



In the Generation in Which We Live The World Is Our Bread Basket (and a few Words on Taxes)

Has the Coronavirus got you down?

If so, we understand but unfortunately this world is the only one we've got and today the world is experiencing a battle with this virus, a battle that will come under control; and we will see many opportunities. Truly the coronavirus is another world experience, which is now more about control, and for many it's the thought of losing-control that is causing a frenzy.

Do you suppose there's too much hype, too many following the news hour by hour, day by day, and in an age when news can be worse than the disease? Of course, there's always the potential to overload our minds with things that may or may not happen, but we still must be aware of all possibility. Awareness is great but it too must be managed.

Just as you wouldn't sell your house because there is a major storm surge in Ireland or because there are fires in Australia, or because a storm is building up on the East Coast of the US that's expected to hit Atlantic Canada, we don't do that.

So where do we live and where are the higher numbers of COVID-19, what controls have governments put into place to protect us.

Do we know of any friends or acquaintances who have been infected at work or near our homes by this virus? I would think, "Likely not." Your house is likely safe, and are likely to remain safe but what about your other house? Is it safe?

But you might say, "I only have one house, I don't have another house." And I say, "Oh yes you do!" You do have another house, it's called, "Your investment

house.” Awareness is a wonderful thing; panic may not always be rational. It’s your investment house we are concerned with, it’s truly the “Bread Basket of the World.” In the golden days we used to say, “I’ve got to earn more bread.”

That is not an inference that you were going to work for dough, but rather you were going to work for money and as people got older they depended upon their money to work harder, we don’t want anyone to lose sight of why they invest into the Bread Basket of the world, into your second house, that investment that is your source of income for your future.

Let’s break down what’s happening.

We have a virus that is attacking people and we have a battle between it and we, it is being fought and we are making inroads and we are putting up barriers to stop the spread. We are moving at unbelievable speed and with a tremendous amount of control. We must have faith that those we have working in our fight can control the spread. It will be slowed and defeated.

So, while you can stay informed on the virus, and you must follow cleanliness protocol, and should know about the Bread Basket too, you should know why you use professional managers; to manage away risk.

Well it could be said, “Moving money to an interest earning investment is a “risk-free” place to put money.” People can say anything, but they cannot say cash is risk free investment! There’s never been any country that failed whose currency didn’t suffer a tremendous loss, ever, and except for the most recent currencies there’s never been a currency that hasn’t failed, except one. There is only one currency in the world that has lasted thousands of years -- gold. (Silver by many is not considered to be a currency, that’s debateable.)

What about this World Bread Basket?

This is your second house (Investment House) that you don’t live in but have millions of people working in! These people are working in banks, working with huge companies all around the world, working in factories and office buildings, they’re manufacturing computers, cars, refrigeration equipment, sterilization products, working in service industries, restaurants, driving transport trucks, delivering food products, hospital supplies and everything you use every day of your life. That second house is creating the bread, the bread that will serve you in

your retirement years with dough for; – income, food, electricity, water, and health supplies, etc....

If we concern ourselves with business as an investment house we should consider what makes this world function and understand that without solid businesses in this world there would not be much. When you drive through any city you might just imagine how many large companies are working for you.

Now we get to the diversification of assets. Only a few, very few, of our clients have no gold or silver, or gold and silver producers in their portfolios, and that is for a reason. It's been part of your diversification program since 2000 and while we believe in ownership of businesses we also believe that country debt is high, that world debt is extreme, and precious metals are very important; everyone should be briefed on why they own it.

So, we know we need businesses, and we all need food, we need distribution systems, we need water, and we need power – what don't we need in this day and age?

Now we will turn to taxes 2019:

Tax Time

To help you prepare for the upcoming tax season, there are a few reminders we want to share with you.

Registered for Online Access

If you are registered for online access through <https://myportfolioplus.ca/hollis/login>,

Your 2019 year end statement is ready now and for most clients, your year end 2019 RSP contribution receipts are there as well.

RSP Contributions made within the 1st 60 days of 2020 (deadline March 2) will be mailed or available online weekly starting January 24 to March 9.

Tax Receipts

Open or Non-Registered investment account may have several tax receipts for distributions that were paid in 2019 and these receipts are sent out the end of Feb and beginning of March 2020.

Note: T3 and T5 receipts are sent directly from the individual fund companies.

Tax Receipts to Help You to Know What You Will Need

Please refer to the brochure included in your year end statement for more information concerning the issuing dates for documents that you may need to file with your 2019 income tax return.

Tax Deductible Accounts

For Fee Based, Strategic Portfolios or Managed Accounts, the fees paid on Non Registered or Open accounts are tax deductible. This fee letter is sent in a separate mailing from Industrial Alliance Securities Inc.

Please ensure you review all correspondence sent to you from Industrial Alliance Securities Inc. to ensure you do not miss any important documents that may be needed to file with your tax return.

For clients that have a Non-Registered or Open account where trades occurred in 2019, you will need to provide your Tax preparer with the T5008, the trading summary sheet and the Realized Capital Gain Loss report.

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