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Canadian Mutual Fund & Exchange Traded Fund Investors Survey

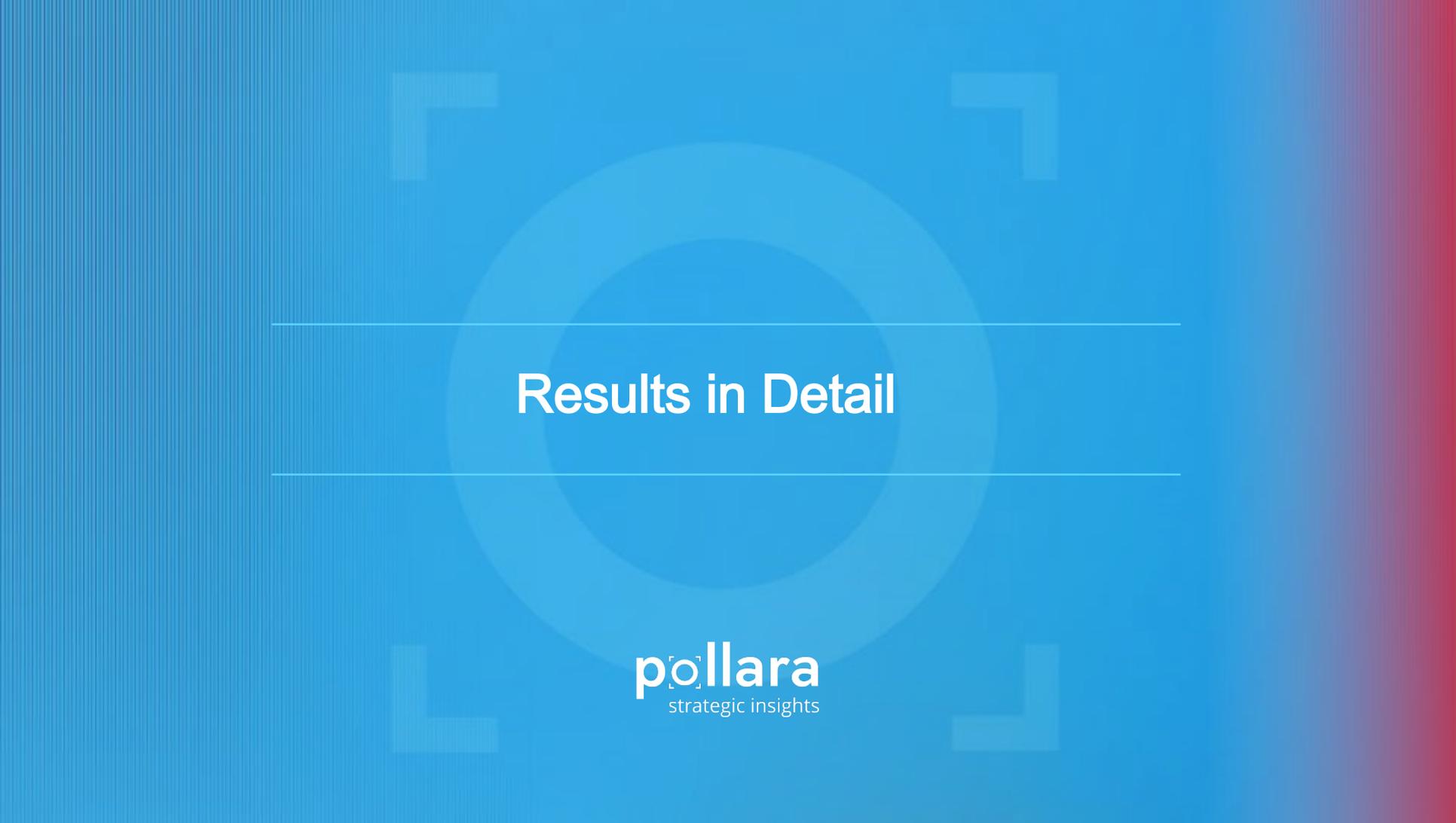
2022

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Research Objectives and Methodology

Research Methodology

- This research was conducted with Canadian investors who are 18 years of age or older and make all or some of the decisions regarding the investments in their household.
- From 2006 until 2020, the research was completed using a telephone methodology. Due to increased difficulty in obtaining samples in this manner, new methodological options were considered. In 2021, we conducted a hybrid methodology of telephone and online (web) surveys, with analysis conducted to understand the difference in results between these methodologies. This year we conducted the survey using only an online/ web methodology.
- To allow for tracking analysis, we are showing results of this year's study compared to that of the 2021 online study. Where 2021 analysis showed methodology had little impact on results, tracking to past telephone surveys will also be shown.
- In total 4,045 surveys were conducted with mutual fund investors and 1,503 surveys were conducted with ETF investors.
- All interviews were conducted between May 31st and June 15th, 2022.
- National results have been weighted based on 2019 PMB data* to ensure they are representative of mutual fund/ETF holders by region and gender. Interviews were conducted in either English or French, depending on the respondent's language preference.



Results in Detail

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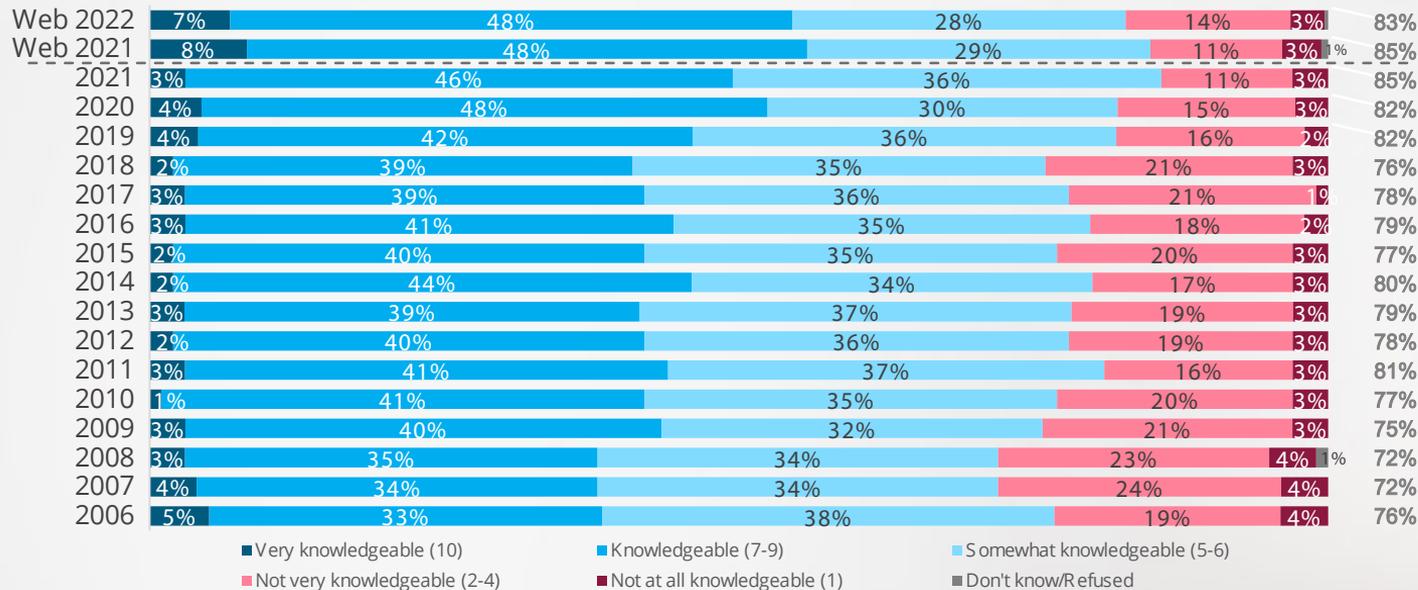
Attitude Towards Investment Products and Strategies

Knowledge about Investing in Mutual Funds

Knowledge about mutual funds has remained consistent among mutual funds investors since last year



Mutual funds Investors



Total % Knowledgeable (5-10)

