



## 2025 JUNE TEAM NEWSLETTER

### *'100 Days of Disruption: Canada vs Trump'*

**Frank Valicek, CFP, CIM**

**Senior Financial Advisor, Manulife Wealth Inc.**

**Life Insurance Advisor, Upper Canada Capital Inc.**

I had the pleasure of attending the Economic Club of Canada's May luncheon '100 Days of Disruption: Canada vs Trump', which proved to be a valuable event to gain knowledge of the current viewpoints from experts in economics, financial research, and industry as it relates to the strained trading relationship between Canada and the United States. Below is a summary of Key Takeaways granted with permission directly from the Economic Club of Canada – Canada's National Podium of Record - which we're sure you'll find to be of great interest:

"On May 1<sup>st</sup>, 2025, the Economic Club of Canada hosted an event marking the milestone of the first 100 days of Donald Trump's second term as U.S. president. The session convened experts in economics, trade, finance, labour and industry to examine the early impact of the administration's aggressive policy posture on Canadian markets and institutions. With new tariffs, protectionist rhetoric and executive action reshaping U.S. trade behaviour, the discussion focused on how Canada should respond—economically, politically and diplomatically. The conversation highlighted both immediate vulnerabilities and longer-term strategic opportunities for Canada, with panelists offering a range of often divergent perspectives. The session underscored the urgency of a unified national strategy in an increasingly volatile cross-border environment.

### **SPEAKERS**

Opening remarks: Olivia Chow, Mayor of Toronto

Moderator: Nik Nanos, Chief Data Scientist and Founder, Nanos Research

Panelists:

- Jeremy Kronick, Director, Monetary and Financial Services Research, C.D. Howe Institute
- Benjamin Tal, Deputy Chief Economist, CIBC Capital Markets
- Flavio Volpe, President, Automotive Parts Manufacturers' Association

Closing remarks: Bea Bruske, President, Canadian Labour Congress

**Manulife Wealth Inc.**

**2848 Bloor Street West, Toronto, Ontario M8X 1A9**

**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**

**Visit our website: [UpperCanadaCapital.com](https://UpperCanadaCapital.com)**



## KEY TAKEAWAYS

### **Trump's second term marks a sharp acceleration of protectionist policy**

The panel agreed that the Trump administration's second term has so far been defined by rapid and unilateral trade actions, often executed without consultation or warning. This has left policymakers and industries reacting to events in real time, rather than planning around stable frameworks.

### **U.S. institutional guardrails are not working as intended**

Legal and political mechanisms that traditionally limit executive overreach have been bypassed or eroded. The use of executive orders and national security justifications has allowed trade policy to be weaponized in ways that undermine rules-based systems.

### **National security provisions are being applied indiscriminately**

Section 232 of the U.S. Trade Expansion Act, intended for genuine national security concerns, has been applied to justify tariffs on everything from steel to automotive parts. The panel warned that this blurs the line between legitimate defence strategy and economic coercion.

### **Canadian supply chains are already under strain**

Delays in production, workforce interruptions and growing uncertainty have begun affecting manufacturers and suppliers, particularly in Ontario. The highly integrated nature of North American industry means even temporary disruptions can have lasting consequences.

### **Strategic retaliation is divisive, but increasingly seen as necessary**

Some panelists advocated for the use of targeted countermeasures, including tariffs on sectors that would cause disproportionate disruption to the U.S. economy. Others argued that retaliation risks escalation and could harm Canadian credibility. There was no consensus, but the tone of the conversation indicated that inaction is not considered sustainable.

### **Tariffs are contributing to U.S. inflation and consumer cost pressures**

Rising prices on goods affected by tariffs are placing pressure on U.S. households and fueling political risks for the administration. The misalignment between trade goals and economic outcomes was noted as a potential weakness in the Trump strategy.

#### **Manulife Wealth Inc.**

2848 Bloor Street West, Toronto, Ontario M8X 1A9

T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878

Visit our website: [UpperCanadaCapital.com](https://UpperCanadaCapital.com)





### **U.S. debt is no longer viewed as fully secure**

Investor confidence in U.S. Treasuries has softened. Instead of the typical flight to safety, bond yields have risen, suggesting concerns about long-term fiscal stability in the face of aggressive policy shifts.

### **Internal U.S. contradictions could limit escalation, but not fast enough**

Although the Trump administration may face resistance from markets, voters and institutions, these counterforces will take time to materialize. Canadian industries could see substantial disruption in the interim.

### **Canada remains deeply economically tied to the U.S.**

The majority of Canadian exports still flow to the U.S., and efforts to diversify have yielded only incremental change. Geographic, structural and market-access realities continue to bind Canada's economic future to U.S. policy.

