

MacKay Weekly Investment Report



WEEK ENDING FRIDAY, JUNE 8, 2018

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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.

Election/Barreling Along/It's About Employment

Election results – will they really drive CAD's growth. Equity markets trend higher this week, even with all the political news. Next is G7 meeting & next week's full slate of central bank meetings.

Positives: It's the earnings that matter & US economy is barreling along – Real GDP may be starting to do so at a faster speed now exceeding the so-called 2% stall speed which was called the new normal from mid-2010 through Q1 2018 – Q2 2018 Real GDP growth 4.8% - real 2Q real consumer spending growth + 2Q private fixed investment growth increased to 3.5% + 5.4% - trucking tonnage index up 9.5% Y/Y to record high – shortage of workers in many industries like trucking – employment low will drive wages – aggregate weekly hours worked rising – all helps consumer spending & GDP. Is Fed closer to the end than the beginning of rate hikes? China doesn't want trade tensions with the US to escalate. Trump & NAFTA – we wait – Kudlow says President doesn't plan to quit NAFTA. It's about employment – now more Americans working than ever before – over 148M – importantly it's private sector driving growth – not government – 3.8% in May, lowest reading since 1969 – tax cuts + de-regulation will keep job market strong (B Wesbury). Big picture view of market remains intact – 2018 would be more challenging year for equities with rising rates and later in the year political uncertainty from mid-term elections (Dr. J Siegel). Baltic Dry Index turning up again. “We are encouraging all public companies to consider moving away from providing quarterly EPS guidance – in our experience it often leads to an unhealthy focus on short term profits at the expense of long-term strategy growth + sustainability resulting in less technology, spending, hiring and research and development (J. Dimon & W. Buffett roundtable). Deals, M&A, cash deployment trends up.

Negatives: Japanese data suggests the economy may have slipped into a recession. Low unemployment historically precedes a recession. Trade tensions continue to inflict damage to investor psychology & business confidence – could be 4.5% hit to US equities - \$1.25 trillion of value destruction (JPM). Stocks in danger zone because inflation has changed its stripes (J. Paulsen). Foreign Direct Investment into the US fell 40% in 2017 – the deepest drop in four decades that wasn't associated with a recession. Eurozone economic growth cooled in Q1. ECB prepares for pivotal meeting next week – where central bank will discuss bond buying program. CAD + excessive regulation is why we're having trouble attracting foreign investing (D. Rosenberg).

Investment Wisdom: “Not everything that can be counted counts, and not everything that counts can be counted.” –Albert Einstein

PORTFOLIO MANAGEMENT-Week's Highlights

Stock of the Days: CRM, PANW, MDT, DOL

New Issues: EIF, KMP, NVU, DRG, INE, NA

Have a great weekend. Bruce

Exchange	07-Jun-18	YoY	MoM
S&P/TSX	16,192.78	5.0%	2.2%
DJIA	25,241.41	19.2%	3.6%
S&P 500	2,770.37	13.8%	3.7%
Nasdaq	7,635.07	20.8%	5.1%
FTSE 100 Index (UK)	7,704.40	3.4%	1.8%
DAX Index (Germany)	12,811.05	0.8%	-0.8%
Hang Seng Index (HK)	31,512.63	20.9%	3.7%
Nikkei 225 (Japan)	22,823.26	14.6%	1.4%
Shanghai 180 (China)	8,225.75	6.3%	-0.9%

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 Page 12 - MacKay Group News & Events



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

The Psychology of Money – Collaborative Fund – Morgan Housel

This report describes 20 flaws, biases, and causes of bad behavior I've seen pop up often when people deal with money.

1. Earned success and deserved failure fallacy: A tendency to underestimate the role of luck and risk, and a failure to recognize that luck and risk are different sides of the same coin.
2. Cost avoidance syndrome: A failure to identify the true costs of a situation, with too much emphasis on financial costs while ignoring the emotional price that must be paid to win a reward.
3. Rich man in the car paradox.
4. A tendency to adjust to current circumstances in a way that makes forecasting your future desires and actions difficult, resulting in the inability to capture long-term compounding rewards that come from current decisions.
5. Anchored-to-your-own-history bias: Your personal experiences make up maybe 0.00000001% of what's happened in the world but maybe 80% of how you think the world works.
6. Historians are Prophets fallacy: Not seeing the irony that history is the study of surprises and changes while using it as a guide to the future. An overreliance on past data as a signal to future conditions in a field where innovation and change is the lifeblood of progress. ...

