



D. Brad Webb, CFP
Brad Webb Financial
Suite 100 - 1 Hunter St E
Hamilton, ON, L8N 3W1
(905) 522 - 6816
bwebb@bradwebbfinancial.com

2014: The Year of the Horse

2014 was the "Year of The Horse"; a year that some believed should have been dedicated to self-improvement. With that pronouncement 2014 was destined to be year of change and reflection.

2014 yielded a tapestry of highs and lows. It marked the 25th Anniversary of the fall of the Berlin Wall, the 100th anniversary of the opening of the Panama Canal, the voting on and subsequent veto of the Scottish Independence Referendum Bill. It saw Germany beat Argentina to win its fourth soccer World Cup in Brazil and witnessed seven nations make their first winter Olympic appearance at the XXII Olympic games in Sochi, Russia: Malta, Timor-Leste, Tonga, Dominica, Paraguay, Togo, and Zimbabwe. The Winter Games proved to be golden for Canada - we finished fourth overall winning a total of 25 medals, including gold in both men's and women's hockey. .S. interest rates to rise. However markets were stable until the Autumn when volatility returned, interest rates stayed low and Janet Yellen walked a fine line, assuring the markets that interest rates would remain near zero for a "considerable time" after the taper's end.

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2014 was also the year that we said goodbye to former Israeli Prime Minister Ariel Sharon, actress Shirley Temple, actor Russell Johnson, 89 (who played "The Professor," on TV's "Gilligan's Island), CBC news anchor Noltan Nash, Japans Hiroo Onoda (who was the Last Japanese imperial soldier to emerge from hiding in a jungle in the Philippines and surrender, 29 years after the end of the Second World War), hockey legend Jean Béliveau of the Montreal Canadiens, and Canadian Finance Minister Jim Flaherty who helped lead Canada out of the 2008 Credit Crisis and delivered his last budget in February.

It wasn't all doom and gloom, though: 2014 brought us Taylor Swift's most popular album in ages, and the global economic recovery continued to experience areas of improvement.

In 2015 "The Year of the Sheep" many expect the U.S. economy to remain a bright light in leading the global recovery forward along with the relatively resilient U.K. and Canadian economies. In contrast, the Eurozone and Japan may continue to struggle for sustainable growth while fending off the threat of deflation. China's measured deceleration also remains an important factor in supporting global trade and the prospects for a sustainable global recovery.

It is also likely that central bankers will continue to implement monetary policies, although we are witnessing the emergence of two broad paths within the major central banks. On one side, the Fed and the Bank of England (BOE) are heading towards a reduction in easing conditions, while on the other side, the European Central Bank (ECB) and the Bank of Japan (BOJ) continue to maintain their easing bias.

The steep decline in the price of oil, and commodities generally, will provide a tailwind to many economies with a notable shift in fortunes from commodity-rich nations to those dependent on imports for consumption. Geopolitical risks also remain with continued concerns over Ukraine-Russia tensions, the potential global outbreak of Ebola and Islamic State(IS) military action.

There is also much for Canadians to look forward to in 2015 such as a Federal election and the "Family Tax Cut" which allows an eligible taxpayer to transfer up to \$50,000 of income to his or her spouse for tax purposes in order to collect a non-refundable tax credit of up to \$2,000 per year.

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