



Canadian Mutual Fund & Exchange-Traded Fund Investor Survey



THE INVESTMENT
FUNDS INSTITUTE
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DU CANADA





Research Objectives and Methodology

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Research Methodology

- Survey Samples:
 - Mutual Fund Investors – Hold Mutual Funds in portfolio. May also hold other investments, including ETFs.
 - ETF Investors - Hold ETFs in portfolio. May also hold other investments, including Mutual Funds.
- Methodology:
 - Hybrid telephone and online methodology.
 - This report shows only results from the telephone interviews for consistency and past wave comparison.
- Number of Surveys:
 - Mutual Fund Investors - 676 telephone interviews
 - ETF Investors - 232 telephone interviews
- Field Dates: May 28th to June 23rd, 2021.
- Weighting: National results have been weighted based on 2019 PMB data* to ensure they are representative of mutual fund / ETF holders by region and gender

Research Methodology

- National results from 2021 mutual fund and ETF investors are tracked against results from previous waves of research.

Mutual Fund Investors

Year	Sample Size	Margin of Error	Interview Dates
2021	676	±3.8%	May 28 to June 23, 2021
2020	1,138	±3.1%	May 28 to July 5, 2020
2019	1,024	±3.1%	May 27 to Jun. 17, 2019
2018	1,000	±3.1%	Jun. 11 to Jul. 6, 2018
2017	1,000	±3.1%	Jul. 11 to Jul. 25, 2017
2016	1,000	±3.1%	Jun. 29 to Jul. 14, 2016
2015	1,008	±3.1%	Jul. 20 to Aug. 10, 2015
2014	1,002	±3.1%	Jul. 10 to Aug. 4, 2014
2013	1,004	±3.1%	Jun. 23 to Jul. 7, 2013
2012	1,000	±3.1%	Jun. 13 to Jul. 2, 2012
2011	1,006	±3.1%	Jun. 10 to Jun. 24, 2011
2010	1,002	±3.1%	Jun. 11 to Jun. 24, 2010
2009	1,002	±3.1%	May 28 to Jun. 9, 2009
2008	1,895	±2.3%	May 29 to Jun. 17, 2008
2007	2,508	±2.0%	May 23 to Jun. 27, 2007
2006	1,865	±2.3%	Jun 15. To Jul. 11, 2006

ETF Investors

Year	Sample Size	Margin of Error	Interview Dates
2021	232	±6.4%	May 28 to June 23, 2021
2020	500	±4.4%	May 28 to July 5, 2020
2019	500	±4.4%	May 27 to Jun. 28, 2019

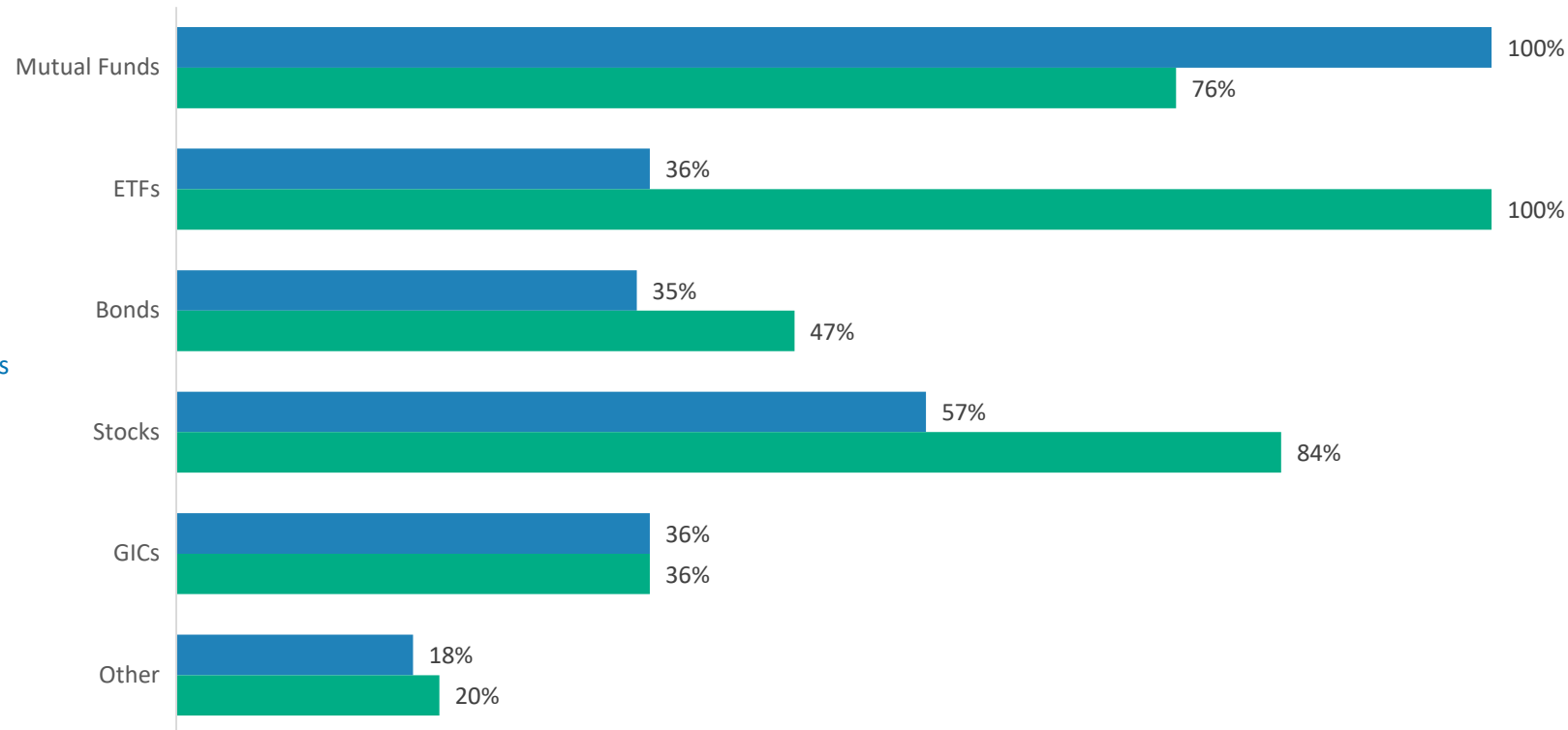
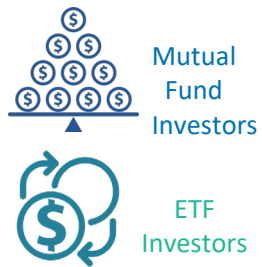


Results in Detail



ETF investors are more likely to invest in multiple products including mutual funds than mutual fund investors, who are not as heavily invested in ETFs and other products.

Investment Portfolio



In 2019 only a fifth of mutual fund investors had ETFs and this has grown significantly to a third (34%) in 2020, increasing only slightly (+2%) this year.

