

# Prosperity Pulse



Wishing Happy Diwali & Bandi Chhor Divas 2025



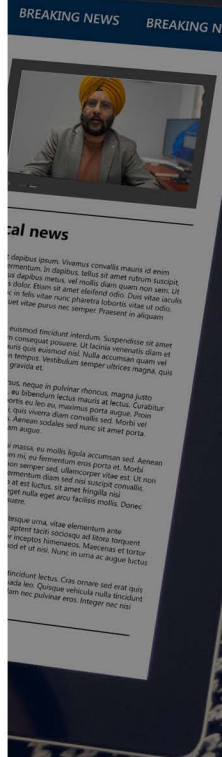
## Practical strategies on Year-end Tax, Gold, Crypto, Tariff Wars and RDSP

October Tax Tidbits, Year-end Tax Planning, Flight to Safety : Gold, Crypto and Modern Portfolio, Tariff War Tensions, Balancing Faith and Finance, October Rate Pulse

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## President's Message

Dear Assentt Wealth Family,

As the year-end approaches, our focus is helping you finish 2025 with clarity and control. This month's issue brings together practical guidance you can act on now: quick October tax tidbits, a concise year-end readiness checklist, and an explainer on RDSP strategies for families supporting a loved one with a disability.

Markets continue to send mixed signals. We look at gold, silver, and crypto—what's defensive, what's speculative, and how to size exposures prudently. We also cover two macro stories with real household impact: tariff tensions and a potential U.S. federal shutdown—how each can ripple through prices, rates, and business confidence in Canada.

With Diwali around the corner, we've included financial lessons from the festival of light—a timely reminder to clear small debts, reset goals, and align giving with values. Rounding things out is an October real estate sneak peek and a simple deadlines & rate pulse so you don't miss key dates.

If it's been a while since your last review, now's the moment to give your plan a quiet tune-up—tighten taxes, top up cushions, and rebalance with today's signals in mind. Subtle shifts in rates, trade headlines, and safe-haven vs. digital assets can nudge outcomes more than we think, especially heading into the festive season.

We'll help you cut through the noise, focus on one or two smart adjustments, and head into year-end steady, prepared, and aligned with your goals.

Wishing you a Happy Diwali & Bandi Chhor Diwas 2025.

Warm regards,

*Balbir Singh Saini*

Balbir Singh Saini, CPA, CGA  
President, Assentt



## Our Services

At Assentt, our services are designed to cater to your financial needs with excellence and precision. Whether you are looking for financing options, mortgage & leasing solutions, or tax and accounting support, we have you covered with our professional expertise.

- |                              |                               |                                     |
|------------------------------|-------------------------------|-------------------------------------|
| ✦ Accounting & Taxation      | ✦ USA Tax & Accounting        | ✦ Govt. Audit Representation        |
| ✦ Audit & Review Engagements | ✦ Business Plan & Projections | ✦ Equipment Leasing                 |
| ✦ Truck Loan                 | ✦ Private Mortgage            | ✦ Residential & Commercial Mortgage |
| ✦ Asset Based Financing      | ✦ Canada Small Business Loan  | ✦ Business Purchase & Sale          |
| ✦ Working Capital Loan       | ✦ Technology Consulting       |                                     |



## Canada Post Strike & Reform

Mail delays are impacting cheques, refunds, and deadline-sensitive notices now. Switch to direct deposit/e-payments immediately, turn on digital statements/CRA e-notices, and use tracked courier only when originals are required.

# October Tax Tidbits

## 2025 Year-end Tax Readiness

- **RRSP:** Contribute by first 60 days of 2026 for 2025; ensure 2025 salary creates RRSP room.
- **FHSA/TFSA:** FHSA + TFSA top-ups by Dec 31 (FHSA needed for 2025 deduction).
- **RESP/RDSP:** Contribute by Dec 31 to capture CESG/CLB and RDSP Grant/Bond.
- **Tax-loss Selling:** Realize losses before year-end; mind T+1 settlement.
- **Charitable Gifts:** Donate (ideally securities in-kind) by Dec 31.
- **Installments:** Make the Dec 15 payment to avoid interest.
- **Owner-Managers:** Decide salary vs dividend; pay bonuses by Dec 31 for a 2025 deduction.
- **CCA/Expenses:** Place assets in use by Dec 31; prepay eligible costs where permitted.

