
Happy New Year and Welcome to 2018!

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We hope that everyone had a good time over the Holidays. We enjoyed a couple of weeks out of the office with the girls. For the most part, we stayed close to home (as it was dreadfully cold) but we did get out to Drumheller for a night to check out the museum again. The girls always enjoy their time there and the museum has some new displays which are fantastic.

Similar to 2016, 2017 was also a year full of news headlines, surprises and some craziness. This seems to be the norm going forward! The good news, is that we've had a couple of really good years on the market. While we had very slow first half of the year in Canada, the Toronto Stock Exchange finished the year at record highs. The TSE has now appreciated in four of the last five years. On top of that growth, we're also seeing incredible job numbers here in Canada.

The country surprised almost everyone adding 78,600 jobs in December. This is on top of the 79,500 positions that were created in November. According to Statistics Canada, the Canadian economy created 422,000 jobs in 2017 which is an increase of 2.3 per cent. This has also left Canada with an unemployment rate lower than any year since 1976. As most of our clients live in Alberta and Saskatchewan, we're still not feeling all of this in our Resource Based Economies. That being said, Saskatchewan is supposed to lead the nation in growth in 2018 (according to RBC) and Alberta lead the country in 2017 with growth over 6%. While unemployment in Alberta is still much higher than in past years, we did add 55,000 jobs last year. As I write this, Oil Prices have not only hit \$60/barrel, they've held that and stayed at \$61 to \$62. This is over double the \$28/barrel that we had in January of

2016. The downside to all of this good news, is that we will likely see another Interest Rate Increase. Please contact me if you'd like to discuss how this could affect your portfolio.

2017 also saw growth in many other Global Markets with the United States leading the way. The USA had an amazing year on the Stock Market. Their indexes reached record highs and the overall market has now appreciated every year since 2009. The S&P 500 went up 21.83% in 2017 which is the best performing year since 2013 when it went up 32.39%.

Certainly, we've seen tremendous growth out of US Companies since the Financial Crisis. On top of that, we're also getting strong growth out of the Emerging Markets. While these markets come with a lot more volatility, we continue to see growth in China and India. We've also seen a tremendous recovery in Brazil's Stock Market which has almost doubled in value over the last two years.

After a couple of strong years in Equities, you should be getting some nice Annual Statements in the coming weeks. As a reminder, these statements were updated last year and are now more detailed than they were in the past. This includes easier to read breakdowns of the cost of investing and your rates of return. You'll continue to get Quarterly Statements and for those of you with Investment Loans, please watch out for Statements that show the Interest you paid in 2017. These will be necessary for your Income Tax Return this year.

As always, we're happy to go over any of the above in detail. I'll be reaching out to anyone who hasn't signed off on a Tax Declaration yet. It's also RRSP Season so let me know if you'd like to get a Contribution in before March 1st!

Bryce A. Borden

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