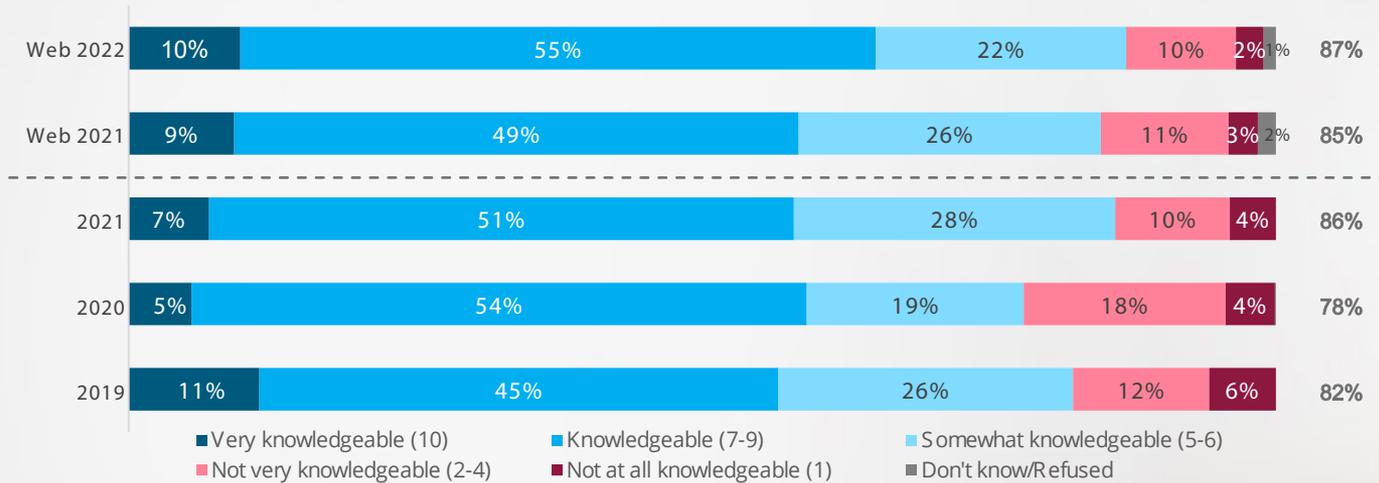
Q1. Overall, using a scale from 1 to 10 where 1 means you are 'not at all knowledgeable' and 10 means you are 'very knowledgeable', how knowledgeable would you say you are about investing in mutual funds? Base: Web 2022 MF N=4045

Knowledge About Investing in ETFs

Knowledge about ETF's is consistent since last year and similar to knowledge about Mutual Funds



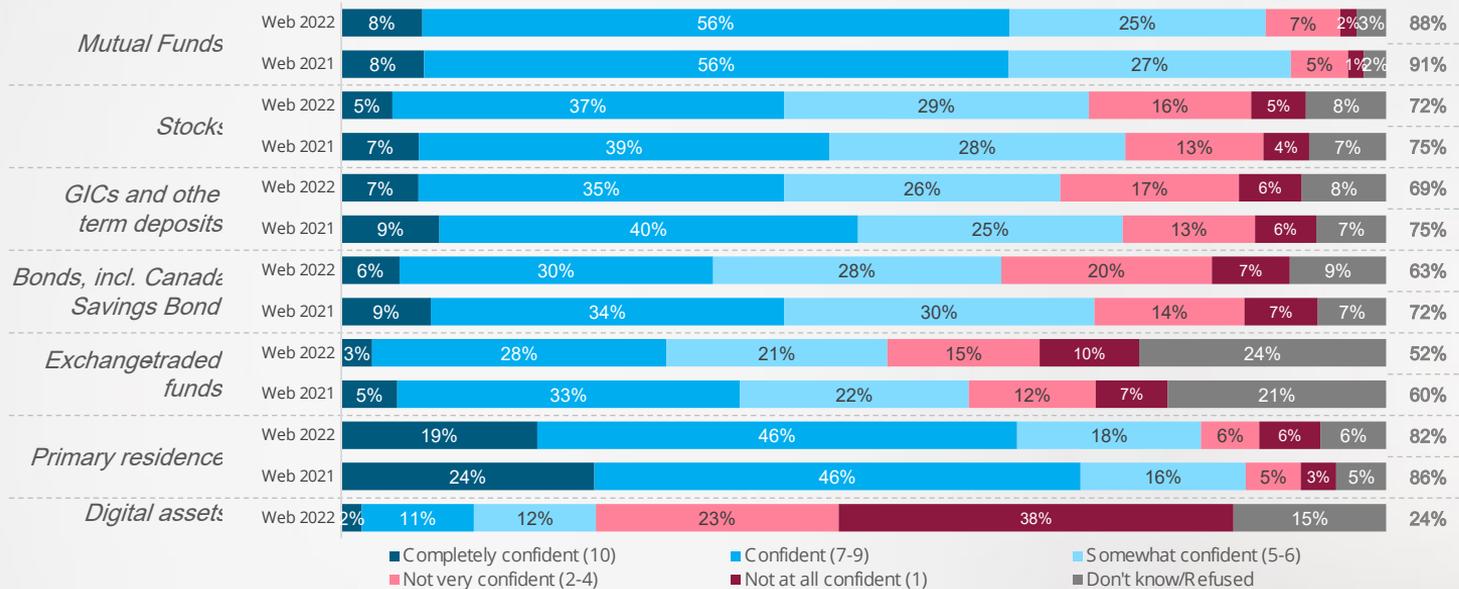
ETF Investors about ETFs



Total % Knowledgeable (5-10)

Confidence That Investments Will Meet Financial Goals

Mutual funds investors' confidence in investment products has declined across all products since last year



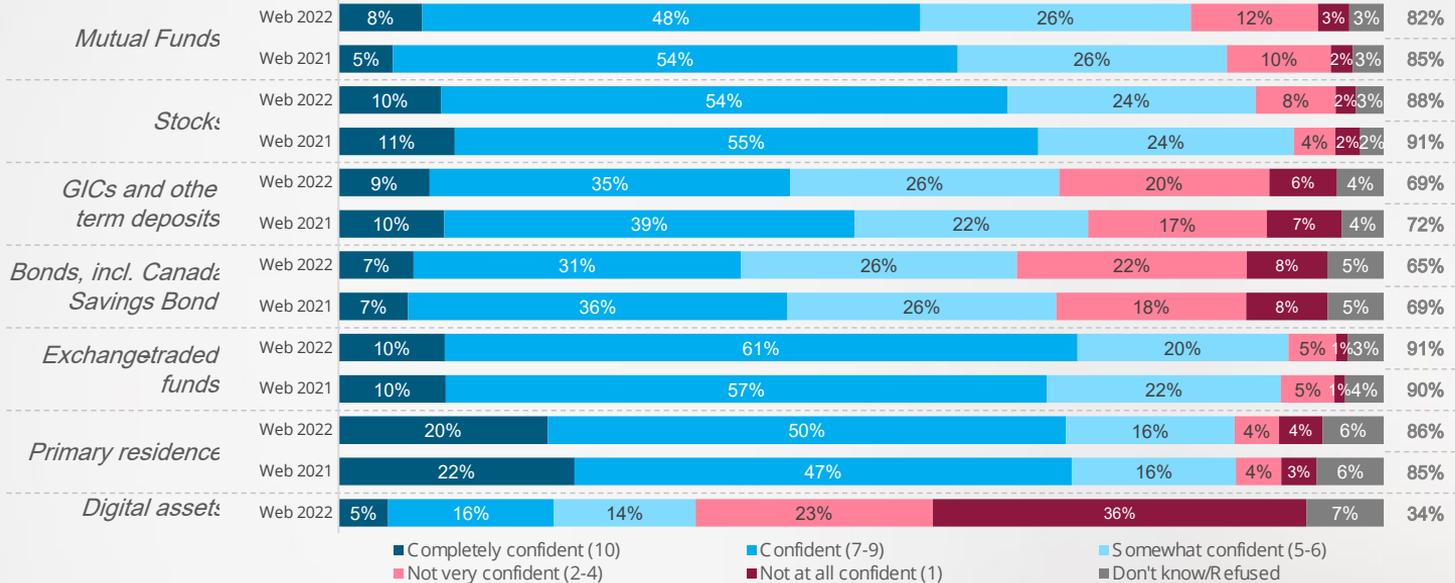
Total % Confident (5-10)

Confidence that Investments will meet Financial Goals

ETF investors remain very confident in ETFs, while confidence in other products has declined slightly.



ETF Investors



Total % Confident (5-10)

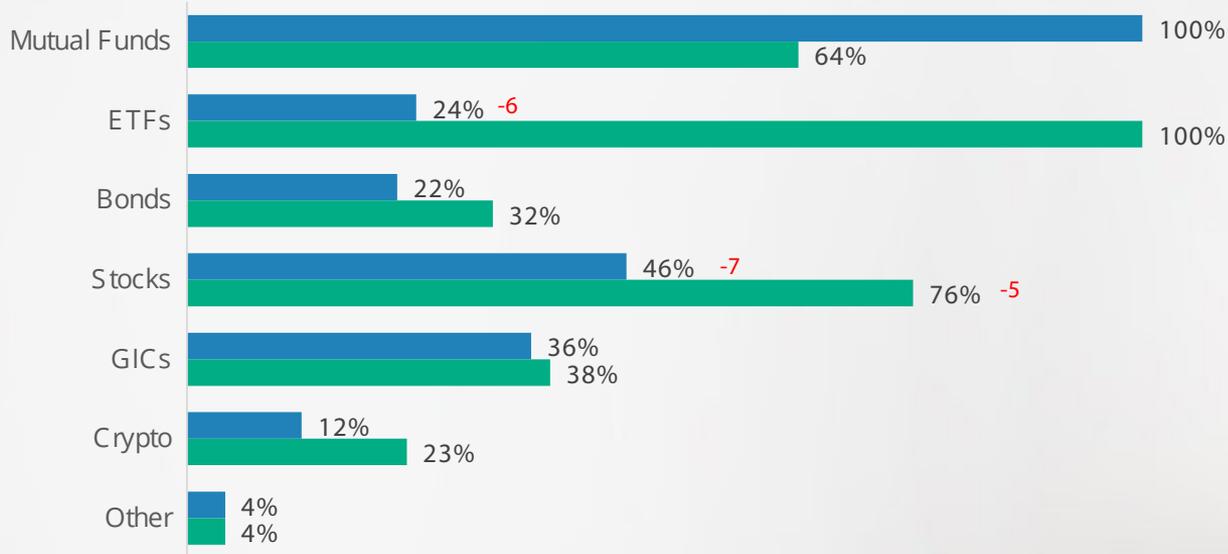


Assessments of Investment Advisor

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Investment Portfolio

While ETF investors continue to have a more diverse portfolio, this has declined for both investor types



