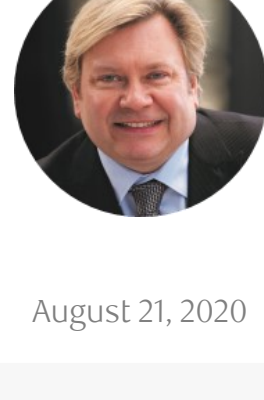


Archer Wealth Management

Newsletter



August 21, 2020

Welcome to our regular newsletter, where we will do our best to keep you informed with Financial Planning articles, Estate Planning tips, Investment Management News, Tax Saving Strategies and various other ideas or photographs that you might like. We welcome your feedback as well as your referrals!

John & Mauricio

Photo of the Week

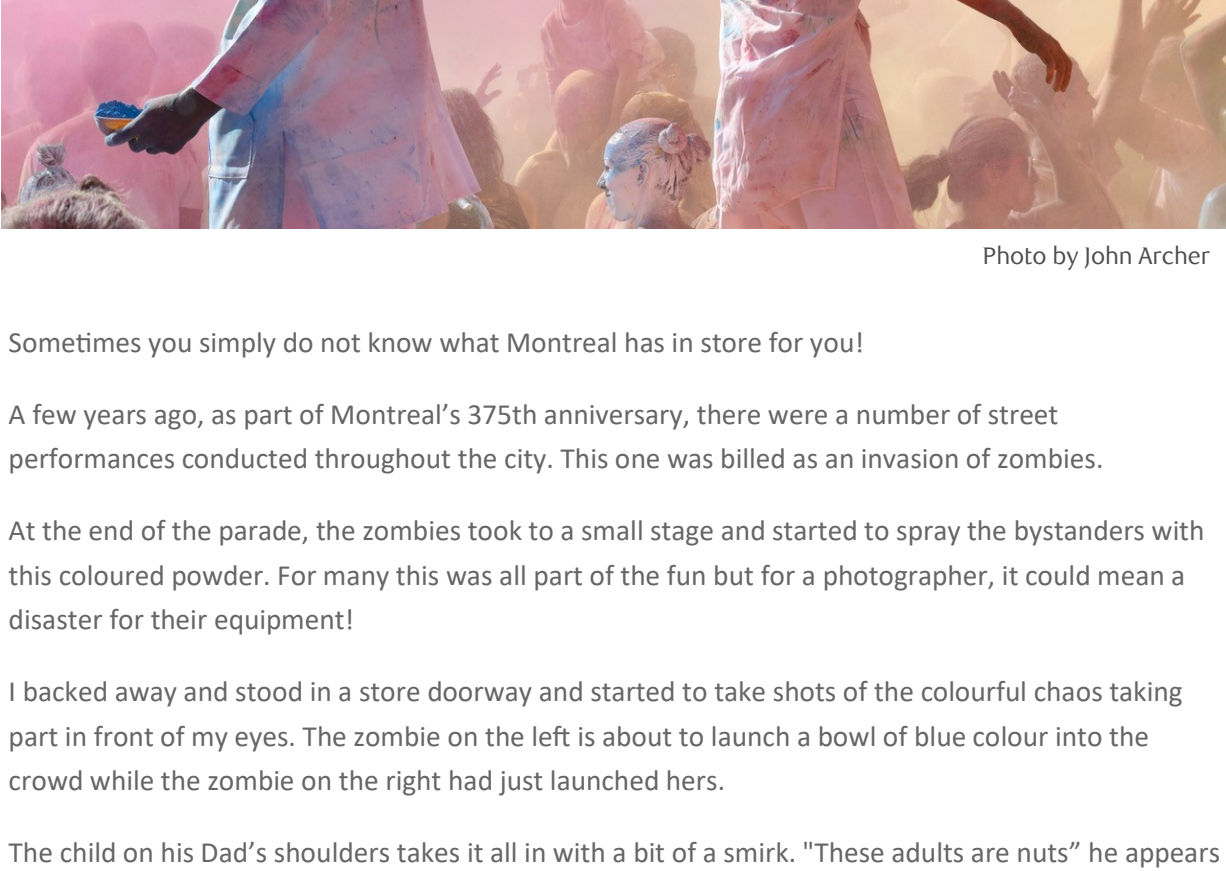


Photo by John Archer

Sometimes you simply do not know what Montreal has in store for you!

