



# NEWSLETTER: THIRD QUARTER 2019

## Cindy's Insight

### Welcome To Summer

I hope you are enjoying the lovely weather and doing the things that you enjoy doing.

My article today is about one of the ways we add value to our clients and why people need a team like ours.

Over the years, I have built a team of people who care and watch out for you. A recent example of this: we received an email from one of our clients asking us to send all of their statements as soon as possible. Our first response was, this is an unusual request for this person. Was this a sneaky hacker? Well the name on the email was correct but Pat and Margaret realized it was from a different source. This hacker had taken the email name of the client, used it for the email name but sent the email from his email address. At first glance it looked legitimate. Our client had no idea this was happening. The client was called and we asked if this was their email, which it was not. We went into defense mode. All emails were to be scrutinized and everything was to be handled with high level security. The account is safe, the client has fixed their email through their email provider and the hacker received no information. This is a service that can only happen when you have a team of dedicated people working for you. We can identify these strange and unusual requests and we will always call to confirm any email instructions.

Moral of the story: Work with those who not only care about you but who also know you. Not only do you have me as your strategical wealth manager, you have a team of people with different specialties who are always looking out for your best interest.

Cindy Boury FMA, CIM®, FCSI®  
Portfolio & Branch Manager

## Email Scams to Watch Out For

Many email scams are "tried and true". They've been around for a long time and continue to produce the results cyber criminals are looking for. They're becoming savvier, too – using spoofing to make the email look as legitimate as possible and confusing recipients into opening them. Here are a few current email phishing scams:

### Recruitment Scams.

The fraudster sends you an email with an enticing job offer, but asks for money and personal information up front. These scams are sophisticated and targeted. The email and associated websites look legitimate, and may relate to your line of work but they are fake and just an attempt to steal your money and/or personal information.

### Fake business opportunities.

If you receive an email with an opportunity to make lots of money with very little effort, or limited details about the actual business, there's a good chance it's a scam. The objective is to get you to purchase an information kit to find out more about the job. Or to involve your friends and create a pyramid scheme where "everyone wins".

### Lottery wins and prizing or "Jackpot" scams.

If you're asked to provide credit card information to claim your...(continued on pg. 2)



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OUR STRANGE WORLD

*Did You Know...*

ARTIST SALVADOR DALI WOULD GET OUT OF PAYING FOR MEALS BY DRAWING ON THE CHEQUES, MAKING THEM WORKS OF ART AND THEREFORE UN-CASHABLE.

CINDY BOURY RAYMOND JAMES

(continued from pg. 1)...prize or pay for shipping, be wary of the source. Also, if you haven't entered that contest, you likely haven't won anything.

## Health and diet scams.

The promise of a "magic" diet pill or quick weight loss can be tempting enough for some people to click on a link and see what it's about. If you see the words "quick" and "discount" in the same email, it's likely too good to be true.

## Discount software.

Any type of software download that's offered at a reduced price by an unknown source is generally not legitimate. The software is likely pirated and comes with a Trojan horse or you may never even receive it.

## 419 Advanced Fee Fraud.

These schemes offer an enormous sum of cash should you get involved. They are quite elaborate, providing false documents to give the appearance of a legitimate business proposal and even inviting you to meetings in their country. At some point you'll be asked for money to pay for fees or other expenditures – and then all communication will be cut off.

## 'Pump 'n' dump' stock scams.

These are spam emails from an "investor" with inside information, claiming that a certain stock is about to become very profitable. This will then drive up the price of the stock, at which point the individuals behind the scheme sell – and the price plummets.

Source - <https://www.getcybersafe.gc.ca>

## Life Insurance Frequently Asked Questions

**Q:** *"How can I provide my employees benefits without paying high monthly premiums every month?"*

**A:** We have seen small businesses offer employees a health and dental plan only having to cancel after the first two to three years because the premiums became unaffordable. Health and dental plans are a great benefit to employees but sometimes for a smaller group you may want to consider a Health Care Spending Account (HCSA). HCSAs are also referred to as a Private Health Services Plan.

