

## 2013 In Review

What a year it has been! The numbers below illustrate that markets around the world were up strongly with the exception of Canada. The Canadian market has underperformed again this year. Many fund managers increased foreign content in their portfolios to help increase returns. It is difficult to truly diversify within Canada on account of the investment options being mainly financials, energy and natural resources (like gold). Going forward, portfolios that are diversified worldwide are more likely to outperform pure Canadian content over long periods of time.

Despite the international noise of natural disasters, political turmoil and the plummeting price of gold—business did very well. When corporate profits are strong, markets are strong. The Canadian dollar changed little from one year ago. However, it began a downward trend in the last quarter, dropping 8 cents against the US dollar. This helped foreign content returns in our portfolios.

I listen to year end reviews as well as forecasts for the upcoming year. After 30+ years in this business the only thing I know for certain is that no one knows for certain.

Our balanced portfolios were up between 16% and 19% for 2013. This is highly unusual as normally we look for a long term return of 6%. Allow me to repeat myself; do not try to outguess what markets will do. Ultimately that strategy will fail. It is time in the market, not timing the market that will pay dividends in the long run.

	Market	Dec 31, 2012	Dec 31, 2013	YTD
Canada	TSX	12434	13621	9.55%
U.S.	DOW	13104	16577	26.50%
U.S.	S&P 500	1426	1848	29.60%
U.K.	FTSE	5898	6749	14.40%
France	CAC	3641	4296	17.90%
Germany	DAX	7612	9552	25.50%
Japan	NIKKEI	10395	16291	56.70%
Canadian \$		\$101.00	\$98.42	-2.60%
Oil (US\$)		92.00	94.00	2.20%

\*\* Source: CNN Money

“There is no dignity quite so impressive and no independence quite so important as living within your means.” ~Calvin Coolidge

## Announcement

In early December, Maude Financial Inc. said farwell to Lynn Carwell. Lynn was with us for 6 great years!

We appreciate Lynn’s outstanding service and loyalty. We wish her well in her future endeavours.

In late October we welcomed Tamara McPherson to our staff.

Tamara is new to financial services but is learning fast! At the beginning of January Karen Read also joined our staff, completing our administrative team. Karen has 25+ years experience in the banking industry. We are excited to have new energy and ideas in our office!

### TFSA Contribution Limits

The TFSA contribution limit is \$5,500 for 2014. The total TFSA contribution room is now \$31,000 for those who were age 18 or older in 2009. Your contribution room is cumulative. If you have not maximized deposits you catch-up at any time.

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## Benefits of a Will

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It is astonishing how many individuals do not have Wills. This legal document is an incredibly important component of any financial plan. When you work hard to accumulate assets it makes sense that you would want your hard earned assets to be distributed according to your wishes. If you die without a Will, your estate may not be divided up as you would have wished.

### What is a Will?

A Will is a written document that sets out your instructions for dealing with the assets you own when you die. If you have minor children, you should also appoint a guardian for your children in your Will.

While a Will can appear to be straight-forward, the family relationships and legal obligations that the Will needs to deal with may be complex. There are also certain rules and formalities that must be followed when writing a Will, to ensure it is valid. A lawyer can assist you in preparing your Will in a way that will help ensure the document itself is valid and your wishes are respected.

### Things to consider before making your Will

#### Cost and Time

The price for a Will for the average couple, including a Power of Attorney and Personal Directive, is approximately \$600. It will involve meeting with your lawyer twice. Once to discuss the details of your Will and once for you to look over and sign the prepared Will.

#### Appointing an Executor

Your executor will be responsible for taking control of your assets and paying your debts after you die, and will carry out the instructions in your Will. They may be required to apply to court for probate of the Will and will need to deal with the estate's income tax filings. It is important to choose a reliable adult to take on this role.

#### Appointing a Guardian

If you have children, you can appoint someone to act as guardian for your children if you and the children's other parent die before the children turn 18. If you die without a Will that names a guardian for your child, the family member or friend who wants to be your child's guardian will likely have to apply to court to be appointed.

#### What Assets are dealt with under your Will?

Some assets may not be dealt with through your Will, such as jointly owned assets (a home owned in joint tenancy, for example), RRSPs and life insurance benefits. When preparing your Will, it is important to consider how those assets will be distributed and how they affect your overall estate plan.

#### Providing for Children and Dependents

This area may involve the Public Trustee and can be very complex. It is best to consult a lawyer regarding providing for your children and dependents when you pass away.

Wills are not only for the rich and famous. A Will is affordable and benefits everyone. It will allow you to ease the burden on your family and loved ones.

For more information about Wills please contact our office for a free booklet provided by the Centre for Public Legal Education Alberta or contact your lawyer.

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"Only put off until tomorrow what you are willing to die having left undone."

~Pablo Picasso

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