

THE GREEN REPORT

HollisWealth
GREEN
112 Springbank
Avenue

Paul's Perspective

by Paul Green, CFP®, CIM®

A very active first quarter...

As I suggested in my last Perspectives, expectations are for 2016 to be a very difficult year. Quickly, we saw a change to our risk/return indicators in stocks and moved out in mid-January to US T-bills and bonds. Stocks around the globe fell dramatically until early February and then staged a rebound to turn in a positive number for the quarter. Our technical indicators moved us back into stocks on the last day of the quarter to see a move back into growth investments. The office has been quite busy to say the least!

Proving no strategy works all the time...

Even after all the trading in the first quarter we saw declines in the growth component of our portfolios. Moving from stocks to US T-bills produced a decline by approximately 10% from mid-January. Most balanced portfolios were down approximately 7% for the quarter. This does not compare well to the averages as they saw declines of 2-3%. As we have stressed, our investment process is designed to protect your investments from major stock declines; it is not designed to make money at all times. We moved money out of stocks as we saw more risk to the downside than the upside potential. This trend did not last and reversed quite quickly, moving us back in stocks as we now see more upside probabilities. The fact that we invested money into US T-bills was the reason the first quarter performance was disappointing. As we have communicated through the past two months, our trend analysis pointed at continued strength in the US dollar. Clearly, that hasn't happened lately...

On a positive note...

The safety component of your portfolio has held up quite well despite the US dollar decline (down 1%). This portion of your portfolio is designed to have

much lower volatility in case the growth portion is lower in the short term. This allows you to draw from the safety side until the growth side recovers and also minimizes the realization of losses.

Now what?

Even though I am not happy at our performance in the first quarter, we continue to stick to our disciplined rules based approach. This has us back in stocks and looking for growth in your portfolio. We will continue to monitor our research each night for the important information on where the fund flows are going. We receive the results of 9 billion calculations, done after the close of markets, and this provides data for us to analyze each day before the markets open. The tools we use give us the best probabilities to position your investments day to day. Simply put, we will continue to go to work and manage your money like we have been doing for the past 3 years. As you know, most of the time, we have done quite well and expect to see solid results moving forward. I expect this year to be very challenging and we will continue to keep the protection of your hard earned money at the forefront of our day to day work. Please keep a longer term focus as short term declines can cloud quality decision-making that is required to be a good investor.



Paul Green, CFP®, CIM®
Director, Private Client Group
CERTIFIED FINANCIAL PLANNER®
CHARTERED INVESTMENT MANAGER®
HollisWealth
A division of Scotia Capital Inc.
INSURANCE ADVISOR
HollisWealth Insurance Agency Ltd.

David Harris, CFP®, CIM®
Director, Private Client Group
CERTIFIED FINANCIAL PLANNER®
CHARTERED INVESTMENT MANAGER®
HollisWealth
A division of Scotia Capital Inc.
INSURANCE ADVISOR
HollisWealth Insurance Agency Ltd.

SERVICE MATTERS

Shredding Day

Is your filing cabinet stuffed with hydro and phone bills dating back to the '90's? And what about those banker boxes stacked in the corner of the basement? Are they bursting at the seams with old bank statements and cancelled cheques? Then it's time to do a little spring cleaning. We are hosting our Annual Shredding Day on Monday May 9th. Stop in from 9-4:30 and drop off your confidential documents for shredding.

Scotia Online

Within the next few months all clients who have online access to WealthTracker will migrate to Scotia Online. We will send out email updates as the process moves along. In the meantime if you have any questions or concerns about your online access please give us a call.

Lucky Break

Since April 30th falls on a Saturday this year, you have until Monday May 2nd to file your personal income tax return and pay any balance owing. After this date CRA will levy a penalty and charge interest. Click here (<http://bit.ly/1MZ6ASX>) for more information.

Paul Green Earns Top 50 Spot

What does it take to be one of the top 50 financial advisors in the country? Our own Paul Green has the answer! In an interview with the Woodstock Sentinel Review, Paul gave credit to his loyal client base and his team for his success.



Green Private Wealth Counsel (GPWC), which currently has three financial advisors and five support staff, takes care of 350 households but

was built one client at a time. The firm saw tremendous growth in 2015 and it was this success that earned Paul a 15th place ranking in Wealth Professional magazine's list of Canada's Top Performing Financial Advisors. With over 28,000 licensed financial advisors across the country, it's an amazing achievement to earn a spot on this prestigious list. Congratulations Paul!



CHEF'S CORNER with Chef Rob Bartley

Roasted Spring Asparagus with Green Olive and Horseradish Gremolata

FOR THE ASPARAGUS:

1 lb Ontario Asparagus
1 TB Extra Virgin olive oil
Kosher sea salt & freshly ground black pepper

METHOD:

Rinse asparagus and pat dry
Pre-heat oven or BBQ to (400 degrees)
Generously toss asparagus with olive oil, salt and black pepper and arrange neatly onto a baking tray or glass casserole dish with ample space in between stalks.

Place baking sheet into oven (or onto BBQ and close lid) and bake for 5-8 mins or just until the asparagus starts to brown and feels tender to the touch. Remove from oven and arrange onto a serving platter

FOR THE GREMOLATA

1 lemon, zested
1 tsp fresh lemon juice
1 inch piece of fresh horseradish, grated fine
½ cup lightly packed leaves of Italian parsley, ever so slightly chopped
½ clove of raw garlic, finely grated



1 small shallot, minced
½ cup good quality green olives, pitted and finely sliced
1 tsp Extra Virgin olive oil
Kosher sea salt to taste

METHOD:

Combine all the ingredients above in a small mixing bowl and gently toss well to coat. Check seasoning and adjust if necessary.