The flexibility provided to both the employer and employees makes the HCSA a great choice for funding health and dental benefits. Employers have the choice of allotting a set amount of funds each year and employees are able to use the funds to suit their health and dental needs.

As an incorporated business you are eligible for a HCSA. A Health Care Spending Account provides coverage for eligible health-related and dental expenses. HCSAs are regulated by CRA and are a non-taxable benefit. Only expenses listed as eligible by CRA are covered by an HCSA.

If you would like more details please contact us!

Florenza Jones  
Insurance Representative



## "Defense Wins Championships"

*- an old adage in sports.*

Like millions of Canadians we were thrilled when the Toronto Raptors won the NBA championship. What the casual fan may not know is that this team was built on a philosophy of defence or "win by not losing". It is interesting to think about how that approach can also be applied to personal finance and investing. While it may sound easy, it can be difficult in practice. We have all made purchases we know did not move us toward our financial goals. Likewise we have all made investments that did not work out. So how can we apply some of the ideas of this winning philosophy to our finances and investments?

I must confess that I am not the best budgeter but I do have a good understanding of our finances thanks to Mrs. Chambers. So having a clear picture of your current situation, what comes in and what goes out is a critical first step. Many experts also recommend that we keep enough money in liquid fixed income or savings to cover expenses for a reasonable period to protect against unexpected setbacks. That may be the foundation of a solid financial structure. The next step is proper investment management and we will cover that in more detail below. Tax management and estate planning are two of the most critical areas of personal finance and if you have not looked at those issues, you should talk to Cindy!

When it comes to portfolio construction and investment management three critical concepts are **diversification, quality and discipline**. An investor with even a modest amount of money can now have a properly diversified portfolio that consists of cash, fixed income, Canadian stocks and international investments. A global balanced fund can be purchased in very modest amounts. An investor with slightly more resources can allocate to a bond fund, a Canadian equity fund and a global fund. As we continue to grow we can add exchange

# MARKET ECONOMIC UPDATE

traded funds, individual stocks and bonds and now even hedge funds. Once we reach the stage of private investment management, we can achieve greater diversification and precision in terms of geography, industry and size of company. That is what we do. Think of it as a diversification wall against many foreseeable risks.

When it comes to assessing the quality of an investment, an indicator may be the interest or dividend paid. It can be a positive sign if a stock pays a dividend and has a history of increasing the amount paid each year. Increasing income can help protect us against the rising cost of living. Canadian dividends attract lower tax rates. A note of caution, many investors look for the highest dividends or interest and invest on that basis. Sometimes a rate will appear to be very generous because the company issuing the investment could be stressed and may have to suspend the interest or cut the dividend in the future. So when it comes to quality, one has to consider the business a company is in and the financial strength of it. We

try to build portfolios of high quality “cash flow waterfalls” that have an increasing amount flowing over them every year.

