



MacKay

WEEKLY INVESTMENT REPORT

WEEK ENDING FRIDAY, APRIL 13, 2018

WWW.MACKAYGROUP.COM

1-800-561-4468

MacKay Group Wealth Management. Our mission is to provide our clients superior investment advice, products and service.
Serving clients and friends at RBC Dominion Securities Inc. – a member of RBC Financial Group since 1983.

How to be/ rates too long/ textbook

How to be bullish and optimistic in this volatile equity market most likely caused by politics and not the economy and earnings - is a challenge.

Positives. Earnings season about to begin with lots of optimism and upgrades by analysts. Fed has held short term interest rates too low for too long-interest rates are below inflation and well below nominal GDP growth- Fed has gotten away from this for quite some time because they over regulated banks making it hard to lend and grow- those days are ending and low rates now are dangerous - with inflation and growth rising and deregulation on decline interest rates must go higher-a sign of a healthy economy. (B Wesbury). Job gains to a crest labour market showing signs of settling into a more sustainable long run pace. (J Yellen) Energy prices climb to a 3year high - energy sector anticipated to propel CDN profit growth in Q1 - business cycle doesn't end till energy prices peak. Chinese President pledges a new phase of opening up -a four point plan to further liberalize Chinese Economy discussing proposals to broaden foreign access to the country's banking and industrial sectors, lower import tariffs on vehicles and enhance the protection of intellectual property and the operating conditions for foreign investors. CDA - energy prices, copper prices and even construction boom drives jobs beyond expectations. With so much drama coming out of Washington investors look for sectors that are not affected by trade wars. Correction still following the textbooks- the generals - the leading sectors and stocks were now correcting more than the broad market after holding in much better through most of the correction- a durable bottom around the 200 day moving average- S&P

500 has 14% upside potential propelled by stronger earnings (BAC, Subramanian).

Negatives. Global growth outlook hits a soft patch-recent string of weaker than expected data pointing towards slowing growth for the major economies-PMI easing, US retail sales down 3 months in a row, German industrial production dipped 1.6% in February. US protectionism worries. Small business optimism eases back on trade talks. A sustained surge in core inflation rates would substantially worsen global economic and investment outlook. Central banks could tighten faster. Big tech in the bullseye of the governments, Trump and Amazon, Facebook, General Data Protection Regulation and Taxation.

Investment Wisdom: Build your own dreams or someone else will hire you to build theirs - F. Gray

PORTFOLIO MANAGEMENT-Week's Highlights

Stock of the Days: AMZN, COST, Fairfax India, Fidelity Global Innovators, CP

New Issues: Premium Bands Holdings.

Have a great weekend. Bruce

Exchange	05-Apr-18	YoY	MoM
S&P/TSX	15,356.05	-1.8%	-1.2%
DJIA	24,505.22	16.9%	-1.5%
S&P 500	2,662.84	12.1%	-2.4%
Nasdaq	7,076.55	21.0%	-4.0%
FTSE 100 Index (UK)	7,199.50	-2.0%	0.7%
DAX Index (Germany)	12,305.19	2.9%	1.6%
Hang Seng Index (HK)	29,518.69	25.1%	-3.3%
Nikkei 225 (Japan)	21,319.55	10.0%	-0.5%
Shanghai 180 (China)	8,238.27	9.9%	-5.3%

MacKay Weekly Investment Report Contents:

- Page 1 - How I see It, Pages 2 & 3 - Notes and Quotes, Page 4 - CDN Mkts, Page 5 - Int'l Mkts, Page 6- Funds & ETFs, Page 7-9 - Favourite Charts, Page 10 - MacKay Group Portfolio Management Page 11 - Comprehensive Wealth Management

THIS WEEK'S NOTES & QUOTES - News and Opinions Worth Repeating

Global Growth Fundamentals Remain Strong - Dr. Ed's Blog - Dr. E Yardeni

Economies around the world continue to experience synchronized growth, as they have since the second half of 2016. However, there is some chatter going around about a slowdown in the global economy. I am not seeing it in the stats I follow. Consider the following:

(1) Global trade at record levels. I don't expect a trade war. Global trade remains at a record high. I believe that countries have become too interdependent to resort to widespread prohibitive protective barriers. The volume of world exports rose 4.5% y/y to a record high during December 2017. The sum of inflation-adjusted US imports and exports closely tracks the global measure of world exports. It was up 3.0% y/y during January, edging down from December's recent high. The growth rates of both measures have been running around 4.0% since late 2016, a significant improvement from the near-zero growth rates during late 2015 and early 2016.

Given the importance of China in world trade, I also note that the sum of Chinese imports and exports, in nominal terms, rose 19.3% y/y to a record high of 30.0 trillion yuan during February. ...

<http://blog.yardeni.com/2018/04/global-growth-fundamentals-remain-strong.html>

Situational Awareness - A Wealth of Common Sense - Ben Carlson

It would appear we have experienced a regime shift in the markets from a period of low volatility to a period of high volatility. It's impossible to predict how long this change will last but here's what investors can expect during periods of heightened volatility:

Volatility clusters. Volatility in the stock market can be counterintuitive. Bull markets aren't typically filled with huge up days. Instead, rising markets tend to experience a slow and methodical rise higher. The best up days are usually seen in the same market environments as the worst down days, which occur during down-trending, volatile markets. ...

<http://awealthofcommonsense.com/2018/04/situational-awareness/>

JP Morgan Chase Annual Shareholder Letter - JP Morgan - Jamie Dimon

Page 20 - The global economy across Asia and Japan, Latin America and Europe, and the United States has been doing well - better than most would have expected a year ago. The United States in particular may be strengthening as we speak. The competitive tax system, a more constructive regulatory environment, and very high consumer and business confidence are increasing indications that the economy will likely expand.

Unemployment may very well drop to 3.5% this year, and there are more and more signals that business will improve capital expenditures and raise payrolls. Credit is readily available (though still not enough in some mortgage markets). Wages, jobs and household formation are increasing. Housing is in short supply. Underlying consumer and corporate credit have been relatively strong. All these signs lead to a positive outlook for the economy for the next year or so.

