# WP WEALTH PROFESSIONAL CANADA

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ISSUE 9.04

**CAPITALIZING ON CRYPTOCURRENCY**
The lowdown on the investment product of the moment: Bitcoin ETFs

**5-STAR ADVISORS AND TOP TEAMS**
*WP* checked in with investors to find out which advisors and teams provide the best service

**SUSTAINABLE INVESTMENTS**
New funds that offer exposure to green bonds and clean energy

5-Star AWARDS 2021

WEALTH PROFESSIONAL CANADA MAGAZINE 2021 5-STAR ADVISORS

# WESTERN CANADA'S BEST ADVISORS

**Maili Wong leads the financial industry with competence and care as a top-ranked advisor**



ISSUE 9.04

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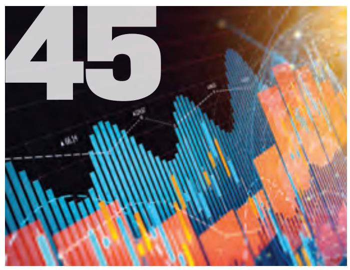
**WEALTH PROFESSIONAL AWARD FINALISTS, P58**









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CHECK IT OUT ONLINE

EDITORIAL

# The danger of DIY platforms

A recent study by the UK's Financial Conduct Authority revealed that younger investors are potentially being prompted to make higher-risk investments due to the availability of new investment apps. While this study pertains to investors in the UK, it's easy to draw parallels to North America.

In March, Canada saw three fund providers race to market with Bitcoin ETFs. While these companies should be applauded for their innovation and the accessibility they've created, the fact remains that many young investors have jumped at the opportunity to invest in Bitcoin – perhaps without truly understanding what they're investing in.

Recently, Wealthsimple Trade sent out an email to investors, announcing at least one of the ETFs and the ability to trade Bitcoin itself – demonstrating just how easy it can be for investors, sophisticated or not, to begin trading cryptocurrency. What sometimes gets lost in this newfound ease, especially in the case of cryptocurrencies, is their inherent risk. It's easy to jump on the Bitcoin bull run, but how many of these new investors remember that in December 2017, Bitcoin was at a high of US$20,020 and then fell to US$4,515 by December 2018?

> Access is a good thing, but so is an understanding of what you're investing in – and many young investors don't have that

Access is a good thing, but so is an understanding of what you're investing in – and many young investors don't have that. What compounds the problem is that many are getting advice from social media. That's a scary notion because while there are many advisors who do have a good social media presence, there are also many unqualified individuals that young investors are getting advice from.

While good information is out there, there's no guarantee that it will find the people who need it. That's why it's important for advisors to not only educate their clients, but also be there for those investors who need advice the most. It's imperative that the financial industry continue to promote financial literacy initiatives – because risky assets and do-it-yourself investment platforms aren't going away.

***The team at Wealth Professional***


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ISSUE 9.04

EDITORIAL

**Editor**
Darren Matte

**Writers**
Leo Almazora
James Burton
Chris Jones
Jonathan Russell

**Executive Editor**
Ryan Smith

**Copy Editor**
Clare Alexander

CONTRIBUTORS

JT Dhoot
Richard Maloney

ART & PRODUCTION

**Designer**
Marla Morelos

**Production Coordinators**
Loiza Razon
Kat Guzman

**Client Success Coordinator**
Kshipra Dhindaw

SALES & MARKETING

**Vice President, Media and Client Strategy**
Dane Taylor

**National Account Managers**
Alan Stewart
Catherine Reale

**Vice President, Sales**
John Mackenzie

**Project Coordinator**
Jessica Duce

CORPORATE

**President & CEO**
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Chris Davis

**Chief Information Officer**
Colin Chan

**Human Resources Manager**
Julia Bookallil

**Global COO**
George Walmsley

**Global CEO**
Mike Shipley

EDITORIAL INQUIRIES
darren.matte@keymedia.com

SUBSCRIPTION INQUIRIES
tel: 416 644 8740 • fax: 416 203 8940
subscriptions@kmimedia.ca

ADVERTISING INQUIRIES
dane.taylor@keymedia.com

KEY MEDIA

Key Media Canada (Wealth) Ltd.

tel: +1 416 644 8740
www.keymedia.com

Offices in Toronto, London, Sydney, Denver, Auckland, Manila

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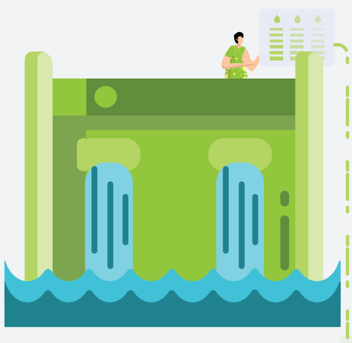
LIFE HEALTH PROFESSIONAL
darren.matte@keymedia.com
T +1 416 644 8740

INSURANCE BUSINESS CANADA
john.mackenzie@keymedia.com
T +1 416 644 8740

INSURANCE BUSINESS AMERICA
cathy.masek@keymedia.com
T +1 720 316 0154


## WATER



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# STATISTICS

## INVESTORS' BEHAVIOUR DURING THE PANDEMIC

**48%**
of Canadian investors bought or sold investments during the pandemic

**12%**
of investors either sold some investments to cover their monthly expenses or were considering doing so

**45%**
of investors who were putting money toward a financial goal, such as travel or retirement, stopped contributing during COVID-19

**30%**
of investors say they have become more stressed about their investments during the pandemic

*Source: Investing and the COVID-19 Pandemic, OSC*

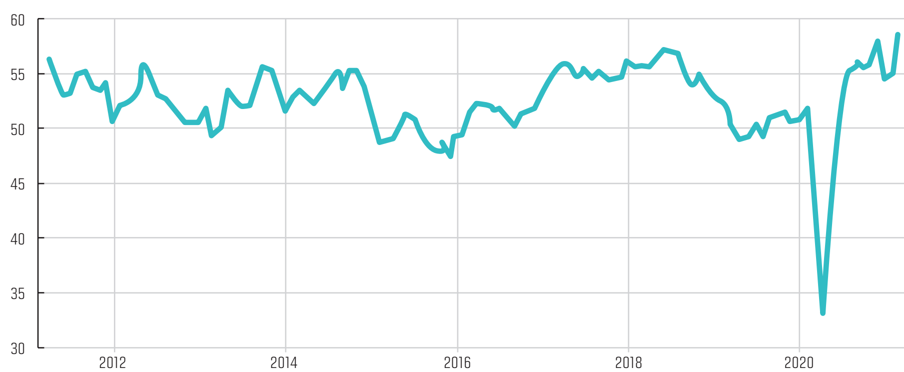
## BITCOIN AND GOLD DIVERGE

For a while, it appeared the prices of Bitcoin and gold might move in similar patterns, but that changed in the first few months of 2021 as gold took a dip while Bitcoin continued to rise. The decline in gold has come as equity markets are rising, which isn't surprising, but the fact that Bitcoin didn't also fall could signify that it's not playing a similar role in portfolios.

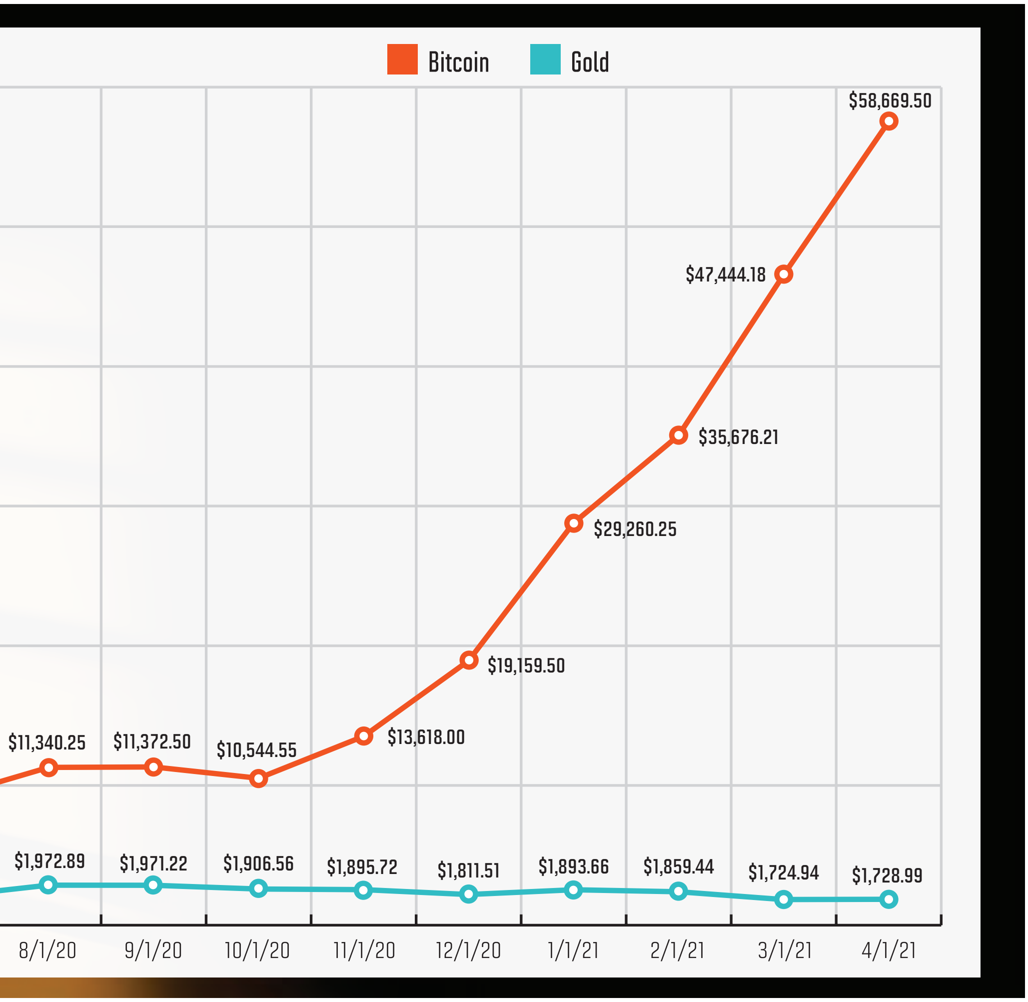

## CANADIAN MANUFACTURING REACHES 10-YEAR HIGH

The manufacturing industry is booming in both Canada and the US, according to the latest report by Scotiabank Economics, which noted that areas of manufacturing hit hard by the pandemic continue to be offset by other areas of strength.

CANADIAN PURCHASING MANAGERS' INDEX



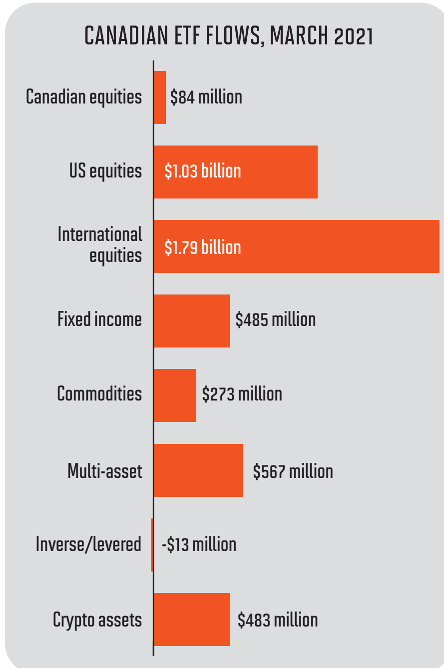

*Source: IHS Markit Canada Manufacturing PMI, Trading Economics*




*Source: Refinitiv; Goldprice.org; all figures in USD*

## EQUITIES AND CRYPTO ASSETS BOOST ETF FLOWS

Thanks to a strong showing from new Bitcoin ETFs and international equity funds, the Canadian ETF industry was able to bring in close to $4.7 billion during the month of March, putting the quarterly total for ETF flows at $13.4 billion.

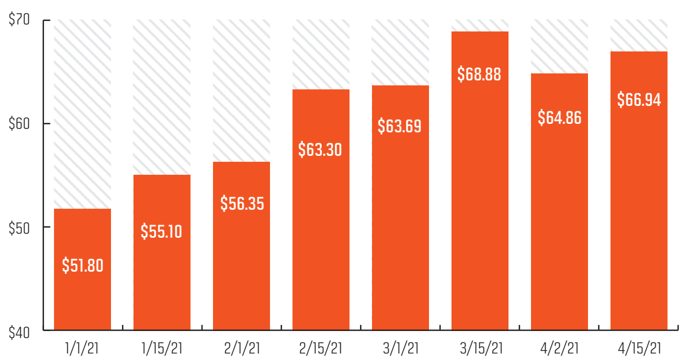



*Source: Canadian ETF Flows, National Bank of Canada Financial Markets, March 2021*

## OIL PRICES RISE WITH VACCINATION RATES

As COVID-19 vaccines begin to bring day-to-day life back to normal, pockets of higher oil consumption are emerging worldwide, helping to boost prices. However, COVID-19 flare-ups have also led to restrictions in certain parts of the globe, which could once again curb demand.

BRENT CRUDE PRICE PER BARREL (USD)

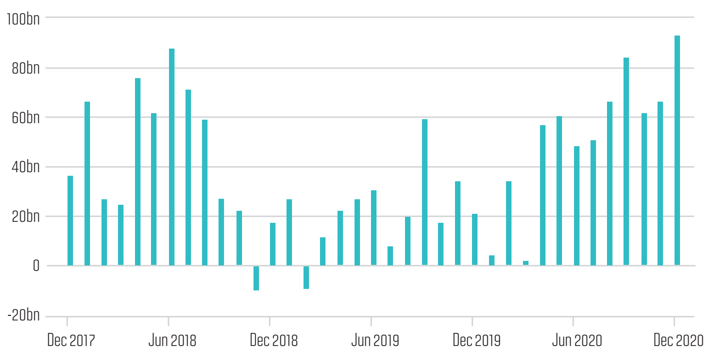



*Source: Oilprice.com*

## CHINESE BONDS SURGE IN POPULARITY

In 2020, Chinese sovereign debt received a historically high level of interest from investors. However, that interest could soon taper off, as FTSE Russell revealed that inclusion of the nation's debt into a global index will take three years instead of the 12 months initially envisioned.

MONTHLY FOREIGN INFLOWS IN CHINESE GOVERNMENT BONDS (CNY)




*Source: China Bond Research Report, FTSE Russell*

## NEWS ANALYSIS

# Bitcoin ETFs flood the market

After Purpose Investments became the first asset manager to launch a Bitcoin ETF in February, more players have come to market, ushering in a new level of access to the cryptocurrency

**THE CANADIAN** ETF industry came into 2021 with tremendous momentum from 2020. Inflows reached $40 billion for the first time, and ETFs outsold mutual funds for the third consecutive year. Yet despite the achievements, many wondered what the next wave of innovation would be. That question was soon answered when Bitcoin ETFs became the talk of the industry.

Purpose Investments kicked things off by launching the world's first Bitcoin ETF (BTCC) on February 18. Purpose's launch was followed a day later by Evolve's EBIT and then in March by CI Global Asset Management's BTCX.

"We think what is happening in blockchain, crypto and digital assets is fascinating from both an investor and innovation mindset," says Purpose founder and CEO Som Seif. "It was important we had a strong position in this. We have said for a long time, if we want Bitcoin or any digital asset to become ubiquitous and core as an asset, it needed to come in an ETF form. So getting there was important – we worked hard to build it."

A lot went into the launching the ETF, Seif adds, from addressing the challenges around custody to execution and liquidity. The process involved many conversations with regulators to prove that Bitcoin was an asset investors should have access to; he says Purpose's track record helped in that. Once the infrastructure was there to offer Bitcoin in an ETF, the innovation has led to more opportunities in the space.

"A lot of players will trailblaze behind us," Seif says. "We built the path, but other players will learn from the process – that is the way you innovate. The way to win is not winning at all; you win by innovating on behalf of your peers, help them be better, and then the customer reaps the benefits."

> "We built the path, but other players will learn from the process – that is the way you innovate"
>
> Som Seif, Purpose Investments

Regulation is a key subject when it comes to cryptocurrency, as the CSA has looked to implement measures around these types of funds. In early March, the CSA released online disclosure expectations for reporting issuers dealing in crypto assets, addressing key areas such as safeguarding crypto assets, the use of trading platforms, risk factors, material changes and promotional activities.

"The crypto asset industry is relatively nascent and notably presents unique accounting issues and auditing challenges," CSA chair and president Louis Morisset said at the time. "This guidance is meant to support crypto asset reporting issuers in providing the information necessary for investors to make informed investment decisions."

The CSA followed that up with a compliance framework for crypto asset trading platforms. Morisset noted that "the guidance in our notice details steps platform operators need to take to comply with securities legislation as they prepare to fully integrate into

the Canadian regulatory structure."

Meanwhile, Purpose has already found success with its Bitcoin ETF, amassing more than $1.2 billion in assets in just under two months. While Seif says he's excited to reach that milestone, he's especially proud of the work his team has done to bring access to Bitcoin to the forefront by working with regulators.

"We had good working dialogue with the OSC," he says. "We have been involved with them going back seven or eight months and did it in an important way, which gave them the time to be thoughtful. Now look at what's happening. The closed-end funds are converting to ETFs; they are lowering their management fees – that is an important outcome. I think the regulators saw that they allowed the closed-end funds to come to market, and they weren't the most efficient. Now look at the outcome – even in the US, we are putting pressure on the SEC to launch an ETF, which will happen later this year."

And there are more cryptocurrency funds planned for release in Canada. In early April, 3iQ, the asset manager that launched the world's first Bitcoin fund last year, announced a partnership with CoinShares, Europe's largest digital investment firm, to create the 3iQ CoinShares Bitcoin ETF. In the US, Grayscale Bitcoin Trust, the world's largest crypto trust with $39 billion in assets, also announced it plans to convert to an ETF. The moves signal even more options and greater access to cryptocurrency for investors in the near future. WP

> "The crypto asset industry is relatively nascent and notably presents unique accounting issues and auditing challenges"
>
> **Louis Morisset, CSA**

## BITCOIN FUND LAUNCHES IN CANADA

**April 9, 2020**
3iQ launches The Bitcoin Fund (QBTC/QBTC.U), the world's first publicly traded Bitcoin fund

**December 15, 2020**
CI GAM launches the Galaxy Bitcoin Fund (BTCG.U/BTCG.UN)

**January 27, 2021**
Ninepoint Partners rolls out the Bitcoin Trust (BITC.U)

**February 18, 2021**
Purpose Investments launches the world's first Bitcoin ETF (BTCC)

**February 19, 2021**
Evolve ETFs debuts its own Bitcoin ETF (EBIT)

**March 9, 2021**
CI GAM launches an ETF version of its Galaxy Bitcoin Fund (BCTX)

**April 1, 2021**
3iQ announces a partnership with CoinShares to create a Bitcoin ETF

# INTELLIGENCE

## CORPORATE

| ACQUIRER | TARGET | COMMENTS |
|---|---|---|
| Avison Young | Devencore | Avison Young's purchase of Montreal-based Devencore will create one of the region's largest commercial real estate firms |
| Deloitte Canada | Groundswell Group | The acquisition will enhance Deloitte's AI and cloud transformation capabilities in Western Canada and nationally |
| Fiera Capital | AMP Capital | Fiera Capital's purchase of AMP's Global Companies capability will help bolster Fiera's footprint outside North America |
| TD Bank Group | Headlands Tech Holdings | The acquisition of the electronic fixed income trading platform expands TD Securities' automated trading infrastructure and capabilities |
| Windsor Private Capital | Trez Capital Senior Mortgage Investment Corporation | Windsor has acquired a 10% stake in Trez Capital Senior Mortgage Investment Corporation via the purchase of 10,000 Class A shares |

| PARTNER ONE | PARTNER TWO | COMMENTS |
|---|---|---|
| CDPQ | Energize Ventures | CDPQ will co-invest up to $125 million in sustainable solutions alongside the global alternative investment manager |
| KPMG | Oracle | KPMG in Canada has expanded its relationship with Oracle to give clients access to the company's next-generation cloud infrastructure |


### TD Bank Group enhances automated trading

TD Bank Group has forged a deal to acquire Headlands Tech Global Markets, a Chicago-based quantitative fixed income trading company. Founded in 2013, with offices in Chicago and San Francisco, Headlands Tech Global Markets has developed proprietary software that delivers fully automated electronic market-making in municipal and investment-grade corporate bonds. The firm's 15 employees, including co-CEOs Martin Mannion and Matthew Schrager, will join TD Securities after the deal has been finalized.

"This acquisition further strengthens our electronic bond trading infrastructure and underscores our commitment to delivering data-driven innovation and growing our global platform," said Bob Dorrance, chairman, president and CEO of TD Securities. "Headlands Tech Global Markets' platform and people will expand our US capabilities in the municipal and corporate bond markets. We look forward to welcoming the team and working together to deliver an enhanced trading experience for our clients."

## PRODUCTS

### Stone Asset Management adds platform-traded funds

Stone Asset Management has launched two new platform-traded funds on the NEO Exchange. The Stone Growth Fund (SMGF) invests in North American companies; roughly half of its portfolio will be invested in Canadian securities, with the other half in US securities. Depending on market conditions, SMGF can raise or reduce geographic exposures on occasion. The second PTF, the Stone Covered Call Canadian Banks Plus Fund (SAMCC), invests in dividend-paying securities in the Canadian financial sector, applying a covered call option-writing strategy to certain securities holdings.

### Desjardins Investments updates mutual fund shelf

Desjardins Investments has made several changes to its mutual fund lineup. Effective April 1, all F-Class units and most C-Class units of the Desjardins Wise ETF Portfolios have received a management fee reduction of 5 basis points. In addition, in response to regulatory changes from the CSA that forbid payment of trailing commissions to executing brokers, Desjardins has abolished trailer fees for D-Class units of the Desjardins Funds and will reduce management fees by up to 25 basis points on all D-Class units of 61 Desjardins Funds.

## Alberta, Saskatchewan regulators grant investors more access

The Alberta Securities Commission (ASC) and the Financial and Consumer Affairs Authority of Saskatchewan (FCAA) have adopted a new prospectus exemption to allow investors with financial and investment knowledge, who acknowledge that they understand certain risks, to invest alongside accredited investors. Self-certified investors are limited to annual investments of $10,000 in any one issuer and $30,000 across multiple businesses. "This new exemption should expand the pool of potential investors in early-stage businesses, but with conditions designed to mitigate the risk," said FCAA chair and CEO Roger Sobotkiewicz.

