

CANADIAN WEALTH MANAGERS AND FINANCIAL ADVISORS TO DRIVE INTERNATIONAL INVESTMENTS, NEW RESEARCH FINDS

- Almost eight out of ten (78%) Canadian wealth managers and financial advisors say they will develop more international and diversified portfolios
- In the next three years 92% of Canadian firms will invest more in solutions to help their advisors predict and understand the future performance of key asset classes

Canadian wealth managers and advisors will increase their clients' exposure to overseas assets in a bid to better diversify portfolios, using specialist solutions to help inform investment analysis and decision-making, according to new research* from Ortec Finance, the leading global provider of risk and return management solutions for professional investors.

The study among Canadian wealth managers, portfolio managers, financial advisors and financial planners whose organizations collectively manage approximately \$370 billion, found 78% are developing more internationally diversified portfolios. Eighty-two per cent expect this trend towards international diversification to increase slightly over the next three years, while 4% say it will increase dramatically. Fourteen per cent do not expect a change.

Despite high levels of confidence in their ability to track future asset class performance, Canadian advisors and wealth managers say they will invest more in solutions to improve their investment analysis.

Fourteen per cent of respondents say they are excellent at forecasting how asset classes will behave, while 68% describe their ability as good. Just 18% say they are average. However, 74% of Canadian wealth managers and advisors say they will slightly increase investment in solutions to help them understand asset calls performance in the future, while more than a quarter (18%) will make dramatic increases. Only 8% will keep expenditure the same.

Wealth managers and advisors say the biggest motivator for increasing investments in tools that improve investment analysis, is the need to service clients more efficiently, with 58% marking this as their top priority.

Other top drivers to investments in analytical tools include increasing client demand for analysis; to secure business growth and client retention; and to reduce costs and improve efficiency levels.

Ronald Janssen, Managing Director Goals-Based Planning at Ortec Finance said:

“Diversification is critical to ensuring investors spread risk and limit impacts of market volatility, and investing across different geographies opens new opportunities and further enables diversification. But if Canadian wealth managers and advisors are using the Goals-Based Investing approach aiming to truly help clients and ensure they meet their expectations, they should seriously consider investing in reliable systems and models to help make better investment decisions.”

For banks and wealth managers seeking to scale Goals-Based Investing, Ortec Finance is the proven industry leader in simplifying the complexity of investment decision-making resulting in superior client engagement. Find out more:

<https://www.ortecfinance.com/en/insights/product/opal>

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Notes to editors:

*Independent research company PureProfile interviewed 50 wealth managers and financial advisors located in Canada, whose organizations collectively manage around \$370 billion worth of assets for clients. The survey was conducted during June 2023.

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About Ortec Finance

Ortec Finance is the leading provider of technology and solutions for risk and return management. It is Ortec Finance’s purpose to enable people to manage the complexity of investment decisions.

This is accomplished via the delivery of leading technologies and solutions for investment decision-making to financial institutions around the world. Ortec Finance’s strength lies in an effective combination of advanced models, innovative technology, and in- depth market knowledge. This combination of skills and expertise supports investment professionals in achieving a better risk-return ratio and thus better results.

Headquartered in Rotterdam, The Netherlands, Ortec Finance has offices in Amsterdam, London, Toronto, Zurich, Melbourne, and New York. Ortec Finance helps 600+ clients manage their \$15 trillion assets under management. www.ortecfinance.com