



**RBC
Dominion
Securities**

THE Stanton

REPORT

Views & Opinions For The Clients & Friends
Of Investment Advisor
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RBC Dominion Securities Inc.

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A Word From Richard

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If you know anyone who would like to receive a copy of this newsletter or be added to our mailing list, please contact **Shauna Peterson** at (250) 847-6680. Please contact Shauna Peterson if you would like secure internet access to your accounts. Use our toll free number 1-888-834-3311 from anywhere in North America.



Happy New Year!

I hope everyone had a nice holiday season.

Our family spent Christmas week at Disneyland and Sea World. The weather was very pleasant at around 70 to 75 degrees fahrenheit so it was a nice change from all of the snow that we have received this year. The girls enjoyed seeing all of the Disney characters that they have grown up watching on their DVD movies. My parents came along as well and enjoyed spending some quality time with their granddaughters.

At the office, Shauna continues to knock off her investment courses. The last one that she wrote and passed was in early December. She only has one more exam to write before she completes her Financial Management Advisor (FMA) designation.

Looking back on the fourth quarter of 2006, here are few of the highlights:

- › **Irving Oil** is considering building a \$7B plant in New Brunswick, the first new refinery since 1984.
- › Bill Gates and Saudi Prince Alwaleed Bin Talal made a \$3.7B bid for **Four Seasons Hotels**.
- › **Canadian employers** added 22,400 jobs in November as unemployment rose to 6.3% from 6.2% in October.
- › **Barrick Gold Corp** failed in its \$1.7B bid for **NovaGold Resources** due to an inability to tender enough shares.
- › The **Bank of Canada** leaves the target rate unchanged at 4.25%, suggesting that an adjustment isn't needed in the near future since risks to the economy remain balanced.
- › **Housing starts** in the U.S. fell 14.6% to a new six-year low, adding more evidence that the worst is not over for the U.S. residential housing market.
- › **Google Inc.** surpassed Yahoo! Inc. as the world's second most visited website, moving toward number one Microsoft.

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CONTINUED FROM PAGE 1

- › The cost to lease one of 816 Nymex seats on the New York Mercantile exchange, the world's largest energy market, plunged 75% to \$5,000 month. This is down from \$20,000 in November, as electronic trading overtakes the traditional open-outcry system.
- › Bharti, an Indian conglomerate, will work with Wal-Mart in a joint venture to set up Wal-Mart stores franchised in India to meet the booming retail sector.
- › Vietnam has gained formal approval of the World Trade Organization to become the 150th member. Russia also reached a deal to join WTO after a 13-year campaign.

My quarterly travel/meeting schedule appears on page 3. If you haven't booked an appointment to review your portfolio and would like to meet, please call the office at 1.888.834.3311.

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

"February: This is one of the particularly dangerous months to speculate in stocks. The others are July, January, September, April, November, May, March, June, December, August and October."

~Mark Twain

Thanks for reading,
Richard

Individual Pension Plans On The Rise

Savings and Tax Benefits Spur Growth of Retirement Vehicle

Want to put money aside for your retirement and some tax savings too? The answer for this, most people would say, is a Registered Retirement Savings Plan (RRSP). Not necessarily. For some business owners, the better solution might be an Individual Pension Plan (IPP).

Nothing wrong with the first option, but an IPP is a way to potentially contribute more money on a tax-sheltered basis – and sometimes substantially more – than the maximum allowed for RRSPs.

"Companies can establish an IPP, making this an ideal vehicle for the self-employed, or for incorporated professionals, including doctors and dentists," says Tony Maiorino, a Vice-President with RBC Dominion Securities.

IPPs, sanctioned by the Canada Revenue Agency, define the pension benefit in advance based on income and years of service. An actuarial formula is used to calculate annual contributions funding the pension benefit. These plans are most advantageous for people aged 40 and older, who are earning over \$100,000 a year on their T4, and who've been maxing out their RRSP contributions.

All IPP contributions made by a corporation on behalf of an individual are fully tax-deductible to the corporation. For the individual, an IPP is treated as a non-taxable benefit. Which means tax savings all around.

There are other benefits. Setup, maintenance, and management fees are also tax-deductible to the corporation. And, in some cases, companies can make additional contributions for past service, as far back as 1991.

Though IPPs aren't as known as RRSPs, they're growing in popularity. About 60% of the IPPs in the country have been created in just the last three years.

"Talk to your financial advisor to discuss all the features, and make sure that an IPP is right for you," says Maiorino. "For the right individual, IPP spells out a great retirement and tax strategy."



"We cannot write a life policy for your husband, Mrs. Blaine, because he is already dead. In insurance terms, that is considered a preëxisting condition."

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DEMYSTIFYING THREAD COUNT:

What to consider when buying sheets

WHAT IS THREAD COUNT?

Technically speaking, thread count is the number of threads, both vertical and horizontal, in a one-inch square of fabric.

“What many consumers don’t realize is that thread count is affected by a number of factors, including the ply and the thickness of the threads used,” explains Dana Poor, home trend forecaster for Cotton Incorporated.

DO ONE AND ONE EQUAL TWO... OR ONE?

Ply refers to how many threads are wrapped together into a single thread. Single-ply fabrics, for example, use threads on their own, while two-ply fabrics are formed by two pieces of thread twisted together. And herein lies the confusion: Should a two ply fabric’s threads be counted as one, single thread; or as two, individual threads? Or, more practically speaking, are those 600 thread count sheets truly 600 single-ply threads-per-inch, or are they 300 double-ply threads per inch?

