

# A Husband's Point Of View



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



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Happy Thanksgiving! While we are in a fourth wave I hope that you will be able to spend some time with your family over the holiday.

We are seeing a new type of investing being advertised on TV whereby you are your own investor - Do It Yourself.

Do-it-yourself (DIY) investing has become more popular in Canada recently, with Canadians opening 2.3 million self-directed accounts in 2020 – nearly tripling the 846,000 accounts opened in 2019. Overlapping that growth, however, was a 270 per cent rise in complaints from DIY investors to the Investment Industry Regulatory Organization of Canada (IIROC) Complaints & Inquiries team.

The challenge is that successful investing requires both time and expertise – and working with an advisor can help to ensure that your investment strategy is designed to meet specific goals. Studies have shown that investors who receive professional advice accumulate almost four times more assets after 15 years than investors without advisors.

There are good reasons for the performance boost advisors can provide. By clearly explaining investing concepts and products and providing concrete examples that reflect an investor's personal situation, advisors can help clients make well-informed decisions. By connecting investments directly to goals and developing plans to meet short-term and long-term needs, advisors can help investors stay focused on what matters most to them.

Perhaps most importantly, by sharing their professional perspective and guidance, advisors can help their clients avoid investing pitfalls.

Working with an advisor gives investors access to professional guidance tailored to their specific circumstances. Beyond technical expertise, an advisor can alert investors to biases that may be negatively affecting their decisions, help investors evaluate the possible positive and negative repercussions of every action, and remind investors that the choices they make today will affect their ability to meet goals down the road.

Do-it-yourself can work well when you're taking care of minor home repairs – but working with an advisor can be a much better way to approach investing for your future.

For more information call me today (780) 425-4058



## On the Lighter Side

How do you get rid of a boomerang? Throw it down a one-way street.

Did you hear the joke about the mosquito? It was malarious

I was taking a communism class but I dropped out because of lousy Marx

I am not a Dad, but I do tell Dad jokes. I'm a faux pa

I'm excited to take my wife to this new musical about puns. It's basically a play on words



## Building a Resilient Portfolio

A financial advisor can help you build a resilient portfolio



Regardless of your circumstances, a financial advisor can help you reach your financial goals and work toward building enough wealth to sustain a comfortable retirement. But achieving this outcome in today's economic environment requires innovative thinking and alternative tools to build more resilient portfolios.

Investing is all about risk and reward. After a year of unprecedented uncertainty, economic growth is recovering, but generating income is more challenging than ever in today's low-interest-rate environment. A financial advisor can help you better understand various market risks so that your portfolio is better positioned for the potential rewards – whether that's preserving capital in times of market stress, generating a reliable income stream or taking full advantage of investment opportunities during a recovery.

Thankfully, financial advisors have the tools and investment knowledge to help investors build more resilient portfolios that can thrive in a variety of economic scenarios and aims to deliver more income – for today and well into the future.

**On the sidelines when it comes to investing? A financial advisor will get you in the game.**

### Other benefits of working with an advisor



Selecting tax-efficient investment vehicles



Accumulating greater wealth through better saving behaviour



Building a resilient portfolio



Protecting against poor financial decisions



Maintaining a long-term investment strategy



Building assets for a more comfortable retirement



Avoiding emotional investing habits



## ***Beware of Do-It Yourself Investing***

Here are 10 of the most common investing pitfalls:

### **1. Too little time for investing**

Investing wisely takes time. It's critical to carefully research potential investments, select the ones that best align with goals and monitor performance to evaluate whether to sell. Investors who don't have the time or interest to devote to this work may underperform.

### **2. Lack of knowledge about investing**

Investors who don't fully understand the fundamentals of investing – concepts such as diversifying assets, minimizing fees and managing taxes – may make expensive mistakes. For example, they may fail to rebalance when one asset class performs well, allowing a portfolio to become too concentrated.

### **3. Misunderstanding an investment**

A dizzying array of investments exists, each with different benefits, risks and features. It's easy for investors who don't have a good grasp of all the ins and outs of a specific solution to choose products that don't meet their needs.

### **4. Not accurately assessing their own situation**

Many aspects of an investor's personal situation should factor into investment decisions. One of the biggest is risk tolerance – something people often find is lower than they thought when markets become volatile. Without an outside perspective, investors may also miss complexities in their finances that need to be addressed.

### **5. Borrowing to invest without fully understanding the consequences**

While there may be situations where it is appropriate to take on debt to invest, it's important to proceed with great caution. DIY investors who are tempted by what seems like a great opportunity may overextend themselves and increase their losses if the investment drops in value.

### **6. Failing to read the fine print**

Details matter in investing – from currency conversion rules associated with foreign-denominated securities to legal terms and conditions that may, for example, allow a brokerage to sell investments to repay an investor's debt to the firm. Missing a key detail can be costly.

### **7. Feeling too confident in market predictions**

It can help to be humble when investing. Overconfidence in their knowledge, skills and ability to predict or even control market outcomes can cause investors to ignore risks and trade more frequently – both of which can erode the value of an account.

### **8. Assuming current conditions won't change**

It's easy to assume that whatever is happening in the markets right now will continue for the foreseeable future – but market conditions can change quickly. Failing to plan for different market scenarios can leave a portfolio vulnerable to sudden downturns.

### **9. Avoiding loss at all costs**

We all feel losses more keenly than we feel gains – that's a key finding from behavioural economics. As a result, DIY investors may avoid investments that can result in loss, resulting in a portfolio that generates returns too low to meet their long-term goals.

### **10. Expecting the brokerage to look out for them**

The brokerages that facilitate DIY investing are known as "order execution only" firms, and that means the firm generally can't help if investors run into trouble because they make a mistake. Going it alone means no personalized recommendations and no reviews for investment suitability.



Financial Advisor  
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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.



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.

**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!



Most people  
don't plan to fail,  
they fail to plan.

