

Statera Wealth Newsletter



Spring 2024



In this edition

Growth Will Persist.....	1
Tax Season is Here Again: Here Are Some Reminders.	2
Beware of the TFSA 'Danger Zone'.	2
The Impact of Taxes on Investments Can Be Significant Over Time.	3
Are You Associated With a "Bare Trust" Arrangement?	3
You Asked: Is the FHSA or HBP Better for (Grand)Kids?	4
Canada & U.S. Economic Divergence: The Case for Diversification.....	5
Growing Scams: Protect Yourself & Others From Phishing.....	6

Kimberly Brown B.Comm, CFP®, CIM®
Senior Wealth Advisor
& Portfolio Manager
250-953-8458
kimberly.brown@nbc.ca

Sylvia Zyenbrandt
Senior Wealth Associate
250-657-2214
sylvia.zyenbrandt@nbc.ca

Abhishek Modi
Wealth Associate
250-953-8406
abhishek.modi@nbc.ca

Growth Will Persist

A little over six years ago, renowned investor Warren Buffett made a bold prediction: The Dow Jones Industrial Average (Dow) would reach the milestone of one million within 100 years.¹ At first glance, his assertion appeared somewhat incredulous since the Dow was hovering around the 22,000 mark. Today, it stands close to the 39,000 level.

Yet, looking deeper into the numbers, the same could be suggested for the S&P/TSX Composite Index (S&P/TSX). At the time, the Dow needed to compound at less than 4 percent annually to achieve Buffett's target. Canada's S&P/TSX would need an annualized return of just 4 percent to reach the 1,000,000 mark by 2124.

However, Buffett's point wasn't to suggest whether some arbitrary benchmark could be achieved. Rather, his prediction was meant to reinforce confidence in future growth and the fact that we can all benefit if we choose to participate. History has shown that equities outperform most asset classes over the longer term; not so surprising since the overall growth in corporate profits has been an upward trajectory over time.

Today, we are living through a pivotal time due to the availability of big data, high-powered computing and advances in artificial intelligence (AI). While the U.S. equity markets have seen substantial gains due to the handsomely-rewarded technology stocks, the productivity and growth potential are expected to be far reaching, well beyond the tech sector.

Canada's stock market has trailed due to its more cyclical nature, but is poised to benefit from interest rate stability and declining long-term rates. Corporate earnings may be driven by higher margins through efficiency gains and lower input costs, particularly as inflation moderates. The comparative strength of the U.S. economy, our largest trading partner, may provide near-term support. And, the potential for interest rate cuts is expected to provide tailwinds to equity markets.

While Canada's economic output continues to be sluggish, consider that our economy has been relatively resilient given the challenges of the past few years. Wealth, wages and employment are all higher than they were before the pandemic began. And, seasoned investors accept that over time economies and markets will ebb and flow. Periods of retrenchment are natural parts of the business cycle and are sometimes necessary to allow economies to cleanse excesses and reset, or even spark innovation and growth. This is one reason that supports diversification in portfolio management. It is also why we continue to invest with a longer-term view.

Indeed, the longer-term outlook for economic growth continues to be positive, with technology set to drive productivity and continued innovation, alongside efforts by governments to control inflation and focus on infrastructure and sustainability initiatives – just some of the factors that should help us prosper in North America. Growth will persist – and we can all benefit if we choose to participate. We are here to provide wealth management ideas, strategies and support as we progress towards the 1,000,000 milestone.

1 <https://www.wsj.com/articles/warren-buffett-says-the-dow-is-going-over-million-1505923803>

Tax Season is Here Again: Here Are Some Reminders

As we deal with tax returns, this may be a reminder that we should be doing all we can to minimize taxes. Here are some actions to consider:

Be Aware of the Deductions and Credits Available – Tax laws change annually, so consulting an expert can ensure you're maximizing available credits and deductions. This can also provide continuity in the event something were to happen to you or a spouse. Encourage younger folks to file a tax return, even if their income falls below the basic personal exemption to generate Registered Retirement Savings Plan (RRSP) contribution room.