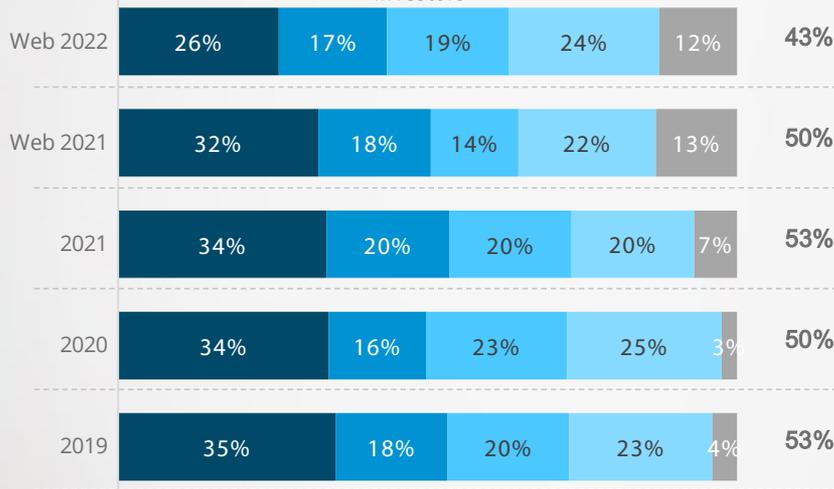
Most Recent New Fund Purchase

Recent purchases of mutual funds has declined since last year, while ETFs has remained consistent



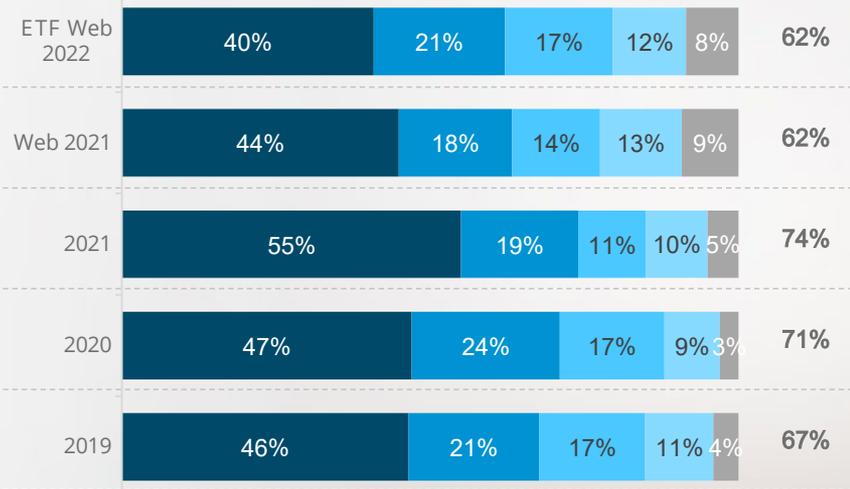
Mutual funds Investors

Purchase <2 years



ETF Investors

Purchase <2 years

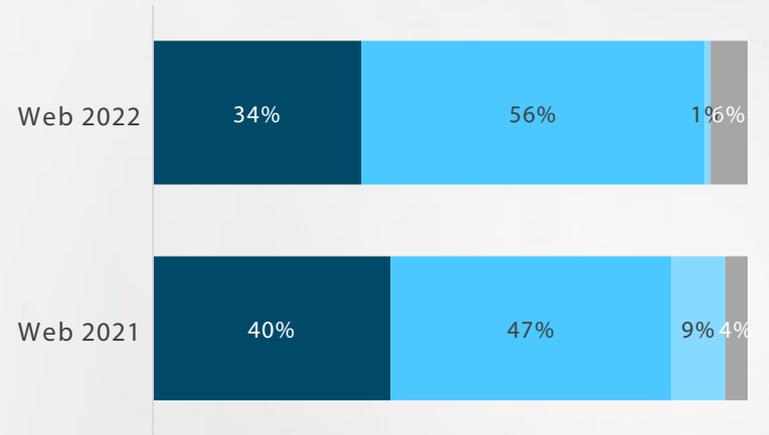
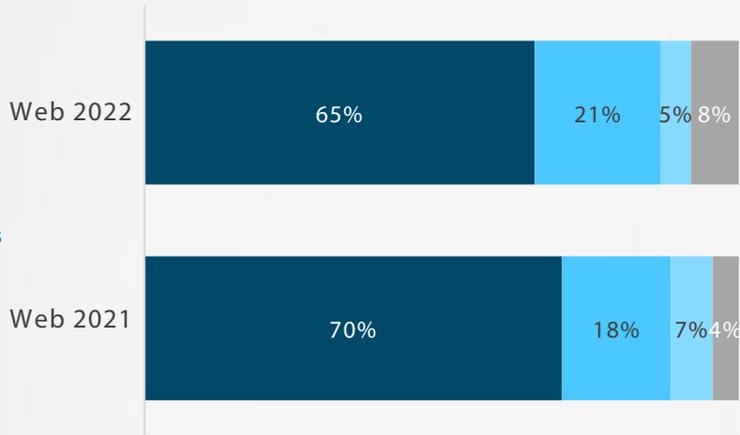


■ Less than 12 months ago ■ 1 to <2 years ago ■ 2 to <5 years ago ■ 5+ years ago ■ Don't know/Refused

Q9A, Q9B. When was the last time you purchased a mutual funds /ETF that you did not already own, either as part of your RRSP outside of your RRSP?
Base: Web 2022 MF N=4045, Web 2022 ETF N=1503

Method of Most Recent Fund Purchase

Use of advisors has declined, both among mutual funds and ETF investors



Advisor
 Online brokerage
 Another way
 Don't Know/Can't Recall/Refused



Q10B. 10. For the next few questions, I would like you to think about the last time you purchased each of the following investments. The last time you purchased this investment, did you purchase it from an advisor (that is someone who provided you with advice and guidance), through an online brokerage or direct investing or in another way. Base: Web 2022 MF N=4045 ; Web 2022 ETF N=1503

Incidence of Making at Least One Purchase without Advisor

Almost half of mutual funds purchasers have purchased investments on their own without an advisor



Method of Last Purchase

Method of Previous Purchases



Method of Last Purchase

Method of Previous Purchases

Through an advisor



Through another way



Don't know



Through an advisor



Through another way



Don't know



Made at Least One Purchase without Advisor

Mutual funds Investors	45%
ETF Investors	72%

Q11. Do you have any investments in your portfolio which you purchased yourself, not through an advisor but using an online brokerage, directly or in another way?
Base: Those who purchased from advisor Web 2022 MF N=2614, Web 2022 ETFs N=516

Reasons for Purchasing Without an Advisor

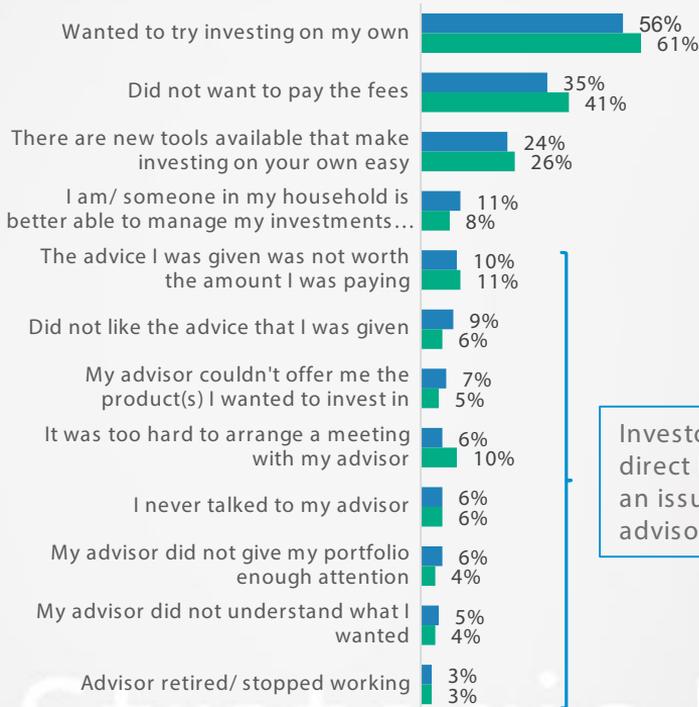
Wanting to try investing on their own and fees are the main reasons for not using an advisor



Mutual funds Investors



ETF Investors



Investors who self-direct because of an issue with the advisor

	Mutual funds Investor	ETF Investor
All mentions of fees	39%	41%
All mentions of advisor issues	30%	27%