ETF investors continue to be more likely to have made a recent purchase

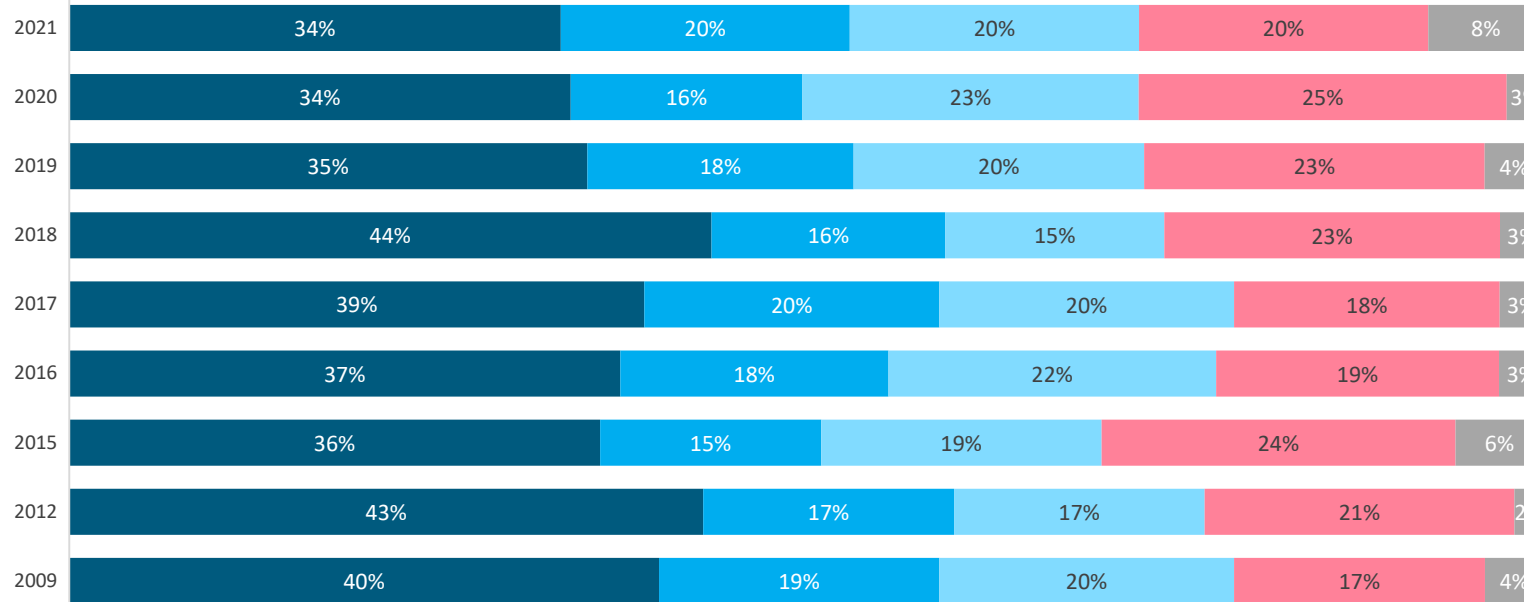


ETF purchased by ETF investors

Most Recent Fund Purchase



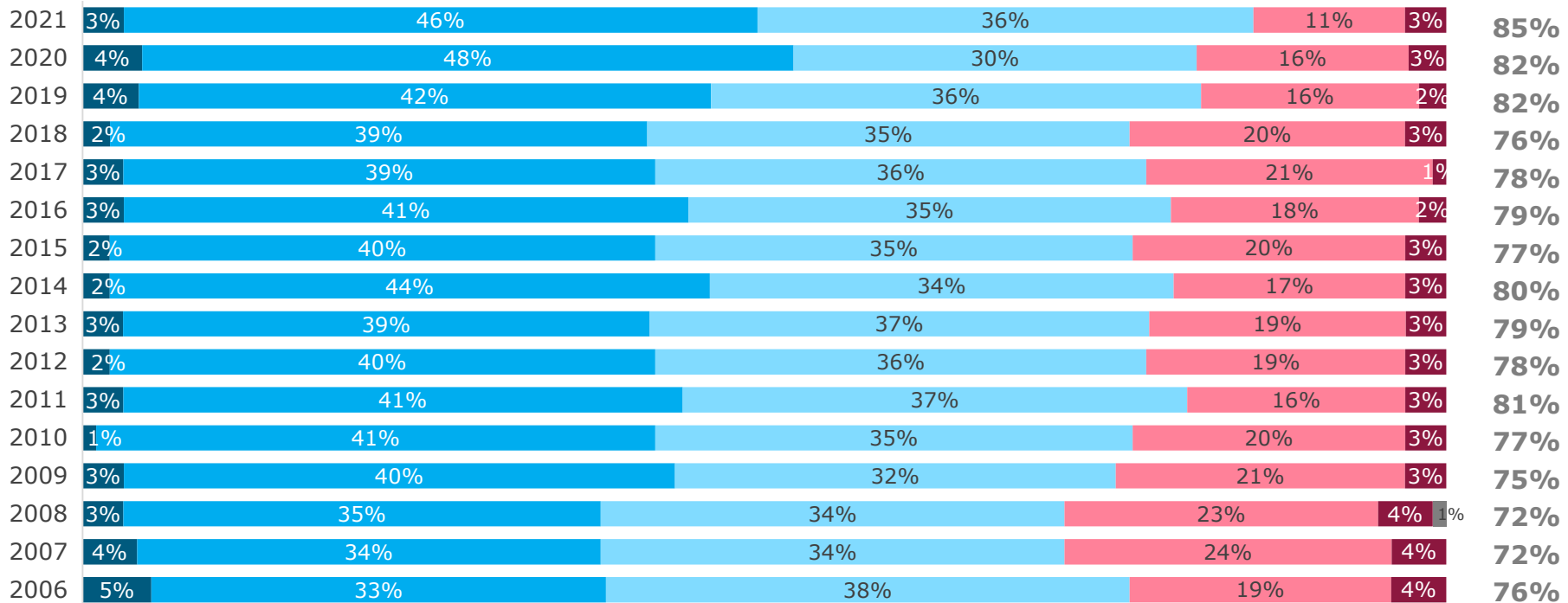
Mutual Funds purchased by MF Investors



■ Less than 12 months ago
 ■ 1 to <2 years ago
 ■ 2 to <5 years ago
 ■ 5+ years ago
 ■ Don't know/Refused

ETF investors consider themselves as knowledgeable about ETFs as mutual fund investors are about mutual funds

Knowledge About Investing in Mutual Funds and ETFs



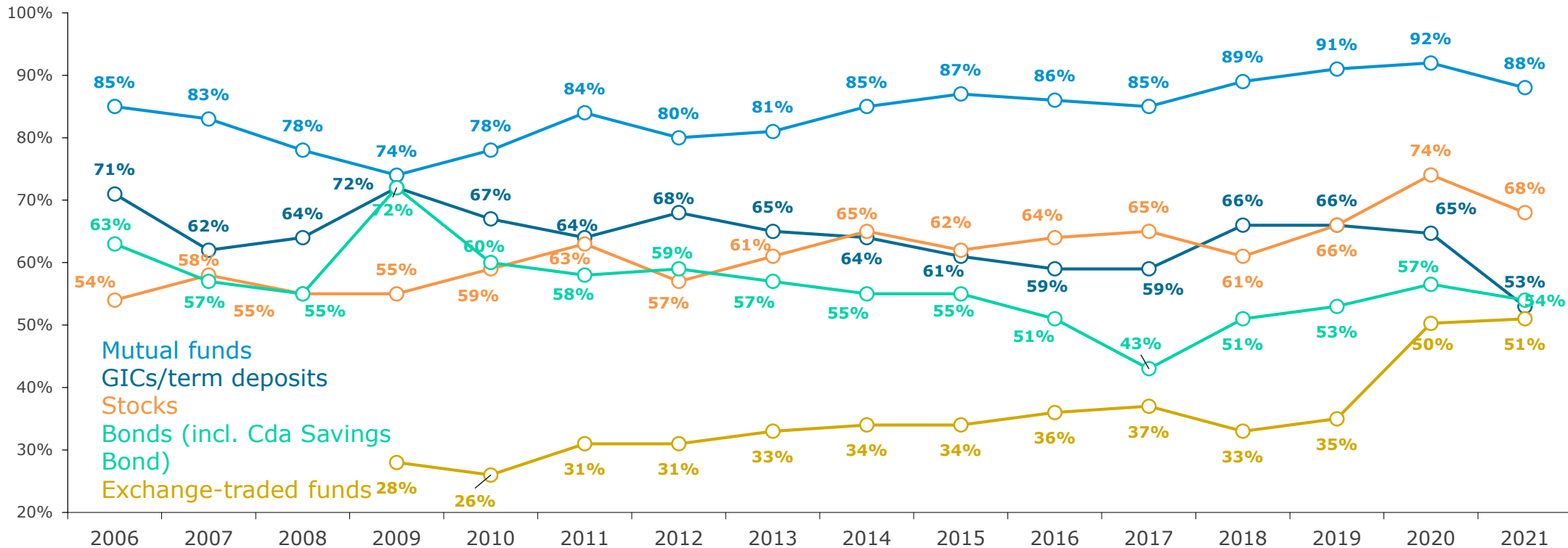
Total % Knowledgeable

■ Very knowledgeable (10)
 ■ Knowledgeable (7-9)
 ■ Somewhat knowledgeable (5-6)
■ Not very knowledgeable (2-4)
 ■ Not at all knowledgeable (1)
 ■ Don't know/Refused

Confidence in mutual funds has increased gradually over the past few years, but decreased slightly since 2020



Confidence in Investments to Meet Financial Goals

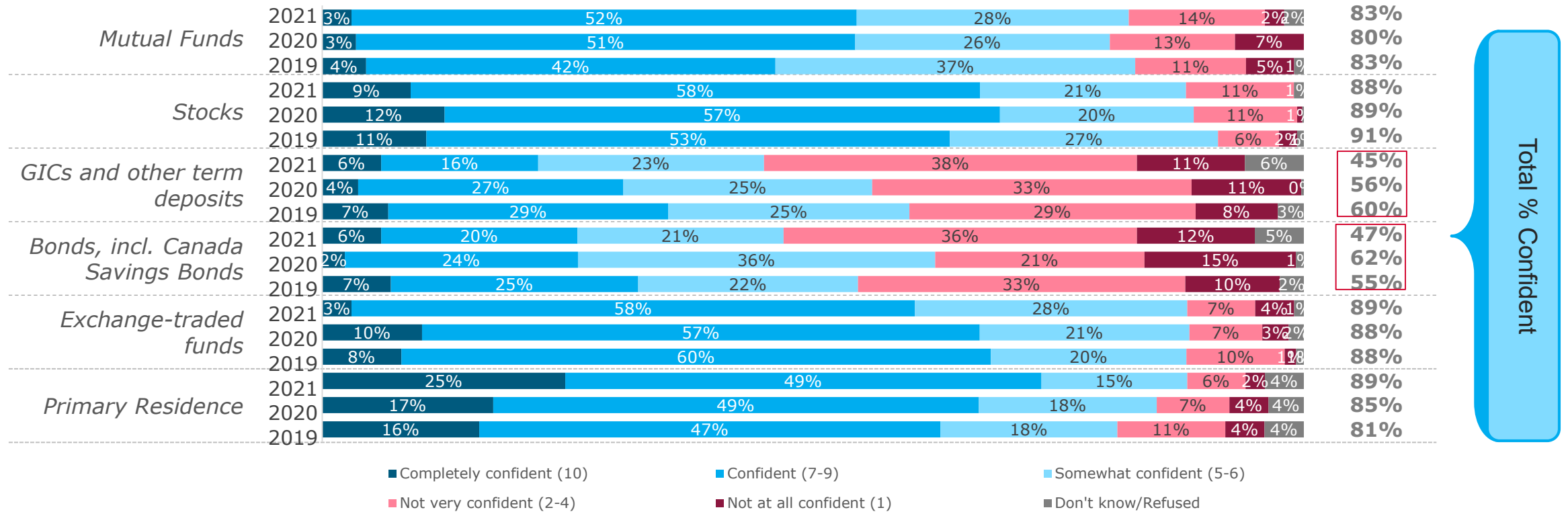


Compared to mutual fund investors, ETF investors are confident in a number of products including ETFs, stocks and mutual funds as a means of reaching financial goals



ETF Investors

Confidence in Investments to Meet Financial Goals



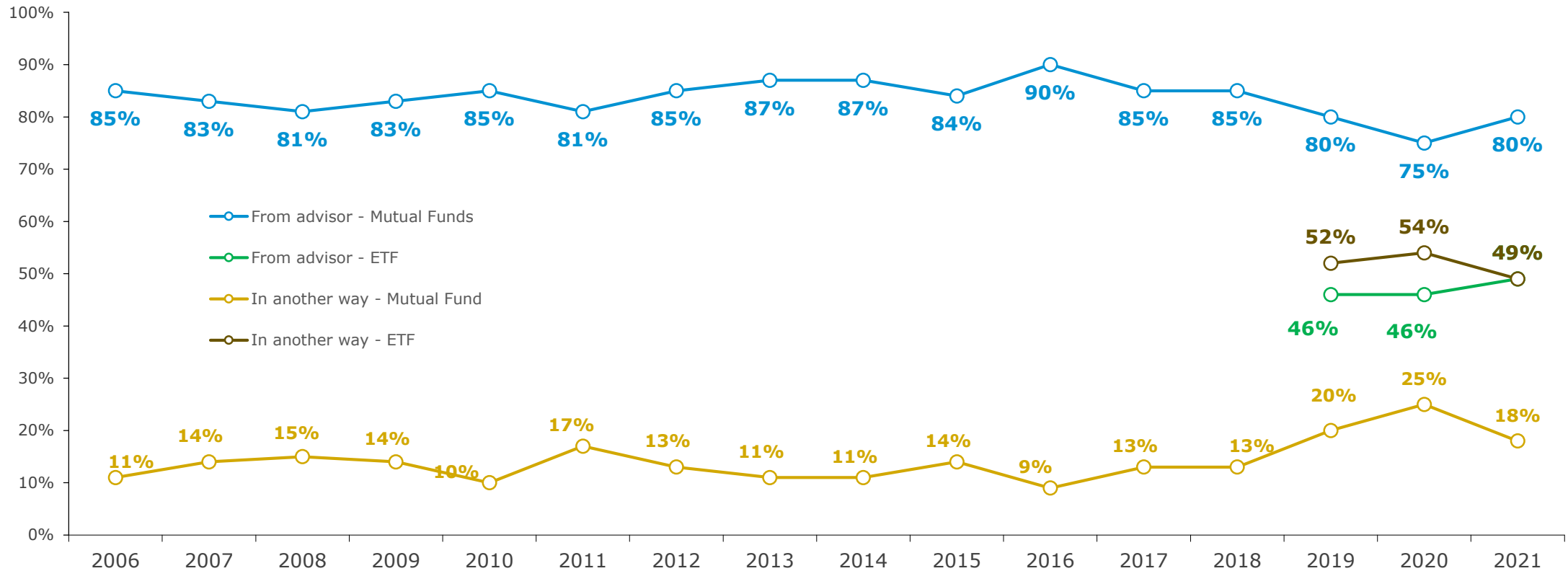


Assessments of Investment Advisor



Among mutual fund investors, the reported use of advisors to purchase investments has increased since last year but declined since 2016. ETF investors are just as likely to purchase online as they are to use an advisor