Maximize Tax-Advantaged Accounts – Are you fully utilizing tax-advantaged accounts like the RRSP and Tax-Free Savings Account (TFSA)? At last count, only 30 percent of taxpayers earning \$250,000+ had fully contributed to the TFSA, with an average unused amount over \$23,000.¹ First-time home buyers have a new tax-advantaged "gift" from the government: The First-Home Savings Account.

Optimize Asset Location – The location in which you hold certain types of assets can make a difference. Different types of income (interest, dividends, capital gains) may be taxed differently depending on the type of account from which income is generated. For example, if you hold foreign investments that pay dividends in a non-registered account, you may receive a foreign tax credit for the amount of foreign taxes withheld. If the same asset is held in a TFSA, no foreign tax credit is available. By having a comprehensive view of your assets, there may be opportunities to optimize asset location across different accounts.

Plan with a Spouse – If you're part of a spousal unit with a higher and lower-income earner, there may be income-splitting opportunities. If you expect a spouse to have significantly less income than you in retirement, there may be an opportunity

to contribute to a spousal RRSP for the low-income spouse. Retirees may be able to split eligible pension income on their tax returns or elect to split Canada Pension Plan benefits.

"Reduce" Your Refund – Instead of celebrating regular tax refunds, consider adjusting your tax deductions to avoid overpaying taxes throughout the year. Consider reviewing form TD1 with your employer to reduce the tax deducted from your pay. You may also file CRA Form T1213 if you know you'll have significant deductions in a given year.

Consider Opening a Small RRIF if Over 64 – The pension income tax credit generally becomes available at age 65, allowing for a tax credit on up to \$2,000 of eligible pension income. If you don't have eligible income, consider setting up a small RRIF for the year you turn 65 (sooner, if widowed) to create pension income. You don't have to convert your RRSP to the RRIF until the year you turn 71, but this way you can still claim the pension tax credit.

These suggestions are just a starting point. As always, seek the advice of a professional tax advisor as it relates to your personal situation.

Be Aware: Interest on Overdue Tax

For Q2 2024, the interest charge on overdue tax is at its highest rate in over 20 years: 10 percent. The prescribed interest rate changes quarterly. Be sure to file your taxes on time and pay any taxes due in order to avoid this significant charge.

You Asked: How Long Do I Keep Tax Records?

You are required by law to keep tax records for at least six years from the end of the tax year to which they apply (or from their filing date).

¹ The latest figures are 2022 statistics for the 2020 contribution year. <https://www.canada.ca/content/dam/cra-arc/prog-policy/stats/tfsa-celi/2020/table3c-en.pdf>

Beware of the TFSA 'Danger Zone'

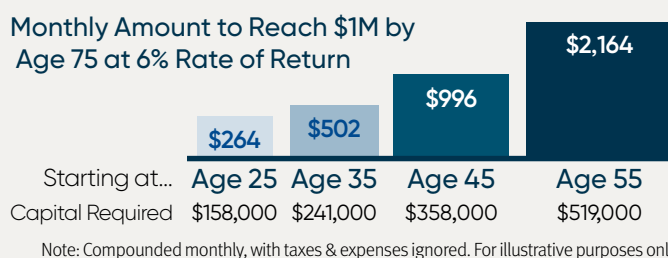
The first four months of the year have been referred to as a 'danger zone' for those relying on TFSA contribution room data posted on their CRA account. If you've based your TFSA contributions on "My Account" information, be aware that it may not be accurate. According to the CRA, contributions or withdrawals made in the previous year may not be reflected in the current year's contribution room until "after the end of February," as issuers have until the final day of February to submit TFSA transactions to the CRA. However, the lag in updating data could extend to March or even late April.