### **Trade diversification is slow and limited in near-term utility**

While diversification is necessary for long-term risk reduction, it cannot offset the short-term impacts of trade friction with the U.S. Infrastructure gaps and the dominance of U.S. transport corridors further limit Canada's options.

### **Critical minerals are a major opportunity for Canada**

Canada holds some of the world's most valuable critical mineral deposits, essential for clean energy and defence manufacturing. Building processing capacity, securing timelines and anchoring downstream industry in Canada are seen as ways to both support national resilience and increase bargaining power with allies.

### **The U.S. political climate is undermining investor confidence**

Visible instability in U.S. governance—including politicized enforcement and judicial actions—may cause global investors to look elsewhere. Canada could be an attractive alternative, but only if it delivers on regulatory certainty and long-term planning.

### **Canada is underperforming on business investment and productivity**

Key economic indicators show that Canada is lagging in capital investment, especially in machinery, equipment and intellectual property. Structural reforms are needed to unlock productivity gains and prepare the economy for future shocks.

#### **Manulife Wealth Inc.**

2848 Bloor Street West, Toronto, Ontario M8X 1A9

T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878

Visit our website: [UpperCanadaCapital.com](http://UpperCanadaCapital.com)



**Manulife** Wealth



### **Interprovincial trade barriers continue to hinder competitiveness**

Despite national-level efforts, barriers to internal trade persist. While GDP gains from their removal may be modest in isolation, the broader effects on efficiency, cost reduction and supply chain coordination are significant.

### **Global defence spending is rising, and Canada must adapt**

Spending commitments from U.S. allies and the growing focus on security, aerospace and cyberdefence are expected to generate sustained investment. Canada must define its role in this new landscape, including through procurement and industrial participation.

### **Business and labour are aligned in facing a shared crisis**

Despite historical divisions, both sectors face the same existential risks from U.S. trade volatility. Labour and industry leaders stressed the need for joint planning, coordinated advocacy, and domestic policies that protect workers and employers alike.

### **Governments must de-risk investment in key Canadian sectors**

Public support—in the form of guarantees, subsidies, expedited permitting and infrastructure investment—is essential to anchor capital in Canada. Without this, investment may move to jurisdictions perceived as more stable or strategically aligned.

### **A whole-of-Canada strategy is urgently needed**

Panelists repeatedly called for a unified federal–provincial–private sector approach to U.S. trade. A coordinated Team Canada effort will be necessary to protect Canadian interests in any future negotiation or escalation.

### **Canada must act with confidence, clarity and long-term intent**

The session concluded with a call for Canada to stop reacting passively and begin shaping its own economic destiny. The need for predictability, strength, and strategic planning was emphasized as the foundation for national resilience in a turbulent global landscape.”

*\*Source: Economic Club of Canada.*

**Manulife Wealth Inc.**

**2848 Bloor Street West, Toronto, Ontario M8X 1A9**

**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**

**Visit our website: [UpperCanadaCapital.com](https://UpperCanadaCapital.com)**





## ***Global Trade War***

**Ryan Chan, CFP**

**Financial Advisor Associate, Manulife Wealth Inc.**

2025 has been a volatile year for stock markets due to the global trade war that has been started with the new Trump administration. In February, President Trump began executive orders to impose tariffs on Mexico, Canada, and China who retaliated in kind. In April, President Trump announced worldwide 10% baseline tariffs along with reciprocal tariffs on almost all countries around the world. Global markets responded negatively to the news and stocks plummeted with the S&P 500 dropping almost 20% at its lowest point. President Trump and the United States (US) have since backed off on many of his tariffs and has come to the trade table with many big countries with several breakthroughs on trade deals or delays in tariffs with their largest trading partners in China, the United Kingdom (UK) and the European Union (EU). Markets have responded positively to the trade negotiation news coming well off its lows for the year as investors continue to constantly monitor developments amidst the ongoing market volatility.

### **United States and United Kingdom Trade Agreement**

On May 8th, 2025, the United Kingdom and the United States announced a limited trade agreement called the *Economic Prosperity Deal*, which rolls back some tariffs imposed earlier this year by the United States under President Trump. Key points include in this deal included reduced tariffs on both sides on steel, aluminum, and cars. The deal also includes trade agreements on both beef and ethanol products shipped between the two countries. The trade deal remains to be finalized, however both sides have expressed optimism on reaching a final agreement.

