



CANADIAN INVESTORS' COURSE

Session 17: Psychology, You and Your Advisor Commentary

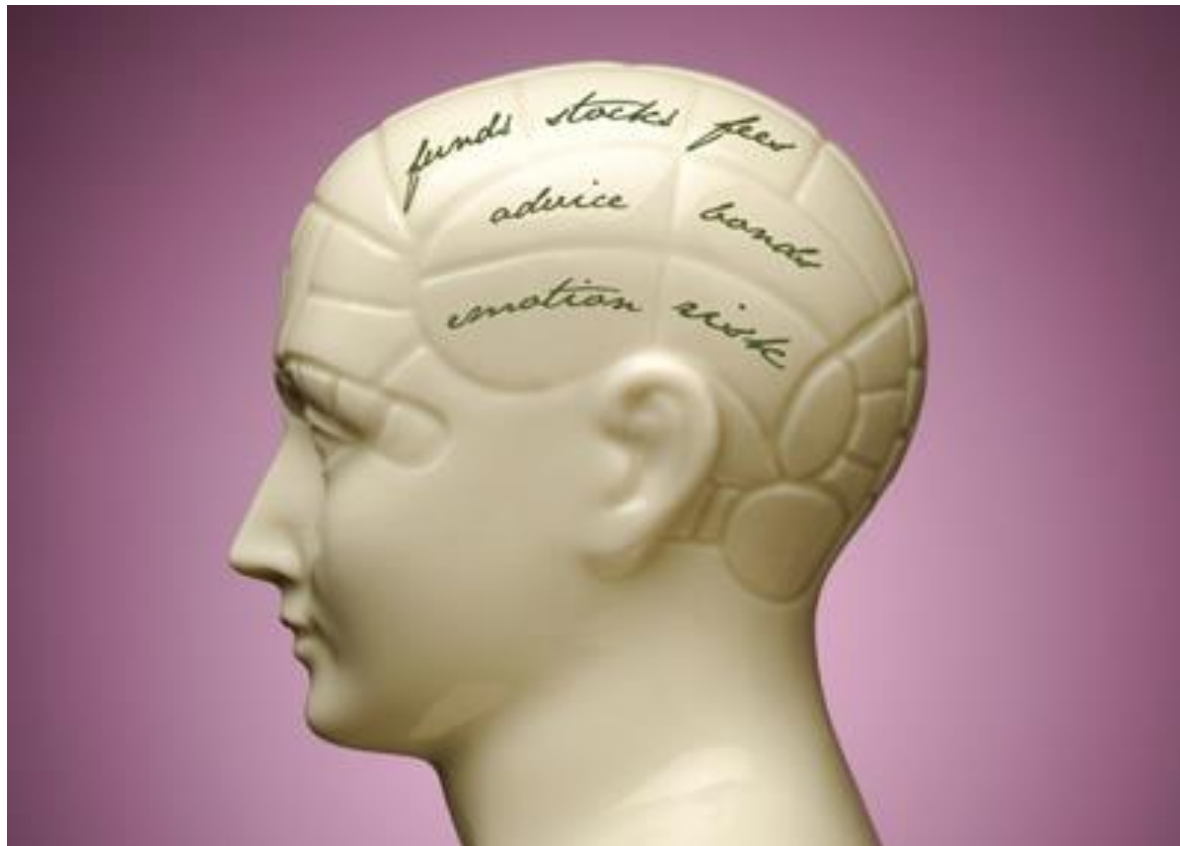


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Sometimes, in investing, we are all our own worst enemies!

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No real comments, just sit back and watch the slides and see history and human nature repeat while listening to an old Beatles tune.





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We are Human and love to do things together...



... not unlike.





