GILCHRIST FINANCIAL SERVICES

Investment Planning Counsel®
IPC INVESTMENT CORPORATION

2/1/2023 Simplifying Your Complex Financial World Winter Edition 2023

Photo Credit – Jodi Schulz

As I write this, winter is giving us what I hope is the last of its furious snowfalls. My mind is eagerly awaiting spring, and the summer that I love so much to follow. As winter winds down, and we transition to greener landscapes I would like to say thank you to all our clients. We have endured a harsh market, and look forward to improving conditions for our investors in assets that have recession priced into them. Let us all get through the end of winter and move into summer!

-Darcy

Our team has been working hard to get our Gilchrist Financial website updated, so visit us at www.gilchristfinancial.com. Pass on this newsletter and website to those you feel may be interested in our services.

Thank you for your continued support!

Important Dates

February 20 – Family Day

March 1 – RRSP Deadline

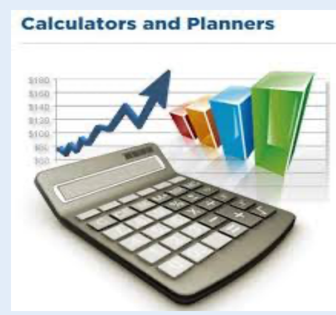
April 7 - Good Friday

May 22 – Victoria Day

July 1 – Canada Day

August 7 – BC Day

September 4 – Labour Day



Tax Calculator
http://www.ey.com/ca/en/services/tax/tax-calculators

TFSA/RRSP Calculator
https://dynamic.ca/en/tools/calculators-and-planners/calculators-and-planners/tfsa-rrsp-savings.html

Retirement Calculator
https://dynamic.ca/en/tools/calculators-and-planners/calculators-and-planners/retirement-planner.html

Are we going into recession?

We think we are going into recession. The public narrative seems to be “the central banks may make a policy mistake by causing a recession.” That narrative is misguided in our opinion. If you’re a central bank with a big inflation problem, recession is a feature, not a bug. Monetary policy works to reduce inflation by introducing slack into the economy to reduce pressure on prices and wages. When you have an unsustainably high level of activity/employment, as you do now, you need to reduce it. That’s regrettable but necessary. Otherwise, inflation becomes more entrenched and you have to cause even more unemployment down the road to restore price stability, as in the early 1990’s when unemployment hit 12%.

Many have observed that it doesn’t “feel” like a recession right now. Here it’s important to distinguish level and rate of change. Recession is a rate of change – the economy moving backwards and unemployment going up. We’re starting from a very high level of activity and low level of unemployment. So, things have a lot of room to move backwards and still feel OK. Ironically, things generally feel worst when the recession ends – that’s by definition the peak in unemployment and the trough in output.

Fidelity Investments – Insights First Quarter 2023

Bridging Today’s Reality with Tomorrow’s Wealth

Your Gilchrist Financial Team
Leslie Gilchrist*, MBA, CFP®, Financial Advisor*
Darcy Nicholson*, Mutual Funds Sales Associate*
Alison Seidl*, Administrative Assistant, Business Coordinator*
Dychelle Williams, *Administrative Assistant*

Thank you for entrusting us with your Friends and Family through your generous referrals!

Contact Us:
250.614.1366 toll free: 1.877.614.1366 www.gilchristfinancial.com
1892 Third Ave. Prince George, BC, V2M 1G4