



**RBC
Dominion
Securities**

THE Stanton REPORT

Views & Opinions For The Clients & Friends
Of Investment Advisor
Richard Stanton
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A Word From Richard

Well it's certainly been a longer than usual winter in the North and I know I speak for many when I say "Enough already!"

The highlight of this season was getting the whole family up to Hudson Bay Mountain skiing for the first time. Olivia, our oldest, took the ski camp early in the new year and it really helped her. She goes like crazy now with no fear at all. We had our youngest, Jenelle, in a couple of lessons but she is just starting out so hopefully by next year she'll be able to catch up to her sister. We had a lot of fun together and we're glad it's a sport that we can do as a family.

The school district combined spring break with Easter this year so we had two weeks off and went to the Caribbean. We spent one week in Nevis, BWI and one week in Tortola, BVI. The scenery and beaches were amazing and we all had fun swimming, snorkelling and exploring. We even tried our hand at sailing. We had entertained the idea of maybe taking a sailing vacation sometime in the future; however, at the end of one day of sailing around the BVI, Laura and I both agreed maybe it's not something we could do for days in a row. We did have a great vacation though and it's always a good bonding experience to get away just as a family.

I will be attending the Berkshire Hathaway AGM again this May along with approximately 23,000 other enthusiasts. This will be my 6th consecutive trip and I am going this year with a colleague who has never been before. He was actually my boss/manager in the White Rock office of RBC Dominion Securities and the person who took a chance and hired me back in 1993. I am looking forward to the fellowship of a good friend and mentor and the always inspiring incite of Warren Buffett. I will have all the details for you in the next newsletter.

Looking back on the first quarter of 2007 here are few of the highlights:

- The **Canadian dollar** ended the month of March at \$0.867 USD.
- Canada's bond **yield curve** is flat. Yields: 1-Year 4.22%, 5-Year 4.03%, 10-Year 4.11% and 30-Year 4.16%.
- **Loblaw's** reported a fourth quarter loss of \$756MM, its first loss in almost 20 years.
- The **U.S. Federal Reserve** kept the benchmark interest rate at 5.25% for the 6th straight meeting citing strong Q1 GDP growth as well as the slowest growth in consumer prices in three years of 2.5%.
- **Microsoft** unveiled Vista, its first all-new operating system since Windows XP.
- **Coca Cola** faced competition for the first time in 51 years as McDonalds Corp. offered its consumers a choice between Coke and Pepsi in trial U.S. markets.

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ESTATE PLANNING

CHOOSING AN EXECUTOR

Estate planning may be the most difficult topic people need to raise with their families. Many avoid it altogether, believing that everything will sort itself out, and that loved ones will understand their intentions even if they aren't explained in detail. However, talking about estate planning may be one of the most important conversations a family ever has. It can prevent the surprise and confusion that, in the most extreme cases, starts family feuds and destroys relationships among siblings. Close families may be torn apart by animosity and lengthy court battles after the reading of a Will. Failing to develop comprehensive estate plans, and to communicate intentions to every heir, may have disastrous consequences.

THE RIGHT PERSON

One area of great importance is choosing an appropriate executor. Many people think that a close relative or friend is the best choice. Certainly, in simple estates a trusted brother, sister, son or daughter may be a good option. However, even in estates that are fairly straightforward, the executor's role can be complex. So the first thing you should consider when selecting an executor is whether that person has the necessary skills and temperament to handle the responsibility. Think about where a prospective executor lives – are they close, geographically, to you and your heirs? Are they willing to take on the role? Do they have experience handling and distributing assets? How old are they? Does their overall health make it likely that they will survive you? Think also about the simplicity or complexity of the estate and the family dynamics, and ask

yourself if a neutral professional trustee, such as a trust company, might better serve your beneficiaries' interests.

EXECUTOR'S CHECKLIST

This checklist is a starting point for every executor; the specifics will, of course, depend on the estate the executor is handling.

- Find the Will
- Find out if there is a prepaid funeral plan, or arrange to pay funeral expenses
- Engage a lawyer
- Identify, value and arrange for the safekeeping of all of the deceased's assets
- Identify insurance policies, arrange for payments to beneficiaries and cancel or change coverage where necessary
- Identify all debts and pay outstanding bills
- Contact all service providers and cancel or change services where necessary
- Locate creditors and make a list of claims against the estate
- Follow the Will's instructions concerning guardianship of minor children and investment of assets
- Contact each beneficiary, notify them of their bequest and consider distributing a small portion of the estate's assets to cover their immediate needs
- Deposit income and benefits due to the deceased into a bank account opened for the estate
- Report the death to Canada Revenue Agency and file the final tax return
- Distribute the assets of the estate to the beneficiaries according to the Will's instructions

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- The **Bank of Canada** lowered its economic growth forecast to 2.3% for this year, due to a drop in U.S. demand for automobiles and building materials.
- **Magna International** is bidding for Chrysler, a unit of DaimlerChrysler.
- **Sirius Satellite Radio Inc.** agreed to buy XM Satellite Radio Holdings for \$4.57B in stock, effectively combining the only two companies in the industry.

- **Toyota** ranked second in U.S. sales behind GM but ahead of Ford.

My quarterly travel/meeting schedule appears on Page 3. If you haven't booked a review and would like one, please call the office at 1.888.834.3311.

