

A woman with dark hair and red lipstick is looking down at a red, textured surface. A Euro banknote and several coins are scattered on the surface. The background is a solid pink color.

SINGLE MOM BY DESIGN

*The SINGLE  
MOM'S  
Free Guide to*  
BUILDING A STOCK  
PORTFOLIO

FROM HOW TO OPEN YOUR ACCOUNT  
TO START MARKET BASICS & ETFS,  
TO INVESTOR MINDSET.

# WELCOME



## THANK YOU FOR LETTING ME GUIDE YOU

After years of financial abuse, I made the decision (as **a single mom** in my 30's) to study finance at the University of Toronto and earn the CFA designation (Chartered Financial Analyst), ultimately becoming a trader and financial analyst.

I did so with the intent of bringing wealth and single moms closer together. **How could the people, you and me, who need the markets most, not participate?** It's because we're intimidated by a patriarchy into thinking it's not for us.

**I'm here to tell you that it is.** And that's a message I will die bringing to the women, mothers, single mothers, and women who've suffered financial abuse - who come after me.

# Here are the FACTS and my INTENTION.

Many single moms have **double the expenses and double the responsibilities** with **half the time and half the income** of our “partnered” counterparts. In fact, add to that:

- legal fees (billed at a rate most corporations couldn't afford)
- physical, mental, emotional, narcissistic and financial abuse
- difficulty finding lucrative employment
- inability to go to further our education because we need to be providing for our families
- complete burn out from years of overwork
- inability to pay for the support resources we so desperately need (finance, legal, mental and functional health, trauma support, performance coaching)

There is no doubt we have an **incredible mountain to climb**, but I'm here to tell you it can be done. It **MUST** be done, for you and your family. Advice for single moms needs to be nuanced. My priority is always getting you into the game, as opposed to giving you so much information at once that it overwhelms you. My intent is not to construct the “perfect” portfolio, but to give you the confidence to construct an **amazing** one with very little effort in a way that's both not intimidating and can be done even if you have very little capital to start.

This guide will help educate you on just how easy it is to get started investing. And I promise to be with you every step of the way.



IN THIS GUIDE

# WHAT YOU'LL LEARN HERE

*This is a basic guide to managing your own stock portfolio, but reach out to me anytime and join the community for more advanced education and personal recommendations.*

- ▶ WHICH ACCOUNTS DO I OPEN?  
ARE THERE TAX ADVANTAGES?
- ▶ DO I NEED TO HIRE A MANAGER?  
CAN I REALLY DO IT MYSELF?
- ▶ OK, SO HOW DO I BUY STOCK  
AND WHAT SHOULD I BUY?
- ▶ SOME BASIC PORTFOLIO  
THEORY, FOR FUN
- ▶ INVESTOR MINDSET





# OPENING YOUR ACCOUNT

01

In **Canada**, there are 2 broad categories of accounts, **registered** (tax advantaged) **and non-registered**.

In short, the only reason you would open a non-registered account (for our purposes) is if your registered accounts have reached their contribution limits. Why pay tax if you don't have to?



The background of the entire page is a close-up, slightly blurred image of several Canadian dollar bills. The bills are in various denominations, including 100, 50, and 20 dollars, and are fanned out across the frame. The colors are muted, with a focus on the green and blue tones of the currency.

# *Types of* REGISTERED *accounts in* CANADA

01

## RRSP

RRSP contributions reduce your taxable income and could put you into a lower tax bracket. When that happens, you may get a tax refund for any tax you have already paid to the CRA. The money inside of the account is not subject to tax **until you withdraw it**. Ideally, withdrawals occur in retirement when you may be in a lower tax bracket. RRSPs are designed for **long-term retirement savings**, which means there are **penalties** for withdrawing early.

02

## TFSA

RA contribution to a TFSA will **NOT** reduce your current year taxes, as you're using **after-tax dollars** to invest. Because of that, you are not taxed on investment income, gains, or dividends when you **WITHDRAW**. The federal government sets the TFSA limit each year. In 2024, Canadians over the age of 18 can invest up to \$7,000 in a TFSA (and the total amount is \$95,000 if you haven't contributed yet!).