I will not spend time dwelling on geopolitics here, which can - but rarely does - upset the global economy. In the next section, I talk about serious policy issues that could harm economic growth, including America's relationship with China and potential disruptions to global trade. In this section, I focus on some of the risks in the financial system and how we go about managing them. ...

<https://www.jpmorganchase.com/corporate/investor-relations/document/ceo-letter-to-shareholders-2017.pdf>

Econ 101 No Longer Explains the Job Market - Bloomberg.com - Noah Smith

The battle over the effects of minimum wages has been one of the most protracted and bitter fights in the history of empirical economics. Some researchers, such as David Neumark of the University of California-Irvine, continue to insist that pay floors kill jobs, and a few studies find negative effects. But a series of very careful, large-scale studies is finding that the minimum wage is as benign as its advocates have suggested.

One of these is a study by economists Doruk Cengiz, Arindrajit Dube, Attila Lindner and Ben Zipperer,

which looked at state-level evidence and found no negative effect of mandated pay increases on employment. They found that minimum wage hikes tend to decrease the number of jobs just below the new cutoff, but increase the number above the line -- implying that the wage hike isn't killing jobs, but simply giving people raises. ...

<https://www.bloomberg.com/view/articles/2018-04-05/supply-and-demand-does-a-poor-job-of-explaining-depressed-wages>

Condo Owners Make Big Gains, but Nearly Half aren't Making Enough Rent to Cover Costs -

Financial Post - Naomi Powell

Nearly half of all investors who bought condominiums completed in the Toronto area last year aren't making enough rent to cover their holding costs, despite chalking up exceptional gains on the value of their properties, a new study finds.

No less than 44 per cent of investors who took possession of new units in 2017 were in negative cash flow -- that is their rental income fell short of the amount needed to cover their mortgage payments and condominium fees, according to the study by CIBC and Urbanation, a market analysis firm.

Though 45 per cent of those investors were short by less than \$500 per month, another 20 per cent were short between \$500 and \$1,000 per month. And 34.5 per cent were in the hole for more than \$1,000 per month. ...

<https://uproxx.com/sports/allianz-drone-racing-league-third-year-nicholas-horbaczewski/>

How Cambridge Analytica's Facebook targeting model really worked - according to the person who built it -

TheConversation.com - Matthew Hindman

The researcher whose work is at the center of the Facebook-Cambridge Analytica data analysis and political advertising uproar has revealed that his method worked much like the one Netflix uses to recommend movies.

In an email to me, Cambridge University scholar Aleksandr Kogan explained how his statistical model processed Facebook data for Cambridge Analytica. The accuracy he claims suggests it works about as well as established voter-targeting methods based on demographics like race, age and gender.

If confirmed, Kogan's account would mean the digital modeling Cambridge Analytica used was hardly the virtual crystal ball a few have claimed. Yet the numbers Kogan provides also show what is -- and isn't -- actually possible by combining personal data with machine learning for political ends. ...

<https://theconversation.com/how-cambridge-analyticas-facebook-targeting-model-really-worked-according-to-the-person-who-built-it-94078>

Is China's Belt and Road working? A progress report from eight countries -

Nikkei Asian Review - Go Yamada

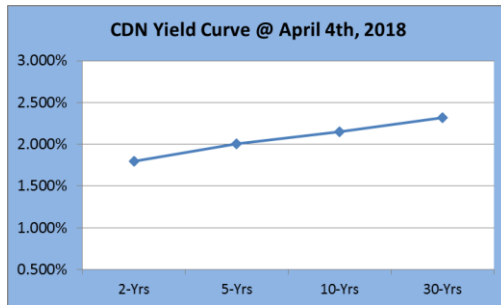
GWADAR, Pakistan -- The idea of transforming the ancient fishing village of Gwadar into a bustling port city has been around since at least 1954, when Pakistan commissioned the U.S. Geological Survey to examine its coastline. Their conclusion: Gwadar, which sits on the Arabian Sea, would be an ideal location for a deep-water port. ...

<https://asia.nikkei.com/Features/Cover-story/Is-China-s-Belt-and-Road-working-A-progress-report-from-eight-countries>

CANADIAN MARKETS

I. Canadian Fixed Income

Benchmark Canada Government Bonds



MG Canadian Fixed Income Top Holdings

- Government & Corporate Bonds
- Convertible Debentures
- High Yield Open End & Closed End Funds
- Rate Reset/Fixed Floater Preferreds
- Perpetual Preferreds
- High Yield Mortgage Funds

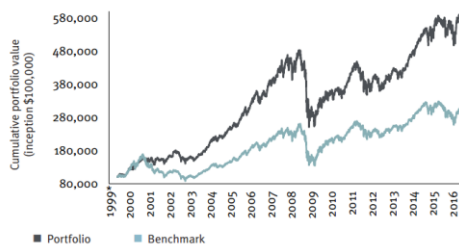
II. MG Top Holdings and RBC DS Spring CDN 2018 Focus List

TD Bank, Royal Bank, Bank of Nova Scotia, National Bank, Bank of Montreal, Brookfield Asset Management, Intact Financial, Brookfield Property Partners, Rogers, Restaurant Brands, Magna International, Dollarama, Alimentation Couche-Tard, CN Rail, CP Rail, Toromont, Waste Connections, Air Canada, Canadian Natural Resources, Suncor, Vermilion, Pembina, TransCanada, Agrium, Franco-Nevada

Plus MG Favs: CAP REIT, REF.un, Plaza Corp, Manulife, Fortis Inc, Hydro One, BCE Inc, Canadian Tire, Dollarama, Crescent Point, GLD.