Method of Most Recent Investment Fund Purchase



Both mutual fund and ETF investors are satisfied with their financial advisors

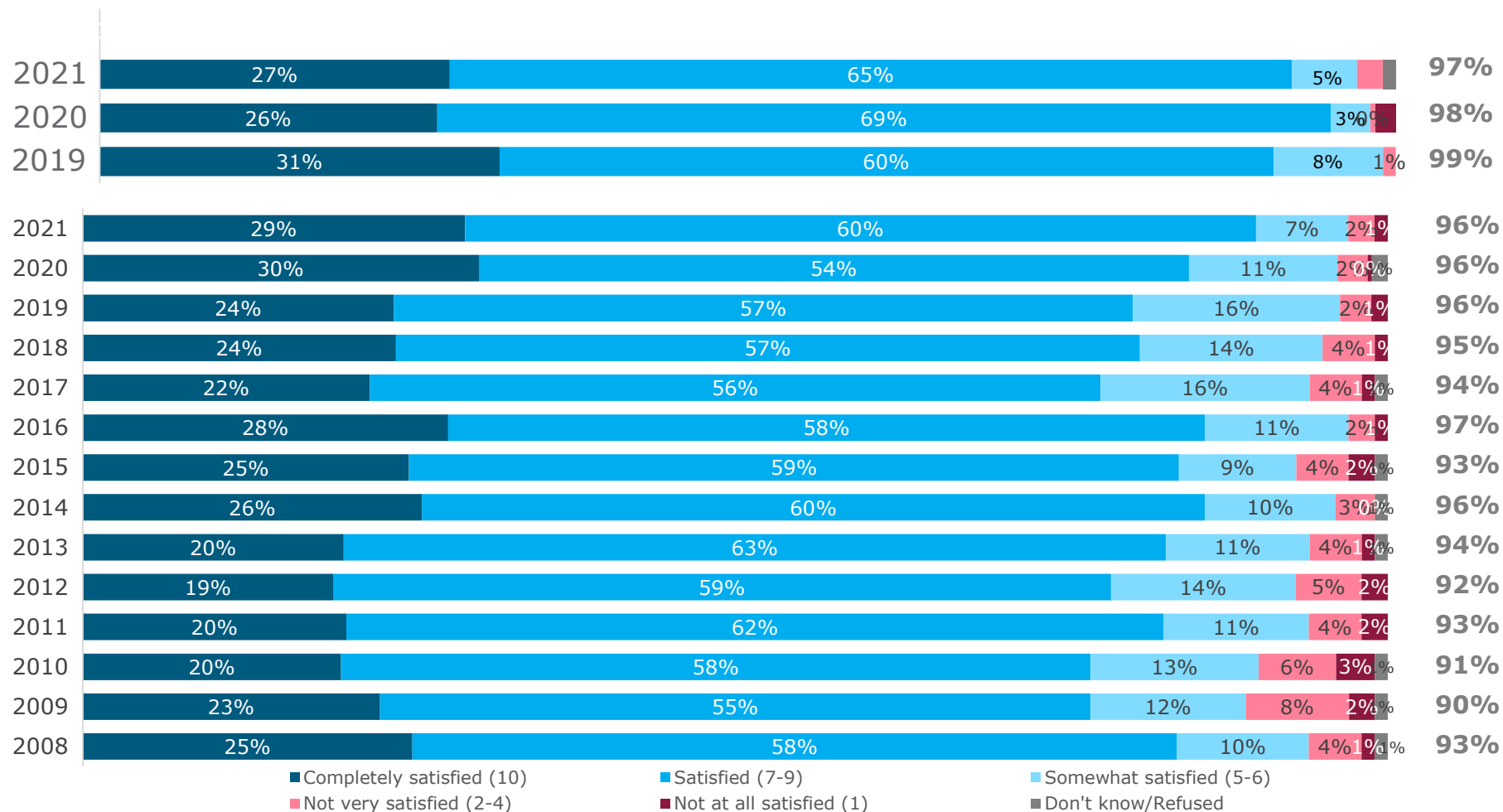
Satisfaction with Advisor's Advice



ETF Investors



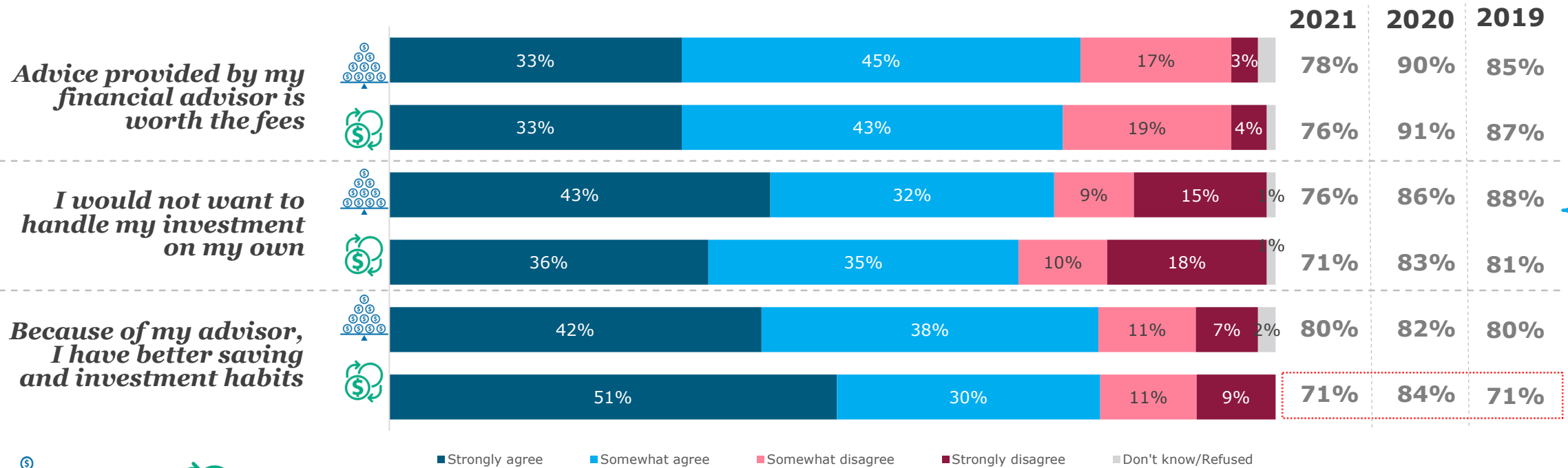
Mutual Fund Investors



Total % Satisfaction

Investors feel their advisors add a valuable service and are worth the fees, but this has dropped significantly since the last year.

Value of Financial Advisor



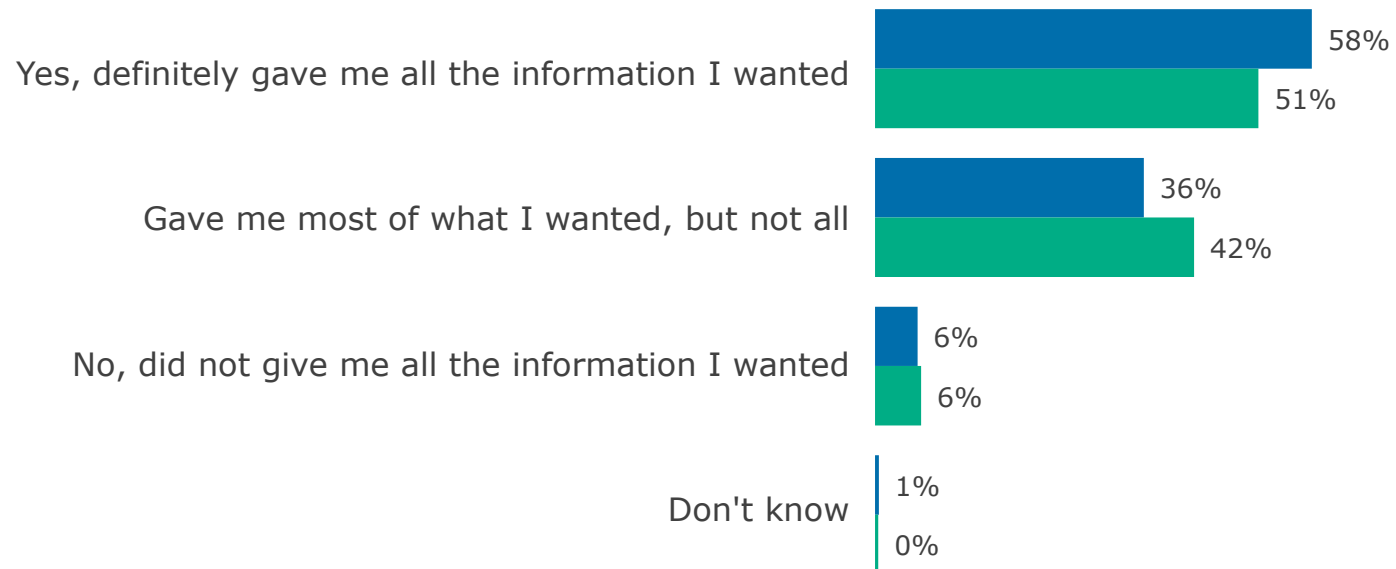
Total % in Agreement



■ Strongly agree
 ■ Somewhat agree
 ■ Somewhat disagree
 ■ Strongly disagree
 ■ Don't know/Refused

More than half of the investors reported to have received all the information that they wanted from their advisor

