

While it is only the first week of March, only two months into 2020, it is likely that we can declare the most used word of the year – Covid-19 or Coronavirus. There is no form of media that isn't dedicating major time and effort to report and speculate about where this virus is going and what impact it will have on our world. Arguably "information" about the virus is travelling at much greater velocity and volume than the virus itself.

One of the largest internet search engines on the planet, Google, provides statistical information respecting search interest for terms or topics over time. During the week commencing February 23, 2020 the term Coronavirus/Covid-19 had a search interest statistic of 100 out of 100. This compares to the peak search interest over the last 12 months of 12 for "Donald Trump", 4 for "Brexit" and 1 for "China/U.S. trade war". Concerns respecting Covid-19 are pervasive on a worldwide basis.

Not unlike the pandemics of Severe Acute Respiratory Syndrome ("SARs"), also a strain of Coronavirus (2002/2003), and the H1N1 Influenza (2009), many people worldwide can be expected to become ill and, unfortunately, some will succumb to their illness. As the world moves to contain the spread of the virus, the disruption of the movement of people and goods and associated economic impacts are inevitable.

Over the past week, concerns, not facts, about the economic impact of Covid-19 have had a separate viral impact on the equity markets. The S&P 500 entered into official correction territory in the last week of February with other major markets not far behind.

We have willfully avoided sharing any specific market data respecting market movements over the last week. As we write this article late in the day on Monday, March 2nd, we have seen a substantially positive day in North American equity markets. Like any other event garnering worldwide attention, concerns and sentiments will shift rapidly and materially. While we cannot predict what the markets will show us over the short term, we will continue to apply our disciplined approach to client portfolios (<https://quadrantprivate.com/the-4-ds-of-portfolio-management/>).

In our newsletter, Known Uncertainties (<https://quadrantprivate.com/known-uncertainties/>), released in the first week of February, we identified a number of known uncertainties that would impact economies and by association, the markets, in 2020. At the time, Covid-19 was in its early stages, being limited to the Hubei province of China and not even having a name. That said, the main point of the article remains instructive:

"From a portfolio management perspective, predicting the outcomes of these events should not be the focus. Instead, short-term market volatility should be used opportunistically for rebalancing purposes. A comprehensive, well-constructed portfolio is built for the long term and should not undergo major changes in response to short-term periods of volatility. These times serve as a reminder that portfolios should be positioned for the long term. Quadrant continues to maintain a long term view and focuses its efforts on asset allocation policy, manager selection, and systematic rebalancing in light of each client's individual financial circumstances. This is a known certainty."

About Us

Disciplined. Compassionate. Effective.

Quadrant Private Wealth is an independent, comprehensive, integrated wealth management firm committed to your financial well-being and peace of mind. We take the time to understand your complete financial picture. We tie all of your information together, including tax planning, to paint a picture of what your financial future could look like. And we aim to earn your complete confidence in the process.

Quadrant Private Wealth

Suite 720, One Lombard Pl

Winnipeg, MB

Ph: (204) 944-8124

email: inquiries@quadrantprivate.com

web: www.quadrantprivate.com

If you or someone you know could benefit from our services, please have them contact our offices at 204-944-8124 or email us at inquiries@quadrantprivate.com.

All returns and figures sourced from Bloomberg.

This report may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of Quadrant Private Wealth ("Quadrant"). Any unauthorized use or disclosure is prohibited. The information herein was obtained from various sources believed to be reliable but Quadrant does not guarantee its accuracy. Neither Quadrant nor any director, officer or employee of Quadrant accepts any liability whatsoever for any direct, indirect or consequential damages or losses arising from any use of this report or its content. The opinions, estimates and projections contained in this report are as of the date indicated and are subject to change without notice. Certain of the statements may contain forward-looking statements which involve known and unknown risk, uncertainties and other factors which may cause the results, performance or achievements of the company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Past performance is not indicative of future performance.