<http://www.collaborativefund.com/blog/the-psychology-of-money/>

Innovation and Limits on Personal Freedom in China – Blackstone – Byron Wien

For some time I have believed that our biggest concern about China should be not a possible trade war or military conflict, but the threat posed to the economic leadership of the United States by the rapid progress the country is making in technology. The prevailing view is that China is an enormously effective manufacturer through a combination of the creative use of robotics and low labor costs. The country has been able to produce a wide range of products at compelling prices and become a leading exporter to the world. Many believe that China's government prevents the untrammelled expression of ideas and thereby stifles innovation. As a result, the theory goes that China has to obtain technology from others because it cannot develop creative ideas on its own. While that might have had some truth to it for much of its recent economic history, it is no longer true today.

We all know that on a Gross Domestic Product basis, China is the second largest economy in the world and, if it continues on its present trajectory, it will become the largest economy sometime in the 2030s. This is inevitable to the extent China grows at a real rate of better than 5% while the United States grows at only 2%-3%. On a Purchasing Power Parity basis, China is probably the largest economy in the world now. When China joined the World Trade Organization in 2001, its GDP was only 13% of the U.S. GDP, according to Niall Ferguson. By 2016, it was 60% and by 2023 the International Monetary Fund projects it will be 88%. Those who believe China is vulnerable to a "hard landing" or something similar to the deflationary recession that afflicted Japan at the end of the 20th century are not studying the differences between the two countries carefully. Japan invested abroad irresponsibly in real estate and its stock prices domestically became wildly overvalued. China may have over-invested in industrial capacity and infrastructure and it may have too many non-performing loans on the books of its banks and shadow banks, but it weathered the financial crisis of 2008-9 better than most developed countries. Indeed, the hard landing that many investors feared two years ago never took place. ...

<https://www.blackstone.com/media/byron-wien-market-commentary/article/innovation-and-limits-on-personal-freedom-in-china>

Unlocking Opportunities in China – Institutional Investor

Investor interest in China is at an all-time high as the nation embraces a new “openness.” Its president, Xi Jinping, seems to make all the right economic moves, pushing China to the forefront of any discussion on global growth and opportunities. Here’s some of what you need to know as you consider your China investment strategy.

Sections: 1) China Recon, 2) Amen to A-Shares, 3) Connected to the Bond Market, 4) Mighty, Mighty Small Caps, 5) Belt & Road Motors On ...

<https://www.institutionalinvestor.com/article/b18g5qgmqk9hcf/unlocking-opportunities-in-china>

Jamie Dimon, Warren Buffett urge CEOs to end quarterly earnings forecasts – Financial Post – M. Davis

Warren Buffett and Jamie Dimon are doubling down on their plea for corporations to stop providing quarterly earnings guidance.

Buffett, who runs Berkshire Hathaway Inc., and Dimon, JPMorgan Chase & Co.’s chief executive officer, said in a joint Wall Street Journal editorial that they are encouraging all public companies to consider moving away the practice, arguing that it can stifle long-term investments.

“Quarterly earnings guidance often leads to an unhealthy focus on short-term profits at the expense of long-term strategy, growth and sustainability,” they said. ...

<http://business.financialpost.com/investing/jamie-dimon-warren-buffett-urge-ceos-to-end-quarterly-earnings-forecasts>

“Proprietary Product Distribution” is Better than Sliced Bread – 25iq – Tren Griffin

Jim Barksdale once said: “Nothing happens until somebody sells something.” This challenge is made harder by another business truism: if the cost of acquiring customers exceeds the ability of the business to monetize those customers, the business will inevitably fail since it has not created product market fit. Not only does someone need to “sell something” but it must be done in a way that is cost-effective.