## Ninepoint Partners slashes fees, terminates fund options

Ninepoint Partners has announced a slew of fee reductions and other changes to funds it manages. Effective April 30, the firm will reduce management fees by 12 to 50 basis points on Series D units of 17 of its funds. On the same date, Ninepoint will terminate the low-load sales option for new purchases of nine of its funds. Finally, the firm plans to terminate the US dollar purchase option for the ETF series of the Ninepoint Gold and Precious Minerals Fund (GLDE.U) and Ninepoint Silver Equities Class (SLVE.U), both of which are listed on the NEO Exchange.

## Fiera sells management rights to EM fund

As part of its strategic review of its US operations, Fiera Capital has agreed to sell the management rights to its Fiera Capital Emerging Markets Fund to Miami-based Sunbridge Capital Partners, which is controlled by the fund's current portfolio manager. The sale contemplates a pre-closing reorganization of the fund, subject to approval by the fund's board and shareholders. Fiera Capital originally acquired the rights to manage the emerging markets fund, which currently has around US$1.9 billion in assets under management, from City National Rochdale in 2017.

# PEOPLE

| NAME | LEAVING | JOINING | NEW POSITION |
|---|---|---|---|
| Chris Albinson | N/A | Communitech | CEO |
| Stéphan Bourbonnais | TD Private Wealth Management | iA Private Wealth | President |
| Pat Chiefalo | BlackRock Canada | Invesco | Head of ETFs and indexed strategies, Canada |
| David Feather | Russell Investments | Wellington-Altus Private Wealth | Director |
| John Graham | N/A | Canada Pension Plan Investment Board | CEO |
| Nadeem Kassam | RBC Capital Markets | Raymond James | Head of investment strategy, private client group |
| Oricia Smith | N/A | SLGI Asset Management | President |

## Invesco appoints new head of ETFs

Invesco has tapped former BlackRock executive Pat Chiefalo as its new head of ETFs and indexed strategies in Canada. Over the past 11 years, Chiefalo has held prominent roles that have helped shape Canada's ETF industry. Most recently, he was managing director and head of iShares Canada at BlackRock and a member of the boards of the Canadian ETF Association and the Investment Funds Institute of Canada. Prior to that, he created and led the ETF research efforts at National Bank Financial.

"We could not be more thrilled to have Pat join our ETF business; his expertise and tenure in the industry will be an asset to our continued growth in Canada," said Anna Paglia, Invesco's global head of ETFs and indexed strategies. "I am sure that he will bring the innovative, client-centric spirit that drives our global ETF businesses to our Canadian lineup."

## SLGI Asset Management names first female president

Sun Life Global Investments has appointed Oricia Smith as president of SLGI Asset Management and senior vice-president of investment solutions for Sun Life Canada. Smith originally joined Sun Life in 2016 as vice-president of the International Investment Centre. She has held a variety of leadership roles at the company, most recently serving as interim president of SLGI Asset Management. Prior to joining Sun Life, she spent more than 17 years at Invesco.

"As the first female president of SLGI Asset Management, I am proud to be leading a business that has the power to affect society by helping people save for their retirement and achieve lifetime financial security," Smith said.

# ETF UPDATE

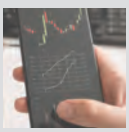
## NEWS BRIEFS

### Emerge Canada debuts space exploration ETF on NEO Exchange

In late March, Emerge Canada launched Canada's first ETF focused on space exploration: the Emerge ARK Space Exploration ETF (EAXP). Available in both Canadian dollar- and US dollar-denominated units, EAXP invests primarily in global equity securities of companies that are leading, enabling or benefiting from technologically enabled products and/or services that occur beyond the surface of the Earth. The fund focuses on four overarching categories: orbital aerospace, suborbital aerospace, enabling technologies and aerospace beneficiary companies.

### Harvest Portfolios launches ETF focused on space innovation

Two days after Emerge Canada's space exploration ETF launch, Harvest Portfolios rolled out the Harvest Space Innovation Index ETF (ORBT/ORBT.U) on the TSX. Designed to provide access to the growing space industry, ORBT seeks to replicate the performance of the Solactive Space Innovation Index. It primarily invests in large-cap issuers that develop products and services related to satellites, space probes, space launches, space flight and tourism, and space stations and habitats, along with other space exploration-related issuers listed on stock exchanges in North America and other developed markets.



### CIBC Asset Management adds four index-tracking ETFs

CIBC Asset Management has expanded its ETF lineup in partnership with Morningstar. Its four new index-tracking ETFs – the CIBC Canadian Bond Index ETF (CCBI), CIBC Canadian Equity Index ETF (CCEI), CIBC US Equity Index ETF (CUEI) and CIBC International Equity Index ETF (CIEI) – are based on Morningstar's broad market equity and fixed income indexes and are designed to satisfy core exposures in a typical asset allocation strategy. CIBC touted the new funds as some of the lowest-cost ETFs in the Canadian market.

### Desjardins launches low-carbon emerging markets ETF

Desjardins Global Asset Management has bolstered its lineup of responsible investment products with the Desjardins RI Emerging Markets – Low CO2 Index ETF (DRME). Designed to replicate the performance of the Scientific Beta Desjardins Emerging Markets RI Low Carbon Index, DRME primarily invests in large- and mid-cap companies from the Scientific Beta Emerging Markets Universe, while also seeking to deliver a significant reduction in the weighted average carbon intensity of the fund's portfolio and ensuring that all constituent issuers meet pre-determined ESG standards.

### First Trust unveils two new actively managed ETFs

First Trust Canada has launched two new actively managed ETFs on the NEO Exchange: the First Trust JFL Fixed Income Core Plus ETF (FJFB) and the First Trust JFL Global Equity ETF (FJFG), both of which are subadvised by Jarislowsky Fraser. The fixed income ETF, FJFB, seeks to provide income and preserve capital by investing in a diversified portfolio of investment-grade Canadian corporate, federal, provincial and municipal bonds. The global equity ETF, FJFG, aims to provide capital appreciation by investing primarily in equity securities of large multinational companies that have demonstrated global leadership in their respective industries.

# Investing in a more sustainable future

A new ETF from National Bank Investments puts a sustainable slant on fixed income

With its latest offering, National Bank Investments (NBI) is looking to address two areas that are currently under the investment microscope: sustainability and fixed income. NBI's Sustainable Canadian Corporate Bond ETF (NSCC), launched in February, aims to provide a sustained level of income and capital growth via bonds issued by Canadian companies that consider ESG issues, climate risks and contributions to the UN's Sustainable Development Goals.

To develop the ETF, which was created in response to clients' desire for a sustainable strategy that focused on credit, NBI teamed up with AlphaFixe Capital. Mari Brossard, director of strategic portfolio management at NBI, explains that NSCC builds on the suite of socially responsible ETFs NBI launched a year ago, expanding the concept into Canadian credit.

"NSCC is a product that aims to invest in green, social and sustainability bonds," says Simon Senecal, portfolio manager at AlphaFixe Capital. "These bonds are made to ring-fence some capital that needs to be invested in projects that are good for the environment or society in general."

Senecal adds that people should consider sustainability in "whatever we're doing, whatever we're thinking, not just in investments ... Sustainability has to be a part of our daily routine. We need to be thinking about sustainability on a daily basis because the environment and social causes have to be taken care of."

Senecal believes capital markets and fixed income are another lever that can help society reach its sustainability goals.

> "Sustainability has to be part of our daily routine. We need to be thinking about sustainability on a daily basis"

"We really need to use these tools that we have, or that we've created lately, or we will create tools moving forward to help the industry transition," he says, adding that green bonds are a good way for companies to find funding for environmental projects.

Ultimately, combining sustainability and fixed income made sense to NBI from an investment perspective, Brossard says, allowing the asset manager to create value for investors while also backing a product that can help to change the world.

"The idea behind this was listening to our clients' ideas, and there was some value in the idea of investing in line with these teachings," she says. "Not only are you investing in line with your personal values as an investor, but we are recognizing that our world is changing."

## Q&A

# A carbon-neutral alternative

**Raj Lala**
President and CEO
**EVOLVE ETFs**

**Years in the industry**
26

**Fast fact**
The Evolve S&P/TSX 60 CleanBeta Fund (SIXT) and the Evolve S&P 500 CleanBeta Fund (FIVE) will provide a 'clean beta' solution to investing in the S&P/TSX 60 and the S&P 500

**Tell us about Evolve's CleanBeta ETFs.**
While looking at the ESG world from an investment perspective, we know that there is an increased demand from investors to invest in companies that are reducing their carbon footprint – the biggest driver of greenhouse gases today. The challenge, as fund companies figure out ways to launch ESG-friendly products, is while we know ESG investing is important, it narrows the overall universe of investible companies. That also changes your overall return profile.

So we came up with this idea: What if we could take a carbon footprint calculation of some of these indices and then go and purchase carbon offset credits to offset the entire footprint and deliver to investors a carbon-neutral version of an index they already own? It is a pretty simple product – we are just delivering a carbon-neutral version of what investors are already buying.

**Does this mean you don't exclude any companies?**
That's right. We are not screening companies; we are giving the exact profile and return of the TSX 60 and S&P 500. To my knowledge, this is the first [fund] to do this in the world.

**Do you think ideas like these will push the ESG investment envelope and increase the speed in which investors move toward ESG-focused products?**
The world has about 43 billion tons of emissions per year. The world is getting concerned about our greenhouse gases; CO2 makes up over 80% of our greenhouse gases. You have countries making big plans on things like the Paris Agreement, and before that Kyoto, and you have companies making big efforts as well towards becoming more carbon neutral. This isn't something that will happen overnight; it will take some time. Some countries have made the declaration of 2030, others 2050, to be carbon neutral.

In a perfect world, our fund doesn't exist because all countries and companies are carbon neutral. We aren't there yet ... [but] as we move there and companies reduce their carbon footprint, what carbon credits do is help offset that footprint over the next 20 to 30 years before we get to a carbon-neutral environment. If the credits we buy can incentivize a landowner to plant trees instead of converting their land to a parking lot, then I think we have done something good. That's the strategy we are trying to bring to market.

**What types of investors do you think will be interested in a strategy like this?**
There is a lot of money – over $40 billion – in S&P 500 and TSX 60 ETFs, and aggregate, in Canada. About 15% of all ETF assets are in either a TSX 60-related index or S&P 500-related index. That's a great opportunity in itself, but I also think there are investors who haven't invested in those indices partly because of ESG mandates. In this case, it will satisfy their mandates and encourage more people to participate in those indices via our product. There could be strong institutional types, and I know there will be a strong retail appetite.

## ALTERNATIVE INVESTMENT UPDATE

# A different approach to private equity

A new fund aims to help retail investors access the benefits of private equity in a more traditional vehicle

Proponents of private equity have long touted its benefits in portfolios, but it's not always accessible to investors due to issues like high investment minimums and long lock-up periods. Mackenzie Investments' latest mutual fund offering aims to replicate the characteristics, volatility and profile of private equity for the retail space.

With the Mackenzie Private Equity Replication Fund, launched earlier this year, "we have created an 81-102 liquid alternative mutual fund which replicates the return and volatility profile in a daily liquid mutual fund," says Michael Schnitman, SVP and head of alternative investments at Mackenzie. "We have databases which enable us to understand which industries US buyout firms are amplifying and emphasizing so we can replicate the industry allocation that private equity firms are getting into."

He adds that Mackenzie can also replicate return characteristics, as well as manage volatility profiles with a tail-risk hedging strategy, which enables a smoother volatility profile. "We look at the Cambridge Associates Private Equity Benchmark, and we approximate over time the return and volatility profile of that benchmark," Schnitman says.

The fund was developed in partnership with Harvard Business School professor Randy Cohen, who has researched private equity replication for more than two decades. It's different from other private equity strategies, which involve investing in illiquid companies or buying equity in non-traded companies, holding it, making operational improvements and selling it later.

"We're not actually buying private companies," Schnitman says. "We are buying publicly traded companies that have similar characteristics to the private companies that private equity firms buy."

> "We are buying publicly traded companies that have similar characteristics to private companies"

He notes that private equity has historically seen less downside than traditional securities during times of market stress and has even outperformed the public markets during challenging economic conditions.

"To date, retail investors have had limited access to private equity risk/return opportunities," he says. "We believe that through dedicated research and quantitative expertise, public markets can be leveraged to achieve similar returns and volatility levels to that of US private equity in a format that offers investors daily liquidity, high transparency and low investment minimums."

## NEWS BRIEFS

### New VC fund aims to support next-gen technology

Boreal Ventures has launched as Quebec's first venture capital fund dedicated to 'deep tech' companies. Created in partnership with Montreal-based incubator Centech, the fund has initial investment capital of $26 million, which will be used to support the development of science and engineering companies in the pre-seed and seed stages. The startups targeted by Boreal Ventures operate in applied science sectors, including artificial intelligence, medical technologies, Industry 4.0 and connected objects.

### CI GAM joins Canada's Bitcoin ETF fray

Canada got its third Bitcoin ETF option in March as CI GAM launched the CI Galaxy Bitcoin ETF (BTCX) on the TSX, with units trading in both unhedged Canadian dollars (BTCX.B) and US dollars (BTCX.U). With a management fee of just 0.4%, CI GAM's offering undercut the sticker price for Evolve's EBIT, making it the new lowest-cost entry point for Bitcoin exposure via an ETF. BTCX's portfolio consists of direct investments in Bitcoin, and its holdings are priced using the Bloomberg Galaxy Bitcoin Index.

Jesse Gamble

Senior vice-president and portfolio manager

**DONVILLE KENT ASSET MANAGEMENT**

**Years in the industry**

10+

**Fast fact**

In contrast to a typical long/short fund, the Donville Kent fund is typically around 100% net long; the short book is used to manage volatility, not drive alpha

## Q&A

# Are hedge funds still a viable option?

**Hedge funds have been in the news a lot lately and under attack. Why is that?**

Hedge funds manage US$3.4 trillion worldwide, and a few bad apples are damaging the industry's reputation. It is important to recognize that hedge funds span a vast array of strategies, and each hedge fund will have its own risk profile. The hedge funds monopolizing the negative headlines are ones that did not effectively manage risk.

For example, Archegos Capital Management collapsed in spectacular fashion in March. Archegos employed exceptionally high leverage and a heavy usage of total return swaps, which the SEC does not currently require firms to disclose, [although] this regulation will change after a swaps disclosure requirement is enacted in the fall. Due to Archegos' structure as a family office, it was technically exempt from making certain routine financial disclosures, which experts say is highly unusual for a firm of this size. Otherwise, the warning signs of the trouble to come could have been identified.

**Do you feel hedge funds are still a good option for investors?**

Hedge funds can be an excellent option for investors, as they can provide above-market, risk-adjusted returns and/or access to a segment of the market that an investor wouldn't have access to otherwise.

Not all hedge funds are created equally, and performance varies dramatically. Articles proclaiming outperformance or underperformance by hedge funds rarely take the level of risk into consideration. Manager selection and ongoing review are paramount, and it is essential to conduct thorough due diligence under the hood to determine which funds provide the best risk-adjusted returns.

**What do hedge funds and managers need to do to improve public perception?**

Ultimately, the reckless hedge funds are eroding investors' trust broadly in the industry. Hedge fund managers should take an active role in retaining investors' trust by clarifying the narrative; fund marketing has never been more important. Managers must educate the investor community on a strategy and how it manages risk, especially in comparison to its peers within the same strategy. We believe that managers should strive to be generous with information, fostering a good two-way dialogue with investors.

**What's your outlook for hedge funds?**

As ETFs and commission-free trading become more popular, there will be greater pressure for hedge funds to outperform and justify their fee structure. Like any industry, a firm will continue to have a viable business model so long as it can consistently demonstrate value.

Despite the negative headlines, there are still many high-performing funds and funds that fill a specific niche. A recent study by AIMA noted that current investor appetite for hedge funds is among the strongest witnessed in years, and the expectation is that the industry will post net inflows through this year as investors of all types increase their investment.

### Canadian SPAC acquires tax and lending businesses

Toronto-based SPAC NextPoint Acquisition Corporation has announced plans to acquire Liberty Tax and LoanMe to further its ambition to provide a one-stop shop for financial services. The second largest institutional tax preparer in Canada, Liberty Tax files around 1.6 million returns annually and also provides tax-related financial products through around 2,700 franchised locations and online services. LoanMe is a tech-enabled consumer and small business lender that has originated more than US$2 billion worth of loans.

### Starlight US multi-family fund completes IPO

Starlight Investments' US Multi-Family (No. 2) Core Plus Fund has completed its initial public offering, raising approximately $107 million; Class A and Class U units are now trading on the TSX Venture exchange. Established in February 2021, the fund invests in income-producing multi-family properties in the Southern and Western US. Starlight focuses on increasing rents through high-return, light-value-add capital expenditures on properties in areas with compelling population and employment growth and lifestyle preferences.

### CI GAM launches unhedged series of gold bullion fund

CI GAM has launched a CAD-unhedged ETF series of its CI Gold Bullion Fund, trading on the TSX under the ticker symbol VALT.B. The CI Gold Bullion Fund seeks to buy and hold substantially all of its assets in gold bullion and to reflect the performance of the price of gold, as represented by the LBMA Gold PM Price. The new series joins the USD series and ETF CAD-hedged series of the CI Gold Bullion Fund, which currently trade under the ticker symbols VALT.U and VALT, respectively.

# THE ART OF LISTENING

## Before becoming CEO of Fundserv, **Karen Adams** held a variety of leadership roles around the world – and she learned that listening and understanding are key to both developing talent and providing service

**KAREN ADAMS** has had a remarkable journey to her current role as CEO of Fundserv. Originally from Toronto, Adams earned a bachelor's degree in mathematics and economics at Queens University, followed by an MBA in international finance at the University of British Columbia. After graduating, she set off across the globe, holding various positions with HSBC that took her to London, Dubai, Hong Kong, Beijing, Shanghai, Seoul and Mumbai.

That global experience gave Adams a unique perspective, prompting her to develop a leadership style that's based on developing relationships with each individual, listening and understanding to help them reach their potential. That approach goes well beyond her own team, allowing Fundserv to succeed in creating solutions for its members.

"Having worked in many different countries, people ask if I am an expert in multicultural leadership," Adams says. "I always say there is no such thing because that assumes you manage people based on their background. I have learned that people all want the same things: to develop our careers, give our kids a good future, etc. Managing people or a team is about one-on-one relationships – knowing an individual regardless of where they are from, what gender they are or what their background is. It comes down to understanding them individually."

When she returned to Canada, Adams spent time with the Alberta Pension Services Corporation before becoming CEO of Fundserv in 2017.

"I don't think you do math and economics and not join the financial services industry in Canada in some capacity," she says. "I think everyone sees the world through a unique lens – I studied economics, so I see it through a commercial business lens, and that is why I got into financial services."

Adams says she was drawn to the role at Fundserv because it was a change of pace from her previous experiences.

"Fundserv is a gem of a company," she says. "It was attractive after a long career of working with profit-driven companies – not that there's anything wrong with profit companies, but that is not the number-one priority at Fundserv. The number-one priority is to be this indispensable hub at the centre of the investment industry and to truly collaborate with everyone who connects with us and make it better for everyone. Profitability is important, but it is a different mindset to serve the industry. There is this collegiality in the industry … that is extremely attractive."

"Managing people or a team is about one-on-one relationships – knowing an individual regardless of where they are from, what gender they are or what their background is. It comes down to understanding them individually"

### Making an impact

During her time at Fundserv, Adams has had the opportunity to work on projects that have left an impact on both her and the financial industry. One of the ones she's most proud of began this past year as a result of the COVID-19 pandemic.

## PROFILE

**Name:** Karen Adams

**Title:** President and CEO

**Company:** Fundserv

**Based in:** Toronto

**Years in the industry:** 25+

**Career highlight:** Gaining international experience and learning about different people and cultures

# INDUSTRY ICON

"Serving the purpose we do, as this technology platform that connects people in the industry, one of the most exciting things has been listening to our members and responding with solutions," Adams says. "Early in the lockdown, we started Industry Forums, a space where members could connect on resolutions to common issues caused by the changing work environment."

From those forums, a common theme arose that has plagued the industry for years: the amount of paper required in transactions.

"We have a motto to 'axe the fax,' and we saw this opportunity where members didn't want their staff going into the office, but there are still physical cheques going back and forth," Adams explains. "We put in place, in just six months, Ad-Hoc Money Movement [A$M]. We responded to the industry and are in the process of replacing cheques, which I think is awesome. We launched in January and have seen so much volume. We think ultimately we are keeping people healthier by not having to travel into the office."

Another recent initiative Adams has been happy to spearhead tackles an issue the entire world is seeking to address: racial injustice.

"We joined the Black North Initiative, a CEO pledge started by Wes Hall," Adams says. "We at Fundserv are passionate about it and thought 'What can we do?' I signed the CEO pledge to really engage all of our employees to do what we can. We are a small company, but every small company, every individual I think, needs to acknowledge the existence of anti-Black systemic racism and battle it. We joined but didn't just sign the pledge. We are taking it really seriously, looking at everything like being intentional about hiring practices, looking at our suppliers list, looking at the vendors that give us service, how we can look for Black-owned businesses, and the makeup of our board and management teams."

## Agent of change

While she's proud of the strides Fundserv made in 2020, Adams acknowledges that it was a challenging time as a leader. Not only did she have to ensure Fundserv kept running efficiently as her team transitioned to working from home, but she was also filled with concern for her team members.

"The number-one priority [for Fundserv] is to be this indispensable hub at the centre of the investment industry and to truly collaborate with everyone who connects with us"

"I just worried about our employees, their mental health and if they would be OK," Adams says. "I like to see people, so I set up one-on-ones just to connect with them."

Moving forward, Adams says Fundserv's goals remain aligned with those of its members, and her team will continue listening and understanding what members need so the organization can evolve accordingly. She adds that she wants Fundserv to be so good at providing a secure and reliable service that members forget it's there – and she wants the company to continue to inspire change in the industry.

"It is sad that it took a pandemic to recognize the cheque issue and solve it," Adams says. "What we will do in the future is root out those things in the industry and not wait for a pandemic to ignite change. There is no reason we can't change. Change, like automation, will accelerate from now, and we'll do our part to keep it going." WP

## FUNDSERV BY THE NUMBERS

**1993**
Year founded

**100**
Number of employees

**43%**
Proportion of women among Fundserv employees

**60%**
Proportion of women on Fundserv's leadership team

**63,514,128**
Total number of orders processed in 2020

GOT AN OPINION THAT COUNTS?
Email editor@wealthprofessional.ca

OPINION

# Understanding business and financial risk

If your client is considering purchasing a business, it's important to ensure they grasp the different types of risk involved, writes **JT Dhoot**

**IMAGINE YOU** have a client, Cindy, who is considering purchasing a business. Cindy thinks she's getting a steal because, among other reasons, she only needs to invest $50,000 in cash to buy the company. The remainder of the $1 million purchase price will be financed by a combination of third-party lender financing and a vendor take-back (VTB) provided by the seller. What are some of the things Cindy should consider as she evaluates this opportunity?

