

Navigating Uncertainty: U.S.-Canada Tariffs and Investing



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Managing Your Money

LYNN MacNEIL



With new tariff concerns in the air, it's natural to feel a bit uneasy. However, history shows that while tariffs may create short-term disruptions, they do not permanently derail economic progress. As an investor there are steps you can take to navigate these uncertain waters with confidence.

Keep a Long-Term Perspective: Markets react to uncertainty, but they also recover. During past trade disputes, certain sectors experienced volatility, but over time, stability returned. If you're investing for the long term, focus on fundamentals rather than reacting to short-term news. Diversification remains key; having a mix of assets in different sectors and geographical regions can help cushion against trade-related fluctuations.

Pay Attention to Affected Sectors: Tariffs can impact specific industries more than others. In past disputes, industries such as manufacturing, agriculture, and construction felt the effects most directly. If you have investments in these areas, keep an eye on how they respond to tariff developments. However, remember that companies often find ways to adapt—whether through supply chain adjustments or passing costs along to consumers. Many businesses have weathered previous tariff challenges and emerged resilient.

Stay Disciplined and Avoid Emotional Decisions: It's easy to feel anxious when headlines focus on economic tensions. But making impulsive financial decisions based on short-term uncertainty often leads to regret. If you have a well-thought-out investment strategy, stick to it. If you're unsure about adjustments, consult with your investment advisor before making any major moves.

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Consider Opportunities Amid Uncertainty: Market fluctuations sometimes present buying opportunities. If stocks in certain sectors temporarily decline due to tariff concerns but have strong long-term prospects, this could be a chance to invest at a discount. Similarly, if trade tensions shift supply chains, some companies might benefit from new opportunities. Keeping a watchful eye on emerging trends can help you stay ahead.



Canada's thrilling 3-2 overtime win against the United States in the 4 Nations Face-Off hockey tournament has sparked excitement across the country, reinforcing a deep sense of national pride. This victory, another moment in a long-standing rivalry, reminds Canadians of their resilience and competitive spirit.

However, beyond the hockey arena, another issue is stirring strong emotions—trade tensions with the US. The ongoing threat of tariffs has led many Canadians to rethink their spending habits, with some choosing to boycott American products, some cancelling U.S.-based vacations, and others making a conscious effort to support Canadian businesses. While the outcome of current tariff discussions remains uncertain, let's remember that this isn't the first time tariffs have made headlines. By reflecting on the history of tariffs between our nations, we can gain valuable insights. By understanding past challenges and resolutions, we can better navigate the present landscape with confidence and poise.

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Trade tensions between the United States and Canada have flared up at various points in history, but they have always been met with resolutions that allow commerce to continue. One notable example is the tariffs imposed during the Trump administration in 2018, which targeted Canadian steel and aluminum exports. Canada responded with counter-tariffs on a range of U.S. goods, from dairy products to whiskey. Eventually, both sides reached an agreement, and the tariffs were lifted in 2019.

Similarly, the softwood lumber dispute – a long-running trade issue – has seen tariffs imposed and then adjusted multiple times over the years. Despite these challenges, Canadian businesses have found ways to adapt, and the overall trade relationship between the two countries has remained strong.

Maintain a Healthy Emergency Fund: For those concerned about broader economic impacts, ensuring you have a solid emergency fund is always a wise financial move. Having three to six months' worth of expenses set aside can provide peace of mind during uncertain economic periods, giving you the flexibility to weather temporary disruptions without unnecessary stress.

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Canada has faced trade challenges before and has always adapted. The interconnected nature of the North American economy means that both the U.S. and Canada have strong incentives to maintain a positive trade relationship. While negotiations may take time, history suggests that solutions will be found.

For individuals and investors, the best approach is to stay informed, remain patient, and focus on long-term financial goals rather than short-term market reactions. By maintaining a diversified portfolio, keeping emotions in check, and looking for opportunities, you can navigate these uncertainties with confidence.

Trade disputes may be unpredictable, but your financial future doesn't have to be. With a well-structured plan, a steady mindset, and strategic guidance, you can navigate economic shifts and emerge stronger, more secure, and positioned for lasting success.



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Lynn MacNeil, F.P.L., CIM®, is a Portfolio Manager and Investment Advisor with Richardson Wealth Limited in Montreal, with over 28 years of experience working with retirees and pre-retirees. For a second opinion, private financial consultation, or more information on this topic or on any other investment or financial matter, please contact Lynn MacNeil at 514.981.5796 or Lynn.MacNeil@RichardsonWealth.com. Or visit our website at www.EphtimiosMacNeil.com.

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