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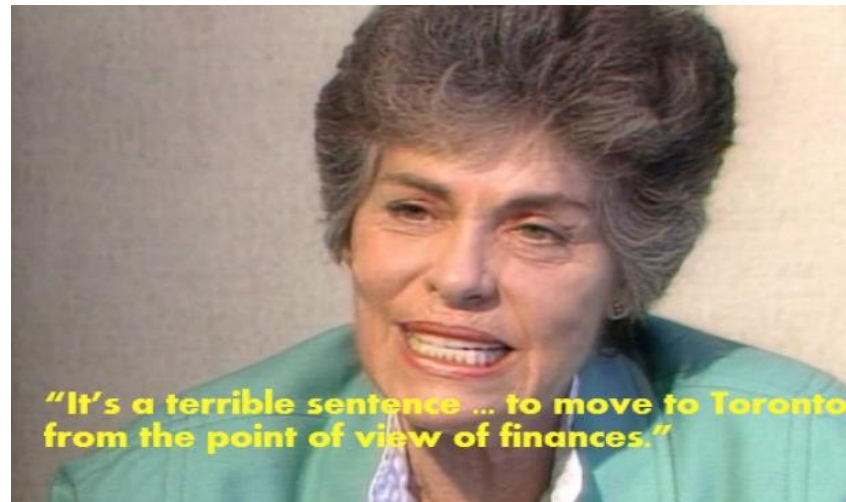


Does this all sound familiar? Toronto CBC story in 1988

Toronto housing prices 'through the roof' ... in 1988

Buyer in 1988 news story 'disgusted' with average sale price of \$229,000

We all know the Toronto housing market is hot right now, but did you know people were freaking out about it in 1988? A CBC television story by reporter Neil Macdonald is very telling. Just look at what the former vice president of a real estate firm said at the time:



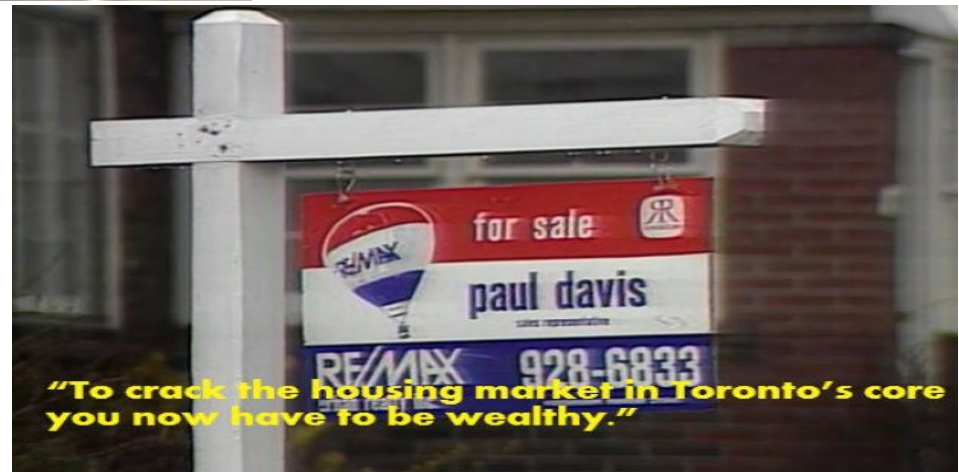
Pretty harsh. But in 1988 the market was hot and people were worried about it. Neil's story starts like this:



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Nice. We'll always have that. But there's bad news, and it will sound very familiar to people who are trying to buy a home in Toronto in 2017.



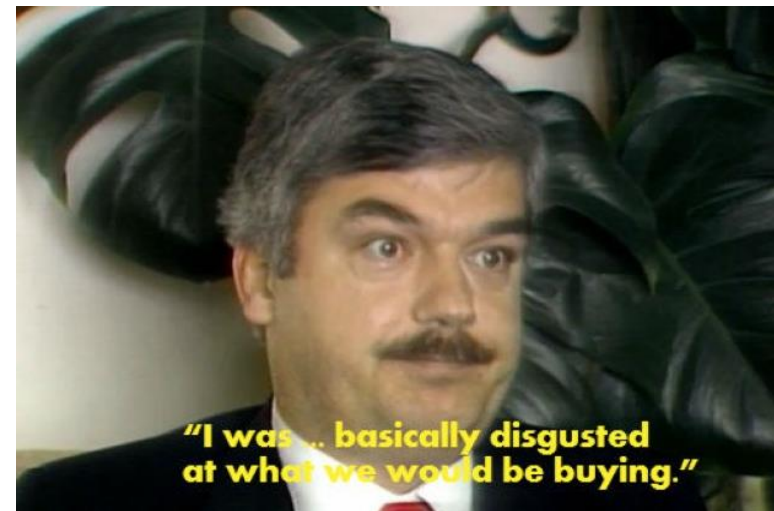
So even in 1988 you had to be "wealthy" to buy downtown? Makes you wonder what you have to be now. Anyway, real estate prices were high and people in '88 were not having it. Even if they landed a good job in Toronto.