RBC Canadian Focus List Performance

Historical total return since inception to May 31, 2016



Research Publications (available upon request)

- RBC CM 2018 Look-Ahead: CDN Equities
- RBC Strategy CDN Focus List: Spring 2018
- RBC CM FEW Portfolio - Spring 2018
- RBC CM CDN Sm Cap Conviction List - Wtr'18

III. News We Recommend On Our CDN Holdings

Market prices as of market close on April 5th, 2018

Constellation Software Inc (CSU)

Q1/FY18 M&A Tracker: Almost a Record Quarter

Ranking: **Outperform (RBC CM)**

Price: \$870.48 CAD - Target: \$950.00 CAD

Open Text Corp (OTEX)

Digging into OTEX' Organic Growth

Ranking: **Outperform (RBC CM)**

Price: \$43.86 CAD - Target: \$59.00 CAD

Dollarama (DOL)

Easter Bunnies: Q4/F18 Strong

Ranking: **Outperform (RBC CM)**

Price: \$153.49 CAD - Target: \$167.00 CAD

Teck Resources Ltd (TECK'b)

2018 Investor Day Highlights: Strategy Remains Consistent

Ranking: **Outperform (RBC CM)**

Price: \$34.00 CAD - Target: \$51.00 CAD

Cineplex Inc (CGX)

Updating Forecast for Q1/18 Box Office

Ranking: **Outperform (RBC CM)**

Price: \$31.64 CAD - Target: \$37.00 CAD

Stock of the Day Picks this Week:

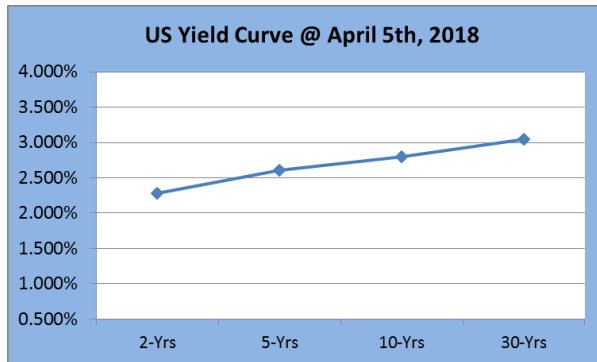
- Prepared by Ryan

- Dollarama Inc (DOL)
- SmartCentre REIT (SRU.un)
- BCE Inc (BCE)

INTERNATIONAL MARKETS

I. US Fixed Income

Benchmark USA Government Bonds



MG US Fixed Income Top Holdings include

- Government & Corporate Bonds
- High Yield Open & Closed Funds
- Rate Reset/Fixed Floater Preferreds
- SPDR Barclays High Yield Bond (JNK) **Yield 5.6%**
- iShares Mortgage Plus Index (REM) **Yield 10.2%**

II. MG Top Holdings and RBC DS Spring '18

Equity Focus List

PNC Financial, JP Morgan, US Bancorp, Verizon, Yum Brands, Amazon, Nike, Johnson & Johnson, UnitedHealth Group, Thermo Fisher, Costco Corp, Kraft Heinz, Union Pacific, Honeywell, 3M Co, Equifax, Alphabet Inc, Apple Inc, Mastercard, Microsoft, Facebook, Ecolab, EOG Resources

Plus MG Favs: Berkshire Hathaway, Bank of America, Visa, Boston Properties, Toll Brothers, Verizon, Apple, Starbucks, Procter & Gamble, Wal-Mart, and Johnson & Johnson.

MG Top ADR Holdings and RBC DS Spring 2018

ADR Focus List

Honda Motor Co, WPP Plc, Diageo, Unilever, China Petroleum & Chem Corp, Eni SpA, Royal Dutch Shell, Barclays, HSBC Holdings, INCG Groep, Prudential PLC, Wespac Banking Corp, Fresenius Medical Care, Sanofi, Teva Pharmaceutical, AerCap Holdings, Nice Systems, SAP SE, BP Billiton, LyondellBasell Industries, BT Group, China Unicorn

Research Publications:

- RBC GAM - Global Investment Outlook
- RBC CM - Top 30 Global Ideas for 2018

III. News We Recommend on our Intl Holdings

Market prices as of market close on **April 5th, 2018**

Apple Inc (AAPL)

A New DIY Project? Thinking Through INTL Chip Transition

Ranking: **Outperform (RBC CM)**

Price: \$172.80 USD - Target: \$203.00 USD

Johnson & Johnson (JNJ)

Pharma Poised for Another Strong Quarter

Ranking: **Outperform (RBC CM)**

Price: \$170.52 USD - Target: \$155.00 USD

Intel Corp (INTC)

Thinking Through Impact from Potential AAPL Shift to Insourced Processor Solutions

Ranking: **Sector Perform (RBC CM)**

Price: \$50.38 USD - Target: \$46.00 USD

Lennar Corp (LEN)

1Q18 Operating Performance (+) / New Orders (+) / Outlook (+)

Ranking: **Outperform (RBC CM)**

Price: \$64.00 USD - Target: \$82.00 USD

Stock of the Day Picks this Week:

- Prepared by Ryan

- Constellation Brands (STZ)
- Microsoft Corp (MSFT)
- Thermo Fisher Corp (TMO)

MUTUAL FUNDS Closed/Open- Top Holdings

Canadian Fixed Income

Canso Credit Income
Dynamic Strategic Yield
Atrium Mortgage Fund
Ridgewood Investment Grade Fund

Canadian Equity

Fidelity - Global Innovation/CDN Large Cap/Growth /Special Opp
Mackenzie - Ivey CDN / Cundhill
Middlefield - CDN Dividend Growers/REIT Plus
Franklin Templeton - Bissett CDN Div/CDN Equity
RBC -CDN Div/CDN Equity/ O'Shaughnessy
Dynamic - Strategic Yield
Jarislowsky - Select CDN Div
Trimark - CDN

US Fixed income

Franklin High Yield
Fidelity American High Yield
Annaly Capital (NLY)

US Equity

Fidelity - American Eq/Small Cap American/Euro
Mackenzie - US Mid-Cap
Middlefield - US Div Growers / American Core
Franklin Templeton - Growth
RBC - NA Value
Dynamic - Strategic Yield
Trimark - Trimark /Fund

GLOBAL Equity

Fidelity - Global Div/Monthly Income
Mackenzie - Ivey Foreign
Middlefield - Health Care/Global Div Growers
Franklin Templeton - Growth / Intl
RBC - Global Fund / Int. Div G
Dynamic - Global Value
Trimark - Global

