



LOOKING BACK AT 2020 - OUR THOUGHTS

From Jamey

The pandemic has forced many to take stock and reevaluate their lives. I am no different. It's easy to find the many negatives that exist around us, whether in our daily conversations, the media or simply within our own thoughts. However, I have always considered myself a "glass half full" type of person, so I thought I would share a few of my personal positive experiences along with Deborah, Kelly and Dave.

First and foremost, this time has afforded me the opportunity to spend more quality time with Trish and my children Josh (11) and Avery (14). To say life was busy before the pandemic would be an understatement, always running kids to sports and various activities. Rarely were there times when all four of us would have the pleasure of sitting down to a meal together. Now this is a daily occurrence, absent of any technology and allowing us to just "talk". I've also been able to sharpen certain skills in card and board games, along with dusting off my guitar and attempting to sing, while my dog Tucker howls in the background at the noise.

As many of you may already know, I have been fortunate to be on the Board of Directors for Parkview Services for Seniors the past five years here in Stouffville, which is an independent and long-term care facility. Watching the incredible work the CEO, management, nurses, PSWs, maintenance and administrative staff have done for the past 10 months has certainly been humbling. My day-to-day inconveniences are nothing compared to what they have endured. They truly are heroes.

My family pokes fun at me when I said back in March this would only last a few weeks (ok maybe my glass was a little too full), but I am confident when we come through this, the world will be forever changed in a positive way, we just don't know exactly how yet.

From Deborah

Most of us are guilty of thinking we don't have time for "things", even really nice simple things. With no excuses at hand and lots of opportunity, simple luxuries took a forefront.

We all know the old saying "wake up and smell the coffee". Well, I did, literally. I now grind coffee beans every morning and can't believe it took me decades to figure this out. I visited Centre Island in December

and learned it is still a gem even when deserted and cold. The snowy beaches and quaint, architecturally interesting rows of homes on Wards Island rarely paid attention to in the summer, played a starring role.

Bundled in skiwear, wrapped in blankets at -10 degrees, sitting in a dark yard in a summer lawn chair, chatting with my best friend of 47 years became the most memorable visit in decades. My mom who is 91 and never used a computer in her life is face-timing, emailing, and messaging. In isolation she watched her great-grandson learn to crawl. And last but not least, did you know that the largest urban park in North America is on our doorstep? The Rouge National Urban Park Trails are as diverse as they are spectacular and stretch from as far north as Uxbridge to Rouge Beach on Lake Ontario. If you haven't already, I suggest you check them out.

From Kelly

2020 was a year for the record books. It was hard staying away from friends and family for myself and my three girls. Sports, activities and schools were cancelled with orders to stay home. Even staying home for life celebrations of dear ones we lost this year was unexpected. But 2020 wasn't completely lost to us. Luckily our place up north let us escape the confines of the house (and each other!) The lake was our happy place. The purchase of a new ATV this year had us exploring the many trails that the Algonquin Highlands have to offer. In the fall we all joined in to decorate for Halloween and were awarded first place in Uxbridge's Halloween Decorating Contest. The girls and I finished off 2020 with purchasing a new home. I don't recommend unpacking and decorating for Christmas at the same time! Christmas had a different feel with no extra family members or friends to share with, but a good time was had by all. I hope that 2021 brings all the best to you and your family.

From Dave

I feel fortunate that my family has stayed healthy and I have become accustomed to giving those that I can embrace a little bit of a tighter squeeze a little more often. I believe that an upside to the lockdowns is a greater appreciation for family, friends, and community. And I sincerely hope that those who are struggling find a path through these difficult times and come out stronger.

This last year has been tough, to be sure, but 2020 doesn't have to be an all or nothing. We hope you all had some bright spots and take a moment to reflect. The vaccine is sure to keep us safe, the rest is up to us. Good health and happiness to all of you in the year ahead.

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HAPPY NEW YEAR!

Going into 2020 we had muted expectations after a very strong 2019. At the time it felt like stock markets were getting a little frothy and then right out of the gate Russia and Saudi Arabia got into a tussle over oil supply sending crude prices into a tailspin. It wasn't long after that we started to come to grips with the reality that we were facing a serious threat from the novel Corona Virus. From February 20 to March 24, MSCI's 49-country world share index lost more than a third of its value. As the global economy went into various degrees of lockdown, governments and central banks lowered interest rates to historic lows and launched stimulus programs to build a bridge to the other side of the misery.

The warm months brought some relief in many areas and it became quite apparent that important changes were underway as it relates to work, education, and lifestyle. Technology was the major beneficiary as we saw certain trends accelerate in response to our need for social distancing. Those who were fortunate enough to be able to work from home did so. We also saw learning increasingly move online along with shopping and socializing. While some of these trends were already underway the adaptation of new technology accelerated at an alarming rate and stock prices responded.

When the clock finally ran out on 2020 Canadian stocks were up 2.2%, a fairly amazing result considering energy prices cratered and financial stocks were still in negative territory up until November. As the year went on, we saw steam gather in retail and the financial sector rallied as we got closer to the roll out of the Pfizer and Moderna vaccines.

In the US Stocks were led higher by the aforementioned technology sector. For the year the S&P500 was up 16.3% (13.9% in C\$ terms). The technology laden NASDAQ Composite Index was up 43.6%. The leadership was fairly concentrated with the FAANG (Facebook, Apple, Amazon, Netflix, Google) stocks providing a disproportionate share of the gains. Other names such as Zoom, Peloton and Docusign – to name a few – also rose in the aftermath of global lockdowns. Even a tumultuous presidential election failed to derail the rally.

International stocks also rebounded through the summer. The MSCI EAFE Index finished the year up 5.4%. The UK, which was hit harder by the virus than many economies and had the added pressure of Brexit fared poorly with the FTSE 100 finishing the year down 14.3%.

Bond markets were boosted by government and central bank stimulus programs drove interest rates down. The FTSE TMX Canada Universe Bond Index finished the year up 8.7%.

There is a good deal of optimism heading into 2021 despite the fact that we are in the midst of an insidious wave of infections. Financial markets care much more about where we are going than where we are. The roll out of vaccines gives life to the idea that at some point in the not-to-distant future we can go back to the way things were. There will be pent up demand for travel, people will be able to meet in person, take subways and go to the movies. This sets the stage for an economic comeback. The concern will be how much of that is already priced into securities. While we are expecting positive returns this year it is possible some of those sectors that have benefited from our change in behaviour may have to pause and grow into their valuations. The broader market however should be able to thrive once the economy reopens.

Things never unfold exactly as expected but we look forward to a successful rollout of vaccines and wish you a happy and healthy 2021.

Source of Market & Economic Data: TD Weekly Market Report, provided by TD Wealth, December 24, 2020 to December 31, 2020.

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