



## A Lesson in Time

I've always believed in looking forward, not backward – there is no sense dwelling on the past, after all, it is just that – the past. Except we can all learn from the past. Most of us, if not all, have gone through the 'if I could do it all over again' scenario. We get older, maybe ever wiser, and we try to pass down lessons to others based upon what happened in our own... past. Some call it elder experience, maybe it's simply advice. No matter how you put it, it's all based on life lessons and experience.

A decade ago, we experienced the worst financial crisis since the great depression. Did you panic and liquidate to cash? Buy gold (because it would be worth \$5,000/oz, or so some predicted)? Or did you stay the course? Because history has shown that you can't time the markets and there will be periods of underperformance and negative returns.

Jim and I had hundreds of conversations about what to do. We preached patience – not letting our emotions get the best of us - and assured our clients to hold tight because nothing lasts forever. Having patience is never easy but it can be a virtue!

Jim and I knew this may be one of the most prolific opportunities we have ever seen. An opportunity to buy great companies at discounted prices was upon us – not unlike a boxing day or black Friday sale! Except in our line of work high prices get standing ovations, people can't buy enough; low prices are frowned upon, booed and called names. But our decades of experience has taught us that when it might not feel right to invest, it's probably the most ideal time – that is decision-making based on knowledge, not emotion.

Fast forward since the crash and we've been able to talk about the rewards of being patient. But what if... What if the last 10 years wasn't real? I could not have said it any better than our friend and colleague Rod Tyler from the Tyler Group who recently wrote:

What if we had simply gone to sleep for 10 years back in 2009, like Rip Van Winkle, or survived a plane crash like Tom Hanks in the movie Castaway, to return to the world a decade later in the year 2019. Would we recognize things as being the same as they were when we checked out in 2009? Would we believe what had taken place during the years we missed?

Let's consider some of the changes that have occurred in the last decade. Here is a sample:

The value of the 500 largest companies in America, many of which were facing huge challenges back then, has increased by 271%\*. If you include dividends that the companies have paid out for the last 10 years, that gain becomes 353%\*.

# What a Difference a Decade Makes!

Brett Slutker, CFP, CPCA, CCS  
Branch Manager



In 2008, the iPhone was only one year old, and Apple had sold 17.4 million of those revolutionary devices. Blackberry was the most sought-after cell phone, with U.S. President Barack Obama as its most famous user. Today, Blackberry is a small cyber-security company. Almost no one uses their phones anymore, and Apple has now sold 1.3 billion iPhones. Apple's share price is up from just under \$15USD to approximately \$190USD.\*Oil prices, which peaked back in July 2008 at \$147 had dropped down to \$32 a barrel\*, and they're about \$60 a barrel today.



What if I told you that newspapers would seldom be purchased anymore because you can get most of the news for free. From where you may ask? The answer: "from your iPhone, your iPad, or your computer terminal," to which you would most certainly ask: "What is an iPad?" Right. I forgot to mention that iPads weren't available until 2010.



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And how about this? What if I told you that you would spend at least part of every day on your cellphone reading text messages and Facebook posts. Of course, you would ask me: “What’s Facebook and why would I use text messages?”

Remember, when you fell asleep like Rip Van Winkle or were stranded on an island 10 years ago, what you understood from financial experts back then was that our country was facing terrible times and they were predicting that economic troubles would cause a massive depression. To check those headlines from 10 years ago, you would have to look it up. Where would you go to read about all the history of the last 10 years? The answer is you could now check Google News, or some similar source on your iPhone, iPad or laptop computer.



And most certainly you would want to check your investment statements that had been piling up for the last 10 years. You would naturally look at the most recent statement only to discover that your well-diversified RRSP had achieved a remarkable turnaround and was now worth so much more than when you checked out in March of 2009. Unfortunately, in those 10 lost years, you would have missed the opportunity to regularly invest in the newly introduced Tax-Free Savings Account (TFSA), but at least now your trusted financial advisor could help you make up for lost time, and you could invest the whole \$63,500 contribution. But no one could make up for all the gains that would have been part of your reward for believing and investing in a well-diversified TFSA portfolio for the last 10 years.

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**So, here's my point.** If believing in the remarkable investing result of the last 10 years seems improbable, just imagine what the next 10 years may bring. How would it feel to wake up in 2029 to find out that the pace of technological progress had accelerated once again, and you missed all of it? **Who wants to become a modern-day Rip Van Winkle or be shipwrecked on an island?**

Thank you Rod!

As always, please don't hesitate to reach out. It never hurts to reflect on our past feelings to ensure your plan is strategically positioned based upon your individual needs and goals. Let's face the future with anticipation – not anxiety!

Sincerely,

A handwritten signature in black ink, appearing to read "Brett Slutker". The signature is stylized with a large, looped initial "B" and a long horizontal stroke extending to the right.

\*Source: Yahoo Finance

