

THE STANTON REPORT

Fall 2022

*Views and opinions for
the friends and clients
of Investment Advisor*

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A Word from Richard

I hope everyone had a wonderful summer. With most of the Covid restrictions lifted, things seem to be getting back to normal and if you're like me, you are overjoyed and celebrating.

Autumn is here, my favorite time of the year, and here in the Northwest there is a chill in the air, the leaves are changing and all of our favorite pumpkin flavored coffees and treats are back.

Once again The Rotary Celebrity Golf Tournament this year was very successful. This bi-annual event which featured a diverse group of 35 celebrities raised an estimated \$200,000.00 for the Bulkley Valley Hospital Foundation. Our other event this summer as usual was our food booth at the Fall Fair. It was one of our best years ever and raised over \$15,000! Our next event will our Community Auction in November.

Olivia is still living down in Kelowna and finishing off her the last year of her science degree and working 1 day at week at an optometrist's office. Jenelle has decided to take a year off university and will be backpacking throughout S.E. Asia for the winter & spring which should be an amazing adventure.

Thank you for reading and if you have any questions regarding your portfolio or if you simply want to discuss your investment goals and objectives for the coming year, give Tracy a call or send her an email to setup an appointment either in person or via telephone.

Thanks for reading,
Richard

Here is what happened year to date;

- › **S&P/TSX Composite Index -11.2%**
- › **Dow Jones Industrial Average -19.6%**
- › **MSCI World Index -24.4%**
- › **Crude Oil 20.8%**
- › **Gold -8.9%**
- › **Silver -18.4%**
- › **Copper -21.5%**



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Planning with care today for tomorrow's cost of care

Understanding and preparing for the costs of care in our elder years is a critically important element to one's investment planning today. Here are five things that can help.

Canadians continue to extend their life spans, with the average age of death today reaching 82 years, or 84 for women and 80 for men.¹ Advances in health care and drug treatments, along with healthier lifestyle choices (e.g., exercise, eating better, not smoking) are mostly to thank for this phenomenon.² And our lifespans are expected to keep getting longer still, with living into one's nineties or beyond no longer an extreme outlier.³

A compelling reason to care about one's care

While an increasing number of Canadians will be blessed with longevity, the older we get the more risk there is that we will encounter illnesses and even incapacitation. We more often than not require the most care in the last years of our lives. Unfortunately, this is likely to be the time when we are most vulnerable and dependent on others to deliver that care. How we want to live in our elder years - and, in fact, can afford to live - is therefore an increasingly critical component of



investment planning, as most of us will require our savings to meet those costs. With assisted living at home or at a private residential care facility costing as much as \$100,000+ per year, how one plans for these costs today is increasingly important.

“An ounce of prevention is worth a pound of cure.”

Preparing today for the eventuality of the challenges of aging and its associated costs of care can help you keep your options open as to how you would prefer to live in your elder years. Here are five things that can help:

1. **Set your time horizon to 100:** As Canadians live longer, the need to fund one's retirement and especially elder years when the cost of care

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Living at home

Renovation costs (to help make your home accessible and safe)

Cost For a straight stair lift to help minimize Falls: **\$3,000 +**⁴

Average cost to remodel a bathroom For grab bars, walk-in baths, etc.: **\$8,000-\$14,000**⁵

Personal support worker

For one year at \$35/hour, eight hours a day (not including HST/ GST & excluding overnight core and statutory holidays): **\$102,200/annum**⁶

Private residential care⁶

Independent living per month (depending on location): **\$2,000/month or \$24,000/year**

Assisted living per month: **\$2,500 - \$9,000/month OR \$30,000 - \$108,000/year**

Publicly funded long-term care facility⁶

Co-payment For long stay private room at facility in Ontario (costs vary by province): **\$32,420/year**

peaks, is getting longer, too. When it comes to thinking about an investment portfolio, it ideally should meet your needs for your entire life, not just to your retirement date.

- 2. Leverage the power of equities:** A risk-appropriate and properly balanced portfolio that leverages the long-term historic power of equities to grow your wealth over time can help offset the corrosive effects of inflation, the drawdowns needed to fund your cash flow, and unexpected costs in your later years.
- 3. Generate cash flow:** The more a portfolio can generate cash flow from various sources - interest payments, dividends, distributions, return of capital- can help fund your care costs over time, without the need to draw down on

your capital.

