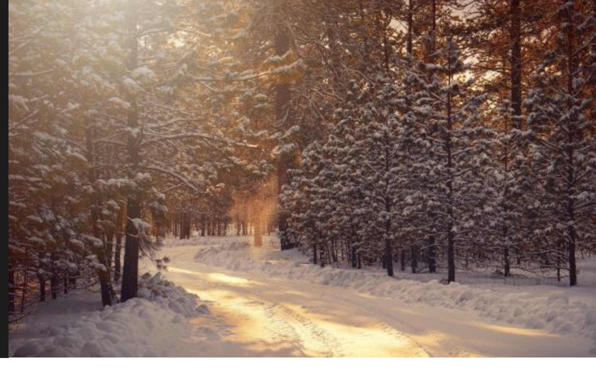
MORSE WEALTH
QUICK CONNECT
DEC2021



A NOTE FROM PAUL

While 2021 has been another year of uncertainty for us all, we are looking forward to 2022 with both optimism and gratitude!

Now that Winter is here, we can get outside to enjoy the crisp air, step inside to the warmth of a fire and share the spirit of the season (both in-person and remotely) with our family and friends. Despite the many headwinds that Markets faced in 2021 (wage inflation, cost pressures, supply chain disruptions, the uncertainty related to new variants…), the S&P 500 Index companies have grown earnings at the fastest pace in decades, while generating significant free cash flows and strong margins. Perspective continues to be important as companies pivot and evolve-transforming the challenges of today into tomorrow's opportunities for outperformance. We're living in a period of turbo-charged innovation, where secular themes are accelerating and people are stepping-up to help manifest a better future.

As I reflect on the year that has passed, I'm truly grateful for all the amazing people we're connected to. We're fortunate to work with a roster of great clients, and talented colleagues with good ideas accompanied by the discipline and work-ethic that makes a difference in the lives of the people we serve.

I hope you enjoy this edition of the Morse Wealth Quick Connect. We continue to tailor our approach to you with the objective of providing useful and interesting content and as always, we'd love to hear from you.

On behalf of the team at Morse Wealth, we hope you and your family enjoyed the holiday season and wish you a prosperous New Year!

Sincerely,
Paul

MARKET PERSPECTIVES*

1. Global equities continue to be underpinned, for the most part, by positive earnings growth and revisions, strong balance sheets, and reasonable valuations. These factors should drive positive market performance over the long-term, although returns are likely to moderate compared to the previous 12 months.

2. North American equities have been underpinned by positive earnings growth and revisions, strong profit margins and capital positions. These factors, combined with expectations that companies may aggressively increase dividends and share buybacks in the coming quarters, should drive positive equity returns through 2022. However, we expect gains to moderate from 2021 levels.

3. Globally we maintain a modest pro-risk stance and favour equities over fixed income. While we are more cautious on certain regions, we expect the positive economic growth momentum to continue. The protracted low-rate and low fixed income return environment is likely to persist even as central banks embark on gradual policy normalization.

4. While we maintain an overall modest underweight to fixed income, due to low real returns, we believe fixed income exposure within portfolios remains important. Bonds can provide investors with consistent income, diversification benefits and insulate portfolios during periods of elevated volatility.

5. With low fixed income yields and potential moderation of equity returns, an allocation to alternative assets could be beneficial in managing portfolio volatility, providing some long-term inflation protection and attractive absolute returns. We believe alternative assets can help portfolios under either transitory or more structural inflation outcomes.

*Source: TDAM, WAAC Perspectives November 2021

TEAM UPDATES & REMINDERS

Stay tuned for Strategy Spotlight
We're excited to start up our Strategy Spotlight Series again in 2022. Behind the scenes, we've been working on lining up insightful guest speakers. We launched this virtual event series last year as a way to connect, collaborate and share timely insights from some of the highly sought-after specialists we work with at TD. The series will touch on investing themes, tax opportunities, estate planning strategies and much more! If there is a special topic you would like us to address, we encourage you to share your ideas.

