



If you've been watching the news lately, you'd think something is always about to break — markets, governments, trade, inflation, housing.

Every year seems to arrive with its own reason to panic.

2026 just happens to have a lot of very loud ones.

But loud doesn't mean dangerous — and complexity doesn't mean you should do something dramatic.

What we see every day, working with Canadian families, business owners, and retirees, is something very different from the headlines.

Most people are still moving forward. Quietly. Imperfectly. Successfully.

This presentation isn't about predicting the future.


It's about understanding what actually matters, and why a well-built financial plan is designed for years exactly like this.

WHY THIS CONVERSATION MATTERS

Headlines are loud
—plans are quiet.

Strong years
change
expectations.

Confidence comes
from preparation,
not prediction.



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After strong market years, expectations change.

People often feel relieved that things are going well — but uneasy at the same time, wondering if they should be doing *something*.

We hear this a lot:

“Everything looks fine... I just don’t want to miss what’s coming next.”

Our role isn’t to react to every headline. It’s to help separate what *feels* urgent from what actually *matters*.

Confidence doesn’t come from knowing what will happen next. It comes from preparation, perspective, and discipline.



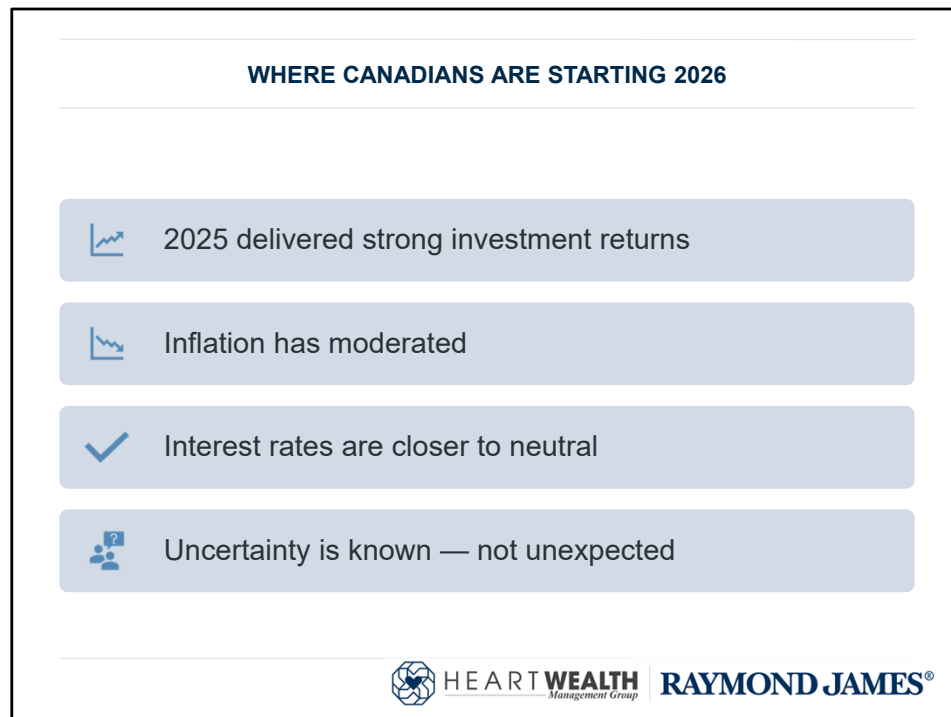
Before we go any further, we want to briefly talk about *how* decisions are made at Heart Wealth --because the depth behind the advice matters.

Clients work closely with our advisory team, but they're also supported by the full strength of **Raymond James**. Behind us is an award-winning global research platform — economists, analysts, and strategists who continuously study markets, policy, and long-term trends.

We're also supported by specialized planning, risk, and operational teams, as well as enterprise-level cybersecurity and data protection — the kind of infrastructure most investors never see, but rely on every day.

What this allows us to do is combine **deeply personal advice** with **institutional-level insight and protection**.

That balance — personal relationships backed by serious resources — is at the heart of the Raymond James philosophy, and it's what allows us to guide our clients calmly and consistently, no matter what markets are doing.



Let's ground ourselves in where Canadians actually are today.


2025 delivered strong investment returns. Inflation has moderated. Interest rates are no longer rising aggressively.