2018 Flow Through Share Offerings

MRF 2018 Flow Through

ETFS - Top Holdings

Canada - Fixed Income

Bonds - XBB, XCB, XGB
Preferred Shares - CPD, PSF.UN

Canadian Equity - iShares TSX Large Cap 60, iShares Canada Equity Income, iShares Canadian Dividend, iShares Canadian Select Dividend, iShares TSX Small Cap, iShares TSX Composite

Canadian Sectors - iShares TSX Financials, iShares TSX REITs, BMO Equal Weight Utilities, iShares TSX Info Tech, iShares TSX Energy, iShares TSX Materials

US - Fixed Income

US Bonds - XIG, TLT,
US Preferred Shares - PFF

US Equity - S&P 500, Dow Jones Index, Nasdaq 100, S&P 500 Dividend Index, iShares Dow Jones Select Dividend Index, Vanguard Dividend Appreciation Index, iShares High Dividend Equity Fund, iShares Russell 2000 Index, S&P 500 Value Index, S&P 500 Growth Index, S&P Small Cap 600 Index

US Sectors - SPDR Financial Index, iShares Real Estate, iShares, SPDR Utilities Index, iShares Telecom Index, SPDR Consumer Discretion, iShares US Healthcare, iShares Nasdaq Biotech, iShares Industrials Index, NASDAQ Index, iShares Energy Index, DJ Basic Materials Index, iShares Homebuilders Index, Market Vectors Jnr Gold Miners

GLOBAL Equity

China ETF, Europe ETF, Germany ETF, India ETF, iShares Emerging Mkts, iShares International Dividend

Unique ETFs

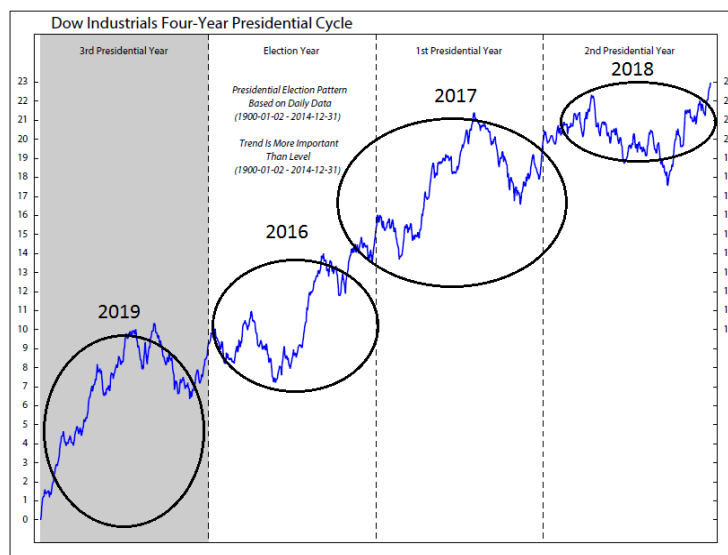
Horizons Robotics & Automation, ETFMG Prime Cyber Security, Blockchain Technologies, Active AI Global Equity, Marijuana Life Sciences, Healthcare Leaders Income, Tech Achievers Growth & Income ROBO/HBLK/VGT/MIND/HA/HHL/HTA



Technical Update

Portfolio Advisory Group

Nowhere in a hurry. The early stock market indications are for a weaker opening on Friday as the now common pattern of bigger daily moves is likely to continue. This week has seen a swing of over 1000 points from the bottom to the top of the range for the Dow Industrials in just four days, which is more than a 4% difference, but still well within the range for the year. The higher volatility is all part of a consolidation period where the markets have traded within about a 10% range overall, and this is a normal type of action that often follows longer periods of lower volatility, like the steady period of market gains we saw for the previous two years. Investors may be anticipating that the markets will break out of the range in a meaningful way in one direction or the other, but the real surprise could be in how long this range-trading can last. Sometimes, the consolidation period can last longer than the rally period that preceded it. Just sayin'.



Reported Date	Bullish	Neutral	Bearish
April 5:	31.90%	31.47%	36.64%
March 29:	31.94%	32.73%	35.33%
March 22:	33.23%	38.28%	28.49%
March 15:	36.84%	41.83%	21.33%
March 8:	26.40%	45.21%	28.38%
March 1:	37.28%	39.31%	23.41%
February 22:	44.65%	32.56%	22.79%
February 15:	48.52%	30.07%	21.41%
February 8:	37.03%	27.96%	35.01%
February 1:	44.77%	26.47%	28.76%

