

## Market Update: January 12 2016: Year in Review, Oil is cheaper than everything, \*Reader Contest\*









Hello Clients and Friends,

Happy New Year!

We appreciate the feedback we have received so far on the reader contest. We will keep it going through January and draw names on February 1st. Reply to this email with your answers and we'll enter you in the draw.

2016 has started out with a BANG to say the least, and I don't think any investment has been safe from a 'blip' recently. From time to time choppy markets make us concerned as we are also investors. However I have found some analogies that I can relate investing to, and really isn't much different than other things we experience in our lives, notably airplane transportation. It's likely we have all flown somewhere in our lives, and likely experienced some turbulence from time to time, we all get to our destinations safe and sound. Air travel is still the safest most efficient form of transportation for longer distances, and investing is a long distance journey. The markets or any business for that matter are no different, there are bumps and delays, but we will get you there.

A picture I recently saw caught my eye that I thought you would find interesting. Oil is cheaper than most things we consume daily. I'm glad I run my car on oil, rather than Vodka, however I think some of our local gas stations are charging prices as if they were. I'll leave the price at the pump discussion for another update.

								
	Oil	Water	Regular Gasoline	Milk	Soda	Premium Coffee	Wine	Vodka
	\$36/bbl	\$1.30/Jug	\$2.00/gallon	\$4.99/Jug	\$1/can	\$3 / LargeCup	\$15 / bottle	\$20/ bottle
per gallon	\$0.83	\$1.30	\$2.00	\$4.99	\$11.43	\$19.20	\$75.71	\$100.94
Basis to Water	-\$0.47	\$0.00	\$0.70	\$3.69	\$10.13	\$17.90	\$74.41	\$99.64

2015 was an interesting year to say the least:

- We saw the Swiss Franc devalue overnight earlier in the year.
- Greek flip flopped so many times on a default, I wasn't sure if they were vying for the most Olympic gold medals in the "Verge of Default" event.
- China unpegged their currency, when they said they weren't going to, causing further lack of trust of their government.
- Oil prices have plunged and Alberta unemployment is sitting at 7% with 66,000 jobs lost up to the end of November. BC Unemployment is at 5% and with 40,000 jobs added up to the end of November.
- The USD has shown its strength as the leading reserve currency and as I explained in an earlier update.
- The Federal Reserve in the States finally raised rates after being in a 0-0.25% range for the last 7 years.

2015 by the numbers:

The TSX started the year at 14,753, and ended at 13,009. A decline of 11.8%

The S&P500 started at 2058, and ended at 2043, a decline of 0.69%

Crude oil started the year at \$52.72 per barrel and finished up at \$37.13, declining 29.6%

The Canadian US exchange rate started at \$84.54 and ended at \$71.67, declining 15.2%.

Here is the chart:



Chart from [www.ycharts.com](http://www.ycharts.com)

#### \*Reader Contest\*

I am going to hold a contest for my readers, to receive some constructive feedback on my emails. What would you like to see more of, less of, certain topics, and other suggestions or changes I can make to help improve my practice and readership? Those who respond will be entered into a draw to win, a couple prizes. Everyone is eligible.

To enter the contest please reply to this email, with answers to the questions below:

- How often do you read our newsletters?
- What device do you use to read our newsletters? (Smartphone, Tablet, computer)
- On a scale of 1-10(1-poor, 10-excellent), how would you rate your satisfaction with our newsletters?
- Do you prefer the text format of the emails or would you prefer a more graphical format?
- Have you forwarded our newsletter to friends or family?
- What would entice you to forward our emails?
- Do you want to see market statistics and data in our emails?
- What can we do to make our newsletters better?
- How often would you like to see an email/newsletter from us? Weekly/Bi-weekly/Monthly

#### Prizes:

- 1st: A night out at High Street: \$100 Gift card to Cineplex VIP theaters
- 2nd: Dinner at Famoso and 2 tickets to a VIP Movie
- 3rd: 2 Tickets to a VIP movie

**Cameron Wilson, FCSI, CIM, CPCA, PFP, CIWM**  
**Investment and Wealth Advisor & Financial Planner | Wilson Wealth Management Group**  
**RBC Wealth Management | RBC Dominion Securities**  
 T: 604-870-7109 | M: 604-217-5621 | TF: 800-563-1128 | [www.CameronWilson.ca](http://www.CameronWilson.ca)

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

Leighan McParland, Associate | Office: 604-870-7248 | [Leighan.McParland@rbc.com](mailto:Leighan.McParland@rbc.com)

*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.*