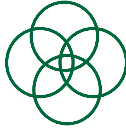




**Manulife**  
Wealth

**HOLISTIC**  **WEALTH®**

Wealth   
**DIRECTIONS** 

**March 2024**



### **Changes (for the better) are coming.**

You may have noticed that the sponsor of our license, Manulife Securities Incorporated decided to change their name to Manulife Wealth Inc. effective January 1st, 2024 and we are busy updating our logo's everywhere to reflect this. Just like our company brand, Holistic Wealth®, Manulife recognized that we do more than just securities and investments and they changed their name to better reflect how we help to manage all aspects of a person's wealth.

Another change that is coming in April, is that Manulife Wealth Inc. has decided to partner with a company called Fidelity Clearing Canada 'FCC' who specialize in offering efficient back office brokerage services. The brand is still Manulife Wealth Inc. but our statements will also have the Fidelity Clearing Canada name listed too. The impact to you is your account numbers will be changing and you will need to update any online bill payments for when you send us money. **Do not be alarmed when you receive a statement showing zero (0) value for your investments from Manulife Wealth Inc. as this will reflect the account transferred over to Fidelity Clearing Canada and you will also receive a second statement reflecting this!** The second statement will show both the Manulife Wealth Inc. and the 'FCC' names. No action from you is required.

Our agency agreement (much like a franchise) continues to allow us to be independent on our investment recommendations and we are still under no pressure to recommend either any Manulife or Fidelity solutions. Rest assured, when we recommend any investment, it is because we believe it is the most suitable given your goals and circumstances.

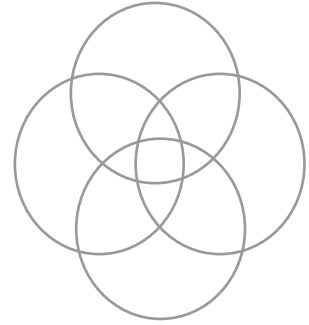


## Magnificent 7

Continuing from our last newsletter, the Artificial Intelligence (AI) craze continues and the markets did not perform very well if you exclude the influence of the 'Magnificent Seven' stocks.

They are:

Microsoft  
Apple  
Alphabet (Google)  
Meta (Facebook)  
Amazon  
Tesla  
Nvidia.



This reminds me a little of the Toronto market in 1999 when Nortel dominated the Canadian markets. One difference is that the Magnificent 7 make a profit and some even pay a small dividend!

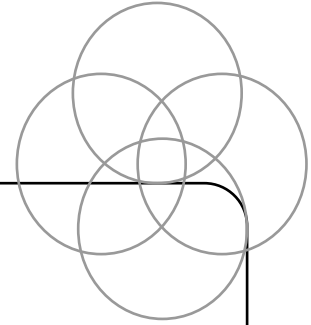
The world seems to have stopped raising interest rates and the global inflation is coming under control and in the future, interest rates are expected to reduce (slowly). We are hearing about more companies laying off staff and we are likely already in a global recession.

What we are not hearing as much about is that many of the types of stocks that meet our investment criteria are quietly fairing this economy well and raising their dividends despite their stock performance under-performing the Magnificent Seven.

### Addressing the Housing Crisis

When the government says they are taking measures to make home ownership more affordable to local residents, what they are really saying is they want to take steps to drive down the cost of real estate. Some examples are:

- \* **Toronto** is proposing a tax of 10% on residential property purchases by foreign buyers starting January 2025.
- \* The city of **Vancouver** requires owners of residential properties to declare if the 3% Empty Homes Tax is payable.
- \* Many communities in BC require the BC Speculation and Vacancy Tax Declarations to be due by March 31, 2024.
- \* Ontario required Vacant Home Tax Declarations by February 29, 2024. Toronto has increased its tax from 1 to 3% effective tax year 2024. Ottawa has until March 21, 2024 to make a declaration.
- \* BC is limiting short-term rentals (such as AirBNB) in efforts of hoping the speculative investment properties will turn into long-term rentals or be sold to create inventory for people to live.



