

IFIC

THE INVESTMENT  
FUNDS INSTITUTE  
OF CANADA

L'INSTITUT DES FONDS  
D'INVESTISSEMENT  
DU CANADA

# Canadian Mutual Fund & Exchange-Traded Fund Investors Survey

2023

**pollara**  
strategic insights

# Table of Contents

	Slide
Research objectives	4
Research methodology	5
Executive Summary and Key Findings	7
Results in detail	19
Attitudes toward investment products and investment strategies	20
Investment portfolio and purchases	25
Attitude towards and knowledge of fees	30
Sources of information about investing	35
Assessment of investment advisor	44
Information requirements and investment statements	57
Preferred format for investment statements	67
Awareness and attitude toward RI	77
Impact of current economic state on investors	84

# Research Objectives and Methodology

# Research Objectives

- In 2023, the Investment Funds Institute of Canada (IFIC) commissioned Pollara, an independent research firm, to conduct the 18th wave of IFIC's annual survey of Mutual Fund investors in Canada.
- For the fifth year, the study includes Canadian exchange-traded fund (ETF) holders analyzed as a distinct group.
- The study was initiated by IFIC to better understand Canadian Mutual Fund holders (and now ETF holders) to identify their attitudes, opinions, needs, expectations, and behaviours, and to track these over time.
- This research tracks investor attitudes and behaviours regarding Mutual Funds and ETFs, including:
  - Confidence in Mutual Funds/ETFs for meeting financial goals
  - Methods of purchasing Mutual Funds/ETFs and the role of advisor in decisions
  - Sources of information regarding investing and whether this information is coming from investment professionals
  - Impressions regarding fees paid for Mutual Funds/ETFs and value for advice given by advisors, including what investors are looking for when it comes to their advisor
  - The use, perceived value and understanding of annual fee and performance statements
  - The preferred method of receiving investment information and documents
  - Changes in all measures over the course of the research program
  - Awareness and knowledge of responsible investing, and
  - Impact of inflation on investments (new addition in 2021).

# 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 by telephone. 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. For the past two years, the study has been conducted using only online/web.
- To allow for tracking analysis, we are showing results of this year's study compared to that of the 2022 and 2021 online study. Where 2021 analysis showed methodology had little impact on results, tracking to past telephone surveys will also be shown.
- In total, 4,121 surveys were conducted with Mutual Fund investors and 1,514 surveys with ETF investors.
- All interviews were conducted between June 16 and June 21, 2023.
- 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.

# Research Methodology

- National results from 2023 Mutual Fund and ETF investors are tracked against results from previous waves of research.

Year	Interview dates	Mutual fund investors		ETF investors	
		Sample size	Margin of error*	Sample size	Margin of error*
<b>2023</b>	<b>Jun 16- 21, 2023</b>	<b>4121</b>	<b>±1.5%</b>	<b>1514</b>	<b>±2.5%</b>
2022	May 31 - June 16, 2022	4045	±1.5%	1503	±2.5%
2021	May 28 - June 23, 2021	676	±3.8%	232	±6.4%
2020	May 28 - Jul 5, 2020	1,138	±3.1%	500	±4.4%
2019	May 27 - June 17, 2019	1,024	±3.1%	500	±4.4%
2018	June 11 - Jul. 6, 2018	1,000	±3.1%	-	-
2017	Jul. 11 - Jul. 25, 2017	1,000	±3.1%	-	-
2016	June 29 - Jul. 14, 2016	1,000	±3.1%	-	-
2015	Jul. 20 - Aug. 10, 2015	1,008	±3.1%	-	-

Year	Interview dates	Mutual fund investors		ETF investors	
		Sample size	Margin of error*	Sample size	Margin of error*
2014	Jul. 10 - Aug. 4, 2014	1,002	±3.1%	-	-
2013	June 23 - Jul. 7, 2013	1,004	±3.1%	-	-
2012	June 13 - Jul. 2, 2012	1,000	±3.1%	-	-
2011	June 10 - Jun. 24, 2011	1,006	±3.1%	-	-
2010	June 11 - June 24, 2010	1,002	±3.1%	-	-
2009	May 28 - June 9, 2009	1,002	±3.1%	-	-
2008	May 29 - Jun. 17, 2008	1,895	±2.3%	-	-
2007	May 23 - June 27, 2007	2,508	±2.0%	-	-
2006	June 15. - Jul. 11, 2006	1,865	±2.3%	-	-

\*Margin of error based on a random sample of this size, at a 95% level of confidence.

