

THE CAMPBELL CHRONICLES

A MONTHLY NEWSLETTER FROM
THE CAMPBELL WEALTH MANAGEMENT GROUP



THIS MONTH'S NEWS AND UPDATES:

- **2021 in Review**
- **2022 Looking Ahead**
- **Website updates**
- **Next Generation**
- **Question of the Month**

The Campbell 
Wealth Management Group
BMO Nesbitt Burns

FROM THE HOME OFFICE

Happy New Year and welcome to 2022. Many have referred to this year as 2020, too. At this stage I have lost track of what lockdown, or what wave, we are in. What I do know is we have become quite proficient in video collaborations, and we have stopped making any plans that occur too far into the future. We've had an exciting year in our house. The twins both just graduated from university, Zac with a degree in Chemical Engineering and Madison with a degree in Nursing. Both have secured employment in their chosen fields and are learning the fine art of "adulting". Tanner is excited to be back on the ski hill working on his freestyle tricks, along with learning the piano, saxophone and drums. It's been almost 2 years now since we have worked from our offices, and at this stage, not sure the 5 days in the office work week will ever return. Like many that are working from home, we are finding the balance of when the work day starts and stops, but as most know, our practice has never been 9-5, and we strive to be available when you need us.

2021, THE YEAR THAT WASN'T?

I say the year that wasn't only from the perspective that as we approach the 2 year mark of this pandemic, the sense of time seems to be slipping away. As one month blurs into the next, and so on, it's difficult to look back and pinpoint when things actually happened. Thankfully the media outlets provide us with many "Year in Review" shows to remind us what happened. Here's just a short list of what transpired over the course of 2021:

- the storming of the capital in Washington
- the inauguration of President Joe Biden
- Gamestop and other meme stocks stole headlines
- Oprah interviews Meghan & Harry
- Ever Given blocks the Suez Canal
- the border between Canada and the US re-opens
- Canada matched its second best medal total ever at a Summer Olympics with 24, and female athletes accounted for 75% of those!
- Canada also had a snap election called that changed very little in the overall political landscape

So there were a few other things happening aside from moving in and out of lockdowns.

2022, LOOKING AHEAD

Well it didn't take long for 2022 to look a lot like 2021. Only days in, and restrictions and closures are back in full force. We are only weeks away from the Winter Olympics taking place. In the next few months there will be a very closely watched Federal Budget release that may have some significant tax changes. We will keep you up-to-date on that as the time approaches. Below are some key amounts and dates that you may want to circle on your calendar:

- RRSP deadline: March 1, 2022
- Maximum RRSP contribution: \$27,830
- TFSA annual contribution limit \$6,000, and lifetime limit: of \$81,500
- RESP annual amount of \$2,500 per child (some exceptions apply)
- Personal Income Tax filing deadline: April 30, 2022

For those of you that like annual predictions, BMO's Chief Investment Officer, Brian Belski, has once again made his year-end predictions for the North American markets. He sees the S&P 500 at 5300 (up about 600 points from current levels) and the TSX at 24,000 (up almost 3,000 points from current levels). Here's the full video:

https://www.youtube.com/watch?v=3aJ_glGLCk4



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Have you visited the website lately? Over the past year we have been uploading videos from our LinkedIn page for people to view. It's also where you can log on to view your accounts and read about the latest market trends. We are always updating, so check back often to see what's new. The videos pictured above, and many more, can be viewed here:

<https://nesbittburns.bmo.com/jamie.campbell/OurVlog>



THE NEXT GENERATION

As I wrap up the first edition of our new monthly newsletter, I wanted to highlight the next generation. Many of you have already asked me to speak to your children or grandchildren and help get them started on the path to financial success and freedom. Saving is one of the best habits you can create, and the sooner it gets instilled the better off you become. Just this week I met with a young woman in her second year of university to discuss savings, investing and the options that are available. Maybe it's because my own kids are that age, or it brings me back to the basics, but it's always enjoyable. So, if you have family members that you would like to be introduced to the wonderful world of investing, please reach out. I am always happy to help. I hope you enjoyed the first edition and I look forward to hopefully being able to see you in person soon. All the best!

QUESTION OF THE MONTH

How will inflation impact my financial plan?

With everything seeming to get more expensive, erosion of purchasing power over a long period of time can be a major concern. When preparing retirement income projections, we always index your future income to inflation. We account for an average of 2% per year. Only recently have true inflation numbers crested that 2% amount. The other side of the inflation coin is your rate of return. For planning purposes, a realistic, yet conservative rate of return is used. As inflation, and likely interest rates, rise to combat inflation, so too should stocks rise. The reason rates are rising is not only to combat excessive inflation, but to also cool a strong, growing economy. This means business, and therefore stocks, should be doing well. The key number we watch is the "Real Rate of Return" or your total return less inflation. Inflation can certainly ruin a long term plan if it hasn't been accounted for. Rest assured knowing it's worked into your plan and reviewed constantly.



Have a question you would like addressed in a future letter? Send me a note: jamie.campbell@nbpcd.com



Private Wealth

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