03

## FHSA

The FHSA is a recently introduced account, created to give first-time homebuyers a new way to save for a down payment. Holders of this account can contribute \$8,000 a year, up to a lifetime maximum of \$40,000. Any unused contribution room will be added to the following year. The account **COMBINED** the features of an RRSP and a TFSA. Like an RRSP, your contributions are tax-deductible. Moreover, withdrawals from the account are not subject to tax (more like a TFSA).



## A NOTE ON NON-REGISTERED ACCOUNTS

A non-registered account is an investment account that does not receive special tax treatment.

Investment gains such as interest, dividends, fund distributions and capital gains from asset sales are taxable at your marginal tax rate in the year they occur.

You are allowed to invest as much money as you want in a non-registered investment account and you can contribute to it for as long as you want.




SO, LET'S JUST DO THIS AND

# Open the account already.

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**I have found that this is the scariest part!** I can't tell you how many moms get stuck here and we actually do this over video chat together. After it's done, you'll be saying... "really? that's it?" It's like we're expecting some massive undertaking here, where we'll need to perform complex math equations and sign our lives away.

**This isn't so.**



In Canada, I like to use  
Wealthsimple.

I like the platform, and it really is simple. Everything you'll need to easily manage your families wealth (yup, get used to it) is here.

**REMEMBER, I'M HERE WITH YOU EVERY  
STEP.**



# How *to* Do It:

TFSA  
Save for any goal. Earnings are tax-free.

RESP  
Save for retirement. Earnings are tax-free and deposits are tax-deductible.

Non-registered  
For when you've moved out after registered accounts. You'll pay taxes on your earnings.

RESP (Registered)  
Save for your child's education. Earnings are tax-free.

LIRA  
Re-invest your pension. Earnings are tax-free.

## CHOOSE YOUR ACCOUNT TYPE

In almost all cases, for your stock portfolio, I recommend choosing TFSA. Remember, you have \$95k worth of money where you don't have to pay tax on the gains. Over decades this is huge!

Managed portfolios  
Built by investment experts and personalized to you and your goals.

Self-directed investing  
A low-cost way to buy and sell your own stocks.

Available on the mobile app

Private credit (New)  
A new way to diversify your investments. This fund targets a 9% yield.

## CLICK SELF-DIRECTED (YUP, YOU ARE DOING IT!)

Yes, I don't believe in paying someone else to press the button you will be pressing. (Yes, in many cases, it is just 1) More on this in the next section though.

Account Holder Information  
TFSA account # 1234567890 (assigned by Wealthstyle Investments Inc.)

Agreement Details

WILL User Agreement (Effective January 1, 2024) EN

Self-Directed Tax-Free Savings Account Declaration of Suit

☒ I agree to the Client Account Agreement and to No Advice or Recommendations and as of today, I certify that the information I have provided in the following is correct: New Account Application Form (TFSA), Application for a Tax-Free Savings Account.

## SIGN YOUR AGREEMENT AND INPUT TAX INFO

Because there are contribution limits to your TFSA and RRSPs, the government needs to know exactly what you're contributing.

Add money

To: TFSA

From: BMO Checking  
3-3 business days

Amount: \$ 100 CAD

Review

## CONNECT YOUR BANK ACCOUNT & MAKE A DEPOSIT

And that's it mamas! Send as much money as you reasonably can into your investment account. Next, you're going to buy stock with the money! It get's exciting now. Well... not THAT exciting.

AND NOW *you're*  
*ready to start managing*  
YOUR MONEY





# CAN I REALLY DO IT ALONE?

02

**The way I'm going to teach you, you absolutely CAN** do it on your own. The banks don't want you to know that because they will happily take a cut of what you invest. I'm going to teach you to do exactly what they do, and in my opinion, do it even better because you won't be limited to the "products" the banks are trying to push on you.



THIS SECTION IS SHORT,  
DON'T WORRY

This is how it  
works when  
you go to  
your bank...