First, she needs to remember that her at-risk capital is not limited to her $50,000 cash investment because, irrespective of how the business performs, Cindy must repay her lenders. Although this might not be a problem if Cindy's projections play out as planned, what happens if things go sideways? Does Cindy have the financial resources to satisfy any shortfalls that might arise if the business struggles?

Second, Cindy should understand that financial risk and business risk are related yet distinct concepts. Financial risk arises when an investor uses debt to finance an investment. All else being equal, more debt means more financial risk due to a higher probability of defaulting on loan payments.

In contrast, business risk relates to supply and demand for the company's products and services, changes in the regulatory environment that could harm its prospects, and many other factors, all of which are unrelated to the company's capital structure.

A simple real estate analogy can help explain the difference between financial risk and business risk. The value of a house at a specific point in time depends on housing inventory levels, current and anticipated population growth, current and forecasted employment levels, and various other demographic and economic factors. These factors are analogous to business risks, insofar as they influence the value of the home.

Conversely, how a particular homeowner chooses to finance his or her home reflects financial risk, not business risk, as it does not affect the house's value. In other words, the house is worth what the house is worth because anyone purchasing the house can choose to finance the acquisition how he or she sees fit. One person may be wiling to take on more debt (and financial risk) than the next person, but this has no bearing on the home's value.

In theory, the optimal amount of financial leverage and the resultant overall cost of capital for a specific investment is a function of the investment, not the investor. Generally speaking, businesses with tangible assets and stable cash flows can service more debt than those with fewer tangible assets and erratic cash flows. While estimating the optimal amount of financial leverage for a specific investment is a complex exercise, what is clear is that excessive debt increases the risk of bankruptcy.

In summary, financial leverage is akin to a double-edged sword in that it cuts both ways. Just as greater leverage magnifies equity returns when an investment performs well, losses can also widen in cases where targeted returns (cash flows) fail to materialize. How much and on what terms debt should be used to finance an investment will vary from company to company; however, investors must remember that the expected reward for accepting greater financial risk should adequately compensate them for the added risk of doing so.

> "Financial risk arises when an investor uses debt to finance an investment. In contrast, business risk relates to supply and demand for the company's products and services, changes in the regulatory environment that could harm its prospects, and many other factors"

The proposed purchase price and capital structure in Cindy's case may or may not be reasonable, but differentiating between business and financial risk will help Cindy evaluate her options and make an informed decision. WP

**JT Dhoot** is a Chartered Business Valuator and Accredited Appraiser with more than 12 years of experience in valuations, real estate development and private equity across Canada.

# HOT LIST 2021

## *Wealth Professional* spotlights 50 men and women who helped steer Canada's investment industry through a tumultuous year

**THERE ARE** many factors that affect how advisors can best serve their clients. As such, there are many individuals who have a major impact on advisors' day-to-day work, from the heads of Canada's largest banks to the fund providers bringing new innovations to market to the leaders of investment firms and regulatory bodies.

This year's *Wealth Professional* Hot List recognizes 50 of those individuals for the mark they and their organizations made on the wealth management landscape over the past year. At a time when the COVID-19 pandemic dominated the conversation, the men and women on the following pages demonstrated an ability to adapt to the conditions and a commitment to constant innovation. The work they've done over the past year is indicative of the strength of the Canadian investment community, no matter the environment.

All ETF numbers as of March 2, 2021, per the National Bank of Canada Financial Markets Canadian ETF Flows report

## HOT LIST INDEX



## RAJ LALA

President and CEO

**EVOLVE ETFs**

After another stellar year for Evolve's innovation ETFs, president and CEO Raj Lala returns to the *WP* Hot List. Evolve has launched many Canadian firsts over the years, including funds specializing in cybersecurity, automobile innovation and video gaming. Earlier this year, the company marked another Canadian first with the launch of its cloud computing ETF (DATA). Evolve also joined the fray in offering a Bitcoin ETF (EBIT), which debuted in February.

All of Evolve's disruptive innovation ETFs were top performers in 2020, as well as longer-term – many fall in the first percentile of performance for the three years-plus category. The positive performance of its suite of thematic ETFs helped Evolve hit the noteworthy milestone of $1 billion in AUM in 2020.

## FRED PYE

Chairman and CEO

**3IQ CORP.**

While many of the recent headlines on cryptocurrency funds have focused on the launch of Bitcoin ETFs, Fred Pye and 3iQ have been enjoying the early results of their Bitcoin Fund (QBTC/QBTC.U), which became the first Bitcoin fund in the world when it launched in April 2020. Since then, the closed-end fund has gathered assets at an astounding rate. As of November 2020, QBTC had a net asset value of $187 billion.

Even with the success of The Bitcoin Fund, Pye and 3iQ haven't rested on their laurels. In late 2020, the company launched the Ether Fund (QETH.U/QETH.UN), which invests in the digital currency Ether; in March, 3iQ filed and obtained a receipt for a preliminary prospectus on an Ether ETF.

"With the success of our Ether closed-end fund, it is a natural progression for us to file for a physical Ether ETF to enhance our product suite in the growing digital asset space," Pye said at the time.

# HOT LIST

## LISA LANGLEY

CEO

**EMERGE CANADA**

In 2019, Lisa Langley expanded her US-based company, Emerge Capital Management, north of the border with the launch of Emerge Canada. Since then, she has grown the Canadian company to more than $340 million in assets. By the end of 2020, Emerge Canada had experienced more growth over the course of the year than any other ETF provider in the country.

Emerge specializes in disruptive technology, offering various ways to access the sector via its product suite. Partnering with ARK Investment Management and portfolio manager Cathie Wood, the company conducts its own research on the areas it invests in to fully understand the space and then applies a 'best picks' approach. So far, the formula appears to be a hit with investors.

"Everything that ARK was investing in and continues to invest in is needed by the world," Langley told *WP* in an interview earlier this year. "It is the right place and right time with the needs that are important to all of us every day."

## MARK BRISLEY

Managing director and head

**DYNAMIC FUNDS**

Mark Brisley and Dynamic Funds have had quite a year, capped off by being named Fund Provider of the Year at the 2020 Wealth Professional Awards. Given Dynamic's track record, the award came as little surprise. The company also picked up 31 FundGrade A+ Awards, 13 Lipper Awards and had two mutual funds (Dynamic PowerGlobal Navigator Class and Dynamic Power Global Growth Class) place in the top 10 on Morningstar's Top Performing Canadian Mutual Funds list. Meanwhile, Dynamic has shot up the ETF provider rankings, with $2.6 billion in assets under management.

## DAVID GUNN

President

**EDWARD JONES CANADA**

Edward Jones Canada president David Gunn earns a spot on *WP*'s 2021 Hot List after another award-filled year for the firm, which now boasts more than 850 advisors across the country. Edward Jones' biggest accolade in 2020 was topping the J.D. Power Canada Full-Service Investor Satisfaction Study for the eighth year in a row, but it was far from the only one. The firm was also named a 5-Star Brokerage by *WP*, was recognized for training excellence for the 21st straight year by *Training Magazine*, was named to the Kincentric Best Employers in Canada list for 19th year in a row and won gold for Multi-Office Advisor Network/Brokerage of the Year at the 2020 Wealth Professional Awards.

## VICTOR DODIG

President and CEO

**CIBC**

Victor Dodig has been in the top job at CIBC since 2014, helping the bank usher in a new era by positioning it as a relationship-oriented bank for the modern world. CIBC ranks fifth in both overall assets and market share among Canadian banks, and it continues to scoop up honours, especially when it comes to work culture. Earlier this year, CIBC was recognized as one of Canada's Top 100 Employers and a Top Employer for Young People. The company's asset management division also earned recognition with nine FundGrade A+ Awards and 12 Lipper Awards in 2020.

## MICHAEL LEE-CHIN

President and chairman

**PORTLAND HOLDINGS/MANDEVILLE GROUP**

Michael Lee-Chin continues to be an innovator when it comes to democratizing investing. Already a leader in providing alternative investments through Mandeville Private Client, the advisory firm he created, Lee-Chin and the team at Mandeville entered into an arrangement with DUCA Financial Services Credit Union in May 2020 to allow Mandeville advisors to offer clients two investment leverage loan programs.

The past year also saw Mandeville launch the Mandeville Mobile App to promote financial literacy. The interactive app features Mandeville TV, financial calculators, market commentaries, the Mandeville Investor Academy, the Mandeville Owner's Manual and other documents designed to educate investors on various investing strategies and the "Mandeville difference." In addition, the firm was named to *WP*'s 5-Star Brokerages list earlier this year.

## DAVID CUSSON

CEO

**ECHELON WEALTH PARTNERS**

David Cusson is leading Echelon Wealth Partners as it grows its presence across the country. In 2020, Echelon was named to *The Globe and Mail*'s 2020 list of Top Growing Companies, thanks to three-year growth of 102%. Echelon was also recognized for its work on inclusion with a spot on the 2020 Great Place to Work list among the Best Workplaces for Inclusion. To be eligible for the list, at least 90% of employees must agree they are treated fairly, regardless of personal characteristics such as gender, ethnicity, age or sexual orientation. Echelon capped off its 2020 awards run by taking home the silver award for Employer of Choice at the Wealth Professional Awards.

## BARRY MCINERNEY

President and CEO

**MACKENZIE INVESTMENTS**

Mackenzie Investments head Barry McInerney had a big year in 2020, walking away with the gold award for CEO of the Year at the Wealth Professional Awards – and that was just the tip of the iceberg. Mackenzie Investments, which ranks sixth in terms of assets among Canadian ETF providers, also won 11 FundGrade A+ Awards and five Lipper Awards in 2020.

A lot of these accolades can be attributed to Mackenzie's unique product offerings. Its most recent launch in March was the Mackenzie Northleaf Private Credit Fund, which aims to give retail investors access to the benefits of private lending.

## SEAN ETHERINGTON

President

**CI ASSANTE WEALTH MANAGEMENT**

Sean Etherington leads one of Canada's largest wealth management firms. Since he joined CI Assante Wealth Management in 2004, he has seen the firm grow to more than 900 advisors across the country, with $46 billion in AUM. CI Assante racked up multiple accolades in 2020, coming in second on J.D. Power's Canada Full-Service Investor Satisfaction Study and winning the silver award for Multi-Office Firm of Year at the Wealth Professional Awards, as well as a spot on *WP*'s inaugural 5-Star Brokerages list.

The firm also launched a rather unique program in 2020: Be Well-Advised. The program provides free financial advice from CI Assante Wealth Management advisors to Canadians experiencing financial hardship. The initiative is entirely volunteer-led; CI Assante advisors donate their time to listen and deliver guidance to those affected by the current economic turmoil.

"We believe that now, more than ever, access to financial advice is essential in navigating the many hurdles facing Canadians, whether it's job losses, health setbacks or understanding government programs," Etherington said when announcing the program.

# HOT LIST

## DUANE GREEN

President and CEO

**FRANKLIN TEMPLETON CANADA**

Franklin Templeton made waves in July 2020 with its acquisition of Legg Mason in the US. The deal brought the asset manager's total global AUM to $1.4 trillion, making it the sixth largest independent asset manager in the world. Franklin Templeton also continues to expand its presence in Canada, currently ranking 13th in terms of assets on the ETF side with $2.2 billion.

The winner of the silver award for CEO of the Year at the 2020 Wealth Professional Awards, Franklin Templeton Canada president and CEO Duane Green is an advocate for inclusive workplaces and has led many recent initiatives. His efforts helped Franklin Templeton land a spot on the 2020 Bloomberg Gender-Equality Index, which recognizes companies that demonstrate a commitment to equality and to advancing women in the workplace.

## KEVIN GOPAUL

President and CCO, BMO ETFs

**BMO GLOBAL ASSET MANAGEMENT**

BMO Global Asset Management continues to be a leader in Canada's investment world, especially in the ETF space. BMO GAM currently has the second highest level of assets among Canadian ETF providers ($75.8 billion) and the most in the fixed income asset class.

Leading many of BMO GAM's initiatives is Kevin Gopaul, who joined BMO in 2009 and has been helping to burnish the company's reputation ever since. BMO GAM was recognized with 25 FundGrade A+ Awards in 2020, including 18 for ETFs, along with a Lipper Award. Gopaul has also been instrumental in growing the wider Canadian ETF industry – he served as chair of CETFA from 2017 to 2019 and remains a director with the organization.

## TIFF MACKLEM

Governor

**BANK OF CANADA**

Tiff Macklem took the helm at the Bank of Canada in June 2020, right in the heart of the COVID-19 pandemic, and immediately had to steer the national economy through a recession. The BoC has kept its overnight interest rate at 0.25% to lessen the burden of the pandemic and has also attempted to prop up the economy with quantitative easing to the tune of $4 billion per week. While the BoC's latest announcement revealed that it plans to freeze rates until an inflation target of 2% is achieved, many in the industry have predicted that inflation will rise, which could be the next issue Macklem might need to tackle.

## JEFFREY ORR

President and CEO

**POWER CORPORATION**

In February, Jeffrey Orr became CEO of Power Corporation, the organization behind IGM Financial, IG Wealth Management, Mackenzie Investments, Canada Life and Great-West Life. Orr previously served as president and CEO of Power Financial Corporation and also spent some time as head of IGM Financial. He also serves as chair of multiple Power Corp. subsidiaries, including Great-West Lifeco, Canada Life, Empower Retirement, Putnam Investments, IGM Financial, IG Wealth Management and Mackenzie Investments.

## DAVE McKAY

President and CEO

**RBC**

Dave McKay leads the top-ranked Canadian bank by market share and second in total assets. RBC continues to be a dominant force not only in the Canadian financial industry, but globally. Now more than ever, attention is placed on the security a bank offers its clients, and in 2020, RBC was named the Safest Canadian and North American Bank by *Global Finance*. That's just the latest accolade McKay has witnessed during his tenure at the bank, which dates back to 1983, when he joined as a co-op student. Now, almost four decades later, he's helping to lead RBC in new directions.


## BRIAN J. PORTER

President and CEO

**SCOTIABANK**

For the past eight years, Brian Porter has been president and CEO of Scotiabank, which currently ranks third among Canadian banks in both assets (approximately $1.17 trillion) and market share. Scotiabank had a strong year in 2020, despite the pandemic, including 6.9% growth within its banking division in the fourth quarter. It was named Best Bank for Small Businesses by CFIB in 2020, as well as World's Best Bank in Barbados, Costa Rica, the US Virgin Islands, the Bahamas, Trinidad and Tobago, and Turks and Caicos by *Global Finance*. Scotiabank was also recognized with five FundGrade A+ Awards.

## PAT DUNWOODY

Executive director

**CETFA**

Canada's ETF industry had another banner year in 2020, surpassing the $250 billion mark and once again outselling mutual funds. Under Pat Dunwoody's guidance, CETFA has been instrumental in advocating for and providing education on the investment vehicle, which earned Dunwoody a silver award for ETF Champion of the Year at the 2020 Wealth Professional Awards.

In 2020, one of CETFA's major initiatives was to provide education for MFDA advisors to begin offering ETFs, something Dunwoody believes will be a game-changer for the ETF Industry. "It could be huge – you are basically doubling the size of the advisor base if they have access," Dunwoody told *WP* earlier this year. "It will make the other firms evaluate their value proposition by not offering and ask if they can afford not to offer ETFs."

The CETFA also has some interesting initiatives in the pipeline for 2021, including an ETF Screener on its website, a larger presence on social media to educate more investors and advisors, and additional industry research.

# HOT LIST

## CHARLIE SPIRING

Founder and chairman

**WELLINGTON-ALTUS HOLDINGS**

A former *WP* Lifetime Achievement Award winner, Charlie Spiring has been able to build not one, but two successful wealth management firms during his career. Wellington-Altus Private Wealth has managed to grow at an exceptional rate since its founding in 2017. The firm now has more than $15 billion in assets under administration and continues to add to its roster of star-studded advisors, three of whom were recognized on this year's *WP* Top 50 Advisors list. As a firm, Wellington-Altus also landed a spot on *WP*'s 5-Star Brokerages list.

Spiring told *WP* earlier this year that Wellington-Altus' success has a lot has to do with the culture the firm has built. "At Wellington, culture is what we are all about," he said. "We focus every day on how to improve it. We do it through connection. Our management is so connected with our advisors. Management has ingrained a listening attitude to our advisors and does it well. We insist on listening, even when we are wrong. We'll tell advisors when we are wrong, when they are right and adapt. That adaptation is a massive skill."

## KATHY BOCK

Managing director and head

**VANGUARD INVESTMENTS CANADA**

Since 2019, Kathy Bock has led Vanguard's business in Canada. Vanguard continues to be a top player in the Canadian ETF space, currently holding the third highest asset total at $34.6 billion, which represents 12.8% of the total market share. As of February 2021, Vanguard had also posted the top YTD inflows with $2.46 billion. The company was recently recognized with the Canada ETF Award for Best Bond Group Over Three Years at the 2020 Lipper Fund Awards.

## BILL PACKHAM

President and CEO

**AVISO WEALTH**

Under the leadership of Bill Packham, Aviso Wealth continues to earn recognition in the Canadian wealth management industry. The firm, which serves the wealth management needs of virtually all of Canada's credit unions, as well as a range of independent financial organizations, is now up to $65 billion in AUM and 300 partners across Canada. Aviso's online brokerage, Qtrade Investor (once helmed by Packham before he became the founding CEO of Aviso), continues to bring in awards, earning first place in *MoneySense*'s annual review of online brokerages and claiming the top spot in *The Globe and Mail*'s annual survey of online brokerages.

## ROY GORI

President and CEO

**MANULIFE**

Since 2017, Roy Gori has led Canada's largest insurance company and one of the largest insurance and asset management companies in the world. Much like other traditional mutual fund companies, Manulife has been focused on growing its business across multiple vehicles, including ETFs. The company's investment management arm grew its ETF assets by 342% in 2020 – one of the largest gains in the country. And Manulife continues to be recognized for its work on the mutual fund side as well; it won 16 FundGrade A+ Awards and a Lipper Award in 2020.

## LOUIS MORISSET

President and chair

**CSA**

Since 2015, Louis Morisset has been the president and chair of the Canadian Securities Administrators and president and CEO of Quebec's Autorité des marchés financiers; he was recently re-elected for another term.

Regulation has such an impact on financial advisors' day-to-day work, so they need to stay on top of not only their own provincial regulations, but also what is happening nationally. Among the key initiatives Morisset and the CSA worked on in 2020 were establishing a harmonized regulatory system and granting a temporary exemption to allow MFDA dealers to distribute alternative mutual funds.

## GREG ROMUNDT

President and CEO

**CENTURION ASSET MANAGEMENT**

Under the direction of Greg Romundt, Centurion Asset Management continues to be a leader in real estate investing. In 2020, returns for the Centurion Apartment Real Estate Investment Trust were 7.93% (Class A) and 8.57% (Class F), while the Centurion Financial Trust returned 7.44% (Class A) and 8.52% (Class F). As a company, Centurion was recognized as a Best Workplace in Canada in February and was certified as a Great Place to Work in 2020.

The big news for Centurion over the past year came in December, when the company announced the merger of the Centurion REOT with the Centurion Apartment REIT, which will allow the continuing trust to take better advantage of the two trusts' complementary business.

## DANNY POPESCU

CEO

**HARBOURFRONT WEALTH MANAGEMENT**

Danny Popescu has been instrumental in the growth of Harbourfront Wealth Management, which now has more than 20 locations across the country and increased its AUM by 28% in 2020. Popescu successfully pushed advisor growth and onboarding throughout 2020 and brought on many advisors at the peak of COVID-19, due to the company's ability to offer solutions and resources that aligned with advisors' new needs. He also helped introduce Harbourfront's new Tech Hub solution, which helps advisory teams better serve their clients.

Those efforts landed Harbourfront among the finalists for Digital Innovator of the Year at the 2020 Wealth Professional Awards, and they seem to be paying off at the advisor level as well – Harbourfront had six advisors on *WP*'s 2021 Top 50 Advisors list.

## JAMES O'SULLIVAN

President and CEO

**IGM FINANCIAL**

James O'Sullivan took over as president and CEO of IGM Financial in late 2020, replacing Jeff Carney. Prior to joining IGM, O'Sullivan spent more than 30 years with Scotiabank, including as group head of Canadian banking. He will now be tasked with continuing the momentum Carney built.

"There is a sufficient amount of change going on in this industry that there's going to be winners and there's going to be losers," O'Sullivan told Bloomberg in 2020. "I love the amount of change that's out there in the industry. My job, with the executive team, is to position this company to emerge a winner in the face of it."

A division of Power Corporation, IGM Financial oversees IG Wealth Management and Mackenzie Investments. In addition to a large network of financial advisors, IG Wealth Management also offers an exclusive family of mutual funds that earned eight FundGrade A+ Awards in 2020.

# HOT LIST

## STUART RAFTUS

EVP, chief administrative officer and president, wealth management

**CANACCORD GENUITY GROUP**

Canaccord Genuity, led in Canada by Stuart Raftus, made a few headlines in 2020. In addition to its continued overall growth, Canaccord was selected as the platform provider to support the entry of Morgan Stanley Wealth Management into Canada.

"We are very pleased to provide the platform for Morgan Stanley in the launch of their Canadian offering," Raftus said at the time. "It's a testament to the depth and breadth of Canaccord Genuity's capabilities, platform and suite of services."

Morgan Stanley's Canadian offering will include full-service and virtual financial advisors, a discount self-directed investing solution, and online investment management, so the partnership with Canaccord should bring more growth for the company. Canaccord also had a strong year from an advisor standpoint; four of its advisors earned spots on *WP*'s 2021 Top 50 Advisors list.

## PAUL ALLISON

Chairman and CEO

**RAYMOND JAMES CANADA**

Paul Allison and Raymond James Canada had another busy year in 2020. In addition to expanding its base of advisors across the country, Raymond James acquired Oak Trust Company in April 2020. The new division, known as Raymond James Trust Canada, is the first non-bank-owned full-service investment dealer in Canada to offer integrated fiduciary trust services.

"This acquisition is an important way to broaden our service delivery for Canadian investors and their families, who require fiduciary trust services to assist them with a wide range of important needs like estate settlement, trust administration, tax-efficient estate planning and power of attorney services," Allison said at the time.

