

Important to be prepared for market up and downs

Recent events in the market only reinforce the need to think long-term for equity investments and the need for a proper asset allocation in a well diversified portfolio.

Virtually everyone agrees that returns for 1997 and 1998 are unlikely to equal the extraordinary performance of the past two years.

Factor in recent market volatility and its no surprise investors are a little nervous.

Best advice

Stay calm. Over the long term, most investors are better off in the market than on the sidelines, even when the market is volatile.

In fact, how you react to market volatility can have just as big an influence on your total portfolio returns as the performance of each of your investments.

Investors who try to time the markets frequently underperform those who simply stay the course.

Here are a few things you can do to manage volatility and stay focused on long-term growth.

Be Realistic

Hot markets over the past two years have led some investors to see exceptional returns as the norm.

But double-digit returns for bonds and annual returns of 20 per cent plus for equities are historically atypical.

Try to view performance in the context of the overall markets.

If North American interest rates are in the five per cent to seven per cent range, it is unrealistic to expect average domestic stock funds to furnish 20 per cent returns on a sustained basis.

In fact, a stock market risk premium over bonds of three to five per cent is considered more typical.

This gives a range of eight to 12 per cent as reasonable five-year expectations for Canadian or U.S. stocks.

Remember that financial markets, especially equity markets, are volatile by nature.

Remember also that they rise more often and by larger amounts than they fall.

One of the most effective ways to reach your performance targets is to practice a buy and hold strategy.

Diversify

To shield your portfolio from volatility in any one sector, it should include equities, fixed-income securities and shorter-term investments, such as guaranteed investment certificates and money market mutual funds.

For maximum effectiveness, your portfolio should also include international investments.

If you are unsure what mix of investment vehicles are right for you, a financial advisor can help.

Follow a plan

It's easy to decide to invest a certain amount of money every week or every month.

FINANCE

But following through on that decision isn't always so easy.

An automatic purchase plan can help ensure that your investment goals remain a priority over the years.

For long-term investors, remember that anytime is a good time to buy. Whenever you have some extra cash on hand, consider topping up your regular investments.

A few extra dollars today could increase your future growth potential significantly.

If markets decline, use this opportunity to add to

your portfolio at reduced prices. This will bring down your average unit costs.

This article was submitted by **Michael Psaltakis, a Financial Advisor with Canada Trust with his Professional Financial Planning accreditation.**



Pat Robinson
CFP

Trustee in Bankruptcy

Call for a free personal discussion:

- Help with creditor problems
- Proposal to creditors
- Personal & Business Bankruptcy
- Financial counselling

9555 Yonge St. #401
(at Weldrick) Richmond Hill
(905) 508-9493
Email: pat@patrobinson.com

15139 Yonge St.
(at Church) Aurora
(905) 727-2577
Web: www.patrobinson.com

LOW, LOW TEN YEAR TERM LIFE INSURANCE RATES

10 YEAR TERM / PER MONTH				
AGE	MALE NON-SMOKER		FEMALE NON-SMOKER	
	\$250,000	\$500,000	\$250,000	\$500,000
30	19.14	31.76	16.97	27.41
35	19.50	32.63	17.18	27.84
40	24.14	41.76	21.53	36.54
45	34.80	63.08	27.83	49.16
50	51.11	95.70	37.41	68.30
55	73.08	139.64	50.03	93.53
60	111.80	217.07	74.17	141.81
65	186.40	366.27	105.49	204.45