## Income gap at Record High - Younger Canadians under Pressure

Wages aren't keeping pace with housing, debt, and essentials, widening the gap—especially for under-40s. The focus now is to build an emergency buffer, automate savings (TFSA/FHSA/RRSP), and trim high-interest debt. Employers and parents can help by offering matched savings, targeted rent support, or thoughtful gifting strategies to close part of the gap.

## U.S. Shutdown Spillovers

A federal shutdown can pause U.S. data releases and some admin services, stoking market volatility and USD/CAD swings; federal procurement and partner payments may also face delays.

For Canadians, stress-test cash flow, hedge USD exposure, and confirm delivery/PO timelines with U.S. customers and suppliers. Investors should expect choppy risk sentiment—keep dry powder; review defensives/hedges (cash, short T-bills, gold), and avoid knee-jerk moves.



## Modern Portfolios - Gold or Crypto?

With rate-cut odds wobbling, investors are nudging into alternatives: gold is steady on safe-haven demand while crypto rebounds on ETF adoption—though with sharper swings. The roles differ—gold hedges macro shocks; crypto is a higher-beta liquidity bet—so most portfolios should treat them as satellites, size modestly (around 0–5% each), rebalance on a schedule, and track adjusted cost base for tax. Watch central-bank guidance, ETF flows, and volatility spikes.

# 2025 Year-end Tax Readiness

## Simple moves before December 31 that can add up in 2026.

As 2025 winds down, a few timely moves can lock in credits, deductions, and clean reporting before the clock strikes midnight.

This one-page guide highlights the key deadlines—Dec 15 installments, Dec 31 TFSA/FHSA top-ups, RESP/RDSP contributions, charitable gifts, and placing CCA assets in use—plus a reminder that RRSP contributions made in the first 60 days of 2026 can still count for 2025. We also flag practical tactics like tax-loss selling (mind T+1 settlement), salary/bonus planning for owner-managers, and simple checklist items to keep you organized and onside.

## At-a-glance Deadlines

**December 15** - Final installment payment (avoid non-deductible interest).

**December 31** - TFSA/FHSA top-ups; RESP/RDSP contributions for 2025 grants/bonds; charitable gifts (cash or in-kind securities); place new CCA assets in use.

**First 60 days of 2026** - RRSP contributions count toward 2025.

## Individuals & Families

**TFSA/FHSA** - Fill room by Dec 31 (FHSA contributions made this year are deductible for 2025).

**RRSP** - Check 2025 income; if needed, adjust year-end salary/bonus to create 2026 RRSP room.

**RESP/RDSP** - Contribute now to capture CESG/CLB and RDSP Grant/Bond.

**Charitable Giving** - Consider donating appreciated securities (often better than cash).

**Medical & Credits** - Choose the best 12-month period ending in 2025; claim under the lower-income spouse.

## Investors

**Tax-loss Selling** - Harvest losses to offset gains (T+1 settlement-sell at least one business day before Dec 31).

**Gold/Crypto** - Treat as satellites; keep records for adjusted cost base and dispositions.

**Rebalance with Rules** - Use bands or quarterly dates—don't chase headlines.

## Business Owners

**Salary vs. Dividend** - Decide the mix early; consider bonuses paid by Dec 31 for a 2025 deduction.

**Capital Purchases** - Put assets in use before year-end to claim CCA.

**Payroll & Benefits** - Sweep taxable benefits, T4/T4A prep, and GST/HST reconciliations now.

## Quick Checklist

- ☐ RRSP, TFSA, FHSA room verified
- ☐ RESP/RDSP contributions submitted
- ☐ Charitable plan (cash or securities) executed
- ☐ Loss-harvesting trades settled (T+1)
- ☐ Installment paid (Dec 15)
- ☐ Year-end salary/bonus decision made
- ☐ CCA assets placed in use; receipts organized

# Financial Lessons From Diwali

*Practical ways to reset money habits and finish 2025 strong!*

Diwali marks renewal—cleaning the home, lighting lamps, and starting fresh. Use that same spirit to tidy your finances. Here's a one-page guide with clear, actionable steps for Canadian households and business owners.