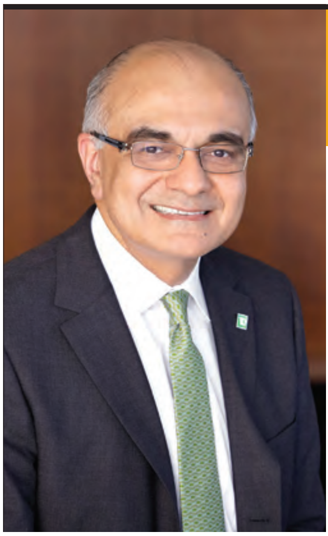
Raymond James also scooped up several accolades over the past year, earning third place on the J.D. Power 2020 Canada Full-Service Investor Satisfaction Study, being named one of BC's Top Employers in 2021 and appearing on *WP*'s inaugural 5-Star Brokerages list.

## DENNIS MITCHELL

CEO and CIO

**STARLIGHT CAPITAL**

Over the past year, the concept of diversity and inclusion has taken centre stage, thanks to the Black Lives Matter movement. In Canada's financial industry, one of the biggest D&I advocates has been Dennis Mitchell, CEO and CIO of Starlight Capital, who has participated in and spoken at a number of events. Mitchell is also the co-founder of the Black Opportunity Fund, a partnership between businesses, philanthropists, foundations and the Black community that aims to combat the impact of anti-Black racism in Canada. In 2020, Mitchell was recognized with the Afroglobal Television Excellence Award for Enterprise and also helped launch the Starlight Capital Global Private Pools.



## BHARAT MASRANI

Group president and CEO

**TD BANK GROUP**

Bharat Masrani helms the largest bank in Canada by total assets (approximately $1.6 trillion) and second by market share, according to AVD Ratings. TD had another year filled with honours in 2020, including winning North American Global Finance Digital Bank Awards for Most Innovative Bank, Best Online Product Offerings, Best Bill Payment and Presentment, Best Mobile Banking Adaptive Site, and Best Information Security and Fraud Management. With so many aspects of the world going digital in 2020, TD's recognition in this space is a clear indication of the bank's ability to evolve.

## GUY CORMIER

Group President and CEO

**DESJARDINS**

Since 2016, Guy Cormier has led Desjardins Group, North America's largest financial co-operative. Desjardins now holds the sixth spot among Canadian banks in terms of assets and is currently making waves with its investment product offerings. In 2020, Desjardins landed two mutual funds on Morningstar's Top Performing Canadian Mutual Funds list: the Desjardins SocieTerra Positive Change Fund and Desjardins Overseas Equity Growth Fund. In addition, Desjardins picked up eight FundGrade A+ Awards and three Lipper Awards in 2020.

## JOHN NICOLA

Chairman and CEO

**NICOLA WEALTH**

John Nicola and his eponymous advisory firm have continued to make a name for themselves across the country. Nicola Wealth has a philosophy of letting its financial advisors take care of the financial planning and communication with clients, while dedicated portfolio managers create the right portfolios for each situation. This approach means clients belong to the firm rather than individual advisors, resulting in a level of consistency that has brought success to both Nicola Wealth and its advisors. Earlier this year, seven Nicola Wealth advisors graced *WP*'s annual Top 50 Advisors list, including Karen Ikeda, who landed the number-one spot. John Nicola was also recognized at the 2020 Wealth Professional Awards, winning silver in the CEO of the Year category, and the firm made the list of Canada's Top Small & Medium Employers for the seventh year in a row.

## STEVE HAWKINS

President and CEO

**HORIZONS ETFs**

When it comes to thematic ETFs, there are few providers that rival Horizons ETFs. Under the leadership of Steve Hawkins, Horizons continues to rank among the top ETF providers in Canada, sitting at fourth for AUM (just under $17 billion) and third for total products (94).

Horizons made headlines in January with its latest launch in the thematic realm: the Horizons Psychedelic Stock Index ETF (PSYK). "At Horizons ETFs, we strive to be at the forefront of key global transformative investment themes," Hawkins said at the time. "We believe the opportunities with psychedelics not only provide a compelling investment case, but also the potential to provide life-changing impact for those suffering with mental illness."

Horizons also racked up plenty of awards in 2020, including seven FundGrade A+ Awards and the silver award for Fund Provider of the Year at the Wealth Professional Awards.

# HOT LIST

## MICHAEL KOVACS

President and CEO

**HARVEST PORTFOLIOS**

Under the guidance of Michael Kovacs, Harvest Portfolios continues to expand and bring innovative products to market. Harvest saw its AUM grow by 39.3% in 2020, bringing it past the $1 billion mark, and the company's blockchain ETF (HBLK) was one of the five best-performing ETFs (YTD) to begin 2021.

Harvest has also launched some unique offerings in 2021. Positioned to capitalize on the post-pandemic travel rebound, the Harvest Travel & Leisure Index ETF (TRVL) is the world's first truly diversified travel fund across five sub-sectors: airlines, cruise companies, booking sites, resorts and casinos, and hotels. Harvest also rolled out one of Canada's first clean energy ETFs (HCLN), as well as a Space Innovation Index ETF (ORBT) that will benefit from the burgeoning growth and development in space innovation, exploration, tourism and infrastructure.

## KURT MACALPINE

CEO

**CI FINANCIAL**

Since becoming the CEO of CI Financial in 2019, Kurt MacAlpine has led the organization through a period of rapid acquisition and growth. MacAlpine joined the company when it acquired WisdomTree Asset Management Canada, which has now been folded into the rebranded CI Global Asset Management. CI GAM has been climbing the ladder in terms of ETF assets and now ranks fifth in Canada with $11.7 billion. It's also been leading the way in innovation, launching the CI Galaxy Bitcoin ETF (BTCX) in March and the CI Galaxy Ethereum ETF (ETHX) in April. It seems CI has no plans to slow down on the M&A front, either – the company acquired 12 US-based registered investment advisors in 2020, along with the Canadian advisor network Aligned Capital Partners.

## LOUIS VACHON

President and CEO

**NATIONAL BANK**

Under the leadership of Louis Vachon, National Bank continues to build its presence in Canada beyond its Quebec stronghold. National Bank Investment (NBI) also continues to grow, especially in the ETF domain, where it's now ranked 10th in total assets with $3.3 billion. NBI was recognized with six FundGrade A+ Awards and a Lipper Award in 2020. On the advisory side, National Bank Financial won gold for Employer of Choice at the 2020 Wealth Professional Awards.

## TANYA ROWNTREE

Global head of client success, equity capital market
Co-chair

**TMX GROUP**
**WOMEN IN ETFs**

Tanya Rowntree earns a place on this year's *WP* Hot List not only for her work at TMX, but also for her involvement in Women in ETFs, where she has been co-chair since 2016. In 2020, she was joined by her sister, Tammy Cash, as the other co-chair for the organization, which is the first women's group for the ETF industry. Founded in 2014, Women in ETFs brings together more than 5,600 members in chapters in major financial centres across the US, Canada, EMEA and Asia-Pacific to connect, support and inspire women in the ETF Industry.

## GREG POLLOCK

President and CEO

**ADVOCIS**

After launching a new designation, Professional Financial Advisor (PFA), in 2019, Advocis celebrated the first graduating class of the program in 2020. That accomplishment was definitely a highlight for president and CEO Greg Pollock, yet Advocis had more new initiatives in 2020 as it sought to provide support to those impacted by the pandemic. Perhaps one of the most noteworthy programs was Advocis Connect, designed to help Canadian small businesses by connecting them with an advisor for guidance on pandemic-related issues.

"We found with all the programs rolling out, many small businesses were just trying to survive; it was challenging to understand the programs," Pollock told *WP* earlier this year. "Advocis Connect pairs them with an advisor, there is no commitment, and they can get the advice they need."

## TYLER MORDY

CEO and CIO

**FORSTRONG GLOBAL**

Tyler Mordy leads Forstrong Global's business strategy and oversees a multi-disciplinary investment team committed to extensive macro research and analysis. A big believer in global diversification, Forstrong has implemented that thinking in its strategies, most recently with the Global ex-North America Equity Focus. Launched in early 2020, the macro-oriented global strategy is designed for investors seeking equity exposure outside of North America via an active country, sector, style and thematic selection process.

"Part of the benefit of having a deeper global reach is you can look across into these different areas and see correlations are starting to move and move differently, and see how those types of income impact portfolios," Mordy says.

## BRUCE COOPER

CEO

**TD ASSET MANAGEMENT**

Since taking over as CEO of TD Asset Management in 2016, Bruce Cooper has led the asset management arm of TD Bank to new heights. After reintroducing its ETF offerings just a couple of years ago, TDAM now ranks seventh for AUM among Canadian ETF providers, with $5.5 billion. In addition, TDAM was able to grow its AUM by an impressive 157% in 2020.

The asset manager also embarked on another groundbreaking project, which was announced late last year: TD GoalAssist, a mobile app that allows investors to open accounts, set goals, and create and manage their own portfolios. Clients have the option of using one of TDAM's One-Click ETF portfolios or building their own portfolios using TD ETFs for free or other securities for a cost.

"This gives us access to a different group of clients," Cooper told *WP* earlier this year. "ETFs are now the vehicle of choice, so being able to access that group of clients and bring to them what we think is a strong group of products is terrific for us."

# HOT LIST

## JOS SCHMITT

President and CEO

**NEO GROUP**

During his tenure as head of the NEO Exchange, Jos Schmitt has grown it into a true alternative exchange in Canada. NEO now facilitates almost 15% of the trading volume across all Canadian-listed securities and currently has 25 corporate listings, up from 15 at the end of 2019. It's also been a key player in the global SPAC craze – 10 SPACs have listed on NEO, raising more than US$2 billion, including the largest SPAC in Canadian history.

NEO has also been instrumental in the growth of the ETF industry – it is home to nearly 10% of all Canadian ETF listings and routinely facilities 20% of all ETF trading volume in Canada. NEO has also surpassed $1.5 billion in assets raised via platform-traded funds across 85 tickers, enabling mutual funds and private OM funds to be purchased and redeemed the same way as ETFs.

## JOHN ZERR

President and CEO

**INVESCO CANADA**

John Zerr joined Invesco in 2006 and became president and CEO of Invesco Canada in 2019. He has been instrumental in Invesco's growth, spearheading the acquisition of Oppenheimer Funds. In 2020, Invesco was recognized with four FundGrade A+ Awards and two Lipper Awards. The company continues to be a major player in the Canadian ETF industry, currently ranked the ninth largest by assets.

In an interview with *WP* last year, Zerr noted that his goal is to strengthen Invesco's presence in the country. "We want to be that go-to partner for financial advisors because we are helping them be as effective as possible with their clients," he said. "We have a tremendous number of capabilities to help advisors meet the needs of clients."

## CLAIRE VAN WYK-ALLAN

Director, head of Canada

**AIMA**

The COVID-19 pandemic put alternative investments to the test in 2020 and illustrated the role they can play in portfolios. When alternatives passed that test, it was confirmation for Claire Van Wyk-Allan and her team at AIMA Canada that their advocacy of the asset class has paid off. As a leading authority on alternatives in Canada, AIMA also played a role in the CSA's temporary exemptions for alternative mutual funds, which were rolled out at the start of 2021 and provide additional proficiency paths for MFDA representatives to distribute liquid alternative funds.

"We are thrilled to see this positive announcement from the CSA and were grateful for the opportunity to have provided input on this topic," Van Wyk-Allan said at the time. "Given continued market volatility, it is critical that MFDA advisors and their clients have fair access to products that can help protect investment portfolios through downside protection, diversification and non-correlated return benefits."

## KAREN ADAMS

President and CEO

**FUNDSERV**

Fundserv operates as a giant file transferring machine, sending fund transaction files seamlessly from one participant to another. Leading the organization is Karen Adams, who has been in the role since 2017. The past year was one that put Adams and Fundserv to the test, but the organization responded with new initiatives for members.

"Going through the pandemic, serving the purpose we do, I was most excited about being able to listen to our members and respond with solutions," Adams says.

One of the things Fundserv was able to accomplish was reducing the amount of paper members need to send for transfers by introducing automated processes that cut down on faxes and replaced cheques with automatic payments. In an industry that often complains about too much paper, this initiative is a key step towards digitization.

## ANDY McKAY

President

**MARQUEST ASSET MANAGEMENT**

Marquest Asset Management, led by Andy McKay, had the number-one fund for 2020 on Morningstar's Top Performing Canadian Mutual Funds list. The Marquest Explorer Fund had a YTD return of 94.62% as of December 29, 2020, and a management expense ratio of 4.32%. The fund seeks long-term capital growth by investing in a diversified portfolio of Canadian mineral exploration and mining companies.

## DAMON WILLIAMS

CEO

**RBC GLOBAL ASSET MANAGEMENT**

RBC Global Asset Management continues to sit at the top of the ETF world in Canada, thanks to its partnership with iShares – and that's in addition to the massive presence RBC has on the mutual fund side of the investment industry. Overseeing it all is Damon Williams, who has been in the top job at RBC GAM since 2015. RBC iShares currently holds a 31% market share in the Canadian ETF industry, with more than $83 billion in assets – a number that continues to grow. So do RBC GAM's accolades – the company won 26 FundGrade A+ Awards and nine Lipper Awards in 2020.

## SOM SEIF

CEO

**PURPOSE FINANCIAL**

Perhaps one of the most noteworthy ETF launches this year was Purpose Investments' Bitcoin ETF (BTCC), which debuted in February as the world's first Bitcoin ETF. "We are so happy to be able to offer this innovation to investors, making the process of owning Bitcoin easier than ever," Purpose CEO Som Seif said at the time. "We believe Bitcoin, as the first and largest asset in the emerging cryptocurrency ecosystem, is poised to continue its growth trajectory and adoption as an alternative asset, further cementing the investment opportunity it presents."

While the launch of the fund was Purpose's most headline-grabbing moment of the past year, it was far from the company's only success. Purpose continues to be the eighth largest ETF provider in Canada in terms of assets, won three FundGrade A+ Awards and had the seventh best-performing mutual fund (Purpose Canadian Equity Growth Series F) on the Morningstar Top Performing Canadian Mutual Funds list.

## ROB STRICKLAND

President

**FIDELITY INVESTMENTS CANADA**

Fidelity Investments Canada continues to be a major player in the Canadian mutual fund space, but under the leadership of Rob Strickland, the company is expanding into new areas. In October 2020, the company had approximately $153.4 billion in assets from 229 funds and 31 ETFs. Its ETF business is now at $2.4 billion and saw a one-year growth rate of 83.2% in 2020. Fidelity has carved out a niche in the space by focusing on aspects like active management, asset allocation and factor investing.

"As the ETF industry evolved, we saw opportunities to bring other approaches, even in the active range, so we knew there was a role for us," Strickland told *WP* last year. "We felt we brought expertise in two areas: star managers and sophistication in asset allocation."

While Fidelity might have its sights set on building its presence in the ETF industry, it hasn't forgotten mutual funds. Fidelity continues to be recognized for its mutual funds, winning 19 FundGrade A+ Awards and 13 Lipper Awards in 2020.

## CRAIG SENYK

President and vice-chair

**MAWER INVESTMENT MANAGEMENT**

Mawer Investment Management's motto to "Be boring. Make money" continues to pay dividends for the company. Led by Craig Senyk, Mawer celebrated another award-filled year in 2020, picking up eight FundGrade A+ Awards. Mawer also won big at the Lipper Awards, taking two group awards in the equity and mixed assets categories and six individual awards for its funds.

## KEVIN STRAIN

President and CFO

**SUN LIFE**

Currently the president and chief financial officer of Sun Life, Kevin Strain will be stepping into a new role later this year, taking over for retiring CEO Dean Connor in August. Sun Life continues to hold a leading spot in the Canadian financial landscape as the country's second largest insurance company. Sun Life also continues to be recognized for its investment products – between Sun Life Assurance Company and Sun Life Global Investments, the company's mutual funds took home an impressive 32 FundGrade A+ Awards in 2020.

## DARRYL WHITE

CEO

**BMO FINANCIAL GROUP**

BMO continues to rank fourth among the Canadian banks in overall assets and market capitalization. Darryl White, who was appointed CEO in 2017, oversees the bank's activities, chairs its executive committee and serves as a director of BMO Financial Group and its US subsidiary, BMO Financial Corp. BMO had a noteworthy year in 2020, earning accolades for its increased commitment to sustainability. The bank made the 2021 Corporate Knights list of the 100 Most Sustainable Companies in the World and was named Most Sustainable Bank in North America for the second year in a row. WP

# 5 Star ADVISORS AND TOP TEAMS 2021

**With help from investors, *Wealth Professional* spotlights the advisors and teams who are delivering top-notch service to clients**

CONTENTS PAGE

# A NEW BREED OF ADVISOR

***WEALTH PROFESSIONAL*** strives to recognize the best in the wealth management industry. At the heart of that industry are the financial advisors and advisory teams who provide necessary advice to millions of Canadians each year, who are the focus of *WP*'s latest 5-Star Awards.

Because Canada boasts a wealth of advisor talent, *WP* has divided these awards into four regions: Western Canada, Ontario, Quebec and Eastern Canada. This report features 5-Star Top Teams from around the country, as well as the 5-Star Advisors from Western Canada and Quebec. The Ontario and Eastern Canada winners will be highlighted later this year.

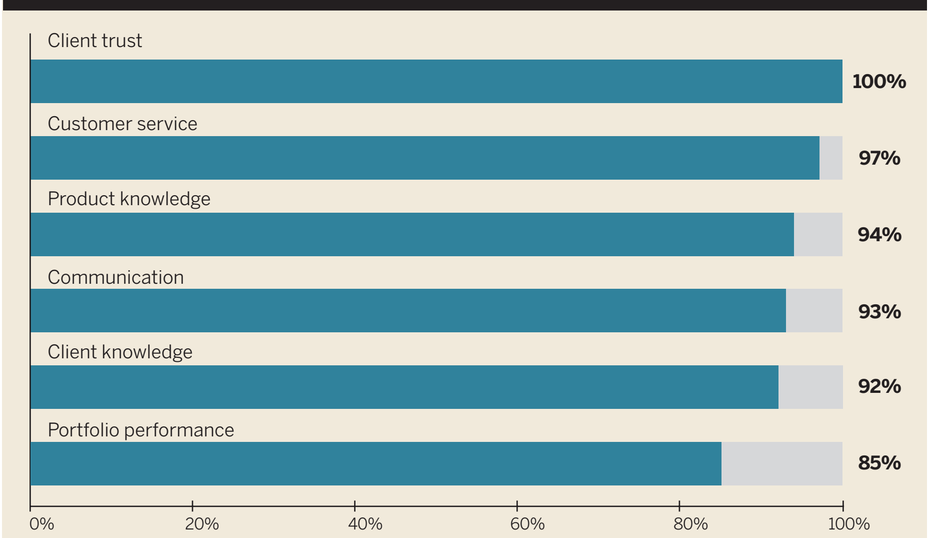
"We are always learning in this industry, with continuing education and day-to-day experiences. I don't think you can ever learn enough"

Darren Alexander, AlexanderWealth & Associates Advisory Group

So what qualities define a 5-Star Advisor? The investors *WP* surveyed were asked to rank their advisors on communication, portfolio performance, product knowledge, client trust, client knowledge and customer service. Teams were evaluated on similar criteria, in addition to their key service offerings, differentiators and value propositions.

The result was truly a snapshot of the future of the industry – those advisors and teams who made the final cut as 5-Star winners are going above and beyond investment management. They are helping clients with financial, tax and estate planning; offering them access to opportunities they might not be able to achieve on their own; and putting them in control of their financial well-being.

**HOW INVESTORS RATED ADVISORS IN WESTERN CANADA**




### Where advisors are excelling

Client trust was the only category in which both advisors from Western Canada and Quebec received a score of 100% from investors – and it's an important one. Building trust with clients is critical, and it appears that advisors in both regions are doing an excellent job.

"Working with an advisor over time, knowing and trusting them, is more than investing – it is the strategies being deployed and understanding clients' risk tolerance," says 5-Star Advisor Darren Alexander, a senior investment advisor with AlexanderWealth & Associates Advisory Group at Manulife Securities Incorporated. "An advisor can understand a client and their risk tolerance even better. I encourage investors to pick an advisor they trust and consolidate with them. As an advisor, if you can see all of the investments a client has, you are able to make better recommendations."

Another area where advisors in both regions scored well was customer service: Quebec advisors once again received a score of 100%, while advisors in Western Canada were close score, while advisors in Western Canada netted a respectable 94%. The fact that both groups scored so well is a testament to the willingness of the best advisors to keep up with the latest products in an industry that releases hundreds of funds each year.

"We are always learning in this industry, with continuing education and day-to-day experiences," Alexander says. "I don't think you can ever learn enough."

Both groups also fared well when it came to communication, an important area of the advisor-client relationship that's been especially crucial over the past year. Quebec advisors received a score of 96% for communi-

"We are constantly trying to communicate everything we possibly can about what is going on, and when you go through [rough] periods, you double down on the communication going out"

Rob McClelland, The McClelland Financial Group

behind with a score of 97%. Much like establishing trust, providing quality and differentiated service helps advisors and their teams build a strong client base.

"We received lots of referrals and feedback saying we were offering something that others weren't – a different level of service," Philip Tonge, partner and senior executive financial consultant at 5-Star Top Team Tonge McChelry & Associates at IG Private Wealth Management, says of his team's approach to providing client service. "Our focus on planning has allowed us to grow and add team members. We really aim to offer high service in all areas."

Product knowledge was another area in which Quebec advisors earned a perfect 100% cation, while advisors in Western Canada earned a 93%.

The importance of communicating regularly with clients cannot be understated. Advisors who were able to pivot to digital means of communication to stay connected with clients during the pandemic were able to help them ride out the market turmoil and stay the course on their financial plans.

"To me, the key to communication is when you are going through a rough period, like last March and April, reach out to every client," says Rob McClelland, vice-president and senior financial planner at 5-Star Top Team The McClelland Financial Group of Assante Capital Management. "We are constantly trying to

## METHODOLOGY

To find the best advisors in Canada, *Wealth Professional* undertook a rigorous marketing and survey process, reaching more than 200,000 investors across Canada. Investors were asked to nominate their advisors and rate them on six key criteria. From there, list of finalists was compiled, and one-on-one calls with nominators added qualitative research to the quantitative results from survey. The end result is a list of 5-Star Advisors who are recognized based not on AUM, but rather the service provided to their clients.