Q13. Why have you chosen to purchase some of your investments yourself, not through an advisor?
 Base: Those who purchased themselves or through advisor Web 2022 MF N=774, Web 2022 ETFs N=184

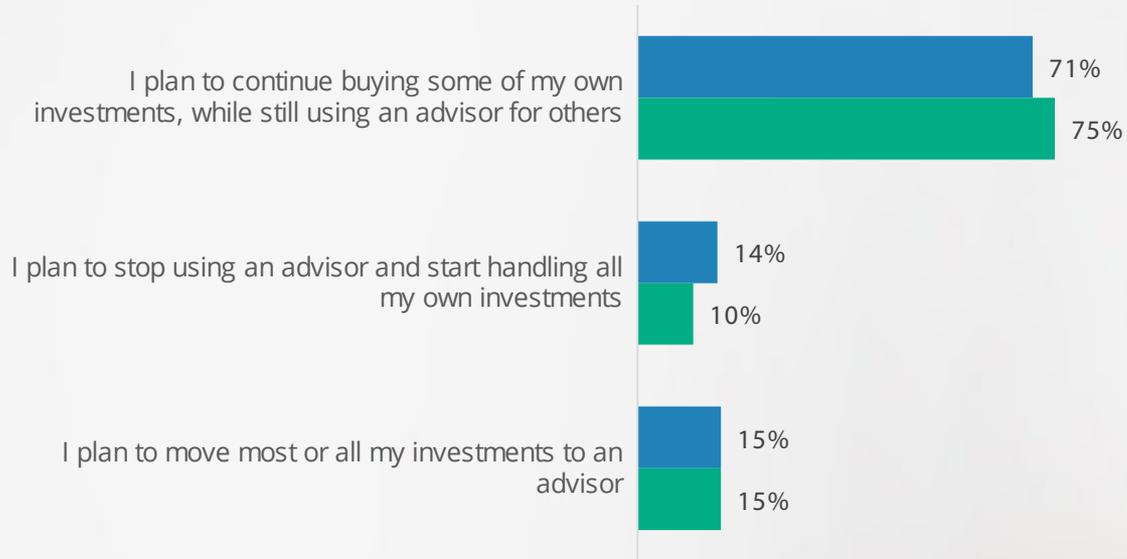
Reasons for Using an Advisor

Past use (habit) and appreciation of the advisor's advice are top reasons investors use an advisor



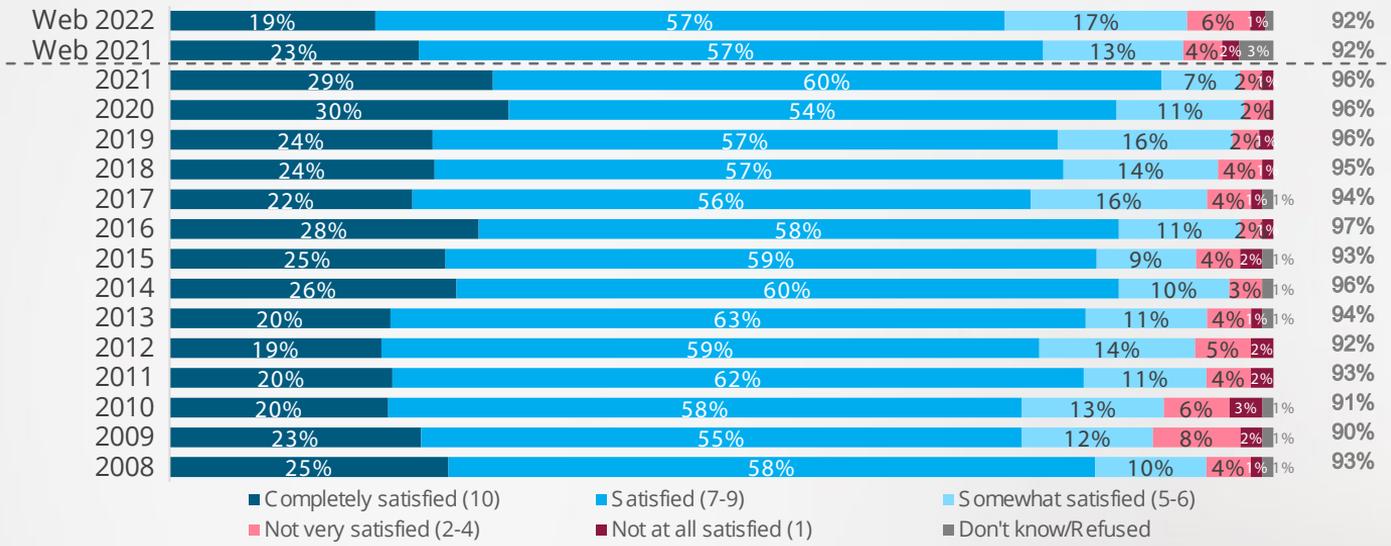
Future Plans for Investment Purchases

Investors who use an advisor and self direct investments plan to continue on this course.



Satisfaction with Financial Advisor

Mutual funds investors using an advisor remain satisfied.



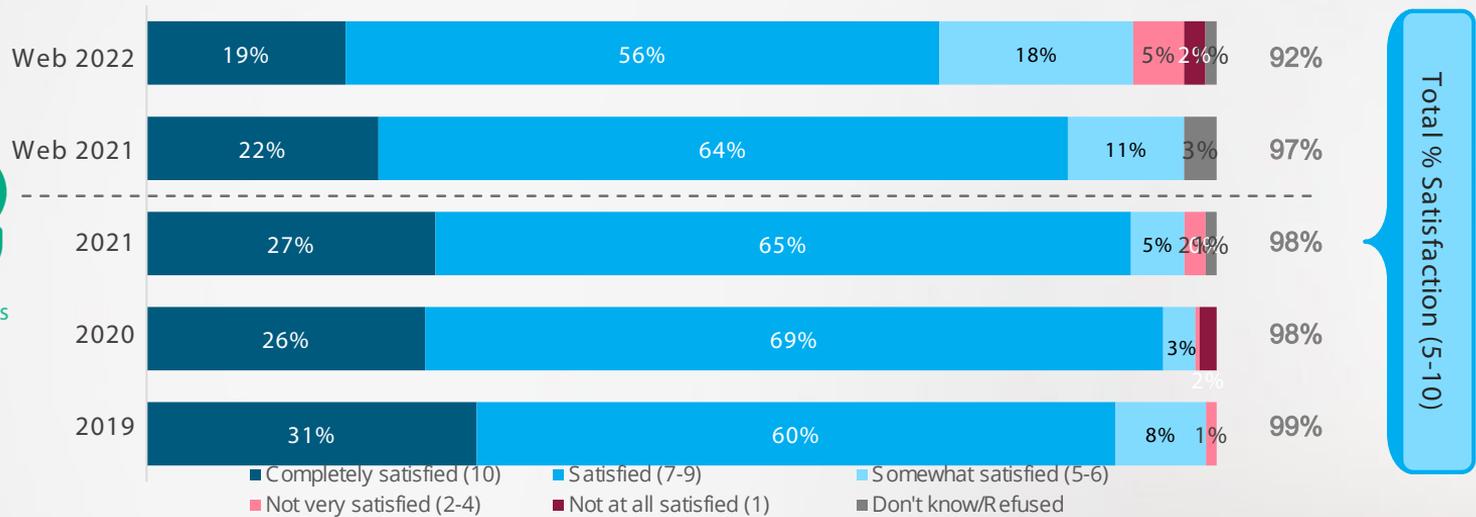
Total % Satisfaction (5-10)



Q18. I would now like to ask you about your relationship with the advisor who you buy your mutual funds from. How satisfied are you with the advice provided by your financial advisor?
 Base: Purchased mutual funds from advisor: Web 2022 MF N=3068

