

# THE green REPORT

## Paul's Perspective

by Paul Green, CFP®

### A good summer for stocks

When it comes to stock investing the saying is "sell in May and go away". The trend shows us that roughly 70% of the time, the summer months do not perform very well. The good news is that in 2013 there was money to be made in stocks! Diversiflex and Diversiflex Plus were both up approximately 6% for the quarter and up 14% and 16% respectively for the year. I know many of you are encouraged by the performance of our new investment strategy as we continue to show good results. The majority of the results come from the US and Europe as Canada has lagged this year. The S&P 500 is up roughly 22% and the MSCI World Index is up 21% while the TSX is up 3%. All these results are in Canadian dollars. We will continue to send you monthly reports to keep you informed of how Diversiflex is performing.

### Not so much for bonds

As discussed in the past, the glory days of great bond performance is behind us. We face the headwinds of higher interest rates going forward. This was the case over the summer as the Federal Reserve suggested they would start to reduce the

bond purchasing program potentially before the end of the year. This sent interest rates up, but after there was no action from the Fed, rates

moved down slightly. Overall, we believe rates will continue to increase and bonds will be in a difficult spot. We continue to like the US dollar although it has fallen in value to the loonie recently. In short, we will endeavor to protect your investments while looking for areas of strength.

### What you might be hearing

There is never a shortage of crisis in the news. Currently we are hearing about the politicians in the US not getting along again. This of course, could possibly send the US into bankruptcy! Of course it "could", but a very slight chance. The debt ceiling issue is coming up fast and could also dampen the mood of investors. Then there are continuing tensions in the Middle East that have been of great concern. Some experts are saying the stock market does not reflect the reality of corporate profits citing the earnings multiples are being stretched and probably won't continue to expand. All of these things and many more are being played out in the media on a daily basis.

My suggestion is to keep calm and live your life. Your advisors are looking at this information and much more to help you navigate through these difficult times. We are looking at the trends and looking for indications of big money changing course and moving to other asset classes away from stocks. If this happens, we will make you aware of it by email or phone call. This would mean that we move away from stocks and into other assets. Clearly, we are not holders of stocks in all environments anymore. Until there is a change, we view all the various bits of information as interesting but ultimately "noise". We believe you should look at it the same.



**Paul Green, CFP®**  
Investment Advisor  
CERTIFIED FINANCIAL PLANNER®  
DWM Securities Inc.

**David Harris, CFP®**  
Investment Advisor  
CERTIFIED FINANCIAL PLANNER®  
DWM Securities Inc.

*Charting Your Course  
to Financial Independence*

# Service Matters

## RESP Deadline

The deadline to deposit to your child's RESP's for 2013 is December 31. Please contact the office if you have any questions about your RESP and we would be happy to help.

## Trade Instructions

Please be aware that we are **not** able to take any trading instructions via email. Contact us by phone with any trading instructions.

## Travel Insurance

Planning on travelling this holiday season? Buying a travel insurance package will help to ensure your vacation is stress free. Green Financial Group is now offering travel insurance through Manulife. Apply for coverage online at: [greenfinancialgroup.com](http://greenfinancialgroup.com).

## E-Delivery/WealthTracker

We are receiving positive feedback from clients signed up to WealthTracker and e-delivery. If you would like to view your accounts online and receive e-delivery of your statements, please contact the office and we will help sign you up.

## DundeeWealth to Become HollisWealth

# HollisWealth™

On November 1st, DundeeWealth will be changing their name to HollisWealth. Beginning November 1, 2013, please make all cheques payable to HollisWealth. You will see the name change reflected on your bank statements from PAC's and SWP's.

## Congratulations!

Paul's daughter Carly and Carolyn's daughter Kristen both started High School this September at Huron Park Secondary School.



## YFC Golf-A-Thon

Paul participated in the Youth For Christ Golf-A-Thon held at the Otter Creek Golf Course on September 25th. The tournament raised \$12,500 for our local Youth For Christ chapter.

## Dragon Boat Festival

Dave acted as Festival Chair for the 16th Annual Dragon Boat Festival held on the shores of Pittock Conservation Area. This year's Festival brought out 39 teams and raised \$16,000. All proceeds go to local and international Rotary club activities.



Photo credit : Mike Colic



# Chicken Fried Pork Chop

## CHEF'S CORNER with Chef Rob Bartley

Inspired by our friends south of the border, this recipe combines soul food with local Ontario ingredients and is sure to make your friends and family singing the gospel of comfort food!

savoury and thyme, salt and pepper to make a seasoned flour.

- Season the pork chop with salt and pepper. Dredge each chop in the season flour, then egg wash and then back into crushed saltine crackers.
- In a skillet heat the clarified butter and vegetable oil. Add the pork chops being careful not to overcrowd.
- Cook until golden brown on one side, flip over and repeat.



- Pound the pork chops slightly using a meat cleaver or tenderizer.
- In a mixing bowl combine the flour, onion and garlic powder, chopped

- Remove from skillet, pat off excess grease and arrange on baking tray. Bake in oven for 8-10 minutes or until pork is cooked.

*Serves 4*

*4 bone in pork loin chops (10 oz)*

*1 egg*

*1/2 cup clarified butter*

*1 cup vegetable oil*

*2 cups all purpose flour*

*2 Tb onion powder*

*2 Tb garlic powder*

*1/2 bunch each fresh savory and thyme*

*1 Tb salt*

*1 Tb white pepper*

*2 cups of crushed saltine crackers (Premium Plus works well)*

## Jason Lessif

Jason and his wife Pam are owners of a McDonald's restaurant in Tillsonburg. Over the years, Jason has been a huge supporter of Ronald McDonald House.