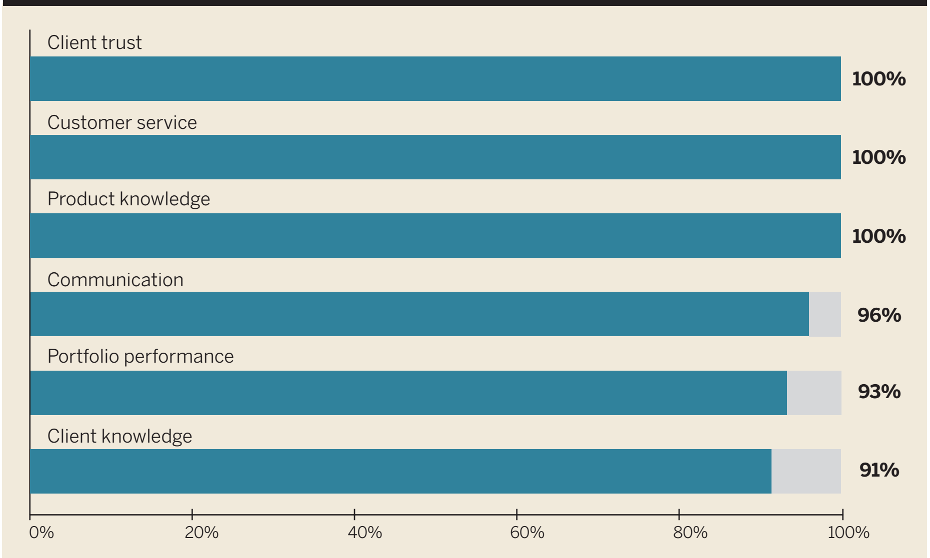
To identify the 5-Star Top Teams, *WP* relied on a similar marketing and survey process, asking investors across Canada to nominate their advisory teams and describe the team's key service offerings, what sets them apart and what value they provide to their clientele. For the purpose of this report, teams were classified as those with three or more advisors.

**36%**
of *WP*'s 5-Star Advisors are based in BC

**34%**
of the 5-Star Advisors operate in Quebec

**30%**
of the 5-Star Advisors work in the Prairies

**HOW INVESTORS RATED ADVISORS IN QUEBEC**




> "We love dividend [stocks] – our approach is let's make money, but do it on a boring basis"
>
> David LePoidevin, LePoidevin Group

communicate everything we possibly can about what is going on, and when you go through these periods, you double down on the communication going out. It is almost too much, but what I realized is each client doesn't consume every piece – they have their favourites."

Client knowledge was Quebec advisors' worst-scoring category, but they still managed to pull in a solid score of 91%, while advisors in Western Canada did slightly better at 92%. The numbers suggest that individuals who work with an advisor feel that their advisor is knowledgeable about their financial well-being. That's something advisors and the wealth management industry can showcase as they push for greater financial literacy across the board.

### Room for improvement

The area most critiqued by investors in Western Canada was portfolio performance; advisors in the region scored just 85%, while their Quebec counterparts fared slightly better with a score of 93%. The lower scores in this area could be attributed to the COVID-19 pandemic and its impact on the markets, but they also could tie into client education and communication – when clients know what to expect during a market correction, they're less likely to be concerned about dips in performance. On the other hand, these scores might also be a wake-up call for advisors that their approach needs to evolve.

David LePoidevin, director of wealth management, senior vice-president and portfolio manager at 5-Star Top Team LePoidevin Group at Canaccord Genuity Wealth Management, is one advisor who's altered his approach to portfolio construction over the decades.

"If you look back, while the bond market created an opportunity in the '80s, it is probably one of the poorest choices we can think of now," he says. "We held bonds then a long way, but when the 2009 credit crisis hit, we noticed an opportunity with dividend stocks. Now we love dividends – our approach is let's make money, but do it on a boring basis."

### The team model

This year's 5-Star Top Teams were evaluated on the same criteria as individual advisors, but survey respondents were also asked to consider each team's differentiators and the value proposition they offer to clients. Now more than ever, advisors are seeing the need to surround themselves with individuals with different skill sets to offer value to clients.

"A team concept is something you see more and more these days," says 5-Star Advisor Thalia Kingsford, vice-president and senior investment advisor at Kingsford and Associates at BMO Nesbitt Burns. "When I built my team, it was because I had more business than I could cover with the level of quality I expected on my own. I added people who were smart and had a similar philosophy. We were built out of necessity to cover more clients with service. The thing that makes a team unique is we all have different credentials, so we can allocate to the appropriate expert."

There's no doubt that being a successful advisor today is about more than just investment management, but judging by this year's 5-Star Advisors and Top Teams, the advisor community has acknowledged and embraced this new role. As the wealth management industry continues to evolve to find new ways to benefit clients, working with an advisor will become ever more valuable.

# 5 Star ADVISORS AND TOP TEAMS 2021

## 5-STAR ADVISORS – WESTERN CANADA

**Andrew McQuiston**
West Oak Family Office
Wellington-Altus Private Wealth
**Phone:** 587-324-1451
**Email:** westoak@wprivate.ca
**Website:** westoakfamilyoffice.com

**Darren Alexander**
AlexanderWealth & Associates Advisory Group
Manulife Securities Incorporated
**Phone:** 604-542-5888
**Email:** darren.alexander@manulifesecurities.ca
**Website:** alexanderwealth.ca

**Faisal Karmali**
Popowich Karmali Advisory Group
CIBC Wood Gundy
**Phone:** 403-266-0147
**Email:** faisal.karmali@cibc.com
**Website:** pkag.ca

**Grant White**
Endeavour Wealth Management
iA Private Wealth
**Phone:** 204-515-3440
**Email:** grant.white@endeavourwealth.ca
**Website:** endeavourwealth.ca

**Marvin J. Schmidt**
The Schmidt Investment Group
CIBC Wood Gundy
**Phone:** 780-970-5309
**Email:** TheSchmidt.InvestmentGroup@cibc.ca
**Website:** TheSchmidtInvestmentGroup.ca

**Rob Tétrault**
Tétrault Wealth Advisory Group
Canaccord Genuity Wealth Management
**Phone:** 204-259-2859
**Email:** rtetrault@cgf.com
**Website:** robtetrault.com

**Brad Wigard**
Brad Wigard Financial Solutions
Sun Life Financial

**Chad Price**
Odlum Brown

**Colin Ryan**
Colin Ryan Wealth Management
Wellington-Altus Private Wealth

**Darcie Crowe**
Crowe Private Wealth
Canaccord Genuity Wealth Management

**Julia Chung**
Spring Planning

**Kalee Boisvert**
Kalee Boisvert Financial Services
Raymond James

**Karen Ikeda**
Nicola Wealth

**Lisa Carter**
Portum Financial Services
Sun Life Financial

**Maili Wong**
The Wong Group
Wellington-Altus Private Wealth

**Susyn Wagner**
Wagner Investment Team
CIBC Private Wealth Management

**Travis Forman**
Strategic Private Wealth
Harbourfront Wealth Management

**Thalia Kingsford**
Kingsford and Associates
BMO Nesbitt Burns

**Thomas A. Gilman**
Gilman Deters Private Wealth
Harbourfront Wealth Management

**Wes Ashton**
Oakwater Private Wealth Counsel
Harbourfront Wealth Management

## 5-STAR TOP TEAMS

**LePoidevin Group**
Canaccord Genuity Wealth Management
**Phone:** 1-855-643-7073
**Email:** lepoidevingroup@cgf.com
**Website:** lepoidevingroup.com

**The McClelland Financial Group**
Assante Capital Management Ltd.
**Phone:** 905-771-5200
**Email:** tmfg@assante.com
**Website:** tmfg.ca

**Tonge McChlery & Associates**
IG Private Wealth
**Phone:** 416-613 8291
**Email:** team@tmassociates.ca
**Website:** tmassociates.ca

**Castlemark Wealth Management**

**CorePlan Financial**
CI Assante Wealth Management

**Insightful Wealth Group**
Manulife Securities Incorporated

**JMRD Watson Wealth Management**
National Bank Financial

**Luft Financial**
iA Private Wealth

**PWM Private Wealth Counsel**
iA Private Wealth

**Retirement Navigator**

**The CM Group**
CIBC Private Wealth Management

**Velocity Investment Partners**
Raymond James

**Woodgate Financial**
IPC Securities Corp.

**Zagari+Simpson**
Mandeville Private Client

**Zelos Capital**

## 5-STAR ADVISORS – QUEBEC

**Francis Gingras Roy**
Manulife Securities Incorporated

**Francis Sabourin**
Francis Sabourin Wealth Management
Richardson Wealth

**Gene Kim**
Summit Private Wealth
Mandeville Private Client

**Joseph Alfie**
Myriad Private Wealth
iA Private Wealth

**Joseph Bakish**
Bakish Wealth Management
Richardson Wealth

**Martin Gendron**
Desjardins Securities
Desjardins Wealth Management

**Maurice Pallone**
Rothenberg Capital Management

**Mary Hagerman**
The Mary Hagerman Group
Raymond James

**Shawn Martel**
Gestion de patrimoine Assante
CI Assante Wealth Management

**Steve Buisson**
Buisson Gestion de patrimoine
iA Private Wealth

Robert McChlery

Philip E. Tonge

# TONGE McCHLERY & ASSOCIATES

## IG PRIVATE WEALTH MANAGEMENT

**Phone:** 416 613 8291
**Email:** team@tmassociates.ca
**Website:** tmassociates.ca

IG PRIVATE WEALTH MANAGEMENT
TONGE McCHLERY & ASSOCIATES

Philip Tonge and Robert McChlery's practice has roots beyond the four years that Tonge McChlery & Associates has existed. Tonge started his practice in 2001 with Investors Group (IG) and went on to hold numerous roles within the organization. After Jeff Carney took the helm of the firm and began its aggressive transformation, Tonge realized he wanted to go back to the private wealth side and approached McChlery about starting a practice. Since then, they have built a team that offers a full planning process with an enhanced specialization in tax strategies.

"I got to do it all over with the knowledge I have now," Tonge says. "We started the practice in 2017 with the goal of reaching $100 million in AUM within five years; we did it in just over three. We received lots feedback saying we were offering something that others weren't – a different level of service."

Tonge believes the level of planning they emphasized was the differentiator. "Our focus is to help clients with a full planning process," he says. "Many of our clients are retirees or were self-employed, so we are looking to help with tax and income strategies. We developed the practice to give clients more control of their financial well-being."

A big element of that is tax and estate planning. Tonge has specialized tax planning designations and believes this element has created a huge value-add for the team.

"I felt if people could essentially get the same products everywhere, having an in-depth knowledge of tax and estate planning would work to my advantage," he says. "We decided to run the business not from a rate-of-return perspective. Most wealth built by individuals is not from rate of return; it is from inheritance, entrepreneurship, savings, etc. Our philosophy doesn't take undue risk. We realized there are things we cannot control, like the economy or the markets, but we can control tax strategies. By knowing the tax rules in-depth, we can help clients build more wealth."

The rest of the team has followed suit, taking tax strategy courses. While tax knowledge is a common denominator, the team is also very diverse, which Tonge believes has worked to their advantage.

"Our oldest associate, Robert Baker, is 71 years old," he says. "Since most of our clients are retirees, he knows their feelings and concerns when it comes to retirement. My partner, Rob McChlery, is really focused on the relationships side; we also have Garima Jain, who has a background in behavioural psychology, which is such an important part of the process. We even have team members in their early 30s. We all bring unique perspectives to the table."

Tonge says the team's greatest challenge so far has been establishing their practice within their desired parameters – but now the challenge is evolving it. The pandemic prompted Tonge McChlery & Associates to make a greater push towards working digitally, which he believes will allow the team to work even more effectively for their clients.

Fletcher Hemmons David LePoidevin Marc Rinfret

# LEPOIDEVIN GROUP

## CANACCORD GENUITY WEALTH MANAGEMENT

**Phone:** 1-855-643-7073
**Email:** lepoidevingroup@cgf.com
**Website:** lepoidevingroup.com

LEPOIDEVIN GROUP

The LePoidevin Group at Canaccord Genuity Wealth Management was formed in 1988 by David LePoidevin, an industry veteran who now has more than 35 years of experience in the investment industry. Now managing more than $1.7 billion in assets, with offices in Vancouver and Toronto, the LePoidevin Group is a team of like-minded portfolio managers, research analysts, traders, a financial planner and administrative associates, some of whom have been with LePoidevin for more than 20 years.

LePoidevin got his start in the industry in 1986. With experience in the bond market, he built a strategy on the opportunity bonds delivered at the time, which netted him a very conservative clientele. That group has followed him as he's moved to major institutions, ultimately ending up at Canaccord. Over the years, LePoidevin's investment philosophy has also evolved, as he recognizes his bond strategy from the '80s no longer works.

"Our philosophy is really boring investments that have the bond-like returns of the 1980s," he says. "We are looking, from a macro perspective, for things that will generate a great return because we are buying things at a bargain that pay dividends, have earnings, and we are not looking for the latest fad."

LePoidevin, along with Marc Rinfret and Fletcher Hemmons, creates client portfolios and manages assets. He says he wouldn't be as successful without the support of his team.

"Fletcher and Marc are the other portfolio managers on the team that I brought on as my 'young guns,'" he says. "We meet regularly and come up with the stock selection. I can only handle so many relationships, so they are such an integral part of the team. We have such a wonderful team, from administration to partners in portfolio management."

The LePoidevin Group's success comes down to a consistent and disciplined investment approach that focuses on preserving wealth, ignoring market fads, capitalizing on market corrections, sticking with a long-term approach and changing course when opportunity presents. LePoidevin believes one of the things that has set his team apart is its ability to handle crises, thanks to its macroeconomic perspective.

"In my career, I have seen four recessions, and every one of our clients have come out ahead on a calendar basis," he says. "What sets us apart is how we deal with crises and how our clients have outperformed over the long run."

That differentiator has generated loyalty, customer satisfaction and referrals that have allowed the practice to grow to where it is today. Also underlying the success of the LePoidevin Group is Canaccord Genuity and its focus on providing best-in-class wealth management strategies and capabilities. It is not a large bank, but rather an entrepreneurial and supportive environment where the LePoidevin Group can pursue its clients' interests.

"Canaccord is a breath of fresh air – it has the infrastructure and is great for advisors who want to be a business owner and do a bit of their own thing," LePoidevin says. "I am very excited about it and the partnership we have."

**1988**
**Year founded**

**2**
**Number of offices**

**16**
**Number of employees**

# THE McCLELLAND FINANCIAL GROUP

## ASSANTE CAPITAL MANAGEMENT LTD.

**Phone:** 905-771-5200
**Email:** tmfg@assante.com
**Website:** tmfg.ca

Rob McClelland, Vice-President and Senior Financial Planner of The McClelland Financial Group (TMFG) of Assante Capital Management Ltd. (Assante), has learned a lot about the business during his 30-year career. Yet the lessons that have impacted him the most have been focusing on planning, serving families and committing to a strategy.

After getting his start at Brightside Financial, McClelland left to start his own practice with Equion Securities, which later became Assante. The early days of building his practice centred around holding seminars for prospective clients. After acquiring a few books of business, he changed his marketing efforts.

"I hired consultants who told me to market to the clients I had," McClelland says. "We started a seminar program for clients, and then came referrals."

McClelland quickly realized the opportunity to gain referrals from family members. "We called it marketing to people who knew who we were and what we did. They would bring friends or family members to our events, and those people became clients. We saw an opportunity, so we started offering a family fee deal."

McClelland and his team – which includes business partner and Senior Financial Planner Michael Connon – also recognized the need to have in-depth knowledge of the families they were serving. "We created an app which has a family tree," he says. "We build it out so before a meeting, we knew the things going on with the family – that helped us focus on families."

McClelland and the team then took the concept one step further by implementing family meetings. "The idea is you take a client in their 70s to mid-80s and meet with them and their children," he says. "We present the parent's financial plan, talk about the will and address any questions or concerns. We found it helpful to the parents, who can get everything off their plate, and children get a chance to ask questions or issues in the will can be addressed."

A key element of serving families is the importance TMFG places on planning – something McClelland learned early on at Equion that has been strengthened at Assante.

"We learned to build diversified portfolios, but lead with the financial plan as opposed to the portfolio," he says. "From there, we go into tax, estate and insurance planning. Assante has been doing financial planning for 25-plus years, whereas it's newer for a lot of brokerages."

When it comes to his clients' portfolios, McClelland says consistency is key. "What I have learned is no two advisors do it the same. Even when I speak with my advisor friends, we all take a different approach. What is important is that you have a strategy and you stick to it. It doesn't mean you don't change your thought process along the way, but you don't change it yearly or monthly, and those adjustments that you do make should be relatively minor and never based on recent performance."

Going forward, McClelland aims to continue his approach by applying a consistent strategy, focusing on planning and serving families. He gives credit to his wonderful team, who all contribute to the process, and says he couldn't do what he does without them.

Assante Capital Management Ltd. is a Member of the Canadian Investor Protection Fund and Investment Industry Regulatory Organization of Canada.

**1991**
**Year founded**

**1**
**Number of offices**

**16**
**Number of employees**

# DARREN ALEXANDER


**ALEXANDERWEALTH & ASSOCIATES ADVISORY GROUP**
**MANULIFE SECURITIES INCORPORATED**

**Phone:** 604-542-5888
**Email:** darren.alexander@manulifesecurities.ca
**Website:** alexanderwealth.ca


Darren Alexander, a senior investment advisor and Certified Financial Planner at AlexanderWealth & Associates Advisory Group with Manulife Securities Incorporated, spent much of his youth in South Africa before attending college in the UK. It was there that he took an interest in numbers, which he applied to economics. After college, he moved to Canada and entered the financial industry. More than 30 years later, he has used his experiences to build a successful practice.

Alexander started out in the financial industry in an administration role with Royal Trust, but soon realized he would be better suited as an advisor. He made the leap and became a licensed account manager with Montreal Trust. After stops along the way with BMO, RBC and VanCity Savings, he took his practice independent with Manulife Securities Incorporated. Six years later, he hasn't looked back, although he feels fortunate to have followed the path he did.

"When it comes to experiences, you can never learn enough," Alexander says. "Seasoned advisors have so many examples of situations to draw on. If you have been through several market crises, various governments, fiscal and monetary changes, and worked at several financial institutions, you have an amazing base to provide proactive, sound financial advice."

One of the biggest lessons Alexander has learned is the importance of behaviour – over the years, he has seen how different clients react to different situations. He notes that investors can be their own worst enemy, which is why having a strong relationship with an advisor is important.

"Behaviour and decision-making can be detrimental to their long-term ability to build wealth," he explains. "Our job is to understand that behaviour and be aware of the clients who need their hand held through those situations. It is easier to deal with volatility if they have gone through it before with you as their advisor."

Alexander has been a CFP for 20 years, specializing in retirement planning. He says the key is keeping things simple for clients and not sugarcoating return expectations. While he notes that asset allocation is major factor, Alexander also stresses patience and discipline to help his clients become successful long-term investors.

"Keeping clients on a steady path, with a plan, is key over the long run," he says. "Obviously, investment selection also plays a big part, but an advisor's role is to keep clients on that plan and avoid knee-jerk reactions or temptations."

That's one of the many reasons why Alexander believes investors should work with and consolidate their investments with one advisor. "Working with an advisor over time, knowing and trusting them, is more than investing – it is strategies being deployed and understanding clients' risk tolerance," he says. "As an advisor, if you can see all of the investments a client has, you are able to make better recommendations. Manulife Securities Incorporated is a great dealer partner to run my business with. Being an independent business owner has allowed me to think bigger and focus on clients more."

## ANDREW McQUISTON

**WEST OAK FAMILY OFFICE**
**WELLINGTON-ALTUS PRIVATE WEALTH**

The best way to provide strong financial advice to families is to get to know them – an aspect of the profession that Andrew McQuiston relishes.

"West Oak's success has come from always putting our clients' best interests first and always finding ways to improve and add more value to them," says McQuiston, executive vice-president and senior portfolio manager at Calgary-based West Oak Family Office at Wellington-Altus Private Wealth. "We are humble enough to ask our clients how we can be better and fortunate enough to have the resources, education, experience and work ethic to make this practice what it has the potential to be."

Serving high-net-worth families, West Oak Family Office is independent from banks, giving it objectivity with clients and the capability to integrate investment management, tax and other planning measures within one team. It's a winning formula that came together when McQuiston and business partner Kelly Demo joined forces in 2013.

"We are now a team of 10 highly experienced and educated professionals, and we have a truly independent, integrated and dedicated family office offering for the 68 families we serve," says McQuiston, who is also vice-chair of the Wellington-Altus Private Wealth advisory board. "I am constantly astounded by the accountability and level of commitment our team has for our clients and each other, and I think that is a critical element of any business's success."

## FAISAL KARMALI

**POPOWICH KARMALI ADVISORY GROUP**
**CIBC WOOD GUNDY**

Faisal Karmali got into this business for a simple reason: to help people. "The initial passion always came from helping individuals in financial situations," he says. "Growing up lower-middle-class Canadian and a minority, it was really challenging to see people go through tough times financially, and that was my passion – to help."

As a portfolio manager and investment advisor at Popowich Karmali Advisory Group at CIBC Wood Gundy, Karmali specializes in working with clients who are less than 10 years away from retirement. He also shares his expertise as co-host of *More Than Money*, a weekly radio program dedicated to retirement finance and lifestyle. He is also a business and market expert who regularly appears on CTV and NewsTalk 770 (CHQR AM 770) radio.

"Clients have been accustomed to advisors helping them get to retirement; very few people have an advisor who can help them get through retirement," Karmali says. "The biggest risk in a person's financial situation is when they are 100% dependent on their savings and pensions, making them vulnerable to everything that's happening, whether it's political, economic, financial."

To best serve his clients, Karmali takes a personalized approach, learning their core values and ambitions to provide the best possible advice. "It's really about giving security that no matter where the clients go in their lives, the financial institution or advisor will be beside them for every stage," he says.


## ROB TÉTRAULT

**TÉTRAULT WEALTH ADVISORY GROUP**

**CANACCORD GENUITY WEALTH MANAGEMENT**

"Our mantra is not ultra-complicated," Rob Tétrault says of Tétrault Wealth Advisory Group's approach. "We believe in giving the absolute best service – that is one thing we can control. We can't control the markets, but we can absolutely, unequivocally control the client experience and the service that they get."

That passion for top-tier service over the past 11 years has propelled Tétrault to the top. He is an award-winning portfolio manager and has been ranked in the top 10 of *Wealth Professional*'s Top 50 Advisors list for three out of the last four years. Tétrault has built a robust digital strategy to get his award-winning advice out there, using YouTube, Instagram and even TikTok.

"It's allowed us to leverage the service that we provide to our clients," he says. "Our approach to managing money has been part of the reason for the growth. I'm not a believer in cookie-cutter portfolios; I'm a big believer that individuals should have their own customized portfolios."

