

October 2015

Third Quarter 2015

Volatility is the big story for the last quarter, and not just in stock markets. Commodities and our Canadian dollar have been on the move as well.

So far this year, oil is down over 15% and the Canadian dollar is down 13% against the U.S. greenback. This is a mixed blessing. Our low dollar certainly helps our foreign content returns. In addition, it should eventually help our exports as our goods and services become cheaper to other countries. Lower oil prices are good for businesses and consumers around the world, as their energy costs decrease. However, in Alberta, lower oil prices mean job cuts and a sharp decline in revenue for the government.

Canada has officially slipped into recession, albeit a mild one to date. As you can see from the numbers below, the vast majority of stock markets are down on a year-to-date basis. We have been overdue for a correction and it is here. Keep in mind, corrections are a normal part of investing and should be looked at as an opportunity for your fund manager to buy bargains on your behalf. It is also the time for you to buy into the markets while they are down.

Warren Buffet's famous quote comes to mind: "Be greedy when others are fearful and fearful when others are greedy." When markets are up for a long period (in this case, since 2009), we lose sight of the fact that they can go down. All fluctuations should be viewed as being part of a long term investment time horizon. Short term fluctuations come and go but over time, markets rise. It is important to have cash available for any short term needs or emergencies that may arise. Your tax free savings account is an excellent vehicle for those situations.

We are nearing the end of the Federal election campaign. The usual promises that politicians make tend to be for the sole purpose of getting elected, and those promises come with a price tag. I consider Canada the best place in the world to live but we must understand that our standard of living does not come without a cost. I have always believed that it is a privilege to pay taxes. If we want good services from our many levels of government, we must be prepared to pay for them. And we will - 'cause we're Canadian, eh!

Despite markets averaging about -7% around the world this year, our balanced portfolios are up about 2.5% for the first three quarters of the year.

	Market	Dec 31 2014	June 30 2015	Sept 30 2015	YTD
Canada	TSX	14632	14553	13307	-9.10%
U.S.	DOW	17823	17620	16285	-5.60%
U.S.	S&P 500	2051	2063	1920	-6.40%
U.K.	FTSE	6566	6521	6061	-7.70%
France	CAC	4273	4790	4455	4.30%
Germany	DAX	9808	10945	9660	-1.40%
Japan	NIKKEI	17451	20235	17388	-0.40%
Canadian \$		\$86.20	\$80.08	\$74.92	-13.10%
Oil (US\$)		53.8	59.47	45.38	-15.70%

**Source: CNN Money

Did You Know?

You Are Invited!

Maude Financial's Building is turning 100 and we invite you to celebrate with us at our Open House on October 29th from 1:30 – 5:00 p.m.

In 1915 when our building was constructed.....

-the population of Canada was a meager 8 million compared to 2013 statistics of 35.16 million

-the same year the Canadian Northern railway to Vancouver completed construction

-average wage for farm help in Alberta was \$44.02/month for a male and \$24.25 for a female

-the poem "In Flanders Fields" was written by Canadian John McRae

-the same year Nellie McClung petitioned the Alberta Government demanding womens suffrage

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Manulife Securities Investment Services Inc.

Our Building is 100!

To those of you who have taken the time to read the historic plaque outside our main street door, it will come as no surprise that our building is one hundred years old this year.



From city archives we discovered that in 1914, the empty lot owned by the provincial government was valued at \$2,000. One year later the record of assessment shows the same lot value but with the addition of a building valued at \$4,500. That building is the same one that houses Maude Financial today. The building was built and operated by Alberta Government Telephones in 1915. All of the bricks in our building, except for those on the front face, were made locally by the Wetaskiwin Brick Company. By the mid 1940's Wetaskiwin's telephone system was becoming overloaded and so began plans to build a new updated

facility. In 1958, AGT closed down its switchboards in Wetaskiwin and moved to a new facility, leaving the beautiful brick building behind.

The building has since housed a variety of businesses, such as the Dance School, Wetaskiwin Agencies and Café Mocha.

The building has been home to Maude Financial since the spring of 2000.

We are pleased to invite you, our clients, to drop in to an open house at our office to celebrate the one hundredth birthday of our building. The open house will take place on October 29th between 1:30 and 5:00 p.m. We look forward to seeing you there!



Are you interested in receiving our Quarterly Newsletter by e-mail? Send your request to info@maudefinancial.com . Please ensure that your full name is clearly marked on the e-mail.

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Securities

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