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That's Ben, from London, Ontario.
He's a professional and a family man.
His kids were not impressed with CBC News in their kitchen.
In 1988, Ben found a higher-paying job in Toronto.
The company even offered him an interest-free second mortgage.
He came to the city to check out some houses and ...
... 'Disgusted' Ben balked at the high prices, passed on the job and stayed in London.



...AND HERE WE
GO AGAIN ...

...nothing has
changed



By **TESS KALINOWSKI** Transportation Reporter Wed., Dec. 21, 2016 **TORONTO STAR**

Toronto eclipses Vancouver as country's least affordable housing market

RBC measure shows Toronto area affordability is down to 1990 levels when interest rates were in the double digits.

Toronto's screaming real estate prices have made it the least affordable market in the country, with the relatively scarce supply of detached housing one of the leading stressors, according to RBC.



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\$40 billion in ETFs: Not a record, but a really big month

•Eric Rosenbaum and Ashley McHugh-Chiappone,
CNBC.com -- Thursday, 2 Feb 2017 | 2:08 PM
ETCNBC.com



The latest data from the ETF market shows that investors were a little less 'America first' in January than they were in a record-setting December 2016.

Investors poured more than \$40 billion into ETFs in January 2017, still a big month, but for a change the U.S. stock market wasn't running away with post-election investing dollars.

December had set a monthly record for ETF flows, at \$60 billion.

January was notable for investors balancing their bets. Overseas stocks and bonds received investments at a level that was close to U.S. stocks. The \$15.5 billion that came into U.S. stock ETFs in January was well below the \$47 billion taken in by these funds in December, according to monthly flows data from FactSet Research. In January, international stock ETFs and bond ETFs almost kept pace, each taking in more than \$12 billion from investors.



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A Stock Market Bubble? Or are Things Different This Time Around?

Written by Jason Stutman
Posted April 21, 2015 at 8:02PM



Stocks are getting incredibly expensive. Investors are paying more per earnings (on average) today than at virtually any other point in history...



The only other times P/E ratios have been this high were during pre-market crashes such as the dot-com bubble, Black Tuesday, and the financial crisis of 2008. If history does in fact repeat itself, right now would be a particularly dangerous time to invest.