Satisfaction with Financial Advisor

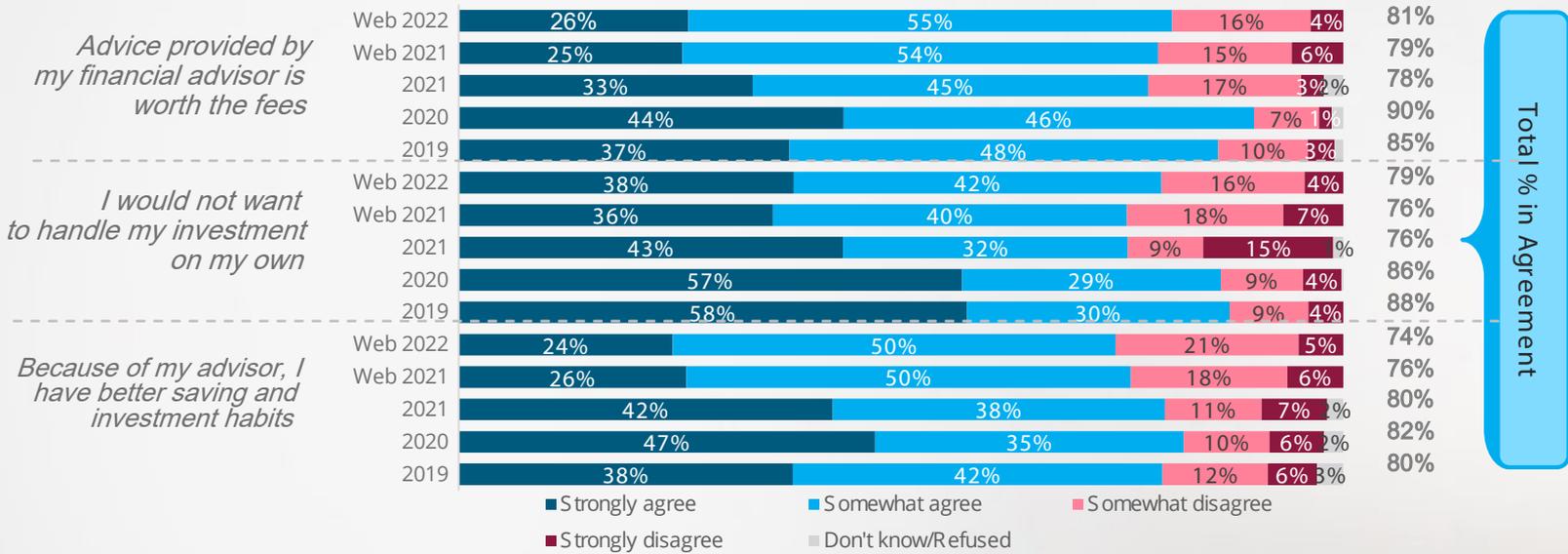
While still high, satisfaction among ETF investors has declined since last year.



Q18. I would now like to ask you about your relationship with the advisor who you buy your ETFs from. How satisfied are you with the advice provided by your financial advisor?
Base: ETF investors who use advisors Web 2022 ETF N=894

Value of Financial Advisor

After a drop in value of financial advice last year, this year results have rebounded only slightly, but are not back to 2020 levels.

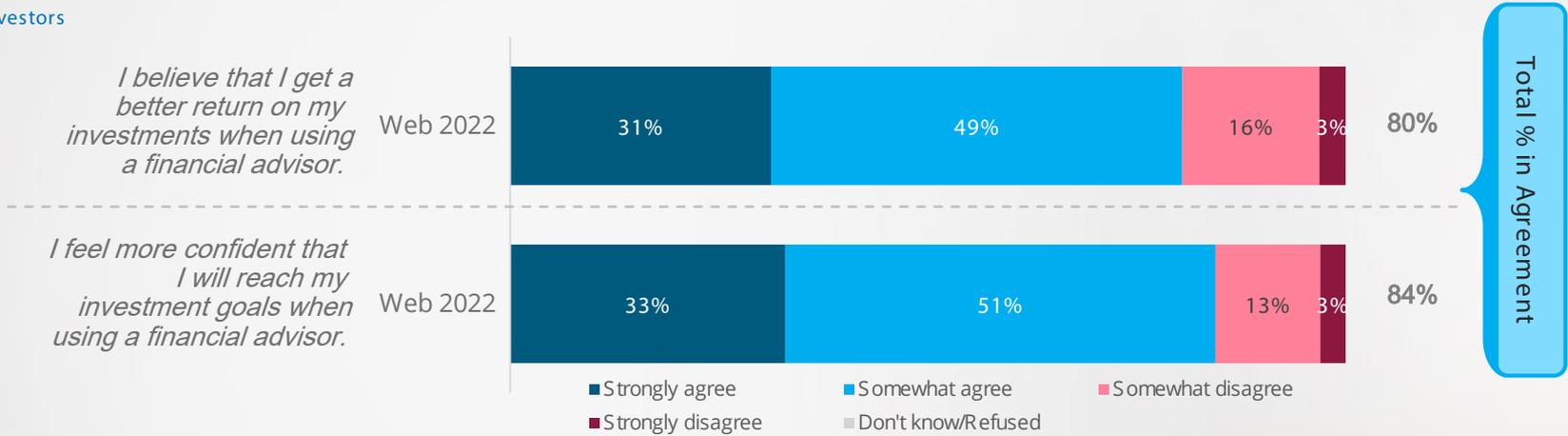


Value of Financial Advisor

Majority of mutual funds investors feel advisors make their investments more successful.



Mutual funds
Investors

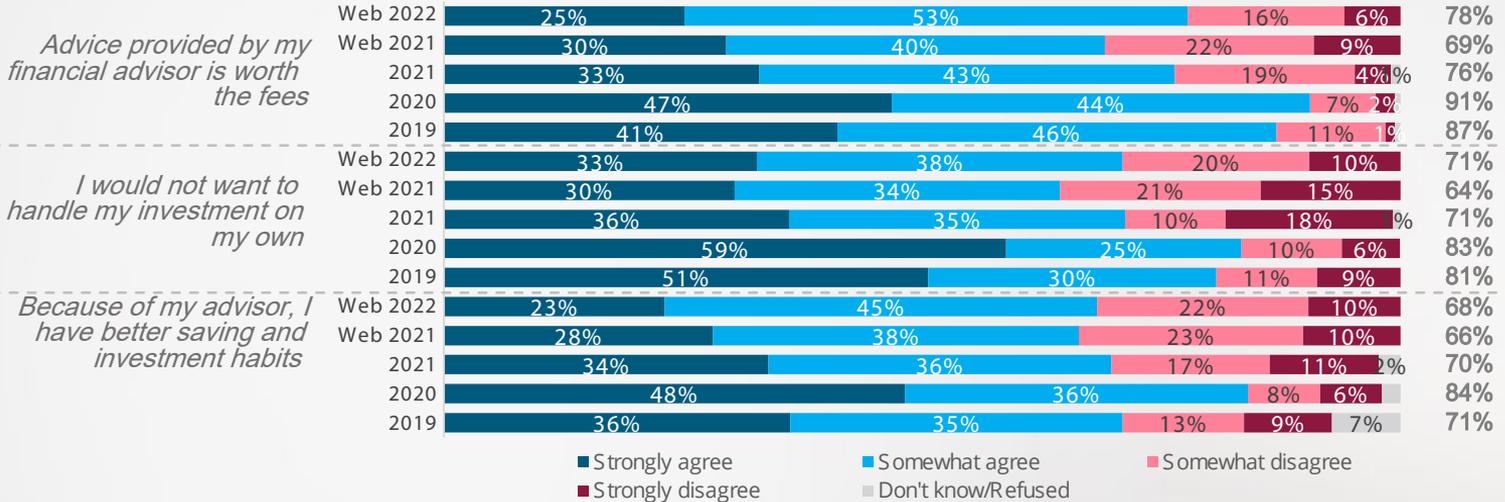


Value of Financial Advisor

ETF investors do not feel quite as positively about the value of advice compared to mutual funds investors, but it has increased since last year.



Total % in Agreement



Value of Financial Advisor

While ETF investors believe advisors help them with their success, this is felt less strongly than among mutual funds investors.



I believe that I get a better return on my investments when using a financial advisor.



73%

I feel more confident that I will reach my investment goals when using a financial advisor.



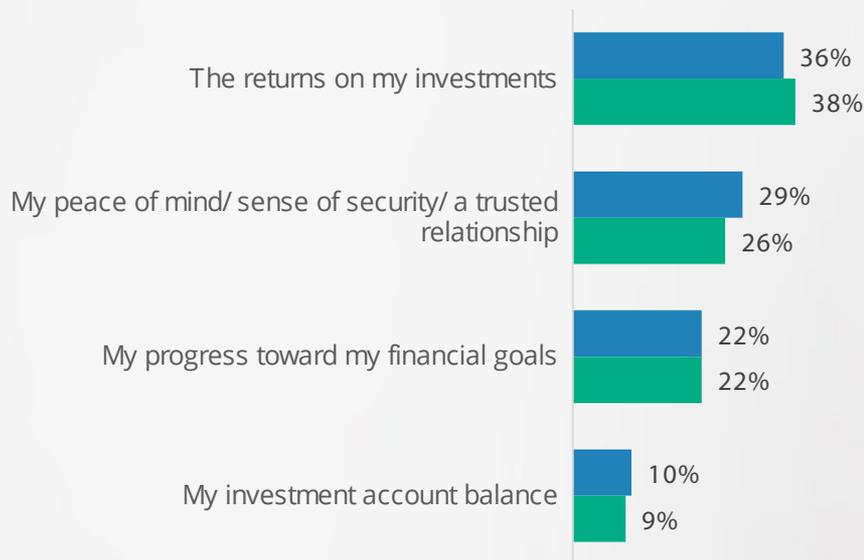
78%

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

Total % in Agreement

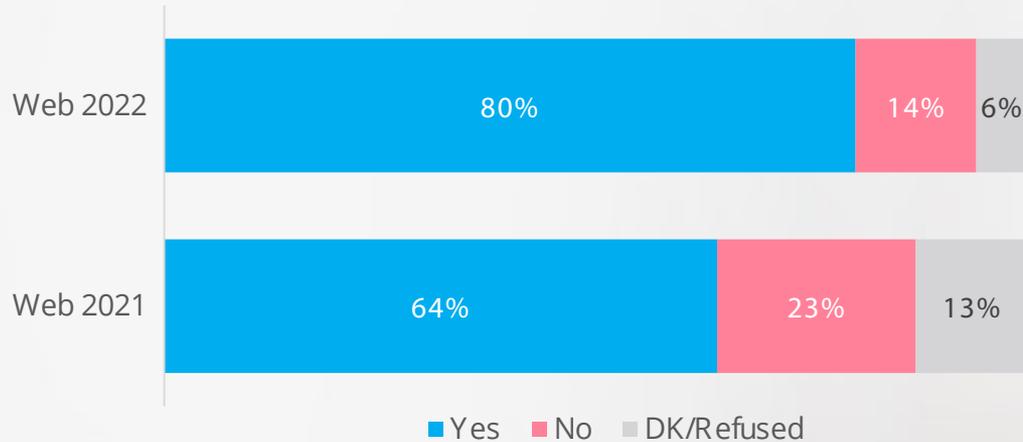
Measuring Satisfaction with Advisor

While returns on investments are a primary driver of satisfaction, investors are also looking for a trusted relationship and progress toward goals.



