

Market Update December 18th 2015: *READER CONTEST* Interest Rates, Canada's Richest People, Recession, OPEC, US Employment, The Big Short Movie, the 1%

Hello Clients and Friends,

This may be my last newsletter for the year, it will be a little longer than normal but I feel the content is better than ever before. ☺ Please take a moment at the bottom of the email to reply back for our reader survey as we look to improve upon our newsletter for next year.

To all my clients, I thank you for your business and trust.

Thank you to those who came out to our Economic Update and Investment Ideas session we held last month. I have made a short video recap with slides for you to download and view on the Client Section of my website, non-clients can also view it. Because of the material discussed it can't be publically published and you will need a password to access this part of the website, please send [Leighan](#) or me a quick email and we can provide it to you. The video should up in the next few days.

www.CameronWilson.ca

The big news this week was the Federal Reserve in the United States has increased their overnight rate from 0-0.25% to the 0.25-0.50% range. We have been expecting a rate hike for some time and now that liftoff has now occurred we may see more rate hikes in the New Year. In Canada on the other hand, the Bank of Canada, has recently put in place a policy for negative interest rates. This is something we haven't seen before. Let's hope the policy put in place doesn't have to be used. ***Fingers Crossed***

You may be wondering what is happening with TFSA limits? The 2016 contribution limit has been reduced and is \$5,500. The 2015 contribution limit is still \$10,000. This means the total contribution to the end of 2016 will be \$46,500. Give us a call or email if you have any questions. If you are unsure what your limit is, you can contact Service Canada 800-267-6999 or go to their website at <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/tfsa-celi/cntrbtn-eng.html>

The list of Canada's richest people has been revealed recently. Chances are you are using some of their products or services on a daily basis. Check out the list here: <http://www.canadianbusiness.com/lists-and-rankings/richest-people/top-25-richest-canadians-2016/image/1/>

Canada is officially out of a recession...for now.

http://www.advisor.ca/news/economic/canada-out-of-recession-gdp-grows-2-3-196153?utm_source=EmailMarketing&utm_medium=email&utm_campaign=Midday_Newsletter

OPEC has come out and said they will continue to pump oil; this could have further impacts on the Canadian oil patch. As one client said to me yesterday, North America, OPEC, Russia and Mexico are all in a staring competition, to see who blinks first... It could be a while. Cash strapped countries in OPEC such as Venezuela, Ecuador and Algeria want Saudi Arabia to cut production and bolster prices; however they have been resistant, unless Russia and Mexico the two major non-OPEC countries also agree to cut production. The Russian energy minister made a comment that he doesn't feel that cutting production will increase prices.

US non-farm payrolls were released earlier this month with good numbers again. When people have jobs, they spend money and buy homes, as we are starting to see happen in the US. The US unemployment rate has been lowered to 5%. While here in Canada we lost 35,000 jobs and unemployment has jumped to 7%.

In November I had the opportunity to see the Media Preview for a new Michael Lewis (my favorite author) movie called "The Big Short". It explains how the 2008 financial crisis happened and how a select few made some pretty huge profits. Some of his other books that were made into movie were: "Moneyball" and "The Blind Side". He has a way of explaining the acronym laden financial industry, with CDO's, CDS, Synthetic CDOs, in a way I think many will understand

and have a new view of what can happen on wall street, and that it wasn't necessarily the "Big Banks" that caused the crisis. I highly suggest you take the opportunity to see the movie over the holiday season as it comes out in theaters on December 23rd. Here is the trailer: <https://www.youtube.com/watch?v=vqqG3ITMv1Q>

Coming into this Christmas and Holiday season I like to reflect on what luxuries we all have in our lives that we may take for granted. Many of us have heard of what the top 1% are, be it through rallies, Occupy Wall Street marches etc. **Did you know that if your income is over \$32,400 per year, you are in the top 1% of the world!!!** Remember that you are likely in the top 1% of the world.

Reader Contest

I am going to hold a contest for my readers, to receive some constructive feedback on my emails. What would you like to see more of, less of, certain topics, and other suggestions or changes I can make to help improve my practice and readership? Those who respond will be entered into a draw to win, a couple prizes. Everyone is eligible.

Prizes:

1st: A night out at High Street: \$100 Gift card to Cineplex VIP theaters

2nd: Dinner at Famoso and 2 tickets to a VIP Movie

3rd: 2 Tickets to a VIP movie

To enter the contest please just reply to this email, with answers to the questions below:

- How often do you read our newsletters?
- What device do you use to read our newsletters? (Smartphone, Tablet, computer)
- On a scale of 1-10(1-poor, 10-excellent), how would you rate your satisfaction with our newsletters?
- Do you prefer the text format of the emails or would you prefer a more graphical format?
- Have you forwarded our newsletter to friends or family?
- What would entice you to forward our emails?
- Do you want to see market statistics and data in our emails?
- What can we do to make our newsletters better?

Have an excellent weekend, Merry Christmas and Happy Holidays, and prosperous 2016!

Cameron

Cameron Wilson, FCSI, CIM, CPCA, PFP, CIWM
Investment and Wealth Advisor & Financial Planner | Wilson Wealth Management Group
RBC Wealth Management | RBC Dominion Securities
T: 604-870-7109 | M: 604-217-5621 | TF: 800-563-1128 | www.CameronWilson.ca

Please note that we cannot accept trading instructions by email for regulatory reasons. Please call us to discuss any transactions in your account.

Leighan McParland, Associate | Office: 604-870-7248 | Leighan.McParland@rbc.com

We accept new clients primarily by referral from our existing clients. We would be pleased to speak with anyone you know who would like a second opinion on their investments.