

October 2026

Heart Wealth Insights Navigating Markets Together • Building Legacies That Matter ♥

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Back Row: Sophia Sparanese, Cameron Gregory, Chad Katunar, Samuel Della Monica, Lily Benhumea

Front Row: Pam Katuanar, April Dorey Hartwig

Thanksgiving is one of our favourite times of year to write to you. Whether this reaches you before the turkey or just after, we hope the weekend brings a full table, good company and some distance from the headlines. Since our July letter, trade tensions with the United States have escalated, conflict in the Middle East has kept energy prices elevated, and longer-term borrowing costs have risen. Yet Canadian and U.S. share markets have remained resilient. That contrast—strong markets alongside a less certain economy—is a reminder of why sound planning matters more than reacting to each headline.

Fall Market Snapshot 🇮🇹

Markets have delivered gains this year, even as September brought renewed volatility.

Indicator	As of September 30, 2026	
S&P/TSX Composite	+13.0% year to date, total return, to September 30; -2.6% in September	
S&P 500	+12.7% year to date, total return, to September 30	
Bank of Canada overnight rate	2.25% following the September 2 decision	
Canadian 10-year government bond	Approximately 3.9% yield in early October	
Canadian inflation	3.0% year over year in August (2.4% excluding gasoline)	
Canadian unemployment	6.5% in September; employment declined about 68,000	
Canadian dollar	Approximately US\$0.70 in early October	

Sources: Raymond James Ltd. Insights & Strategies, October 2026; Statistics Canada; Bank of Canada.

What matters beneath the numbers. The labour market is cooling and inflation remains above the Bank of Canada's target. At the same time, energy and materials have supported Canadian markets, while large technology companies continue to influence U.S. index performance. We are watching portfolio concentration and the cost of capital rather than trying to forecast the next market move.

Our approach: prepare rather than predict

After several strong years, some portfolios naturally become more equity-heavy—or more concentrated in individual sectors. We are reviewing exposures and rebalancing where appropriate, based on your income needs, objectives and tolerance for risk.

Rebalance thoughtfully. Trim positions that have moved well above their intended allocation, while retaining businesses we continue to believe in.

Rebuild reliable income. Consider Annuities, Guaranteed Investment Certificates (GICs), high-quality bonds, short-term Treasury Bills and High Interest Savings for cash reserves.

Protect near-term spending. If you are drawing on your portfolio, we generally seek to match foreseeable withdrawals with appropriately lower-volatility assets. This reduces the chance of having to sell equities in a downturn.

Your retirement portfolio has several jobs: provide income for the next few years, help preserve purchasing power, and retain enough growth potential for a retirement that may last decades.

The longer view: investing through economic change

More than 20 years of helping clients invest has taught me that economic trends rarely unfold in a straight line. Two decades ago, investors were focused on China's rapid growth, rising demand for natural resources and a weakening U.S. dollar. Many of those expectations proved correct, but few anticipated just how dramatically technology would change our world.

Today, we are watching other long-term trends, including growing demand for reliable energy, modern infrastructure, clean water, secure food supplies and technologies that help businesses become more efficient.

These changes may create opportunities for years to come, but recognizing a promising trend is only part of successful investing. What matters just as much is choosing quality investments at reasonable prices, managing risk and building portfolios that can adapt as the world changes. Our goal is not to predict every turn in the economy, but to help you build and preserve wealth through whatever comes next.

Our commitment: prepare for change, invest selectively and keep your family's financial objectives at the centre of every decision.

Tariffs, in Plain Language

What happened: In August, the United States imposed 50% tariffs on approximately \$27.6 billion of selected Canadian imports. Canada responded with counter-tariffs in September. Although the measures target particular products rather than all cross-border trade, policy uncertainty can delay business investment, hiring and expansion.

What it means: In portfolios, we evaluate where companies earn their revenue, where they produce their goods and how readily costs can be passed through to customers. We also assess Canadian-dollar and U.S.-dollar exposure in the context of each client's accounts and future spending needs. Currency diversification can help in some environments and hurt in others; it is not a substitute for owning sound businesses.