---

# Executive Summary and Key Findings

---

# Executive Summary – Mutual Fund Investors



- The impact of the current economic climate on investing is lessening among Mutual Fund investors and the incidence of recent Mutual Fund purchases has leveled out, after seeing a decline last year. Confidence in all investment products has increased, and so has the diversification of portfolios. However, confidence in cryptocurrency is still low. While some investors continue to invest less due to the economic conditions, this impact is not as strong as it was last year.
- While Mutual Fund investors continue to rely on advisors, the use of advisors continues to decrease slowly, with the majority having done some self-directed investing and two-fifths feeling likely that they will make an investment purchase without an advisor in the next year. While most investors consider their advisor their primary source of information, they get some information from other sources, such as financial websites or search engines. One-fifth of these investors get information from social media, with many not sure if this advice came from professionals. Among those who have purchased investments on their own, the majority have done so without professional advice at least once, with two-fifths doing so at least occasionally.
- Despite this declining use of advisors, Mutual Fund investors are satisfied with their advisors and have a slightly higher perception of their value compared to last year.
- Mutual fund investors continue to be satisfied with their annual fee and performance statements and consider all aspects of them to be useful and important. Levels of satisfaction saw a slight increase this year. However, half believe these statements contain all the fees they pay on their investments.
- The use of paper statements has decreased significantly, with most receiving their statements electronically. This is the preferred vehicle for all statements, including financial statements and management reports. That said, there is a minority of investors who wish to receive paper statements that are not strongly affected by environmental claims.
- Awareness of responsible investing (RI) has increased among Mutual Fund investors. While the incidence of having RI in their portfolio has also risen, still a minority know they have them with many saying they are not sure. While investors choose these investments for both their social impact and financial performance, the alignment of these investments to their personal beliefs is slightly more influential.

# Executive Summary – ETF Investors

- Results regarding the confidence and use of investment types is more consistent among ETF investors. While these investors saw only a minor dip due to economic conditions last year, their confidence has seen minor increases this year, returning to 2021 levels. Despite this, confidence in cryptocurrency remains low. Recent purchases of ETFs also did not see the same fluctuations as Mutual Fund purchases and remained consistent over the past few years. As with Mutual Fund investors, the negative impact of the economy on ETF holder investing has also diminished this year.
- The use of advisors by ETF investors continues to lessen. These investors are less likely to have made their last purchase through an advisor and depend on many different sources for information. They are more likely than Mutual Fund investors to turn to social media for advice, with only one-third being sure this advice is coming from professionals. ETF investors are more likely to make self-directed purchases without any professional advice, while a small but significant group have invested in cryptocurrency.
- Despite the lower usage, ETF investors continue to be satisfied with their advisor and have a slightly higher perception of value, compared to last year. Satisfaction with annual statements has also increased this year with investors finding all aspects of the statements to be important and useful. However, half also feel that these statements include all investment fees.
- The use of paper statements are even lower among ETF investors than Mutual Fund investors, decreasing significantly since 2020. Most of these investors want to receive all investment documents electronically. While those who request paper statements are more influenced by environmental claims, still half will not change their opinion when hearing the environmental impact.
- Awareness and use of RI continues to be stronger among ETF investors than among Mutual Fund investors. While investors choose these investments for both their social impact and financial performance, financial performance is slightly more important to these investors.

# Key Findings

After a decline in confidence of all investment products in 2022, this year saw a rebound, with confidence levels being similar or higher to 2021.

## Attitudes towards investment products and strategies

- After a decline in confidence in all investment types in 2022, this confidence has rebounded among Mutual Fund investors, returning to levels seen in 2021.
  - Mutual fund investors continue to have more confidence in Mutual Funds than other products, with this confidence seeing the least fluctuation over the past two years. The greatest gains in confidence were with GICs and bonds, although they still score significantly lower than Mutual Funds. These investors had a significant decline in confidence of ETFs in 2022, while this has increased, it is not back to 2021 levels.
  - Knowledge about Mutual Fund investing is consistent with last year.
- Confidence among ETF investors remained more stable over the past couple of years: confidence in ETFs is consistent with last year, while confidence in other products has rebounded from the 2022 dip. ETF investors continue to show more confidence in a variety of different products, with confidence in GICs and bonds seeing the largest increase.
  - Knowledge of investing in ETFs has increased slightly this year.
  - Confidence in ETFs remains high and consistent with last year.
  - While confidence in other products decreased slightly in 2022, it has increased this year, with confidence in GICs and bonds now being higher than in 2021.

# Key Findings

While Mutual Fund investors' portfolios continue to be less diverse than ETF investors', there has been an increase in diversification and a leveling out of recent purchases for both investor types.