Some people forget that a functioning business model is an essential part of product market fit. Andy Rachleff has identified the elements a business must create or discover to have product market fit: “the features you need to build, the audience that’s likely to care, and the business model required to entice a customer to buy your product.” If you do not have a scalable and repeatable business model, you do not have product market fit.

<https://25iq.com/2018/06/02/proprietary-product-distribution-is-better-than-sliced-bread/>

Climate Change Can Be Stopped by Turning Air Into Gasoline – The Atlantic – Robinson Meyer

A team of scientists from Harvard University and the company [Carbon Engineering](#) announced on Thursday that they have found a method to cheaply and directly pull carbon-dioxide pollution out of the atmosphere.

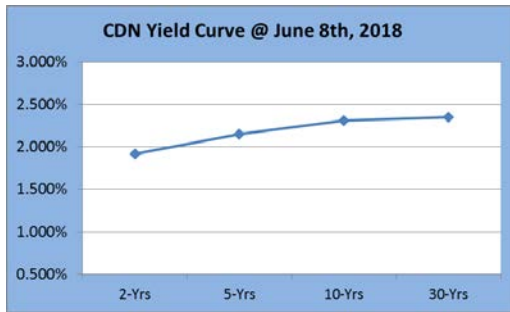
If their technique is successfully implemented at scale, it could transform how humanity thinks about the problem of climate change. It could give people a decisive new tool in the race against a warming planet, but could also unsettle the issue’s delicate politics, making it all the harder for society to adapt. ...

https://www.theatlantic.com/science/archive/2018/06/its-possible-to-reverse-climate-change-suggests-major-new-study/562289/?utm_source=atfb_test111_3

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

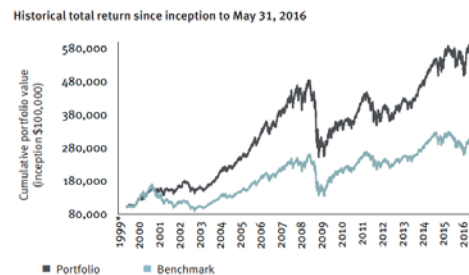
II. MG Top Holdings, RBC DS Summer CDN 2018 Equity Focus List, and Veritas V-List

MG Favs: CAP REIT, Plaza Corp, Manulife, Fortis Inc, Hydro One, BCE Inc, Canadian Tire.

RBC CM Focus List: TD Bank, Royal Bank, Bank of Nova Scotia, Bank of Montreal, National Bank, Brookfield Asset Management, Intact Financial, Onex Corp, Manulife Financial, Brookfield Property Partners, Telus, Restaurant Brands, Dollarama, Magna International, Couche-Tard, CP Rail, CN Rail, Toromont, Waste Connections, Finning Constellation Software, Canadian Natural Resources, Suncor, Pembina, TransCanada, Nutrien, Franco-Nevada.

Veritas V-List: Allied Properties, CP Rail, Capital Power, Cenovus Energy, CGI Group, Dollarama, Enbridge, Granite REIT, Husky Energy, Hydro One, Metro Inc, New Flyer Industries, Open Text, Premium Brands Holdings Corp, Quebecor, Shaw Comm, Sun Life Financial, TransAlta, TransCanada, Waste Connections, WestJet Airlines

RBC Canadian Focus List Performance



III. News We Recommend On Our CDN Holdings

Market prices as of market close on June 7th, 2018

Dollarama (DOL)

Weather Hurts April/Q1 Results, Outlook Unchanged

Ranking: **Outperform (RBC CM)**

Price: \$146.03 CAD - Target: \$166.00 CAD

Granite REIT (GRT.un)

What PIRET Tells Us About the New CEO Activity

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

Price: \$53.83 CAD - Target: \$56.00 CAD

BRP Inc (DOO)

SSVs Gain Share to Drive Strong FQ1/19 Results; Guidance Raised

Ranking: **Outperform (RBC CM)**

Price: \$61.53 CAD - Target: \$61.00 CAD

Stock of the Day Picks this Week:

