

# A Husband's Point Of View



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



Happy St. Patrick's Day!

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## On the Lighter Side

Why did the Maharishi refuse anesthetic when he had his tooth pulled? He wanted to transcend dental medication

What's covered in cellophane and climbs up and down a rope? The lunch pack of Notre Dame

How many witches does it take to change a light bulb? Into what?

What should you give a man who has everything? Penicillin

What says OOO? A cow with no lips

Just when we least expect it life throws curve balls at us. We need to be prepared for this. And that is much easier said than done.

The pandemic showed us how very quickly things can change and how easily lives and jobs can be lost. Many were caught unaware, and many lost their jobs and had little to no savings to get them by during that time. Many people died because of the virus and they had no life insurance and their families experienced serious financial problems as a result.

It is so important and cannot be understated that you should have a sound financial plan in place so that when these unforeseen circumstances come into play you are ready for them. I am here to assist you in putting a financial plan into place that will work for you. I realize that many are living from pay cheque to pay cheque. Most especially now with inflation and the cost of everything so high. While it might feel impossible to put any money into savings there are ways to make it happen. Even a small amount each month adds up.

As a financial advisor I can help you by reviewing your financial plan/goals and personalize a plan where you can start saving money for when that rainy day hits. And the pandemic certainly showed us how easily that can happen. I can help you to get life insurance and make sure that it will be enough for your heirs to get by when you pass. I am also able to help you save for your retirement as well as help you to get critical illness and disability insurance so that if you find yourself suddenly very sick, or get into a bad accident that leaves you disabled, you will have the peace of mind of knowing that financially you will be ok.

**For more information on how I can assist you in making a sound financial plan that will give you some peace of mind please call me (780) 425-4058 or email me at [andy@amhfinancial.ca](mailto:andy@amhfinancial.ca)**



## 6 Financial Lessons Learned from the Pandemic



**Expect the best  
and prepare for  
the worst!**

**Life is brighter on  
the path forward!**



The pandemic has challenged the way we think about our finances. When life throws us a challenge, it's a great opportunity to look at the lessons we can learn. The pandemic has, of course, been a challenge in many ways – including financially. Lockdowns meant many Canadians changed the way they worked. A quarter of working Canadians are delaying their retirement. But the uncertainty we've faced since the pandemic began has had positive financial consequences too. It's spurred many of us to look at how we manage our money and reconsider what financial security means. What are some of the important financial lessons we've learned since the start of the pandemic?

### 1. People who had a financial plan were better off

The reality is most Canadians don't have a financial plan. But the ones who do fared better during the pandemic. That's because they had something to fall back on if their income or assets were affected. And that's not the only positive. Canadians with a plan report higher emotional well-being compared to those who don't have a plan. Do you need to start or revisit your plan?

### 2. An emergency fund is more important than ever

The pandemic is a good example of why an emergency fund is important. Things that are out of our control can happen. Without an emergency fund, you may have to draw on your RRSP savings or borrow on credit cards. Make sure you can weather difficult financial situations – take steps to build your emergency fund.

### 3. Life insurance and health insurance are crucial investments

The pandemic showed us how unpredictable life can be. It's also served as an important reminder to be prepared for the unexpected. That's where health and life insurance come in. They play a vital role in ensuring the financial security of your family.

### 4. You might have more money to save for your future

If you've been working from home, it's likely you've ended up with some savings. There haven't been the travel costs, lunches out and dry-cleaning bills. And perhaps your time at home has left you wanting a simpler life. Or maybe you've developed healthier spending habits. This could give you extra money to put into your savings plan.

### 5. Your retirement plans might need to change

The pandemic has affected Canadian's retirement plans. For some, they had to retire earlier than planned due to job loss. For others, retirement has been pushed out so they can save more money. Now's a good time to see if you're on track to reach your retirement goal.

### 6. It's a good idea to diversify your portfolio

We've seen a lot of volatility in the market due to the pandemic. Diversification is key to giving your investments some protection and to optimize returns. Find out how you can manage risk in your portfolio so you can reach your financial goals.