This is important to prevent penalty charges on excess TFSA contributions, which are assessed at one percent per month on any excess amounts. Over the past few years, the penalties have been significantly increasing. In 2022, the total paid in overcontribution penalties was \$132.6 million, over triple the amount paid in 2019.²

What is driving this increase? There may be various reasons. The lag in CRA reporting times can often create confusion. Some hold multiple TFSA accounts, increasing the likelihood of recordkeeping errors – recent statistics suggest that 245,000 TFSA holders have between five and nine TFSA accounts!² As well, there may simply be a misunderstanding of the rules. For instance, when TFSA funds are withdrawn, remember that

Don't Procrastinate, Participate! The Benefits of Starting Early

Here is one perspective on the benefits of investing at an earlier age. It shows the monthly investment needed to accumulate \$1M by age 75, based on an annual return of 6 percent.



they only become available for contribution at the beginning of the following calendar year.

Ultimately, it is the taxpayer's responsibility to maintain accurate records. If you rely on CRA contribution room information, a general guideline is to wait until late April when all records should be updated.

² <https://www.theglobeandmail.com/investing/personal-finance/article-people-keep-making-this-costly-tfsa-mistake-and-paying-penalties/>

The Impact of Taxes on Investments Can Be Significant Over Time

This is the season when many of us are busy preparing income tax returns, perhaps a good time to reflect on the taxes we pay in investing. Just as investments benefit from compounded growth over time, the tax on income and gains can accumulate to become significant.

First, recall the different ways that investment income is taxed in non-registered accounts. Interest income is fully taxable at an investor's marginal rate. Capital gains are taxed at half of this rate since only half of a capital gain is taxable. Eligible dividend income from Canadian corporations generally attracts tax at a rate in between the two.

So how do different taxes impact returns over time? The table below illustrates four scenarios (A to D), each involving an investment of \$50,000 at Year 0 and an annual rate of return of 6 percent compounded over 25 years. In A and B, tax is paid each year at different rates based on the type of income earned:

How Different Taxes Can Affect After-Tax Values (Illustrative)

Year	A: Interest Taxed Annually	B: Eligible Dividends Taxed Annually	C: Capital Gains Tax Deferred	D: TFSA No Taxation
Tax Rate	50.25%	35.02%	25.13%	—
0	\$50,000	\$50,000	\$50,000	\$50,000
1	51,492	51,949	53,000	53,000
5	57,921	60,537	66,911	66,911
10	67,098	73,295	89,542	89,542
15	77,728	88,741	119,828	119,828
20	90,042	107,442	160,357	160,357
25	104,307	130,084	214,594	214,594
After-Tax Value	104,307	130,084	173,239	214,594
Amount Paid in Tax	54,855	43,163	41,355	—
Difference (% of D)	49%	61%	81%	100%

Based on 6% annual growth. Tax rates are based on the average of 2023 combined federal, provincial and territorial personal marginal tax bracket at \$250,000 of ordinary income, eligible dividends or capital gains: 50.25%, 35.02% and 25.13%, respectively.

interest and dividends. In C, taxes are deferred so there is no annual tax, but tax is paid at year 25 when capital gains are realized. In D, there is no tax; funds grow in a TFSA. After 25 years, the difference in after-tax value is significant. As such, it is prudent to consider making investments more tax efficient where possible.

This includes ensuring that you maximize tax-advantaged accounts like TFSAs, RRSPs and others. Consider also the opportunity to consolidate accounts, to help optimize asset location across all of your accounts.

Certain types of investments may have tax-advantaged attributes. For instance, mutual funds, REITs, limited partnerships and others may provide return of capital (ROC) distributions that are not a taxable receipt. High-quality bonds trading at a discount provide income and a more favourably-taxed capital gains component.

Other tools may help to defer tax, such as an individual pension plan (IPP) to allow business owners/executives tax-deferred growth to build retirement income. Small business owners may consider using an estate freeze when succession planning to lock in the tax liability at death based on today's business value.

These are just a handful of ideas that may help to improve tax efficiency. For a comprehensive discussion, please call the office.