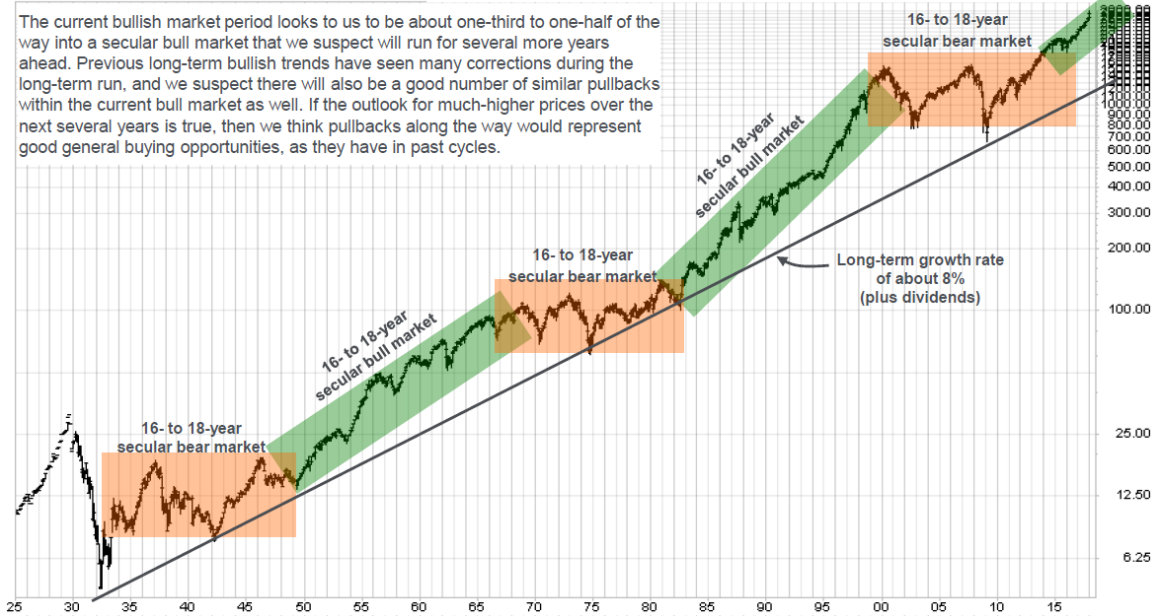
FAVOURITE CHARTS

Long-term market cycles 1925–2018

\$SPX S&P 500 Large Cap Index: IND \times
31-Jan-2018

© StockCharts.com

The current bullish market period looks to us to be about one-third to one-half of the way into a secular bull market that we suspect will run for several more years ahead. Previous long-term bullish trends have seen many corrections during the long-term run, and we suspect there will also be a good number of similar pullbacks within the current bull market as well. If the outlook for much-higher prices over the next several years is true, then we think pullbacks along the way would represent good general buying opportunities, as they have in past cycles.