OUR RATES DO NOT INCREASE EVERY YEAR
ALSO UNIVERSAL LIFE FOR ESTATE BONDS
SPECIAL SMOKER RATES IF YOU PLAN TO QUIT

MCT FINANCIAL & ESTATE PLANNING
905-472-8130

LOW, LOW, LIFE TERM INSURANCE RATES

Affordable Financial Security

AGE	MALE NON SMOKERS RATES			MALE SMOKERS RATES		
	\$250,000	\$500,000	\$1,000,000	\$250,000	\$500,000	\$1,000,000
40	\$223	\$375	\$680	\$468	\$840	\$1,525
45	\$255	\$440	\$810	\$590	\$1,110	\$2,150
50	\$358	\$645	\$1,220	\$815	\$1,560	\$3,050
55	\$498	\$925	\$1,780	\$1,185	\$2,300	\$4,530
60	\$780	\$1,490	\$2,910	\$1,798	\$3,465	\$6,725
65	\$1,435	\$2,690	\$5,115	\$2,555	\$4,775	\$9,035
70	\$2,593	\$5,115	\$10,160	\$5,913	\$11,725	\$23,350

- FEMALE RATES CONSIDERABLY LESS
- MONTHLY PREMIUMS AVAILABLE
- LOWEST RATES FOR LEVEL & INCREASING TERM PLANS
- NO TAX ADDED TO PREMIUMS QUOTED
- LOWEST RATES FOR DISABILITY COVERAGE
- RATES FOR GROUP HEALTH & DENTAL PLANS
- SPECIAL RATES FOR SELECT SMOKERS

Call CYRIL GERSON today for your financial security needs.
Tel: 905-764-6924 Toll Free: 1-800-465-3601

Our Cachet Centre Branch at Woodbine & 16th Ave. is open to serve you. Take advantage of these three money-saving offers.

2% Cash Back on Mortgages

Transfer your residential mortgage to Canada Trust and we'll give you 2% of the mortgage balance in cash. So if your balance is \$100,000, we'll give you \$2,000 in cash - deposited to your Canada Trust account! Use the money for anything you want... after all, it's your money.

Transfer your Chequing Account. \$100 Bonus

Transfer your chequing account to Canada Trust and we'll give you a one-time bonus of \$5 per \$100 transferred, to a maximum bonus of \$100. We'll even deposit your bonus right into your new Canada Trust chequing account. Choose from three different service plans including Self Serve, Full Serve and Infinity Plan, with fees ranging from \$6.95 per month to \$12.95 per month.

Home Equity Line of Credit. Save \$395

Our secured PowerLine uses the equity in your home to secure the loan. Rates as low as prime. And for a limited time, we're waiving the \$395 title insurance for those who qualify.

Regular lending requirements apply. See branch for additional conditions.

9255 Woodbine at 16th Ave.
Phone: 905-887-2811

Hours:
9:30-6:00 Mon. to Wed.
9:30-8:00 Thurs. & Fri.
9:30-3:00 Sat.

Canada Trust

Offers valid from November 1, 1997 to February 28, 1998. Some conditions apply to these offers; the above offers may be combined with each other but not with any other offers or discounts. Complete terms and conditions in branch. Offers may be withdrawn at any time without prior notice. Organizations and businesses are not eligible. Trade marks of Canada Trust Mortgage Company.

INVESTMENT STRATEGIES

WITH
GARTH TURNER



Garth Turner is a best selling author, national magazine columnist, financial editor of BBS television, and as Minister of National Revenue, ran the country's tax system.

Exceptional advice for unsettled times

T. W. AUSTIN
Investments Inc.
Financial Seminar

Topics covered include:

- Strategies
- Is a mutual fund meltdown likely?
- Investing without money
- How to profit from the last Real Estate boom this Century
- How to increase your income by way of SWP

NOVEMBER 8, 1997 at 2:00 P.M.

MARKHAM EMBASSY SUITES AT WARDEN AVE. & HWY. #7

- ADMISSION FREE
 - REFRESHMENTS PROVIDED
- For more information or to reserve, call: (905) 513-6633, extension 236

OFFICES: MARKHAM - OTTAWA - ST. CATHARINES

T. W. Austin Investments Inc.
90-C Centurian Drive, Suite 215, Markham, Ontario L3R 8C5
(905) 513-6633 1-800-665-3746 Fax: (905) 513-7272

