

BLA Newsletter Issue #6 – October 2021

Webinar Invite, Earnings Season, and Retirement Income Tool



Our next Client Insights Webinar titled, *What it means to be an Executor, Trustee or Power of Attorney*, will be a three part educational series.

The dates for the three webinars: **November 10, 17 and 24 (10:00 am PT/1:00 pm ET)**

Click [here](#) to register for the webinar series.

Have you ever been asked by a friend or a family member to be their executor, power of attorney (“POA”) or trustee? If you have, you are not alone! 33% of Canadians will one day find themselves faced with one of these roles. It can be perceived as an honour to be chosen for such a job: you are trustworthy, honest, reliable, hardworking and most of all have the time, knowledge and ability to carry out these duties and responsibilities. Sound daunting? Well it should!

Acting as or choosing your executor, POA or trustee is a very big responsibility. These “jobs”, as we call them, require time, effort and come with responsibility and personal liability. Regretfully, many people do not realize the scope or time it takes to do this work and can find themselves stuck or in trouble if they do not complete it correctly.

Join us in the month of November as we focus on these important roles and what it means to be a “fiduciary”, what the tasks entail, and how to ensure you do it right or get the help and support you need to avoid many of the traps and pitfalls.

Click [here](#) to register for the webinar series.

Please contact us at any time if you have any questions regarding your investments or financial plan. Stay safe and healthy.

## Insights – Earnings Season

This month, many of our portfolio holdings are reporting their quarterly financial results. Below are earnings updates from some of our portfolio holdings:

**JPMorgan Chase & Co. (JPM-US)** posted third-quarter results that beat expectations after releasing \$2.1 billion in loan loss provisions. The bank reported earnings of \$3.74 per share on revenue of \$30.44 billion, compared to expected earnings of \$2.97 per share on revenue of \$29.86 billion. Equities sales and trading revenue grew 30% year-over-year to \$2.60 billion. CEO Jamie Dimon said the firm “delivered strong results as the economy continues to show good growth - despite the dampening effect of the Delta variant and supply chain disruptions.”

**Canadian National Railway Co. (CNR-CA)** reported a beat on the top (\$3.59 billion vs. \$3.54 billion expected) and bottom (\$1.52 per share, adjusted, vs. \$1.38 per share expected) lines. The company reaffirmed its 2021 financial outlook to deliver 10% earnings growth in 2021, and sees free-cash-flow of \$3.0 to \$3.3 billion. The company said CEO Jean-Jacques Ruest will retire at the end of January, following investor demand after the failed bid for Kansas City Southern. The board has appointed a CEO search committee.

**Facebook Inc. (FB-US)** reported a beat on earnings (\$3.22 per share vs. \$3.17 per share expected), but missed revenue (\$29.01 billion vs \$29.57 billion expected) estimates. They said that its main advertising business faces “significant uncertainty” due to Apple’s new privacy changes, macroeconomic, and COVID-related factors. Daily active users came in at 1.93 billion, which is in line with estimates by analysts. The company said it would increase its stock buyback program by \$50 billion. Facebook announced plans to break out its Facebook Reality Labs into its own reporting segment started in the next quarter and build its “metaverse” system.

Additionally, Facebook announced they would rebrand themselves and change their company name to Meta. The new name reflects the company’s ambitions beyond social media as they build the “metaverse”, a virtual environment. The name change and ticker change to MVRN will take place on December 1.

**Alphabet Inc. (GOOGL-US)** reported third quarter results that have beat analyst estimates. Google’s advertising revenue grew by 41% year-over-year to \$53.1 billion and YouTube ads rose to \$7.21 billion. Revenue at Google’s cloud division climbed 45% to \$4.99 billion. Total revenue came in at \$65.1 billion, above estimates of \$63.3 billion. Quarterly profit was \$27.99 per share, beating estimates of \$23.50 per share.

**Microsoft Corp. (MSFT-US)** posted third-quarter results that topped analyst estimates on strong cloud business sales. Microsoft’s Intelligent Cloud segment, which comprises of Azure public cloud and other cloud services, delivered revenue of \$16.96 billion, up 31% from the same quarter in the previous year and beat estimates of \$16.58 billion. Total revenue grew 22% year-over-year to \$45.3 billion. They reported adjusted earnings of \$2.27 per share, compared to expectations of \$2.07 per share.

**Visa Inc. (V-US)** forecasted slower than expected 2022 revenue growth. Visa is forecasting net revenue growth in the high-teens; lower than forecast of a 22% increase by analysts. The company posted earnings of \$1.62 per share, adjusted, on revenue of \$6.56 billion, beating the expected earnings of \$1.54 per share on revenue of \$6.52 billion. Payments processed by Visa grew by 21% year-over-year to \$45.3 billion. On a constant currency basis, payment volumes grew 17%.

**Shopify Inc. (SHOP-CA)** reported a miss on the top (\$1.12 billion vs. 1.15 billion expected) and bottom (\$0.81 per share, adjusted, vs. \$1.23 per share expected) line. Gross merchandise volume was \$41.8 billion, lower than analyst estimates of \$43.43 billion. They warned that supply-chain delays and inflation would impact fourth quarter sales and may push demand forward to the following quarter.

**Amazon.com Inc. (AMZN-US)** reported third quarter results and future guidance that was lower than expected. Amazon reported earnings of \$6.12 per share on revenue of \$110.81 billion. Analysts were expecting earnings of \$8.92 per share on revenue of \$111.6 billion. Online retail sales are decelerating as consumers head back to physical stores. Revenue from Amazon Web Services (AWS) jumped by 39% to \$16.11 billion, beating estimates of \$15.48 billion. AWS generated \$4.88 billion in operating income in the period. The advertising business grew 51%.

**Apple Inc. (AAPL-US)** reported revenue grew 29% year-over-year to \$83.4 billion, but missed analyst estimates of \$84.9 billion. CEO Tim Cook said supply chain woes cost Apple \$6 billion in sales and expects that impact will be worse for the next quarter. iPhone revenue grew 47% year-over-year to \$38.9 billion, but still short of estimates of \$41.51 billion. Mac revenue came in at \$9.18 billion and iPad revenue reported is \$8.25 billion.

Source: Raymond James research

## Retirement Income Tool

Your goal, simply stated, is to build up enough assets to provide adequate income to meet your needs through retirement. Whether you're still early in your career or just a few years away from retirement, we have the resources to plan for the retirement lifestyle you want.

Are you wondering how much retirement income you will have from your investments and pensions?

Do you want to know how much more you need to save to achieve your retirement goals?

Our retirement income tool can help provide the answer. Click on the link below and take the first step to find out where you stand today. If you would like to review your results with our team, please contact us.

Retirement tool: <https://my.razorplan.com/RJ/Advisor?advId=060DBD22>



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