Whether Advisors Discussed Suitability

The likelihood of discussing investment suitability with advisors has increased significantly this year



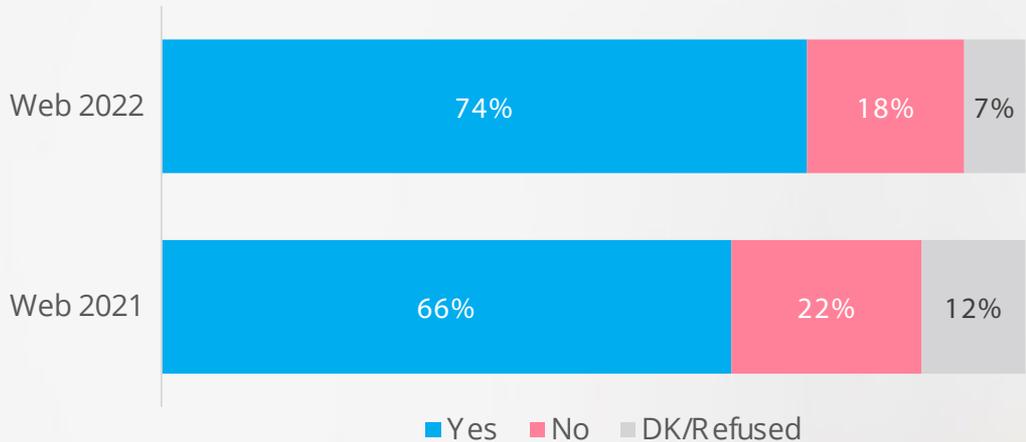
Q17A. Thinking back to the last time you invested in mutual funds, did your advisor discuss how well suited that mutual fund is for reaching your investment objectives? Base: Purchased mutual funds from advisor Web 2022 MF N=3068

Whether Advisors Discussed Suitability

The likelihood of discussing suitability of investments has also increased among ETF investors, but has not hit the same level as mutual funds investors.



ETF
Investors



Information Requirements and Investment Statements

Fee and Performance (CRM2) Statement

Investors recall receiving their annual fee and performance (CRM2) statement this year with just slightly fewer reading the statements

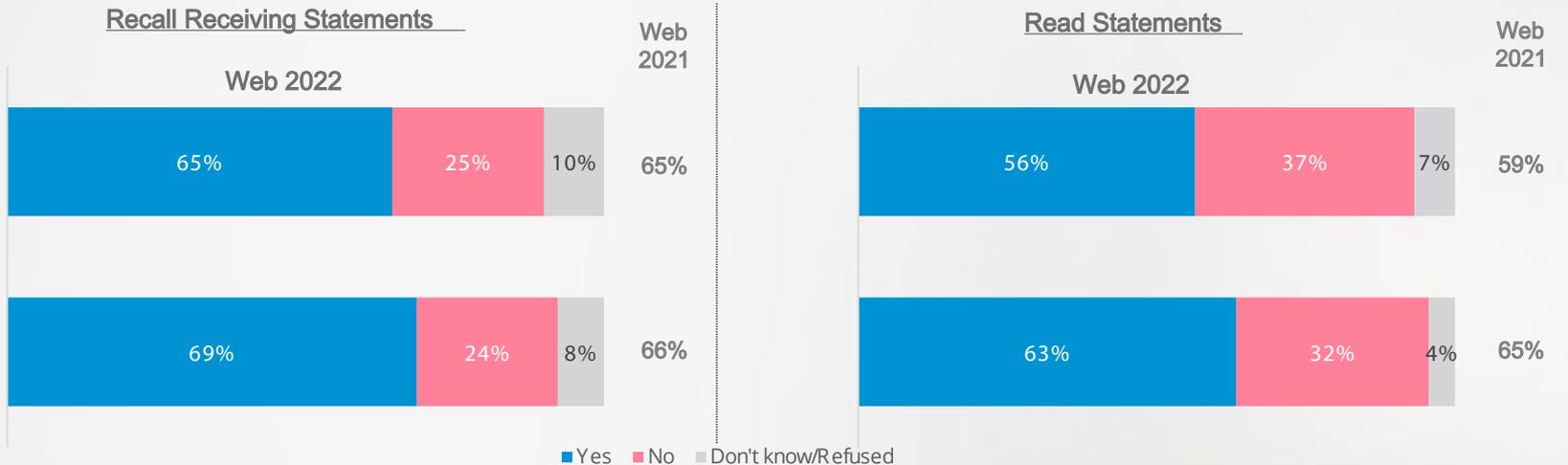
Recall Receiving Statements



Mutual funds Investors



ETF Investors



Rating of Annual Fee and Performance Statement

Satisfaction with the statement clearly showing fees paid has increased by 19 percent since 2018



Mutual funds
Investors

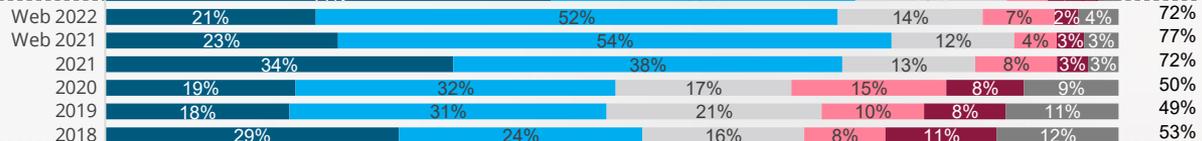
The information in the statement was easy to understand



Provided me with all the information I needed



Clearly showed the fees I pay to my advisor's firm or dealer's firm



Clearly showed the rate of return on my account



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

Total % Good/Excellent (5-10)



Rating of Annual Fee and Performance Statement

Satisfaction with the statement clearly showing fees paid has increased by 19 percent since 2019

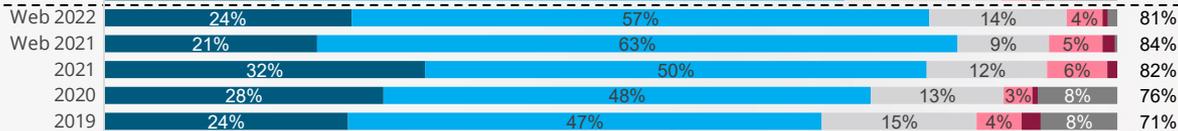


ETF
Investors

The information in the statement was easy to understand



Provided me with all the information I needed



Clearly showed the fees I pay to my advisor's firm or dealer's firm



Clearly showed the rate of return on my account

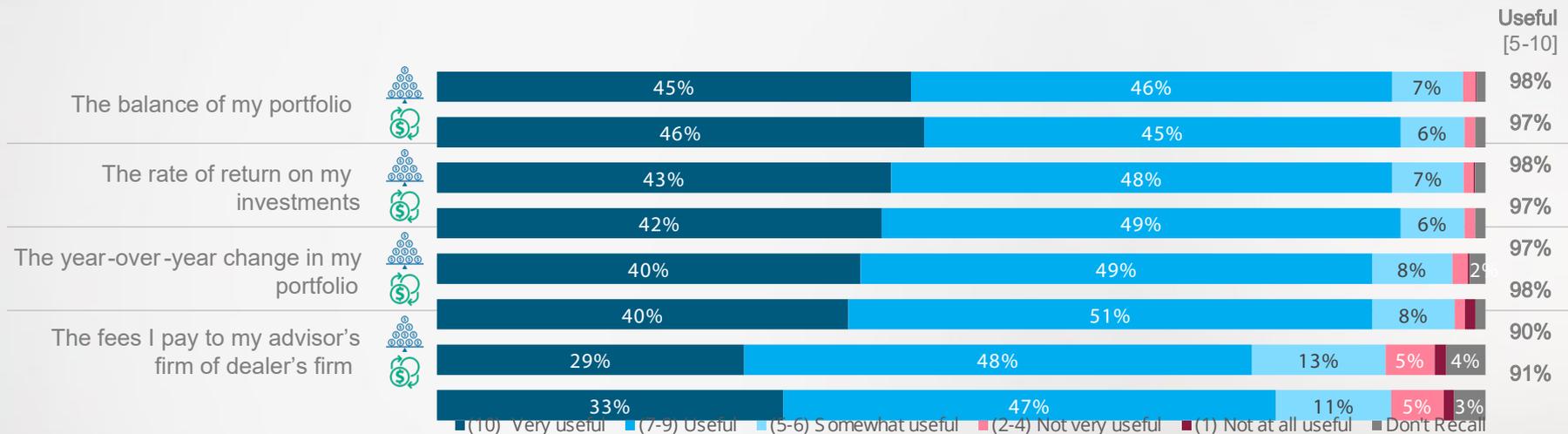


■ Excellent (10) ■ Good (7-9) ■ Neutral (5-6) ■ Poor (2-4) ■ Very poor (1) ■ Don't know/Refused