There is uncertainty — trade, geopolitics, policy — but much of this uncertainty is *known*.


Markets don't struggle with uncertainty itself. They struggle with surprises.

Today's environment is better described as *complex* — not fragile and that distinction matters for investors.

CANADIAN ECONOMIC OUTLOOK



- GDP growth expected around 1.2%
- Labour market softer, not broken
- Fiscal spending supports markets before the economy
- USMCA renegotiation = uncertainty, not crisis

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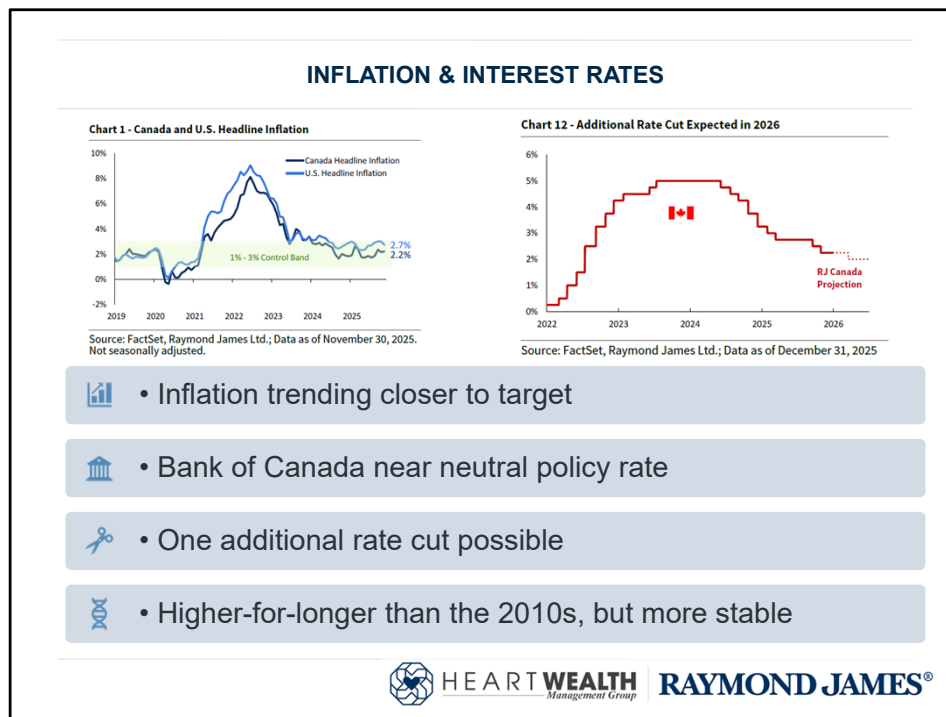
From a Canadian economic perspective, growth is slower — but stable.

GDP growth is expected to be modest, around one percent. The labour market has softened as hiring slows and wage growth cools, but it is not broken, and we are not seeing widespread job losses.

Inflation has come down meaningfully and is now much closer to the Bank of Canada's target range. At Raymond James, we believe one additional rate cut is possible in 2026, though we do not expect a return to the ultra-low rate environment of the 2010s.

Instead, we're likely settling into a higher-for-longer — but stable — rate environment.