Investing in What the World Will Continue to Need

Headlines change every day, but some needs remain constant. The world will always need reliable energy, electricity, clean water, food and the infrastructure that keeps our communities running.

As we look ahead, we're researching financially strong businesses that provide these essential products and services. We believe several areas offer interesting long-term opportunities.

Energy Security and Infrastructure

Pipelines, electricity networks and energy transportation facilities provide services that businesses and communities rely on every day. We favour established companies with dependable revenue, strong finances and the ability to generate cash flow, rather than relying on predictions about oil and gas prices.

Growing Demand for Electricity

Artificial intelligence, data centres, manufacturing and electric vehicles are increasing the need for electricity. Meeting this demand requires investment in power generation, transmission networks, nuclear energy and essential materials such as copper. We see opportunities but remain mindful of valuations and the risks that come with rapid growth.

Water, Food Security and a Changing Climate

Clean water, affordable food and protection from extreme weather are increasingly important around the world. We're exploring businesses involved in water treatment, efficient agriculture, food storage and infrastructure that helps communities withstand changing conditions. These are practical needs that are likely to require investment for decades.

Environmental Services and Business Efficiency

Some of the most interesting companies quietly provide essential services, including waste management, environmental cleanup, industrial maintenance and energy-efficient heating and cooling. We favour established businesses with experienced management, strong finances and services their customers continue to need.

What This Means for Your Portfolio

Not every company in a promising industry will be a good investment. Our focus remains on identifying quality businesses at reasonable prices, managing risk and building diversified portfolios suited to your individual circumstances.

We don't need to predict every economic shift to invest thoughtfully. We need to understand where the world is heading, recognize opportunities and remain disciplined about the investments we choose.

That's how we approach protecting and growing your wealth over time.

Downsizing and Health

Many of the conversations Pam, Chad and I have been having with our clients lately are about funding life rather than markets: whether to downsize and how to plan for potential medical or health care bills. Both are planning decisions first and investment decisions second.

Downsizing is more than a real estate decision

Selling your home can release substantial capital – but the right decision depends on more than your property value.

- **What the proceeds are for-** Income, a gift to the next generation, a smaller home plus a cushion — the answer decides which accounts the money goes into. Topping up TFSAs is almost always step one.
- **The true cost of the next place-** Strata fees, a retirement residence, rent, or a renovation to age in place each change the income the plan must produce. We can model it before you commit.
- **Timing, not rushing-** The federal rule barring foreign buyers since 2023 is set to lapse in the new year unless Ottawa extends it. This is a reason to plan thoughtfully.

If a move is under consideration, we can model alternative housing costs, expected net proceeds and the effect on lifetime retirement income before a commitment is made.

Your Health, Your Choices

We're hearing from more clients who are making the decision to pay for some of their own healthcare, whether that means travelling to another province for a joint replacement, arranging private diagnostic testing, or finding a way to see a doctor sooner. When it comes to your health or the well-being of someone you love, having the financial flexibility to explore these options can make a meaningful difference.

We believe preparing for potential healthcare costs deserves a place in your financial plan. Here are a few things worth considering:

- **Set aside funds for unexpected healthcare needs.** Having money readily available in cash or more conservative investments can give you flexibility without having to sell long-term investments at an inconvenient time. For some clients, a Tax-Free Savings Account (TFSA) can be a good place to hold these funds.
- **Keep your medical receipts.** Some privately paid medical expenses, including eligible treatments and certain travel costs, may qualify for medical expense tax credits. The rules vary depending on the expense, so

it's worth checking with your accountant. We can help you decide which accounts to draw from to cover the costs.

- **Understand your insurance coverage.** Critical illness and long-term care insurance may provide valuable financial support in certain circumstances. It's worth reviewing what you already have, what is covered and whether there are gaps in your protection.
- **If you own a corporation, explore your options.** A properly structured Health Spending Account may offer a tax-efficient way to cover eligible medical expenses. Your accountant can help determine whether this makes sense for your circumstances.

