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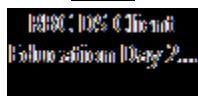
From: Wilson, Cameron B (RBC DS)
Sent: 2014, October, 31 5:31 PM
Subject: Market Update October 31, 2014: Investment Ideas, Client Education Day, Strategies, Ebola

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Hello clients and friends,

****IMPORTANT****

We are hosting a client education day, on November 14th at the Ramada here in Abbotsford. Breakfast & Lunch is included, and there are 3 breakout sessions and a key-note speaker. Please take a look at the invite attached and RSVP to myself with your breakout choices. Topics: Estate Planning, Business Planning, Diet & Exercise, Current markets update, and Cross Border Planning.



I will try to keep a bi-weekly market update, during these volatile times, and write on topics of interest. If you have a topic you would like me to cover please let me know, your identity will be protected and no personal references will be made. This week I am touching on what investments are best in which accounts, spurred on by a reply to my newsletter from last week. Thank you.

Market update:

This week we saw the S&P500 and Dow Jones indices open this morning at all-time highs and the NASDAQ at its highest since 2000. These highs are due to Japan effectively printing more money. Overall I feel the world economy is still growing albeit at a slower pace than expected, jobs are being added, house prices rising, the engine is running!

There will always be potholes in the road we will try to avoid, nothing is perfect. The high quality companies that we do own have bounced back, though energy is still depressed at least we are seeing a change at the gas pump. Many of the financials, techs, and healthcare companies have recovered. This emphasizes the importance of a well-diversified portfolio approach of 20-40 high quality companies, preferably with dividends.

You may see in the news there is always a crisis, a few weeks ago we were headed for a financial collapse, now we are at all-time highs, the world can amazingly overcome major disasters and catastrophes and grow and change for the better. Let me remind you about some news stories that were top of mind and going to cause all kinds of problems this year. Instead they are simply blips on the map.

Whatever happened to Bitcoin taking over the world?

Airline worries with Malaysian Flight 370?

The conflict in Syria, Israel and the West Bank?

Sochi Russia Olympic over spending?

The school girls that were abducted in Nigeria?

Crimea and Ukraine invasion by Russia?

Obamacare Website debacle?

Tech companies and government snooping?

The Horsemeat Scandal in China?

I have a positive fundamental outlook on the future. Just remember with the news “if it bleeds it leads” unfortunately this can drive emotions and cause irrational behavior because it seems so daunting at the time.

A few good links this week:

A great webpage I found this week, if you love a good chart like I do, you’ll love this page:

<http://www.businessinsider.com/most-important-charts-in-the-world-q4-2014-10?op=1>

The Motley Fool in the states runs a newsletter site and they recently wrote about Royal Bank shares:

<http://www.fool.ca/2014/10/27/royal-bank-of-canada-1-dividend-stock-to-buy-and-hold-forever/>

Putting your investments in the right accounts....

All too often when I meet new clients they might have a number of accounts at a number of different institutions. RESP, TFSA, RRSP, LIRA, a personal investment account, a corporate investment account, just to name a few different ones. Different accounts are best used for different purposes. Some accounts are best setup for income producing companies, who pay interest or dividends, others for long term growth investments, foreign investments in another.

If someone is requiring regular income, I generally suggest these investments are best placed in the non-registered accounts. Remember not all investments are created equal; some are taxed significantly less than others.

A proper allocation of investments in the right accounts can save you \$10, \$20, \$30 per \$100 of investment income.

RRSPs: Best for Foreign companies, and interest producing investments (GIC’s BONDS), as well as growth companies

TFSA: Best for growth companies, and Canadian companies, as well as ETFs

Cash Accounts: best for Canadian dividend paying companies

I hope you have an excellent Halloween.

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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To reduce your paperwork, call us today to switch to paperless eStatements.

We would be pleased to speak with anyone you know who would like a second opinion on their investments.