

# A Husband's Point Of View



**A.M.H. Financial Services**



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## INSIDE THIS ISSUE:

<b>What You Need To Know About COVID-19 And Your Finances</b>	<b>2</b>
<b>Market Cycles</b>	<b>3</b>
<b>Our Mission</b>	<b>4</b>



## On the Lighter Side

Did you hear about the dog that had a sore throat? He was a little Husky.

What do you call a pig on a leash? Pulled Pork.

Just out buying some new furniture for the house. Sofa, so good.

What kind of music do chiropractors listen to? Hip-pop

What's the fastest dairy product? Milk, because it's pasteurized before you see it.

To all the father's out there Happy Father's Day!

These aren't normal times. You still need a financial plan for the pandemic. It may seem the future is on hold, but college, home-buying, retirement and other life events are still coming. Amid a pandemic or even after, few financial plans work out exactly as you imagine they will. That's no reason not to make one. In return, you get financial structure and a way to focus the resources that come your way.

For millions of Canadians, the pandemic is not just a health crisis but also a financial one. The last couple of months have introduced us all to more change than most of us could have imagined. In the midst of all this change and turmoil, clients, friends and colleagues are asking me—what should I be doing? As the world around us changes, our natural inclination is change too. We want to be responsive and take action against a force that is largely beyond our control. More often, the right response, and the best advice I can give, is simply to be still.

While being still in a time like this can be unsettling and can perhaps seem impossible, to set yourself up for success as the dust settles, as the pace of change slows and as we return to normal is worth the wait. Being still when everything around you is changing so quickly and so drastically is not easy. Rather than making drastic moves to combat drastic change, be true to your long-term plan.

In fact, the very uncertainty is what makes a financial plan so necessary. If you don't have some sort of plan to fall back on, you won't be to tell your money where to go. Who knew a few months ago we were going to get financial help from our government? It may sound silly, but the No. 1 benefit of a plan is the sense of control it will give you. Right now, people feel very out of control with jobs and the economy.

COVID-19 is not the first crisis we have endured, and it will likely not be the last. While we have not experienced the particular pain points of this virus all at one time before—like schools shutting down and grocery stores running low on items—we do have experience over the past several decades with some other pretty nasty events, including: 1970's energy crisis, 1980's Black Monday, and 1990's savings and loan crisis, along with the recession during the early part of that decade. Then we feared Y2K, the 2000-2002 Dot-com bubble and the Great Recession of 2008.

Please call me (780) 425-4058 to discuss your financial plan, where you are right now during the pandemic and what we can do to turn things around for you and get you some peace of mind.

We will get through this pandemic. It's not forever.

## What you need to know about COVID-19 and your Finances

As we settled into the lockdown, the uncertainty that looms around COVID-19 has everyone worried about their finances. School closures and state of emergency declarations were extended, which meant that people would be out of work longer as businesses continued to be closed. While some are fortunate to still be working the future is still uncertain, and as the lockdown continues more businesses may be forced to lay off their employees. The reopening will take time and we need to keep going during that time.



***Financial fitness is not a pipe dream or a state of mind it's a reality if you are willing to pursue it.***

Will Robinson

Everything that we've traditionally known as good money management has gone out the window during the pandemic. People need to know that when it comes to survival mode, keeping a roof over your head and food on the table is the most important thing, even if it means reducing debt payments and savings. These short-term solutions will pay off in the long term. Just because you may still be working now doesn't mean that job losses can't happen. We are facing unprecedented times right now and things are changing daily. Everyone should be reviewing their budget right now to see where they can cut back expenses – not just those who have already lost their job.

Here are some suggestions on what you should be doing right now to manage your finances during this difficult time:

Identify the necessities. Shelter and food are the primary needs right now, and your budget should first and foremost cover these two items. If you don't have enough money to cover these expenses, identify areas where you can cut back to free up some money. This includes foregoing savings and loan repayments in order to keep a roof over your head and food on the table. If after you've made cutbacks you still can't come up with enough money, call your landlord or mortgage provider to see what arrangements can be made.

Contact your providers. Identify other bills that you have, such as car insurance, car payments, utilities (e.g. heat, hydro, water), property taxes and telecoms (e.g. cell phone, internet, cable) and visit each of their websites. Contact them and explain your situation to see if there is any flexibility with your payments right now.

Cancel or reduce unnecessary expenses. If you have two cars right now, odds are you aren't using them both. Call your insurance company and find out how you can reduce your payments by either temporarily cancelling the insurance or removing or reducing liability and collision. This could save you several dollars a month. Figure out what other expenses you can adjust at this time, such as a gym membership, newspaper subscription or meal delivery service. If you can't cancel completely, find ways to reduce the total cost, for example by removing specialty channels from your cable package.

Reduce loan repayments. If you're still fortunate enough to be able to make full repayments on your loans, then you should do so. However, if you're torn between putting food on the table and paying down your debt, food should be your priority. Canadians are in survival mode facing an unprecedented global emergency. This means that if you can only make the minimum payments on your loans for the short term, then it's okay to do so. You can go back to your full debt repayments when this all dies down.