I am here to help you answer all these questions and make a financial plan that is personalized to you and will meet all of your goals.



## ***Five Strategies to Reduce the Impact of Inflation***

2022 was a challenging year for personal finances. Poor market performance, high market volatility, and geopolitical pressures combined to make even the savviest of investors worry about their financial situation. Add to this that inflation peaked at levels unseen since the early 1980s, and it has become imperative to reevaluate your financial plan.

### **1. Review the impact of rising inflation on your financial plan**

Inflation is a key assumption in any financial plan. In 2022, Canada's financial planning regulatory organizations recommended using an inflation assumption of 2.1% based on their long-term assumptions. I can model alternative scenarios of your financial plan with higher inflation assumptions (for example 3%, 4% and 5%). By comparing your base financial plan with plans assuming higher long-term inflation assumptions, you can review the differences to better understand how rising inflation could affect the probability of you reaching your goals.

### **2. Revisit your investment asset mix**

Inflation decreases the spending power of the dollars you have saved and coupled with the recent market downturn and increased volatility, you may be at risk of not attaining your financial goals. I can review your current asset mix, the suitability of your current investments, and your risk tolerance to determine whether your current investments are well positioned to achieve your financial goals.

### **3. Review your debt to identify opportunities to reduce debt, and/or interest costs**

The Bank of Canada has been steadily increasing interest rates to combat high inflation. As a result, variable rate mortgages, credit cards and certain loans are all costing you more. It is now more important than ever to look for ways to reduce the cost of your debt. Consider eliminating high credit card debt with consolidation loans to reduce your overall interest costs; if you have investments in a non-registered investment account, consider selling, as part of your portfolio review, to pay off any high interest non-deductible debt; and consider whether now is the right time to lock in your variable mortgage loan.

### **4. Revisit your budget to identify areas where you can reduce costs**

With inflation on the rise many of your expenses have increased. In addition, your income may not be keeping pace with inflation. Reducing expenses can free up cash to deploy to either pay off debts or to invest. Places where you may be able to reduce your expenses include consolidating debt to reduce interest charges, postponing major purchases, renegotiating insurance premiums on policies, reducing unnecessary digital subscriptions, and cutting down on non-essentials like entertainment and restaurants by cooking more at home. If your income has not kept pace with inflation, it may be prudent to consider requesting a salary increase, negotiating additional employee benefits, or if that fails given the current employment market, looking for a higher paying position elsewhere.

### **5. Minimize taxes by taking advantage of available tax deductions and credits**

With the cash crunch caused by inflation you should avoid the temptation to reduce contributions to your RRSP, as there may be alternatives for you to free up cash to help fund your RRSP contribution. If you have investments in your TFSA but have available RRSP room, you could consider transferring investments from your TFSA with accrued gains to help fund your RRSP. Any of the gains on the transfer from the TFSA are not subject to tax, and you will have access to a tax refund from the additional RRSP contribution.

If you are self-employed there are many deductions and credits available to you. For employees, you could look for ways to maximize your credits for donations and medical expenses before the end of the year, in addition you should be sure that you are claiming the Employment tax credit,

With inflation on the rise, it is now more important than ever to verify that your financial plan is on track. I can collaborate with you to update your financial plan and identify which options make sense in your situation. Call or email me today (780) 425-4058 [andy@amhfinancial.ca](mailto:andy@amhfinancial.ca) to make an appointment to review your financial situation.

**HAPPY SPRING!**

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.

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.



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



Understanding what matters to you.

As life changes, your financial priorities evolve. That's why at AMH Financial Services we are here to understand you first, and then your financial picture.

We take the time to understand your unique investment goals. Through an in-depth discovery process, we'll get to know who you are and what truly matters to you and your family.

I have been helping people reach their financial goals for over forty years!  
I need your assistance to help me reach out to other people that can benefit from my over 40 years of experience in the financial industry.  
Perhaps your children, friends, neighbours or even coworkers!

If you know of someone that is in need of a financial advisor please provide me with their name and contact information. If they place business with me I will award you with a gift card for either Tim Hortons, Amazon or Wayfair.



**Together we can make good things happen for other people!**