Reminder: Tax Treatment of GICs

With increased interest in Guaranteed Investment Certificates (GICs), remember that the associated tax liability must be reported on an annual basis for non-registered accounts. Many GICs are locked-in, meaning you can't cash them in until their maturity date. Yet, even if a GIC matures in a future tax year and interest has not yet been paid, the amount that has accrued in the tax year must be reported on a tax return. A T5 slip will be issued for amounts of \$50 or more.

Are You Associated With a "Bare Trust" Arrangement?

Are you holding assets in an arrangement where there is a separate legal and beneficial owner, where the beneficial owner oversees the assets? You may be holding a "bare trust" arrangement and subject to new reporting rules.

What is a bare trust? According to the CRA, a bare trust "exists where a person, the trustee, is merely vested with the legal title to property and has no other duty to perform or responsibilities to carry out as trustee, in relation to the property vested in the trust."¹

Here are two examples where a bare trust arrangement may exist:

- › You have been added to the property title of an elderly parent to assist with estate planning, but the parent retains beneficial ownership/control.
- › As a parent, you have added your name to the title of an adult child's home to help the child qualify for financing.

New filing requirements. Bare trusts are now subject to reporting requirements that changed for trusts with taxation years ending after December 30, 2023. For most trusts, even if there is no income or activity to report, a T3 Trust Income Tax and Information Return must be filed within 90 days of the trust's tax year end. The good news is that since reporting rules were expanded to include bare trusts, the CRA will provide penalty relief if a T3 return hasn't been filed by the deadline. This relief applies only to bare trusts for the 2023 tax year.

Seek assistance. Since the intent of the arrangement can impact whether or not it is considered a bare trust, if you believe you may be associated with a bare trust arrangement, it's best to discuss your situation with a tax or legal expert to understand if you are subject to filing obligations. For more information: <https://www.canada.ca/en/revenue-agency/services/tax/trust-administrators/t3-return/new-trust-reporting-requirements-t3-filed-tax-years-ending-december-2023.html>

¹ <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/p-015/treatment-bare-trusts-under-excite-tax-act.html>.
Note: This is not intended to be a comprehensive or legal discussion. Please seek the advice of tax and legal experts.

You Asked: Is the FHSA or HBP Better for (Grand)Kids?

As we enter the home-buying season, some clients have asked which plan is better for (grand)kids to purchase a first home: the First-Home Savings Account (FHSA) or Home Buyers' Plan (HBP).

First, a Brief Overview of Each

The FHSA is a registered account that combines the best of the Registered Retirement Savings Plan (RRSP) and Tax-Free Savings Account (TFSA): Contributions are tax deductible (similar to the RRSP) and withdrawals are tax free (similar to the TFSA) if used to purchase a first home. Annual contributions of \$8,000, to a lifetime limit of \$40,000, can grow tax sheltered. The account can stay open for 15 years.

The HBP allows first-time buyers to tap their existing RRSP, subject to conditions, for a tax-free withdrawal of up to \$35,000. The amount must be repaid within 15 years; otherwise, it will be considered taxable income.

Simply put, the FHSA allows holders to save and grow funds to purchase a first home, whereas the HBP acts as an interest-free loan from the RRSP. The good news? They can both be used for the purchase of a new home.

Considerations: Growth, Funding, Withdrawals & Unused Amounts

While both can be valuable tools, in brief, here are some considerations:

Growth potential – For both the FHSA and RRSP, starting earlier allows greater time for funds to grow on a tax-deferred basis. Given the FHSA's 15-year limit, if an investor starts early and opens the account at age 18, by maximizing contributions from the outset, at a five percent annual rate of return the account could grow to over \$75,000 by age 33. This is the average age of a first-time home buyer.¹

Funding accounts – Both the RRSP and FHSA allow for tax-deductible contributions. While tax-free transfers from the RRSP are allowed to fund the FHSA, keep in mind this eliminates the important tax benefit of the FHSA: a transfer from the RRSP will not generate a tax deduction and won't reinstate RRSP contribution room.