Cramer: Tectonic shift in the market means buy, not sell, on a rate hike

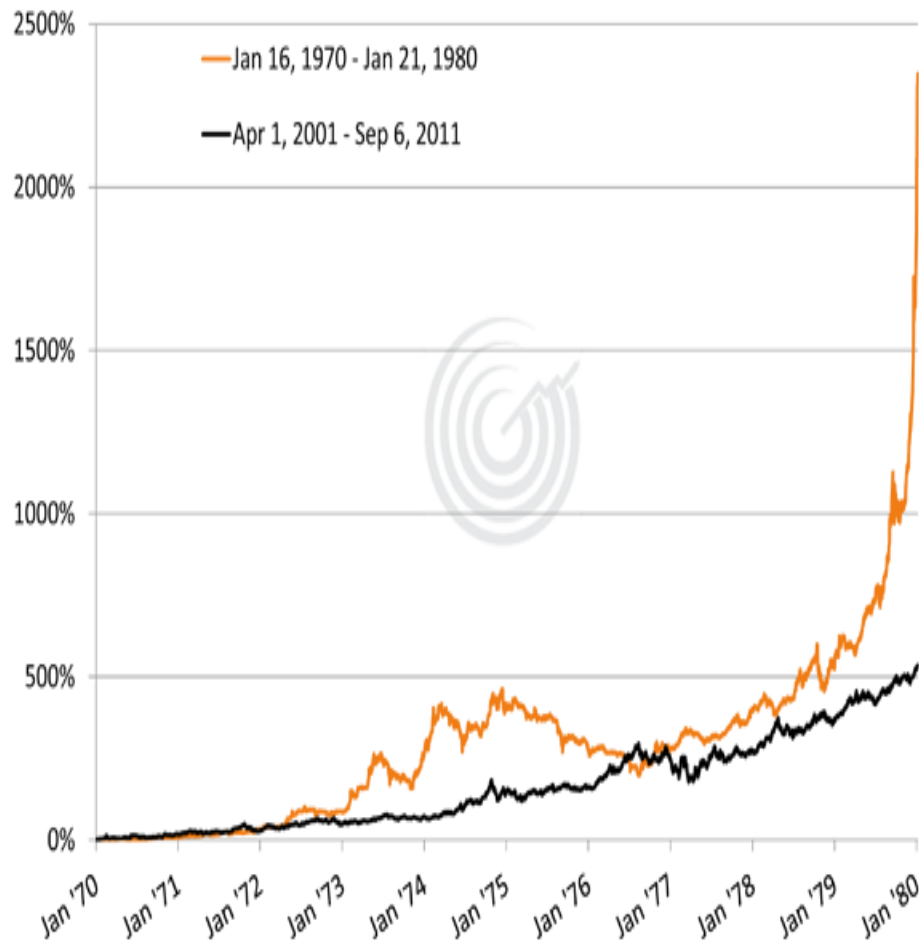
Abigail Stevenson -- Tuesday, 14 Feb 2017 | 6:12 PM ETCNBC.com



BUY, BUY, BUY!!! Look who's popular again.

FEB 19 1980; Customers Line Up At Denver Gold Exchange to BUY coins and bars of gold!

Gold Rose Nearly Five Times More in the 1970s CASEYRESEARCH.COM



© Casey Research 2014

Source: LBMA





Gold Is the Worst Investment in History

Feb 5th 2017 6:00AM

AOL Finance article



Nobody wants to be the bearer of bad news. Nobody wants to crush people's dreams. But in the world of investing, cold, hard facts, not dreams, are what make you money. And the fact of the matter is, historically speaking, buying gold is the worst possible investment you can make.

AMAZING HOW THE PSYCHOLOGY HAS TURNED UPSIDE DOWN. Time to buy?

LOOK AT THE NEXT TWO SLIDES.

Fear of Selling

1929



FEED ME!!!





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Fear of Buying

October, 1987



STAY OUT!!!

"All the News That's Fit to Print"

The New York Times

Late Edition
New York Today, increasing clouds. High 62-63. Tonight, cloudy, breezy, showers likely. Low 51-52. Tomorrow, showers ending. High 58-61. Yesterday: High 65, low 46. Details on page B6.

VOL CXXXVII No 41,358 Copyright © 1987 The New York Times NEW YORK, TUESDAY, OCTOBER 26, 1987 \$4 CENTS