- Prepared by Ryan

- Dollarama (DOL)

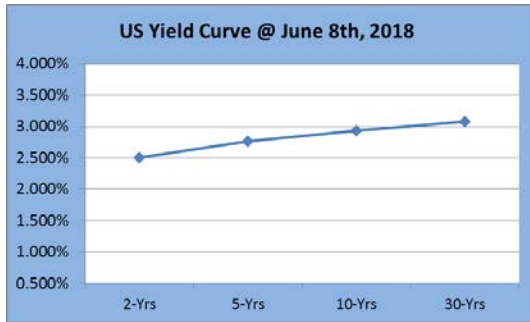
Research Publications (available upon request)

- 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 - Spr'18

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 5.0%**
- iShares Mortgage Plus Index (REM) **Yield 9.8%**

II. MG Favs, RBC DS Summer 2018 US Equity List

RBC DS Summer '18 Global Equity Focus List

MG Favs: Berkshire Hathaway, Bank of America, Visa, Home Depot, Verizon, Apple, Starbucks, and Johnson & Johnson.

RBC DS US Equity Focus List: PNC Financial, JP Morgan Chase, US Bancorp, Berkshire Hathaway, Walt Disney, Amazon, Netflix, Johnson & Johnson, UnitedHealth Group, Thermo Fisher, Costco Corp, Kraft Heinz, Union Pacific, Honeywell, 3M Co, Raytheon, Alphabet, Apple, Microsoft, Facebook, DowDuPont, EOG Resources

RBC DS Global Equity Focus List: Couche-Tard, Amazon.com, InBev, Costco, Kraft, Restaurant Brands, Berkshire Hathaway, Canadian Nat Res, Pembina Pipeline, Suncor, TransCanada, Brookfield Asset Mgmt, Intact Financial, JP Morgan, Royal Bank, TD Bank, US Bancorp, Johnson & Johnson, Thermo Fisher, UnitedHealth Group, 3M Co, CNR, Toromont, Raytheon, Waste Connections, DowDuPont, Alphabet, Microsoft, SAP SE, Telus...

RBC DS 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...

III. News We Recommend on our Intl Holdings

Market prices as of market close on May 31st, 2018

Medtronic PLC (MDT)

Investor Day Highlights

Ranking: **Outperform (RBC CM)**

Price: \$86.63 USD - Target: \$95.00 USD

Microsoft Inc (MSFT)

MSFT for GitHub

Ranking: **Outperform (RBC CM)**

Price: \$100.88 USD - Target: \$115.00 USD

General Electric (GE)

Options Market Implies a Nearly -50% Dividend Cut

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

Price: \$13.78 USD - Target: \$15.00 USD

Stock of the Day Picks this Week:

- Prepared by Ryan

- Salesforce (CRM)
- Palo Alto Networks (PANW)
- Medtronic (MDT)

Research Publications (available upon request)

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

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, Vanguard 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

