



April 13, 2020

Dear Clients,

We are writing to update you on recent financial market and economic developments amidst the ongoing COVID-19 outbreak.

First, we would like to take this opportunity to wish you well in these challenging and uncertain times. We have all had to make significant changes in our lives to try to slow or stop the spread of this virus. These changes and disruptions to our normal routines are not easy but they will not last forever.

We at Belmont have been working remotely for a few weeks now and undoubtedly most of you have had to do the same. Many have had to stop work entirely and are facing difficulty making ends meet. The Federal and Provincial governments are implementing programs to try to ease the financial burden that has been created. Please see the links at the end of this letter for details on the programs available.

For those of you who are in essential services and must continue on the front line, we truly appreciate your efforts and realize that without you, things would be so much worse.

The social distancing rules that have been put into place seem to be working. If we all continue to follow the rules hopefully our lives and our investments will be back to normal sooner rather than later.

#### **What were the significant market developments this week?**

- Canadian and U.S. markets remained volatile, fluctuating between strong moves up and heavy moves down throughout the week and demonstrating that investors are still not confident in how this crisis will play out.
- The federal government's commitment to fiscal support for Canadians reached \$176 billion, after it announced a plan to subsidize 75% of wages for workers of eligible businesses.
- Oil prices sank even lower to begin the week before rebounding. U.S. President Donald Trump held a "prolonged" call with Russian President Vladimir Putin, where the two agreed to further discussions between energy officials in the two countries.
- The number of confirmed COVID-19 cases worldwide surpassed one million and continued to grow exponentially, with many countries keeping social distancing and lockdown measures in force.

#### **How does this affect my investments?**

As recent market swings have demonstrated, it's impossible to time short-term movements to avoid losses and capture gains. This is why we built your portfolio as a long-term plan. Attempts to capitalize on events such as these with short-term planning can lead to you missing out on the consistent long-term growth that forms the basis of successful financial plans.

I know that it can be difficult to avoid the daily chatter surrounding the market's hourly reaction to events, which is why I am sending you this recap. It is a way to both help you block out the daily noise and speculation, while providing you clarity on recent developments. Remember that when you

invested you did not build a weekly portfolio. The items above are major news stories today, but when the world emerges from this event, they are likely to serve as footnotes to a portfolio that has demonstrated its strength over the long run.

If your situation or objectives have changed, we can discuss how this may affect your plans. Please do not hesitate to contact us.

Please stay safe, stay at home as much as you can and continue to practice social distancing. We will get through this.

Sincerely,

Group Retirement and Individual Savings Department  
Belmont Health & Wealth



Sources: CI Investments Inc., Bloomberg Finance L.P., The New York Times Company, CNBC LLC and Yahoo! Canada Finance.

**Government Covid-19 Aid Measures**

<https://www.canada.ca/en/department-finance/economic-response-plan.html#individuals>