You go a bank and tell them you want to open a TFSA. They will ask you a few questions that revolve around your risk tolerance and goals. To that, I say in our 30s and 40s, to choose a medium to high tolerance. **We are doing this step together.** It involves a medium tolerance, which in my opinion, is appropriate for this stage in our lives.

Then, the banker will likely ask you choose a **mutual fund** (because they want the commission and to make money for the bank after all).

A **mutual fund** owns a portfolio of investments funded by all the investors who have contributed money. So, when you buy shares in a mutual fund, you gain part-ownership of all the underlying assets (companies) the fund owns. The fund's performance depends on how its assets are doing. When these assets increase in value, so does the value of the fund's shares. Conversely, when the assets decrease in value, so does the value of the shares.

But here's the thing they  
don't want you to know.



THE MUTUAL FUND TAKES A % OF YOUR  
GAINS EVERY YEAR. AND A MUTUAL FUND  
RARELY "BEATS" THE PERFORMANCE OF THE  
BROADER STOCK MARKET.

You can match the performance  
of the stock market on your own!





## A NOTE

# Slow and steady...

When I work with moms, most of the time, we're just putting together an emergency fund of between \$5000 to \$10,000. Although I'll be speaking with this in mind, what I'm going to teach to can apply to any sort of financial goals or numbers. Remember, this is about getting you IN THE GAME.

We are building a safe and responsible equity based nest egg / emergency fund for your family. We are not after some crazy returns (which all come with insane amounts of risk).





# SO HOW DO I BUY STOCK?

03

**READY?** It's not as sexy or scary as the movies make it seem.

There are products out there called "ETF's" which do all the stock selection for you.

I'm about to teach you what an ETF is, how to buy 1 and continue buying them so that over time you end up with a well diversified equity based investment portfolio.

The background of the image is a top-down view of a light-colored, possibly marble, desk. In the upper left, there is a white disposable coffee cup with a grey lid and a silver-colored latch. To the right of the cup is a light-colored, textured wallet with a gold-colored snap button. Below the wallet, several US dollar bills are fanned out, including a \$100 bill featuring Benjamin Franklin. In the lower left, a pair of white wireless earbuds lies on the desk. In the lower right, a spiral-bound notebook with a gold-colored metal spiral is open, showing a page with the word 'Thursday' and some other text. The overall aesthetic is clean, modern, and professional.

# *what is an* ETF?

And EXCHANGE TRADED FUND (ETF) is a  
FUND YOU CAN BUY ON THE STOCK  
EXCHANGE.

**MANY ETF's ARE DESIGNED TO MIMIC THE  
MOVEMENTS OF THE BROADER MARKET.**

**(what we spoke about earlier)**



BUT WHICH ETF'S SHOULD I BUY?

- ① **VCE** Vanguard FTSE Canada Index ETF
- ② **VOO** Vanguard S&P 500 ETF
- ③ **VEU** Vanguard FTSE All World ex US ETF



## WHAT'S SO SPECIAL ABOUT THESE?

By purchasing these 3 separate ETFs that mimic different geographic segments of the market and that contain various sectors of the economy (financials, energy, technology, utilities, telecom etc.) you have a well diversified portfolio of stocks by pressing 1 (or 3 in this case) button.

### **VCE - Canada**

Top 10 holdings: RBC, TD, Shopify, Canadian National Resources Ltd., Enbridge, CP, CN, BMO, Brookfield Corp, Bank of Nova Scotia.