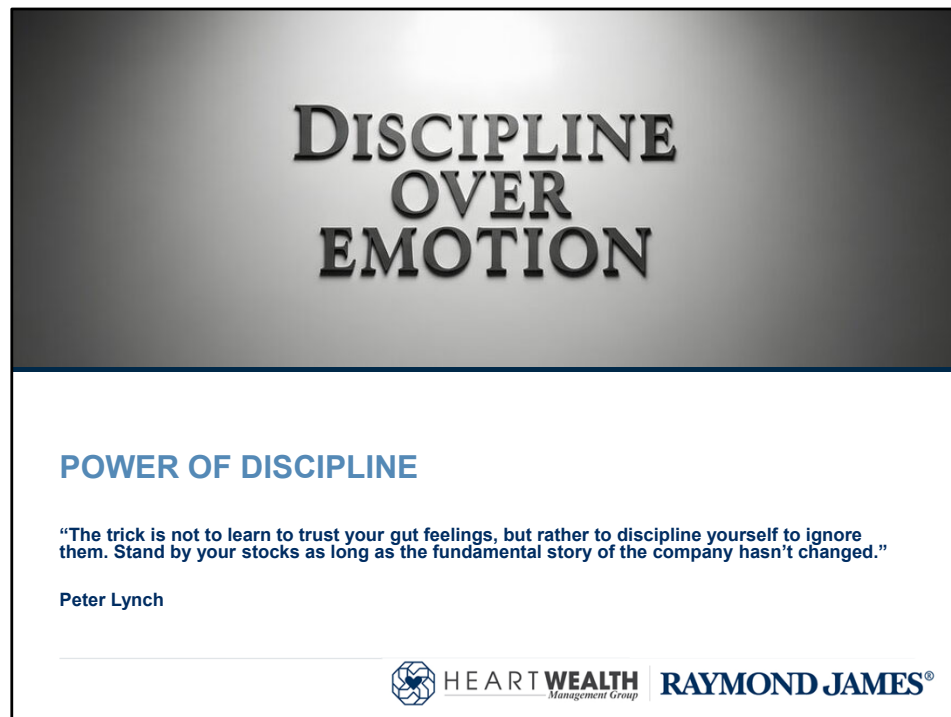
And stability is ***incredibly valuable*** for long-term planning.



What matters most about inflation is not the headline number — it's what's happening underneath.

The more persistent components of inflation, particularly shelter and services, are beginning to moderate. That gives the Bank of Canada more flexibility than it has had in recent years.

Predictable rates allow households, businesses, and investors to plan with more confidence — and confidence supports long-term decision-making.




**DISCIPLINE
OVER
EMOTION**

POWER OF DISCIPLINE

"The trick is not to learn to trust your gut feelings, but rather to discipline yourself to ignore them. Stand by your stocks as long as the fundamental story of the company hasn't changed."

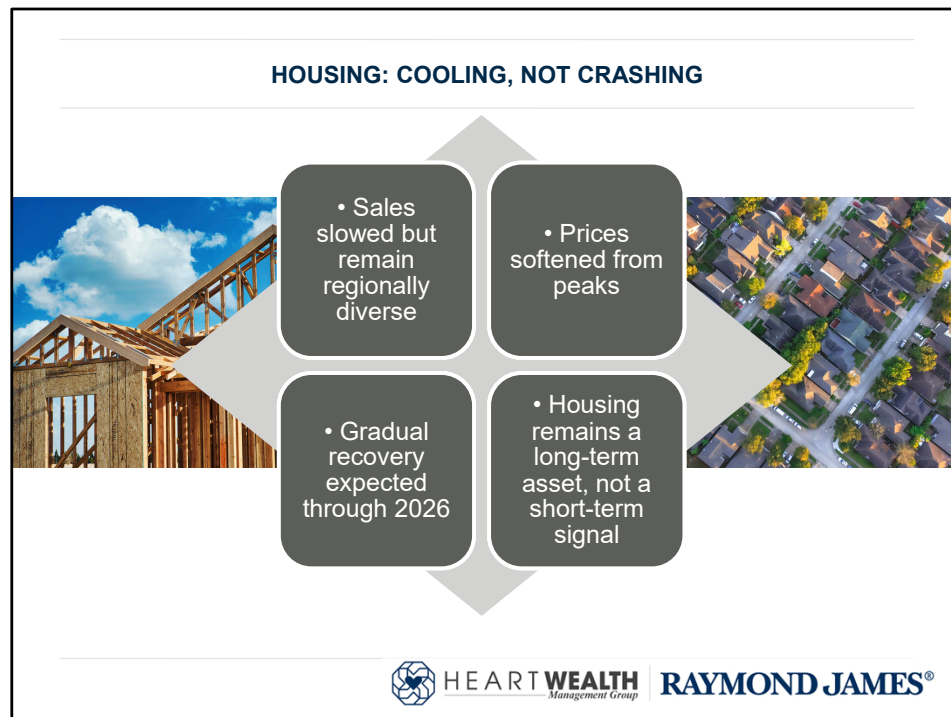
Peter Lynch

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This quote from Peter Lynch captures something we talk about often: the hardest part of investing isn't understanding markets — it's managing emotions.

Discipline means staying aligned with your plan when instincts are telling you to react.

The most successful investors are rarely the most reactive. They're the most consistent — especially when markets test patience.