## Investment portfolios and purchases

- While Mutual Fund investors continue to rely heavily on Mutual Fund, as their confidence in other products has increased, so has their diversification. ETF investors continue to have more diversified portfolios than Mutual Fund investors and their use of stocks and GICs has seen an increase this year.
  - The inclusion of stocks in portfolios has seen the largest increase this year among both investor types.
  - Use of GICs and bonds have also increased, albeit at a lower rate.
  - ETF investors have also increased their use of Mutual Fund, while use of ETFs among Mutual Fund investors remains lower and similar to last year's findings.
  - Inclusion of crypto in portfolios is lower than other investment types; this has remained consistent among Mutual Fund holders while decreasing among ETF holders.
- Recent purchases of Mutual Funds by Mutual Fund investors have leveled out, after a decline in 2022. ETF investors are more likely to have purchased ETFs, with the past two-year purchases being consistent to last year's findings.
  - Past year and two-year purchases of Mutual Funds are similar to last year's findings after a significant drop in 2022.
  - Purchases of ETFs among these investors are higher, with almost two-thirds having made a purchase in the last two years, consistent with findings of the past two years.

# Key Findings

While most investors have had conversations with their advisor about fees, fewer investors have had these conversations this year. Half believe all fees are included in their annual statement.

## **Knowledge of and attitudes toward fees**

- While the majority of investors of both types have had a conversation with their advisors about fees, there has been a decline in the number who have talked about at least one fee type, compared to 2022.
  - Fees and commissions are most discussed for both investment types.
  - Those who are satisfied with their advisors, as well as those who obtain investment advice from social media, are more likely to have had these discussions.
- Half of both investor types believe their current annual fee and performance statements show all the fees they pay for their investments. Those who obtain information from non-professional sources are more likely to be aware that there are fees they pay that are not included in these statements.

# Key Findings

Most investors, particularly ETF investors get some information from sources other than advisors. Of those who have made self-directed purchases, most, again particularly ETF investors have done so without professional advice.

## Sources of information about investing

- While half of Mutual Fund investors get most of their investing information from advisors, many other sources are also used, with some being non-professional sources. This includes information about investing in general as well as advice about self-directed investing.
  - Half of Mutual Fund investors get some information from financial websites, news sites or search engines. One-fifth turn to social media (most commonly YouTube or Facebook), with many unsure whether the advice is coming from professionals or not.
  - Of those who have made self-directed purchases of stocks or cryptocurrency, two-thirds have done so, at least once, without professional advice, with one-third doing so at least occasionally.
- ETF investors use a wider variety of sources for investing information, with more getting at least some information from sources other than advisors. They are more likely than Mutual Fund investors to purchase investments on their own and are also more likely to do so without professional advice.
  - One-third of these investors get most of their information from their advisor, with two-thirds getting at least some information. Slightly more say they get some information from financial websites and search engines, with more than a quarter getting it from social media (YouTube and Facebook), with one-third being sure these people are professionals.
  - The majority have made some self-directed purchases, with two-fifths at least occasionally doing so without professional advice.

# Key Findings

Use of advisors among both investor types has continued its slow decline this year, while satisfaction remains high, and perceptions of value have increased.

## Assessment of investment advisor

- Mutual fund investors continue to be more likely to use advisors, compared to ETF investors, although use among both investor types continues its decline, albeit just slightly, this year. Additionally, many say it is likely they will make a purchase without their advisor in the next year.
  - Two-thirds of Mutual Fund investors and one-third of ETF investors made their last investment purchase through an advisor, down slightly after last year's significant decline.
  - Two-thirds of ETF investors feel it is at least somewhat likely that they will make an investment purchase in the next year without the use of an advisor. This is higher than the two-fifths of Mutual Fund investors who feel the same.
- Despite the declining trend in usage, satisfaction with advisors continues to be high and perception of their value has increased slightly from last year.
  - Overall satisfaction with advisors continues to be very high for both investor types and is consistent to last year's findings.
  - The vast majority feel the advice is worth the fees, wouldn't want to invest on their own and have better savings habits, all increasing since last year. Additionally, investors (particularly in Mutual Funds) believe they get a better return on investments and are more confident in reaching their goals because of their advisors. All measures increased slightly from last year.
  - The likelihood of discussing the suitability of investments has decreased since last year.

# Key Findings

Use of paper statements has decreased significantly, but of the minority who prefer them, particularly among Mutual Fund investors, many are unwilling to change.