### **VOO - United States**

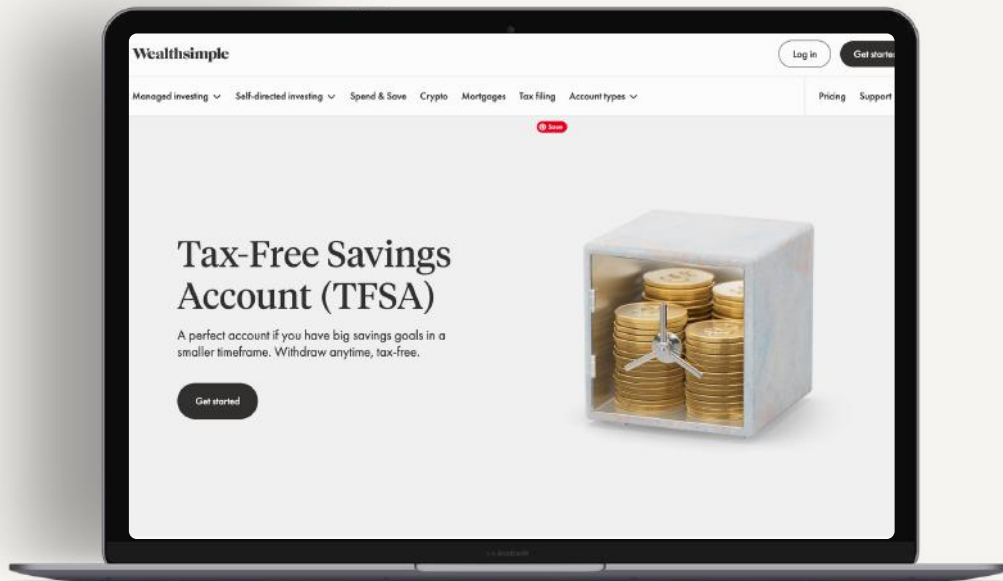
Top 10 holdings: Microsoft, Apple, NVIDIA, Amazon, Alphabet, Facebook, Berkshire Hathaway, Eli Lilly & Co., Broadcom Inc.

### **VEU - World, excl. USA**

Top 10 holdings: Taiwan Semiconductor, Novo Nordisk, ASML Holding, Toyota, Tencent Holdings, Nestlé, Samsung, Shell, AstraZeneca, LVMH

JUST LIKE BEFORE

# I'M GOING TO SHOW YOU HOW TO DO THIS ON WEALTHSIMPLE



THIS IS JUST MY FAVOURITE PLATFORM

THERE ARE PLENTY OF OTHERS, INCLUDING QUESTRADE,  
WHICH DO THE SAME THING. WEALTHSIMPLE IS THE ONLY  
PLATFORM RIGHT NOW, THAT'S FREE TO BUY AND SELL ETFs.

# How *to* Do It:



## FIND THE ETF ON THE DROPDOWN

You'll see just how many there are. For now, let's stick to the one's I've provided you with.

Order type  
Market buy

Shares  
2

Amount  
\$ 97.94

Account  
TFSA

Available cash \$100.00 CAD

## PURCHASE THE NUMBER OF SHARES YOU'D LIKE

A market order is an instruction to buy or sell a security immediately at the current price. A limit order is an instruction to buy or sell only at a price specified by the investor. We'll generally choose MARKET.

Summary May 12, 2024 11:05 am EDT

Order type	Market buy
Account	TFSA
Quantity	2 shares
Estimated cost	\$97.94 CAD

Done

## SUBMIT YOUR ORDER

You're now an investor and own shares in a wide variety of companies. Yup, that's it.





# SO WHAT DID I GET MYSELF INTO?

04

In this next section I want to give you a little bit **financial acumen**.

I don't believe in making any investment you don't **fully understand** and can't explain simply to a friend.

You'll read about diversification, risk v return, and a short introduction to asset classes we didn't touch in this guide.

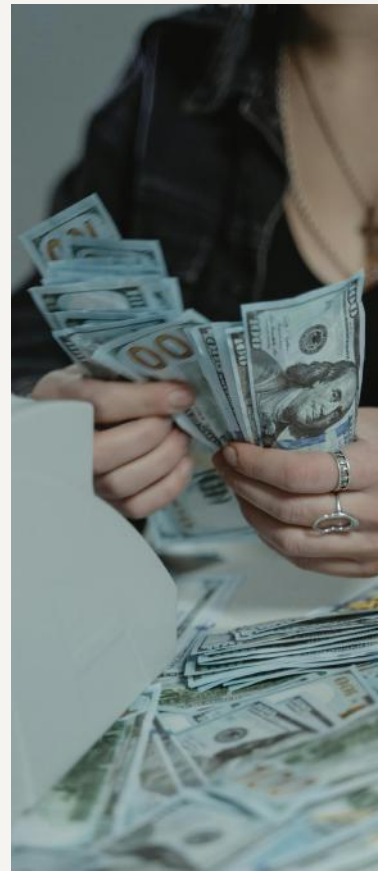


*so you're officially an investor!*

Wasn't that **WAY**  
easier than you  
thought it was?