Housing is always an important and emotional topic for Canadians, because it sits at the intersection of finances, lifestyle, and long-term security.

After several years of rapid price appreciation, it's natural for housing markets to cool. That's what we're seeing now — softer prices in some regions, slower sales activity, and more balanced conditions overall. This is **normal market behaviour** -- this is not a crash.

It's also important to remember that housing in Canada is highly regional. What's happening in one city or province may look very different from another, which is why national headlines often oversimplify a much more nuanced reality.

From a financial planning perspective, housing should be viewed as a **long-term asset tied to your personal use**, not a short-term indicator or investment signal. For most families, the right housing decision is driven by affordability, cash flow, and life stage — not by trying to anticipate short-term price movements.

For most of our clients, the key takeaway is this: housing remains an important part of your household balance sheet, but it does not need to be a source of anxiety or a trigger for reactive financial decisions. In a more stable rate environment, patience and perspective matter far more than headlines.

VOLATILITY CREATES OPPORTUNITY

- 2025 volatility was unusually low
- 2026 has more moving parts
- Volatility is normal — not a failure
- Discipline matters more in uneven markets



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When we talk about volatility after a strong year like 2025, it's important to be clear about what that actually means for a moderate-risk investor. Volatility does not require taking on more risk. For most investors, opportunity in uneven markets comes from **discipline**, not bold moves.

In 2026, we expect more market movement than we saw last year. That's not a warning sign — it's a return to a more normal investing environment. For moderate-risk portfolios, this often creates opportunities to rebalance, to add to high-quality assets at more reasonable prices, and to reinforce diversification rather than chase performance.

That said, we may also take **selective, opportunistic positions** when we believe the risk-reward is attractive. We like to think of these as *spice on a meal* — they enhance the overall outcome, but they are never the main course. The foundation of the portfolio remains diversified, high-quality, and aligned with long-term goals.

Periods of volatility tend to highlight differences in quality. Companies with strong balance sheets, consistent cash flow, and durable business models often hold up better — and can become more attractive — when markets are uneven.

For moderate-risk investors, the goal isn't to predict short-term moves. It's to stay aligned with a long-term plan and use market movement as a tool, not a threat. In practice, the most effective decisions made during volatile periods are usually the least dramatic ones.

That disciplined approach becomes especially important when we look at Canadian equity markets.

EQUITY MARKETS — CANADA FIRST

- TSX driven by financials, materials, energy
- Fiscal spending supports Canadian sectors
- Gold helped in 2025 — unlikely to repeat at same pace
- Structure matters more than headlines



TORONTO STOCK EXCHANGE
TSX VENTURE EXCHANGE





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Canadian equity markets are structured quite differently than many global markets, and that structure matters — especially in periods of volatility and policy change.

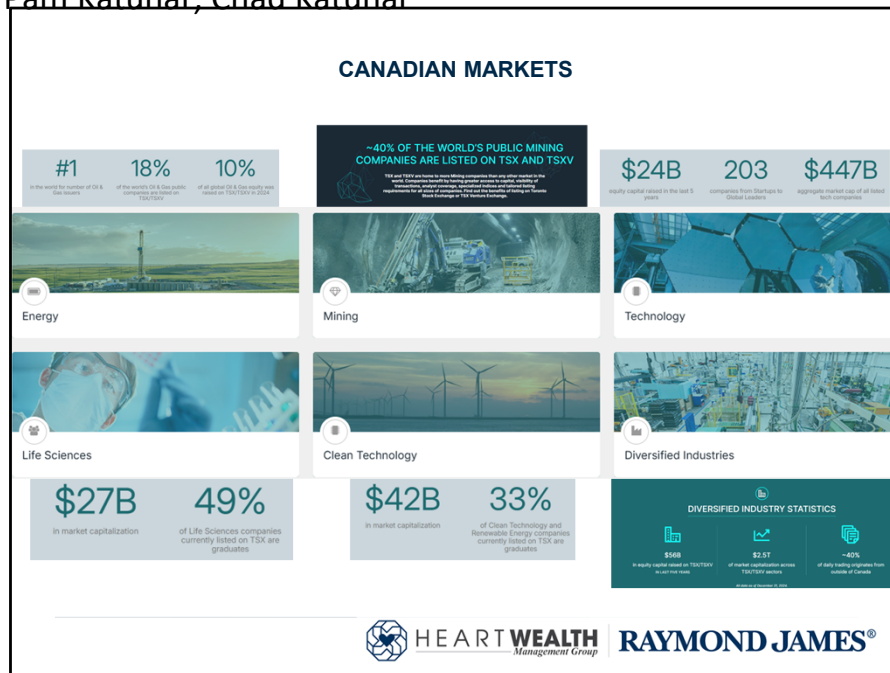
The TSX is heavily influenced by **financials, materials, and energy**, which means it tends to respond more directly to interest-rate cycles, fiscal spending, and global demand for real assets. As government infrastructure investment and resource development move forward, these sectors often benefit earlier than the broader economy.

