

December 2022

McMillan Goode Beer Winter Newsletter



QUICK TAKES

- Already December? Time to start thinking about year end financial planning
- A trusted contact person can help protect you and your assets at NBF
- Markets rally in November after inflation report is better than expected
- Review accounts for year-end tax loss selling and asset allocation changes
- RESP contribution deadline for 2022 is December 31st

TFSA WITHDRAWALS

One easy way to optimize your TFSA is to think ahead about any withdrawals you might need to make over the next year. Because TFSA withdrawals do not add back to your contribution room until the next calendar year, making a withdrawal in January 2023, for example, is inefficient. You will have to wait until the beginning of 2024 before you can replace those funds. Instead, if you were to make the withdrawal before the end of 2022, your contribution room would be updated in the beginning of 2023.

TRUSTED CONTACT PERSON

National Bank Financial now provides the opportunity to elect a trusted contact person we can speak to if we find ourselves unable to reach you directly. A trusted contact person has no authority to make financial decisions, so they would not be a replacement for your Power of Attorney. Should we suspect financial abuse, or if we have concerns regarding your ability to make financial decisions, we can speak to your trusted contact person about options and recommendations.

The setup process is quick and straightforward, so if you have not yet designated a trusted contact person, we encourage you to do so at this time. If you already have an established trusted contact person, it may be a good time to review the information on file to make sure it is accurate.

WHAT'S TRENDING IN THE MARKET?

The market is still very much focused on inflation and interest rates. We expect central banks to begin slowing the pace of their rate increases, ultimately leading to a pause so that the effects of their previous hikes can be observed, and policy adjusted accordingly. The primary objective is still to get inflation under control while keeping the economy strong enough to avoid a serious recession.

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McMillan Goode Beer
WEALTH ADVISORY GROUP



Awards of Excellence 2022
McMillan Goode Beer
Award Winner for Wealth Management

British Columbia

YEAR-END SCHEDULE

December 26-27	OFFICE CLOSED
December 26	US and CAN Markets CLOSED
December 27	Canadian Markets CLOSED
January 2nd	OFFICE CLOSED
January 2nd	US & CAN Markets CLOSED

AWARDS OF EXCELLENCE

We are proud to announce that the **McMillan Goode Beer Wealth Advisory Group** has won the BC Wealth Management Award of Excellence for 2022! We strive to serve our clients to the best of our ability with advice, planning, and support for all your financial needs. Thank you for being a valued member of the MGB family.



DIGITAL ASSETS AND ACCOUNTS

Have you ever wondered what happens to your digital accounts on death or incapacity? What happens to our digital accounts depends on the terms and conditions of each service provider. However, these terms and conditions are ever evolving, and most people do not read them. A simple method to enable your legal representatives such as your substitute decision makers and executors to do their job, upon your incapacity or death, is to keep a record of your usernames and passwords for your digital accounts in a secure space known to and accessible by your legal representatives.

Some digital service providers such as Apple, Google, and Facebook, have created their own legacy programs. With some service providers, we may be able to create a right of survivorship. With others, we may be able to record a legal representative who is authorized to act upon your death or incapacity. The service provider will likely require proof of death together with passwords.



MARKET UPDATE

The market has improved since it found a bottom in October, but there is still a lot of uncertainty ahead. The fall rally was thanks to a favorable inflation report and hints from the Federal Reserve that the pace of interest rate hikes could slow as soon as December.

We saw the Federal Reserve hike interest rates by another 75 basis points in November. The American CPI report for October (released in November) showed that inflation is slowing, but prices were still 7.7% higher compared to the same time last year. In Canada, prices were 6.9% higher in October compared to one year ago. On the other hand, the labor market remains strong and third quarter GDP showed growth. Keep an eye out for upcoming inflation reports on Dec 13 (US) & Dec 21 (CAN) and the Fed rate decision on Dec 14.

5 YEAR-END FINANCIAL PLANNING TIPS

1. Review investments for year end tax loss selling. Nobody likes unexpected tax bills, so make sure large capital gains are paired with losses.
2. If the volatility this year has made you nervous, it may be a good idea to talk to your advisor about allocation and investment objectives.
3. Try to review your home, auto, and life insurance policies to determine if you have enough coverage or if deductibles need to be adjusted.
4. It is important to choose your beneficiaries carefully. If you cannot remember who your beneficiaries are, or you have not yet designated any, then it is probably time to review and update that information.
5. It is always smart to look back at last year's expenditures and think about what you might need to spend next year. Drafting a budget might help.

CLOSING REMARKS

In almost all cases, it is wise to stay invested in tough times. We cannot forget that the market is forward looking. It will recover before the real economy does; unfortunately, nobody can say when for certain. We thank you for your continued patience during this stressful time. In person reviews, if possible, are a great thing to do. Click below to book online.

[SCHEDULE A MEETING](#)

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I have prepared this report to the best of my judgment and professional experience to give you my thoughts on various financial aspects and considerations. The opinions expressed represent solely my informed opinions and may not reflect the views of NBF.

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