

# ZAKS WEALTH MANAGEMENT MONEY SENSE

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## Referrals

We would like to thank those who recently referred a new client. Referrals are the best compliments and we appreciate the opportunity and your trust in us.

## Summer is a great time to get organized!

Many of our clients have done the following and like the idea of having copies of all important documents in one place. This provides you with the peace of mind that everything is organized.

In order to do this, we simply ask that you please provide us copies of the following documents:

- Latest Tax Return
- Wills and Powers of Attorney
- Life and Disability Insurance Policies
- Any Pension statements
- Mortgage statements for principle residence or other properties (e.g. rental property, cottage ... etc)
- Any Trust documents
- Any other relevant financial information

If your accountant or lawyer has this information please let us know and we will be happy to contact them directly.

## Our 2014 “Spring Extravaganza” Charity Event in Support of The 4Life Foundation

We are pleased to announce that our 3rd annual fundraiser “Spring Extravaganza” was once again a complete success. This year’s event was held at the Le Dome Banquet in Oakville and Wendel Clark from the Toronto Maple Leafs was our special guest.

We were able to raise \$48,000 and 100% of these donations will go to the 4Life Foundation. The funds will be used to help make a difference in local communities by providing opportunities for youth at risk to better their life through sports, education, music and dance.

We would like to thank all of our sponsors, attendees and those people who made direct donations or donated auction items for the event.



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## MARKET OVERVIEW

Following on the heels of strong stock market returns in 2013, we are optimistic about developed market equity returns for 2014. Our optimism is largely driven by the fact that the U.S. economy is picking up speed, Europe's recovery is firming, and confidence is building. Earnings growth should keep valuations reasonable.

We expect the bull market to persist, albeit at a less-consistent, slower pace than in 2013. However corrections are normal occurrences, and given the fact that we have not had a meaningful correction in a couple years, it would not be unreasonable to think that one will likely occur this year.

It looked like January was set to provide that correction but it didn't fully materialize and following moderate declines, stocks headed back up in February.

Should a correction occur, we

would view that as an opportunity to add equity exposure in portfolios where appropriate, but we believe patience is still warranted.

We believe a period of stronger U.S. economic growth is taking root. For the past several years, the U.S. economy has been held back by a variety of factors including: 1) households were focusing on debt reduction rather than spending; 2) an unwillingness to lend on the part of banks caused in no small part by the U.S. housing collapse; 3) fiscal austerity, first at the city and state levels and later at the federal level; and 4) a general unwillingness to spend, especially at the corporate level, as confidence in the wake of the financial crisis has proven difficult to repair.

While all of these issues linger to varying degrees, we believe beginning this year and continuing for the next

several years, many of these headwinds will gradually transition into tailwinds.

The most recent Federal Reserve meeting on March 18-19 triggered a media frenzy over policymaker remarks that actually represented only a modest departure from the Federal Reserve's prior position. The central bank suggested it may increase interest rates a few months earlier than what was anticipated by the markets. Fortunately any concern that arose from this quickly subsided.

What came from this though was the awareness that a rate hike is likely a year away and still dependent on how the US economy continues to progress over the coming months, but the Federal Reserve's comments were a reminder to investors that it is important to be aware of the prospect of increasing interest rates.

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