- 4. Establish a Health Care Directive:** Letting your loved ones know how and where you wish to be cared for is important, and will remove unnecessary concern for them if you become incapacitated.
- 5. Research your care options:** While most Canadians want to live in their home until they pass away⁷, it is not the only option, nor necessarily the optimal one. Research care options before deciding on what's right for you, and realistically align your choice to your financial means.

Talk to us about how we can help you plan with care today for the costs of care tomorrow.

Sources:

1. Statistics Canada, "Life expectancy and other elements of the complete life table, three-year estimates, Canada, all provinces except Prince Edward Island" (January, 2022).
2. Public Health Agency of Canada, "How healthy are Canadians?" (April, 2017).
3. FP Canada - Standards Council, "Projection Assumption Guidelines" (April, 2021).

4. <https://silvercross.com/stair-lifts/> (accessed June 16, 2022).
5. Bryan Baeumler, HGTV (2021).
6. Source: Ontario Ministry of Health and Long Term Care. As of July, 2019.
7. National Institute of Ageing (NIA)/TELUS Health Survey (2020)

Hands up! This is a robbery digital style!



Protecting your business from cybercrimes such as ransomware and data theft is now a reality for every company that has an internet connection. Increasingly, more effective and frequent, ransomware in particular is the Digital Age's newest form of a shakedown, and it is costing businesses billions in payoffs to cyber criminals. Beyond the cost, ransomware puts a business' operations - and even existence - in jeopardy. Here are five things to consider to help prepare far and protect yourself from attack.

The ransomware (virtual) crime spree

The Internet has revolutionized the way we live, communicate and transact with each other, and its benefits are innumerable and ever-growing. But the other side of the Internet revolution is the potential for cybercrime and exploitation. For

businesses, the costs of a malicious cyberattack can be devastating - not only monetarily, but reputationally and operationally, too.

According to the Canadian Centre for Cyber Security (<https://www.cyber.gc.ca/en>), ransomware is the most common cyber threat facing Canadian businesses today, and it is on the rise. Ransomware "is a type of malware that ultimately denies a user's or business' access to files or systems until a sum of money is paid. Ransomware can use your network to spread to all connected devices." The attacks can impact a company's "core business downtime, [and result in] permanent data loss, intellectual property theft, privacy breaches, reputational damage and expensive recovery costs."

Building your cyber defences

A recent RBC Small Business Poll* (<https://www.rbc.com/newsroom/news/article.html?article..125516>) revealed that, while striving to improve, the level of unpreparedness of Canadian businesses is acute, despite the fact that almost 50% reported that "they anticipate becoming a victim of a cybercrime in the next 12

Report Card

Positive Developments ✓

- Inflation has peaked
- Theory argues inflation should be lower in the future
- Supply chain problems easing
- Commodity prices fell recently
- Risk assets already price in some weakness

Negative Developments ✗

- Economic activity is softening
- Consensus growth outlook continues to fall
- Business cycle now “end of cycle” Recession likely over the next year
- Central banks continue to raise rates aggressively
- European natural gas supply at risk
- Housing markets softening

Interesting !

- U.S. Midterm elections approach, with shifting expectations
- U.S. fiscal initiatives: Inflation Reduction Act; student loan cancellation
- Canada greater housing risk than U.S.
- Tensions over Taiwan

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months.” As well, 40% identified that “having devices infected by a virus or malware is now perceived as their biggest threat, ranking higher than falling victim to an online scam or fraud (24%), or property damage (24%).”

According to cyber security experts at RBC Royal Bank, here are five things that businesses can consider doing to help prepare for and mitigate a ransomware attack:

1. Prioritizing measures including multifactor authentication, mandatory employee training and limited authority to install software.
2. Thinking through risks and creating a prioritized list of possible cyber events unique to the organization.
3. Identifying key stakeholders and putting together a list of key contact information, both technical and nontechnical persons in the event their services or contact is needed.
4. Outlining an engagement procedure, which will guide the organization’s plan in response

to a cyber event, detailing how events will be handled and communicated.

5. Creating a communications template to address impacted parties in the event of a cyber security incident.

Helping you build and protect your personal and business wealth

For many businesses, the costs and infrastructure required to protect themselves from ransomware and other cyberattacks is difficult to afford and support. To help, RBC created the Cyber Security Awareness and Education Website (<https://Iwww.rbc.com/cybersecurity/>), which is designed to support business owners with the latest in cyber security insights, best practices, tips, and guidelines.

Talk to us today about how we can help ensure that your transactions and interactions with ROC Dominion Securities are safe and secure from cybercriminals.

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