Outside of the office, Tétrault co-founded the Canadian CMV Foundation, a charity on a mission to eradicate congenital CMV, the number-one cause of infant disability. "I believe it's important in life to have a bit of a balance," he says. "I have three passions in my life: my family, my work, my community involvement."

## MARVIN J. SCHMIDT

**THE SCHMIDT INVESTMENT GROUP**

**CIBC WOOD GUNDY**

For nearly three decades, The Schmidt Investment Group at CIBC Wood Gundy has served Canada's affluent families, protecting and growing their wealth from generation to generation. The group's founder and principal, Marvin J. Schmidt, attributes his team's success to a deep appreciation that every family is unique.

"We take a customized approach to each client family," he says. "This allows us to understand the vision they have for their wealth and, more importantly, their family and the supporting role we can play in bringing them to life."

Schmidt recognizes that he couldn't do this without his award-winning team. "We have what I believe to be one of the most talented, skilled and seasoned teams in the Canadian wealth management industry, combined with a culture of continuously challenging ourselves to add more value for our clients in ways that are meaningful to them."

A unique feature of Schmidt's practice is Expand Hope, a global social impact platform that affords his clients the opportunity to impact the lives of thousands of people. "Expand Hope was born from a deep desire to have a positive impact on the world, a desire that I heard echoed in conversations with clients throughout the years," he says. "Through the construction of schools in honour of our new client families, Expand Hope works towards eradicating poverty by providing access to education for vulnerable children, while enabling client families to connect with, learn from and fulfill their aspirations of impacting marginalized communities around the world."

## GRANT WHITE

**ENDEAVOUR WEALTH MANAGEMENT**

**IA PRIVATE WEALTH**

"At the end of the day, we are in the dream-making business," says Grant White, portfolio manager with Endeavour Wealth Management at iA Private Wealth. "That's why I love what we do here. We help people to live more of those memorable moments that make life special."

Since entering the industry in 2005, White has been recognized as a top-tier financial planner and portfolio manager by The Carson Group, an international wealth management organization, and as Young Gun of the Year at the 2018 Wealth Professional Awards.

"It's truly amazing, the changes you will make in your business when you walk a few miles in the shoes of the people you serve," White says. "Everything we do at Endeavour Wealth came from thinking about what experience we would want to have if we were our clients."

That specialized approach requires "a complete ecosystem of professional advisors working together cohesively," White adds. "We have entered the age of experience, and the financial industry is playing catch-up. To deliver the value that people deserve, we need to provide exceptional advice alongside delivering memorable moments for all of our stakeholders."

Outside of Endeavour Wealth, White is a member of the fundraising cabinet for the United Way of Winnipeg and recently started the Endeavour Rising Tide endowment fund, which raises money for people living with life-threatening illnesses.


# The next wave of innovation

*WP* sat down with Emerge Canada's **Lisa Langley** and ARK Invest's **Cathie Wood** to talk about how they've brought innovation to the Canadian ETF industry – and find out where they're headed next

**AS 2020** came to a close, no Canadian ETF provider had seen more growth over the course of the year than Emerge Canada. That was due largely to the popularity of Emerge's initial suite of disruptive innovation ETFs, launched in 2019 and subadvised by ARK Invest. It was that area of disruptive innovation that both Emerge founder and CEO Lisa Langley and ARK Invest CEO and CIO Cathie Wood pinpointed as an opportunity in the Canadian marketplace.

"The opportunity we saw in Canada, early on, was there were some companies calling themselves innovation-focused, but they were also running real estate investment trusts and other products, so they weren't 100% focused on innovation," Langley says. "They didn't have the research capabilities and weren't actively managing their strategies. There was a gap with more sophisticated advisors wanting research. Thankfully, there was ARK and Cathie's approach, which she was open to discussing."

Wood's strategy focuses on five areas of innovation that Emerge's ETFs offer exposure to: DNA sequencing, robotics, energy storage, AI and blockchain technology.

"These technologies were born during the tech and telecom bubble but have taken years to gestate," Wood says. "Now we have to figure

That underlying philosophy is a tremendous point of pride for Langley in Emerge's offerings, and she says it's an important factor for advisors who are looking to add disruptive innovation to their portfolios.

"You need to look for experts who understand the space as purely as ARK does," Langley says. "They have an expertise in understanding information that is available to the public but is best understood by experts. ARK has proven they can give away research, help advisors build their business, and everyone can be participating in the future if


"I like it when we go through periods of testing like this because it shows where stocks find support – that's info for us. Once in a while, we like a wall of worry because the strongest bull markets are built on it" Cathie Wood, ARK Invest

out how quickly they will move into the sweet spots of their S curves. We have done deep research on how these technologies evolve, if are they ready, if they are cost-effective and if the cost will continue to be driven down to unleash waves of demand. We think these five platforms are doing just that."

That research has been key not only for the success of the ETFs, but also as a differentiator for ARK. Wood notes that the company gives its research away for free, enabling true access.

"We give our research away to educate and to engage with the innovators," she says. "What we do for them is size the market and educate them where we see barriers to entry, unit economics, and give them the best way to capitalize on the innovations they are involved in. What has come back is so much more as we battle-test our assumptions and build out our models."

they can afford one unit of an ETF."

Wood adds that "giving access to the same kind of innovation, priced more reasonably, in the public equity markets has been rewarding. We are helping to change lives. This is a volatile strategy – you need to have a five-year time horizon, but younger investors should have those long horizons. We often say we are the closest thing to a venture capitalist firm in the public markets, and giving investors access to big ideas has hit a response accordingly."

So far, this year has been rocky for the tech industry and many of the innovations Wood looks to provide exposure to. However, she has seen it as an opportunity to bolster positions in ARK's high-conviction names.

"In risk-off periods, when investors diversify by adding benchmarks, they sell our stocks," she says. "We are happy to buy them, as it creates great opportunities. In the last six months, the rotation towards value and cyclicals has gained momentum. We told our clients this is good news because the bull market has broadened out. I like it when we go through periods of testing like this because it shows where stocks find support – that's info for us. Once in a while, we like a wall of worry because the strongest bull markets are built on it."

When it comes to recent opportunities, Wood and Langley saw one in the Emerge ARK Space Exploration ETF (EAXP), which launched in late March in both Canada and the US.

"Space exploration is happening because of the convergence of many technologies," Wood explains. "If you look at the costs associated with launching rockets, satellites and antenna technology, they are coming down. You are also seeing two big markets come into focus. One is broadband – 3 billion people in the world do not have access to broadband. This is a $40 billion opportunity; the satellites shooting up will address that.


Believe it or not, $10 billion of that is in the US, because 40 million people do not have access to broadband.

"The second big opportunity is hypersonic flight – moving from Toronto to Tokyo in two to three hours instead of 12 to 14. That will be a big market that we estimate will have $270 billion in annual revenue. The technology is ready, and the costs are low enough."

EAXP showcases Emerge and ARK's commitment to offering access to disruptive new technologies, yet it's merely the latest step for Langley and Wood, who have been innovating in the financial industry for decades. Langley is one of the few female CEOs in the industry and the only female majority owner of a fund/ETF company in Canada. Wood's strategies have made her a world-renowned CEO/CIO, managing $80 billion in assets. Both women recognize how their success can translate into more women entering the industry.

> "ARK has proven they can give away research, help advisors build their business, and everyone can be participating in the future if they can afford one unit of an ETF" Lisa Langley, Emerge Canada

"I am blessed to have seen and had the opportunity here in Canada," Langley says. "There are so many talented women in the industry, and they need to be shown that they can do it. A lot of people are doing great things – we just need to bring people together and explain how to do it. With the right partners and advocates, you can meet the challenges. Look at Cathie and I – we partnered together to launch our five ETFs; we are prevailing and earning our way to add value to advisors. I think it is something women don't even realize is an option, and I think women just need to change the way they think."

"Lisa and I started our companies at the same time," Wood adds. "We were in a brainstorming session with a top person at Morgan Stanley, told our stories, and he said, 'This is going to work.' You need people to encourage you along the way. We hit the ground running and felt we were filling an unfilled need. I think that is the main thing – woman or man, if you have a great idea and don't see it being satisfied in the marketplace, you have to try." WP

# From accountant to advisor

**Kevin Burkett** took a leap of faith in leaving an established accounting career to enter wealth management, but the combination of skills has proved successful

**GROWING UP** as the son of an accountant, Kevin Burkett had exposure to the financial industry from a young age. That inspired him to follow in his father's footsteps, earning a bachelor of commerce degree and eventually a Chartered Accountant designation. His time in accounting, and later investment banking, took him to many places across North America and abroad, but Burkett eventually returned home to Victoria and joined his father's accounting practice. It was there that he realized accounting and wealth management weren't so far apart. So he set out to combine these skills with the launch of Burkett Asset Management in 2015.

"I always had this vision that a lot of the work we do in an accounting practice overlapped with wealth management," he says. "Those two services, if coordinated together, could be a great thing for clients."

As an accountant, Burkett got a glimpse into the wealth strategies his clients were using and was able to bring the most effective ones together to form the foundation of his practice.

"I asked clients about their needs and found there were a lot of things people wanted that they weren't previously getting," he says, "so I used those conversations as a blueprint to build a separate investment management firm."

Joined by his father, Burkett launched his firm in May 2015; by the end of 2016, he had amassed more than $100 million in AUM.

"Working with my dad has been a fun experience," he says. "I've learned firsthand the opportunities that come when succession planning is done well."

With a pair of accountants leading it, Burkett Asset Management naturally has a specialization in tax strategies, but Burkett says it goes much further than that.

"Our approach is very data-driven," he says. "We have CFA charterholders making investment decisions and benefit from efficient quantitative tools on the investment side. We are definitely a firm that sees investing as more of a science than an art and spend as much time thinking about risk management as we do sourcing opportunities."

Burkett's typical clients are high-net-worth business owners and those with a level of complexity to their financial situation. He describes his job as taking stock of what clients already have and finding ways to diversify, simplify and bring value to their unique situations.

The firm primarily focuses on adding value through publicly listed securities, as many of their clients already have exposure to areas such as real estate. Burkett has a conservative investment philosophy that focuses on wealth preservation and is designed to provide consistent, repeatable results. Over the past five years, Burkett Asset Management has carved out niches in global equities and Canadian fixed income and has added value for clients by combining the strengths of both quantitative analysis and fundamental research.

While the company is running well now, Burkett acknowledges that building it was the biggest challenge of his career.

"It was a rewarding challenge, but not an easy one to take on at such an early phase of my career," he says. "I'm so grateful to the many people who helped me in the areas of compliance, operations, trading and client service – there are too many to list."

All of those experiences have allowed Burkett to put together a unique offering. "I now have a real depth of tax expertise

## THE BENEFITS OF INDEPENDENCE

Being an independent firm without a brokerage or bank affiliation has been key to his firm's success, according to Kevin Burkett. He says independence has enabled him to fully apply his data-driven approach and minimize the constraints of outside influence.

"In many cases, especially with large clients, they really expect that," he says. "That feature of our firm got us in the conversation with clients that I don't think we would have been able to if we were attached to one platform. Those clients truly value an independent perspective."

> “I always had this vision that a lot of the work we do in an accounting practice overlapped with wealth management. Those two services, if coordinated together, could be a great thing for clients”

and investment expertise,” he says. “Having that cross-fluency was challenging to develop because they are quite different practice areas.”

But it all paid off – not only in terms of performance, but also client satisfaction. A recent client survey revealed that 96% would recommend the firm to friends.

“Our performance track record and client satisfaction measures were ‘mission accomplished’ for our formative years,” Burkett says. “Rewarding the early confidence people had to invest with us and achieving our desired outcome was very rewarding.”

Now he’s set an ambitious path for the future. Burkett has enjoyed the deep relationships he’s established with clients and hopes to empower others to do the same. With a team of five, he’s working with young advisors to develop their skills and help them succeed in the industry.

“As you grow, the team-based approach becomes the key,” Burkett says, “and so the current focus is building a culture and process around how we rise to the challenge of delivering value.” WP

## FAST FACTS: KEVIN BURKETT

**PRACTICE/FIRM**
Burkett Asset Management

**LOCATION**
Victoria, BC

**YEARS IN THE INDUSTRY**
15

**EDUCATION**
Bachelor of commerce in accounting from the University of Calgary

**CERTIFICATIONS**
CPA, CA, CFA, FCSI

**SPECIALIZATIONS**
High-net-worth clients, business owners and others with particularly complex financial situations

# Land of opportunity

The pandemic has only accelerated the trend toward rentals in suburban areas. Centurion Asset Management's **Greg Romundt** tells *WP* why that's likely to continue in 2021 and beyond

**THE COVID-19** pandemic has altered how we live and work in many ways. One of the most significant trends has been a movement away from urban cores and into the suburbs – something that was already happening before the pandemic but has accelerated since, according to Centurion Asset Management. Now, as more people realize the benefits of suburban areas, Centurion sees this trend sticking around even after the world gets back to normal.

"There is a misperception in the press that what is happening in Toronto and Vancouver equals what is happening in the entire country, which is just not true," says Centurion president and CEO Greg Romundt. "Everyone assumes rental prices everywhere are soft, but they are not. Toronto and Vancouver – downtown cores, very dense cities – are soft, that is true, but the number of people in the country is not declining. So where are they going? They are moving to the suburbs, and we see that in the rental trends."

Romundt says there are many reasons for this migration to the suburbs, but it's mostly driven by a desire to save money. As a result, many suburban parts of the country are seeing a rapid rise in population and rentals because people want to go there and there aren't enough rental units to meet the demand. Romundt points to Kelowna and Victoria in BC, both areas where Centurion has properties.

"We call it an exurban strategy to Vancouver," he says. "We bought those properties pre-pandemic, because we thought people would go there and saw this playing out in other parts of the country. You can be in commuting distance, and it will cost you half."

The shift to remote work has accelerated the trend. People are realizing they don't need to be in urban centres and can get more space for less money in the suburbs.

"We are still seeing strong lease-up in those communities," Romundt says. "There are some who say when the pandemic ends, this all goes back to normal, but I don't ascribe to that view. Some of those people moving to the suburbs will find it is pretty good, and employees will expect to be offered work-from-home days as a benefit. Even if it is not every day, it will become a more lasting trend, allowing people to live in the suburbs."

This deurbanization is occurring across Canada, Romundt says – people are going from big cities to medium and smaller ones all around the country, and he doesn't foresee this ending anytime soon.

"When you think about the number of rental units being built in downtown Toronto or Vancouver, there aren't many of them," he says. "It is far more profitable to build and sell condos. If a builder goes to the suburbs, they can buy a two-acre piece of land and put up a 100-unit apartment building. They can use less expensive technology, wood or steel versus concrete, can do surface parking, and elevator runs are less expensive in a four- or six-storey building. So it is much more affordable to build them there."

That affordability for builders can quickly turn into value and returns for asset managers and investors who get involved with these types of properties.

"Our view is that in the next 10 years, as a country, we will build as many apartments as we have in the last two generations" Greg Romundt, Centurion Asset Management

"We thought that the properties in the suburbs and exurbs have been better value on a dollar-per-square-foot, yield-type basis," Romundt says. "They have certainly proved their value – not exactly in the way we expected during the pandemic, but they are where people want to go and be. If you are interested in the new-apartment business, which is what we are, that is primarily – not exclusively – a secondary markets phenomenon, or in more suburban markets. It is very expensive, risky and time-consuming to build apartments on the margins available in cities versus selling those buildings as condos. That is why shops like ours are doing plenty of new-construction development with partners almost all in the suburbs."

The pandemic aside, a few other trends have led Romundt to remain bullish on the suburban apartment space. The first is the fact that much of the apartment stock in Canada is quite old, meaning there will be a need for more new developments.

"I think it is going to keep growing," he says. "Our view is that in the next 10 years, as a country, we will build as many apartments as we have in the last two generations. Most apartments in Canada were built in the 1960s and '70s. Right now, we just don't have the ability for everyone to own a house. The population continues to increase, and it won't be possible for all to own a house, and not everyone wants to own a condo."

On that note, Romundt sees a growing demographic that's likely to favour rentals. "I think as we get more people retiring, they will sell their house or condo and move into a rental," he says. "They will want something nice, new and close to the things they like, in areas they want to live. There will be continued demand for high-quality rentals in places people want to live. I think there is quite a bit of runway left – at least a decade-worth strong run."

The other main reason Romundt believes suburban apartments will continue to offer opportunity is Canada's projected population growth. He notes that the government has established a target of 400,000 new residents per year, and he expects immigration to get back on track once the borders reopen.

"Most players in this industry are looking at this and see why apartment values are going up, not down," he says. "Most building owners are looking straight through [the pandemic]. Even if they own in an area where rents are soft today, this will come back when the borders open, students return and we are bringing 400,000 people in per year. We are not building enough housing for that many people.

"Pre-pandemic, the market was super tight almost everywhere, so I see that when the pandemic ends or at least the borders reopen, the demand for rental units will increase quite a bit. Vacancies will come down, rents will go up, and that is why apartment owners are looking straight through to an active market." WP

# Taking a broader view

Forstrong Global's **Tyler Mordy** tells *WP* how a strategic allocation to global macro can provide portfolios with enhanced potential returns and risk mitigation

**THE COVID-19** pandemic has changed the economic environment – and it's also forced many advisors to reassess how to build the most resilient portfolios. One solution might be a strategic allocation to a global macro strategy, which can offer potential enhanced returns while also providing more risk mitigation.

"We believe that traditional asset management is broken," explains Tyler Mordy, CEO and CIO at Forstrong Global. "Over the last several decades, an architecture has been built that siloes portfolio managers into one constrained asset class. The issue is that in a hyper-globalized world, a complete investment analysis cannot be limited to a domestic focus. If you think of the world as a giant economic ecosystem – a sprawling and interconnected network of global supply chains, information and capital – one can quickly determine that the forces that influence individual investments are often imported to your own country. The big benefit of a macro approach is that investors can be informed on those top-down macro variables and bring that analysis into the investment management process.

"Investors who take a wider-angle world perspective not only can capture important global themes and identify investment regime changes, but also better manage risk" Tyler Mordy, Forstrong Global

"Rather than focus on the micro aspects of an individual company," Mordy adds, "macro aims to identify the world's longer-running super trends and themes, with a view to exploit their underlying effects on regions, countries, sectors, currencies and commodities. Investors who take a wider-angle world perspective not only can capture important global themes and identify investment regime changes, but also better manage risk."

As an example, Mordy points to the fall of commodity prices in 2014–15. The decline in oil prices was not limited to economic dynamics within Canada, he says, but was the result of global factors that deeply influenced the entire sector. If macro analysis had been conducted on oil prices in general, the answers would have provided the information needed to allow managers to protect portfolios heavily invested in the oil and gas sector.

"The holy grail in building portfolios is to create resiliency and diversification through all climates," Mordy says. "That is very difficult to achieve with an individual security or domestic focus. A strategic allocation to macro permits you to bring a different risk/return dynamic to your portfolio. Non-correlated exposures are especially important in the current climate."

One of the key things Mordy stresses is that advisors shouldn't just buy into macro strategies when they are 'hot.' Rather, he says it's important to have a strategic allocation because the strategy performs best during unexpected events.

"Macro tends to thrive in uncertain environments like today and where we see market dislocations or large changes in investor sentiment," he says. "The approach can really thrive during inflection points, but investors can't know when those periods may hit, especially something like a pandemic. Many people think of going global as a return enhancer – we think of it completely differently, more as a risk management tool. By definition, if you can't know about specific regime changes in advance, then having a strategic allocation allows you to build that resiliency into your portfolio."

A forward-looking perspective is one of the things Mordy says differentiates a macro strategy. In comparison to more traditional strategic approaches, which tend to rely on historical data and extrapolate past trends, a macro strategy looks for trend changes and inflection points.

"Macro approaches security selection from

the top down, prioritizing larger macro variables over micro variables," he says. "The other element is an openness to embracing more qualitative perspectives. The big one would be behavioural psychology. To be a complete macro manager, you have to be fully engaged in the study of investor sentiment and its application to market dynamics."

He adds that behavioural finance is an emerging field of study, and humanity as a whole has made tremendous strides in understanding why we do what we do. All of that helps to set macro strategy apart. Yet while it is different, Mordy also points out that it's an efficient complement to traditional strategies, making portfolios more resilient.

"For years, the investment industry has been focused on stock picking, largely ignoring the macro environment," he says. "We now have an enormous amount of data to suggest that concentrated approach leaves potential returns and risk management on the table. If investors have a dedicated macro allocation and a pandemic or financial crisis strikes, macro tends to thrive in those environments. Generally, a more global top-down perspective will reveal different trends and themes that traditional analysis simply won't, so they work incredibly well together."

For advisors, Mordy recommends outsourcing the global macro strategy to firms that specialize in it. He says that while many advisors have built up their own expertise in North American stocks or a particular niche, macro is an entirely different area. Yet he believes that even if the strategy is outsourced, advisors can use the added information to help identify trends to watch in their own area of expertise.

A strategic allocation to macro might be even more important now, as Mordy believes we are entering a new "high-pressure" environment that's a direct contrast to the low-pressure environment that began after the 2008 financial crisis.

"The macro outlook has completely changed," he says. "The most important thing is coronavirus has reset the economic cycle and provided powerful policy breakthroughs. We are entering a completely new economic cycle all around the world. The regime is changing, and we now have confirmation of this because investment leadership is changing. This is where a long-term investor can say, 'The macro indicators are suggesting change is afoot,' and they can reposition portfolios for a new environment. Those stuck in that low-pressure mindset and investment positioning will be missing out on the most important trends for the coming years." WP

# Re-evaluating retirement income

Dynamic Funds senior vice-president and portfolio manager **Oscar Belaiche** tells *WP* why historically low interest rates have made retirement income tougher for an aging population to navigate – and how advisors can overcome this dilemma

**RETIREMENT INCOME** has become a problem that many advisors need to tackle for their clients. The problem stems from a pair of factors: a rapidly aging population and historically low interest rates. The combination of these two factors presents a challenge for advisors, who are now forced to look beyond traditional fixed income to provide a retirement income stream for their clients.

"When we consider the Canadian investing population, almost half is over 50, so they are thinking about retirement," says Oscar Belaiche, SVP and portfolio manager at Dynamic Funds. "Half of the baby boomers are past retirement age, with the other half attaining it in the next 10 years. That is important because, by our analysis, there are almost 10 million boomers in Canada. That is a big component of the population either in or moving into retirement. Many people in this age group have questions about how to retire and how to create an income stream to replace salary and wages."

Traditionally, as people transitioned from accumulation to decumulation, they would move away from the traditional 60/40 equities/fixed income allocation and increase their exposure to fixed income to provide a steady stream of income in retirement. However, in today's low rate environment, that's no longer an attractive option.