## Preferred format for statements

- There has been a significant decrease in the number of people who are receiving their statements in paper format only, and only a minority, particularly among ETF investors, would want to receive them in this way.
  - Just over one in 10 Mutual Fund investors and fewer ETF investors currently receive their statements in paper version only, while three in ten receive both paper and e-versions. Use of paper has seen a significant decline since 2020 when this question was last asked.
  - Only one-quarter of Mutual Fund investors and even fewer ETF investors would like to receive paper statements. Instead, most want their personal statements available through an online portal (rather than encrypted email), while preference for Fund/ETF Facts is split between website and email delivery.
  - Electronic methods are preferred because they are better for the environment, are easier to file and reduce the amount of clutter in investors' homes.
  - There is some familiarity with and interest in financial statements and management reports, with most preferring to access these files through websites.
- Environmental impact statement has some influence on ETF investors who requested paper statements, but less on Mutual Fund investors who wanted the same.
  - When given a statement regarding the amount of paper used, ETF investors are split, with half saying they still want paper and half willing to switch to electronic versions. Mutual fund investors are less swayed, with only one-third being willing to switch to electronic after hearing the environmental claims.

# Key Findings

Satisfaction with information included in annual fee and performance statements has increased slightly, and more people are taking action because of it.

## Information requirements and investment statements

- After seeing a slight dip in satisfaction with annual statements last year, it has rebounded this year among both investor types, with a strong majority satisfied with all elements and almost all finding the elements of these statements to be useful and at least somewhat easy to understand. The likelihood of taking action due to these statements is at an all-time high this year.
  - Satisfaction with the ease of understanding the information, providing the information needed, clearly showing fees and rates of return are high and have increased slightly for both investor types.
  - While all aspects are useful, the portfolio balance and rate of returns continues to be most useful and is at least somewhat easy to understand, although only three in 10 find these to be completely understandable.
  - One-third of Mutual Fund investors, and two-fifths of ETF investors say the information in their statement caused them to take action. This is an increase of 23 points among Mutual Fund investors and six points among ETF investors since the start of tracking of this measure (Mutual Fund 2017, ETFs 2019).

# Key Findings

Use of responsible investing (RI) is low, but there is interest in these funds for the future.

## RI

- While ETF investors remain most knowledgeable, knowledge of responsible investments has increased slightly among both groups. Additionally, while a minority continue to be asked about RI by their advisors, this has also gone up slightly among both investor types.
- Likelihood of holding responsible investments declined last year. This year, it increased slightly among both investor types, but still investors are more likely to say they don't know if they have them than to say they have them. Interest in these investments continues to be strong.
  - Among Mutual Fund investors, one-fifth have responsible investments while almost half are not sure. Of those who don't, half express interest in these investments, while nine- in 10 who have them expect they will invest more.
  - RI is more common among ETF investors, with almost one in three having them. But still, one-third are not sure whether or not they do. ETF investors are slightly more likely to express interest in these investments.
- Those who invest in responsible investments choose these investments both for their financial performance and their social impact, and most feel confident the funds will meet their objectives.
  - Mutual fund investors are slightly more likely to choose these funds for their alignment to their personal values, while ETF investors place slightly more importance on the financial performance.

# Key Findings

While some investors are investing less due to inflation, the impact is not as strong as it was last year.

## Impact of inflation on investments

- While the impact of inflation on investing has decreased since last year, still some, albeit a minority, of both investor groups say they are and will continue to invest less than usual. While some will continue to alter their monthly budgets to allow for investing, an increased number believe the rate of inflation will not be enough to impact them.
  - Two-fifths of both investor groups are currently investing less than usual, a five per cent decline since last year.
  - A similar proportion expect they will continue to invest less next year, a decline of eight-nine points since last year.
  - Those who are not decreasing their investments continue to say they are likely to alter their monthly budgets. A similar proportion believe the increase in inflation will not be enough to impact their investing, an increase of 11 points among Mutual Fund investors and seven points among ETF investors.