## 1. Clear the clutter, clarify priorities

- **Three buckets:** Essentials (needs), Growth (investments), Joy (giving/experiences).
- **One-page plan:** Top 3 goals for the next 12 months, target dollar amounts, and dates.

## 2. Sweep out high-interest debt

- **List > rank > attack:** Order balances by interest rate, automate extra payments to the highest.
- **Consolidate carefully:** Consider a lower-rate LOC only if you also close or freeze the old credit line.
- **Emergency buffer:** Aim for 1–3 months of expenses (keep in HISA or short T-bills).

## 3. Light the way for Savings

- **TFSA/FHSA:** Top up by Dec 31 (FHSA contributions made in 2025 are deductible for 2025).
- **RRSP:** Plan 2025 income so you create the right RRSP room; contributions in the first 60 days of 2026 can count for 2025.
- **RESP/RDSP:** Contribute by Dec 31 to capture CESG/CLB and RDSP Grant/Bond.

## 4. Invest with Intention (Gold, Crypto & the Core)

- **Keep the core boring:** Diversified stock/bond mix matched to your risk and timeline.
- **Gold & crypto:** Treat as satellites (typically 0–5% each, if used); rebalance on a schedule and track adjusted cost base for tax.
- **Loss harvesting:** If markets dipped, consider tax-loss selling (mind T+1 settlement before year-end).

## 5. Protect what matters

- **Insurance gaps check:** Life, disability, and critical-illness—right amounts, right beneficiaries.
- **Wills & POAs:** Confirm they reflect your wishes; update beneficiary designations on RRSP/TFSA/insurance.

## 6. Give with Strategy (Daan)

- Donate appreciated securities before Dec 31 for enhanced tax efficiency versus cash.
- Consider a Donor-Advised Fund to bunch donations and simplify receipts.

## 7. Stay Vigilant

Be skeptical of “CRA” calls or urgent texts; enable 2FA on banking/investing apps and verify payee details before transfers.

## 8. Small-business corner (for owners)

- **Year-end cleanup:** Decide salary vs. dividend, consider bonuses by Dec 31 for a 2025 deduction, place CCA assets in use before year-end.
- **Cash flow:** Renew LOCs, confirm covenant headroom, and prep lender packages for Q1.
- **Franchise/expansion:** Map total project cost, add a contingency, and line up funding milestones in advance.

As the lights of Diwali fade, let the festival's spirit of renewal guide your financial habits forward. Whether it's clearing old debt, reigniting your savings, or aligning investments with purpose, small, consistent actions now can shape a brighter financial path for 2026. Use this season to reset—not just your home and calendar—but also your money mindset. Like lighting each diya, every thoughtful financial step brings more clarity, stability, and peace to your future.



# Gold, Silver, Crypto & Modern Portfolio

Alternative assets are back in the conversation, but they play very different roles. Gold remains a classic shock absorber, supported by safe-haven demand and central-bank buying. Silver is part precious metal, part industrial input, so it tends to be more cyclical and volatile than gold. Crypto, meanwhile, is a high-beta, technology-driven asset whose returns are closely tied to liquidity and adoption cycles. Understanding these differences is the first step to deciding if—and how—they belong beside your core stock and bond holdings.

## Why These Assets Now

With rates shifting and growth uneven, investors are re-examining “alts.” Gold draws safe-haven demand, silver links to industrial activity, and crypto rides liquidity and adoption cycles—three different engines under the same hood.

## Different Roles, Different Risks

Gold is a shock absorber, tending to help when real yields fall or risk spikes. Silver behaves more cyclically because of its industrial use. Crypto is high beta: it can compound gains in easy-liquidity phases and reverse quickly when conditions tighten.

