



ROYDS REPORT

November 2024

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Impact of the New American President

Elected officials often don't carry through with policies promised during their campaigns. But let's say the new American president-elect makes policy moves in the direction he said he wanted to take the country. What would this mean to the economy and stock markets? We have listened to several companies post election, like T Rowe Price, AGF and RBC, to see what their analysts expect Donald Trump's influence will be on the economy and markets. A summary we got from NEI Investments the day of the election actually seems to sum up the views of the analysts we've heard. Here are some excerpts that we thought you'd be interest in:

"historical data illustrates that markets have shown resilience and indifference under both Republican and Democratic administrations in the long-term, as corporate earnings and valuations remain the real drivers of long-term returns. ...

1. Taxes: ... Trump however, favours extending tax cuts, which could stimulate investment but may lead to inflation.
2. Tariffs: ... Trump proposes substantial increase on tariffs on imports, especially from China, which would potentially be inflationary and negatively impact economic growth.
3. Immigration: ... Trumps' policies could tighten the labour market, putting pressure on wages and inflation.
4. Federal Reserve (Fed) independence: ... Trump may seek influence over interest rate decisions [that is, end the independence of the US equivalent of the Bank of Canada], potentially affecting investor confidence in U.S. bonds.
5. Green Energy: Trump would likely roll back support [for renewable initiatives], impacting the clean energy sector.

Economic implications

It's important to note that the implementation of these policies would depend on the composition of the House of Representatives and the Senate, and the actual economic impacts could vary based on factors such as negotiation and retaliation by other countries to tariff exclusions and increases for countries a part of the United States-Mexico-Canada Agreement (USMCA). As deportation of illegal and undocumented immigrants is politically and logistically difficult, tariffs increases and tax reductions by a potential Trump win would likely have the most impact. This scenario would likely be dominated by the negative effects of the tariffs, which would offset the positive effects of the tax cuts.

Implications for Canada

A potential Trump administration poses risks to Canada's economy, particularly if he withdraws from the USMCA and imposes broad tariffs on imports. Canada's economy, reliant on exports to the U.S., would likely face negative impacts, particularly in the automotive sector." Source: NEI Flash Report (November 5, 2024), U.S. Elections: What the outcome means for investors.

Letter Mailed to Clients from Manulife

Manulife mailed a letter to our clients, dated Nov 1, 2024, to tell them that Jordan and Elaine were no longer at Manulife Wealth. Many of you have called us to ask what some of this letter means. It is nothing for you to worry about and you do not have to call Manulife Wealth, as they request, to make your intentions known. Manulife Wealth is required to ensure that while a client still has an account at Manulife, they have someone to call at Manulife Wealth for service. So, Manulife Wealth sent the letter to tell you whom you could call if you had a need before your accounts are transferred to iA Private Wealth.

Be assured that we are working as hard as we can to get all the paperwork prepared to open new accounts for you at iA Private Wealth (as discussed before we left Manulife Wealth) and to prepare the transfer forms. As you can imagine, this is a lot of paper and a huge task, and we will be at it for a few more weeks. In the meantime, you DO NOT NEED TO RESPOND TO THE MANULIFE LETTER, as they suggest. They will get your transfer forms and know your intentions soon enough. And, if you have an emergency need before your accounts are transferred to iA, please call us. We can discuss a solution with you and help you communicate with the temporarily assigned Manulife advisor to take care of your needs until your accounts are transferred.

New Canadian Dental Care Plan – Do You Qualify?

The following are some excerpts from the government of Canada's website on the new Canadian Dental Care Plan. If you qualify, you might want to apply now. It could save you lots of money.

"The Canadian Dental Care Plan (CDCP) is helping make the cost of dental care more affordable for eligible Canadian residents.

Applications now open for:

- Seniors aged 65 and over
- Children under the age of 18
- Adults with a valid federal [Disability Tax Credit](#) certificate for 2023"

[Other groups will be able to apply sometime in 2025]

Source: https://www.canada.ca/en/services/benefits/dental/dental-care-plan.html?utm_campaign=hc-sc-canadian-dental-care-plan-24-25&utm_source=ggl&utm_medium=sem&utm_content=ad-text-en&adv=611850&utm_term=dental+care&gad_source=1&gclid=CjwKCAiAxKy5BhBbEiwAYiW--xi6_kqSVArvD7VH0IkjSuOJWzKZVjmtUsOMbjGq1pIXnWn2bafz5hoCh5sQAvD_BwE&gclsrc=aw.ds

"To qualify for the CDCP, you must meet all 4 of these requirements:

- You don't have access to dental insurance
- You and your spouse/common-law-partner (if applicable) must have filed your tax returns in Canada so that your family income can be assessed for the previous year
- Your adjusted family net income is less than \$90,000
- You're a Canadian resident for tax purposes"

Source: <https://www.canada.ca/en/services/benefits/dental/dental-care-plan/apply.html>

What dental work is covered and a whole lot more details, plus information on the application procedure, can be reached through links posted on the two websites referenced above.

Our physical address and phone numbers are the same as they've been for many years, but please note the change in our email addresses.

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