RBC Wealth Management
Dominion Securities

WEALTH & HEALTH NEWSLETTER - JULY 2019

WEALTH:

The Path of Longevity

Aging can be a difficult topic to talk about—period. While it's a natural part of life and it's a process that we all go through as human beings, the thought of physical or cognitive decline can be hard to accept, and not knowing if or when something may happen can leave many feeling uncomfortable. When this is the case, putting plans in place to account for potential age-related health concerns is something many individuals put off or avoid.

Please click the following link to read about this very important subject.

Summer Reading Recommendations

My dear friends at EdgePoint have put together their top literary picks for the summer season.

Please see this link for their team's recommended books and podcasts that will make for great reading this summer - wherever you choose to enjoy them!

INVESTING:

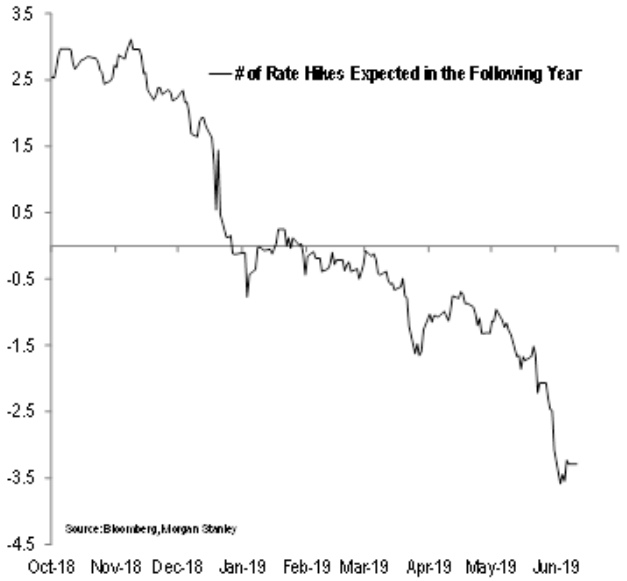
USD/CAD Currency Report: What You Need to Know

There has been an important shift in interest rate expectations and our currency forecast.

1. The market has priced in more aggressive rate cut expectations in the US relative to Canada.
2. The net result has been a narrowing in US-Canada interest rate differentials.
3. USD/CAD has responded by breaking a key long-term support trend line near 1.3350.

This should present more attractive levels for buyers of USD/CAD to cover some of their exposure.

Charts of the Month:



NEGATIVE DEVELOPMENTS ✖

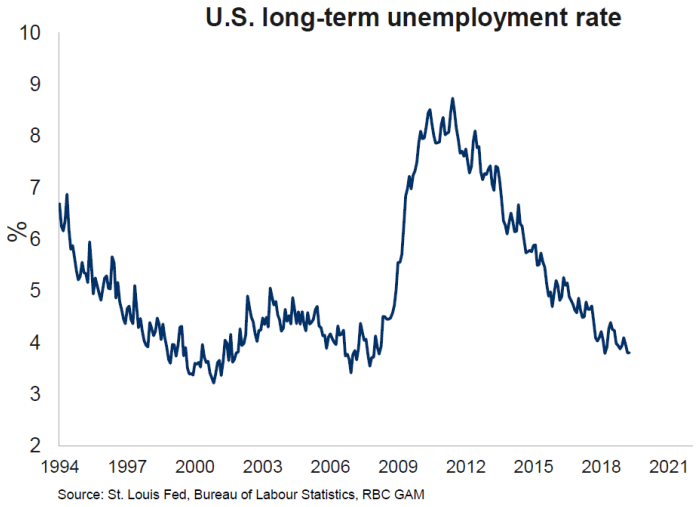
- Yield curve inverts again
- Chinese data wobbles
- U.S.-China trade dispute intensifies
- Risk assets fell
- Late in business cycle
- Brexit: May resigned
- Politics: Iran, North Korea, Israel, Mueller speech, Trump tax return

POSITIVE DEVELOPMENTS ✓

- Some economic green shoots
- Protectionism improves on other fronts: autos, steel & aluminum, USMCA
- Centrist parties retain control after EU election
- Modi won India election

INTERESTING !