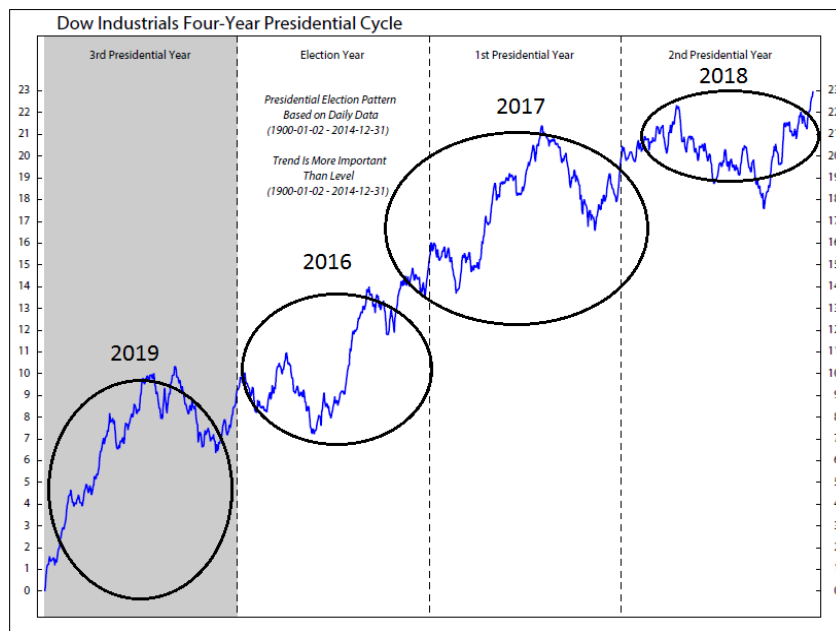





Technical Update

Portfolio Advisory Group

Take a break. The stock markets around the world appear to be starting a cooling-off period after their moves to the upside over the past month, with some of the foreign and emerging markets already in pullback mode. For the Dow Industrials and S&P 500, the immediate support levels are about 3% below the recent highs, with stronger support about 6% lower, so the pullback risk for the near term does not appear to measure to very deep levels. What comes next depends on the indicators of volume, sentiment, and leadership that develop as the markets ease back, but at this time we see a more neutral pattern as the most likely course for the next few months. Trading ranges are also a common trend for many of the stock groups, so we think the currently leading sector of large-cap growth stocks is likely the area to focus on in determining the direction of the indexes that are greatly influenced by this group of stocks.



 American Association of Individual Investors				
Reported Date	Bullish	Neutral	Bearish	
June 7:	38.93%	34.35%	26.72%	
May 31:	35.02%	38.63%	26.35%	
May 24:	38.56%	36.27%	25.16%	
May 17:	36.68%	42.74%	20.58%	
May 10:	33.51%	40.96%	25.53%	
May 3:	28.40%	41.36%	30.25%	
April 26:	36.91%	37.54%	25.55%	
April 19:	37.78%	33.00%	29.22%	