In 2025, mining was the standout performer across market caps, delivering extraordinary returns. Those results reflected a very specific set of conditions and are unlikely to repeat at the same pace. Many of the companies involved also carry higher volatility than what is appropriate for most long-term investors.

That's where discipline and selectivity matter. While not every investor should be chasing the most speculative corners of the market, Canada does have a **deep and evolving equity landscape**.

At Raymond James, our focus is not on chasing what worked last year. It's on identifying **durable businesses, emerging themes, and appropriate risk levels** that fit within a diversified portfolio. Canada offers meaningful opportunity — but success comes from structure, balance, and professional judgment, not headlines or hype.

And when we step back even further, this is where Canadian markets play a very specific role in a diversified portfolio.



When we step back from individual sectors or standout years, Canadian markets play a **very specific and valuable role** within a diversified portfolio.

Canada's equity market has historically been more income-oriented, more resource-linked, and more cyclical than many global markets. That means Canadian equities often behave differently from U.S. growth-heavy markets — and that difference is not a weakness, it's a feature.

Canadian companies tend to generate a meaningful portion of total return through **dividends**, not just price appreciation. In periods of moderate economic growth or higher interest rates, that income component becomes increasingly important — particularly for investors seeking stability alongside growth.

Canadian markets are also closely tied to **real assets and global demand** — financial services, energy, materials, and infrastructure. These sectors can act as natural hedges during periods of inflation, fiscal expansion, or geopolitical uncertainty, even when broader growth is muted.

At the same time, Canada is not a static market. Beyond traditional sectors, we continue to see innovation and opportunity in areas such as infrastructure, clean energy, critical minerals, industrials, financial services, and select technology-enabled businesses. The opportunity isn't about betting on extremes — it's about participating thoughtfully in areas where Canada has structural advantages.

This is why Canadian equities often serve as a **stabilizing complement** to global growth exposure. They don't need to lead every year to add value. Instead, they contribute diversification, income, and balance — particularly in environments like the one we're entering in 2026, where steady growth and predictability matter more than speculation.

For investors, the takeaway is simple: Canadian markets are not about chasing what's exciting. They're about owning what's durable, understanding where returns come from, and letting diversification do its job over time.

U.S. EQUITIES — STILL IMPORTANT



- Earnings growth remains supportive
- Returns likely more moderate
- Diversification matters more after strong runs

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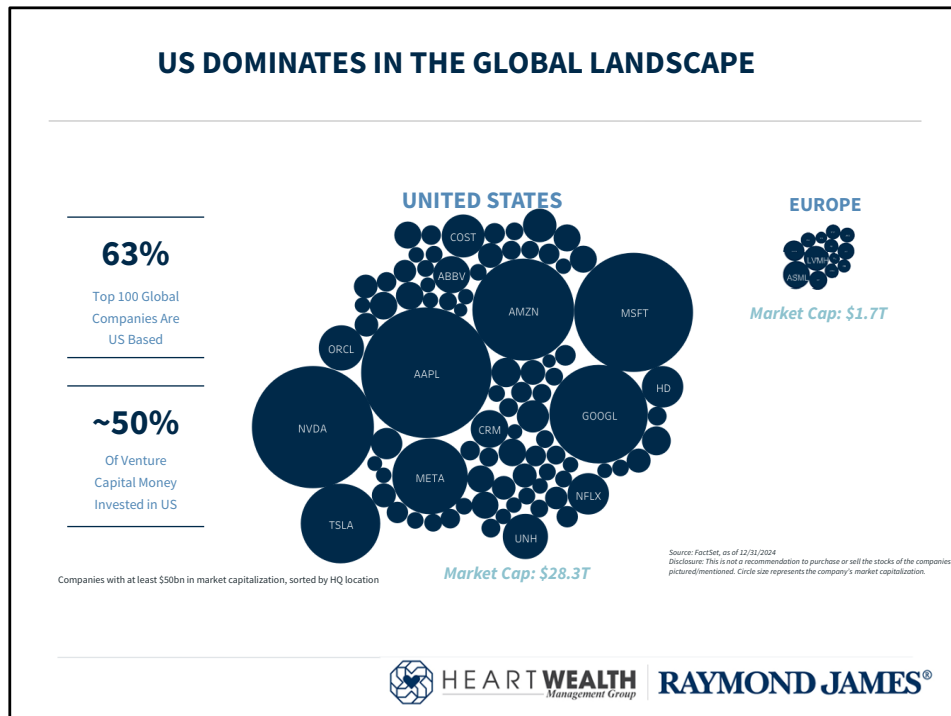
U.S. equities remain a meaningful part of most globally diversified portfolios — including for Canadian investors.

