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*Current Realities Examined
AI Top of Mind at Symposium
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Investment News Source*

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Current Realities - What is Ahead?



The signs are everywhere - workers are in demand and unemployment rates are at **all time lows**. How did this come about after years of lack of opportunity and high unemployment?

There are a number of reasons, some brought about by the COVID pandemic when many workers, especially in the service industry, restaurants and hospitality, found other employment. At the same time, older employees decided it was a **good time to retire**, perhaps years before originally intended.

There is a shortage in the skilled trades creating **more demand** and as a result wages have increased, along with other factors contributing to inflation.



While always difficult, if not impossible, to predict the future it is relatively certain that **current realities** are with us for likely a bit longer. The Central Bank would like to see inflation rates at around two percent, as in the pre COVID past, but this has proven to be a **real challenge**. However, it was a good that the Bank of Canada did not increase rates recently as inflation has dropped somewhat lower.

Inflation is definitely **the enemy** affecting the everyday cost of living. While we can cut back to some extent presently on living expenses, costs in the future are anyone's guess presenting a challenge for our wages and pensions.

Central bank interest rate increases to control inflation does mean short term pain for long term benefits, as this has been the result in the past. However, the **situation is different** this time to some extent with an aging population and even high immigration rates seemingly unable to ease the unemployment situation and possibly contributing to the housing crisis, leaving the future uncertain.

There is speculation that technology like **ChatGPT** or other artificial intelligent technology will assist with employment needs, which remains to be seen. **In our industry personal contact will still be important.**

It is probable that not until the war in Ukraine and other conflicts are resolved that stability will return to the world order, but there are other factors that could influence us all, including the ever **increasing threat** of global warming and climate change. We are definitely living in challenging times but there are always opportunities.

Investment News

For those who want to keep informed about the markets and investments, the best place to go is our website www.financialdecisions.ca and click on the "market info" tab that takes you to the latest **BNN Bloomberg** updates and also to reports and videos from the Croft Financial Group. The site also has our own newsletters and videos.

We as always are just an e-mail or phone call away to **answer any of your questions** and to respond to concerns.

A Better Idea



For many Fall is a favorite season and might be even more so as recently it has been suggested that rather than raking leaves just **mow them over** and the small pieces then decompose and come spring are ingredients for a healthier lawn and may even help prevent dandelions. However, you still need to shovel snow.

Symposium in Edmonton discusses Artificial Intelligence



This Fall Linda attended the annual **Institute of Financial Planners Symposium** in Edmonton and is shown here with fellow Registered Financial Planner Kathy MacMillan, one of the organizers. It was a successful well attended event with a number of knowledgeable experts presenting information that we can use to better serve our clients.

One of the topics was **AI (Artificial Intelligence)**. Will it take away jobs and/or make work easier for us? AI actually had it's origins in the 1950s, so has taken a while to become a household word but with ChatGPT and other programs coming on the scene just a year ago there is much more interest, and enthusiasm but also real concern.

AI in its broadest sense is akin to a **“master strategist”** able to come to smart decisions based on specific input. It could, it is anticipated, unleash opportunities for increased productivity doing better work in less time.

Questions arose as to the whether AI would become the next investment “bubble” as it is anticipated this technology in its various forms will add from \$2.6 to \$4.4 Trillion to the world economy and some investors may rush to take advantage of this opportunity in whatever form it might take.

However the **fear of missing out** can be dangerous as small and large fortunes have been lost in the past. Patience and due consideration are virtues when it comes to investing. Get rich quick schemes are like gambling, there are few winners. As an example, Amazon took 10 years to recover from the 2008 stock market “crash” and 18 years to achieve its current value.

It is the solid firms like Microsoft and NVIDIA with strong cash flow who are in the best position to benefit from AI and be able to deliver true value to those invested rather than speculative start ups.

Stay the course with your investments that match your goals and avoid the “next best thing” which may disappoint.

For your financial Questions - Call us First:

A friendly reminder to call our office first for any financial questions you might have.

We are always available to provide guidance on such topics as buying or selling a home, money to pay for your child's tuition, a vehicle or vacation or to make an RRSP contribution, add to your Tax Free Saving Account or if you have a tax situation with the Canada Revenue Agency.

We can review your investments, discuss your financial goals, tax implications etc. in order to make the best financial decisions based on your own unique situation.

We have received some questions and feedback regarding our role and that of Croft Financial Group. Croft is a like Edgepoint or Fidelity, made up of portfolio managers who investigate such factors as cash flows and balance sheets of companies to provide data for investing in solid businesses that continue to grow and result in long term positive returns for you.

We concentrate on your personal and family financial needs. Linda holds the highest financial planning designations in Canada including that of Certified and Registered Financial Planner making her eminently qualified to evaluate your entire financial picture, at the highest level of proficiency and complexity to develop financial plans to achieve your lifestyle and financial goals.

Your financial picture includes your assets, debt, employment and/or retirement income, health, family responsibilities, taxes, retirement and estate planning, etc.

Besides regular financial checkups, whenever a change in your circumstances takes place such a selling a property and wishing to invest the proceeds, or changes for a possible modification in your financial investment preference, such as from a Growth to a Balanced plan. At such time, we would arrange for a joint appointment with you, Linda, and a portfolio manager from the Croft Financial Group to discuss.

We certainly appreciate being able to work with you as your primary contact to make the best financial decisions for your goals. Again, please call us first with any questions.