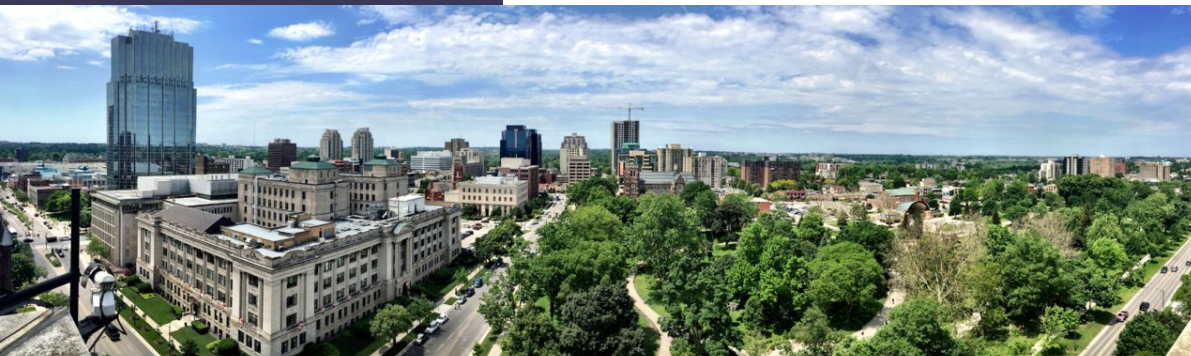


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JULY 19TH, 2021

INFORMATION WORTH
SHARING

FROM THE DESK



TOUCHSTONE 1.87%*

As of July 19th, 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

Market Correction

The equity markets are currently experiencing a correction. Is this an unusual event? Should this be a reason for immediate concern and action? History would suggest not. Consider: since 1980 the S&P 500 has experienced an Annual peak to trough correction of approximately 14%. Accepting the volatility of these annual corrections is price investors pay for the superior potential returns offered by investing in equities.

Energy / Oil Has Taken A Hit. Opportunity?

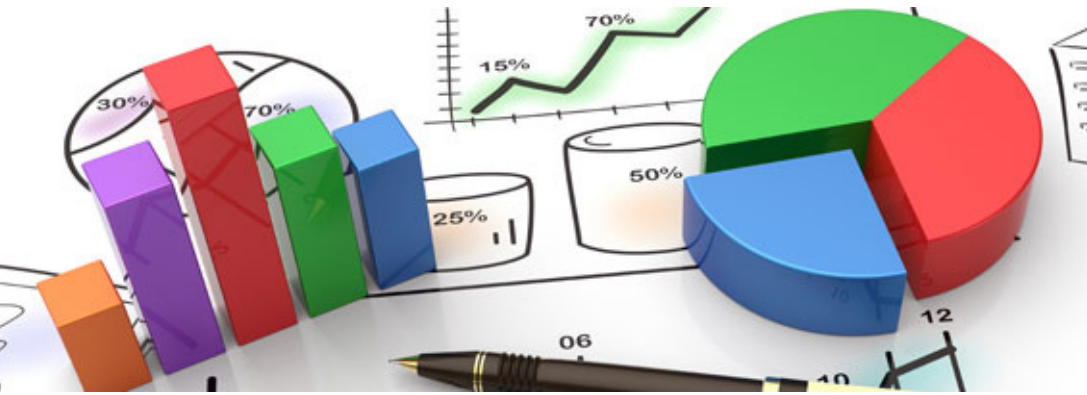
I have been beating the 'Oil Drum' for several months because, *in my opinion*, the energy sector represents an extremely attractive investment opportunity. Has the recent OPEC+ deal or the rise in COVID-19 variant cases changed my outlook? The simple answer is 'NO'. In his recent podcast, Eric Nuttall makes a solid case for initiating or increasing exposure to the energy trade. To listen to Eric's podcast click on: [The Fog of Energy Ignorance - July 2021](#) . (And then call me to review your energy exposure.)

Energy / Oil Has Taken A Hit. Opportunity? Part 2

Those of us old enough to remember the 1973 Energy Crisis could argue that North American may be about to have history repeat. The article found at the following link [Column: Canada & the U.S at risk of an energy crisis - OPEC & energy security](#) makes just that argument. Several industry experts are looking for Oil to hit \$100 US per barrel before the end of 2022. Such prices would almost certainly lead to oversized gains from Energy equities (as Eric Nuttall argues above). It also means that driving your car, feeding your family, purchasing anything that has to be shipped to you or a store will be much, much more expensive. Please take a moment to read the article at the above link. (And then call me to review your energy exposure.)

Follow Us On LinkedIn, Twitter and Instagram

Much of the comments and research offered here are also provided on Doug's LinkedIn and / or Twitter accounts. Martha has also initiated an Instagram site with the goal of assisting women become financially empowered. Please click on the icons for the site of interest found on the following page to check out the content. If of interest, please follow us. If you need assistance navigating these sites, please contact Martha (she's our internet tech expert).



ITEMS TO CONSIDER

Copper - The metal with a PhD in Economics

The markets are experiencing a significant correction today. Whether it is the turmoil in the Oil / Energy markets caused by the OPEC+ deal or the concern of economic slowing that may result from the rise in cases of COVID-19 variants and the resulting potential of further shutdowns. Many of the pundits are spouting 'doom & gloom'.

Copper, on the other hand, is suggesting 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. 3:55 PM today), it can be seen that while Copper is experiencing a mild correction, its price is still holding to the upper end of its trading range. 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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FROM THE DESK



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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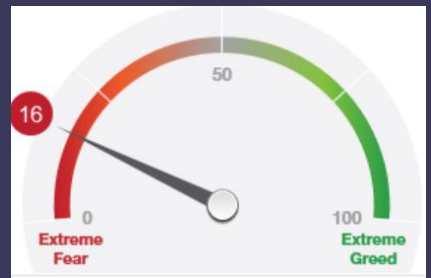
Douglas Macdonald Liz McCarthy Martha Macdonald

MODEL ASSET

ALLOCATION

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

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. 16 this index is indicating Extreme Fear. If history is a guide, it is wise to review your investment holdings and prepare to allocate new / more 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.



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