- Oil prices lower, dollar higher
- Fed and BoC on hold
- EU & ECB & BoE search for new president
- Canada's mysterious employment strength



In The News…

Toronto is on an urban high these days, what with the Raptors, Pride and a building boom that's drawing more than 100,000 newcomers a year. But for many of those basking in Toronto's glow of the present, the city of the future may be a bit too close for comfort. On Monday, Google affiliate Sidewalk Labs unveiled its vision for Toronto's eastern waterfront, portraying a futuristic neighbourhood that could be a model for 21st century urban living. Its 1,524-page master plan for 190 acres of derelict waterfront is the result of a 2017 competition to use the land as a launchpad for a Silicon Valley of urban innovation. It proposes an "IDEA district" that it says could attract $1.3 billion of investment, accommodate tens of thousands of people, and develop urban technologies for the world to envy, and then buy. Tall buildings made of timber. Giant rotating curtains to block the rain. Smart traffic lights to respond to oncoming traffic. Even an underground network of self-driving delivery pods to carry goods into the district, and waste out. The Jetsons had nothing on this.

So what's not to like? Old-fashioned governance, for one. The blueprint sparked immediate concerns about overreach, after Sidewalk said the initial plot of land was not big enough to test its ideas. That didn't please Waterfront Toronto chair Stephen Diamond, whose agency will have the last word. He called the plan "aggressive." Unbowed, Sidewalk also seems determined to push Toronto on issues like data (it wants public trusts), patents (it's offering to give Canadians free rights to IP) and infrastructure finance (it will co-finance a light rail line in return for a share of tax revenue). The proponents need only look at Toronto's congested subways and roads, or its housing shortages, to make the case for something different and daring. But as Sidewalk is discovering, urban innovation is one thing; city planning quite another.

Health

RBC Disruptors: Rewiring the Brain

If you're reading this at the start of your work day, odds are you've already been looking at a screen, on and off, for at least an hour since you woke up. That's not good news for your prefrontal cortex, the part of your brain that's responsible for executive functioning and your ability to control actions, thoughts and emotions. And it's that brain function that's being badly disrupted by excess screen time, which is why Murali Doraiswamy, a leading neuroscientist at Duke University, calls the brain "the final frontier" of the digital revolution. Consider this: the average human attention span, according to one study, has declined 50% since 2000, when mobile screens started to proliferate, and today nearly 10% of North Americans show signs of serious addiction to the Internet and gaming.

At the latest RBC Disruptors, Doraiswamy said our heavy use of screens is disrupting our brains so much it may need to be classified as a disorder. Devices aren't necessarily bad, though, which is why he's leading the World Economic Forum's campaign to promote neurotechnology. Tech gives us access to more information and entertainment—and more human connections—than our old brains ever could have imagined. The emergence of augmented, and implemented, technologies will also take our brains to wonderful new places. Think of what they can do to Parkinson's, Alzheimer's and depression. In the meantime, we don't have to wait for science to restore what we've diminished. Doraiswamy said there's plenty we can do on our own, including getting away from computers at least every hour, taking a walk every day, preferably in nature, meditating at least 20 minutes a day, and searching out meaningful conversations (and no, Snapchat doesn't count.) The doctor's last piece of advice: put your phone to bed at least an hour before you do the same.

For more on Dr. Doraiswamy's insights, you can read our latest blog or listen to our podcast conversation.

You Eat A Lot of Plastic!

The Canadian federal government's recent announcement that it's looking into policies that would ban single-use plastics by 2021 reflects the stark reality that plastic pollution is one of the most pressing environmental issues of our time.

Microplastics, defined as plastic particles under 5mm in size, now permeate our daily lives, "contaminating the air we breathe, the food we eat, and the water we drink." Just how bad has plastic pollution become? A new study by the University of Newcastle, Australia, takes a closer look at the data gap on what plastic pollution means for human nutrition. The results confirm concerns over the large quantity of plastic we ingest every day.

The study reveals that consumption of common food and beverages (such as water, beer, shellfish and salt) may result in an average person ingesting approximately 5 grams of plastic every week, or roughly the equivalent weight of a credit card's worth of microplastics, depending on consumption habits.

Source: FRB, Haver, RBC Capital Markets US Economics.

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At that age, runner Julia Hawkins recently became the oldest woman to compete on an American track. Her specialties are the 50- and 100-metre races. Last week, she ran the 100-metre event in 46.07 seconds—not bad considering she took up running three years ago.

Building Muscle with Breast Milk? Seriously?!!?

For those of you that are working out to "get big", here is one of those articles that are "cringe worthy!"

JUST FOR FUN

And lastly, June 27th officially marks the end of school. We plan on taking our 3 children up north to a friend's cottage for the long weekend. The summer has many activities in store, with the occasional road trip to grandma and grandpa's, a few weeks of summer camps, and hopefully even a little bit of "R&R!"

I hope everyone has a safe and enjoyable summer!

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