Information or Advice Given by Advisor



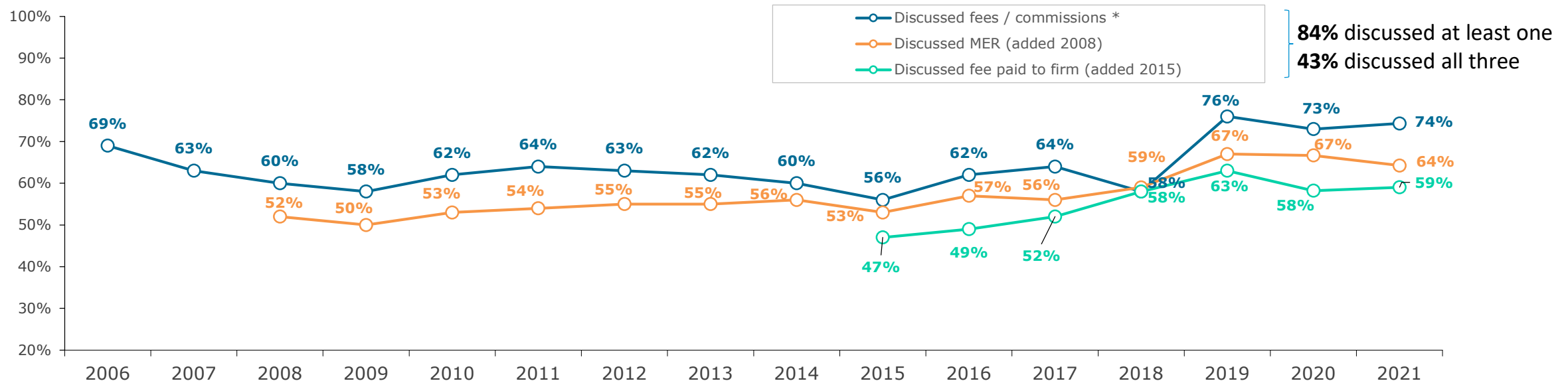


Attitudes Towards and Knowledge of Fees

Advisors are more likely to discuss fees associated with buying and selling mutual fund investors rather than management or firm fees



Discussion of Compensation/Fees/MER with Advisor

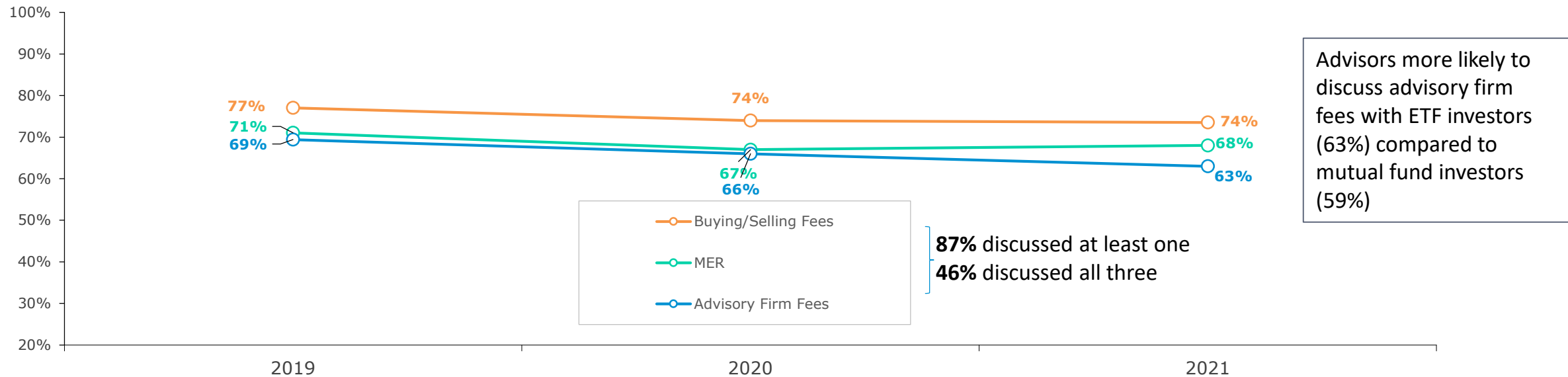


* Wording has changed from Discuss whether or not you will be charged a sales commission when you buy or sell the mutual fund – also called ‘front-end load’ and ‘back-end load’ fees in 2018 to Discuss whether or not your will be charged any fees when buying or selling your mutual fund. This can be called a front-end or back-end load or a trading fee in 2019

Similar to mutual fund investors, advisors are more likely to discuss fees associated with buying and selling ETFs rather than management or firm fees



Discussion of Compensation/Fees/MER with Advisor



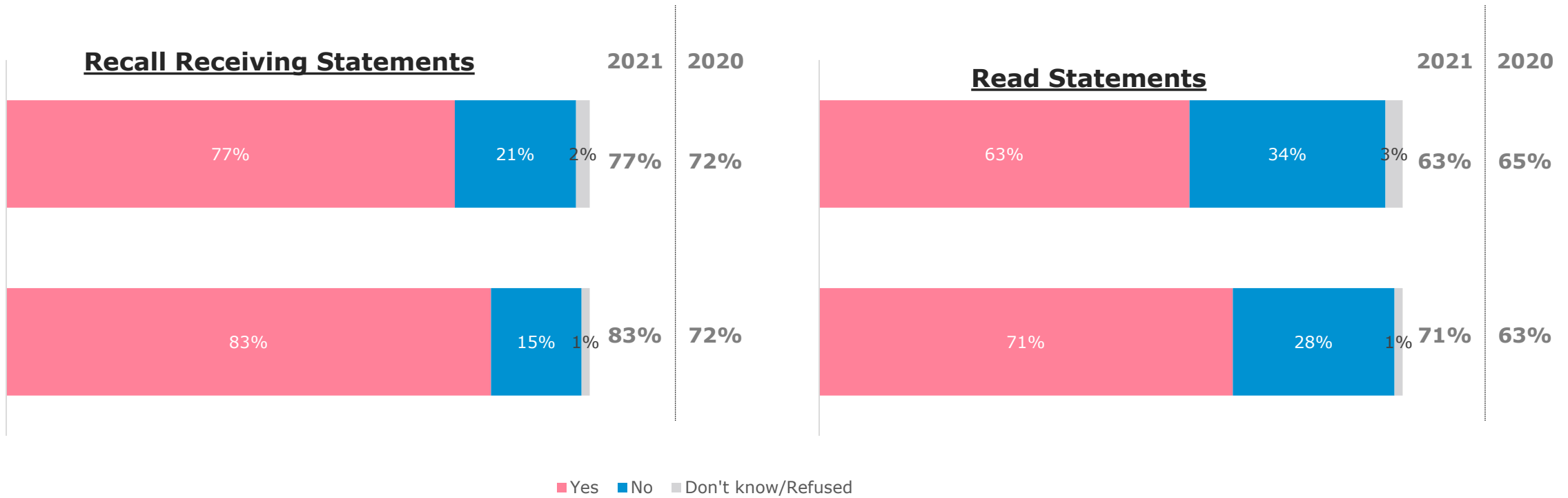


Information Requirements and Investment Statements

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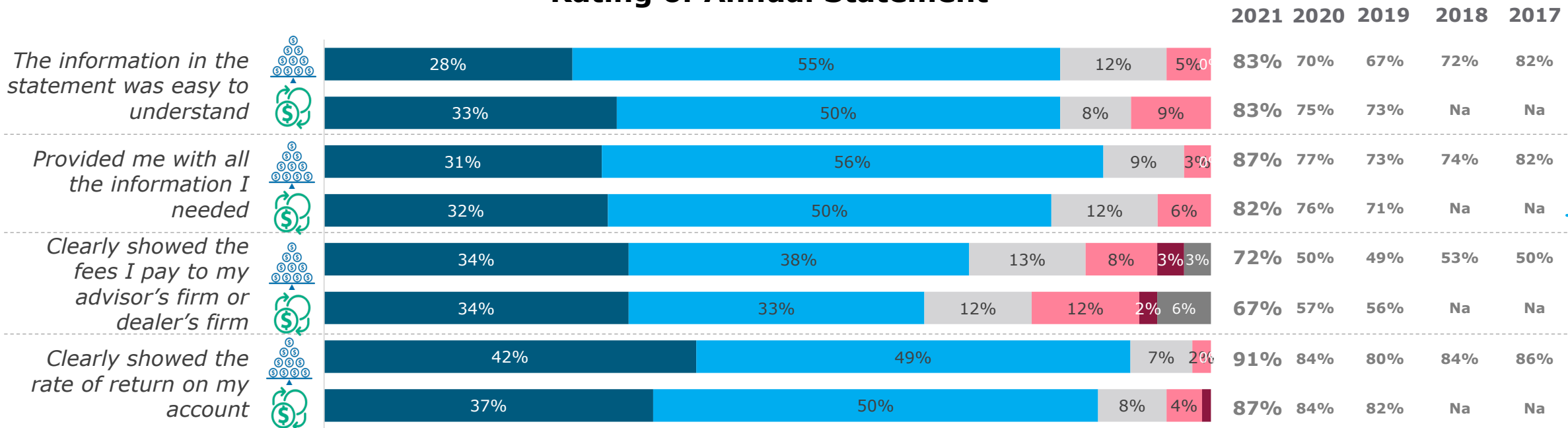
Investors recall receiving their annual fee and performance (CRM2) statement this year although fewer have read the statements

Fee and Performance (CRM2) Statement



Investors' satisfaction with the quality of information on their statements increased significantly this year

