

Inside:

1. *RRSP Deadlines*
2. *Tax Returns*
3. *Follow up to the Lifeboat Drill*

1. The RSP contribution deadline is March 1st, but to be confident we have no issues, all contributions should be in by 4pm on Wednesday, February 28th. If you have a final contribution to make this year, please reach out to my team at any time, we are here to help.

2. Tax season approaches. Tax preparation services are something I have offered since 2005, when I was concerned over how many people were getting poor service when using the volume tax filers to complete their returns. We offer tax return preparation services through Christianson Financial Limited, and our service is intended for folks looking for a little assistance to ensure they are filing the proper return and receiving the maximum deduction they are entitled to. We are pleased offer our tax return service to all our clients, and, on a referral basis to anyone you feel would benefit from this professional service. Simply contact my office or email our tax preparation specialist Peter Bellworthy direct at Peter@christiansonfinancial.ca.

3. On January 17th I sent a message discussing my concept of a **LIFEBOAT DRILL**, referencing the extended period without market volatility. Turns out my timing could hardly have been better. Not three weeks later, volatility returned with a vengeance.

The typical response from financial pundits and asset managers sounded something like this: “*The fundamental story hasn’t changed. Were still looking at synchronized global growth, corporate earnings are good, and interest rates are still low from a historical perspective. Keep your eye on the long-term and think of these pullbacks as buying opportunities. This is nothing more than a healthy correction and we advise you to stay the course...*”

Does this make you feel better? Probably not entirely. The reality is that market volatility is disconcerting for everyone, and I am no exception. I found myself reviewing portfolios and position performance during the recent volatility. I also reached out and have received many commentaries from these managers identifying their positioning in advance of the volatility and their response once it arrived. Here’s what I learned: they are doing their jobs. In most instances, they delivered downside protection above expectations. In a few cases their mutual funds reacted strongly to volatility, but that reaction was not unexpected considering the growth role they play in our portfolio construction. I have not found one instance where portfolio performance approached the level of volatility the actual market has experienced. Things are happening as they should.

The Lifeboat Drill was a reminder that volatility would eventually return to the market. I am very pleased with how you have responded as well. Everyone seems to be aware that volatility is part of investing, and if not always comfortable with it, you understand its role. Congratulations.

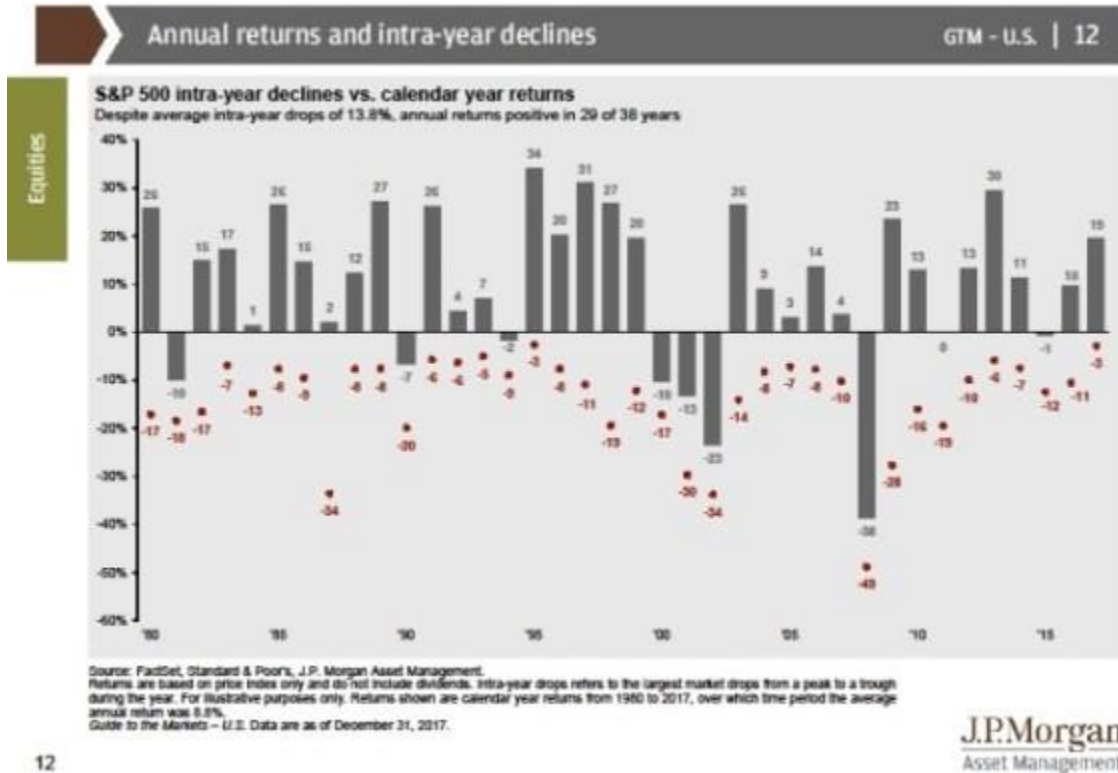
On January 17th I wrote “*we follow a proven strategy of preparing portfolios for volatility through the implementation of **diversified investment strategies**, and by having **appropriate risk profiles** that properly **complement** your **investment objectives and timeframe**. We also **focus on the long-term**. Short term volatility is just that, and it is often when we find the greatest opportunity for future growth.*”

Like the pundit’s response above, my comments may only offer a level of **intellectual comfort**. This message is intended to offer the more important **emotional comfort**. **Have confidence in the investment decisions you have made**. We have implemented an investment strategy based on many factors, things like your investment timeframe, your need for access to income, your own personal level of risk aversion, and many others. Together we have put a lot of effort into ensuring high level of comfort with your chosen investment strategy. This volatility changes nothing. In fact, it reinforces the good decisions that you have made.

A final word on the volatility: Below is an updated graph I have shared with many of you during our past meetings. The graph illustrates actual market volatility experienced by investors, often without them noticing it. It depicts the **year end annual returns** and **intra-year declines** experienced by the S&P 500 Index between January 1st, 1980 and December

31st, 2017. You can see that **every year** experienced a decline at some point. You also see that only eight years experienced a negative annual return. If anything can offer emotional reassurance, this graph is it. It is not a guarantee of performance, rather it is a reminder that investing involves risk, and it is the decisions on how we manage that risk that define investment success.

I am hopeful this helps. Please reach out to me with any questions or concerns.



This commentary is for general information only and is not intended to provide specific personalized advice. The opinions expressed are those of Shawn Christianson and not necessarily those of Aligned Capital Partners Inc. (ACPI).

Christianson Financial Ltd. and Christianson Securities of ACPI are separate legal entities. Christianson Financial is an investments trade name of Aligned Capital Partners Inc. (ACPI), a member of the Canadian Investor Protection Fund (CIPF.ca) and the Investment Industry Regulatory Organization of Canada (IIROC.ca). All non-securities related business conducted by your Advisor as a representative of Christianson Financial Ltd. is not in his capacity as an agent of ACPI. Investment products are provided by ACPI and include, but are not limited to, mutual funds, stocks, and bonds. Shawn Christianson is registered to advise clients resident in the provinces of NS, ON and AB.

Investment products are provided by Aligned Capital Partners Inc. ("ACPI"). Any advice which may be given in respect of non-securities services is given by your advisor solely, and no such advice is given in their capacity as an agent of ACPI. Accordingly, ACPI is not liable and/or responsible for any non-investment related business conducted by Christianson Financial. The Canadian Investor Protection Fund (CIPF) does not cover any non-securities related business conducted by Christianson Financial.