative. Economics 101 says the price of Oil will go up - a lot! For Eric Nuttall's thoughts on the matter please [click here](#) .

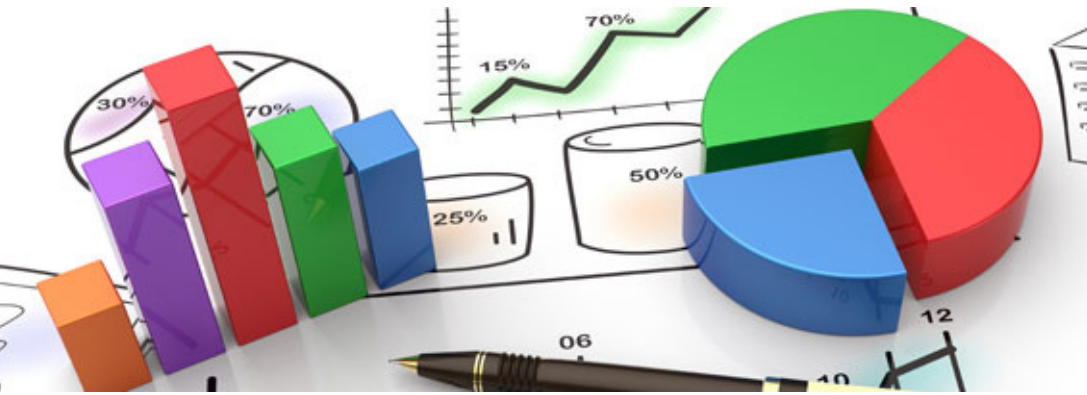
Yes, The US Will Massively Borrow & Spend - But It Will Be A Battle

The US (like Canada) is borrowing Trillions of dollars to stimulate their economy. The fear is that they are embracing Modern Monetary Theory with its weak economic foundation and associated 'madness'. The US (unlike Canada) has multiple checks and balances to restrain extreme borrowing and spending. Will the US be dramatically increasing borrowing, spending and taxing? Absolutely. Will it be a wild, volatile battle? Yup! (If only we had such limits / restraints in Canada on the spending habits of our elected officials.) [Click here](#) for Brian Wesbury's missive.

Because We Care About You

Canadian innovation has led to the development of very effective tools in the battle against COVID-19. Such is the case with the technology of PROTX2 AV. *****Third party laboratory testing shows that PROTX2@AV treated fabric used for this mask eliminates 99.9% of all of the following: SARS-CoV2, MRSA, Staph A, VRE, E. Coli, Norovirus, H1N1, and Influenza A & B .** When this technology is applied to masks, wearers are provided dramatically enhanced protection against the listed pathogens. Please [click here](#) if you would like to learn more about this technology or the masks that incorporate it.

Disclosure: Me and my family hold shares, are invested in, this company.



ITEMS TO CONSIDER

Copper - The metal with a PhD in Economics

Today the US and Canada reported shockingly weak jobs data (at least shocking to the market pundits who had set much higher targets). Immediately these same 'experts' expounded on how the Central Banks will have to remain very accommodative of these apparently challenged economies (i.e. continued low interest rates and easy money).

Copper, on the other hand, is shouting a completely different message. Copper is the most common metal in composite metals. As an economy grows, the demand for composite metals grows and, as such, the demand for copper grows even more. From the chart below (created at approx. 9:50 am today), it can be seen that copper hasn't been this high since early 2011. More to the point, it is not only high in price, it has broken into uncharted territory! Such demand is not the sign of a weak or weakening economy. Dr. Copper is telling us to stay Bullish!



Hacking and Phishing Is On The Rise - Update

NBF, Liz, Martha and I believe knowledge provides protection from cyber thieves. Please [click here](#) to review The ABCs of Security.

For more 'real world' examples of how hackers operate, I offer the efforts of YouTube star & hero Mr. Jim Browning (not his real name for his protection). Recently featured in a New York Times podcast, Mr. Browning discussed how he is able to follow hackers on the internet and expose their methods and scams. If you click [HERE](#) you will witness actual scams and the actions taken by Mr. Browning to protect the victims. Sadly, Mr. Browning has other such YouTube videos of scammers at work preying upon the trusting and the technically inexperienced (particularly the elderly). The upside to this is that we can learn from these examples and protect ourselves. Please take click on the link above; forewarned is forearmed.

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RESOURCES AND LINKS - UPDATED!

How The Economic Machine Works - Ray Dalio

An extremely informative and well illustrated video presentation. It is a 'Must Watch' for new and experienced investors. Click [HERE](#).

The Truth About Investing

The wisdom of Howard Marks in a video presentation. Click [HERE!](#)

NBF Investing Guide

An excellent resource for all investors. Topics covered: Investment basics - Saving for school - Saving for a project - Saving for an emergency fund - Saving for retirement - Our investment solutions. Please contact Liz, Martha or me if you would like a copy.

NBF Quarterly Flip Book

A comprehensive review of the Economy, Equities, Rates and Cross Asset (i.e. U.S. risk premiums, FX trends, etc.). It also includes the investing Myths vs. Reality section; a must read for all investors. Reach out to Liz, Martha or me for your personal copy.

Market Review and Investment Strategy

Two excellent publications provided by NBF. The Market Review is a daily summary while the Investment Strategy is a quarterly review. Click [HERE](#) to read.

The ABCs of Security

Visit this NBF website by clicking [HERE](#) to protect yourself from becoming a victim of fraud and online hacks and/or phishing.

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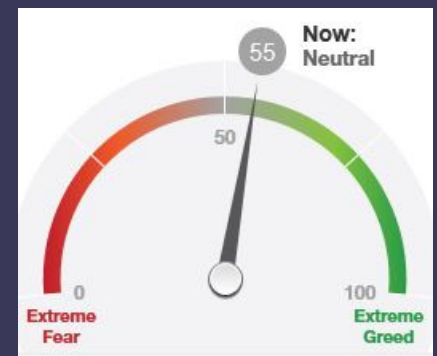


Douglas Macdonald | Liz McCarthy | Martha Macdonald

MODEL ASSET ALLOCATION

40% US Equity
30% CDN Equity
20% Global Equity
10% Commodities

Note: The model remains in the **Positive** territory and has undergone significant asset allocation reweightings. The model is suggesting that, *subject to category weighting and personal risk tolerances*, you should be rebalancing your asset classes to the maximum equity exposures allowed as indicated / ranked above.



FEAR & GREED INDEX

At the current reading of approx. 55 this index is indicating Neutral. If history is a guide, it is wise to sit on the sidelines and wait for a better opportunity to allocate investment capital to the markets. To follow this indicator or learn about its construction please [click here](#).

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The information contained herein has been prepared by Douglas Macdonald, an investment advisor at NBF. The opinions expressed do not necessarily reflect those of NBF.