Rating of Annual Statement



Total % Good/Excellent

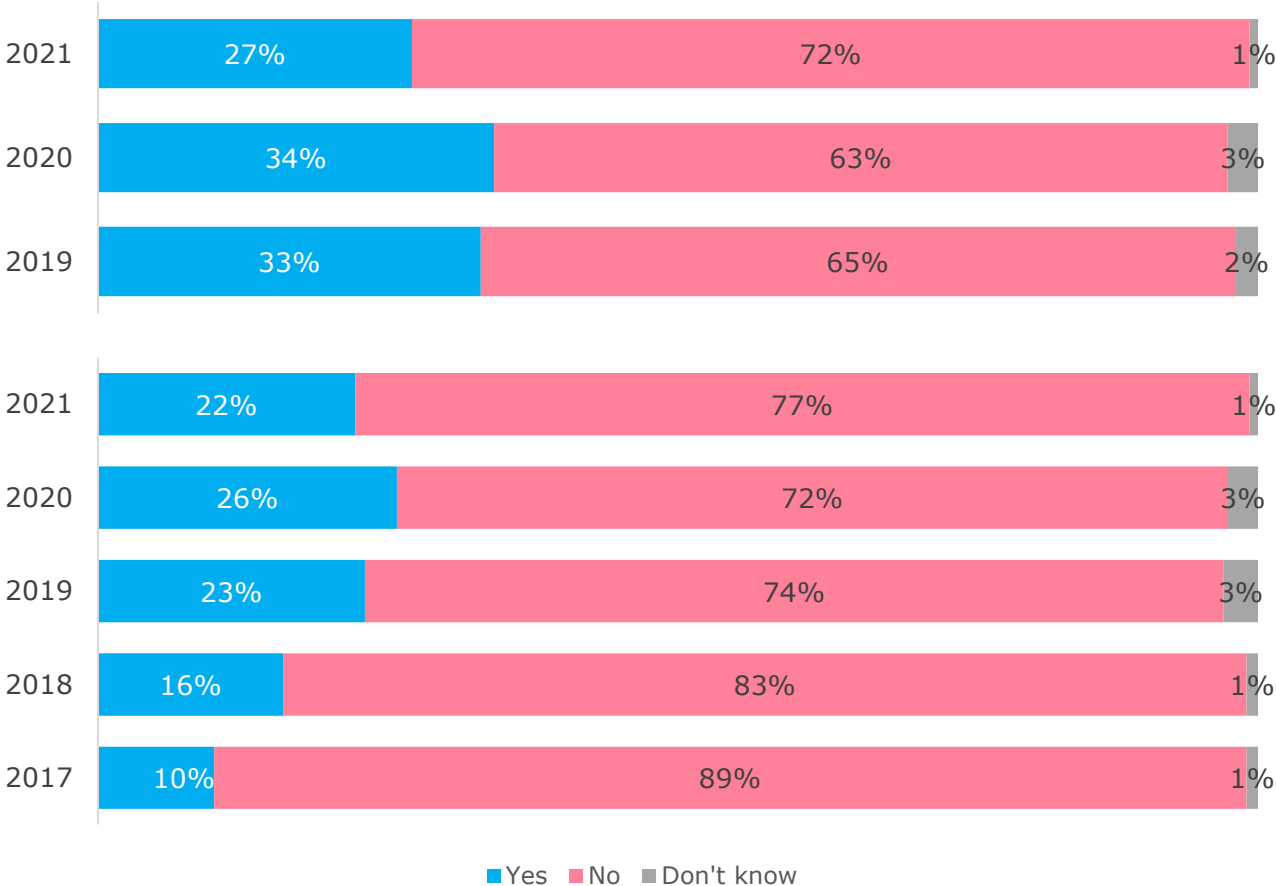
■ Excellent (10) ■ Good (7-9) ■ Neutral (5-6) ■ Poor (2-4) ■ Very poor (1) ■ Don't know/Refused



There has been a decrease in the number of investors making a changed due to information contained in statements



Information Cause a Change in Action

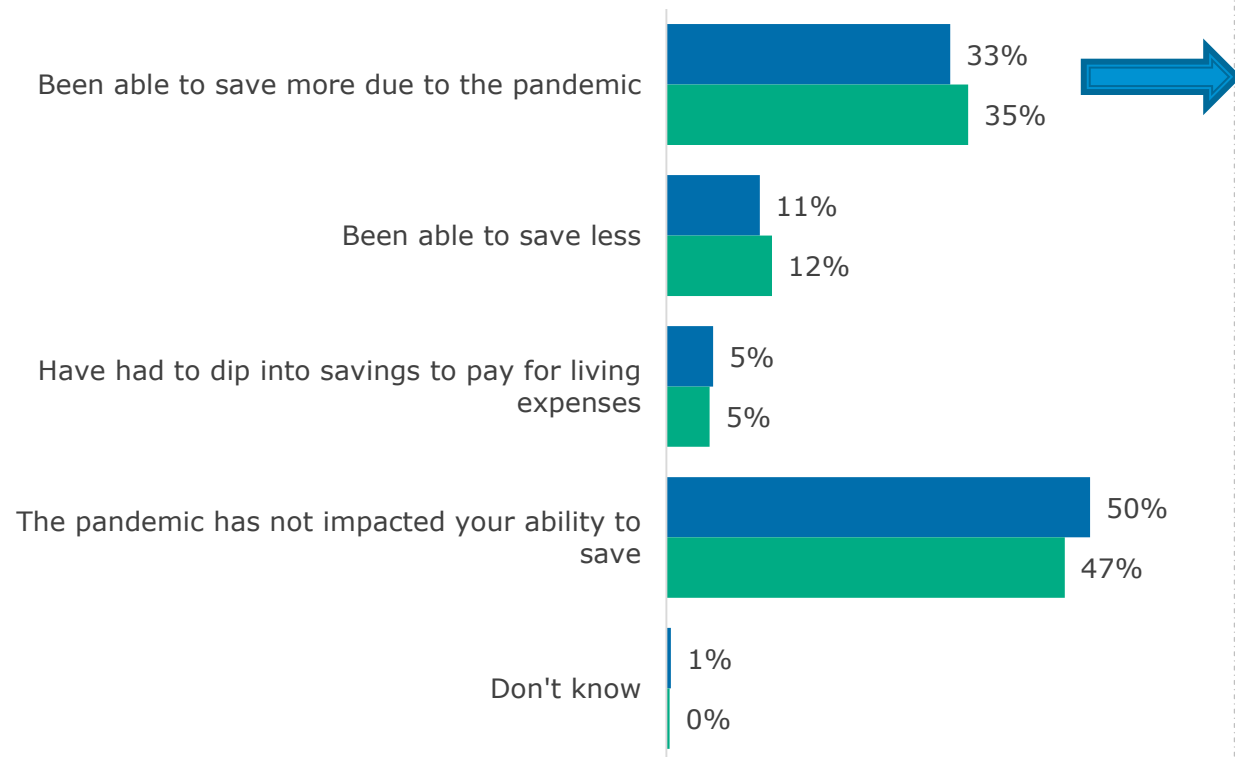




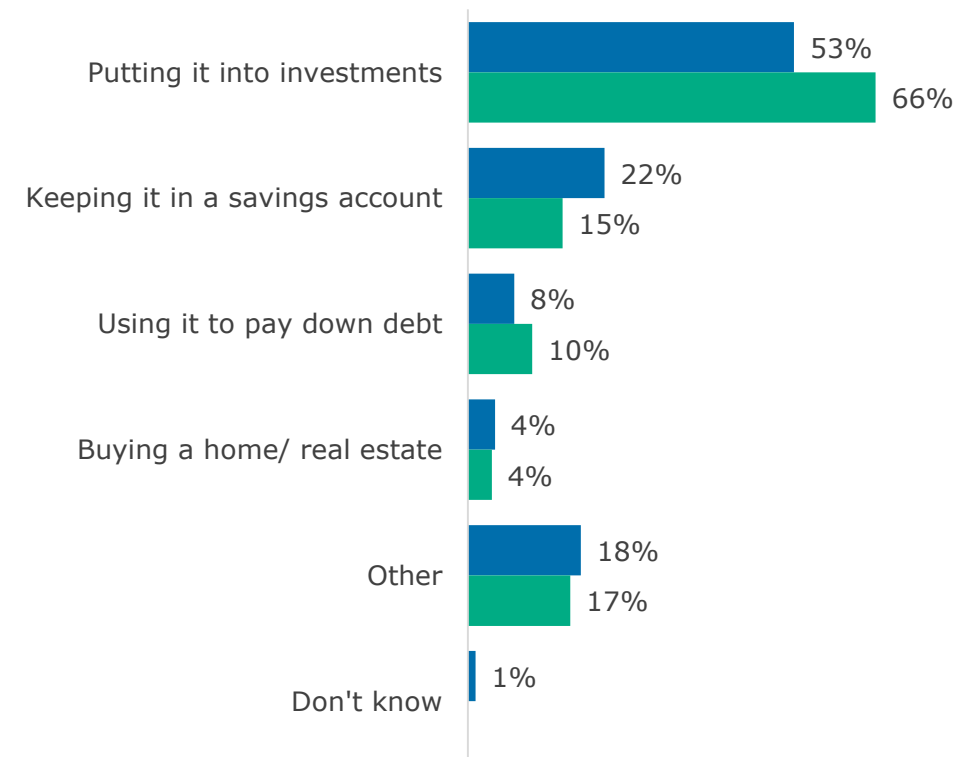
Impact of COVID-19 on Investors

A third of the investors were able to save more due to the pandemic and most of the investors plan to put their extra savings into investments

Impact of COVID-19

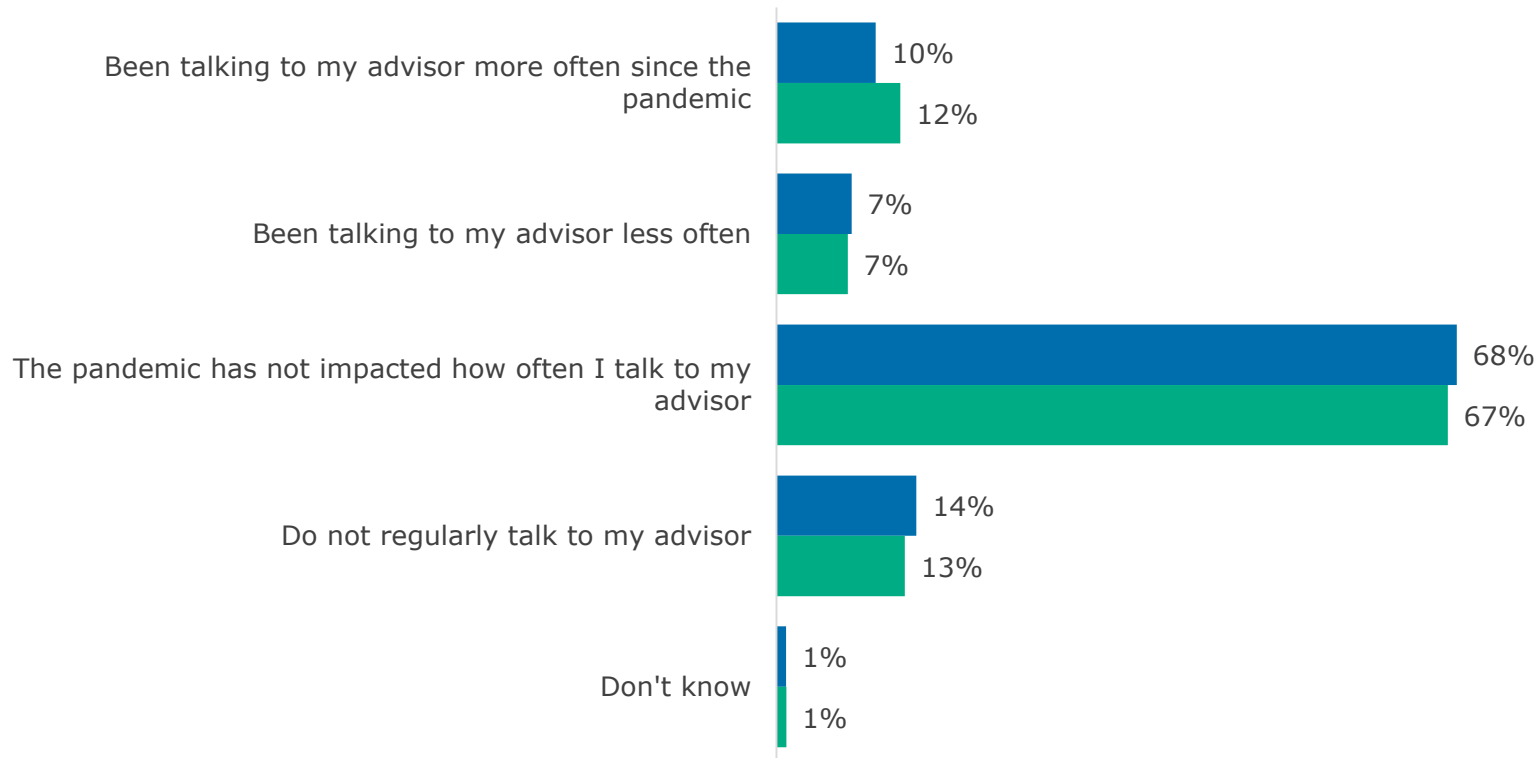


Plans with Extra Savings



Most of the investors reported COVID-19 has no impact on how frequently they talk to their advisor