DO THE NUMBERS MATTER?

The short answer is, no. The numbers don’t matter - at least not on their own. Another crucial element to the quality of a sheet is the thickness of the threads being used. “Using finer threads lets more thread to fit

into that one square-inch measure,” states Poor. “Finer thread generally creates smoother, softer fabrics, and is part of the reason why high thread count fabrics are considered more desirable.” Finer threads also create a more delicate fabric. Sheets made of a two-ply fabric are stronger and more durable, but usually heavier.

WHAT ARE SOME OTHER FACTORS?

While it has become common to select sheets based exclusively on thread count, it is important to take other considerations into account.

Poor elaborates, “The thing that I would stress is that high thread count should not be someone’s only barometer for buying a set of sheets. Thread count on its own does not convey many of the factors that comprise the end product.” For example, how the cotton is treated can be a much more decisive factor in comfort and overall feel than the thread count of a fabric, as can the final finishing of the fabric.

Another key factor is weave. Some of the more commonly-used weaves in bed sheets are:

Percal: a closely woven, plain weave, spun fabric made from both carded and combed cotton. Percale sheeting is the finest available. The high thread count gives the fabric a silk-like feel.

Flannel: a soft, medium-weight plain

or twill weave fabric, usually made of cotton with a napped finish on one or both sides. The raised surface provides fluffy appearance and a super soft, cozy feel. Great for warmth during the cold winter months.

Jersey: a plain stitch knitted cloth. The fabric is knitted in circular, flatbed or wrap knitted methods. Very elastic with good draping qualities.

Sateen: a weave construction that has more yarn surface on the face of the cloth than other basic weaves giving a softer hand and more lustrous look.

THE LOOK...THE FEEL

“At the end of the day, the best sheets you can buy are the ones that you think look good in your bedroom and that feel comfortable against your skin,” says Poor. “I can’t stress enough the value of actually touching the sheets before buying them.” These days, most of the better bedding retailers incorporate sheet samples within store displays for that very purpose.

One thing remains true, consumer studies have found that the majority of people want 100% cotton sheets. Nature has given cotton attributes that make it a smoother, softer and more comfortable choice. It’s breathable, so cotton sheets never feel sticky against your skin.

Cotton bed sheets also provide year-round comfort. The fiber provides cool comfort in the summer and hold a layer of warm air in the cold weather. Consumers can be sure they are purchasing 100% cotton sheets by looking for products that feature the Seal of Cotton trademark.



OUT OF TOWN SCHEDULE:

TERRACE/
PRINCE RUPERT/
NASS VALLEY
MARCH 12 AND 13

HOUSTON/
BURNS LAKE
MARCH 23

Making your 2006 RSP Contribution

- › The contribution deadline is **Thursday, March 1, 2007**
- › For 2006, you can contribute up to **18%** of your earned 2005 income to a maximum of **\$18,000** (up from \$16,500 in 2005).
- › If you were a member of a registered pension plan in 2006, your RSP contribution limit is reduced by a pension adjustment appearing on your 2005 T4 tax slip.
- › Any unused contribution room from 1991 onward is added to your total available contribution room.
- › If you don't use all your available RSP contribution room, it continues to accumulate and can be used in future years.
- › Check your most recent Notice of Assessment from the Canada Revenue Agency or log in to "My Account" at www.cra-arc.gc.ca to determine your total available RSP contribution room for 2006.



WELCOME AND THANK YOU.

A WARM WELCOME TO THE CLIENTS WHO HAVE JOINED US SINCE OUR
LAST NEWSLETTER. THANK YOU TO THE PEOPLE WHO RECOMMENDED OUR SERVICES.

Leading Indicators

GENDER BENDER

\$0.77 - Average wage a women earns for every dollar a man does. The Liberal Economic Policy Institute says the gap - the smallest on record - is shrinking mainly because, while all wages are falling in real terms, men's are falling faster due to lost manufacturing jobs.

PREPARING FOR THE BIG ONE

Eighteen U.S. airports are expanding to handle the Airbus A380, an 853 passenger jet, too big for most runways or terminals, before its launch at the end of the 2006. The bill? About \$51 million per airport.

ONE MAN'S TRASH...

1,400 megawatts that could be generated annually by 600 landfills the EPA says are big enough to turn their methane into energy - but haven't yet invested in the technology. They could power 900,000 homes a year.

PUMPKIN CAKE ROLL



Combine first 6 ingredients:

3/4 CUP FLOUR
1 TSP. BAKING POWDER
2 TSP. CINNAMON
1 TSP. GINGER
1/2 TSP. NUTMEG
1/2 TSP. SALT

BEAT 3 EGGS UNTIL THICK AND
ADD 1 CUP SUGAR.

STIR IN:

2/3 CUP PUMPKIN
1 TSP. LEMON JUICE

FOLD IN DRY INGREDIENTS.
SPRINKLE WITH CHOPPED WALNUTS.
BAKE IN COOKIE SHEET AS FOR JELLY
ROLL 15 MINUTES AT 375 F.

FILLING:

1 CUP ICING SUGAR
4 TBSP. BUTTER
6 OZ PHILADELPHIA CREAM CHEESE
1/2 TSP VANILLA

TURN CAKE OUT OF PAN, SPREAD WITH
FILLING AND ROLL. CRUSHED WALNUTS
WILL BE ON OUTSIDE OF ROLL.

**TIP: Roll out cake on tea towel
and roll up when cooled slightly,
add filling.*



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