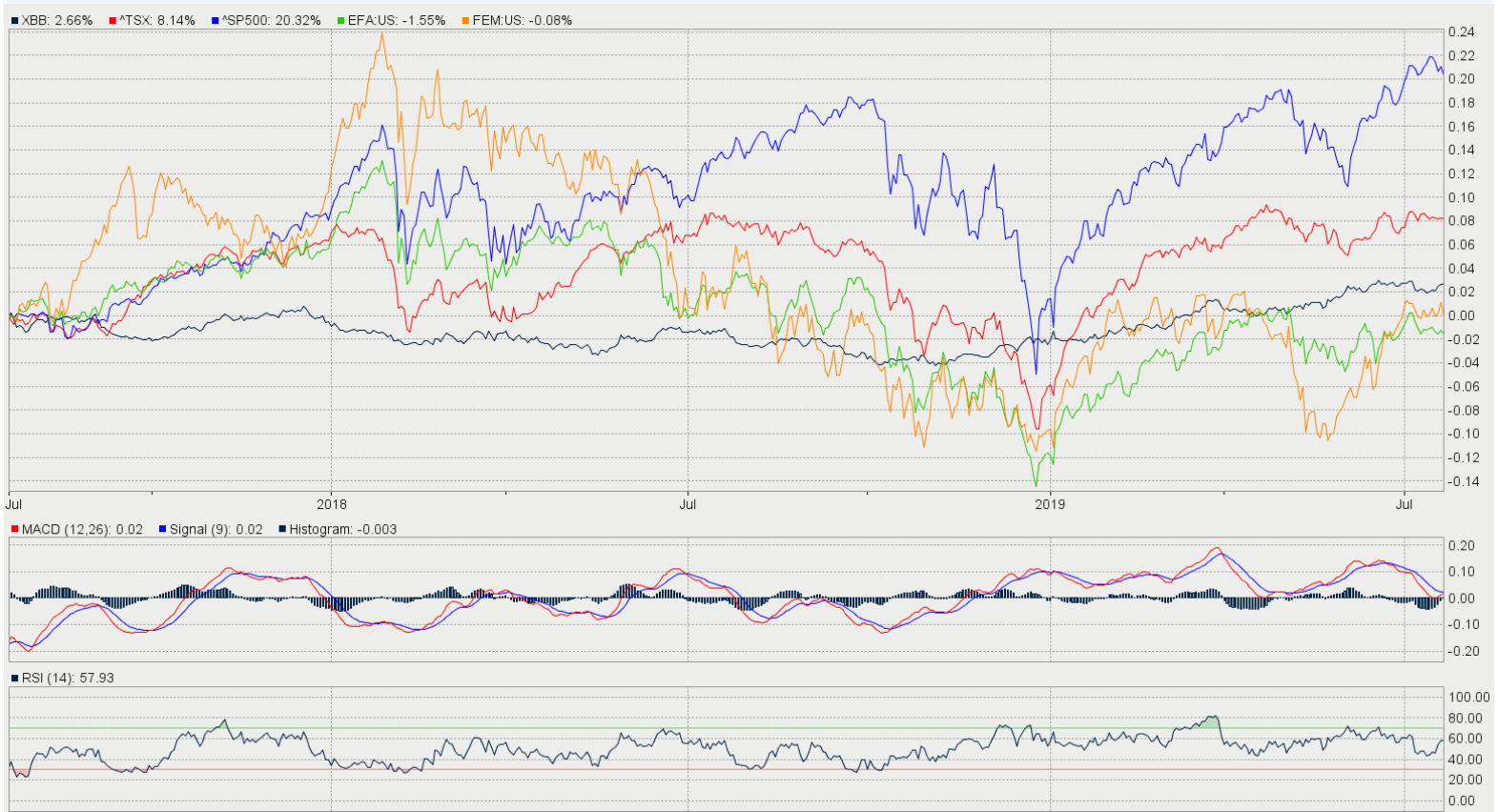
The last and often most difficult aspect of winning at investing is discipline. We’ve written extensively about that. We often have to make decisions that feel uncomfortable in order to “buy low and sell high”. So far in 2019 we have taken the opportunity to reduce our equity exposure as markets have been rising. We have increased our fixed income weighting and recently switched from a fund that invests in smaller Canadian companies to one that can “hedge” market risk. As trade disputes drag on and global growth moderates, we are positioning in case the economy and the markets deteriorate further. While we do not believe that we are on the cusp of a recession or that the stock market is going to decline significantly, it is clear that the risks are mounting. Our “base case” remains that we are in a “Goldilocks” economy where growth and inflation are not too hot and not too cold. This has often been the best

environment for stocks. We also believe that a resolution of trade disputes will happen because it is in the interest of all parties. At some point the pain of solving the problem has to become less than the pain of letting it continue. We think that point may be drawing closer and would not be surprised to see some “deals” as we approach the 2020 Presidential election in the USA.

We will leave the last words to the picture below. What we see is that over the past 2 years, the bond index (the black line) had a lower return than the Canadian stock market (TSX) or the US market (S&P 500); and it beat the rest of the world’s stocks (EFA & FEM) and did it with less volatility. This illustrates why we believe every investor should have some near cash and fixed income as part of a properly balanced portfolio.