Communication With the Advisor



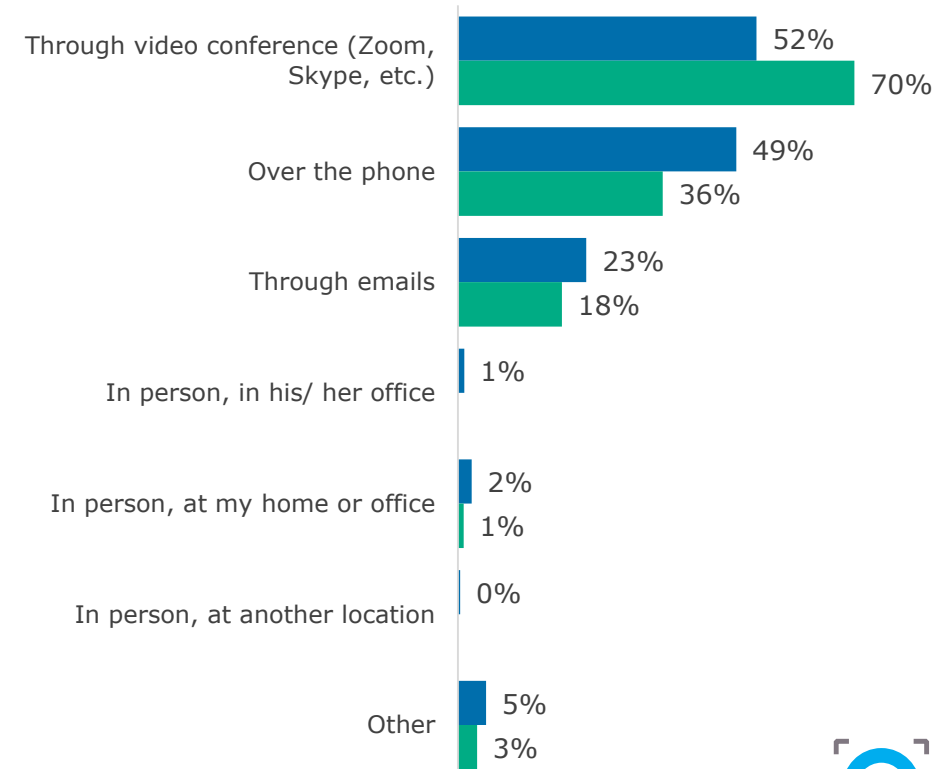
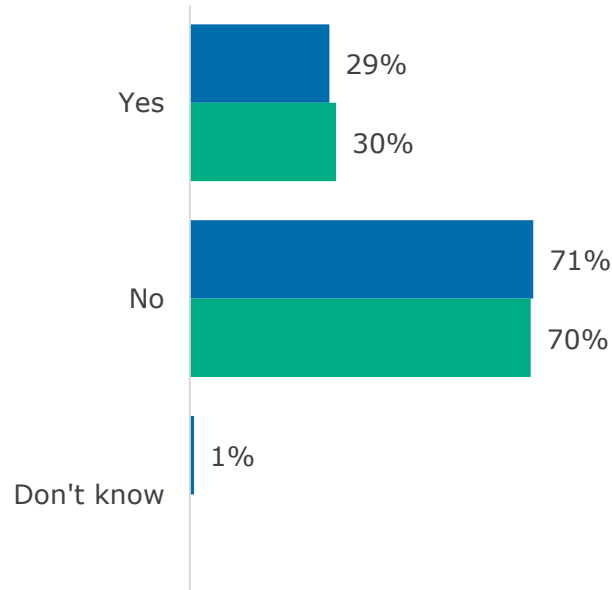
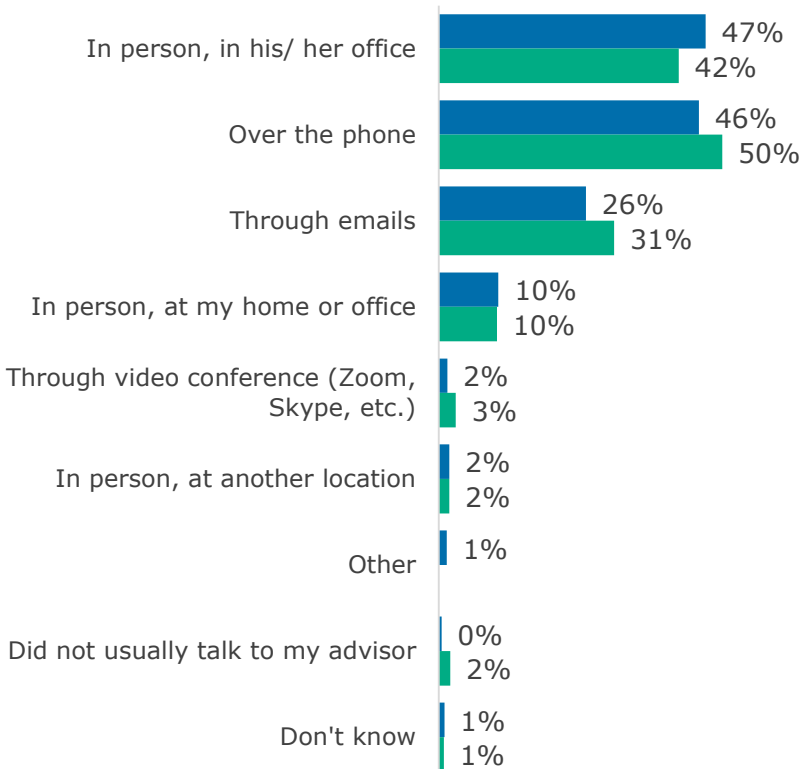
Before the pandemic, most investors met their advisor in person or communicated over the phone. Of those who have changed their method of communications, investors are more likely to have moved to video conference or phone communication



Communication: Before the Pandemic

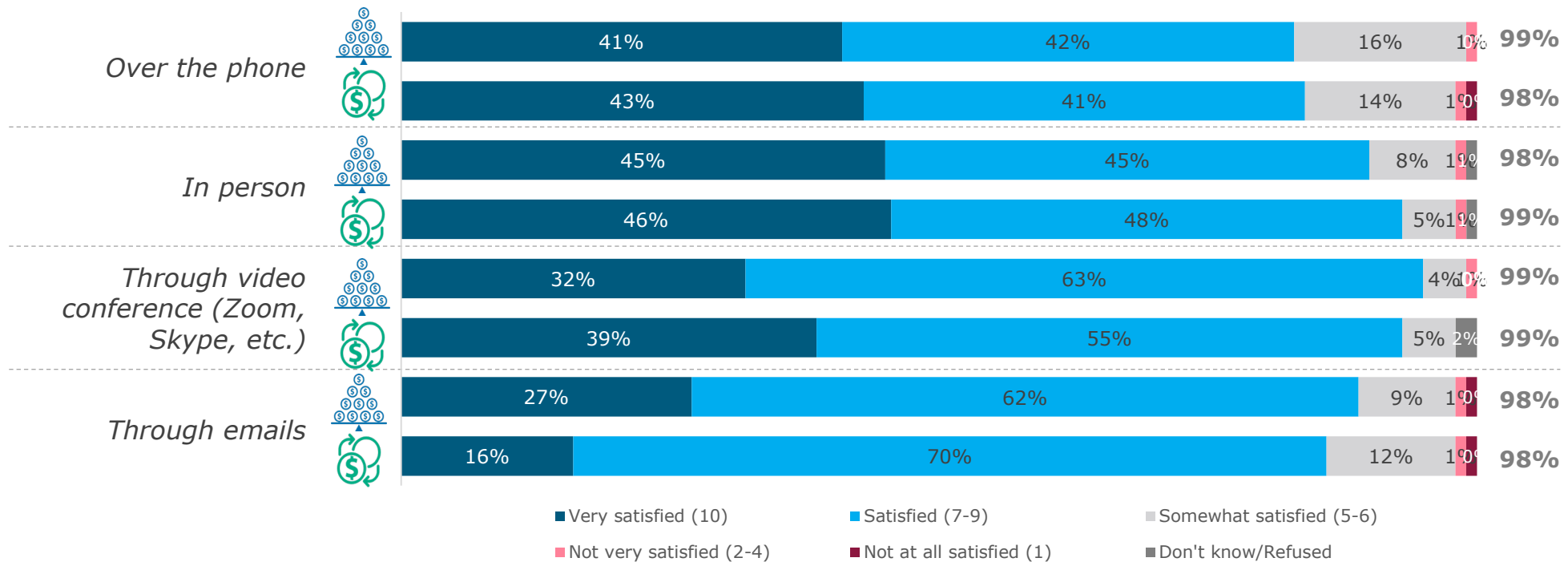
Change in Communication Since the Pandemic