"With low rates, you can't just hold cash or fixed income to generate an income stream," Belaiche explains. "We are in an environment referred to as financial repression, where savers are earning rates less than the rate of inflation, so it is a negative real rate of return. To get a positive real rate of return, you have to move up the risk/return spectrum."

In response to this environment, investors and advisors have begun to rethink the traditional 60/40 split and are using different measures – including dividend-paying equities and alternative investments – to generate the income needed.

"Income can be based on pure income, a combination with growth or a pure growth strategy," Belaiche says. "But it wouldn't be advisable to put all of your retirement income into high-growth stocks."

Belaiche sees combining dividend-paying equities with some alternatives as a good strategy. "Dividend yields are very attractive versus government bonds," he explains. "Government bonds are not high enough to generate an income stream unless you have a lot of money. At the beginning of the COVID outbreak, there were dividend cuts, but now we're not seeing it. The stability of dividend income is very solid for those investors who need an income stream.

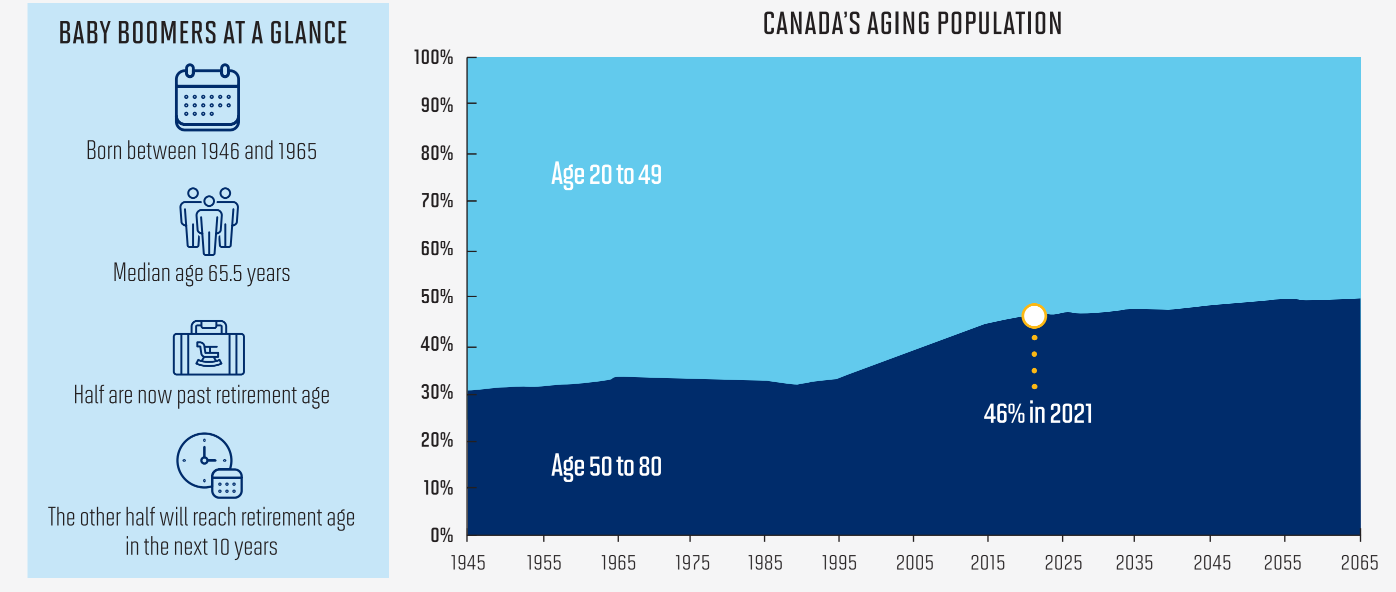
"The other opportunity people are using, instead of going 40% fixed income, is a movement towards alternative investments," he adds, explaining that this can include private equity, private credit, private real estate and infrastructure, liquid alternatives, and more.

Belaiche traces this rethinking of the 60/40 split back to institutional investors and says it has now trickled down to the retail segment.

"What I have seen is advisors reducing fixed income allocations and moving into alternative strategies to generate income and diversify portfolios," he says. "If you go back 20 years, you could buy a 5% GIC – you didn't need to do anything, just buy it and retire. For the last 20 years, rates have been falling; the real rate is negative, and that forces people up the risk/return spectrum to generate more income."

As advisors have been searching for new ways to generate retirement income, fund providers have been working to provide new solutions. Dynamic's answer to this dilemma is the Dynamic Retirement Income+ Fund and Dynamic Active Retirement Income+ ETF (DXR). Launched in January and March 2021, respectively, the mutual fund and ETF are cross-asset equity income funds that seek to provide income streams from a variety of places, including dividend-paying equities, options writing, preferred shares, closed-end funds, business development

## RETIREES ON THE RISE




Sources: Statistics Canada, Population Pyramid

corporations (BDCs), mortgage REITs and private investments.

The funds are made up of approximately 60% Canadian and US dividend-paying equities, which grows to 70% when international dividend-paying equities are included. The remaining 30% is dedicated to alternative strategies.

"For security selection, we have a philosophy called QUARP – quality at a reasonable price," Belaiche explains. "Quality is best-in-class management, strong businesses with strong balance sheets and a history of increasing cash flows. For the right price, we do a variety of valuation metrics to determine what the company or security is worth. We have an overriding high-quality investment strategy."

The funds tend to be more geared towards an equal-weighted strategy, which aims to provide a steady income flow stream. That's something Belaiche sees as an important factor in planning for this new retirement environment.

> "If you go back 20 years, you could buy a 5% GIC – you didn't need to do anything, just buy it and retire. For the last 20 years, rates have been falling ... and that forces people up the risk/return spectrum to generate more income"
>
> **Oscar Belaiche, Dynamic Funds**

"The biggest risk is the client runs out of money and empties their savings," he says. "That's why it is so important to get this right, because the worst thing for them is to run out of money – then what do you do?"

That's why Belaiche feels it's important for advisors to refocus on retirement planning, especially in the current environment.

"I think what needs to happen for people to not have to move up the risk spectrum is for rates to rise, but rates are so low relative to what you can get in dividends versus fixed income, it has forced people to incorporate more equities," he says. "If you invest in what we do, you will hold more high-quality, dividend-paying and distribution-paying securities. When we do see rates rise, you will want to have more exposure to fixed income, but that is not today." WP

# Coming clean

By using an equal weighting and focusing on both clean power generation and equipment, **Harvest Portfolios** has devised a unique approach to clean energy exposure

**SOCIETY HAS** clearly recognized the importance of making changes to reduce greenhouse gas emissions. While the movement toward renewable energy has already been occurring in other parts of the world, the latest US election has it primed for even more acceleration.

That paradigm shift is the basis for one of Harvest Portfolios' latest offerings, the Harvest Clean Energy ETF (HCLN), a basket of the 40 largest clean energy issuers selected from the Clean Energy Investable Universe. The ETF, which was launched on January 14, is equally weighted and designed to give exposure to both clean energy generation and equipment suppliers in the space.

"We wanted to have a product that helps by targeting investment into those companies, especially those on the forefront of what we think is a long-term, secular mega-trend," says Mike Dragosits, portfolio manager at Harvest Portfolios. "We think this is the first clean energy fund in Canada dedicated to a pure-play universe of clean energy companies, specifically those in renewable energy power generation and companies that provide the equipment for that renewable energy power generation."

HCLN also takes a different approach by forgoing some of the broader categories like electric vehicles, LED lightbulbs and building efficiency companies. That narrow focus is intentional, as it allows Harvest to zero in on a targeted area. Securities for the ETF are selected from the Clean Energy Investable Universe and based on market capitalization.

"We start out by identifying securities listed on major developed country exchanges in North America, Europe and Asia," Dragosits explains. "Then we focus on the two categories: renewable power generation and renewable equipment services companies. For any company to get in those categories, they need to have a majority of their business derived from renewable energy. From there, we sort based on market cap from largest to smallest and take the 40 largest companies. The fund is rebalanced and reconstituted every six months. That is when we look at the investable universe, sort, make any changes and rebalance to an equal weighting."

Dragosits believes the entire clean energy space is an opportunity right now, especially as it looks like there will be more traction from the US now that the Biden administration has rejoined the Paris Agreement. In addition, he notes, the cost of renewable energy sources is decreasing, making options like wind and solar competitive with traditional fossil fuel sources.

"We think there will be considerable growth in renewable power generation, in particular from solar and wind," he says, "and we think most renewable power generation will be the dominant fuel source for world power generation in the very near term and continued through the medium and long term."

While solar, wind and hydroelectric are the biggest renewable power generators at the moment, Dragosits does see others that could soon be on the rise, including geothermal,

> "We have nearly every country in the world moving toward a reduction of greenhouse gas emissions, and that will boost many clean energy investments"
>
> **Mike Dragosits, Harvest Portfolios**

biomass, biofuels and hydrogen fuel technology. He also notes that it's now more cost-effective not only to produce renewable energy, but also to store it, as there are enhanced battery storage capabilities that are less expensive.

"It is an area trending in the right direction, not something that will go away," he says. "Investors see the need for ESG and socially responsible types of investing. This product fits into that environment side. Everyone sees a need to make some changes, and we think this product is a way for investors to back the companies that are helping to achieve those goals and targets for society. I think having a product like this matches what we think our societal desires are and what we think will be an increased demand from investors."

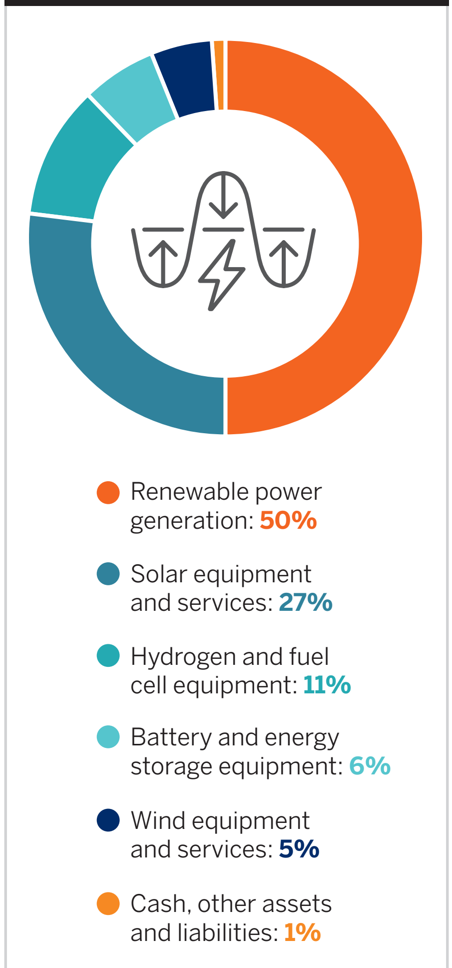
Already, the clean energy space has had a remarkable finish to 2020 and start to 2021. While it has seen ebbs and flows, Dragosits sees an overall trajectory of growth.

"Taking a step back and seeing what the big picture tells us, we have nearly every country in the world moving toward a reduction of greenhouse gas emissions, and that will boost many clean energy investments," he says. "We think a diversified basket of 40 stocks in the space should capture and ride the wave of the secular mega-trend that will only continue higher."

While the market has seen a number of new ESG products recently, there are a few reasons why Dragosits believes HCLN is unique.

"Some of the other products out there are market-cap-weighted and can get a bit concentrated in the larger names," he says. "This space has some big companies, but there is a broad depth of names beyond those few. I think our equal weighting is something we haven't really seen with other products. It gives us a broader exposure to a bigger net of companies in the clean energy space. Our focus on the renewable power generation and equipment really highlights the pure play on clean energy."

## HCLN'S SUB-SECTOR ALLOCATION




Source: Harvest Portfolios, as at March 31, 2021

Dragosits also points to the fact that the fund is currently split 50/50 between power generation and equipment, which he feels gives it another unique edge. And he believes that if clients aren't already thinking about investing in renewable energy, they likely will be soon – so HCLN provides an opportunity to get in on an ongoing trend.

"I think our product is an easy way to access that mega-trend, get it in a diversified basket of equally weighted names focused on that purely clean energy story and in a low-cost way," he says. WP


WP Awards 2021
JUNE 2–3, 2021 • ONLINE
WP Awards 2021

# The 7th annual Wealth Professional Awards are coming soon. Discover all the finalists who will be vying for the top prizes

**AFTER A** year like no other, the time is right to recognize the wealth professionals and organizations who have thrived in such difficult times. It's never been more important to celebrate the achievements of those who make the wealth management and financial advice profession great – those who inspire us all to continue working hard, stay connected and, most importantly, rebound from a period of massive upheaval.

The Wealth Professional Awards team received an incredible response to our nationwide call for nominations. The team would like to extend a massive thank you to those who submitted nominations, as well as to our esteemed judges for their important work in selecting the winners.

The winners will be revealed at our two-day virtual awards show on June 2 and 3, 2021, which will be hosted by CBC News anchor Suhana Meharchand. Following great feedback from last year's event, the Wealth Professional Awards team is excited to bring back live virtual panels with the finalists, who will be sharing their insights and best practices.

*Wealth Professional* and Key Media would like congratulate all of this year's finalists. Read on to find out who made the cut.

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# WP Awards 2021

## THE ADVOCIS AWARD FOR YOUNG ACHIEVER OF THE YEAR

- **Adam Pukalo**
  PI Financial Corp.
- **Adam Schacter**
  Capital Wealth Partners – Mandeville Private Client
- **Amy Tang**
  Desjardins Financial Security Independent Network
- **Darius Muica**
  Nour Private Wealth
- **Jennifer Schmid**
  Doherty & Bryant Financial Strategists – CWB Wealth Management
- **John Iaconetti**
  The McClelland Financial Group of Assante Capital Management Ltd.
- **Kalee Boisvert**
  Kalee Boisvert Financial Services – Raymond James
- **Ladan Shokrgozar**
  Harbourfront Wealth Management
- **Lubaba Rukhsana**
  T.E. Wealth – CWB Wealth Management
- **Oliver Yoon**
  Purpose Advisor Solutions
- **Steven Furtado**
  Zagari + Simpson – Mandeville Private Client

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## THE AGF AWARD FOR ENGAGEMENT, LOYALTY AND CLIENT CARE

- **Britton Wealth Management and Planning Consultants**
- **Carte Wealth Management**
  Team Jackie Porter
- **Enhanced Wealth Management**
  Wellington-Altus Private Wealth
- **Flagstone Financial Group**
  iA Private Wealth
- **Little Wealth Management Group**
  iA Private Wealth
- **Sager Financial Group**
  Canaccord Genuity Wealth Management
- **The Martin Advisory Group**
  TD Wealth Private Investment Advice
- **The RaeLipskie Partnership**
- **TWM Group**
  iA Private Wealth
- **Zagari+Simpson**
  Mandeville Private Client

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## THE AVENUE LIVING ASSET MANAGEMENT AWARD FOR PORTFOLIO/ DISCRETIONARY MANAGER OF THE YEAR

- **Arthur Salzer**
  Northland Wealth Management
- **Colin Ryan**
  Wellington-Altus Private Wealth
- **Francis Sabourin**
  Richardson Wealth
- **James Gauthier**
  JustWealth
- **Jennifer Black**
  Access Private Wealth – Mandeville Private Client
- **John (Jay) D. Nash**
  Nash Family Wealth Management – National Bank Financial
- **Kevin Haakensen**
  PWM Private Wealth Counsel – iA Private Wealth
- **Marc Dalpé**
  DalpéMilette Team – Richardson Wealth
- **Martin Pelletier**
  Wellington-Altus Private Counsel
- **Mary Hagerman**
  The Mary Hagerman Group at Raymond James
- **Stéphane Massé**
  National Bank Financial Wealth Management
- **Susyn Wagner**
  Wagner Investment Team – CIBC Wood Gundy

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## THE CI GLOBAL ASSET MANAGEMENT AWARD FOR MULTI-SERVICE ADVISORY TEAM OF THE YEAR

- **Allen Private Wealth Group**
  iA Private Wealth
- **Caring for Clients**
- **Longevity Achieved**
- **Polson Bourbonniere Derby Wealth Management**
  iA Private Wealth
- **RT Mosaic Wealth Management**
- **The McClelland Financial Group**
  Assante Capital Management Ltd.
- **The Racine-Marcotte Advisory Group**
  RBC Wealth Management Dominion Securities
- **The Rosedale Family Office**
  Wellington-Altus Private Wealth
- **Woodgate Financial**
- **Zagari+Simpson**
  Mandeville Private Client



## THE CMI MORTGAGE INVESTMENTS AWARD FOR ADVISORY TEAM OF THE YEAR (FEWER THAN 10 STAFF)

- **Britton Wealth Management and Planning Consultants**
- **Capital Wealth Partners**
  Mandeville Private Client
- **Caring for Clients**
- **Dekker Hewett Group**
  Canaccord Genuity Wealth Management
- **Endeavour Wealth Management**
  iA Private Wealth
- **Gilman Deters Private Wealth**
  Harbourfront Wealth Management
- **Insightful Wealth Group**
  Manulife Securities Incorporated
- **Tétrault Wealth Advisory Group**
  Canaccord Genuity Wealth Management
- **The Racine-Marcotte Advisory Group**
  RBC Wealth Management Dominion Securities
- **The Waterfront Group**
  Wellington-Altus Private Wealth



## THE EDWARD JONES AWARD FOR EXCELLENCE IN PHILANTHROPY AND COMMUNITY SERVICE

- **Aaron Ruston**
  Purposed Financial
- **An-Lap Vo-Dignard**
  The Vo-Dignard Provost Group – National Bank Financial
- **David Little**
  Little Wealth Management – iA Private Wealth
- **Dessa Kaspardlov**
  Kaspardlov & Associates
- **Gianni Crivello**
  TD Private Investment Advice
- **John Nicola**
  Nicola Wealth
- **Jonathan Ross**
  Richardson Wealth
- **Mark Henry Chau**
  TD Private Investment Advice
- **Marvin J. Schmidt**
  The Schmidt Investment Group – CIBC Wood Gundy
- **Michelle Hastick-Cowell**
  Mandeville Private Client Group
- **Sheron Lau**
  Mackie Research Capital
- **Tina Tehranchian**
  CI Assante Wealth Management

## THE EQUITABLE BANK AWARD FOR MULTI-OFFICE ADVISOR NETWORK/BROKERAGE OF THE YEAR

- **Canaccord Genuity Wealth Management**
- **CI Assante Wealth Management**
- **CIBC Wood Gundy**
- **Edward Jones**
- **iA Private Wealth**
- **Mandeville Private Client**
- **Nour Private Wealth**
- **RBC Dominion Securities**
- **Wellington-Altus Private Wealth**



## THE FRANKLIN TEMPLETON AWARD FOR ADVISORY TEAM OF THE YEAR (10 STAFF OR MORE)

- **Alterna Wealth**
- **Brassard Goulet Yargeau, Services financiers intégrés**
  iA Private Wealth
- **Hemmett Anseeuw & Associates**
  Harbourfront Wealth Management
- **Lawton Partners Wealth Management**
- **Northland Wealth Management**
- **Nour Private Wealth**
- **Popowich Karmali Advisory Group**
  CIBC Wood Gundy
- **PWM Private Wealth Counsel**
  iA Private Wealth
- **The McClelland Financial Group**
  Assante Capital Management Ltd.