Withdrawals – Funds can be withdrawn tax free from the FHSA for the purchase of a new home. HBP withdrawals are tax free as long as they are repaid within 15 years; otherwise, they will be considered taxable income.

Unused amounts – If you decide not to purchase a first home, unused FHSA amounts can be transferred to the RRSP. This will not affect existing RRSP contribution room, effectively increasing overall contribution room.

Which to Prioritize: FHSA or RRSP?

If funds are limited, which account should be funded first? The choice may be impacted by various factors, such as timing and ability to repay the HBP. However, in many cases, prioritizing the FHSA may be beneficial. There are very few "gifts" that the government gives us and the potential for tax-deductible contributions and tax-free withdrawals should not be overlooked. You may also be able to access a greater amount for a down payment with the FHSA; in our example, the FHSA grows to \$75,000, whereas the HBP has a \$35,000 limit. There is also flexibility: If FHSA funds are unused, they can be transferred to the RRSP, increasing total RRSP contribution room and future potential tax-deferred growth. While the FHSA may provide additional flexibility for some as there is no repayment requirement, unlike the HBP, consider that the HBP repayment preserves valuable RRSP contribution room and allows for future tax-deferred growth for retirement.

The Bottom Line: Both the FHSA and RRSP's HBP are great tools to support a first-home buyer. If possible, maximize contributions to both accounts. The ability to grow funds on a tax-advantaged basis should not be overlooked!

¹ <https://cdn.nar.realtor/sites/default/files/documents/2021-highlights-from-the-profile-of-home-buyers-and-sellers-11-11-2021.pdf>





Canada & U.S. Economic Divergence: The Case for Diversification

While the economies of Canada and the U.S. share many similarities, why has the U.S. recently posted solid economic growth while Canada has been relatively sluggish? This divergence may be attributed to a variety of factors. Higher interest rates have affected Canadians more than Americans, largely because we hold higher debt loads and our debt renews more quickly. The average Canadian mortgage has a 5-year term, whereas the average U.S. mortgage has a 30-year term. Many Americans secured fixed rates during their lows, so there has been less exposure to rising debt payments. This has helped sustain U.S. consumer spending. Consider that 68 percent of U.S. GDP is attributed to consumer spending!¹ As long as labour markets remain robust, consumer spending is expected to continue. As well, U.S. government initiatives, such as the Inflation Reduction Act (focused on clean energy), the CHIPS and Science Act (backing the semiconductor industry) and the Bipartisan Infrastructure Deal have earmarked trillions in spending, which has helped to support economic growth.²

As we consider these economic differences, it is worthwhile remembering that there are also distinctions from an investing context. Canada, with its considerably smaller population and total output, represents only a fraction of the global equity market, or about 3 percent by market capitalization, in contrast to the U.S. at 43 percent (pie chart). The Canadian equity market is

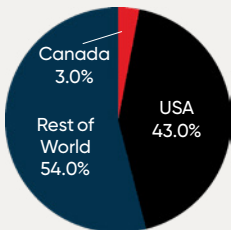
Annual Returns of Sub-Asset Classes, 2014 to 2023