## Canada's Underused Housing Tax (UHT) (this article is from taxtips.ca)

The UHT Affects Canadians Also!- including co-owners of property

- \* Affected owner
- \* Canadian Citizen or Permanent Resident - Trustee of a Trust (e.g. **joint owner without beneficial ownership**)
- \* Canadian Private Corporation
- \* Non-Resident Non-Canadians

Is your name on the title of a residential property, but you do not have beneficial ownership? This is a bare trust.

A "bare trust" owning residential property is affected by the UHT, and the trustee must file the UHT return. Most people are not even aware of what constitutes a bare trust. There are many examples, including when a property is placed into joint ownership with one of the joint owners having legal ownership but not beneficial ownership.

A few examples, but there are many more:

1. Parent who puts adult child on title for estate-planning purposes only, no beneficial ownership transferred. The residence is the primary place of residence of the parent.
2. Adult child who puts parent on title for financing purposes only, no beneficial ownership transferred. The residence is the primary place of residence of the adult child.
3. Trustee of a family trust which holds residential property in trust for the beneficiaries.

These are very common situations.

In situation #1, the adult child **must file the 2022 UHT return** as trustee of a trust. If the parent is a citizen of Canada, then the trust is a specified Canadian trust, and no UHT will be payable.

In situation #2 the parent **must file the 2022 UHT return** as trustee of a trust. If the adult child is a citizen of Canada, then the trust is a specified Canadian trust, and no UHT will be payable.

In situation #3, the trustee **must file the 2022 UHT return**. If all beneficiaries of the trust are citizens of Canada, then the trust is a specified Canadian trust, and no UHT will be payable.

## Our Current Allocation Outlook

The hypothetical allocation outlook is a chart of different asset classes and sector exposure with our current outlook compared to the normal weighting. Based on the economic outlook, we may want more or less than our normal exposure to each category. Each individual investor will have a different investment portfolio depending on their personal circumstances considering their: Risk Tolerance, Income requirements (both current and anticipated), Time Horizon, Taxation, and of course Temperament (investor behavior). We then look for opportunities to tax-optimize the holdings based on which plans hold which investments. You should consult us to determine the ideal asset mix and asset selection given your circumstances.

		Underweight	Slightly Underweight	Neutral	Slightly Overweight	Overweight
<b>Fixed Income</b>						
Government	Long-term	●				
	Mid-term		●			
	Short-term		●			
	Investment Grade			●		
	High Yield			●		
	Floating Rate				●	
<b>EQUITIES</b>						
Canadian	Dividend Focused				●	
	Large Cap				●	
	Small Cap			●		
US				●		
European				●		
Asia					●	
Emerging Markets					●	
Sector		Underweight	Slightly Underweight	Neutral	Slightly Overweight	Overweight
Consumer Discretionary			●			
Consumer Staples					●	
Energy						●
Financials	Banking			●		
	Insurance			●		
	Asset Managers		●			
	REITS		●			
Materials					●	
Utilities				●		
Telecommunications				●		
Healthcare					●	
Industrials					●	
Information Technology				●		

## Who is HOLISTIC WEALTH®?

This is the trade name under which the Summerland office of Manulife Wealth Inc. operates. This differentiates us from most traditional stockbrokers and investment advisors who do not take the same Holistic Wealth approach in working with clients. We take a financial planning approach when advising clients, taking their debt, insurance and investment portfolios into consideration. We use solutions that people understand and avoid complicated investment products.

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The Current Allocation Outlook chart contains forecasts reflecting potential future events and is only as current as of the date indicated. There is no assurance that such events will occur, and the actual asset class return may be significantly different from that shown here. The hypothetical allocation outlook is designed to illustrate an approach in general terms and are not for specific investors and should not be constituted and are not to be construed as, investment advice.

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