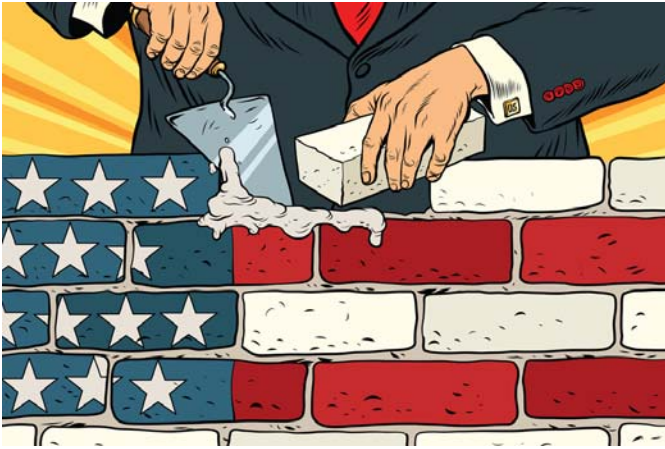


The Strategist

August 2018

A Quarterly Report for Friends, Clients and Associates of Chris Raper

Trump Trade Tirades - what if we all win?



One of the things you learn to look for in this industry are outcomes that are not only plausible but market-moving, because most investors are overtly positioned for the opposite outcome. My good friend and Raymond James colleague, the uber-smart Paul Siluch, shared the above thought with me and I find it tremendously insightful - is it possible that we all win?

The recent Trump trade tirades have many investors understandably rattled. Most investors know that history strongly supports the view that protectionism is bad for everybody and trade barriers are overwhelmingly negative for the equity markets and the global economy. But few investors have considered what Trump may be trying to accomplish with his anti-trade rhetoric, i.e. what if his outrageous demands are simply a way to lower U.S. (and global) trade barriers? That seems like a far-fetched idea, but given the cunning/mercurial nature of President Trump, is it that preposterous?

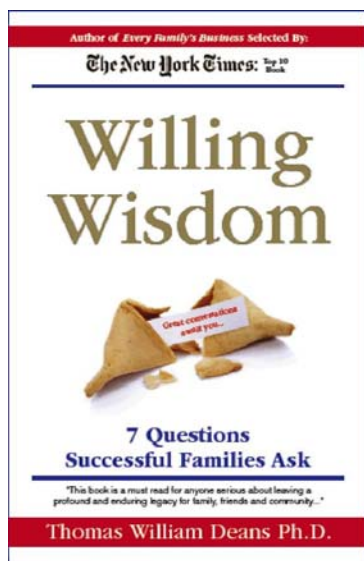
Here is some evidence to consider. Trump's recent threat to raise European Union (EU) import duties on EU manufactured automobiles to 25%, from the current 2.5%,

rattled the Europeans so deeply that they are now considering lowering their current 10% import duty on American made autos to zero, providing America does the same. Trump's response was, "a very big day for free and fair trade". If Trump can pull this off, the political gain is huge. His base, the former democrat blue-collar workers in the manufacturing sector, will rally in the midterm elections, as will the pro-free trade Republicans in Congress.

What about Canada? Trump wants a win to rally his farmer base. Do you believe that Trudeau won't sacrifice our 22,000 dairy farmers to protect all those automotive jobs? The plausible outcome suggests cheaper dairy products and a further lowering of trade barriers at a time when most investors are overtly positioned for the opposite outcome.

The good news is that freer trade lifts all boats and is highly supportive of increased economic output, higher corporate earnings, and yes, higher equity markets. We don't have to like the messenger - we best consider the plausible outcomes and the above is anything but mainstream thinking, yet the market is a forward looking animal and is making new all-time highs....hmm?

A Fresh Perspective on Estate Planning



This past June, I attended an advanced tax course put on by [Moody's Gartner Tax Law](#). While most of the course centered around the overly complex (and I would argue anti-business) tax changes brought in by the Trudeau government last fall, the lunchtime speaker was Tom Deans, author of the adjacent book. Within its pages, Tom advocates a novel and refreshing way to think through the estate planning process, regardless of your material wealth.

The book tells a story of three professionals, all of whom are connected to the estate planning process, and the carnage that they normally see after somebody passes away, as heirs hear the unexpected news and squabble over the seemingly smallest of details. It literally breaks families apart, and that seems like a sad ending to a life well lived. Tom's argument is "it doesn't have to be that way" and I found myself agreeing with him on most points. Best of all, it has motivated me to hit the refresh button on my own estate plan which is sadly out of date—the cobbler's son has no shoes. In a nutshell, the book argues for extreme transparency for all affected parties well before death and a recognition that none of us know our exit date, yet we all have one.

Update on the Team

This past quarter reminded all of us at CR&A exactly how fast time can move. Example? Erika's already back! Yes, her year of maternity leave ended in June and her daughter, Elin, has just celebrated her first birthday. Their family is doing a fantastic job of adjusting to the schedule change; kudos to them on a successful first year, with many more to come.

If you need more evidence, we celebrated *six* work anniversaries in the past quarter: Natalie's one-year, Larissa's two-year, John's four-year, Alex's five-year, Allie's eight-year, and Erika's eleven-year. With that said, we have an even bigger work anniversary to report later this year—tune in to November's edition of The Strategist to find out exactly who it could be...

In other news, Ryan and his family finally made it to Disneyland in July (Splash Mountain being the family favorite), Allie & her family added a new, furry member to their family in the form of their plott walker hound, Tiffany, and Natalie flew



through the four exams required to become licensed as an Investment Representative. Needless to say, this is a huge step to take in her career. Congratulations!

For more updates on the team and other exciting news, follow us on Twitter: [@ChrisRaperAssoc](#) or like us on Facebook: [Chris Raper & Associates](#)

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