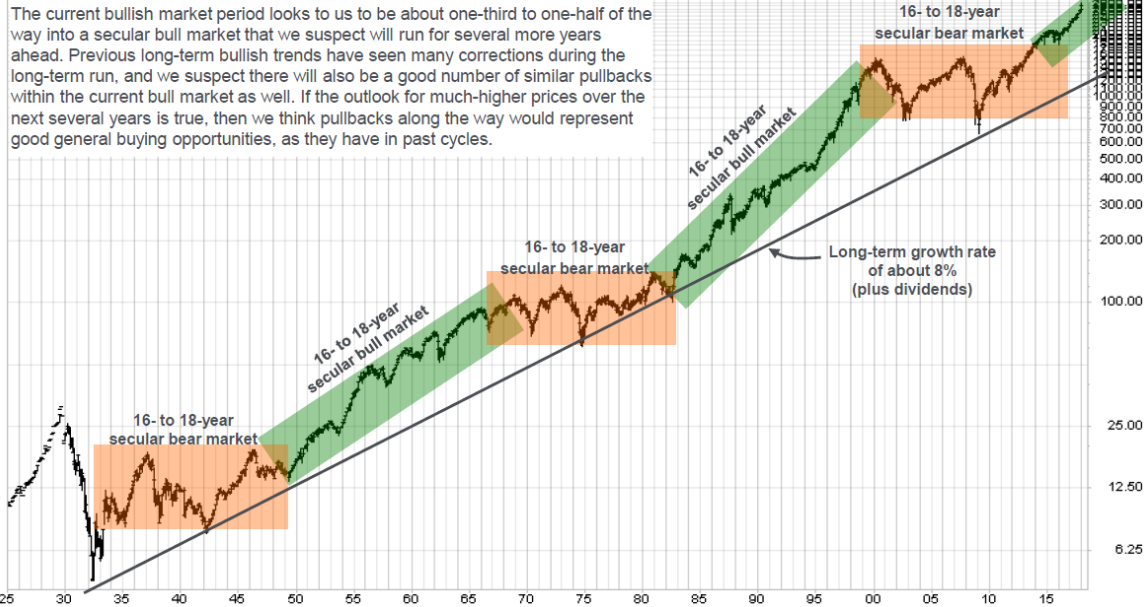


FAVOURITE CHARTS

Long-term market cycles 1925–2018

SPX S&P 500 Large Cap Index: INDX
31-Jan-2018

© StockCharts.com



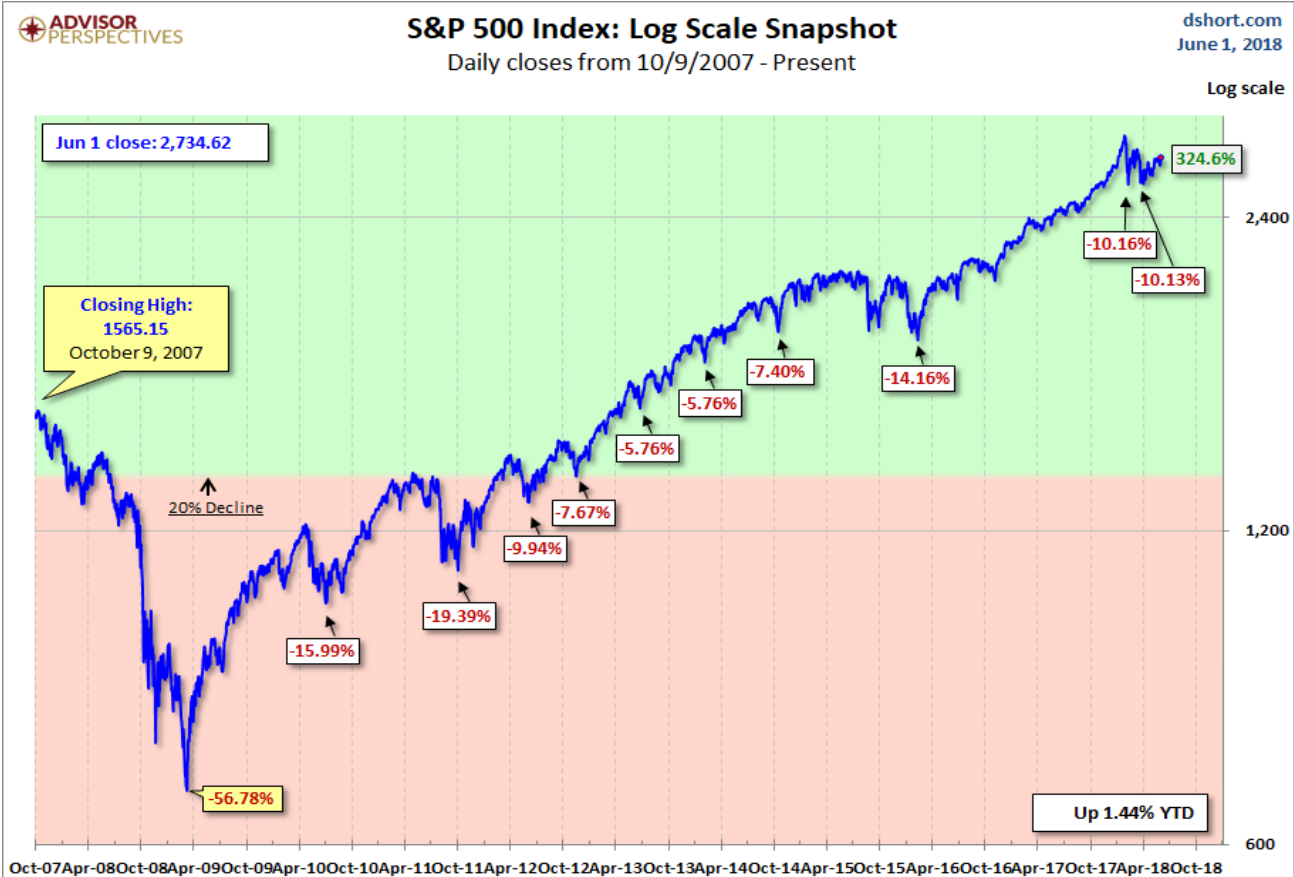
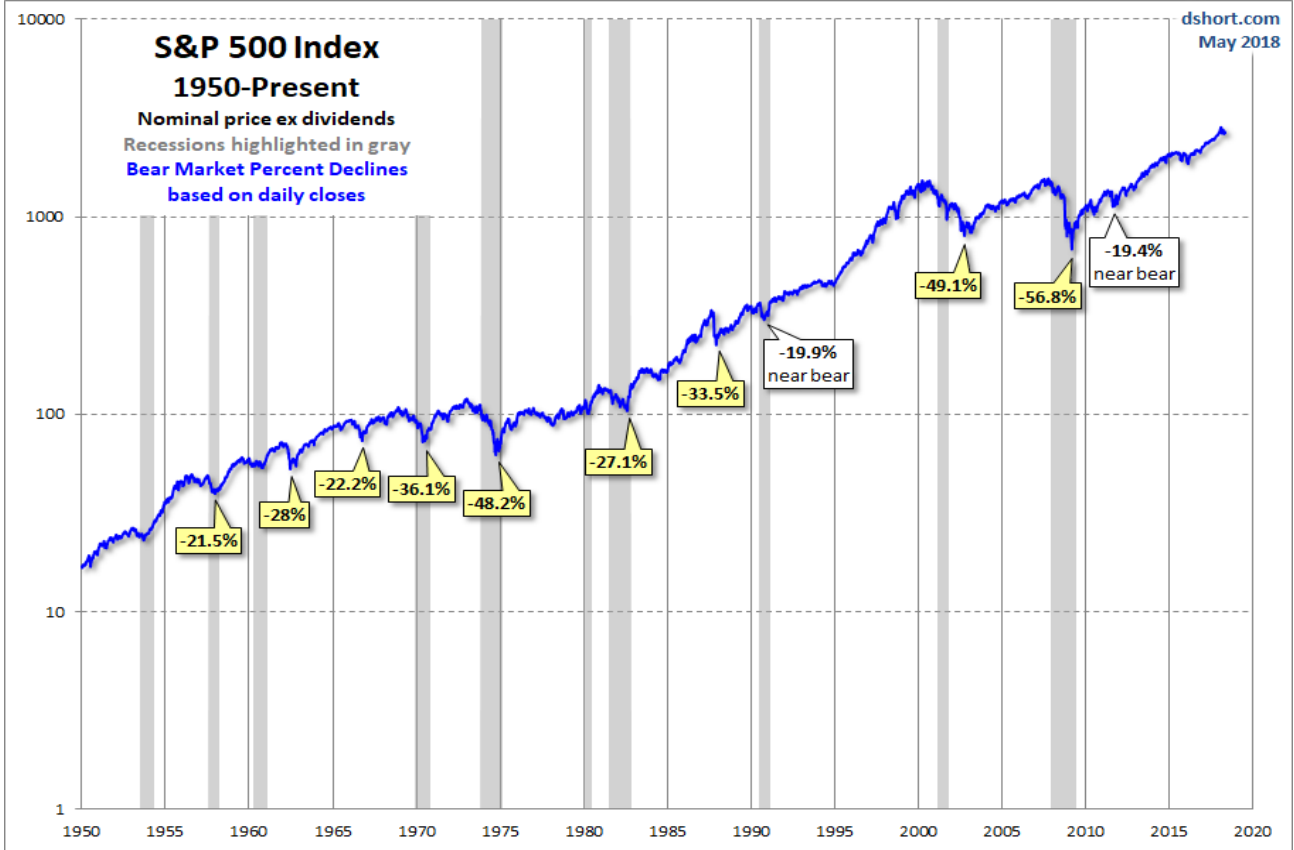
Dow Jones Industrial Average - 1789 to Date

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 (partic. LatAm) 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 Flak gold speculation
- 1873 Railroad bubble; Jay Cooke failure; end of silver coinage. Initiated Long Depression
- 1877 Great Railroad Strike
- 1884 Tightening by NYC national bank; 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 WWI
- 1929 Wall Street Crash! Black 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





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



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
-

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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