Communication: Since the Pandemic



Investors are overall satisfied with all the communication methods

Satisfaction with Methods of Communication

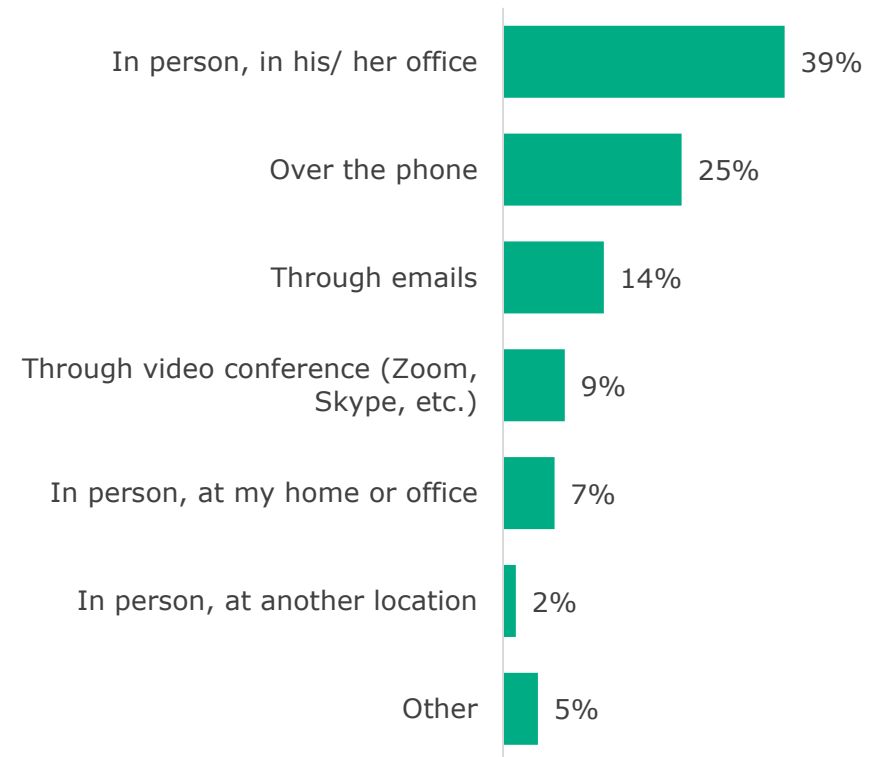
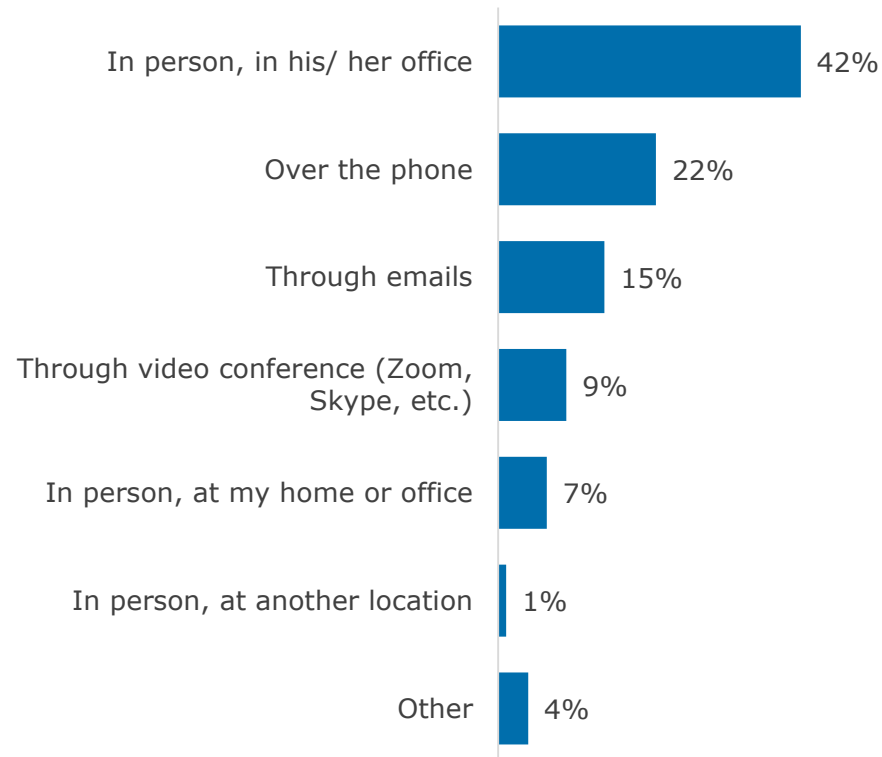


Total % of Satisfied



Most investors are planning to meet their advisor in person once the pandemic is over

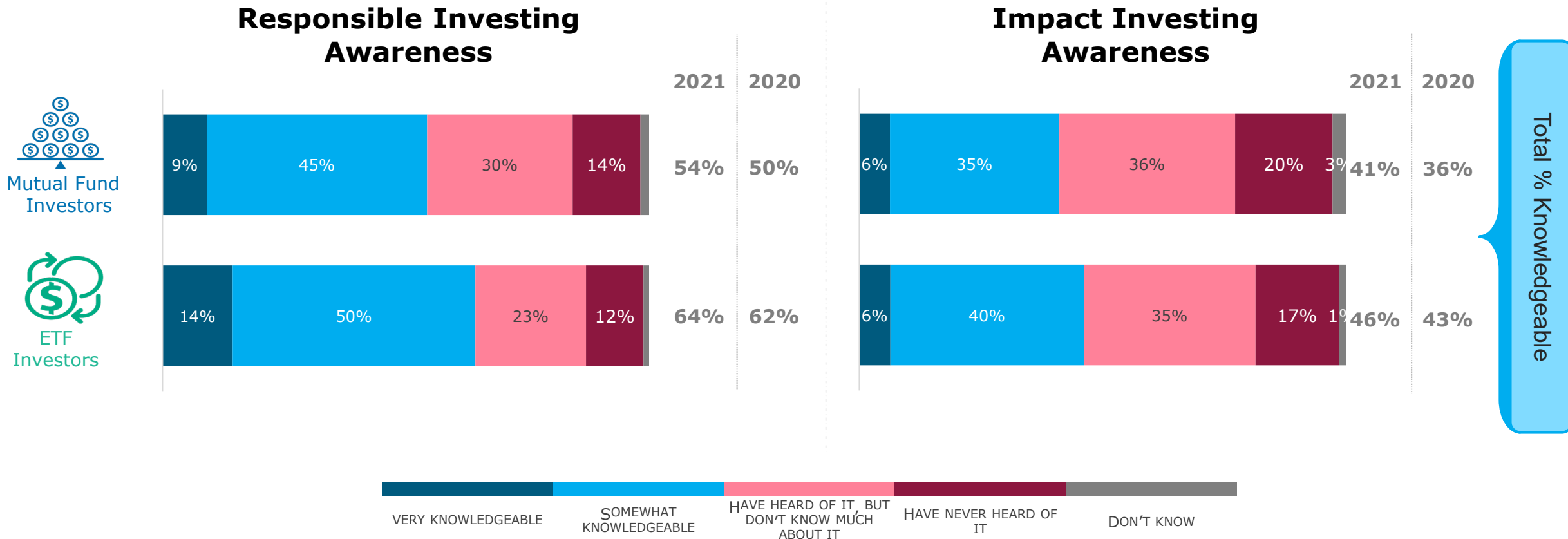
Communication Method: Once the Pandemic is Over





Awareness and Attitudes Toward Responsible and Impact Investments

Investors are aware of responsible and impact investing but not that knowledgeable

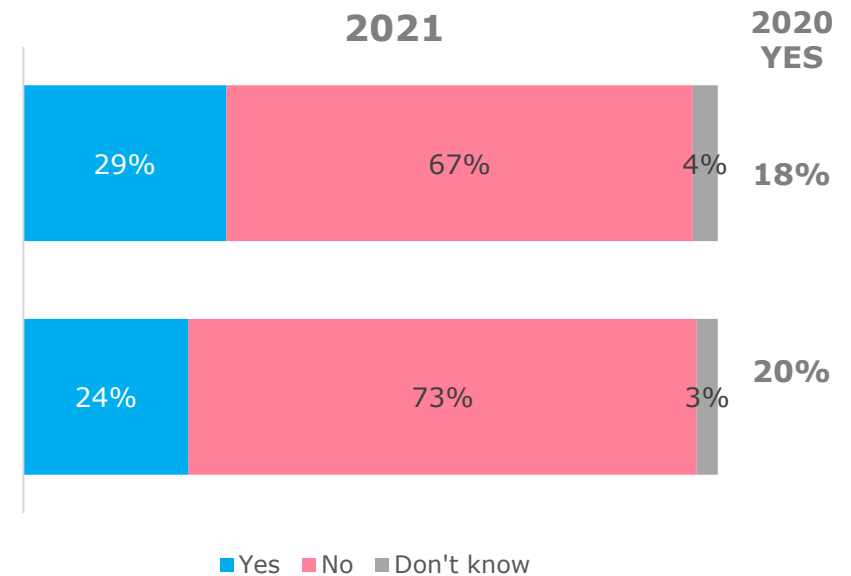
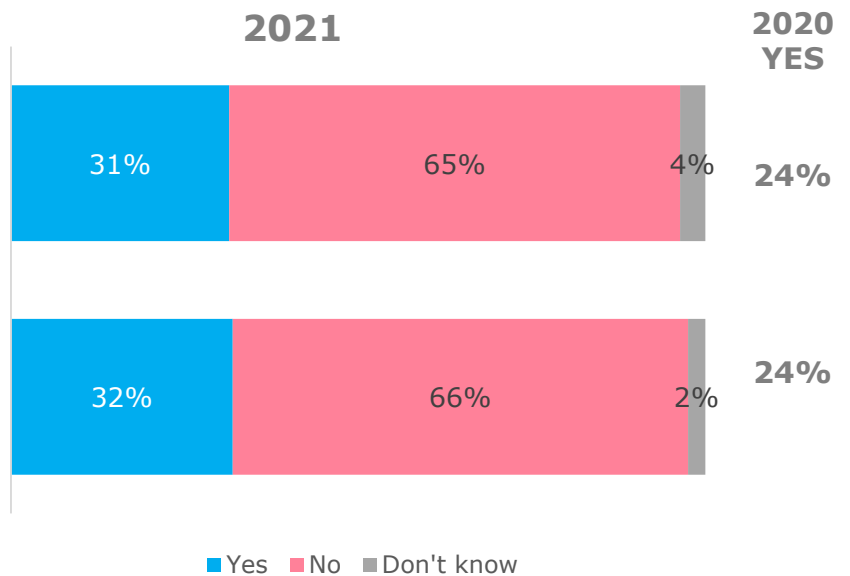


While a minority of investors have been asked to include Responsible or Impact investing in their portfolio, this has increased since last year

Inclusion of Responsible Investments in Portfolio

Asked if interested in responsible investments (environmental, social and governance)

Asked if interested in impact investments (companies, organizations and Impact Investing)