I am looking forward to meeting with you over the next quarter.

Thanks for reading,
Richard



Clients Should Beware of Unsolicited “Phoney” E-mails

There have been several recent cases of DS clients receiving e-mails from suspicious sources pretending to be real companies requesting personal or financial information. In some cases, clients are asked to open a website that is an exact replica of the RBC Online banking site. Clients believe the request is from a real company when in fact it is an attempt to collect personal information for the purpose of committing fraud.

With the ever-increasing volume of scams by e-mail, here are some tips in the event you receive a suspicious e-mail regarding your RBC or DS account:

- › Clients should be cautious of e-mail and websites that ask them to provide confidential financial information -- RBC never asks clients to provide confidential information through regular e-mail.
- › Clients should never provide confidential information such as account numbers, PIN or password to sources they are not familiar with.
- › Clients should report any suspicious e-mail as soon as possible to a dedicated RBC e-mail address specifically set up for clients: information.security@rbc.com
- › Clients may also report suspicious e-mail to RBC information security at 1-800-769-2555.
- › Clients can work with their DS Investment Advisor to forward concerns to our Computer Security Incident Response Team, monitored 24 hours a day, 7 days a week: csirt@rbc.com

Thank you for your vigilance in helping prevent this criminal activity. Our DS webmaster will continue to post regular warnings about scams on the DS Online site, and our RBCFG colleagues will do the same on the RBC Online banking site.



OUT OF TOWN SCHEDULE:

TERRACE/
PRINCE RUPERT/
NASS VALLEY
JUNE 11 & JUNE 12

HOUSTON/
BURNS LAKE
JUNE 22

BANANA SPLIT CREAM PUFFS

INGREDIENTS

- 1 cup water
- 1/2 cup butter or margarine
- 1 cup all-purpose flour
- 1/4 teaspoon salt
- 4 eggs
- 12 scoops vanilla ice cream
- 1 cup sliced fresh strawberries
- 1 large banana, thinly sliced
- 1 (8 ounce) can pineapple tidbits, drained
- 1/2 cup hot fudge sauce

DIRECTIONS

In a saucepan over medium heat, bring water and butter to a boil. Add flour and salt all at once; stir until a smooth ball forms. Remove from the heat; let stand 5 minutes. Add eggs, one at a time, beating well after each addition. Beat until mixture is smooth and shiny, about 3 minutes. Drop by rounded tablespoonfuls onto a greased baking sheet. Bake at 400 degrees F for 30 to 35 minutes or until golden brown. Transfer to a wire rack. Immediately split puffs open; remove tops and set aside. Discard soft dough from inside. Cool puffs. Fill each with a scoop of ice cream and top with fruit. Drizzle with hot fudge sauce. Replace tops and serve immediately.

Travel Tips – *Cruises*

TAKE CARE OF YOUR CABIN STEWARD

One of your best friends on the cruise will be your Cabin Steward. He or she will do an excellent job of making up your cabin twice a day and generally taking care of you. This is the person who will also handle any special requests you have, like if you need an iron or extra pillow. Make it a point to get to know your steward on the very first day and tip him (or her) an extra \$20. Yes, the daily 10% gratuity that is added to your account does cover the cabin staff, but make no mistake: these guys, who do an excellent job anyway, can add a nice extra dimension to your journey. For example, you may like to keep your ice buckets full. A happy Cabin Steward will be sure you have fresh ice in your room all day long. Cruisers have received bathrobes, bottles of wine, and cigars from grateful stewards over the years. Whatever tip you lay out will be the best money you spend on the cruise.

BEWARE OF CHEAP EXCURSIONS

Although you may find the shore excursions cheaper through local sources compared to the cruise lines excursions desks, you may end up stranded - or at the least taken advantage of. The cruise lines check out the companies they contract with, and you are much safer using one recommended by the cruise line or a company your travel agent is familiar with.

HURRICANE SEASON CRUISES

If you're planning a Caribbean cruise from June through November you should know that you will be cruising during hurricane season. Why would you choose to cruise during hurricane season? Price is one reason. Typically your best deals are during the fall months from late August to mid December.

Statistically speaking, the chance that your particular cruise is going to be affected by a hurricane is slim. However, it does happen. Cruising during these months

requires you to be flexible. Itineraries can be disrupted by even the mere threat of a storm. Usually the cruise line whose Eastern Caribbean itinerary appears to be in the path of the storm will simply switch over to the Western Caribbean schedule and vice versa. If the cruise line can't find a port, then the ship spends those days at sea. You will not get a refund for the missed ports of call, as the cruise lines reserve the right to change the itinerary. The cruise lines' strategy has always been to avoid a storm, and they have specific hurricane storm emergency response plans to help them do this.

Best thing to do if you're cruising during this time is to plan ahead. Arrive at the port of embarkation at least one day prior to departure in case difficulties arise, especially if you're cruising out of Florida. Also prepare for the possibility that you might arrive home a day or two late. The ship will wait out at sea if the hurricane is threatening Florida.

Buy insurance, whether through the cruise line or an independent provider - and make sure that the policy covers disruption in case of weather-related events. If the cruise is actually cancelled, you will get a refund. However, it's very rare for the cruise lines to cancel a cruise.



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