Total % Good/Excellent (5-10)

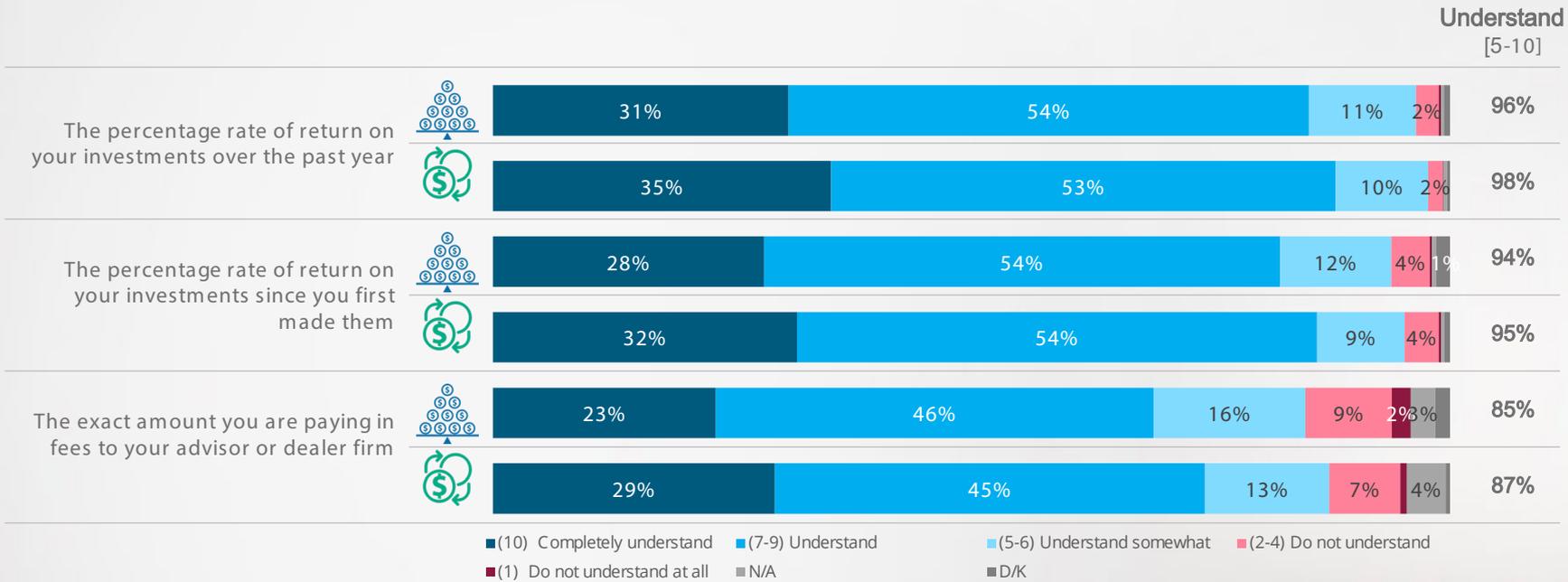
Usefulness of Statement Features

Portfolio balances, rate of returns and year-over-year changes are more useful factors of statements, compared to fees paid.



Comprehension of Information

While investors have some understanding, fewer completely understand their statements



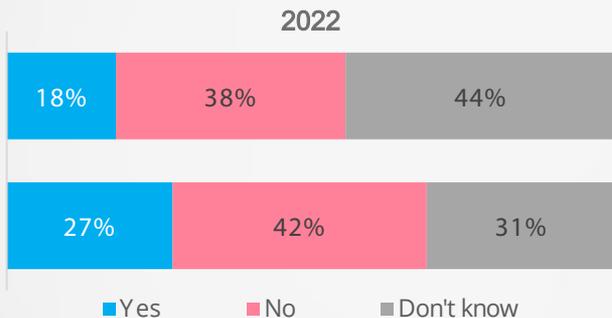
Awareness and Attitudes Toward Responsible Investments

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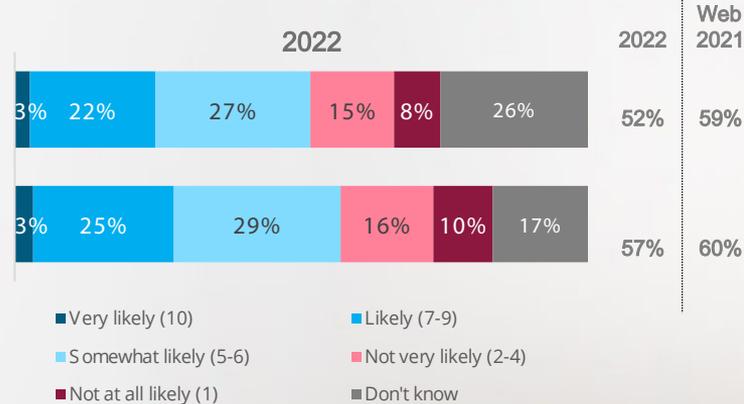
Inclusion of Responsible Investments in Portfolio

While a quarter of investors currently own responsible investments, a majority may include them in the future

Currently have funds for responsible investing in portfolio



Likelihood of including responsible investing in portfolio



Web 2021

Total % Likely

2022
52%
59%

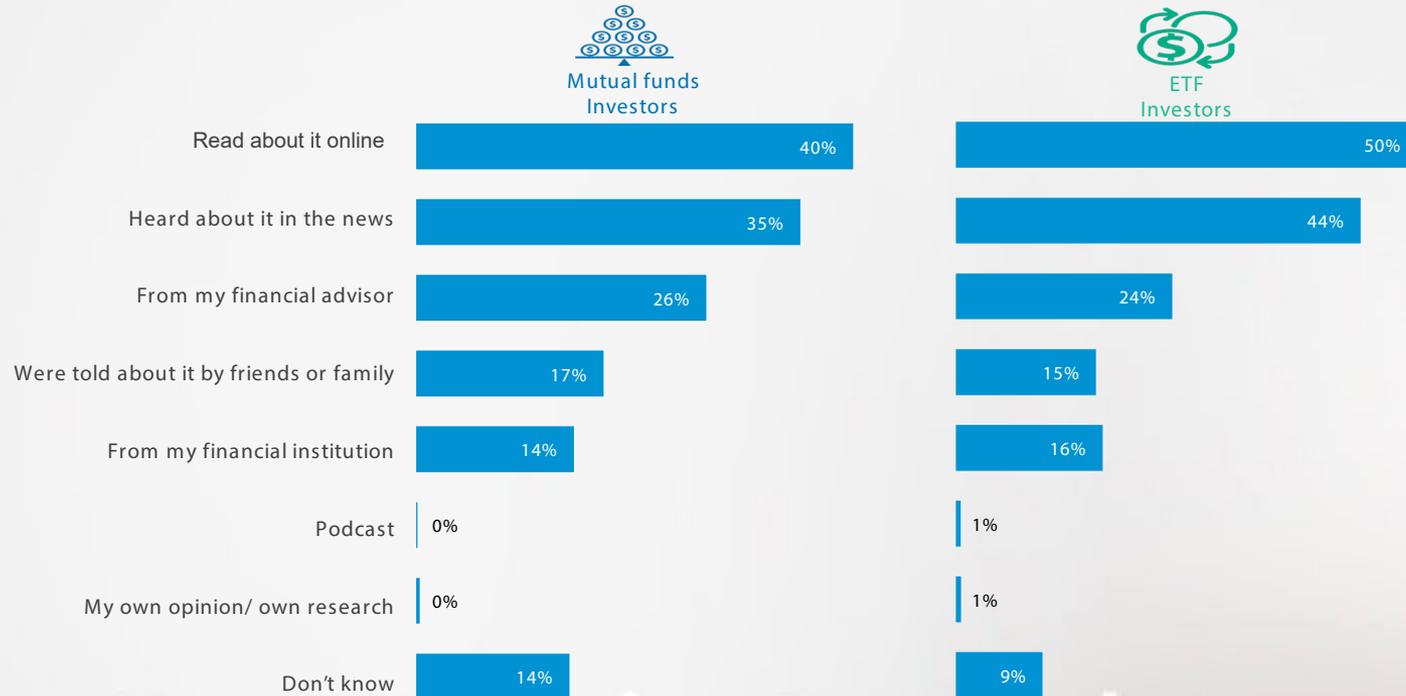
2022
57%
60%



Q33. Thinking of the funds that you own, are any of these funds Responsible investing/ESG investing/Sustainable Investing? Base: Mutual Funds N=4045, ETFs N=1503
 Q34. Using the following scale, how likely are you to include Responsible investing/ESG investing/Sustainable Investing into your investment portfolio over the next couple of years? Base: Does not own ESG funds: Web 2022 MF N=3299, Web 2022 ETFs N=1084