Thank you for entrusting us with your money. We work hard every day trying to grow your financial resources and protect you against adverse outcomes.

Martin Chambers CIM®  
Trading and Research Specialist



Source for S&P 500 chart: Quotestream

## Attend Our Free Events & Presentations

Thank you to all who have attended past presentations! Due to positive feedback we will be hosting more throughout the year!

### Past Presentation:

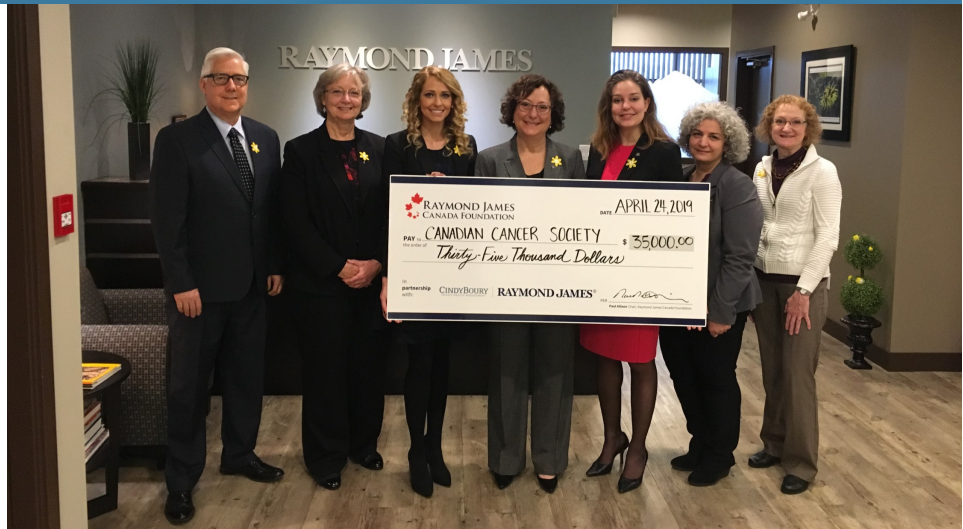
#### An Evening with Andrew McCreath: Managing Risk vs. Return Late in a Cycle

Thank you to everyone who attended our evening with BNN Bloomberg's Andrew McCreath in Abbotsford, BC, hosted by Cindy Boury Private Wealth Management. The presentation was thought provoking and informative: we hope you all enjoyed it as much as we did!

Stay up to date by visiting our website:  
[www.cindybourypwm.ca](http://www.cindybourypwm.ca)

*"We would love to meet your friends and family! If they aren't sure how to begin, invite them to an event. They can meet us and also learn something of value!"*

- Cindy Boury



### \$35,000 Donation from the Cindy Boury Private Wealth Management Team

(Above) We are excited to share that in April we donated \$35,000 to the Canadian Cancer Society through the Pink Ribbon Project and the Raymond James Annual Giving Campaign in support and memory of people whose lives have been affected by cancer.



### An Evening with Andrew McCreath

(Above) Cindy Boury hosted an event with Andrew McCreath (The TV Commentator of BNN Bloomberg's "Weekly with Andrew McCreath") in Abbotsford, BC.



### Women in the Financial Industry

(Left) Sheryl Boury from the Cindy Boury PWM team, attended the 2019 Women in the Financial Industry Conference in Vancouver with a group of women from Raymond James. The speakers were inspiring, touching on women in business, and their personal stories with success and setbacks.

## Follow Our Social Media!

Have you seen our Facebook and LinkedIn? Stay up to date on the Cindy Boury Private Wealth Management team by following us!

Click the hyperlinks or copy to a webpage:

 [www.linkedin.com/in/cindyboury/](http://www.linkedin.com/in/cindyboury/)

 [www.facebook.com/cindybourypwm/](http://www.facebook.com/cindybourypwm/)

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PRIVATE WEALTH MANAGEMENT

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