## Positioning: Satellite, Not Centerpiece

For most balanced plans, these assets belong on the edges of the portfolio, not the core. The aim is small exposures that diversify or boost potential returns without dominating overall risk.

## How to Hold Them

Gold and silver are simplest via ETFs; physical holdings add storage and premium costs but offer tangibility. Crypto can be held directly (with strong security practices) or through spot ETFs that simplify custody and tax reporting.

## Sizing with Discipline

Decide target weights in advance and cap total “alts” so they don’t overwhelm the plan. Add in tranches rather than all at once; let a written policy—not headlines—govern changes.

## Rebalancing That Works

Use time-based or band-based rebalancing to trim strength and add to weakness. This turns volatility into a systematic process instead of emotional decision-making.

## Taxes & Records (Canada)

Sales generally trigger capital gains; track adjusted cost base carefully across accounts and wallets. ETFs issue tax slips; registered accounts can shelter gains but have different withdrawal rules. If using crypto directly, maintain complete trade and transfer records.

## When They Help—and When They Don’t

Gold often shines during inflation surprises, banking stress, or falling real yields; it can lag when real rates rise. Silver can surge in industrial upcycles but underperform in slowdowns. Crypto can deliver outsized upside during adoption waves yet correlate with equities in risk-on markets and sell off hard when liquidity fades.

## The Bottom Line

Define the role each asset should play, size positions modestly, choose practical vehicles, and rebalance by rule. Done this way, gold, silver, and crypto can complement a modern portfolio without compromising its primary job: funding your goals at a risk level you can live with.

# Understanding RDSP

**The Registered Disability Savings Plan (RDSP)** is one of the most powerful yet underused tools in Canada's financial system. Designed to help individuals with disabilities and their families save for the long term, it combines tax-deferred growth with generous govt. matching programs that can significantly multiply contributions over time.

## What It Is and Who Qualifies

An RDSP works like a long-term savings and investment account, specifically for someone who qualifies for the Disability Tax Credit (DTC). The beneficiary can be a child, young adult, or even an older adult, as long as they're eligible for the DTC and are residents of Canada. Parents, guardians, or legal representatives often open the plan and make contributions on the beneficiary's behalf.

## Government Incentives

Two key government programs make the RDSP especially valuable:

**Canada Disability Savings Grant (CDSG):** A matching program that can add up to \$3,500 per year depending on family income and contribution size, with a lifetime maximum of \$70,000.

**Canada Disability Savings Bond (CDSB):** For low-to moderate-income families, the government can deposit up to \$1,000 per year even if no personal contribution is made, with a lifetime maximum of \$20,000.

These contributions can continue until the end of the year the beneficiary turns 49.

## Why It Matters

The RDSP's biggest strength is time. Funds grow tax-deferred, and with matching grants and bonds, even modest monthly contributions can grow dramatically over 20–30 years. It can provide long-term security without affecting eligibility for other federal or provincial disability benefits.

## Key Rules to Remember

Withdrawals must begin by the end of the year the beneficiary turns 60, and any government funds withdrawn are taxed as income to the

beneficiary—who often pays little or no tax due to low income levels. There are also repayment rules if the plan is closed or withdrawals are made too soon, so professional guidance helps avoid costly errors.



## Smart Planning Tips

- Open an RDSP as soon as DTC eligibility is confirmed—unused grant/bond entitlements from up to 10 previous years can be claimed retroactively.
- Use automatic monthly contributions to build consistency and simplify tracking.
- Review the beneficiary's life plan regularly to coordinate the RDSP with other supports like RESPs, trusts, or estate plans.

## The Takeaway

An RDSP is more than just a savings plan—it's a foundation for financial dignity and independence. By combining family support, disciplined saving, and government incentives, it can secure a brighter, more stable future for Canadians living with disabilities. Families who qualify should take the time this fall to confirm eligibility and open or top up their plan before year-end deadlines.