A few years ago, as part of Montreal's 375th anniversary, there were a number of street performances conducted throughout the city. This one was billed as an invasion of zombies.

At the end of the parade, the zombies took to a small stage and started to spray the bystanders with this coloured powder. For many this was all part of the fun but for a photographer, it could mean a disaster for their equipment!

I backed away and stood in a store doorway and started to take shots of the colourful chaos taking part in front of my eyes. The zombie on the left is about to launch a bowl of blue colour into the crowd while the zombie on the right had just launched hers.

The child on his Dad's shoulders takes it all in with a bit of a smirk. "These adults are nuts" he appears to be thinking...

John Archer

Market News:

Addressing Market Volatility

Global equity markets were marginally lower over the recent week. The resignation of the Canadian Minister of Finance and the virtually-held U.S. Democratic National Convention received a lot of media attention, though investors appeared less interested. We provide a brief update on the Covid situation, and share some thoughts on Canada given the government's decision this week on existing and new aid programs. Lastly, we touch on the Canadian banks who are set to report results soon.

Coronavirus update

The two dominant trends remain the same. Namely, progress in some places and virus reemergence elsewhere. The U.S. continues to see improvement with new daily cases decelerating, with an average rate of new daily infections above 40,000 instead of the more than 70,000 peak reached nearly a month ago. There are other countries witnessing improving trends as well. More specifically, Russia has seen its elevated figures decline for several weeks. Australia appears to have passed its peak, and Brazil is finally showing early signs of progress.

But, there remain areas that continue to struggle, namely India, parts of Africa, the Philippines, and Indonesia where daily new infections remain stubbornly high. Most concerning is Europe, where it has become clear that the region is grappling with a second wave. Spain, France, and Germany all saw figures over the past week that hadn't been seen in months, and similar trends have emerged elsewhere in the region.

Interestingly, these developments have not necessarily impacted markets. Investors may not view the virus as much of a surprise as it was months ago. Furthermore, investors may have grown more confident that society can adapt while economies remain functioning, even if below normal.

Canada – a new Finance Minister and new aid programs

Canada's Deputy Prime Minister, Chrystia Freeland, was appointed as the country's new Finance Minister. She takes over at what is arguably a critical juncture and will be tasked with addressing near-term and longer-term challenges. More specifically, she will be asked to help the country navigate through the current economic crisis, while ensuring our country is better positioned for long-term and sustainable growth. The government is said to want to explore issues such as sweeping social reforms and renewable energy. But, the country, like others, is already grappling with elevated fiscal deficits as a result of the pandemic-induced spending that may limit the extent of future investment and expenditures.

Importantly, the government made some significant announcements this week on existing and new aid programs to help the country deal with the ongoing economic fallout of the pandemic. There were five key developments:

1. the Canadian Emergency Response Benefit (CERB) will be extended by another month through until the end of September at which point it will wind down and enrollees will transition to the Employment Insurance program (EI) should they qualify;
2. EI – a reduction in the minimum hours worked to enable more people to qualify;
3. the Canada Recovery Benefit program will apply to self-employed workers or those who are not eligible for EI;
4. the Canada Recovery Caregiving program will be for eligible citizens who are unable to work because they need to care for a child, family member, or dependent as alternative care options are unavailable;
5. Canada Recovery Sickness Benefit is for those who are sick themselves or have to self-isolate because of the pandemic.

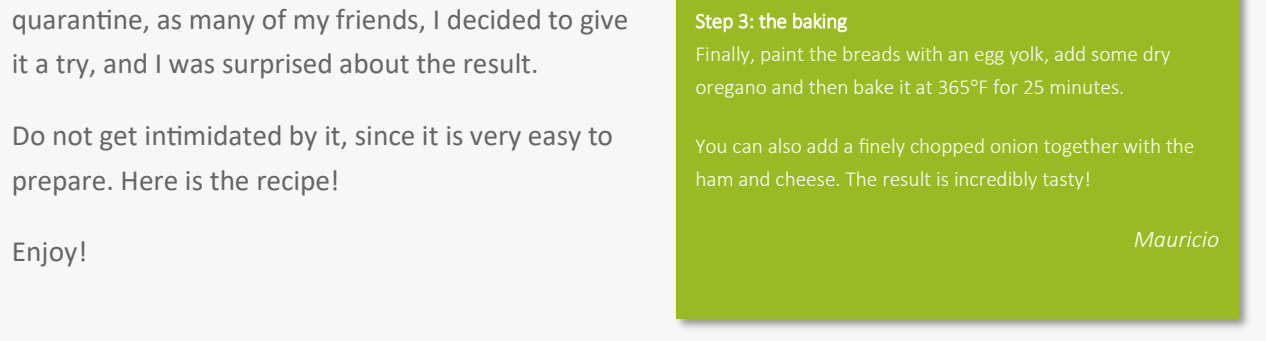
While investors will inevitably debate the effectiveness of such measures, we believe most appreciate that the actions taken thus far have helped soften the blow to our economy thus far. This week's decisions will help buy more time for our economy to heal.

