

September 2011



**GENERAL MARKET COMMENTARY:** The first quarter of 2011 gave us a very promising start to the year. However, global stock markets have been exhibiting extreme volatility (mostly on the downside!) over the last few months. First, let me tell you it is not a rosy picture! There are real issues out there that need to be dealt with, and they can't be solved in one day, or even one year. In fact, the issues did not appear over the summer, they have been 'brewing' for quite some time. While this might be short and simplistic, I believe it covers the keys issues affecting the markets right now.

The economy, and therefore, the general population, has become accustomed to decades of stimulus via government spending ...and spending more than they have! Regardless of how well-intended it might have been, this has built up a very powerful habit - almost an addiction, and it's not easy to 'kick the habit'! The riots in Greece are an example of what happens when you try taking something away from people, when they have come to expect it as their 'right'.

People in general, and more so investors (individual, corporate & institutional) do NOT like uncertainty and instability. Uncertainty breeds fear, and fear often leads to procrastination or poor decisions. We are suffering from a severe lack of leadership: the leaders aren't leading, decision-makers aren't making decisions and policy-makers aren't making policies. Instead, they are bickering, pointing fingers of blame and procrastinating. The very public debate over raising the US debt ceiling limit comes to mind as a recent example.

I have great faith that we will work through this. It will take time and there will be tough choices for some individuals, corporations and governments, but we will get through. From a corporate standpoint, this is NOT 2008 all over again. By in large, the corporations that survived 2008 (and many didn't) are now much more financially stable - many have large amounts of cash on their balance sheets. The vast majority of my clients have a balanced portfolio, with enough in the 'safer' (Bonds/GICs) portion to cover expected income needs for at least three to five years. So, while the overall portfolio value may decline, we are not forced to sell anything at a low price. Although down markets and gloomy headlines are never comfortable, they are a normal part of investing and should not move you to abandon your long-term financial and life goals.

**FINANCIAL (LIFE) PLANNING:** As much as possible, my staff and I do everything within our control to help you prepare for, and 'ride out' financial storms such as we are currently experiencing. We admit that we are not able to consistently

'time the market'. However, by helping clients clarify their goals and their risk tolerance, we have a very high success rate of getting clients to their destination while minimizing sleepless nights!

Part of the reason for our success is that we help clients focus on their life goals, which helps them overcome the tendency to get too distracted by daily headlines. We also focus on helping clients develop wisdom, so they can apply it to every area of life. What do I mean by that? Glad you asked! Here's one: Every choice you make has consequences - think past the emotion of the moment and see if you like the long-term consequences of your choice. What will you have for a mid-morning snack? Do you choose the delight and satisfaction of eating a freshly baked croissant, smothered with whipped butter and jam, or do you choose the large, fresh apple beside it?! Wisdom always chooses to do NOW, what it will be satisfied with later on. Here's another one: You are entitled to your own emotions, but not your own set of facts! Emotions are not wrong, but realize that emotions 'colour' your judgment, so take some time and get a more complete perspective before making a decision. Making poor choices leads to regret, and life is much too short to spend time with that emotion.

**OFFICE NEWS:** I am very pleased to announce the addition of a new Associate Financial Advisor to our team. We are proud to welcome Frenel Djossa, B. Comm. (Finance), a graduate of our very own UOIT! Frenel's warm smile and his ability to translate complex strategies into easy to understand, practical steps, will quickly get you on track to reaching your financial and life goals. Frenel will be working closely with me, monitoring client plans, developing new strategies, and, meeting with clients. Vanessa continues her role as an insurance licensed assistant, answering any questions you have that are related to insurance. Vanessa also prepares our financial plans. Melody efficiently handles all the day-to-day processing associated with your investment accounts, including additions, withdrawals, systematic investments and any changes (address, beneficiary, etc.). Wanda's primary duties include reception, scheduling and general administration. See the attached picture of the entire team!

We are in complex, difficult and changing times. It is precisely at times like this that you need to know who you are and what is truly important to you in life. I feel you should be investing at least as much time planning what you want in life as you do watching/listening/reading today's news. We need to be aware of what's going on today, but more importantly we need to try to discern what today's events will mean to us in one year, three years, or five years. You won't get that insight by listening to the news highlights or reading a few short articles. However, that is exactly what you will get from us. With the addition of Frenel to our team, that means we have additional capacity for meeting with you, as well as being available for your family or friends that would like to have a trusted advisor to help them navigate through turbulent times like this.

We are here to serve you! Please call or email us if you have any questions, would like to schedule an update, or, would like to introduce us to a family member or friend.

Warmest Regards,



**R. Derek Dutka**, B.Ed., CFP,  
Senior Financial Advisor

*"Taking people beyond success . . . into significance!"*

PS: A few quotes to ponder!

*Failure is simply the opportunity to begin again more intelligently.* Henry Ford

*The doors of wisdom are never shut.* Benjamin Franklin

*Courage is the finest of human qualities because it guarantees all the others.* Winston Churchill

*A wise man will hear and increase learning, and a man of understanding will attain wise counsel.* Proverbs 1:5

*This material is provided for general information and is subject to change without notice. Every effort has been made to compile this material from reliable sources however no warranty can be made as to its accuracy or completeness. Before acting on any of the above, please make sure to see me for individual financial advice based on your personal circumstances. Assante Capital Management Ltd. is a member of the Canadian Investor Protection Fund and registered with the Investment Industry Regulatory Organization of Canada. Insurance products and services are provided through Assante Estate and Insurance Services Inc.*