



HARBOURFRONT
WEALTH MANAGEMENT

COVID-19: HOUSEHOLD CASH-FLOW TIPS

Write or type out all of the expenses that are coming due at the beginning of the month these include things like rent/mortgage, food, utilities, gas, insurance, and other debt like car payments and credit cards. It is possible you may need to tap into emergency funds to pay these amounts because your income slowed down or even stopped the past couple of weeks.

Determine the “must-pays”

Food and rent/mortgage should be at the top of this list while the other items come after. Things at the bottom of your list should be credit card debt and entertainment/frivolous expenses. If needed reach out to all of the providers of these expenses and ask if they have any deferral programs. For those that don't have a deferral program, communicate with them that you will pay a lower amount that you can afford for now to not impact your credit score.

Do some research online

Explore how your local and federal government is helping and providing assistance. There are lots of programs coming out to help people in financial distress.

Sign up/register for any programs you are eligible for:

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

<https://www.preetbanerjee.com/covid19-calculator>

COVID-19: PORTFOLIO TIPS

Rebalancing

If you are a Growth investor then your target asset mix is probably 80% Equities / 20% Fixed Income. A balanced investor may have a target asset mix of 60 % Equities /40 % Fixed Income. During strong market periods you will find that your Equity portion becomes Overweight leaving you more exposed to stock market volatility than you originally intended. A prudent move at that time is to trim back your Equities to their original weighting. The same logic applies in the reverse. You may find that you're now Underweight in Equities. With the worst part of the “crash” now likely behind us, consider taking this opportunity to rebalance your portfolio. Rebalancing back to your target mix will help to facilitate a faster rebound in your portfolio.

Buyer Beware

While just about everything appears to be “on sale”, remember that not all things are created equal. Some companies and sectors will bounce back quickly, while others will lag for some time. Understand what you are buying and what the prospects are for that company/sector over the next 12 months.

Alternative Investments

Consider introducing this private asset class into your portfolio. Historically it has been less volatile than most public investments and has provided strong returns. This space can be difficult to access due to specific Net Worth and Income requirements. If you do not qualify to access this space on your own, seek the help of a discretionary Portfolio Manager who can do so on your behalf.



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COVID-19: CHOOSING A FINANCIAL ADVISOR TIPS

Check Qualifications and Credentials

Referrals from trusted sources are helpful, but not enough. Check each potential planner's qualifications and background. Find out if they have any credentials.

Planning Credentials

- *Certified Financial Planner (CFP)*
- *Qualified Associate Financial Planner (QAFFP)*
- *Chartered Life Underwriter (CLU)*
- *Professional Financial Planner (PFP)*

Investment and Portfolio Management Credentials

- *Chartered Financial Analyst (CFA)*
- *Chartered Investment Manager (CIM)*

Ask each person about:

- *Their education, experience and specialties*
- *How many clients they have and how long they've been a planner or PM*
- *How often they communicate with clients*
- *What kinds of investment products or services they're registered to sell*
- *Which organizations they're regulated by*
- *How they're paid*
- *If they've been subject to disciplinary action by any regulator or industry association*

Understand any conflicts

If your Financial Advisor is also qualified to buy and sell investments, understand how they choose investments for you. Do they recommend a wide range of investments? Or do they only recommend certain products such as mutual funds from certain companies? Are they a fiduciary? (A person who has a fiduciary duty toward someone else as well as authority to make decisions on that other person's behalf must place that other person's interests ahead of their own when exercising that authority)

Compare costs

Ask the planner to explain how they'll be paid and compare their rates with others. What value can you expect as part of the relationship?

Ask for references

Ask for references from clients with similar needs to yours. Find out if the Financial Advisor works with any other experts, such as lawyers, accountants or insurance agents. Ask for references from these individuals.