We hope to also see something soon from the U.S., though admittedly our patience is being tested. Negotiations have proven to be much more difficult and expectations are now for a much smaller stimulus package.

Canadian banks – not out of the woods

Lastly, the next week will undoubtedly be an important one for Canadian investors. The Canadian banks are set to begin reporting their third quarter results. These will be for the period May through July, when the economy began to reopen and recover from forced lockdowns. Consequently, the results may be better than they have been, with a smaller build in reserves for future loan losses than incurred earlier this year. Nevertheless, this positive development, should it occur, may be largely attributed to the aforementioned government programs (CERB in particular) which continue to have the desired effect of limiting any customer or business delinquencies for the time being. Consequently, we won't necessarily be drawing too many longer-term conclusions from the upcoming results.

Should you have any questions or concerns, please feel free to reach out.



“e” for a tree campaign

Switch from paper to electronic documents, and we'll plant a tree in your honour in partnership with Tree Canada

A few months ago RBC Dominion Securities launched this beautiful campaign in an effort to reduce the environmental footprint by giving all clients the option to switch to electronic documents. We will plant a tree in your honour through Tree Canada's National Greening Program when you do any of the following:

- **Enrol in WM Online** to quickly and easily access your important account information, send and receive secure messages from us, and much more – all through your computer, tablet or mobile device. You can sign up by [clicking here](#). Alternatively, Mauricio can connect your WM Online to your RBC Bank Online Access so you can see your DS accounts from there.
- **Switch to paperless eDocuments** to safely view your account statements, tax documents, trade confirmations and more through WM Online, instead of receiving printed copies in the mail. [Here's how to sign up](#).
- **Set up online banking** so you can transfer the funds you need between WM Online and RBC Online Banking, without ever having to leave your home. [Here's how to get started](#).

“Our goal is to reduce our paper production by 1,547 metric tonnes. Plus we will plant a tree in your honour when you switch [before August 30, 2020](#).”

It's easy to get set up for our online services. Simply contact Mauricio and he will walk you through the process.

Brazilian *Joelho*

Ham and Cheese bread pastry

As you may recall from our first newsletter, issued exactly three months ago, my grandmother is Brazilian. Every time I visit her in Rio, I have several must-stop restaurants and snack bars to go and food to eat.

As most cities in Brazil, Rio has specific pastries that one must try. One of these is the *Joelho* which literally means knee. It is a bread pastry (or as they call them *salgados* which means salty) filled with ham and cheese. It is usually eaten with a fresh sugarcane juice in the sidewalk or a kiosk at the beach.

Honestly, I am not a fan of baking, but during the quarantine, as many of my friends, I decided to give it a try, and I was surprised about the result.

Do not get intimidated by it, since it is very easy to prepare. Here is the recipe!

Enjoy!

Ingredients:

- 500gr of white flour
- 20gr of yeast
- 2 tbsp of sugar
- 1/2 tbsp of salt
- 1 1/2 cup of milk
- 100gr of butter
- 500 gr of grated ham
- 500 gr of grated mozzarella cheese

Preparation:

Step 1: the dough

In a bowl, mix the flour, the yeast, the sugar and salt. Little by little add the milk and butter and mix until obtaining a uniform dough. Let the dough lift for an hour at room temperature (usually I keep it inside the microwave).

Step 2: the assemble

Once the dough has lifted, bring it to a clean table and knead until forming a big rectangle. In the middle, along the rectangle, add the ham and then the cheese. Fold one side to cover the ham and cheese and then the fold the other side on top. Let it rest for 20 minutes in a baking pan.

