

WHAT FORMS OF INVESTMENT ACCOUNTS ARE RIGHT FOR YOU?

DO you know what form of investment account is suitable for you? It is best to be clear with your financial advisor about your objectives so an appropriate asset allocation, style of portfolio, form of money management and method of communication can be set up for you.

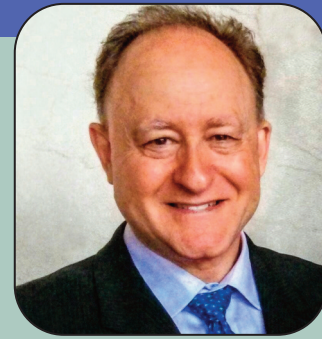
At Raymond James, we offer you a variety of account styles. Here are three examples I commonly work with below.

Style One:

Combination of ETF and Mutual Fund. This form of money management may be suitable in stable to bumpy markets where a client may have varying amounts of fixed income. The role of the financial advisor is to determine an asset allocation between fixed income and equity. For example, a 50/50 moderate income blend would be suitable for a medium - term time horizon whereas a 70/30 fixed income blend may be suitable for a shorter time horizon. Conversely, a growth investor with 20 years to retirement may consider a 70% level of equity. These weightings can be flexible when you consider economic conditions against your objectives.

Style Two:

This common style deploys the skillsets of your financial advisor, typically on a fee basis. This "All in One" format may deploy mutual or **ETF** trust funds, individual securities, alternative investments, real estate, closed end funds or individual bonds. If you have the time and enjoy close contact with your advisor, this format can offer you a transparent fee, and a high level of understanding of how your money is being put to work. Practically, maximum transparency may be achieved when individual securities are deployed instead of financial products like mutual funds or **ETFs**. This format allows you to establish an investment management fee, based on the value of your investments across all asset classes. For large accounts, we can separate this into low cost fixed income and higher cost equity management or provide a blended tax-deductible rate.



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Style Three:

In the mid 90's the security industry in Canada introduced third party separately managed account services. **Raymond James**, offers over 50 mandates, covering most geographic, style, industry, and asset allocations to assist your advisor to construct a superior portfolio for your objectives. In this service which is not a mutual fund, you would own your bonds and equities directly but instead of your advisor individually buying or selling, it is a specialized team trading your securities within strict guidelines in keeping with your objectives. I consider this a superior lower cost approach than owning retail mutual funds, with equal diversification but offering greater understanding of your money, so you can see and understand what you own.

As always, timing, and circumstances need to be considered when it comes to the management of your money. Consult your financial advisor if you have concerns with how your money is managed. We are always available at our practice should you wish to compare money management styles, advice, and services.

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Enjoy the fall season and stay safe.

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