The reason is simple: the U.S. market represents a large share of global innovation, global earnings, and global market leadership. When Canadian investors own broad global or U.S. exposure, they're accessing depth across sectors that aren't as available in Canada — especially in technology, health care innovation, and many industrial leaders.

At the same time, we want to set expectations appropriately. After several strong years, returns are likely to be **more moderate and more selective**. In this environment, long-term outcomes are less about chasing what led last year, and more about owning high-quality businesses, staying diversified, and keeping the portfolio aligned with your goals and risk level.

The right portfolio isn't the same for everyone — it depends on your time horizon, cash needs, and comfort with volatility.

And to understand why the U.S. continues to matter so much in global investing, let's look at the bigger picture.



This slide is really about *why the U.S. continues to hold such a dominant position in global markets* — and why that matters to Canadian investors even when we’re focused on Canadian conditions.

The U.S. has a unique combination of scale, capital markets, and a business environment that tends to attract talent and investment. It’s often where the world’s largest companies are built, where many of the major sector leaders are headquartered, and where a significant portion of global research and development spending occurs.

From an investor’s perspective, this matters because many long-term growth trends — technology adoption, health innovation, industrial modernization, productivity gains — are reflected strongly in U.S. markets. So even as Canadians care deeply about Canadian rates, housing, and the TSX, global portfolios still benefit from exposure to where a lot of global earnings power is concentrated.

The important takeaway isn’t “everything should be U.S.” The takeaway is: **global diversification isn’t abstract — it’s access to different engines of growth.**

So if the U.S. remains a key engine globally, the next question becomes: where do we see the most durable opportunities inside the market?

LOOKING INTO OUR FAVOURITE SECTORS

TECHNOLOGY, INDUSTRIALS, AND HEALTH CARE ARE OUR FAVOURITE SECTORS

	Technology	Industrials	Health Care
			
Thematic	Continued AI Investment Technological Advances	Beneficiary of Government Spending Replenishing Defense Stockpiles	Aging Demographics Post-Election Certainty
Fundamental	Earnings Growth Outpacing Market Highest Margin of Any Sector	Bottoming in EPS Revisions Core Capital Goods Orders at Record	Undervalued Sector on PEG Basis Accelerating Earnings

Source: FactSet, Data as of 12/15/2025.

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When we talk about “favourite sectors,” we’re not talking about short-term trades or trying to predict next quarter. We’re talking about areas where we see **durable demand, strong business models, and long-term earnings potential.**

For 2026, our preferred areas — in a balanced, moderate-risk context — continue to include **Technology, Industrials, and Health Care.** Each of these has a different role:

Technology is still a driver of productivity and efficiency across the economy. Industrials benefit from infrastructure, modernization, reshoring, and investment in the real economy — the “build” side of growth.

Health Care is supported by demographics and consistent demand — it tends to be resilient even when the economy slows.

The key point is selectivity. In years where markets are calmer, “everything rises together.” In years where volatility returns, leadership tends to narrow, and quality matters more — balance sheets, cash flow, valuation discipline, and competitive advantages.

This is not a call to concentrate. It’s a reminder that in a moderate-return environment, **where you take risk matters** just as much as how much risk you take.

