



WE'RE MOVING!

Our transition to IPC Securities, which began in May 2014, has offered a host of opportunities. As well as a broader choice of investment and reporting options, we gained access to technology that has changed the way we do business. Efficiencies such as digital storage and transaction speed have morphed our administration and melded perfectly (albeit unknowingly) with the timing of the retirement of both planners and staff over the past few years.

What happened is that our current "home" of 20 years outgrew us. After an arduous search for premises to better suit our needs, we've found a central location in Stouffville that fits us perfectly.

Our digs will be different. Our commitment to you and our level of service stands fast.

Effective December 16, our address will be:

#10 -50 Innovator Avenue, Stouffville, Ontario L4A 0Y2

Email addresses, phone and fax numbers remain the same.

EMAIL ISSUES

We have just become aware that there have been a number of emails sent from our office that have not been received by you. We apologize for any inconvenience that a delay or lack of response from our office has caused.

Our technology team has assured us that a resolution is imminent. In the meantime, thank you very much for your patience while we work to eliminate any further occurrences.

SANDY ESPOSITO'S RETIREMENT FAREWELL

My father used to tell me to never say good-bye as it is so final. I now know what he meant! As you may know, I am retiring on December 12th from IPC Securities/Watermark Financial Group. I joined the firm in January 2006, which seems such a long time ago on the one hand and very short on the other.

To all of my clients, I feel very privileged that you welcomed me into your life as your financial planner/advisor. I have truly enjoyed working with you. In many instances we discussed and compared notes as parents, spouses, pet owners and travelers. The list goes on. I am honoured to have helped you achieve your goals and to have been there when life threw a curveball.

I would like to acknowledge my husband, Ottavio, as he encouraged me and enabled me to work with you. Many of you have been so thoughtful in asking how he is doing. We are looking forward to the next stage of our lives as grandparents as well as to striking travel destinations from our bucket list.

So, this is not good-bye, but rather au revoir. I hope to see many of you in more of a social setting, whether it be at the grocery store, library or a restaurant. You will be in good hands with Jamey, Dave, Deborah and Kelly!

HOLIDAY HOURS

Closed | December 24, 25 & 26, January 1
Closing at 1 p.m. | December 27, January 31

I - 6165 Main Street, Stouffville, ON L4A 4H8 | Tel: 905-642-4540 | Fax: 905-642-4537 | www.watermarkfinancial.ca

Notice of Assessment: You will receive this once your taxes have been filed and processed. This is where your 2019 RRSP contribution limit is recorded. Please drop it off at our office, email kmorton@ipcsecurities.com, or fax (905) 642-4537.

TFSA Limit for 2019: The limit for 2019 is \$6,000. Unused contribution room may be carried forward.

Principal Residence: reminder that the sale of your principal residence must be reported on your tax return. You will need to report the date you acquired the property, proceeds from the sale and a description of the property on Schedule 3.



MARKET UPDATE

Many of the issues affecting markets in January have persisted through the third quarter. Both equity and bond markets have rallied through the year and returns in general look quite good. The main drivers continue to be accommodative monetary policy (money is cheaper to rent since our last report), high employment, and steady economic growth. The headwinds continue to be trade policy, an inverted yield curve, and a struggling manufacturing sector.

Canada

Although the final week of the third quarter was negatively impacted by weak oil prices the economic data that was released was generally positive with construction activity and payroll gains giving rise to optimism. The payroll data was particularly encouraging given it was the seventh increase in seven months. Despite some sporadic volatility over the last three months Canadian Stocks are now up 16.6% for 2019, a 2.2% increase over the previous quarter.

United States

In the U.S. stocks have also continued to deliver on the year now up 18.1% as measured by the S&P500. This advance is less than 1% since the last newsletter. The markets (both bonds and stocks) have reacted favorably to loosening monetary policy. The advance may have been tempered, however, by the continued trade dispute with China and the ratcheting up of political uncertainty with the specter of impeachment now officially in the picture.

Overseas

The MSCI EAFE (Europe, Asia, Far East) Index has advanced 10.2% so far this year which represents a slight retreat from last quarter. With growth slowing in China and the ongoing Brexit saga, trade and business uncertainty is taking its toll. The UK is officially scheduled to leave the European Union on October 31st. The problem right now is that there is no trade deal in place and it appears as though the deadline may be extended once again.

What now?

Stocks and bonds alike have surged this year which is great news for those who grew concerned after a difficult fourth quarter of 2018. There is always reason to be concerned that markets will show their teeth, as they have on multiple occasions in 2019, but with full unemployment and falling interest rates it appears unlikely that a recession is imminent. Some have voiced concern about the fact that long-term interest rates are lower than short-term rates (inverted yield curve) because such an event is sometimes a harbinger of recession. Eventually, there will be a recession but it may not come for some time and we may not even know until we are in it. The greater threat to markets right now seems to be the trade environment and pending tariffs. If we see trade taxes continue to stack up their weight will be felt. By the same token an agreement, even superficial in nature, could jump start range-bound stock markets.

"The comments expressed here are the opinions of the Advisors and may not represent the views of IPC Securities Corporation. The information contained herein was obtained from sources believed to be reliable, however, we cannot represent that it is accurate or complete. This commentary is provided as a general source of information and should not be considered personal investment advice or solicitation to buy or sell any securities. Before acting on any of the above, please contact Jamey Morse, Alexandra Esposito or David Strachan for individual financial advice based on your personal circumstances."