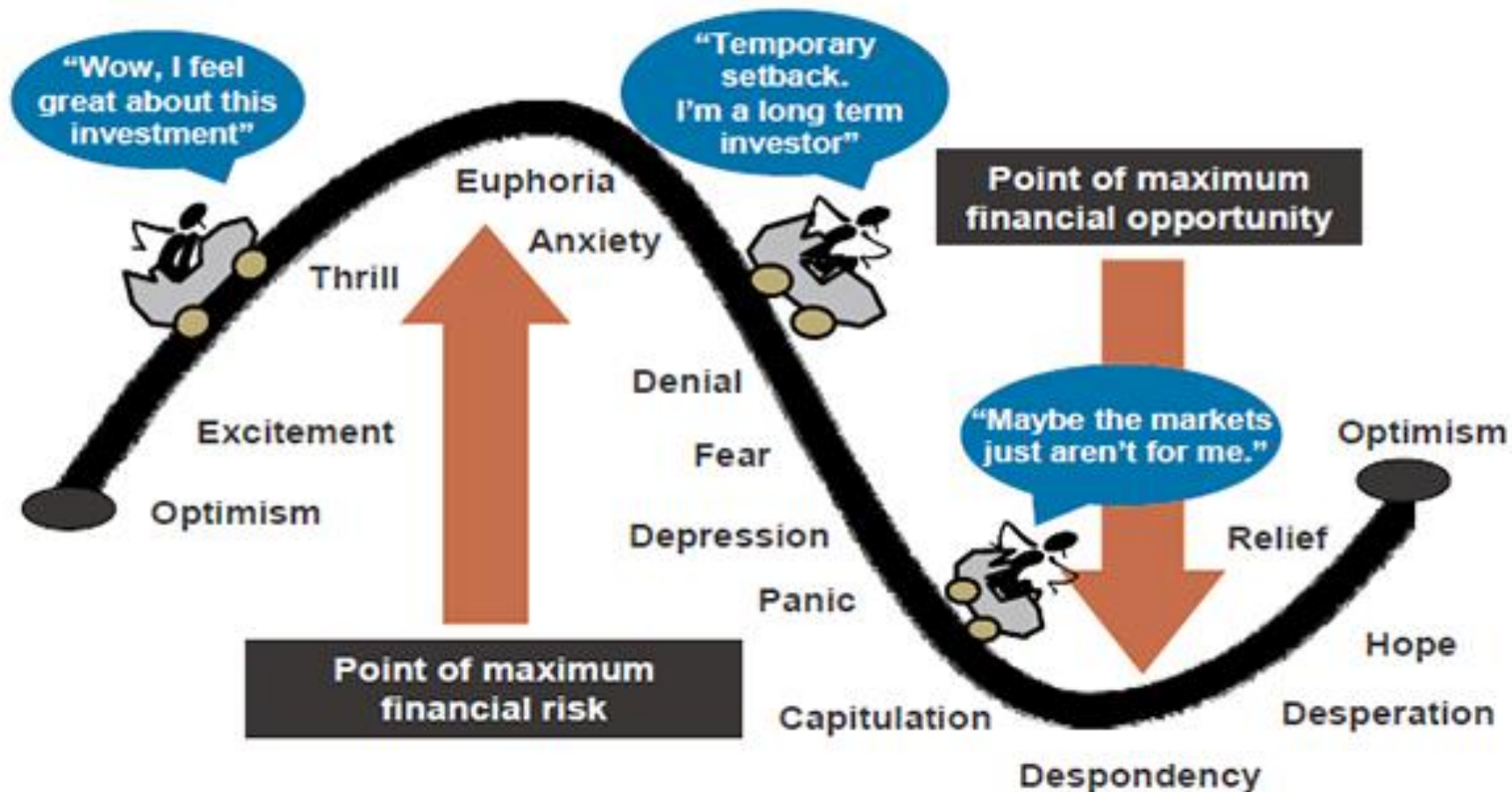
STOCKS PLUNGE 508 POINTS, A DROP OF 22.6%; 604 MILLION VOLUME NEARLY DOUBLES RECORD

U.S. Ships Shell Iran Installation In Gulf Reprisal
Offshore Target Termed a Base for Gunboats
By STEVEN V. ROBERTS
Special to The New York Times
WASHINGTON, Oct. 26 — United States naval forces struck back at Iran today for attacks on American-registered vessels and other Persian Gulf shipping by shelling two oil-linked

A Huge Blow to the Five-Year Bull Market
Dow's Record Fall
Yesterday's slide was down 22.6 percent from Friday's close.
The Dow Jones Industrial average, which has been marching up since August 1982, began a dramatic retreat last week that climaxed through yesterday when it closed at 1,739.74. (Shown: Weekly close of the Dow.)

WORLDWIDE IMPACT
Frenzied Trading Raises Fears of Recession — Tape 2 Hours Late
By LAWRENCE J. DUBOW
Stock market prices plunged in a worldwide wave of selling yesterday, giving Wall Street its worst day in history and raising fears of a recession. The Dow Jones Industrial average, considered a benchmark of the market's health, plummeted a record 508

The roller coaster of investor emotion





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