# Results in Detail

**pollara**  
strategic insights

---

# Attitudes Toward Investment Products and Strategies

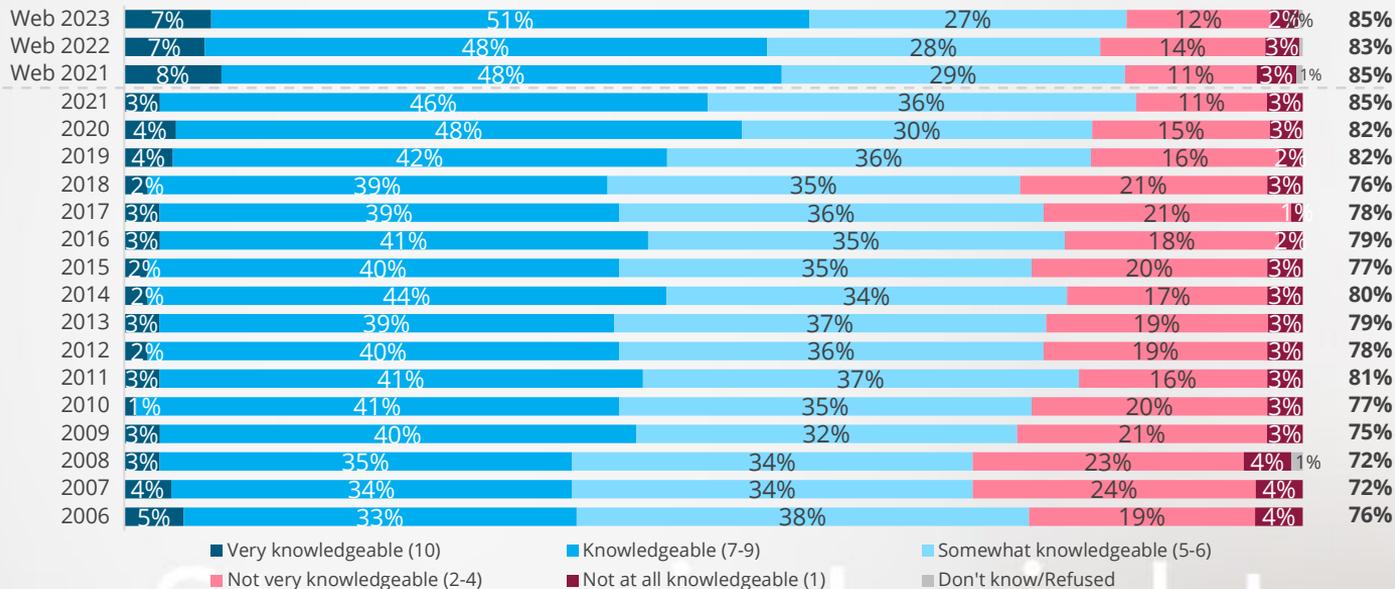
---

# Knowledge about Investing in Mutual Funds

Knowledge about Mutual Fund among Mutual Fund investors has increased since last year.



- The majority of Mutual Fund investors believe they are somewhat to very knowledgeable about these investments, a finding that has remained consistent since 2019.
- Almost three-fifths of investors say they are knowledgeable (58% rated 7 out of 10 or higher), which is higher than the 54% who said the same last year.
- Profile of knowledgeable investors:** Males; those with higher amounts invested in Mutual Fund and who have recently purchased Mutual Fund, those with a satisfactory relationship with an advisor.



Total % Knowledgeable (5-10)