With that context, let’s talk about one of the biggest themes driving sector leadership — without getting caught in the hype cycle.



AI is one of the most important productivity shifts we've seen in decades — but it's critical to separate the long-term trend from the short-term noise.

AI isn't a single investment. It's a general-purpose technology that will be adopted across industries — improving efficiency, reducing costs, enhancing customer service, and enabling new products and services. That means the benefits won't show up only in tech stocks. Over time, they show up in companies that use AI well — often in Industrials, financial services, logistics, manufacturing, and health care delivery.

Our approach is measured. We're not trying to “bet the farm” on a single theme. We're looking for exposure that fits the portfolio, aligns with your risk profile, and is backed by fundamentals.

And this is a good moment to reinforce how we think about opportunistic ideas: we may add **selective positions** when the risk-reward is attractive — but we think of those as **spice on the meal**, never the main course. The main course is always a diversified, high-quality portfolio aligned with your long-term goals.

Another area that gets a lot of attention — sometimes for the right reasons, sometimes for the wrong ones — is gold and alternatives.

GOLD AND ALTERNATIVES

- Strong recent performance driven by sentiment
- Strategic diversifier, not a core driver
- Insurance, not speculation



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Gold has had a strong run recently, and it often gets discussed as an inflation hedge or a “fear trade.” But the most useful way to think about gold is as a **diversifier** — not a core return engine.

Gold doesn’t produce income, and it can be volatile. Its strongest periods often coincide with uncertainty, shifts in sentiment, and changes in currency or central bank behaviour.

That makes it valuable in some portfolios — but it also means it should be sized appropriately and used intentionally.


For moderate-risk investors, alternatives — including gold — can sometimes play a role as a stabilizer or diversifier, but they should not replace the core building blocks of long-term success: quality equities, appropriate fixed income, and thoughtful asset allocation.


The message here is balance: **use diversifiers as tools**, not as predictions. [SMILE]


And speaking of the core building blocks — this is where fixed income becomes a much more interesting part of the conversation again.

BONDS ARE BACK

- Income is the return
- Bonds provide stability again
- Diversification is working as intended



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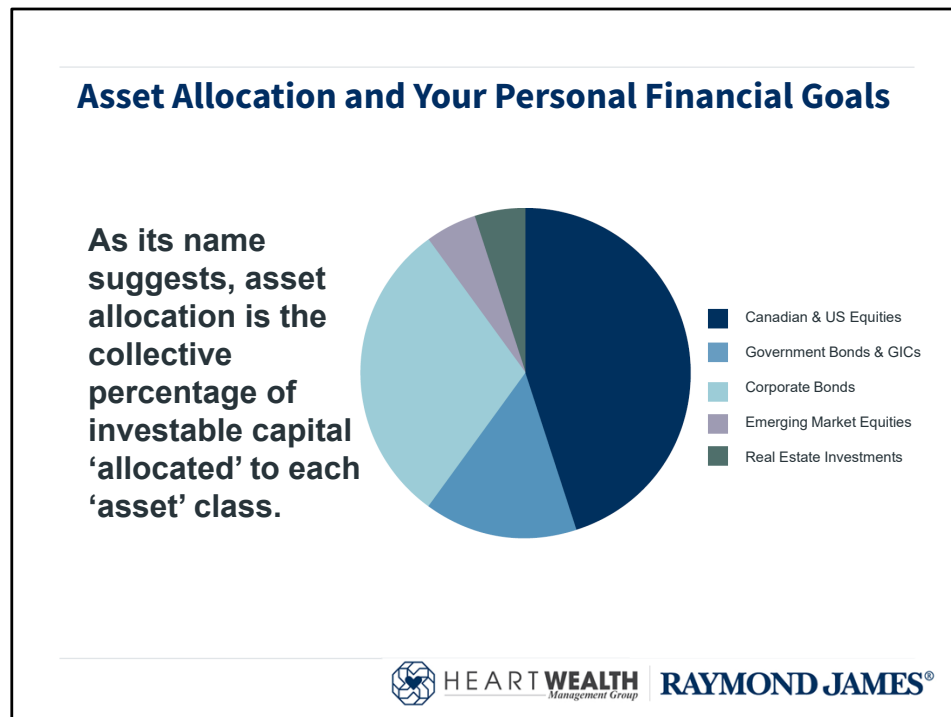
For many years, bonds were frustrating. Yields were low, and when rates rose, bond prices fell — so many investors started to question whether bonds still “worked.”