And most importantly, talk to us before making a significant financial decision about healthcare. We can help you understand your options and arrange the funds in a way that considers your taxes, investments and longer-term financial security.

After all, financial planning isn't just about having enough money for retirement. It's about having the freedom to make important choices for yourself and the people you care about, when they matter most.

Fall Planning Tip: if it has been more than a year since we updated your financial plan, or if downsizing or a health decision is on your horizon, reply to this email with the word "PLAN" and we will set up a review and model the decision against your retirement plan.

Year-End Tax Moves That Still Have Time to Work

October is a good time to review the decisions that can make a difference before December 31. Some opportunities are easy to overlook, and a little planning now can help you make the most of them. Everyone's circumstances are different, and we're happy to coordinate with your accountant and other professionals.

Tax-Free Savings Accounts (TFSAs)

The 2026 contribution limit is \$7,000, bringing the cumulative total to \$109,000. Your room depends on your past contributions, withdrawals, age and residency. If you haven't maximized your TFSA, it's worth reviewing. Remember that CRA records may not reflect your most recent transactions.

RRSP Contributions and Turning 71

The 2026 Annual RRSP Contribution Limit is \$33,810, although your personal contribution room may be higher or lower. Contributing now rather than waiting until the deadline gives your money more time to grow tax-deferred. Turning 71 this year? Your RRSP contribution deadline is Dec. 31.

First Home Savings Account - Helping Children or Grandchildren Buy Their First Home

If someone in your family is thinking about a first condo or home, the FHSA is the best account in Canada for it: \$8,000 a year, \$40,000 lifetime, the contribution is tax-deductible, and the withdrawal for a qualifying home is tax-free. Unlike an RRSP, a contribution must be made by December 31 to count for 2026. Many of our clients fund a child's or grandchild's contribution as a gift. As us how.

Making Charitable Gifts Go Further

If you're considering a charitable donation, giving appreciated publicly traded shares directly from a non-registered account can be more tax-efficient than donating cash. Eligible donations generally qualify for a receipt based on their fair market value, without triggering tax on the capital gain! If you're planning a donation this year, please contact us early so there's enough time to arrange the transfer.

Reviewing Capital Gains, Losses and Investment Fees

Before year-end, we review taxable investment accounts for opportunities to realize losses that may offset capital gains, where appropriate. Certain investment management fees paid on non-registered accounts may also be tax-deductible. We'll work with your accountant where needed to help ensure available tax-saving opportunities are considered.

We're Here to Help

These decisions may seem small individually, but thoughtful planning over time can make a meaningful difference to your financial future. If there's something you'd like to review before year-end, please reach out. We'd be pleased to help!

And if a friend, adult child or family member could benefit from thoughtful financial guidance, we always appreciate an introduction. Helping the people who matter to you is one of the greatest compliments we can receive.

Two Quick Things Before the Leaves Are Gone 🍁

Book your fall review. If we haven't spoken since the summer, a 20-minute check-in to confirm your allocation, income, and year-end moves is time well spent. Call the office, reply to this email, or use the links below.

Want your plan in writing? Our short planning questionnaire takes about 20 minutes, and from it we prepare a written assessment of your retirement income, tax opportunities, insurance gaps, and estate considerations. The same offer extends to anyone in your life who would value a clear look at where they stand — a family member, a friend, or an adult child starting their own plan. A quick introduction is all we need.

Staying Connected: We're Always Here for You 📞

April Dorey Hartwig: 250-405-2429 | 780-399-5552

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For day-to-day support: heart.wealth@raymondjames.ca (monitored throughout the day by our full team)

In Gratitude

Thanksgiving is built around the question we ask our clients most often: what matters to you?

For most of the families we work with, the answer this year has had less to do with markets than with the people around the table. Thank you for the trust you place in our team. We appreciate you.

Contact April Dorey Hartwig, Senior Wealth Manager [Schedule a Virtual Meeting](#)

Contact Pam Katunar, Wealth Manager [Schedule a Virtual Meeting](#)

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