File your taxes. Although the CRA has extended the deadline to file your 2019 taxes, delaying filing may negatively impact your ability to receive the increased benefits currently being offering by the government in light of COVID-19. Additionally, if you don't file and are due a refund, you may miss out on an important sum of money that could help you through these times.

Last but definitely not least, when the pandemic is over and things are back to normal (and that may not be for a long time yet), schedule an appointment with me to discuss your financial goals and put a financial plan into effect that will help you to avoid being in this position again should another pandemic or other world event take place. With careful planning, together we can work towards financial goals that will allow you to be better prepared for whatever life throws at you.



## Market Cycles

Since the end of World War II, the Dow Jones Industrial Average has declined 20% or more than 10 times. The average of those declines was 28%. I'd love to believe that, in a new age of global capitalism, the market cycle would run somewhat more gently than that, but I sure wouldn't count on it. So I plan to watch about a third of my family's wealth melt away temporarily, about every five years or so on average, before the cycle turns and goes on to new heights.

It would be nice to know when those declines were coming, so you could get out of the way, but no one's ever been able to do that consistently. So the only strategy that's ever worked for me is to accept the temporary downs as the price of the permanent ups, and to just hang in there.

If you're going to be an equity investor over the long haul, you have to accept that this is what you're signing up for. And I don't want to minimize the emotional challenges you'll face if and when you're just a couple of years from retirement, your investments go down by a third, and every talking head on every six o'clock news broadcast in Canada is giving you 27 good and compelling reasons to believe the sky is falling.

When all that is happening, I can predict with a high degree of confidence that you're going to ask me—more than once—when and how this bloodbath is going to end. And you're going to get mighty sick of my two answers: (a) I don't know, and (b) it doesn't matter.

All I can tell you is: that's the price of all the potential benefits of equity investing: an income that rises with your living costs, a meaningful legacy for your children, and your children's education. And, as we've seen, there's no other way for you to reach those goals, other than with equities.

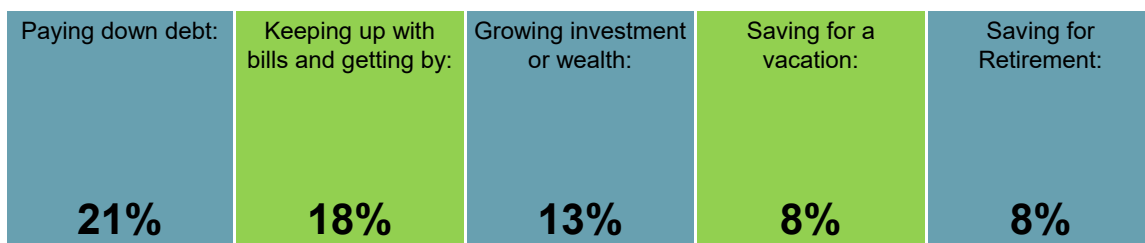
Please tell me that you understand this, and that you accept it.

<b>Financial Literacy And Aspiring Investors</b>
<b>49%</b> say they do not invest because they don't know enough about it
<b>60%</b> are not confident in their ability to make investment decisions
<b>61%</b> do not know the options available to them for getting investment information and advice
<b>65%</b> do not know what investment products and services are available to them
<b>41%</b> don't think they have enough money to get advice from an advisor
<b>28%</b> don't think they can afford to get advice

Source: IIROC with the Strategic Counsel, December 2019

## DID YOU KNOW?

### CANADIAN'S FINANCIAL PRIORITIES FOR 2020



Financial Advisor  
Since 1976



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Take a look at our website!

[www.amhfinancial.ca](http://www.amhfinancial.ca)

AMH Financial Services is a full-service firm. We offer services to help you examine your financial goals and select the options that will best suit your needs, timeframe and investment style. We believe in helping you create a comprehensive financial plan for your family that includes planning, insurance and portfolio management.

**MY COMMITMENT AS A FINANCIAL ADVISOR IS TO HELP PEOPLE TO REACH THEIR FINANCIAL GOALS. IF YOU HAVE A FAMILY MEMBER, FRIEND OR COLLEAGUE WHO YOU FEEL COULD BENEFIT FROM A CONVERSATION WITH ME, I WOULD BE PLEASED TO SPEAK WITH THEM WITHOUT OBLIGATION.**

I believe that every individual has an unalienable right to make the best and most effective use of hard-earned income, to have easy access to up-to-date and informed advice, and to be able to provide for short and long-term requirements.



My mission is to help you to make an educated decision that you are comfortable with!

I am committed to serving the individual customer with investment and financial portfolios which will meet current needs and provide for future requirements and situations.



*Want to feel more confident about reaching your financial goals?  
We can help you with that!*



I want to get ready for my financial future



I want to plan for my retirement



We want to get ready for our life together



I want my children to get ready for a better financial future

With so much conflicting advice in the news, online, even from friends and family, making sound financial choices is difficult. Eliminate the confusion and make informed financial decisions with help from a professional.

**Call us today (780) 425-4058**