## THE HARVEST PORTFOLIOS AWARD FOR FEMALE TRAILBLAZER OF THE YEAR

- **Erin Roy**
  Edward Jones
- **Kathy Sager**
  Canaccord Genuity Wealth Management
- **Jackie Porter**
  Carte Wealth Management – Team Jackie Porter
- **Jennifer Tozser**
  Tozser Wealth Management at National Bank Financial
- **Julia Chung**
  Spring Planning
- **Julie Shipley-Strickland**
  Julie Shipley-Strickland Wealth & Risk Management – Wellington-Altus Private Wealth
- **Laurie Bonten**
  Wellington-Altus Private Wealth
- **Marie-Hélène Lapalme**
  iA Private Wealth
- **Nicole Deters**
  Harbourfront Wealth Management
- **Ruth Ashton**
  Polson Bourbonniere Derby Wealth Management – iA Private Wealth
- **Tina Tehranchian**
  CI Assante Wealth Management

## THE ICM ASSET MANAGEMENT AWARD FOR ADVISOR OF THE YEAR – ALTERNATIVE INVESTMENTS

- **Arthur Salzer**
  Northland Wealth Management
- **Carolyn Seaforth**
  Pinnacle Wealth Brokers
- **Darcie Crowe**
  Canaccord Genuity Wealth Management
- **Francis Sabourin**
  Richardson Wealth
- **Gloria Malek**
  The Malek Group – TD Wealth Private Investment Advice
- **Ida Khajadourian**
  Richardson Wealth
- **Klint Rodgers**
  Axcess Capital Advisors
- **Leo Shekhter**
  Shekhter Financial – Aligned Capital Partners
- **Michael Hayhoe**
  Hayhoe Team – Mandeville Private Client
- **Rory O'Connor**
  Richardson Wealth
- **Travis Forman**
  Harbourfront Wealth Management



## THE IFSE INSTITUTE AWARD FOR FINANCIAL LITERACY CHAMPION

- **Elizabeth Naumovski**
  Caldwell Securities
- **Heather Holjevac**
  Holjevac Financial Group
- **Jackie Porter**
  Carte Wealth Management – Team Jackie Porter
- **Jason Hunt**
  Alterna Wealth
- **Luc Girard**
  Desjardins
- **Matthew Ablakan**
  Millennial's Choice
- **Njideka Harris-Eze**
  T.E.Wealth – CWB Wealth Management
- **Robyn K. Thompson**
  Castlemark Wealth Management
- **Sonia LeRoy**
  LeRoy Wealth Management Group – IPC Securities
- **Tracey Bissett**
  Bissett Financial Fitness
- **Tracey Lundell**
  Sea Glass Wealth Advisory – Harbourfront Wealth Management



## THE MANDEVILLE PRIVATE CLIENT AWARD FOR CANADIAN ADVISOR OF THE YEAR

- **Chad Larson**
  MLD Wealth Management Group – Canaccord Genuity Wealth Management
- **Christine LaLiberté**
  Insightful Wealth Group – Manulife Securities Incorporated
- **Elie Nour**
  Nour Private Wealth
- **Faisal Karmali**
  Popowich Karmali Advisory Group – CIBC Wood Gundy
- **Ida Khadjadourian**
  Richardson Wealth
- **Jamie Suprun**
  Suprun Wealth Management – iA Private Wealth
- **Jason Polsinelli**
  Polsinelli Financial Advisory Group – Scotia Wealth Management
- **Karen Ikeda**
  Nicola Wealth
- **Michael Comeau**
  Edward Jones
- **Richard Rampersad**
  Manulife Securities Incorporated
- **Rob Tétrault**
  Tétrault Wealth Advisory Group – Canaccord Genuity Wealth Management
- **Todd Degelman**
  Wellington-Altus Private Wealth

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## THE NEI INVESTMENTS AWARD FOR ADVISOR OF THE YEAR – RESPONSIBLE INVESTMENTS

- **An-Lap Vo-Dignard**
  The Vo-Dignard Provost Group – National Bank Financial
- **Cory Sheehan**
  Edward Jones
- **Francis Sabourin**
  Richardson Wealth
- **François Guy**
  CIBC Wood Gundy
- **Hussain Ahmad**
  Zagari + Simpson – Mandeville Private Client
- **Lyne Larochelle**
  Investia Financial Services
- **Sébastien St-Hilaire**
  Desjardins Securities
- **Shane Borthwick**
  Investia Financial Services
- **Sonia LeRoy**
  LeRoy Wealth Management Group – IPC Securities
- **Sue May Talbot**
  Genus Capital Management
- **Tim Nash**
  Good Investing

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NEI

## THE NOUR PRIVATE WEALTH AWARD FOR RISING STAR ADVISOR OF THE YEAR

- **Brandt Butt**
  Endeavour Wealth Management – iA Private Wealth
- **Christopher Matugas**
  Connect First Private Wealth
- **Cody Gordon**
  Verus Financial at National Bank Financial Wealth Management
- **Deanna Beaudoin**
  Edward Jones
- **George Ripoll**
  BMO Private Wealth
- **Felix Zhang**
  Edward Jones
- **Janet Dawes**
  Green Private Wealth – Harbourfront Wealth Management
- **Jessica Keus**
  Wellington-Altus Private Wealth
- **Nicky Correa**
  CorrWealth Management
- **Pradip Bhattacharya**
  Edward Jones
- **Robert Kazan**
  Alterna Wealth

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NOUR PRIVATE WEALTH

## THE TMX GROUP AWARD FOR BEST ACTIVE MANAGER – EXCHANGE-TRADED DERIVATIVES

- **Avin Mehra**
  CIBC Wood Gundy
- **Greg Flower**
  Red Barn Investment Counsel
- **Idrees Baksh**
  Larente Baksh & Associates – TD Wealth Private Investment Advice
- **Ian Po**
  RBC Dominion Securities
- **Jillian Bryan**
  TD Wealth Private Investment Advice
- **Martin Gendron**
  Desjardins Gestion de Patrimoine

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TMX THE FUTURE IS YOURS TO SEE.®

## THE *WP* READERS' CHOICE AWARD FOR SERVICE PROVIDER OF THE YEAR

- **Advocis**
- **Agora Dealer Services**
- **Asset Vantage**
- **Broadridge Financial Services**
- **Croesus Finansoft**
- **Equisoft**
- **LTI Canada**
- **NaviPlan by Advicent**
- **Portfolio Aid**
- **Toronto Stock Exchange**

## BDM/WHOLESALER OF THE YEAR

- **Alain Desbiens**
  BMO Global Asset Management
- **Clarke Haynes**
  Canada Life
- **Elizabeth Dykes**
  Bridgehouse Asset Management
- **Emily Newman**
  Avenue Living Asset Management
- **Krista Hicks**
  Horizons ETFs
- **Patrick Graham**
  Franklin Templeton
- **Philip Douglas**
  Harvest ETFs
- **Reed Pettinger**
  Mackenzie Investments
- **Ryan Cipolla**
  Sun Life Global Investments
- **Sara Dowlatshahi**
  Dynamic Funds

## CEO OF THE YEAR

- **Bill Packham**
  Aviso Wealth
- **Dan Daviau**
  Canaccord Genuity Wealth Management
- **David Gunn**
  Edward Jones Canada
- **Kathy Bock**
  The Vanguard Group
- **Kevin Gopaul**
  BMO Global Asset Management
- **Kurt MacAlpine**
  CI Global Asset Management
- **Lisa Langley**
  Emerge Canada
- **Michael Kovacs**
  Harvest ETFs
- **Michael Lee-Chin**
  Mandeville Private Client
- **Som Seif**
  Purpose Financial
- **Steve Hawkins**
  Horizons ETFs

*"We're proud to partner with WP as official ballot accountants for the Wealth Professional Awards. We're looking forward to making an important contribution to this exciting event with the professionalism, independence and thorough procedure the deserving nominees expect"*

***Robin Taylor, PwC Canada***

## DIGITAL INNOVATOR OF THE YEAR

- **AGF Management**
- **Enhanced Wealth Management**
  Wellington-Altus Private Wealth
- **Harbourfront Wealth Management**
- **TWM Group**
  iA Private Wealth
- **Woodgate Financial**

## EMPLOYER OF CHOICE

- **AGF Management**
- **Harbourfront Wealth Management**
- **IA Clarington**
- **Mackenzie Investments**
- **Nicola Wealth**
- **Sun Life Financial**
- **Wellington-Altus Private Wealth**

## ETF CHAMPION OF THE YEAR

- **Bruce Cooper**
  TD Asset Management
- **Kevin Prins**
  BMO Global Asset Management
- **Lisa Langley**
  Emerge Canada
- **Mark Noble**
  Horizons ETFs
- **Mary Hagerman**
  The Mary Hagerman Group at Raymond James
- **Michael Cooke**
  Mackenzie Investments
- **Pat Dunwoody**
  Canadian ETF Association
- **Som Seif**
  Purpose Financial
- **Tyler Mordy**
  Forstrong Global Asset Management

*"To be recognized affirms that industry leaders also believe that we are doing the right thing for our clients. To be recognized as an industry leader in the category of Advisor of the Year is humbling. Thank you to everyone on the Wealth Professional Awards team for hosting this event – but more importantly, for pushing us as an industry to be and do better every day"*

***Marvin J. Schmidt, The Schmidt Investment Group – CIBC Wood Gundy***

## FUND PROVIDER OF THE YEAR

- **3iQ Corp.**
- **AGF Management**
- **BMO Global Asset Management**
- **CI Global Asset Management**
- **Dynamic Funds**
- **Evolve ETFs**
- **Fidelity Investments**
- **Horizons ETFs**
- **Mackenzie Investments**
- **Purpose Investments**
- **Sun Life Global Investments**
- **TD Asset Management**

## LIFETIME ACHIEVEMENT IN THE WEALTH MANAGEMENT INDUSTRY

This award recognizes an individual who has made outstanding contributions to the wealth management industry throughout their career. It acknowledges an individual with an established history of distinguished service to the wealth management profession, who has exhibited leadership and provided inspiration to others while keeping the interests of the profession at the top of their priorities, as evidenced by their accomplishments.

There are no finalists for this category. The recipient will be revealed during the awards ceremony on June 3.

## METHODOLOGY

### NOMINATIONS
The call for nominations went out to wealth professionals and organizations – including financial advisors, planners, teams, brokerages, fund providers, BDMs and service providers – across Canada. Nominations were open from December 2020 to February 2021 and were free of charge.

### RESEARCH
The *Wealth Professional* team conducted research and drew on knowledge and information gained through the magazine and website to supplement the nominations received and to ensure that no one deserving of recognition was missed.

### FINALISTS
Once all nominations were considered and research was complete, finalists were selected in each category (except for the Lifetime Achievement Award) and notified. All finalists were then invited to complete a detailed submission that addressed the category criteria in more detail.

### JUDGING
All finalist submissions were forwarded to an independent judging panel composed of industry leaders and senior representatives. The panel will assess and vote for the winners in each category according to the relevant category criteria.

### WINNERS
Using a simple points system to aggregate the judges' votes, the finalists with the top scores in each category will be named winners at the virtual Wealth Professional Awards show on June 2 and 3, 2021.

# JUDGING PANEL

The Wealth Professional Awards team would like to thank our esteemed judges for lending their time and expertise to help recognize and celebrate excellence in the wealth management industry

**RANJAN BHADURI**
CEO
**Bodhi Research Group**

**ALEXA BLAIN**
Managing partner
**Deetken Impact**

**JAMES BURRON**
President
**Canadian Association of Alternative Strategies & Assets (CAASA)**

**SANGEETA CHOPRA-CHARRON**
Management consultant
**Jennings Consulting**

**DANIEL COLLISON**
Managing partner
**Advice2Advisors**
Instructor
**Schulich School of Business**

**PAT DUNWOODY**
Executive director
**Canadian ETF Association**

**GRANT HICKS**
President
**Advisor Practice Management**

**CHANTAL LAMOUREUX**
President and CEO
**Institut québécois de planification financière (IQPF)**

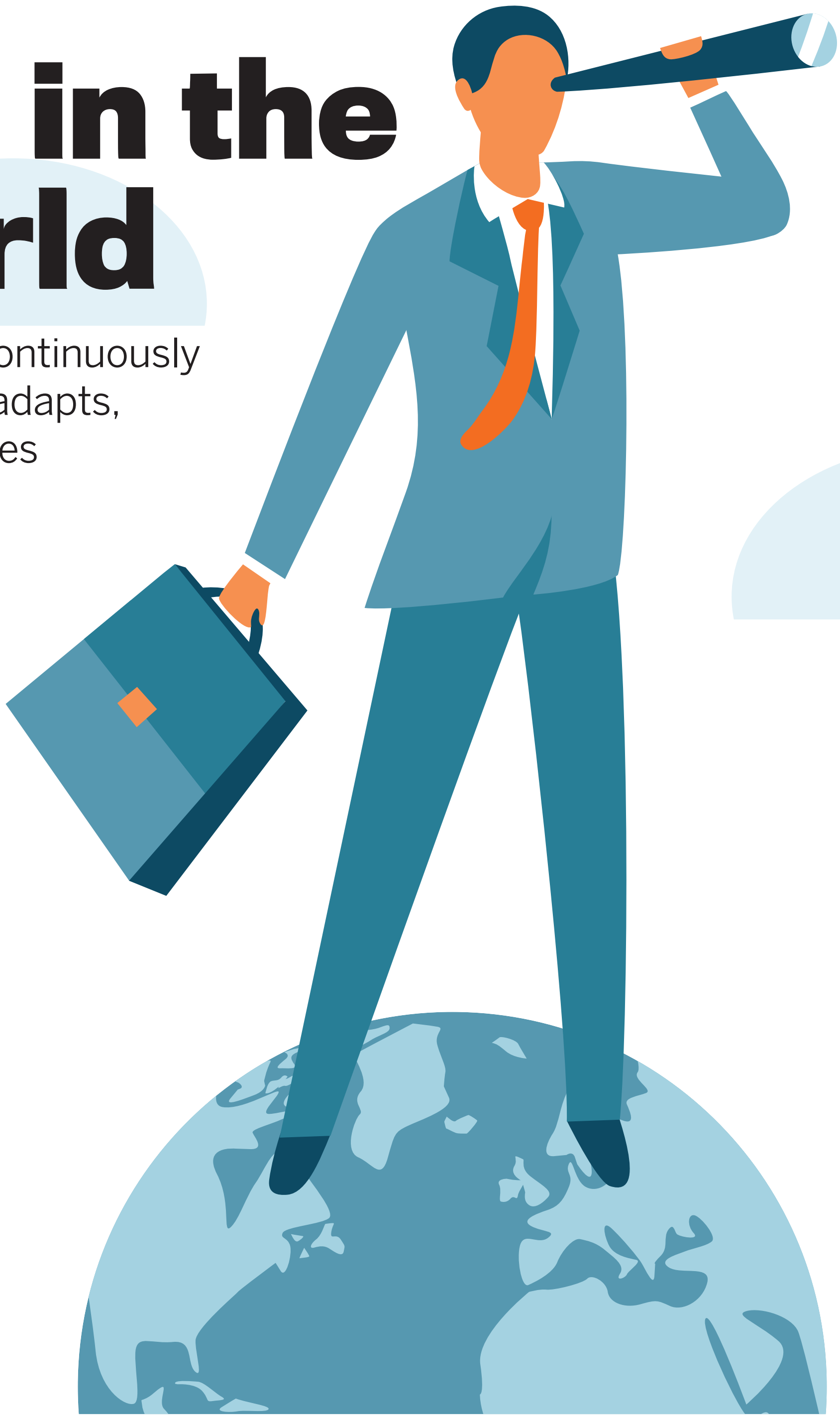
**CARY LIST**
President and CEO
**FP Canada**

**GREG POLLOCK**
President and CEO
**Advocis**

**CLAIRE VAN WYK-ALLAN**
Director, head of Canada
**Alternative Investment Management Association (AIMA)**

# Leaders in the new world

As businesses and industries continuously change and the working world adapts, leaders must do so as well, writes **Richard Maloney**



**IT'S OUT** with the old and in with the new. The last decade has seen industries and businesses moving at a faster pace than ever before, and to cope with this rapid evolution, leaders, executives and CEOs must adapt to a more modern and agile style of management. Gone are the days of age-based seniority and parental leadership tactics based on control. Today's employees want a flatter management structure, flexibility, accountability, empowerment, development initiatives and continuous learning.

Before you can strive toward becoming the inspiring leader you need to be, it's important that you identify where you sit within the seven levels of leadership. The first five levels are very much yesterday's approach to leadership, while the remaining two are about becoming a new and innovative leader of tomorrow.

Now is the time to become a more refined, mindful and introspective leader – one who understands that leadership is not about you, but about what you can do for others and how you can best enable them to shine.

### 1 The disliked manager

The disliked manager is usually someone who has moved up through the ranks of the organization and has been promoted into a leadership role purely due to seniority. This person has a lot of industry knowledge and knows the environment quite well but does not understand the true ethos of leadership. They have a poor 'command and control' approach to leadership and are therefore disliked and disrespected by their team.

### 2 The disrespected manager

The disrespected manager has gone from being disliked to being somewhat liked – but has yet to earn the respect of those they lead. There is a considerable learning curve involved in becoming a successful leader, and how long the person stays at this stage depends entirely on their own commitment and skills development.

### 3 The manager/leader

The manager/leader now understands that there are two distinct skill sets required to become a leader: One must be both a great manager and a great leader to lead effectively. This person is learning (they're reading books or listening to audiobooks), they're eager, and they're using their initiative. At this point, they've attained the two crucial qualities – they're a good leader and a good manager – and after a while, this takes them to the next level.

### 4 The respected leader

The respected leader has now earned respect as both a manager and a leader. This person is leading more effectively and harmoniously within a team that is receptive and responsive to their newly refined style of leadership and shared goals.

### 5 The accomplished leader

The accomplished leader has been in the role for a while and consistently demonstrates excellent values. They have developed a successful, inclusive, admirable approach to leadership, and they are maintaining the levels of respect they have earned through a shared vision and group empowerment.

**Now is the time to become a more refined, mindful and introspective leader – one who understands that leadership is not about you**

These first five levels of leadership are focused on the outer environment: on becoming a strong leader in the environment in which you have been placed. The following levels, on the other hand, are more focused on an inner style of leadership.

You don't have to have reached the accomplished leader level to embark on levels six and seven, but an accomplished leader who evolves through these next steps will quickly be seen as a revered influencer by those around them.

### 6 The stress-free leader

The stress-free leader is somewhat focused on themselves in terms of their own self-awareness and their ability to self-regulate and see the world from a different level – from the coach's box, you could say.

They're beginning to understand that their outer world is a reflection of their inner world and that everything is neutral until you give it meaning. It's about recognizing your thoughts and actively changing them where necessary, therefore consistently reprogramming your mind.

Stress is an unavoidable part of work and life, but the stress-free leader ensures that when they find themselves in a place of stress, they don't stay there. They assess whether their thought processes are coming from a place of fear, control or emotion (brain-focused thinking), or whether they're coming from a place of empathy, understanding, intelligence and acceptance (heart-centered thinking), and they adjust their decisions accordingly.

### 7 The intuitive leader

As you go up the scale from six to seven, you're moving into a higher state of self-awareness, and you are now able to self-regulate on a whim.

Your intuitive leadership skills are becoming so refined that you are tapping into your inner intelligence with your everyday decision-making. Rather than chasing life, you're in flow with life, trusting that your direction is clear and purposeful, as you're now in touch with your inner compass. The intuitive leader truly embodies the next generation of leadership. WP

**Richard Maloney** is the CEO of Quality Mind Global, an international mindfulness business with more than 500 clients in 30-plus countries. He is also the founder of Engage & Grow Global, the number-one employee engagement licensing company in the world.

## OTHER LIFE

TELL US ABOUT YOUR OTHER LIFE
Email editor@wealthprofessional.ca

In addition to her regular yoga practice, Ramlal has formally trained in several forms of dance, including ballet, jazz, hip-hop and Salsa Bachata

| 5 | 7 | 10–15 |
|---|---|---|
| Ramlal's age when she began taking dance classes | Hours she devoted to dance each week pre-pandemic | Styles of dance Ramlal has learned so far |

# ON THE MOVE

For Canada Life advisor **Kristin Ramlal**, achieving work-life balance means making time for yoga, dance and other physical activity

**THESE DAYS**, finding work-life balance is more important than ever – and for Kristin Ramlal, a securities specialist at Canada Life and advisor with Credential Qtrade Securities, that balance comes through physical activity and dance, a passion she's had since she was a child.

"I have basically been doing it my whole life," she says. "It was always part of my day-to-day growing up. When I was younger, I did compete with regular dance teams, but it has been ages. It is more social now – but once a dancer, always a dancer. It is embedded in my blood."

While the pandemic has thrown off her regular routine, it has allowed Ramlal to recognize the importance of finding work-life balance. She says her regular two hours at the gym provide a great way to recharge and work on her physical, mental and emotional well-being.

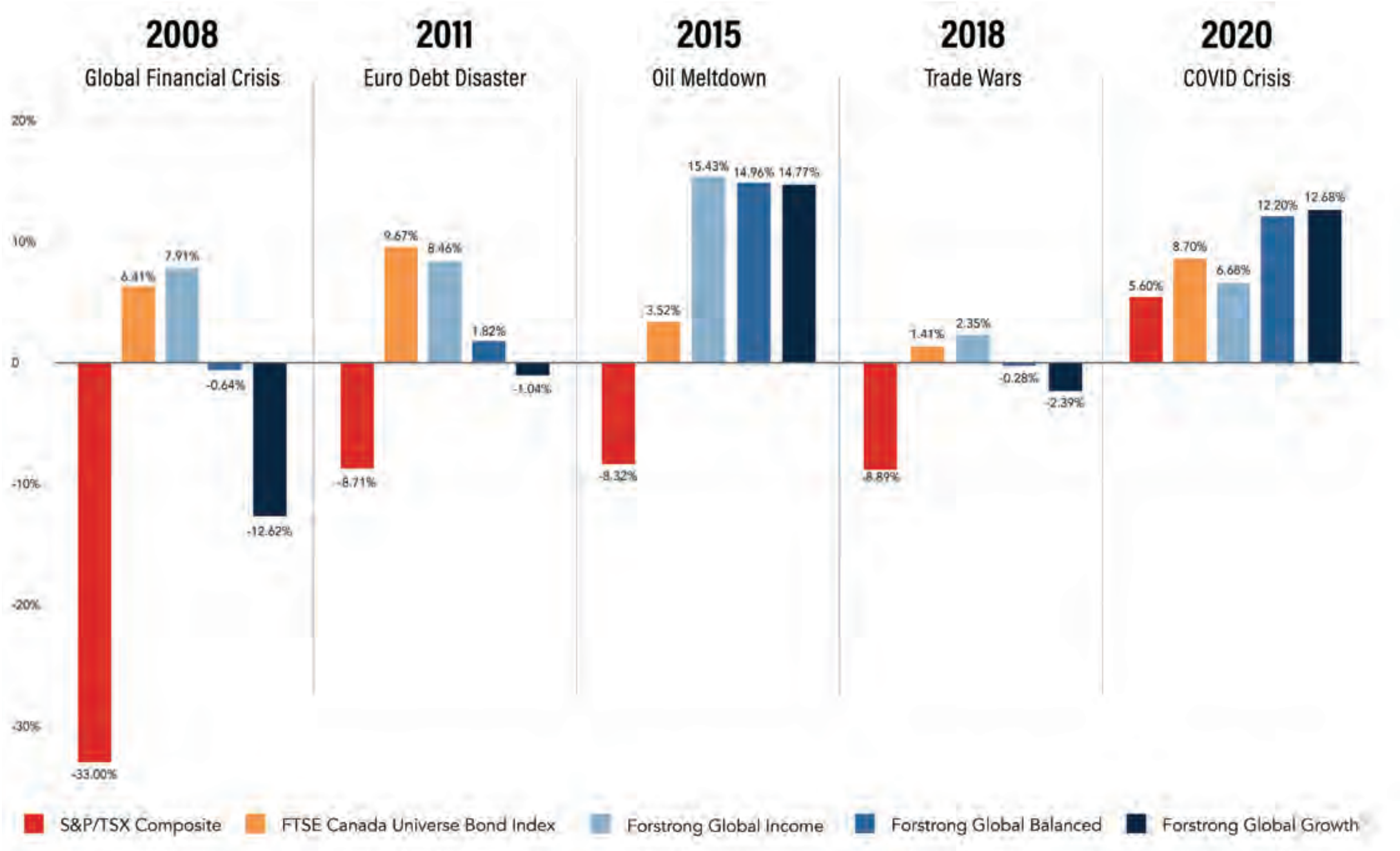
"In our high-pressure, very sensitive, high-stakes business, now more than ever, we need to make sure we take of ourselves before we can take care of others," she says. "Having our physical, mental and emotional well-being in check is so important so we can help provide it to clients."

Not only has dance helped her balance the stress of her day job, but as a Zumba teacher, Ramlal says she's also been able to overcome her fear of public speaking.

"I think doing that really helped me feel comfortable expressing myself, speaking up in front of large crowds," she says. "Now I do public speaking at national conferences internally and externally of Canada Life."

# GRACE UNDER PRESSURE

## PERFORMANCE - MORE THAN JUST RETURNS




## LOW DRAWDOWN · LOW VOLATILITY · LOW CORRELATION

Calendar year performance statistics for ETF Managed Portfolios are calculated from documented actual investment strategies as set by Forstrong's Investment Committee and applied to its portfolio mandates, and are intended to provide an approximation of composite results for separately managed accounts. Actual performance of individual separate accounts may vary with average gross "composite" performance statistics presented here due to client-specific portfolio differences with respect to size, inflow/outflow history, and inception dates, as well as intra-day market volatilities versus daily closing prices. Performance numbers are net of total ETF expense ratios and custody fees, but before withholding taxes, transaction costs and other investment management and advisor fees.