Generously arrange this gremolata on the roasted asparagus and serve immediately.

This side dish would be excellent served with Lamb, Roasted chicken, Grilled fish or BBQ Steaks.

share the green

Throughout the year Green Private Wealth corporately sponsors a variety of events in the community but we are always on the look-out for groups and/or events that could use a helping hand. We have listed some of our sponsorships and provided links if you would like more information. We urge you to volunteer and get involved in your community. As Helen Keller so aptly put it, "Alone we can do so little; together we can do so much".

Youth Unlimited Woodstock Annual Golf Challenge

Wednesday June 1st at Craigowan Golf and Country Club. With a month of practice swings under his belt, Paul will be hitting the links to support this group that "...sees the hope and potential in every young person". There are many programs that benefit from the funds raised at this event. <http://yfcwoodstock.com/>

Pharmasave Woodstock Rotary Dragon Boat Festival

Saturday August 6th, 2016. Bring the kids and come out to Pittock Conservation Area to watch the big boats compete. Last year 52 teams were up for the challenge and this year promises to be just as exciting. <http://woodstockdragonboat.ca>

26th Annual Alzheimer Society of Oxford Golf Tournament

Monday June 13th. We all know of a family whose lives have been forever changed because of Alzheimers or dementia. This tournament is a great

excuse to get out in the fresh air and support our local Alzheimer's chapter right in Woodstock. <http://www.alzheimer.ca/en/oxford/Get-involved/Be-a-fundraiser/Golf-Tournament>

Beginnings Family Services Annual Fall Banquet

September is the month for the banquet but volunteers and donations are welcome anytime. More information will be available closer to the date. <http://www.beginnings.ca/woodstock>

Mothers with a Heart for Ethiopia

April 8th & 9th are the dates for "Gems & Java", one of the largest fundraisers for this grassroots organization. This group has been steadily gaining traction over the years. They provide financial resources to existing and future programs that assist Ethiopian women and children living in poverty. <https://moms4ethiopia.wordpress.com>

Big Brothers Big Sisters Big Night Out Charity Ball

Saturday November 12th is the night for this star studded event! Use the excuse to get all fancied up and support a great cause. <http://www.bbbswoodstock.ca/en/Home/default.aspx>

Woodstock Soccer Club

Watch for the Green Private Wealth House League Team out on the pitch this summer! The 2016 season starts in May and registration is still open for some age groups. <http://www.woodstocksoccer.com/>

Thistle Theatre

The little theatre with a big heart. Their main production occurs every fall, usually in November. They also offer Drama camps in the summer. Check the website for more details on how to support the arts! <http://www.thistle-theatre.com>



Five takeaways from the Federal Budget

DAVE'S INSIGHTS by David Harris, CFP®, CIM®

The first budget introduced by the Liberal government has made good on their campaign promises to reduce tax on the middle income earners and increase tax on high income earners. Below are 5 items we felt would have the most impact on our clients.

1. Tax Rate Changes: Those earning between \$45,000 and \$90,000 will get a 1.5% federal tax reduction. Those earning over \$200,000 will face an additional 4% Federal Tax.

2. Benefits for families with young children: The new budget proposes to replace the two current programs with the Canada Child Benefit starting in July 2016. This will provide increased tax-free benefits for families earning less than \$140,000/year in general and with children under 17. For example: A dual income couple earning \$70,000 each with 2 children under 6 will receive \$1,200 more per year tax-free under the new plan. Moneysense.ca has written a more detailed article. View it online at: <http://bit.ly/1qc7vow>

3. For students: The budget proposes to cancel the education and textbook tax credits effective January 1, 2017, but maintain the tuition tax credit. To offset the loss of these credits there will be an increase maximum Canada Student Grant for low-income students to \$3,000 per year for full-time students, to \$1,800 per year for part-time students, to \$1,200 per year for middle-income students.

4. For retirees: Income splitting for seniors was not changed. Old Age Security eligibility has been moved back to age 65.

5. Investment taxation: The Capital Gains Inclusion rate was left at 50% amid speculation that it might be increased. This will continue to encourage investment activity. No changes were made to the tax-free status of donating of public company shares to charities. This continues to provide an excellent way to support your favourite charity.

If you have any questions on the impact of these changes to your situation please speak to your tax professional.

Spring – Time for reflection and planning

Spring is a great time to reflect on the past year and make plans for the year ahead. We look forward to meeting with many of our clients at this time of year to review their financial plans and goals. As part of the planning process we encourage you to share both your personal and financial goal with us. This information can be written into the plan and discussed at review time.

Getting into the habit of annually reviewing your financial situation is an important part of realizing your longer term plans. The review process is much more involved than just looking at your investment statements. Here are some key items we review annually

- Compare investment balances to your financial plan to see if you are on track or if some adjustments need to be made.
- Are your spending and savings habits on target with your plan goals?
- Have there been personal changes in the past year that will have an impact on your plan?
- Does your insurance plan meet your needs?
- What impact does the recent federal budget have on you?

It is this type of activity that fully engages the team at Green Private Wealth Counsel. We are committed to helping you reach your goals through a disciplined approach that has helped our clients for over 20 years.

We look forward to seeing you.

CHARTING YOUR COURSE TO FINANCIAL INDEPENDENCE



GREEN
PRIVATE WEALTH COUNSEL

HollisWealth[®]

greenprivatewealth.com

112 Springbank Ave. Woodstock, Ontario N4S 7P8 | ph. 519-539-8212 | Toll-Free 888-539-8212 | fax 519-539-7415

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