Best practices for family governance
Good governance is the foundation for good decision making. As part of the Family Enterprise Advisor (FEA) Program Paul was accepted into, he recently completed a 2-day session on best practices for governance structures in Family Enterprises. They analyzed effective frameworks that facilitate successful decision making for business families and how to best help during these important discussions.

In January, Paul will attend the next modules of the program which focuses on how to bring the most value to families in business. Family enterprises face intricacies and unique challenges. The modules will focus on integrative tools and strategies for managing family dynamics and collaborating with their other professional advisors.

The season of giving
During the holiday season, we think it is important to give back, support our community and help those in need. This holiday season we've decided to donate to the Hospital Foundations in the communities we serve.

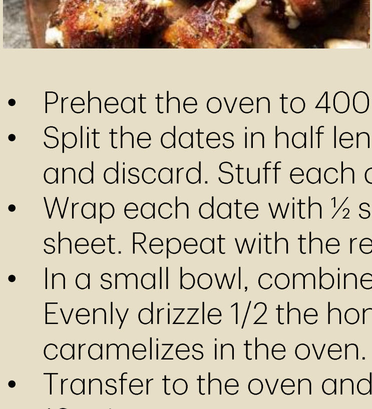
Paul's title is changing
This year, the Investment Industry Regulatory Organization (IIROC) came out with new client reforms and have mandated that Investment Advisors nationally are no longer permitted to use Vice President in their title. IIROC is an external organization that sets and enforces rules regarding the proficiency, business and financial conduct of Canadian investment firms.

Moving forward the Vice President will be replaced with Senior, and Paul's title will be Senior Investment Advisor. He is able to use Senior because of his tenure and extensive credentials. This change in title will in no way impact his existing responsibilities or continued commitment to you.

Office protocols
We continue to work both at the office and remotely. You can reach us through our regular channels. TD continues to maintain and adjust operational protocols to promote a safe environment for clients and employees. Connect with us if you would like to schedule an in-person meeting so we can coordinate accordingly. We continue to leverage conference calls and virtual meeting technology to operate seamlessly while remote.

FROM OUR KITCHEN, TO YOURS…

We're sharing a Morse Wealth holiday favourite you can make and share with your loved ones.



Goat Cheese Stuffed Bacon Wrapped Dates

What you'll need

6 oz creamy goat cheese
24 plump Medjool dates
12 slices of bacon (cut in half)
1/3 cup honey
1 tbsp chopped fresh rosemary
1/2 tsp cayenne pepper using more or less to taste
Salt and black pepper

- Preheat the oven to 400 °F. Line a baking sheet with parchment paper.
- Split the dates in half lengthwise, but don't cut the date all the way through. Remove the pit and discard. Stuff each date with goat cheese, then gently squeeze to seal.
- Wrap each date with ½ slice of bacon and place seam side down on the prepared baking sheet. Repeat with the remaining dates.
- In a small bowl, combine the honey, rosemary, cayenne, and a pinch each of salt and pepper. Evenly drizzle 1/2 the honey over the dates. The goal is to coat the bacon in honey so that it caramelizes in the oven.
- Transfer to the oven and bake 20-25 minutes, until the bacon is crisping. Let cool for at least 10 minutes.
- Then serve warm or at room temperature and enjoy!

SELECTED FOR YOU

READ
The next chapter in technology

Technology is an expression of human ingenuity and innovation. Technology companies are collections of some of the brightest people in the world with the most vivid imagination who have set out to disrupt a stale status quo. This article from explores dominating trends and names in the industry.

WATCH
Is there a flexible way to make a charitable giving plan?

Every day, images of humans in need fill the news cycle. Jo-Anne Ryan, Vice President of Philanthropic Advisory Services at TD Wealth and the Executive Director of the Private Giving Foundation, joins Kim Parlee to discuss donor-advised funds and some ways you can donate now and decide later.

LISTEN
2022 Equity Market Outlook

Host Ingrid Macintosh and special guest Justin Flowerday, Managing Director, Fundamental Equities, TDAM discuss the outlook for equity markets, strong Canadian bank earnings and the role research plays in building resilient portfolios.

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