### **United States and China Trade Agreement**

On May 12th, 2025, the United States and China have agreed to temporarily suspend most tariffs, signaling a significant easing of trade tensions between the two countries. The United States agreed to dropping the extra tariffs it imposed on China this year to 30% from 145%, while China is cutting them to 10% from 125%. The deal includes a major reduction in reciprocal tariffs, though U.S. duties on certain Chinese imports related to fentanyl will remain. A 90-day pause to the trade tariffs was agreed upon after a productive meeting by top officials from both countries in Switzerland to allow for additional time for continued negotiations. The world's two largest economies have committed to ongoing discussions aimed at building a more stable economic relationship.

**Manulife Wealth Inc.**

**2848 Bloor Street West, Toronto, Ontario M8X 1A9**

**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**

**Visit our website: [UpperCanadaCapital.com](http://UpperCanadaCapital.com)**





## **United States and European Union Ongoing Discussions**

On May 26<sup>th</sup>, 2025, the United States has agreed to delay rolling out 50% tariffs on the European Union to a new date of July 9<sup>th</sup> as they work together to reach a trade agreement. Top trade officials continue to meet through ongoing talks as they attempt to reach a trade agreement between two of the world's largest trading partners. The U.S. wants to reduce its trade deficit, gain reciprocity in industrial policy, and increase EU purchases of American energy and defense goods, while also challenging EU digital regulations. The EU, in turn, seeks tariff elimination on industrial goods, protection of its digital sovereignty, and transparency on U.S.-bound investments, while preparing countermeasures if talks fail.

## **Markets and Latest Developments**

Stock markets have responded positively to the trade agreements reached between the United States and its top trading partners as the S&P 500 has returned to a positive return for the year of 2025. President Trump continues to maintain a strong nationalist "America First" stance and we expect that the rest of 2025 will continue to be volatile as trade deals are negotiated.

## ***How to change your tax return after you filed it***

**Monika Kucinskaite, M.Com**  
**Financial Advisor Associate, Manulife Wealth Inc.**

In January 2025, the Canada Revenue Agency (CRA) introduced a new system to better check the accuracy of tax slips filed by employers and financial institutions. While the goal was to improve data quality, this change caused unexpected delays and issues. Many tax slips didn't show up on time in CRA's online portal, which made it harder to file complete and accurate returns.

Because of this, there is a chance you may have filed your return without all the necessary documents—like forgetting to include a tax slip, missing out on claiming advisory fees, or entering the wrong credit. If that is the case, you can still fix it. After receiving your Notice of Assessment from the CRA, you can go back and make changes, whether you filed the return yourself or used an accountant.

The fastest and most convenient way to correct a tax return is through the CRA's "Change my return" service, available in your MyCRA portal. This tool walks you through steps, such as adding missing tax slips or claiming overlooked credits. Alternatively, if you filed your return using certified NETFILE software, you can utilize the ReFILE service to make corrections.

**Manulife Wealth Inc.**  
**2848 Bloor Street West, Toronto, Ontario M8X 1A9**  
**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**  
**Visit our website: [UpperCanadaCapital.com](https://UpperCanadaCapital.com)**





For those who prefer or need to submit changes by mail, the CRA provides [Form T1-ADJ, T1 Adjustment Request](#). This form requires details of the changes you are requesting, along with your personal information. Be sure to include all relevant supporting documents. After reviewing your request, the CRA will issue a Notice of Reassessment if the changes are accepted, or a letter explaining any decisions if not.

Source: [https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/change-your-return.html?utm\\_campaign=not-applicable&utm\\_medium=vanity-url&utm\\_source=canada-ca\\_change-your-tax-return](https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/change-your-return.html?utm_campaign=not-applicable&utm_medium=vanity-url&utm_source=canada-ca_change-your-tax-return)

### ***Increase in Financial Scams and Fraud***

**Evan Campbell, BAS (Hons)**  
**Financial Advisor Associate, Manulife Wealth Inc.**

Technology is advancing at a rapid pace, with new threats emerging with respect to financial scams and fraud. Scammers are now leveraging Artificial Intelligence (AI) to generate sophisticated scams which are becoming increasingly harder to detect.

We've all been accustomed to poorly worded phishing emails from suspicious email addresses, or links to websites which are obviously fake. However, AI tools have enabled scammers to create realistic fake images, videos and voice clones of individuals.

The increasing sophistication of these scams means we all need to be more vigilant. When requesting withdrawals, our team will take extra steps to verify the request. This is not to create an inconvenience, but to add a layer of protection. We ask for a verbal confirmation of the withdrawal and request more details on the purpose for withdrawing funds.