Sources of Information: Responsible Investing

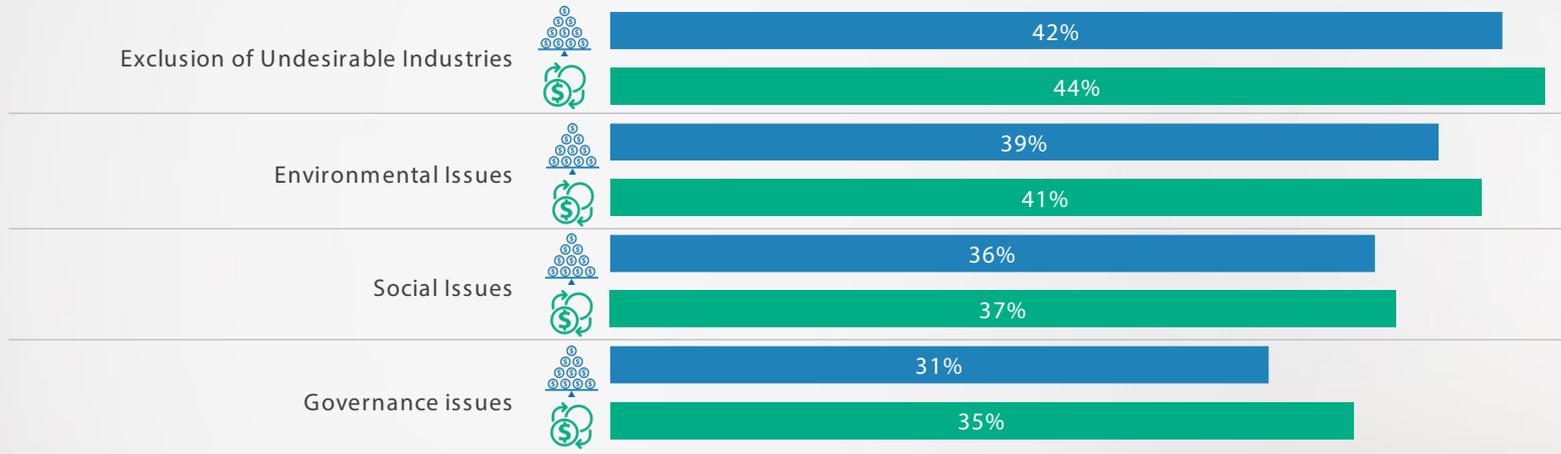
Most investors who heard about Responsible investing gained the knowledge either through reading about it or hearing about it in the news.



Issues considered while choosing an investment fund

When deciding on funds, exclusion of undesirable industries is most important, followed by environmental issues

Very Important Ratings among Those Holding Responsible Investments *



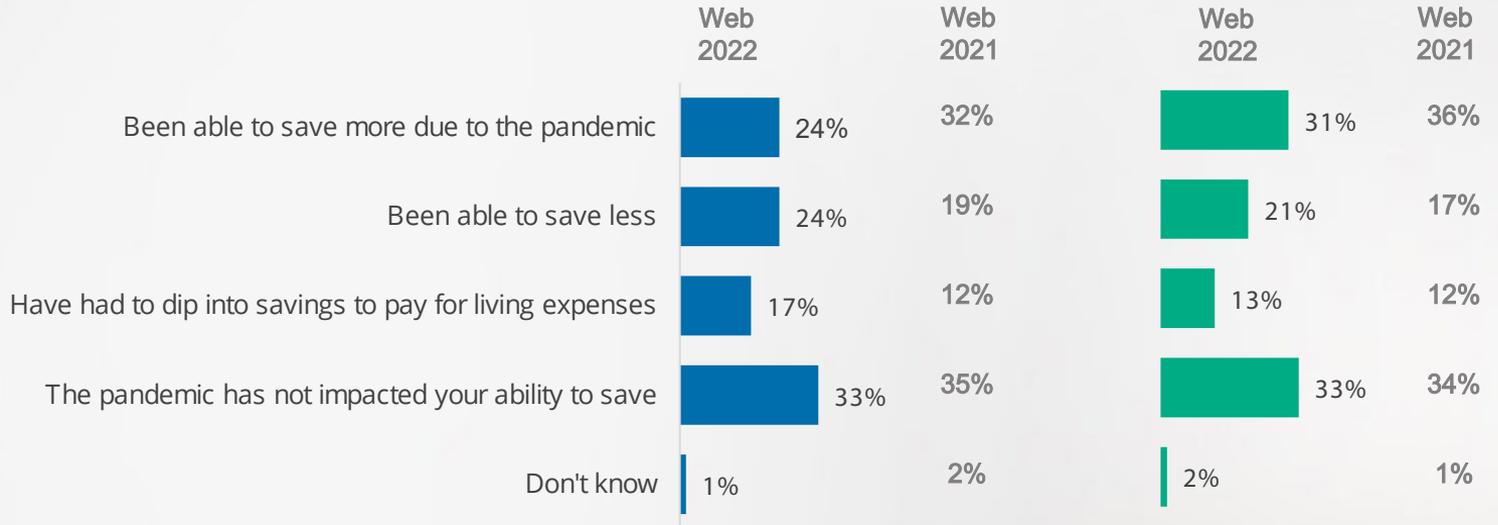
* Scores based on average Very Important ratings of factors included in each issue.

Q43-Q46. When choosing an investment fund, how important to you is it that the fund considers the following issues when investing in companies? Average of those choosing Very Important for each question category.
Base: Those who have Responsible Investments Web 2022 MF N=746; Web 2022 ETF N= 419

Impact of Current Economic State on Investors

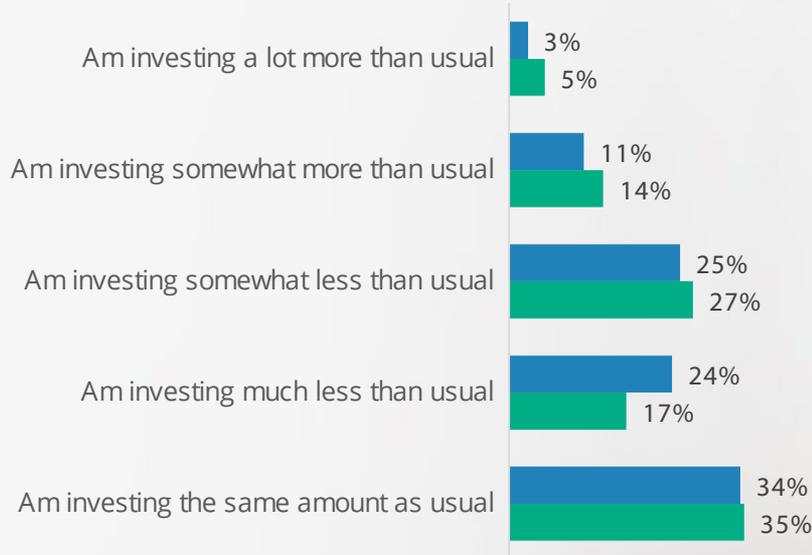
Impact of COVID-19

Investors saved less this year as a result of the pandemic compared to 2021



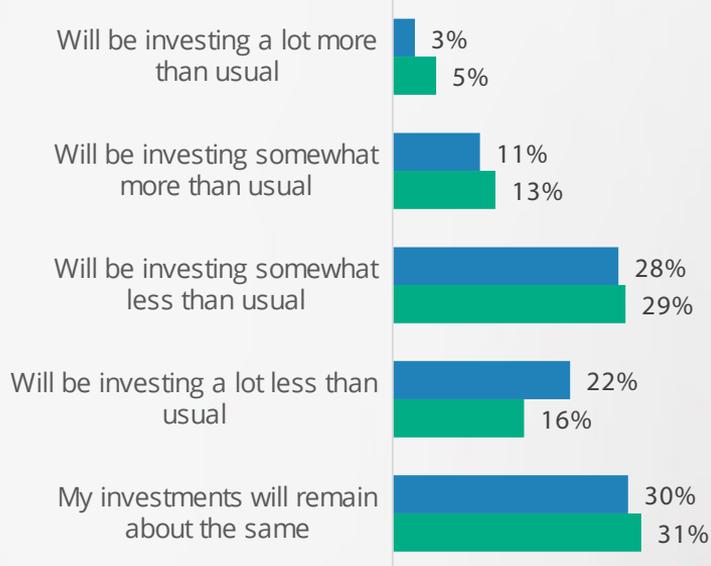
Impact of Inflation on Current Investing

Inflation has had an impact on investing with half saying they are investing less than usual



Impact of Inflation on Future Investing

The decline in investing is expected to last into the next year



Lesli Martin
Senior Vice President, Public Affairs

LesliMartin@pollara.com

416.707.9770

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