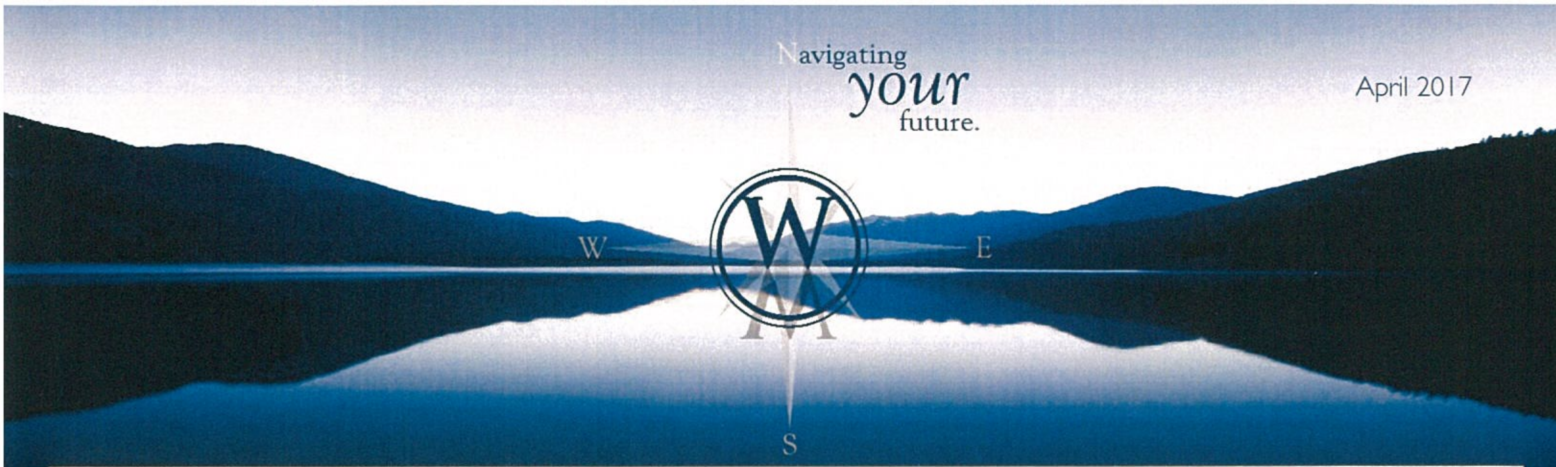


Invitation to Learn

When: Thursday May 25th (evening)
Where: Willow Springs Winery, Stouffville
Why: Savvy Speakers & Timely Topics

Investing For the Future
Jason Gibbs, VP and Portfolio Manager of Dynamic Funds

- Jason will help us understand the health of today's markets

Planning For Future Health Care Needs
Craig Wilson, Regional VP of AGF Investments

- Craig will discuss the challenging task of navigating our health care system for an aging population

Details to follow

1st Quarter Review

Statistics released at the end of the first quarter showed that the Canadian economy expanded at a stunning rate of 0.6% in January, the strongest one month result since 2011. The strength was broadly based with manufacturing, construction, mining, and energy all showing impressive advances. To March 31, Canadian stocks have risen 1.7%. Oil prices have dropped 5.8% in 2017 with crude oil closing out the quarter at US$50.60 per barrel. The main question for Canadian markets going forward will relate to interest rates in an economy where Canadian households are highly leveraged. To this point much of the recent strength has been explained by economists as the absorption of economic slack combined with an unseasonably mild start to the year. Mr. Poloz, Governor of the Bank of Canada (BoC), has been fairly circumspect with regards to the positive data thus far and has voiced concern about the circling economic risks, suggesting that rate increases are not imminent. The BoC will provide its updated economic assessment on April 12th.

South of the border stocks have continued to run hot with the S&P 500 Index surging 3.6% over the quarter. The technology and healthcare heavy NASDAQ jumped 8.8%. Although the U.S. has experienced accelerated GDP growth, including an upward revision of the fourth quarter, much of the recent enthusiasm continues to stem from the anticipation of pro-growth policies extolled by the new administration. With the recent stalling of the new Affordable Care Act and the blocking of some of President Trump's executive orders, there is some concern about implementation of the growth friendly agenda. From an interest rate perspective the expectation remains that the FED will continue on their course of modest interest rate hikes through 2017.

International markets have also shown strength in the first quarter with the MSCI EAFE Index rising 5.5%. Of particular note is the MSCI Emerging Markets Index which has increased 10.1% in response to weakness in the U.S. dollar; this makes it easier to pay off U.S. dollar denominated debt. Toward the end of March, as expected, the U.K. gave official notice that they would be leaving the European Union. This step initiated a two-year process of unwinding which will eventually allow for the negotiation of unilateral agreements.

As always, there is a lot going on around the world. We continually strive to keep you informed so you can relate your performance to what is going on globally and here at home. Please contact us if you would like to discuss any of these events and how they may affect your investments. And most importantly, have a great Spring season!

Jamey Morse, Sandra Parsons, Alexandra (Sandy) Esposito, and David Strachan

"The comments expressed here are the opinions of the Advisors and may not represent the views of IPC Securities Corporation."