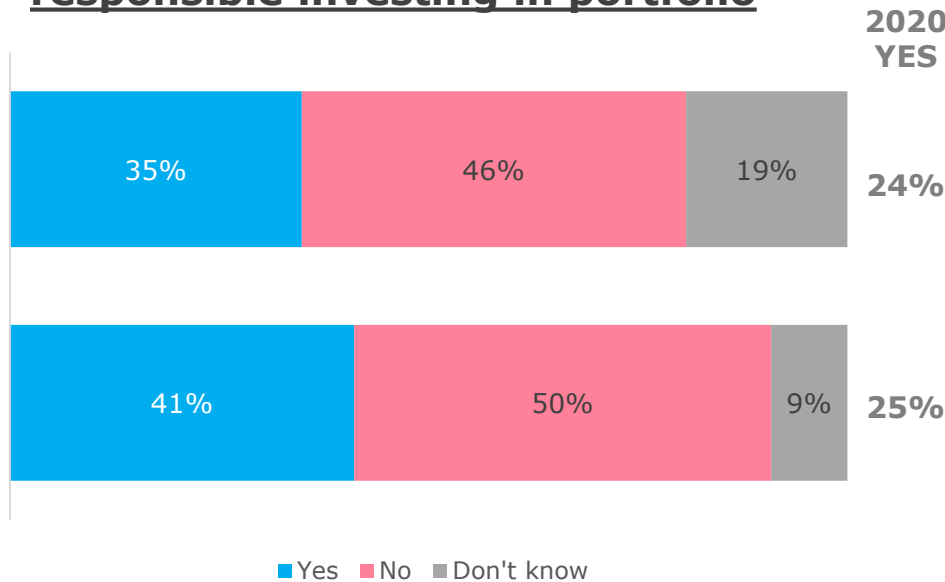


While close to two-fifths of investors currently own responsible investments, a majority may include them in the future

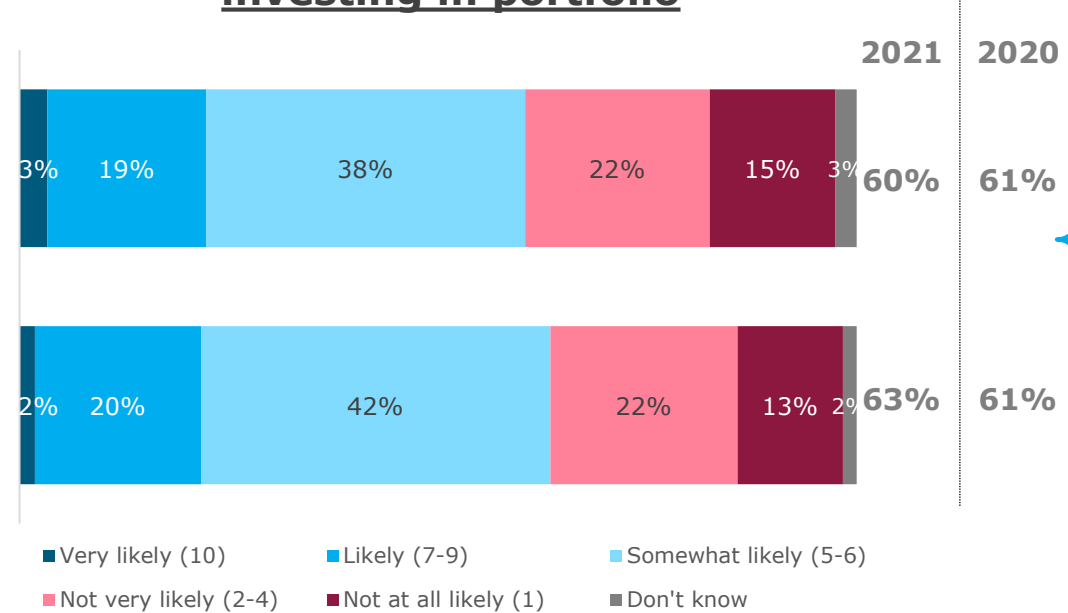
Inclusion of Responsible Investments in Portfolio



Currently have funds for responsible investing in portfolio



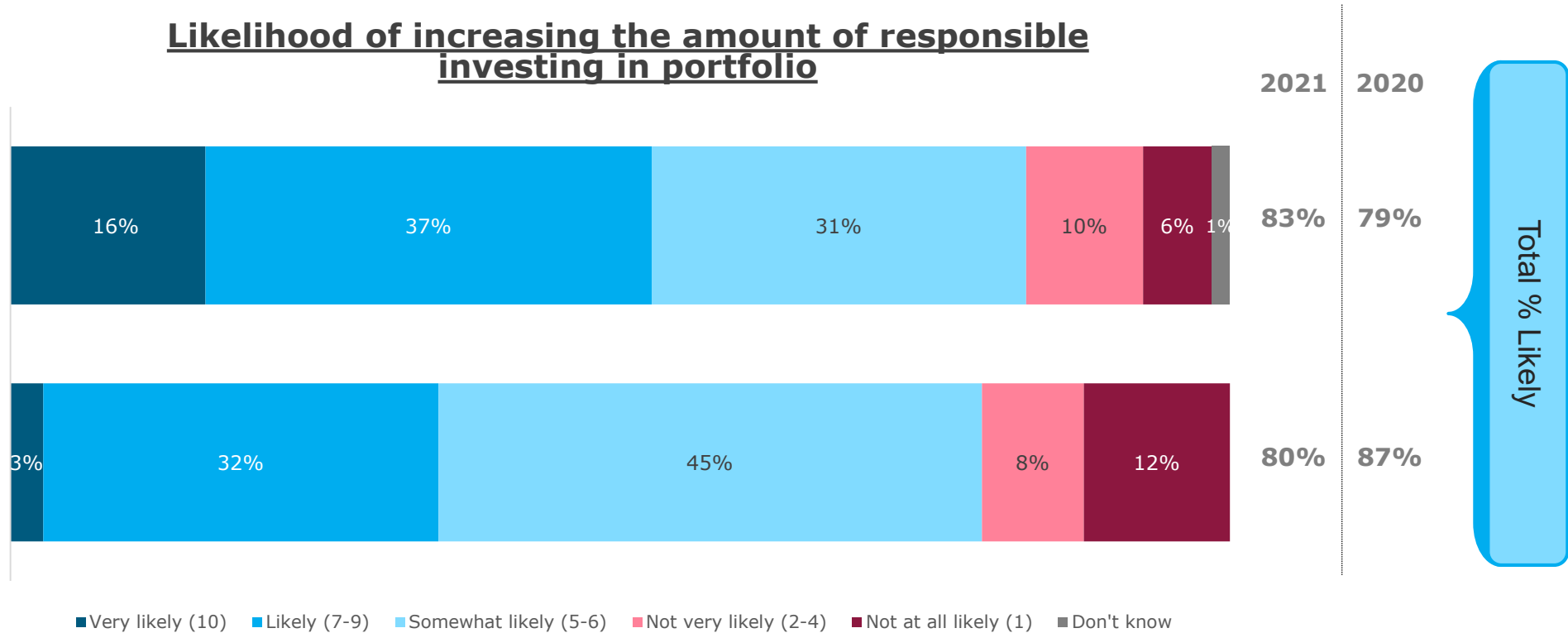
Likelihood of including responsible investing in portfolio



Total % Likely

Investors who already own responsible investments are likely to increase the amount of these products in their portfolio over the next few years

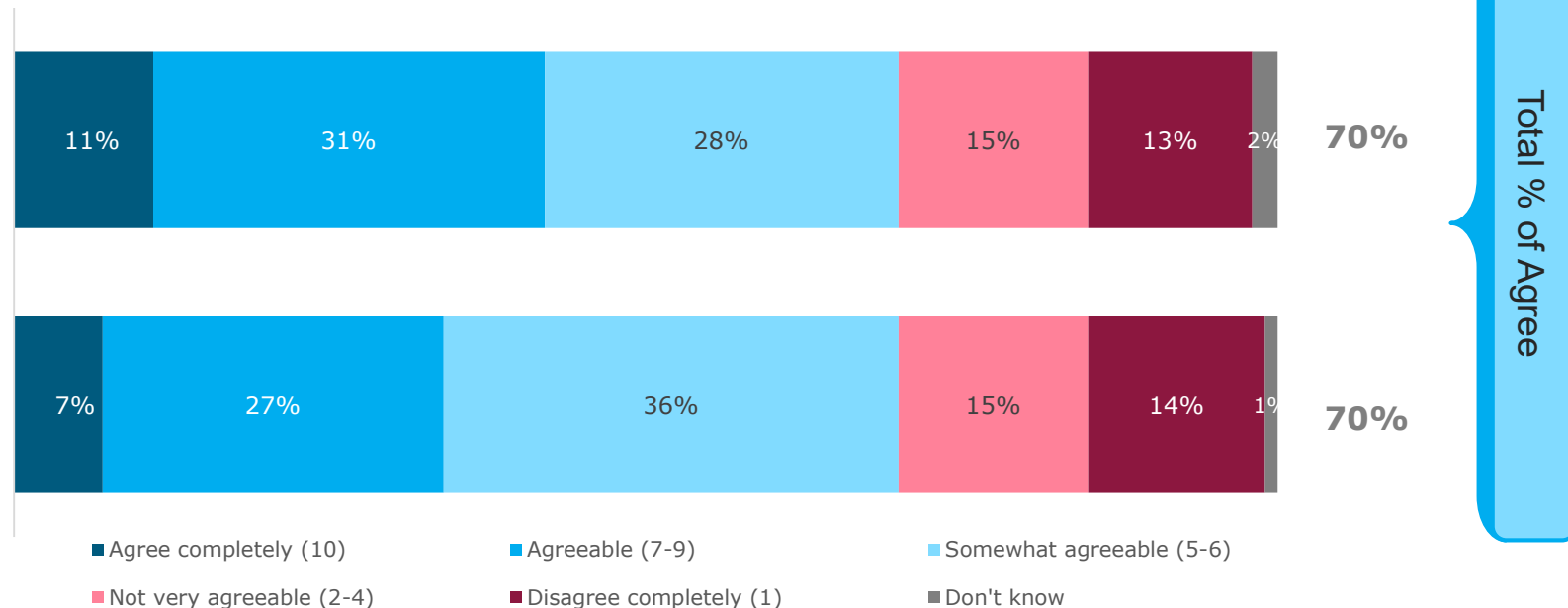
Likelihood of increasing the amount of responsible investing in portfolio



Most investors agree that the events of the past year has made them more likely to consider investments that will have a positive impact on the world



Likelihood of considering investments that will have a positive impact on the world





Questions?

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Presented by Lesli Martin, Vice-President, Pollara Strategic Insights
leslimartin@pollara.com