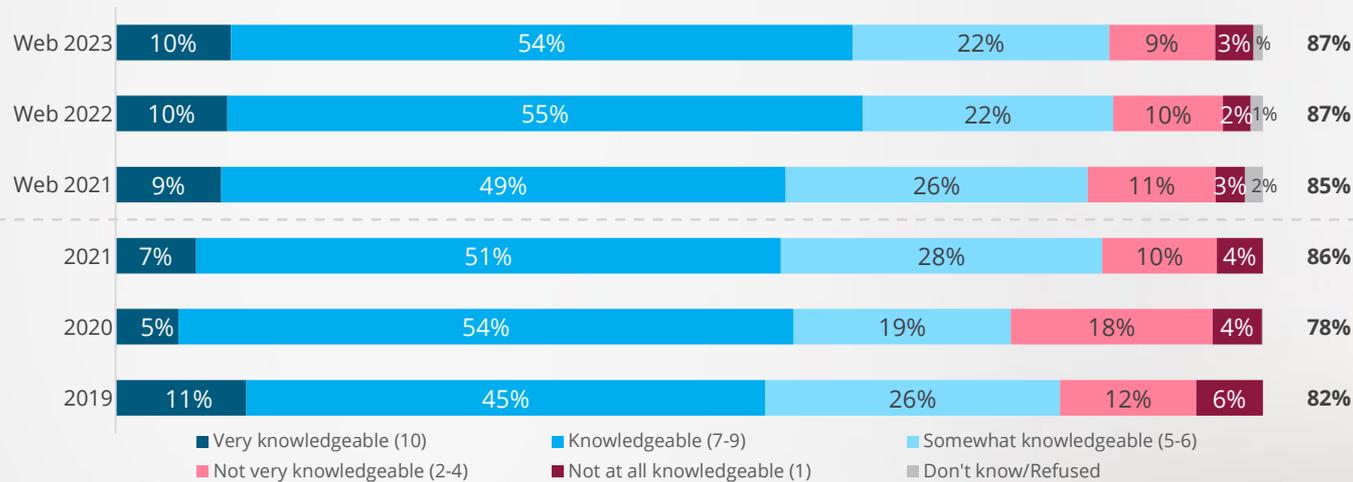


Q1. Overall, using a scale from 1 to 10 where 1 means you are 'not at all knowledgeable' and 10 means you are 'very knowledgeable', how knowledgeable would you say you are about investing in Mutual Fund? Base: Web 2023 MF N=4121

# Knowledge About Investing in ETFs

Knowledge about ETFs is consistent with last year and similar to knowledge about Mutual Funds.

- 87% of ETF investors feel somewhat to very knowledgeable about ETFs, with two-thirds being knowledgeable (64% rated 7 out of 10 or higher), consistent with last year's findings.
- Knowledge of ETFs among ETF investors is similar to knowledge of Mutual Funds among Mutual Fund investors.
- **Profile of knowledgeable investors:** 25-44 year-olds, males, those with a higher household income.



Total % Knowledgeable (5-10)

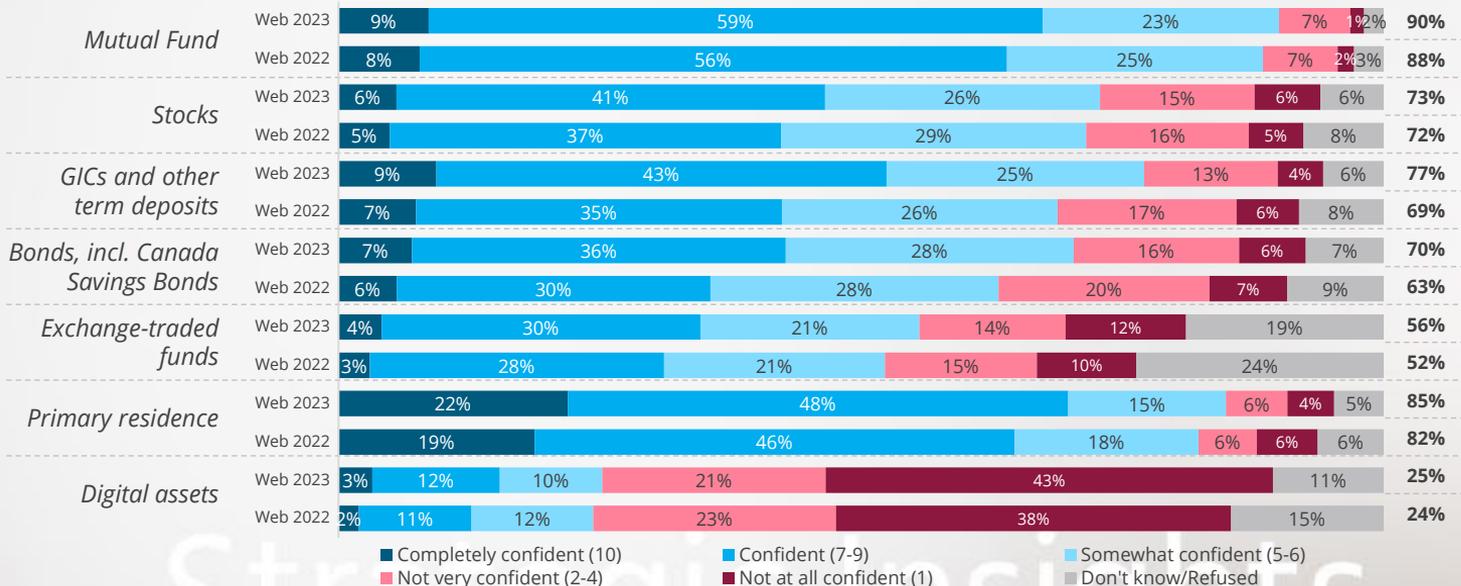
Q1B. Using a 10 point scale, where 1 means 'not at all knowledgeable and 10 means 'very knowledgeable'; how knowledgeable would you say you are about investing in each of the following products? Base: Web 2023 ETF N=1514

# Confidence That Investments Will Meet Financial Goals

Confidence in investment products has increased after a decline in 2022.