NOTICES OF ASSESSMENT

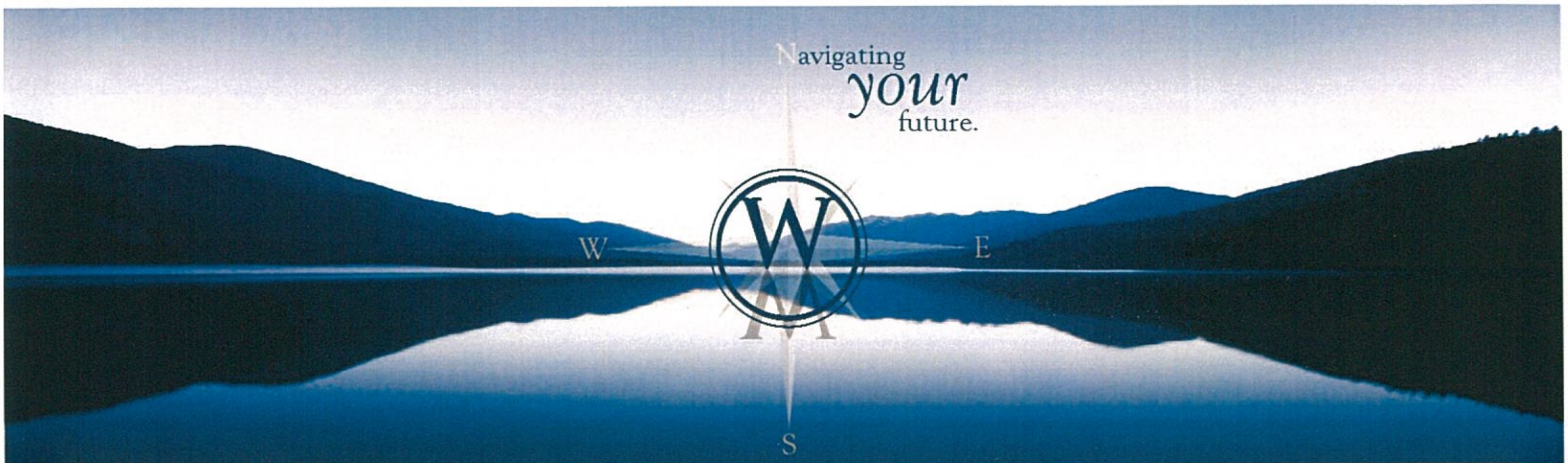
Please send us your Notices of Assessment once you've received them.
This is where your 2017 RSP contribution limit will be noted.
Email scurtis@ipcsecurities.com,
Fax (905) 642-4537 or drop off anytime.

TFSA 2017 CONTRIBUTION LIMIT

The limit for 2017 is $5,500.
Unused contribution room may be carried forward .

VACATION PROPERTY IMPROVEMENTS

Be sure to keep all receipts for improvements to the cottage this summer.
Capital improvements can increase your cost base and reduce your tax bill when you sell.



Federal Budget update

On March 22, the Liberal government produced their 2017 Budget. As anticipated the liberals stayed the course favoring deficits over balance for the time being. For fiscal 2017-18 the deficit is expected to reach $28 billion, or 1.3% of Gross Domestic Product (GDP). Major themes of the 2017 budget included innovation, tax fairness and gender equality.

The most notable item for many was what wasn't included in the proposal, namely an increase to the capital gains inclusion rate. For many months leading up to the budget there was a good deal of speculation that the inclusion rate would increase from its current level of 50%. For those with large gains on capital property such as cottages and investment portfolios there was some bated breath followed by a sigh of relief.

Those who are accustomed to receiving a 15% non-refundable tax credit relating to funds spent on eligible transit passes will see this benefit disappear on July 1, 2017. The government has estimated the savings from this initiative to be more than $1 billion over the next six years.

On the medical side, access to the Disability Tax Credit (DTC) has been improved now that Nurse Practitioners have been added to the list of medical professionals that can certify impairments. The DTC not only provides a tax credit but access to certain programs - including Registered Disability Savings Plans (RDSP) - that provide eligible beneficiaries with substantial assistance through the form of grants and bonds.

From a streamlining perspective the government has consolidated the three caregiver credits to one Canada Caregiver Tax Credit. The benefits are designed to be consistent with the previous regime of credits and will be reduced dollar-for-dollar by the dependent's net income over $16,163.

Although there were no immediate changes proposed regarding tax planning for private corporations, Mr. Morneau, Canada's Finance Minister, did raise some eyebrows when he announced that they would be producing a report in the coming months outlining policy prescriptions for tax advantages that are deemed unfair. The focus, as it relates to private corporations, will be on income-splitting, holding passive investments, and converting corporate income to capital gains.

Below we have posted a link to the government website if you would like to explore the budget in further detail.
http://www.budget.gc.ca/2017/home-accueil-en.html

Retirement—a Dream or a Plan?

In our GAP year we didn't buy a farm or a zoo, but built our dream home. Many retirement experts tell you NOT to do that. We did and are thrilled with the outcome.
We retired over a year ago. Putting pencil to paper many times over the last few years, we finally achieved the house design we thought would work for us on our cottage property. We took advantage of the housing boom in Stouffville, sold our home of 31 years, and headed north to make the dream a reality. The stars were aligned as we found a great rental home 5 minutes away and had the driest, hottest summer on record in which to commence our build. R worked all day every day with great trades on the house, surprising even himself with the hidden skills he didn't know he possessed. S, while the main design person, helped wherever she could-removing nails, insulating, shoveling sand, moving gravel. We both slept well every night! The project of our lives was completed in under seven months. We pinch ourselves everyday! We love it and the outcome is exactly as we envisioned. We have created a wonderful home/cottage property for family and friends to visit. And we've had lots of company!
Along with our dream home, our world travel plans remain intact, and a new motorcycle is parked in the garage waiting for spring. We haven't run out of things to do yet, but when that time comes, we will add to our volunteer activities. S & R

1 - 6165 Main Street, Stouffville, ON L4A 4H8 Tel: 905-642-4540 Fax: 905-642-4537