

**Market Update: November 24th 2015: Attacks in Paris and the markets. What share price means to a Company,  
Economic Update Event**

Hello Clients and Friends,

We still have some seats left in this weeks "Economic Update". There is a session at 8am and also 3:30pm. Please RSVP to Leighan @ 604-870-7248 or [Leighan.McParland@rbc.com](mailto:Leighan.McParland@rbc.com)

**RBC Dominion Securities Inc.**



**Join us at this complimentary event and discover:**

- How to manage risk in your portfolio and not compromise returns
- Investment opportunities for the next three years
- Current state of Canadian, American and global economies
- How to position your portfolio for our new government

**JOIN US IN THE MORNING OR AFTERNOON:**

Thursday, November 26, 2015

8:00 a.m. - 9:00 a.m. *OR* 3:30 p.m. - 4:30 p.m.

RBC Dominion Securities | 301-2001 McCallum Rd. | Abbotsford, BC

**HOSTED BY:**

CAMERON WILSON, FCSI, CIM, CPCA, PFP, CIWM

Investment & Wealth Advisor and Financial Planner

RBC Dominion Securities

*Please RSVP to Leighan McParland at 604-870-7248  
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Oil dipped below \$41 this week, with reports recently that oil production is at an all-time high, with stockpiles at 3 billion barrels. Cash starved Russia is pumping out oil at the highest rate since the Iron Curtain fell.

This last Friday a horrible event happened in Paris, many lost their lives and even more lives were changed around the world. With the advent of social media as well as worldwide news, it comes to remind us how fast news can travel. Within minutes we knew something happened, and within hours we found out the severity. France's stock market opened on Monday barely negative, and by the end of the week it was up almost 2%.

What's more interesting is how the markets didn't really react to such an event, whereas in 2001 they halted the stock exchange in New York, mind you it did happen to the twin towers in the financial district whereas this was more in the entertainment districts of Paris. It reminds me how lucky we are to live in Canada.

A question that comes up fairly regularly, is "Why on earth would we buy a stock that is trading at \$800 a share? I would rather buy something trading at less than \$100." Share price should not be the sole way to value a company. Share price really depends on how many shares are issued in the marketplace. Say there is 2 companies that are worth exactly the same, \$1,000 each. Company A has 10 shares issued for exchange, and company B has 100 shares issued. Company A shares will trade for \$100 each and Company B will trade at \$10 each. I hope this explains why share price solely on its own does not explain good or bad value. Often I see some portfolios come in with client's having 100,000 shares at \$0.10 each, on a company that has very little profit, but they were hoping it would turn into a \$1.00 company. More than likely they would be better off buying 100 shares of a company that is trading at \$100 per share and has a meaningful business model with profits. Company A and company B have the same likelihood of going up 10% if they are good businesses, regardless of what price they are trading at.

Enjoy your weekend!

Cameron

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

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*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.*