Now that your confidence is up a little bit, I want to pique your interest, and encourage you to dig a little bit deeper.

The **KEY** to portfolio construction comes down to 1 word, and that's **DIVERSIFICATION**.



SO...

# WHAT IS DIVERSIFICATION?

Diversification is a strategy that mixes a wide variety of investments within a portfolio in an attempt to

reduce portfolio risk.

*the etf did this for us!*

## WE'VE ALL HEARD THE PHRASE

“Don’t put all your eggs in 1 basket.” That’s diversification. The question then becomes which eggs and which basket?



MANY PEOPLE CONFUSE DIVERSIFICATION  
WITH ASSET ALLOCATION

# DIVERSIFICATION & ASSET ALLOCATION AREN'T THE SAME.

**Asset allocation** means you invest your money across all categories or asset classes. Some money is put in stocks and some of your investment funds are put in bonds and cash or another type of asset class.

**Diversification** focuses on investing in a number of different ways using the same asset class.

*what we've  
done*



THIS IS KEY

# THE BENEFITS of diversification ONLY HOLD IF THE SECURITIES ARE NOT CORRELATED.

*in English?*

This just means that the stocks don't all move together. When 1 goes up, another goes down.

You aren't diversified if you hold 10 different stocks in soft drink companies, for example. You are diversified if you hold stock in a bank, a mining company, oil and gas, tech, supermarkets, phone companies etc. Get the idea? And guess what - the ETFs did that for us too!



WHAT ABOUT RISK AND  
RETURN?

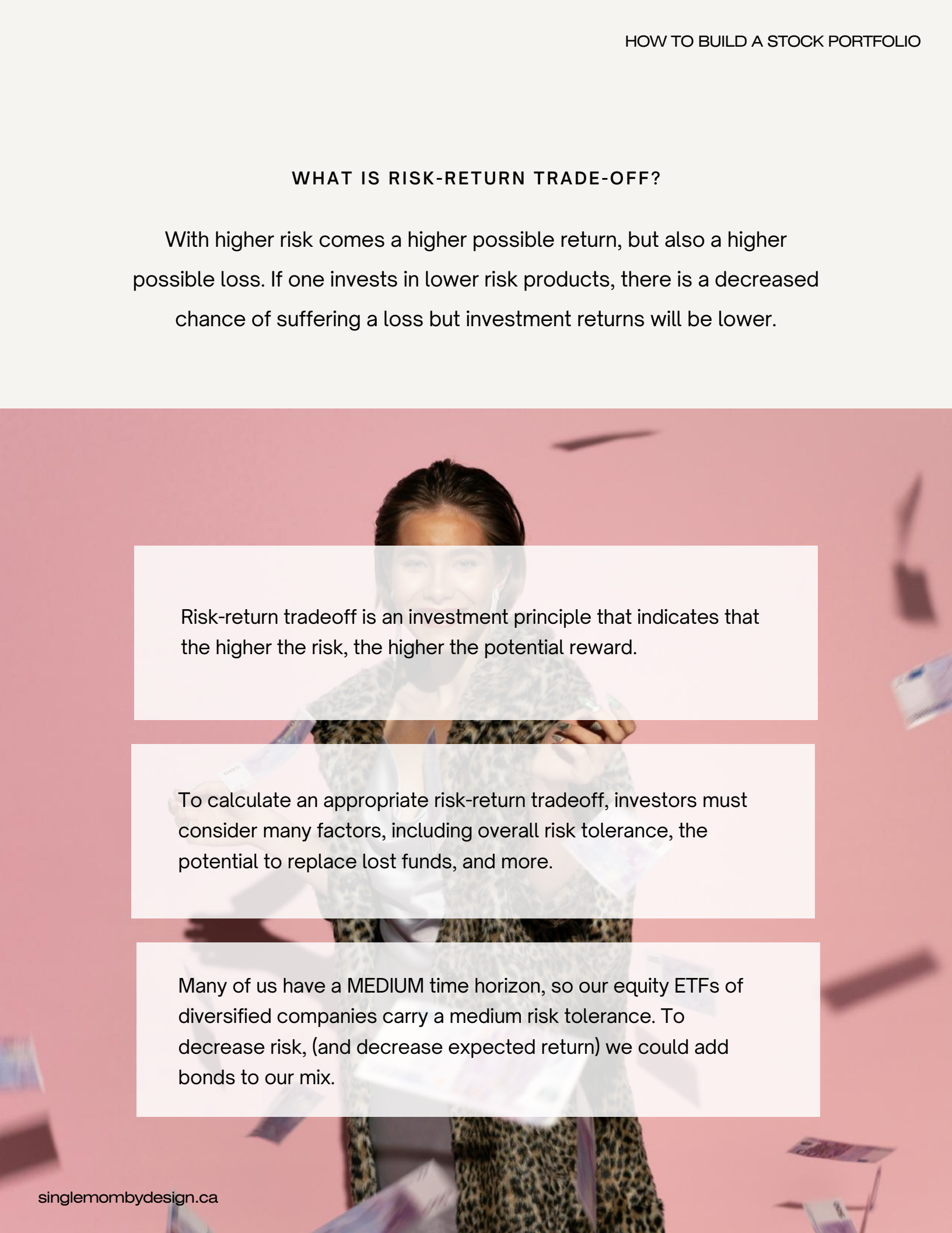
HOW DOES THIS  
IMPACT MY  
INVESTMENTS?

