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"Doubt is not a pleasant condition, but certainty is an absurd one."

- Voltaire -

French writer and philosopher



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Living the experience of the last month or so, we can be reminded of the oft-quoted line from the movie *Forrest Gump*: "Life is like a box of chocolates, you never know what you're gonna get." That confectionery metaphor highlights a significant Canadian reversal of fortune, as voters elected the same party for a fourth time—despite it having trailed badly in the polls for over a year. With a politically inexperienced new leader who has promised to reinvigorate the our economy, Canadians now wait to discover what filling is inside the selected candy offering they plucked from the box.

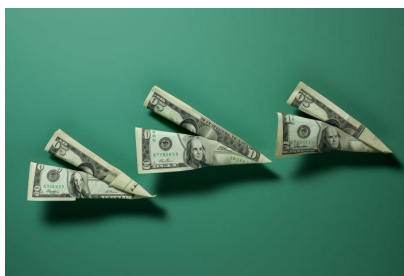
In the U.S., Donald Trump continued to be predictably unpredictable, walking back and postponing many of the tariffs that had been imposed or threatened. Stocks rallied strongly after April's retreat. He is now promoting a massive tax-cut bill that he hopes will supercharge growth and offset the rising deficit in U.S. government spending. Bond yields have risen in a skeptical response. In this environment, non-U.S. currencies and stocks have been outperforming U.S. choices. **Hartford Funds** has provided an article exploring the potential longevity of this change in direction. For many years, American markets have outperformed their international counterparts, and as a result, market valuations have tended to reflect this in a form of U.S. equity market exceptionalism. Much of this is now being questioned. The authors of the research piece

argue that the premium afforded to U.S. stock markets and the dollar—relative to European and Japanese alternatives—is shrinking and could continue this pattern for the foreseeable future. Beyond fundamentals, the fierceness of the U.S. trade offensive against its allies could also trigger a backlash, as consumers and governments invoke their own version of a buyer's strike and pivot away from U.S. products and services. However, betting against the U.S. has not been a winning strategy this century for investors. If the proverbial trade winds are truly shifting, then the sails will need to adjust in response.

With Prime Minister Carney campaigning on an agenda of improving Canada's economy and living conditions, near the top of that promise list is surely the challenge of housing affordability—an issue politicians of all parties have pledged to solve. **The Hub** recently published a piece that provides data on this challenge and underscores the dilemma politicians face when claiming that they can improve housing access without causing falling real estate prices. Housing has been a huge driver of wealth in Canada (42 per cent of average household wealth), but the generational divide is stark, as illustrated in the article's graphs. At current prices, a homebuyer in Ontario would need an income of more than \$150,000 a year to qualify for an average-priced home—more than two and a half times the province's average income. It seems unlikely that income growth can rise fast enough to close that gap. With most voters being homeowners, advocating for falling real estate values could be seen as political kryptonite—even if it is the inevitable solution. Yet, unless Gen Z and millennials are resigned to renting or confined to leasing some type of government-subsidized housing, it is hard to envision home prices not softening at some point. If governments want to deliver on their massive homebuilding agendas and provide an on-ramp to homeownership for younger generations, change will be necessary.

Television has long created a fictionalized version of the retiree in both shows and advertisements. However, today's reality embodies a far more adventurous and youthful version than the outdated stereotypes. **BBC Science** shares a thought-provoking article with expert tips on how to remain mentally and physically resilient in post-work life. Are people healthier after being unshackled from 40 years of employment? Surprisingly, the answer depends. The authors argue that timing one's retirement is crucial. Gradually paring back work may offer advantages over the "cold turkey" approach. Some of the research appears to overlap with happiness studies, which associate having purpose or meaning in life with a healthier retirement—even if this simply means adopting or rekindling hobbies of interest. Social connectivity and lifelong learning seem as essential in retirement as they are during employment, and with more discretionary time, these aspects could be enhanced. A final key to retirement well-being is one of the more obvious ones: staying physically active. Like much of the article's observations, post-employment life can be better or worse for one's health, depending on whether one maintains—or even increases—exercise or lets it wind down.

Hartford Funds: International Equities - Five Reasons They May Not Be a One-Hit Wonder



Driven by economic shifts, fiscal stimulus, and the impact of U.S. tariffs, international equities are gaining momentum that might be here to stay.

What You Need to Know

-U.S. tariffs are shaking up the global market, leading to downgraded growth forecasts for the U.S. and brighter prospects for other developed markets.

-Germany's fiscal stimulus and a weakening U.S. dollar may be setting the stage for international equities to shine.

-Catalysts are finally in place to narrow the valuation gap between less expensive European and Japanese equities, relative to more expensive U.S. equities.

It was only a few months ago that markets were all humming the same tune about U.S. exceptionalism. The speed and magnitude of the change we've seen since has been stunning, with the MSCI World ex USA Index¹ outperforming the MSCI USA Index² by 15.95% year-to-date through April 28.

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The Hub: Five graphs on the great Canadian homeownership gap

The annual income required for a mortgage can be more than double the average annual income in some provinces

Homeownership increasingly resembles a distant dream rather than an achievable milestone for Millennial and Gen Z Canadians. The barrier to homeownership is high and only moving higher, as the required annual income to get a mortgage in nearly every province lies firmly ahead of the provincial and national average.



In British Columbia, for instance, a prospective homeowner would need to earn approximately \$180,000 to afford a typical home, yet the average annual income in the province sits closer to \$62,000. That's a gap of nearly three times. Ontario follows a similar trend, where just over \$150,000 of income is needed to qualify for a home purchase, but average incomes hover around \$61,000: a shortfall of about 2.5 times.

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BBC Science Focus: How to keep your mind and body sharp in retirement - 5 lessons from the world's best studies

Expert-backed tips for the best post-work life

We can expect to spend roughly 40 years of our life working. As we get older, the stresses of work seem to take more of a toll – and then the era of crack-of-dawn



alarms, commutes and canteen queues finally comes to an end. Retiring, then, should surely boost your health, right?

Not necessarily. Unfortunately, retiring can worsen your wellbeing – work, after all, keeps our brains engaged and our bodies active. Often a sudden change, retirement can also exacerbate challenges associated with ageing more generally, like declining health and the loss of social connections.

Whether retirement is overall better or worse for your health is entirely dependent on your circumstances – as psychologist Dr. Laura Brown, who specialises in later life health and wellbeing at the University of Manchester, explains.

“One important factor is the type of work you’re doing before you retire,” Brown says. Retiring from a job where you’re on your feet all day may affect someone physically in very different ways to retiring from a desk job.

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