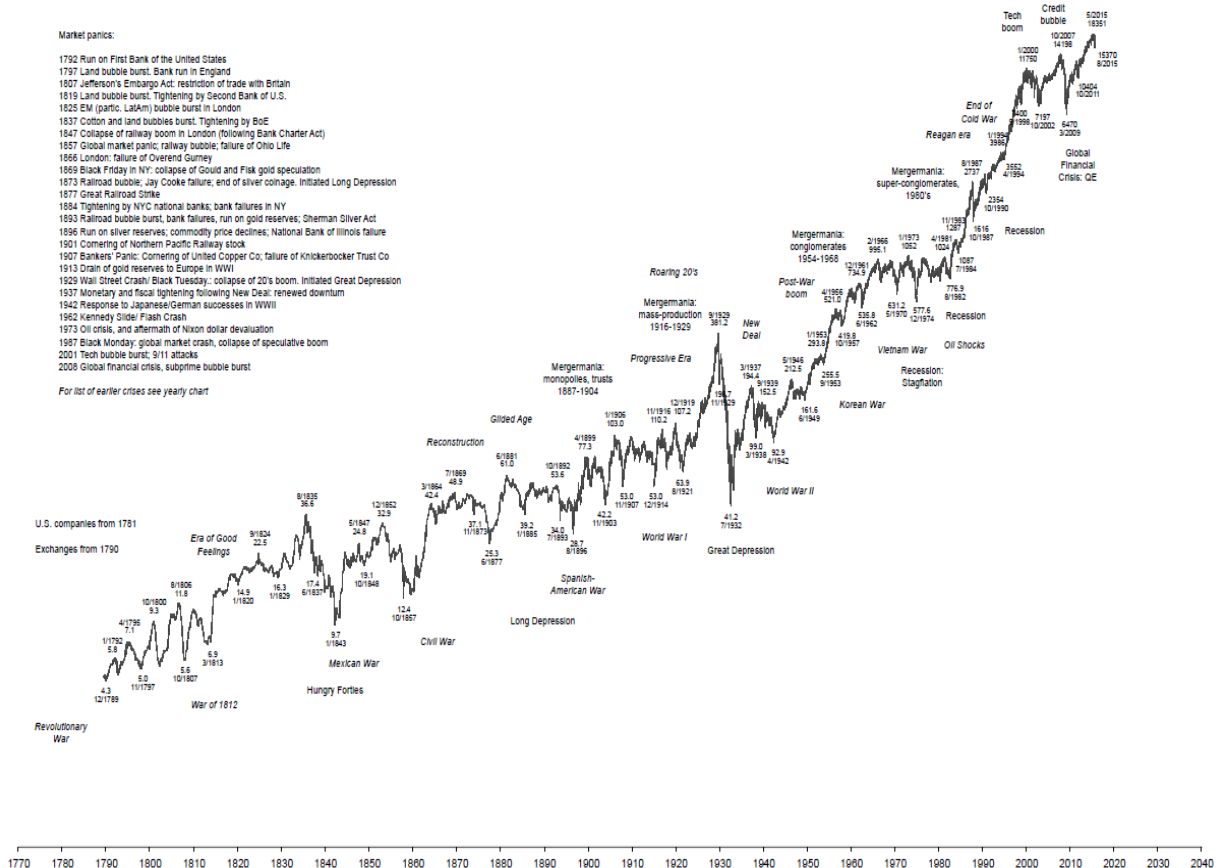


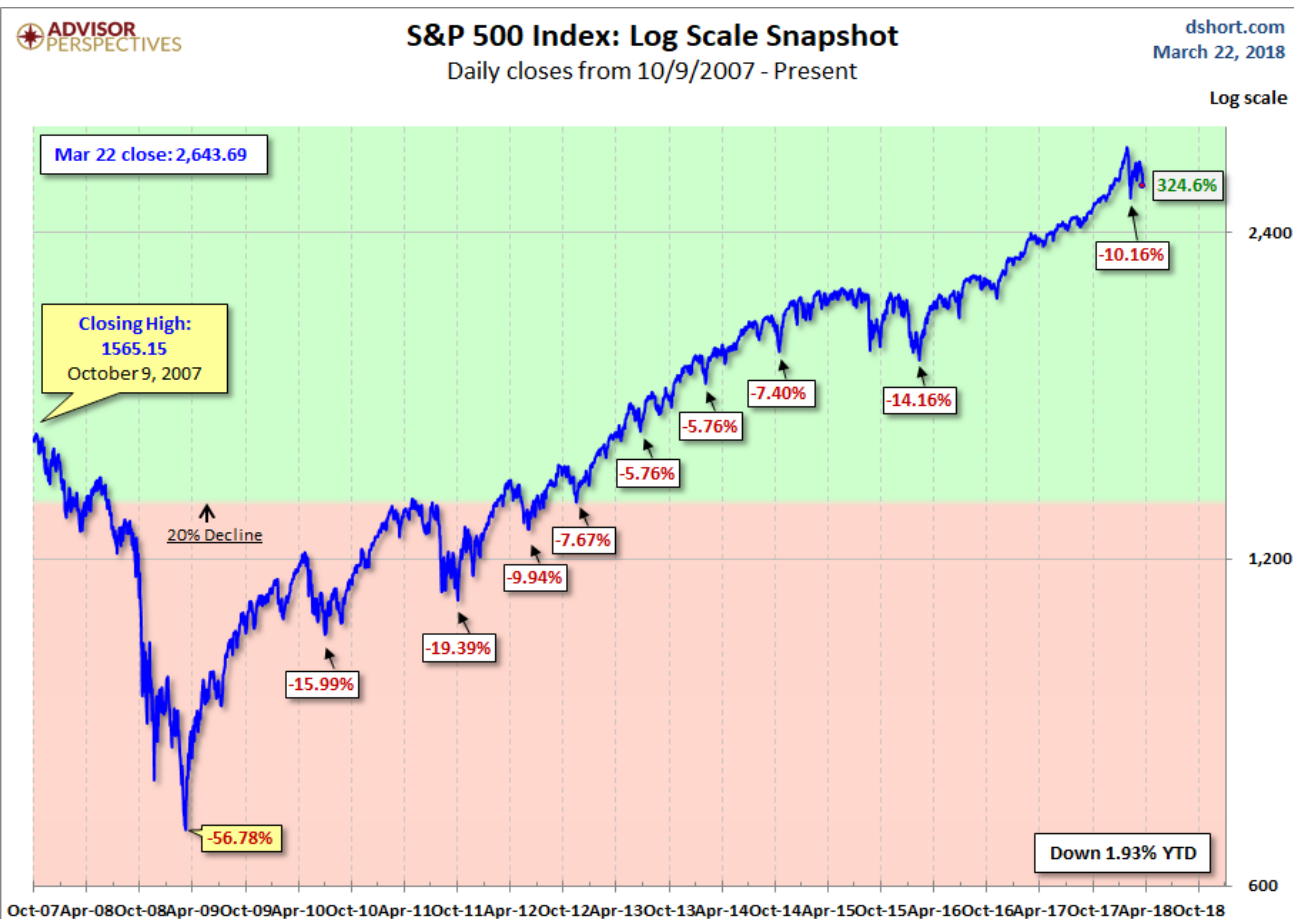
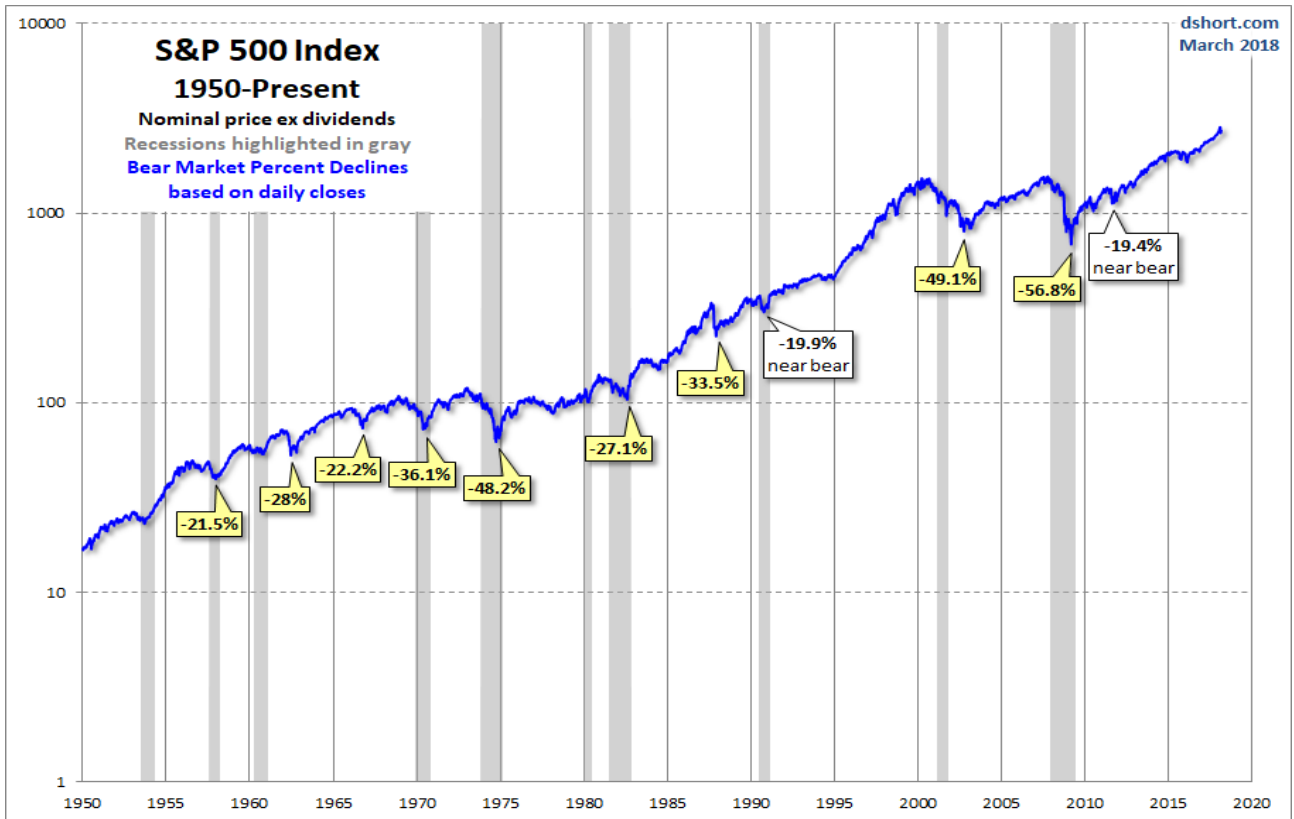
Dow Jones Industrial Average - 1789 to Date