# U.S. Canada Tariff War Tensions

Tariffs act like a tax on cross-border goods. When they rise suddenly—or are threatened—costs ripple through supply chains, prices, and investment plans. For Canada, changes between the U.S. and key trading partners matter quickly: many inputs and finished goods cross the border multiple times, and margins are already tight after years of rate volatility.

## How Tariffs Hit the Real Economy

**Prices & inflation:** Tariffs lift landed costs. Importers often pass part of that through to consumers; the rest compresses business margins.

**Supply chains:** Companies reorder suppliers, hold more buffer inventory, or accelerate near-shoring—moves that tie up cash and raise financing needs.

**FX volatility:** Headline risk can jolt USD/CAD, affecting everything from fuel and food to equipment purchases priced in USD.

## Sector pinch points:

- Autos & parts: Complex, cross-border BOMs make even small tariffs expensive.
- Metals & machinery: Tariffs on steel, aluminum, inputs raise project costs.
- Agriculture & food: Retaliation risks can hit exports; input costs can rise.
- Consumer goods & electronics: The Quick pass-through to shelf prices is common.

## What It Means for Households

Expect stickier prices on imported goods and hardware, and potential delays on specialty items. Practical moves: time big-ticket purchases, compare domestic substitutes, and keep an eye on retailer promotions as they manage inventory swings. If you're paid in CAD but spend on USD-linked travel or gear, consider pre-funding in USD or using a no-FX-fee card.

## What It Means for Small & Mid-Sized Businesses

- **Cash flow:** Higher landed costs and larger safety stock can strain working capital. Review LOC capacity and covenants before you need them.
- **Contracts:** Add or update tariff/surcharge clauses and FX bands so you're not locked into money-losing prices.
- **Pricing:** Move to index-linked or tiered pricing that adjusts as input costs change; communicate timelines and triggers to customers.
- **Sourcing:** Map critical SKUs, identify dual suppliers, and run a quick cost-to-switch analysis (MOQ, tooling, QA).
- **Insurance & compliance:** Recheck country of origin documentation, classification codes, and consider trade credit insurance if customer risk is rising.

## Investor Lens

Tariff headlines tend to tighten financial conditions and raise dispersion across sectors. Defensive postures—healthy cash buffers, shorter-duration T-bills, and selective quality equity exposure—can reduce regret risk. For hedges, some use gold or rule-based rebalancing to handle volatility; avoid jumping in and out on every headline.

## The Bottom Line

Tariff cycles are noisy and political—but your response doesn't have to be. Treat them as an operational risk: model the hit, protect margins, secure liquidity, and communicate early. Households should plan purchases and manage FX; businesses should harden contracts, diversify supply, and line up financing before headlines force a scramble.



# US Shut Down & Impact on Canada

A federal shutdown pauses funding for portions of the U.S. government. Some agencies scale back or halt services, many data releases are delayed, and procurement/payments to suppliers can be pushed back. Essential functions (e.g., border security) continue, but slowdowns and uncertainty creep into trade, logistics, and markets.

## Immediate Canadian Spillovers

- **Trade & logistics:** Border remains open, yet ancillary services (inspections, paperwork, agency responses) can slow, stretching delivery windows and raising demurrage/storage risk.
- **Data blackout:** Delayed U.S. economic releases muddy the outlook for rates and growth, lifting market volatility.
- **FX & rates:** USD/CAD can swing on headline risk; funding spreads may widen if risk appetite sours. Procurement & receivables: Canadian firms selling to U.S. federal agencies (directly or via prime contractors) may see slower PO approvals and payment delays.
- **Travel & services:** National parks, museums, and some admin services can close or limit access—affecting tourism operators and cross-border events.

## For Canadian Businesses

### Cash flow & working capital

- Stress-test receivables from U.S. government primes; consider A/R financing or larger LOC headroom.
- Raise reorder points for critical U.S. inputs; small buffer inventory can avoid line stoppages.

### Contracts & pricing

- Add force-majeure/tariff/surcharge language and FX bands to quotes; time-limit offers in volatile weeks.
- Confirm country-of-origin and classification codes to prevent customs rework.