Step 3: the baking

Finally, paint the breads with an egg yolk, add some dry oregano and then bake it at 365°F for 25 minutes.

You can also add a finely chopped onion together with the ham and cheese. The result is incredibly tasty!

Mauricio

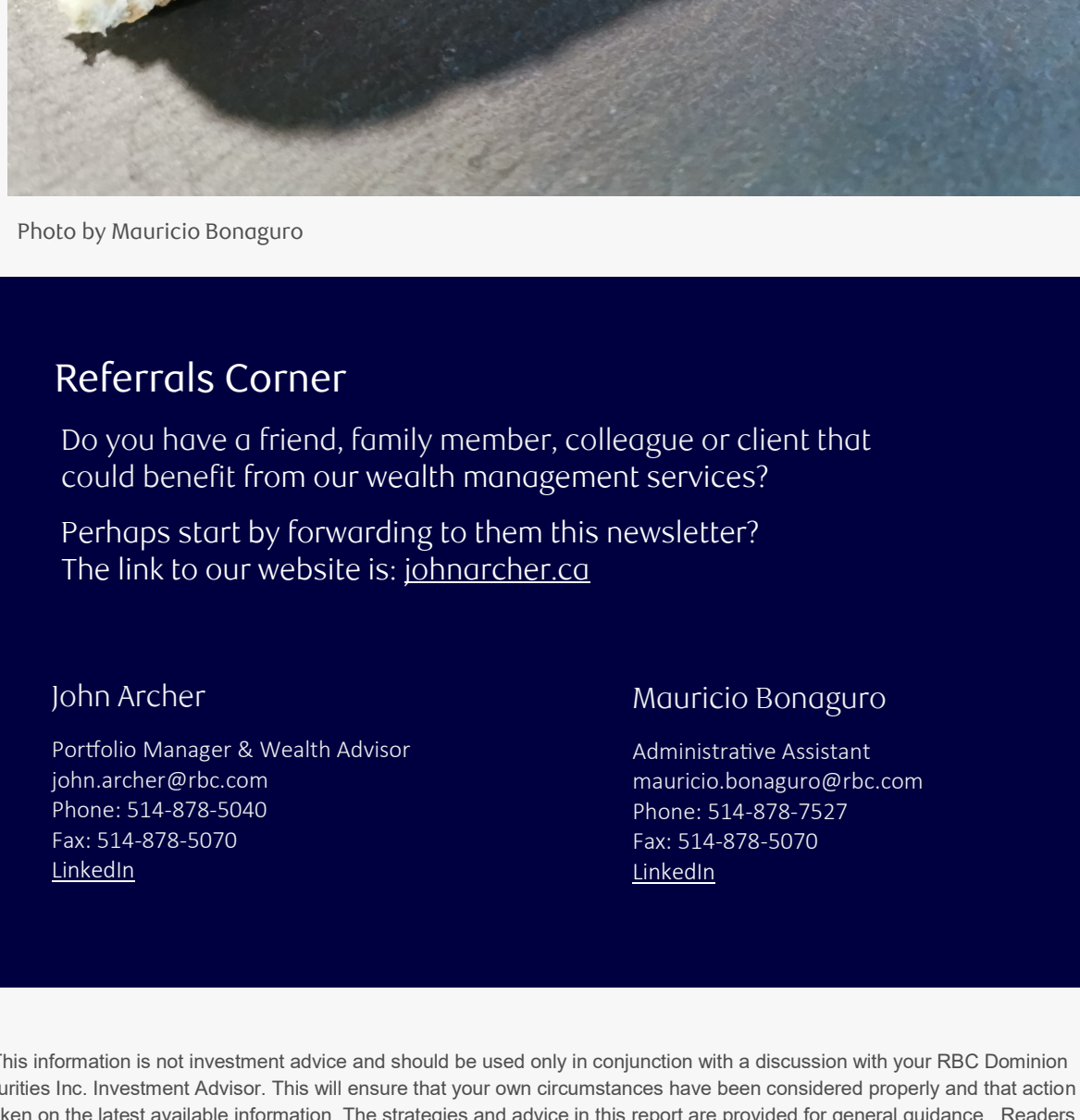


Photo by Mauricio Bonaguro

Referrals Corner

Do you have a friend, family member, colleague or client that could benefit from our wealth management services?

Perhaps start by forwarding to them this newsletter?

The link to our website is: johnarcher.ca

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