Market panics:

- 1792 Run on First Bank of the United States
- 1797 Land bubble burst. Bank run in England
- 1807 Jefferson's Embargo Act: restriction of trade with Britain
- 1819 Land bubble burst. Tightening by Second Bank of U.S.
- 1825 EM (panic, L&AM) bubble burst in London
- 1837 Cotton and land bubbles burst. Tightening by BoE
- 1847 Collapse of railway boom in London (following Bank Charter Act)
- 1857 Global market panic; railway bubble; failure of Ohio Life
- 1866 London: failure of Overend Gurney
- 1869 Black Friday in NY; collapse of Gold and Fisk gold speculation
- 1873 Railroad bubble; Jay Cooke failure; end of silver coinage. Initiated Long Depression
- 1877 Great Railroad Strike
- 1884 Tightening by NYC national banks; bank failures in NY
- 1893 Railroad bubble burst; bank failures; run on gold reserves; Sherman Silver Act
- 1896 Run on silver reserves; commodity price declines; National Bank of Illinois failure
- 1901 Cornering of Northern Pacific Railway stock
- 1907 Bankers' Panic: Cornering of United Copper Co; failure of Knickerbocker Trust Co
- 1913 Drain of gold reserves to Europe in WW
- 1929 Wall Street Crash: Bank Tuesday; collapse of 20's boom. Initiated Great Depression
- 1937 Monetary and fiscal tightening following New Deal: renewed downturn
- 1942 Response to Japanese/German successes in WWII
- 1962 Kennedy Slide: Flash Crash
- 1973 Oil crisis; and aftermath of Nixon dollar devaluation
- 1987 Black Monday: global market crash; collapse of speculative boom
- 2001 Tech bubble burst; 9/11 attacks
- 2008 Global financial crisis; subprime bubble burst

For list of earlier crises see yearly chart







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MACKAY GROUP WEALTH MANAGEMENT

Introduction Serving over 300 families and friends since 1981. We provide the investment solutions you need to achieve specific goals, whether investing for yourself, family, your business or your organization.

Our Team Helping to provide comprehensive wealth management is an extensive team of professionals, including Portfolio Managers, Financial Planners, Estate Planning Specialists, Consultants, Tax Strategists and Research Analysts.

THE MG WEALTH MANAGEMENT APPROACH

- 1: Learning about each other
- 2: Developing your personalized IP investment plan.
- 3: Putting your plan into action
- 4: Integrating complementary wealth services
- 5: Taking care of your lifelong needs
- 6: Monitoring and reporting results

Portfolio Management Highlights:

1. Learning about each other. Questionnaire on investment needs, objectives, and risk.
2. Investment Policy Statement. The IPS statement expresses your personal investment objectives in a document to guide the content of your portfolio, including making decisions, reporting on progress and regularly reviewing your objectives.
3. Action Plan. Detailed proposal to get us started.
4. Reviewing all our Wealth Management services including a financial plan and estate plan.
5. Taking care of lifelong needs, including creating detailed income projections.
6. Monitoring and reporting results. Ongoing portfolio analysis, reviews and prompt service.
 - ✓ Investment Policy Statement (IPS)
 - ✓ Portfolio Valuation Report
 - Asset Allocation, Income Projection, Rate of Return, Capital Gains/Loss
 - ✓ Tax reporting, T5 and T3 etc. (See kit)
 - ✓ RBC CM Quarterly Strategy, MG Weekly Newsletter, Focus List and Stock of the Day

ACCOUNTS & SERVICES WE OFFER

Investment Account, Options, Equity Credit Line, Corporate, Holding Co., Charitable Foundation, Tax Free Savings Account (TFSA)
Registered Education Savings Plan (RESP)
Registered Retirement Savings Plan (RRSP)
Registered Retirement Income Fund (RRIF)
Individual Pension Plan (IPP) DS Family Trust Acct
Registered Charity Gift of Stock Account
Annual Tax-Assisted Flow-Through Share Program

PORTFOLIO MANAGEMENT PROGRAMS

Our team manages clients' portfolios on an individual basis. Portfolios are custom designed to meet your personal objectives. Investment disciplines used include asset allocation, geographic & sector diversification and risk management to maximize your portfolio returns. Programs include:

- 1. Private Investment Management - PIM** our premium level of discretionary wealth management. Highlights include: Freedom, custom portfolio, segregated securities, IP statement, asset mix for life stage, model portfolio tracking, growth and income needs, risk tolerance, top & bottom up management.
- 2. Professional Discretionary Investment Portfolios.** A+ Investment Program: is our institutional level platform with 40+ Investment Manager choices. Global money managers including Beutel Goodman, Franklin Bissett, Guardian, Jarislowsky Fraser, RBC GAM, Caldwell, Brandes, & Franklin Templeton.
- 3. Professional Non-Discretionary Management - Advisor** our premium level of non-discretionary investment wealth management. Highlights include: Discussion on each investments, custom portfolios, IP statement, asset mix, growth & income needs, risk tolerance, top & down management. Management fees are tax deductible for non-registered accounts.
- 4. Traditional Transactional based accounts.** Available for special situation accounts.

Advantages of Annual Management Fee Program.

- ✓ Premium money market and bond rates
- ✓ mutual funds with lower management fees
- ✓ Hedging through use of option strategies
- ✓ Easier tax planning - tax loss switches
- ✓ Stop loss + Re-entry without extra fees to average into and out of stock positions
- ✓ No transaction commission places the focus on merits of investing instead of its cost.
- ✓ Fee % decreases as value increases

INVESTMENT VEHICLES WE USE:

Allocation includes CDN, US, and International

Fixed Income Equity Income & Growth

MM, GICs Small Cap.

Bonds, Converts Medium Cap.

Preferreds Large Cap.