### Supply chain & logistics

- Identify two-deep suppliers for at-risk SKUs; map alt routes/ports.
- Share weekly ETA/lead-time updates with customers to reduce cancellation risk.

### People & compliance

- If staff travel to the U.S., track potential closures (e.g., certain federal facilities) and reschedule non-essential site visits. primes; consider A/R financing or larger LOC headroom.



## For Canadian Households

- **Travel plans:** Check status of federal sites/parks and refund policies; build extra time at land crossings/airports.
- **USD exposure:** If you have U.S. spending (travel, tuition, online purchases), pre-fund some USD or use low-FX-fee cards to manage currency swings.
- **Portfolio posture:** Expect choppy markets; keep an appropriate cash cushion and avoid headline-driven trades.

## Investor Lens

Shutdowns often trigger short-term volatility and make investors more cautious. When U.S. government operations pause, missing data and slower spending heighten uncertainty and tighten liquidity. A defensive stance helps—keep cash reserves, hold short-term T-bills, and focus on strong-balance-sheet companies to limit drawdowns. Gold may benefit as a haven, while crypto and cyclical often swing wider. Following a set rebalancing schedule—not headlines—turns turbulence into discipline and helps long-term investors stay grounded.

# October Real Estate Sneak Peek

The Canadian real estate market heads into fall with a mix of optimism and caution. After more than two years of rising interest rates, early signs of stabilization are finally visible. Bond yields have eased slightly, setting the stage for modest mortgage rate cuts from major lenders, while new listings continue to climb across most urban markets. Buyers, however, remain selective, waiting for deeper rate relief or price adjustments before committing.

## Mortgage Rates & Affordability

Fixed-rate mortgages have inched lower as yields pull back, while variable rates remain sticky but may soften if the Bank of Canada signals another policy cut before year-end. Even a quarter-point reduction can make qualifying slightly easier under the stress test, but affordability remains stretched in most major markets. Homeowners facing renewals in late 2025 should start shopping early—some lenders now allow 120–180 day rate holds, which can lock in lower offers if markets shift.

## Market Pulse: Regional Highlights

Toronto and Vancouver continue to see mid single-digit price declines year-over-year, though not the steep 25% headlines circulating online. Inventory is up, giving buyers more negotiating power and sellers more reason to adjust expectations. Calgary and Edmonton buck the trend with steady or rising prices, driven by stronger migration and affordability relative to Ontario and B.C. Smaller urban centres, particularly in Atlantic Canada and parts of the Prairies, remain resilient but are showing signs of cooling.

## Buyer & Seller Psychology

Confidence is gradually returning, but caution rules. Many potential buyers are holding pre-approvals, watching for rate signals before jumping back in. Sellers are increasingly offering price flexibility and longer closing terms, especially on mid- to high-end properties. For investors, cash flow still depends heavily on financing terms—positive yield is difficult unless equity or short-term rental income offsets higher borrowing costs.

## Looking Ahead

The next few months may bring modest momentum if rate expectations hold and seasonal demand improves. But long-term fundamentals—income growth, population gains, and construction bottlenecks—remain the real drivers of supply and pricing. For now, the October outlook is one of gradual adjustment, not correction: softer rates, better selection, and a slower but healthier balance between buyers and sellers.

# Rate Pulse

**BANK PRIME RATE – 4.70%**

## Prime Mortgage (Insured)

**Variable Rate - 4.00%**

**Fixed Rate - 3.94%**

## Prime Mortgage (Conventional)

**Variable Rate - 4.30%**

**Fixed Rate - 4.24%**

## Alternative Mortgage

**1 year - 5.44-6.09%**

**2 Year - 5.24-5.89%**

## Private Mortgage

**First Mortgage - 8%**

**Second Mortgage - 12%**

## Commercial Mortgage

**Prime - 5%**

**Alternative - 9%**

## Business Loan

### Business Purchase

(Variable Open Loan)

**7.70%**



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