We would ask that you provide any information upfront to us when requesting a withdrawal. This is to get a better sense of your cash flow needs as your financial advisors, but also to ensure that there is a smooth process for withdrawing funds without falling victim to fraud.

**Manulife Wealth Inc.**  
**2848 Bloor Street West, Toronto, Ontario M8X 1A9**  
**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**  
**Visit our website: [UpperCanadaCapital.com](http://UpperCanadaCapital.com)**





In general, we suggest a few different ways to protect yourself from phishing scams or fraud:

1. Verify the source independently: if you receive a suspicious call, email, or link, do not use the contact information provided. Instead, contact the individual or institution directly through a known and trusted source.
2. Be skeptical of an urgent request: scammers will often try to rush their victims into acting without thinking. Don't be afraid to slow down and verify the source and request to ensure you are not involved in a scam.
3. Secure your accounts: use unique passwords for all your online accounts and enable multi-factor authentication whenever possible. When on the phone, any request to verify a multi-factor authentication code sent to you should immediately be suspicious.
4. Trust your instincts: if something feels wrong, it probably is. You may get a feeling that something is too good to be true or feel in a high-pressure scenario in which you need to act now. Try to stay informed about common scams and how to spot them.

Our office is always here to help navigate any questions you may have.

Please feel welcome to contact us.

## Disclosures

*Investing involves risks, including the potential loss of principal. Financial markets are volatile and can fluctuate significantly in response to company, industry, political, regulatory, market, or economic developments. This material was prepared solely for informational purposes and does not take into account the suitability, investment objectives, financial situation, or particular needs of any specific person.*

*All overviews and commentary are intended to be general in nature and for current interest. While helpful, these overviews are no substitute for professional tax, investment or legal advice. Manulife Wealth Inc. and/or Manulife Wealth Insurance Services Inc. ("Manulife Wealth") makes no representation or warranty, express or implied, as to the accuracy, completeness or correctness of the information contained in this publication.*

*This publication does not constitute a recommendation, professional advice, an offer or an invitation by or on behalf of Manulife Wealth to any person to buy or sell any security or adopt any investment approach. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Diversification or asset allocation doesn't guarantee a profit or protect against the risk of loss in any market. Past performance does not guarantee future results.*

### **Manulife Wealth Inc.**

**2848 Bloor Street West, Toronto, Ontario M8X 1A9**

**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**

**Visit our website: [UpperCanadaCapital.com](http://UpperCanadaCapital.com)**





**UPPER CANADA CAPITAL**  
PRIVATE WEALTH MANAGEMENT

*This material is intended for the exclusive use of recipients in jurisdictions who are allowed to receive the material under their applicable law. The opinions expressed are those of the author(s) and are subject to change without notice. Our investment teams may hold different views and make different investment decisions. These opinions may not necessarily reflect the views of Manulife Wealth. The information and/or analysis contained in this material has been compiled or arrived at from sources believed to be reliable, but Manulife Wealth does not make any representation as to their accuracy, correctness, usefulness, or completeness and does not accept liability for any loss arising from the use of the information and/or analysis contained.*

*The information in this material may contain projections or other forward-looking statements regarding future events, targets, management discipline, or other expectations, and is only current as of the date indicated. The information in this document, including statements concerning financial market trends, are based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Manulife Wealth disclaims any responsibility to update such information.*

*Manulife Wealth shall not assume any liability or responsibility for any direct or indirect loss or damage or any other consequence of any person acting or not acting in reliance on the information contained here. As each situation is different, you should seek advice based on your specific circumstances. Please call to arrange for an appointment.*

*This is not an official publication of Manulife Wealth Inc.*

*Manulife Wealth Inc. ("Manulife Wealth") does not make any representation that the information provided in the 3rd Party articles is accurate and will not accept any responsibility or liability for any inaccuracies in the information or content of any 3rd party articles. Any opinion or advice expressed in the 3rd party article, including the opinion of a Manulife Wealth Advisor, should not be construed as, and may not reflect, the opinion or advice of Manulife Wealth. The 3rd party articles are provided for information purposes only and are not meant to provide legal accounting or account advice.*

*Copyright 2025 by Upper Canada Capital Inc.*

*Manulife, Manulife & Stylized M Design, Stylized M Design and Manulife Wealth are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates, under license.*

**Manulife Wealth Inc.**

**2848 Bloor Street West, Toronto, Ontario M8X 1A9**

**T: 416-628-5761 • F: 416-225-8650 • TF: 1-866-275-5878**

**Visit our website: [UpperCanadaCapital.com](http://UpperCanadaCapital.com)**



**Manulife** Wealth