The Di Rocco Keenan Wealth Advisory Group

November 2025

As we approach the end of 2025, our team has been reflecting on the year's market performance and the conversations we've had with many of you. One recurring theme has been the concern about a potential market bubble. It's a valid question, especially after a year of strong returns. But before we let fear guide our decisions, let's take a moment to focus on what we can control.

Market Reflections & Bubble Talk

Despite the tariff rhetoric which capitalized March and April headlines, YTD returns have been exceptional. If we take it back another year, 2024 also saw high double-digit growth across the board. Coming into 2025, we felt the markets were adequately priced. We anticipated that the majority of returns for 2025 would come from interest and dividend payments and that mid-single digit returns would be welcomed. Turns out the equity markets still had plenty of wind beneath their wings. If we had pulled back/raised significant cash in early 2025 based on bubble fears, we would have missed out on exceptional returns. We cannot let the fear of a bubble prevent us from capturing long-term returns. Instead, we are focused on regular rebalancing and diversification to reduce risk.

While some sectors, like AI, appear frothy, we don't have a crystal ball to tell us when markets will finally succumb to a pullback/potential bubble deflation. For instance, Alan Greenspan famously spoke of "irrational exuberance" in 1996, however the dot com bubble didn't ultimately burst until early 2000.

What We Can Control: Your Year-End Financial Checklist

Rather than trying to time the market, our team is focused on the following actionable items we can control before year end:

Tax-Loss Selling: In early December we will be reviewing all non-registered accounts for opportunities to offset capital gains.

RESP Planning: Consider top-ups to take advantage of government grants.

Charitable Donations: Make contributions before December 31st to claim 2025 tax credits. The last day to donate appreciated securities to a Donor Advised Fund from your Nesbitt Burns account is December 17th, but if you are planning on donating, the sooner the better.

Review Beneficiaries: Ensure your estate planning documents, and account designations are up to date.

Income Planning: We have been discussing upcoming cash flow needs with clients. Now is a good time to evaluate your income needs for 2026. If clients have a short-term liquidity need, now is a good time to look at taking profits. If withdrawing from TFSAs to fund cash flow needs, consider doing so before the end of the year in order to get your TFSA contribution room back in the following year (2026).

First Home Savings Accounts (FHSA): Encourage adult children to open a FHSA before year-end, even if they don't contribute immediately. The contribution room only starts accumulating once the account is opened. The annual contribution limit is $8,000 and the lifetime cap is $40,000. Contributions are tax-deductible, and qualifying withdrawals are tax-free.

Final Thoughts

It's easy to get caught up in market narratives—especially ones as emotionally charged as bubbles. But history shows that staying invested and focusing on fundamentals, yields better outcomes than trying to predict the next downturn. Let's finish the year strong by taking care of the things we can control.

If you'd like to review your portfolio or discuss any of the checklist items, please reach out. We're here to help.

Warm regards,

Lianne and Jamie

REMINDERS

2025 RESP Contributions
December 31, 2025, is the deadline to make your 2025 RESP contributions. Please reach out to us in advance if you need contribution information or assistance.

2025 First Home Savings Account (FHSA) Contributions
December 31, 2025, is the deadline to make your FHSA contribution. The maximum annual amount you can contribute is $8,000, with up to one year of carry forward room. Please reach out to us for more information.

2026 RIF and LIF Withdrawals
Your 2026 annual minimum withdrawals will be indicated on your January 2026 monthly statement. We are also happy to provide this information to you in January.

Upcoming RRSP Season
March 2, 2026, is the deadline for contributing to your RRSP for the 2025 tax year.

INDUSTRY TRENDS

Northern Ontario's **Ring of Fire** region contains significant deposits of critical minerals like nickel, cobalt, and chromite, which are used in electric vehicle batteries and clean energy technologies.

Economic studies estimate that the development could contribute over **$22 billion** to Ontario's economy over 30 years and create up to **70,000** jobs across mining, construction, and related sectors. The project's goals are to strengthen Canada's critical mineral supply chain supporting domestic processing and reducing reliance on imports.

While the Ring of Fire project presents both opportunities and challenges, its development is expected to have a significant impact on Ontario's economy and infrastructure.

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