High Income Balanced

ETFs & Mutual Funds (open and closed),

Option Strategies, Tax assisted investments



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COMPREHENSIVE WEALTH MANAGEMENT STRATEGIES

1. Financial Planning

Ted Chan – our Financial Planning Consultant provides solutions for simple or complex financial planning:

- Comprehensive financial plan
 - Addressing all aspects of your financial affairs
 - Including cash and debt management
 - Tax and investment planning
 - Risk management
 - Retirement and estate planning
 - Business succession
 - Withdraws from corporation tax- effectively
 - Taxation of the corporation at death and more.
- Also:**
- Business planning
 - Estate planning
 - Children’s education and inheritance
 - Family trusts for disabled dependents
 - Retirement planning

2. Insurance Planning

Andrew Sipes – As estate planning specialists, they will focus on:

- Personal and corporate insurance solutions to increase your net worth and reduce the impact of taxation.
- He can also ensure your wealth is transferred to your heirs in accordance with your wishes.

Insurance Strategies include:

- Whole life
- Term life
- Long Term Care
- Keyperson Insurance
- Corporate Estate Bond
- Insured Retirement Plan (IRP)
- Critical Illness
- Insured Annuity

3. Wills & Estate Planning

Ariel-Charles Guigui – Our Will and Estate Consultant offering information on structuring your estate in an efficient and tax-effective manner, providing you with a report outlining various estate planning issues:

- To explore in further detail with your own lawyer or accountant
- Valid & Current Wills for All in Family
- Use of living trusts
- Planned Gifting
- Reduce the taxes and expenses of an estate
- Simplify and speed the transition of assets to the next generation
- Ensure that your beneficiaries are protected.
- Different types of Power of Attorney

4. Tax Planning

Prashant Patel – A number of solutions that can simplify the tax planning process including;

- Tax-efficient charitable giving
- Family income splitting strategies
- Eligible Retiring Allowance
- LIRA Conversion to LIF/RLIF
- 2015 Home Buyer’s Plan Withdrawals
- Consider Paying Yourself a Bonus
- Sale of Private Business Shares
- US Estate Tax Planning for Canadians

5. RBC Estate & Trust Services, Royal Trust

Greg Woolston - provides individuals, families and businesses with valuable estate, trust and incapacity services:

- Assistance in the preservation, management and transfer of wealth between generations by providing solutions to implement clients' estate and trust plans
 - Financial security and peace of mind to elder Canadians who require assistance in the management of their affairs as they grow older
 - Professional and impartial expertise in delivering estate and trust services
 - Strong history and legacy in managing fiduciary businesses
 - Professionals who have technical and practical experience
 - Compassion and understanding of the client's family's experience
-



MacKay

WEEKLY INVESTMENT REPORT

WEEK ENDING FRIDAY, APRIL 13, 2018

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1-800-561-4468

MacKay Group Wealth Management. Our mission is to provide our clients superior investment advice, products and service.
Serving clients and friends at RBC Dominion Securities Inc. – a member of RBC Financial Group since 1983.

THE MACKAY GROUP NEWS

Bruce's Comments

Is it time for a Financial Checkup?

Tax rates are increasing, financial solutions are evolving and RBC's suite of services has expanded to meet our clients' needs. We'll review your investment portfolios and introduce you to our expanded team of Wealth Management professionals and the full range of services we offer.

Andrew's Portfolio Managements Comments

We continually monitor your investments. Our objective is your objective - to maximize your returns given your risk parameters. We have a wide range of investment choices available for you. Just look at our MG weekly Focus List.

Harry's Discretionary Managements Comments

I help the team manage Discretionary Investment accounts. Glad to talk to you about the advantages of this portfolio management program. Also, will be managing clients TFSA's to maximize returns.

Ryan's Research and PM Comments

I focus on research, MG Weekly & Daily Stock of the Day. For over 5 years, we have sent these well researched reports. Returns have been very impressive - I can send you our track record. I can also provide target & rank analysis on your investments.

Kristi's Wealth Management Comments

Would you like a Financial Plan, Will & Estate Consultation and Insurance review? We can also provide you RBC banking, private banking and mortgage lending assistance.

Melissa's Administration Comments

Is your account information up to date - including investment objectives & risk parameters, beneficiary information, dividend reinvestment plan, monthly payment plan and banking information?

Suzanne's Admin and Charities Comments

Will provide clients with custom investment portfolio reports which include rates of returns, tax reporting and income projections. Help clients support their favorite charity with RBC foundation.

Our Mission

"To provide our clients superior investment advice, products and service at RBC Wealth management Dominion Securities since 1981."

Bruce MacKay, BA, HBComm, CIM

*Associate Portfolio Manager, Investment Advisor,
Vice President and Director*

Andrew Slivinsky, PFP, Senior Associate Advisor

Harry Sale, BA, Associate Wealth Advisor

Ryan MacKay, BA, Associate Advisor

Kristi MacKay, MBA, Associate Wealth Advisor

Melissa Crawford, BA, Associate Advisor

Suzanne Reid-Skidmore, BA, Associate Advisor

Estate + Financial Planning Advisors

Ted Chan, Financial Planner

Ariel-Charles Guigui, Will and Estate Consultant

Prashant Patel, Tax Consultant

Andrew Sipes, Estate Planning Specialist

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MacKay Group & RBC Foundation

We have contributed \$500,000+ over the years.
Charities we support in 2017 - Jewish National



Fund, Canadian Wildlife Federation, Canadian Civil Liberties, Toronto Public Library Foundation, ABC Life Literacy, Prostate Cancer Research, Canadian Canoe Museum, Erin Oak Kids, Trillium Hospital Foundation, CAMMAC, JVS Toronto, Operation Walk, Kids Cops & Computers, Ontario Track III, Camp Winston & The Barth Foundation.

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The model portfolio reflects the actual investment recommendations (buys, sells) of the strategy as they were communicated historically; however, a number of implementation assumptions (which may include but are not limited to the timing and diligence with which the portfolio is rebalanced, the execution price for securities transactions, and any trading and account related costs, fees, or commissions) have been made when calculating the model returns that may be difficult or impossible for any investor to exactly replicate the model portfolio. For this reason, there is no expectation that the model returns will perfectly replicate the actual performance of any client following the same guided portfolio strategy. 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