AM I WILLING TO TAKE  
ON MORE RISK FOR A  
LARGER EXPECTED  
RETURN?



## WHAT IS RISK-RETURN TRADE-OFF?

With higher risk comes a higher possible return, but also a higher possible loss. If one invests in lower risk products, there is a decreased chance of suffering a loss but investment returns will be lower.

A woman with dark hair, wearing a leopard print top, is smiling and holding a stack of cash. She is surrounded by falling banknotes of various denominations, including Canadian dollars. The background is a solid pink color.

Risk-return tradeoff is an investment principle that indicates that the higher the risk, the higher the potential reward.

To calculate an appropriate risk-return tradeoff, investors must consider many factors, including overall risk tolerance, the potential to replace lost funds, and more.

Many of us have a MEDIUM time horizon, so our equity ETFs of diversified companies carry a medium risk tolerance. To decrease risk, (and decrease expected return) we could add bonds to our mix.



# BUT WHAT IF I DON'T HAVE ANY MONEY?

# 05

And here is where we need to get into a little bit of **investor psychology**.

**I hear this over and over again**, and I'm not saying it's easy to make money as a single mom. I'm not saying we have money raining on us, but I'm also not saying we need huge amounts to start.

Something beautiful happens when you stop saying things like "I need to save every penny" and instead say "I can invest \$25.00 a week to start and that amount will grow as my income grows".

RICH PEOPLE DON'T BUDGET;

they invest.

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I'm going to dig very deeply into this another time, but as single moms we are very accustomed to having things taken from us. We know how it feels to not be able to pay bills, or worry what will happen to us if we get sick and can't work the 3 jobs we're currently working. I get it. I did it.

**There is a better way to look at it.**

Money is a beautiful thing. It doesn't need to be the SOURCE of our trauma. Think of all the people you can help, the creative projects you could bring into existence, and the life you can create for your children. **YOU can be the one that creates generational wealth for your family.**

When you get into the investment game, when you start thinking of yourself differently, you'll notice things you didn't previously. New job opportunities will find you, you'll ask for that raise, your confidence will grow and money will just start finding you.

**I hope you'll continue the journey with me.**

*you're on  
your way!*





# *Thank you!* WHAT'S NEXT?

I'd love for you to go on this crazy journey with me and an amazing group of moms who are leveling up their and their children's futures.

My dream is that all single moms have access to the support services they need most - at no and very low cost.

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