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
U.S. Equities 23.93%	U.S. Equities 21.59%	Canadian Equities 21.08%	EM Equities 28.26%	U.S. Equities 4.23%	U.S. Equities 24.84%	U.S. Equities 16.32%	U.S. Equities 27.61%	Canadian Equities -5.84%	U.S. Equities 22.90%
Canadian Equities 10.55%	Int'l Equities 18.95%	U.S. Equities 8.09%	Int'l Equities 16.82%	Canadian Bonds 1.53%	Canadian Equities 22.88%	EM Equities 16.23%	Canadian Equities 25.09%	Int'l Equities -8.23%	Int'l Equities 15.07%
Canadian Bonds 8.31%	Canadian Bonds 3.41%	EM Equities 7.34%	U.S. Equities 13.83%	U.S. Bonds -0.03%	Int'l Equities 15.85%	Global Bonds 9.20%	Int'l Equities 10.32%	Canadian Bonds -10.55%	Canadian Equities 11.75%
EM Equities 6.63%	EM Equities 2.04%	U.S. Bonds 2.30%	Canadian Equities 9.10%	Global Bonds -1.20%	EM Equities 12.43%	Canadian Bonds 8.06%	U.S. Bonds -1.40%	U.S. Bonds -12.03%	EM Equities 6.88%
U.S. Bonds 5.13%	U.S. Bonds 0.58%	U.S. Bonds 2.09%	Global Bonds 7.39%	Int'l Equities -6.03%	U.S. Bonds 8.26%	U.S. Bonds 7.38%	Canadian Bonds -2.48%	U.S. Equities -12.16%	Canadian Bonds 6.27%
Int'l Equities 3.67%	Global Bonds -3.15%	Canadian Bonds 1.47%	U.S. Bonds 3.38%	EM Equities -6.87%	Global Bonds 6.87%	Int'l Equities 5.92%	EM Equities -3.37%	EM Equities -14.28%	U.S. Bonds 5.77%
Global Bonds 0.59%	Canadian Equities -8.32%	Int'l Equities -2.49%	Canadian Bonds 2.30%	Canadian Equities -8.89%	Canadian Bonds 6.28%	Canadian Equities 5.60%	Global Bonds -4.71%	Global Bonds -16.25%	Global Bonds 5.72%

Past performance isn't indicative of future performance. Emerging Markets Equities: MSCI EM (CAD); Canadian Equities: S&P/TSX Composite TR; US Equities: S&P 500 TR (CAD); International Equities: MSCI EAFE (CAD); Canadian Bonds: S&P Canada Aggregate Bond Index; Global Bonds: Bloomberg Global Aggregate Bond Unhedged; US Bonds: S&P US Aggregate Bond.

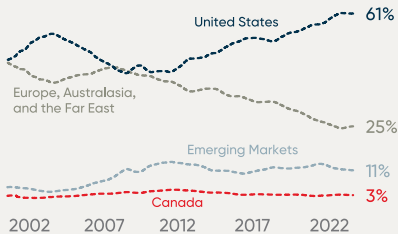
overweight in financials and energy sectors, but underweight in technology, health care, consumer discretionary and consumer staples relative to the U.S. and broader global market. One interesting perspective comes from the MSCI All-Country World Index (ACWI). Over the past decade, U.S. equities have expanded from around 45 to over 60 percent of global market share within the index (graph).

% of Global Equity Market Capitalization, Q2 2023



% Share of World Equities, 2002-23

MSCI ACWI region weights, 1-year moving average



Sources: <https://www.visualcapitalist.com/the-109-trillion-global-stock-market-in-one-chart/>
<https://www.nbinvestments.ca/content/dam/bni/publication/myths-realities.pdf>

These distinctions should highlight the importance of diversification. Different asset classes, sectors, industries and geographies can exhibit varied performance at different times. As the chart above shows, no single sub-asset class has consistently performed at the top over time. Diversification serves to shield against the downturns that can affect sectors at different times, while giving access to the top performers.

However, consider also that time can change most things. As we contemplate Canada's economic path forward, let's not forget that just three years before the pandemic, some suggested: "The American Dream Has Moved to Canada."³ This should serve as a reminder that economic direction and perspectives can quickly evolve, emphasizing the enduring value of diversification over time.

1 <https://www.usbank.com/investing/financial-perspectives/market-news/consumer-spending.html>
 2 <https://www.cbc.ca/news/business/armstrong-economy-us-canada-stimulus-interest-rate-1.7016698>
 3 <https://macleans.ca/news/canada/the-american-dream-moved-to-canada/>

Growing Scams: Protect Yourself & Others From Phishing

As advisors, we continue to be dismayed by the increasing amount of financial fraud. Almost all of us have received email scams; increasingly, many clients are being targeted via mobile phones or social media.