Since 1985, Ronald McDonald House of Southwestern Ontario has been a home away from home to families of sick children who are in London receiving medical treatment. The house is located beside the Children's Hospital and allows guest families to focus their attention on their ill or injured child and family.

Their first priority is to provide a secure and supportive environment for families during this stressful time. "To have a parent right beside them in the hospital really helps in a child's recovery process and of course brings comfort to the entire family," Jason says.



To support this worthy cause, Jason helps to organize the annual Ronald McDonald Golf Tournament, held the first Friday in June every year. To date, the tournament has raised over \$225,000 for Ronald McDonald house.

The Southwestern Ontario house recently underwent a major renovation, increasing the number of rooms from 17 to 34. This means the House is now able to help over 800 families annually, but it also means that their operating

budget has doubled along with the much needed added capacity. All proceeds raised from the tournament are donated to the House to help with these day to day operating costs.

Paul Green took part in this year's tournament which helped raise \$14,000 for the house. You can learn more about Ronald McDonald House at: [www.rmhsouthwesternontario.ca](http://www.rmhsouthwesternontario.ca)

## Knapsacks for Kids

Operation Sharing's Knapsack for Kids Program supports local families who would otherwise have a difficult time purchasing school supplies for their children returning to school in September. Green Financial Group contributed to the program this summer by purchasing school items to fill backpacks.

This year, the program helped 300 local students head off to school with the supplies they need.

## Coats for Kids

As part of our Share the Green for 2013, we are supporting the Coats for Kids campaign that Operation Sharing runs each year. Every fall they collect and then distribute new or gently used

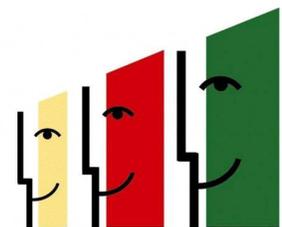
winter wear (coats, hats, mittens, scarves and boots) to less fortunate families.

**This year you can help by dropping off your gently used winter coats or boots at our office and we will contribute \$15.00 for each item our clients drop off.**

**While we will be making donations for coats or boots, we will be more than happy to pass along your donations of hats, mittens and scarves.**

Operation Sharing promotes empowerment through responding proactively to the needs of the community. The many services they offer help not only those in need but the community as a whole.

More information about these two programs as well as other services Operation Sharing offers can be found at: [www.operationsharing.com](http://www.operationsharing.com)



Operation Sharing

"HELPING PEOPLE FIND NEW HOPE"

# The Value of a Fee-Based Firm

DAVE'S INSIGHTS by David Harris, CFP®

I thought I would spend a little time this month reviewing the different fee structures available to investors and why we feel the fee-based approach is best. In the recent Client Audit survey there was a gap identified in the perceived value clients were getting for the fees they were paying. Our research has shown that our fees are competitive yet we provide services above and beyond the typical advisor.

## Retail Mutual Funds

Retail mutual funds from any provider, including banks, have embedded fees that include fees paid to the advisor. Because compensation is paid by the fund company, advisors may not want to move you to a more secure investment in times of trouble as their fee may go down. The more conservative a mutual fund is, the lower the commission paid.

## F-Class Mutual Funds

F-Class Mutual Funds have embedded fees with no advisor compensation. We use these funds for clients in our fee based platforms such as Summit and Diversiflex. There are no sales charges to buy or sell in fee-based accounts. The fund company charges their fee and Dundee bills the account either monthly or quarterly for the advisory fee.

## Exchange Traded Funds or ETF's

Exchange Traded Funds or ETF's are low cost investments that purchase a basket of stocks held by an underlying index. Since the ETF just duplicates an index they do not need research or teams of analysts to run the fund and therefore the fees are significantly lower than comparable mutual funds. When held inside Summit or Diversiflex accounts, there are no fees for buying or selling units of ETF's.

Since clients are compensating us directly in a fee based account we can utilize a wider range of investment solutions to achieve their goals. We could even move 100% to cash in the event of an extreme market event such as we experienced in 2008. In addition, there is the potential advantage to deduct fees (for non-registered accounts) on your income tax return.

We utilize the advisory fee to provide our clients with a well qualified team of financial service professionals who can provide a wide range of services to our clients such as:

- Manage investment portfolios using disciplined proprietary strategies
- Completing a financial plan and updating it to track progress towards your goals
- Ensuring that we meet at least once per year to review your overall financial situation and take care of changes as required
- Utilizing our team's wide range of experience to assist you with financial or estate planning questions throughout the year
- Collaborating with specialists such as accountants and lawyers to provide effective solutions for complex financial matters
- Helping our clients achieve their long term goals by reviewing their tax, insurance, retirement planning and estate planning needs

In summary we will continue to disclose our fees to clients and offer superior service and investment options. If you have any questions, please call the office and we will be happy to set up a meeting at your convenience.

## Charting Your Course to Financial Independence



GREEN FINANCIAL  
GROUP



DUNDEEWEALTH®  
DWM Securities Inc.

112 Springbank Ave. Woodstock, Ontario N4S 7P8  
Phone: (519) 539-8212 Toll-Free: (888) 539-8212  
Fax: (519) 539-7415

Securities related products and services are offered through DWM Securities Inc. Insurance products provided through Dundee Insurance Agency Ltd. This newsletter is solely the work of Paul Green and Dave Harris for the private information of their clients. Although the authors are a registered Investment Advisor and Mutual Fund Representatives with DWM Securities Inc., a DundeeWealth Inc. Company, this is not an official publication of DWM Securities Inc. The views (including any recommendations) expressed in this newsletter are those of the authors alone, and they have not been approved by, and are not necessarily those of, DWM Securities Inc. DWM Securities Inc., Member-Canadian Investor Protection Fund, is a DundeeWealth Inc. Company. Performance numbers from SIACHarts.com.