- Confidence in investment products saw a decline in 2022. This year, confidence across the board has increased, returning to levels similar to that seen in 2021.
- Mutual Fund investors continue to feel most confident in reaching financial goals through Mutual Funds rather than other types of investments (90% of investors in 2023), up slightly from 2022 (88%).
- The greatest increases in confidence were among GICs (+8%) and Bonds (+7%). ETFs made up only half of the decline it saw last year, with confidence in these investments dropping by -8% in 2022 and increasing by +4% in 2023.
- Confidence in digital assets increased by only +1%, with only 25% expressing confidence in this investment.



Total % Confident (5-10)



Q2A-G. Using a 10-point scale, where 1 means 'not at all confident' and 10 means 'completely confident'; overall, how confident are you that each of the following investment products would help you meet your household's financial goals? Base: Web 2023 MF N=4121

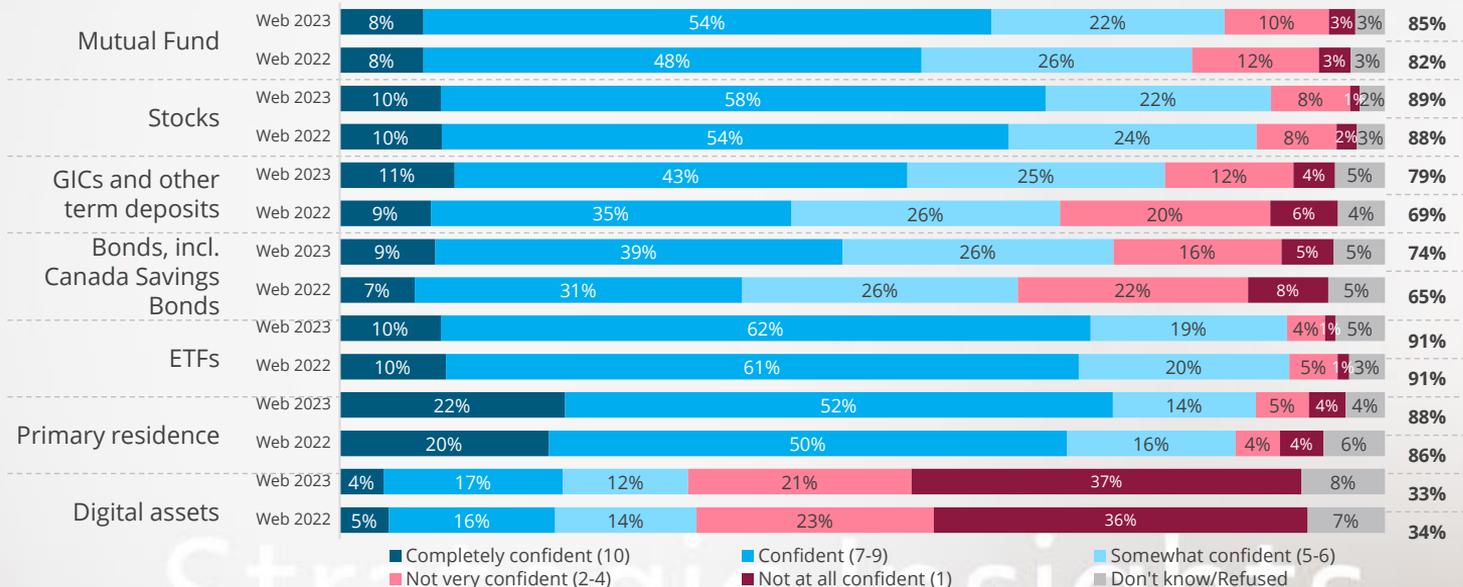
# Confidence that Investments will meet Financial Goals

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



ETF Investors

- Confidence in ETFs among ETF investors have remained unchallenged amidst the financial uncertainty of the past few years, with nine-in-ten expressing some confidence and one-tenth being very confident.
- While confidence in other products declined slightly last year, this year it has rebounded. Confidence in Mutual Fund regained the 3 points it lost in 2022 (up to 85%). The greatest gains are in the confidence in GICs (79% +10 points from 2022) and Bonds (74% +9 from 2022). Confidence in these products is now higher than what was seen in 2021.
- While confidence in digital assets is low, it is higher than seen among Mutual Fund investors and is consistent with last year's findings (2023 33% -1 vs. 24% Mutual Fund investors).