According to the Canadian Centre for Cyber Security, "phishing" remains the number one technique used to steal data or infiltrate an individual's network. This is where scammers call, text/SMS, email or connect via social media to trick victims into sharing sensitive information, providing funds or clicking a malicious link that contains malware that, once downloaded, can access a device's information.

As such, we would like to remind you of some basic phishing situations. While these may be familiar, please pass along this article to those who may need support or use it as a basis for discussions with those more vulnerable, such as those less technologically savvy or those who may be isolated.

Phishing is often done through mass messaging that appears legitimate or from a trusted source. Here are some of the more common types of email scams, as well as actions to consider:

- › **Payments and Memberships** – These fool you into believing you have paid for a product or membership, often of substantial value, prompting you to respond. **Instead, consider checking your credit card statements to see if a charge has been made.**
- › **Expired Subscription** – A sense of urgency is created to renew an expired subscription, often using malicious links that collect your financial data. **Always access subscription information through the actual account using the company's trusted website.**
- › **Shipment Confirmation** – These suggest you have a pending delivery, often requesting payment or guiding you to open a compromised link/attachment that contains malware. **If you make an online purchase, always track shipping through the confirmation provided by the vendor.**
- › **Sweepstakes Win** – These promise a prize, but often request you to send money or click a link to provide your information. **Ask the question: did I enter the sweepstakes? If not, it's likely**

a scam.

Phishing emails often use the actual logos of organizations to create legitimacy. However, a closer look may indicate that the source is fake:

- › **Doesn't address the individual directly** (i.e., "Dear customer")
- › **Contains spelling/grammar errors**
- › **Sender's email address is generic** – always view the underlying email address/domain name to check legitimacy
- › **Sender requests personal/confidential information** or asks you to log in/click on a provided link – reputable companies never do so via email
- › **Sender makes an urgent request**, often with a deadline
- › **The offer sounds too good to be true**

For examples, please see: <https://www.getcybersafe.gc.ca/en/resources/real-examples-fake-emails>

If you are not certain if a message is legitimate, the best response is to not respond at all. Never share information with people you don't know. Never click on links or download/open attachments on emails. And, never reply – even if you know the message is fake. Often, scams are generic mass messages; by responding, you're confirming your number/email is active/valid and you're likely to encounter more scams. In any situation where you may be uncertain, consider the approach of "take five, tell two" – take five minutes to pause; then tell two people, like a friend or neighbour, who can provide perspectives. If you have been a victim, report it at: <https://www.antifraudcentre-centreantifraude.ca/report-signalez-eng.htm> or <https://www.getcybersafe.gc.ca/en/blogs/reporting-spam-text-messages-7726>

Finally, remember that National Bank Financial – Wealth Management will never contact you via unsolicited email, text or phone call asking for sensitive information or account details. If you ever have concerns, contact the office.

Kimberly Brown B.Comm, CFP®, CIM®
Senior Wealth Advisor
& Portfolio Manager
250-953-8458
kimberly.brown@nbc.ca

Sylvia Yzenbrandt
Senior Wealth Associate
250-657-2214
sylvia.yzenbrandt@nbc.ca

Abhishek Modi
Wealth Associate
250-953-8406
abhishek.modi@nbc.ca

National Bank Financial
700-737 Yates Street
Victoria BC V8W 1L6
Phone: 250-953-8400
Toll Free: 1-800-799-1175



The securities or sectors mentioned in this letter are not suitable for all types of investors and should not be considered as recommendations. Please consult your investment advisor to verify whether this security or sector is suitable for you and to obtain complete information, including the main risk factors. The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). This newsletter has been prepared under contract for the Investment Advisor noted by J. Hirasawa & Associates, and is published for general information only. Content copyright by the publishers and may not be reproduced without written permission. Statistics, factual data and other information are from sources that we believe to be reliable but we cannot guarantee their accuracy. It is furnished on the basis and understanding that the author and its affiliates are to be under no liability whatsoever in respect thereof.