

March 2020

Dear Client,

I hope this newsletter finds all of you to be healthy and with plenty of supplies to weather the current situation we all find ourselves in. Never in modern history has there been a pandemic such as COVID-19. The healthcare community is working tirelessly, and they should certainly be commended at this time.

As the longest running Bull market in history ended abruptly, those who believed it would last indefinitely were mistaken. It is important to remember that recessions are a normal part of the business cycle and give rise to the next bull market. The sell off that took place mid-March was in large part logarithmic (automated) trading and does not reflect an imbalance in the overall economy. Market volatility will continue until sufficient government monetary stimulus has achieved its desired effect of stabilizing the financial system. I now anticipate a U-Shaped economic recovery. It may take several months for markets to recalibrate. This only emphasizes the benefits of owning high quality businesses, with strong earnings and cash reserves, that have proven to better protect shareholder capital. This is why I have you invested in just such businesses!

Several government measures have been implemented to lessen the financial strain, during the current health crisis. Effective March 24, Ontario hydro rates will be lowered to \$0.101 kWh (weekdays 7-11am, 5-7pm) to reflect the off-peak rate. The CRA has extended the **Tax Filing Deadline to June 1st**, and balances owing are deferred until September 1st. For those who draw RRIF income, the Federal Government has reduced the 2020 AMP (annual minimum payment) by 25%, providing an opportunity for those wanting to reduce their taxable income, during these difficult times. I will be informing you of all pertinent developments as they arise.

I would like to extend my thanks at this time for your continued patience, which remains a necessary ingredient to investing success. I am always available to discuss any concerns you have pertaining to your accounts, as I continue to serve my clients from home.

Sincerely,

David Beauchamp, CFP[®], FMA, CIM, FCSI[®]
Senior Financial Advisor

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. The opinions expressed are those of the author and not necessarily those of Assante Capital Management Ltd. Commissions, trailing commissions, management fees and expenses, may all be associated with mutual fund investments. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the Fund Facts and consult your Assante Advisor before investing. Assante Capital Management Ltd. is a member of the Canadian Investor Protection Fund and Investment Industry Regulatory Organization of Canada.