Today, bonds are quietly doing their job again. In a higher-for-longer but more stable rate environment, fixed income can once again provide what many investors actually need from it: **income, stability, and diversification.**

For moderate-risk investors especially, bonds can reduce the emotional pressure that comes with equity volatility. When clients know they have reliable income and a stabilizing component in the portfolio, they’re far more likely to stay disciplined when markets move around.

In other words, bonds may not be the most exciting part of a portfolio — but they are often the part that helps investors stick with the plan long enough for the plan to work.

Which brings us to the most important “big lever” in investing — asset allocation.



Asset allocation is simply how your investments are spread across different asset classes — equities, fixed income, cash, and sometimes real assets or alternatives.

It sounds basic, but it's the single biggest driver of long-term investor experience: how volatile the portfolio feels, how much drawdown you can tolerate, how consistent income can be, and how likely you are to stay invested through market cycles.

And this is where your individual needs and preferences come in to play: there is no universal perfect allocation. The right mix depends on your goals, time horizon, income needs, and comfort with risk — and it evolves as your life evolves.

Our job is to design an allocation that you can actually live with — not just one that looks good on paper.

So when we pull all of this together, what does it mean for your plan in 2026?



The image shows a hand placing a coin on a stack of coins. The stacks are topped with wooden blocks featuring icons: a piggy bank, a dollar sign with a circular arrow, a house, a car, and a pyramid. A dashed line graph with data points for 2022, 2023, 2024, and 2025 is overlaid on the scene. The background is a blurred blue.

WHAT THIS MEANS FOR YOUR PLAN

- Plans assume uncertainty
- Rebalancing is discipline, not pessimism
- Time horizons drive decisions
- Behaviour matters more than forecasts

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If you work with us, your plan already assumes uncertainty.

It assumes that some years will be smooth, and some years will be noisy. That's not a flaw — it's the whole point of planning.

A well-built plan is designed to be resilient:

- It doesn't depend on perfect timing.
- It doesn't require perfect headlines.
- It doesn't require booming growth every year.

This is also where rebalancing matters. Rebalancing is discipline — not pessimism. It's how we keep risk aligned with your goals and avoid portfolios drifting into unintended risk after strong markets.

And if there is a “secret” to long-term outcomes, it's usually behaviour:

staying invested, staying diversified, and making adjustments thoughtfully rather than emotionally.

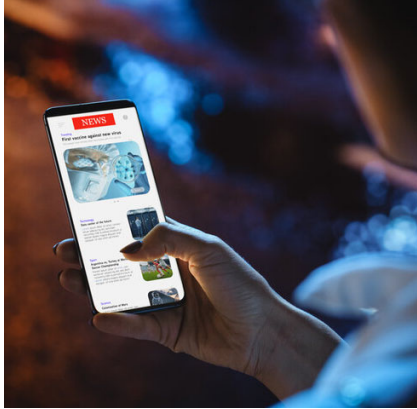
Which leads to the heart of our message about headlines.


WHY WE DON'T REACT TO HEADLINES

Headlines change daily.

Goals do not.

Staying disciplined avoids costly mistakes.





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Headlines change every day. They're designed to grab attention — not to protect long-term outcomes.

But your goals don't change every day. Retirement timelines, family planning, charitable intentions, business transitions — those are long-horizon goals that require long-horizon thinking.

The biggest risk to long-term investing success usually isn't volatility itself. It's the decisions people make *because* of volatility — chasing what just worked, selling what feels scary, or abandoning a plan that was built for uncertainty.

Our role is to keep clients grounded, informed, and disciplined — and to make sure your strategy stays aligned with your life, not the news cycle.

So we'll close with a simple thought.



If you're an existing client, our message is:

You don't need to carry the weight of the headlines alone.
Your plan is built for uncertainty, and we're here to keep you aligned with it.

And if you're listening and you're not yet a client — or you know someone who feels overwhelmed by the noise — this is exactly the kind of conversation we have every day.

Calm, structured, and personal.

Thank you for taking the time to step back from the noise with us today.

And before we end, we'll leave our standard disclosures on screen.

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