Total % Confident (5-10)



Q2A-G. Using a 10 point scale, where 1 means 'not at all confident' and 10 means 'completely confident'; overall, how confident are you that each of the following investment products would help you meet your household's financial goals? Base: Web 2023 ETF N=1514

---

# Investment Portfolios and Purchases

---

# Ownership of Investments in Canadian Population

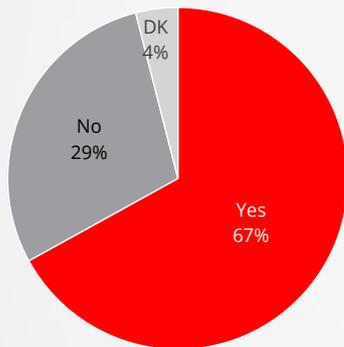
Two-thirds of Canadians have some kind of investments.



All Canadians

- Of all Canadians, two-thirds say they hold some kind of investments, either within or outside their RRSP.
- Among those who do, Mutual Funds are more common (64%) followed by stocks (49%). 24% of Canadian investors have ETFs and 14% have purchased cryptocurrency.
- In total, 72% of Canadian investors hold Mutual Funds or ETFs, with 48% holding Mutual Funds only, 8% holding ETFs only and 16% having both Mutual Funds and ETFs.

Hold investments



Type of investments



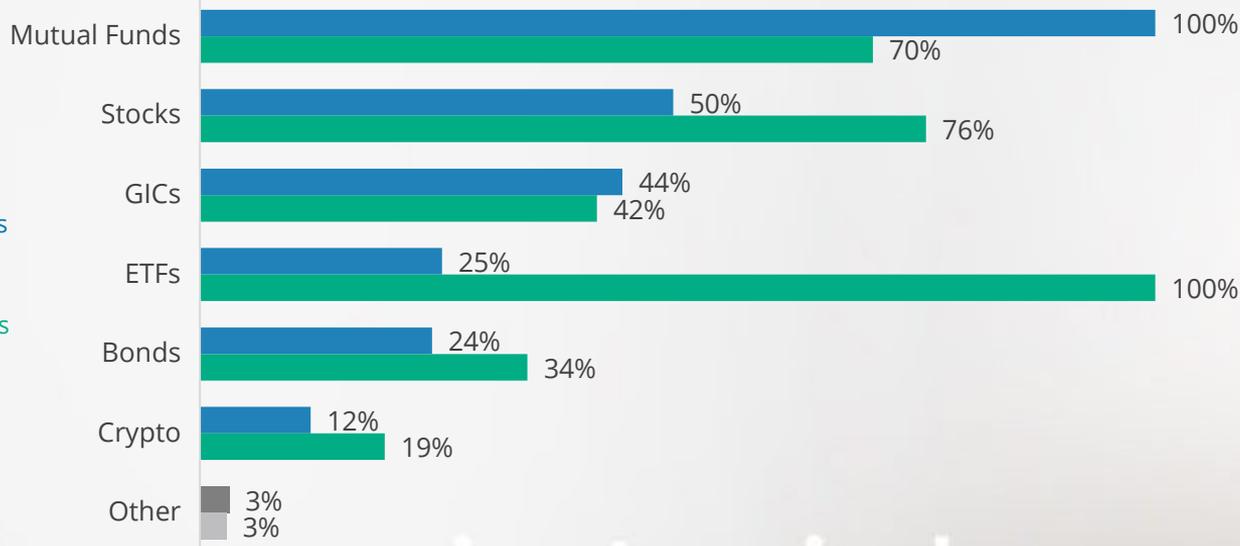
QA. Do you currently hold any investments, either as part of your RRSP or outside your RRSP? Base: Total answering before any survey terminations: n=15, 856

QG. What types of investments do you have? Please consider all that are either part of your RRSP or outside of your RRSP. Base: Those who have investments - total answering before MF/ETF termination n=8,532

# Investment Portfolios

While ETF investors continue to have a more diverse portfolio, diversification has increased for both investor types.

- While last year saw a decrease in the use of other investments in Mutual Fund holders' portfolios, this year saw a slight increase. Stocks (50% +4) and GICs (44% +8) remain the most popular investment vehicle and saw the biggest increase. One-quarter of Mutual Fund investors have ETFs (25% +1) and bonds (24% +2), similar to last year. Crypto remains less popular at a rate consistent with last year (12% - no change).
- Stocks and Mutual Funds are popular choices with ETF investors, with use of stocks remaining consistent (76% - no change) while Mutual Funds have increased (70% +4). Use of GICs (42% +4) and bonds (34% +2) have also seen an increase, while crypto has declined in popularity among this group (19% -4).



# Composition of Investment Portfolios

Mutual Fund investors are more likely to be heavily invested in their main product (Mutual Fund) than ETF investors, who invest equally in several products.

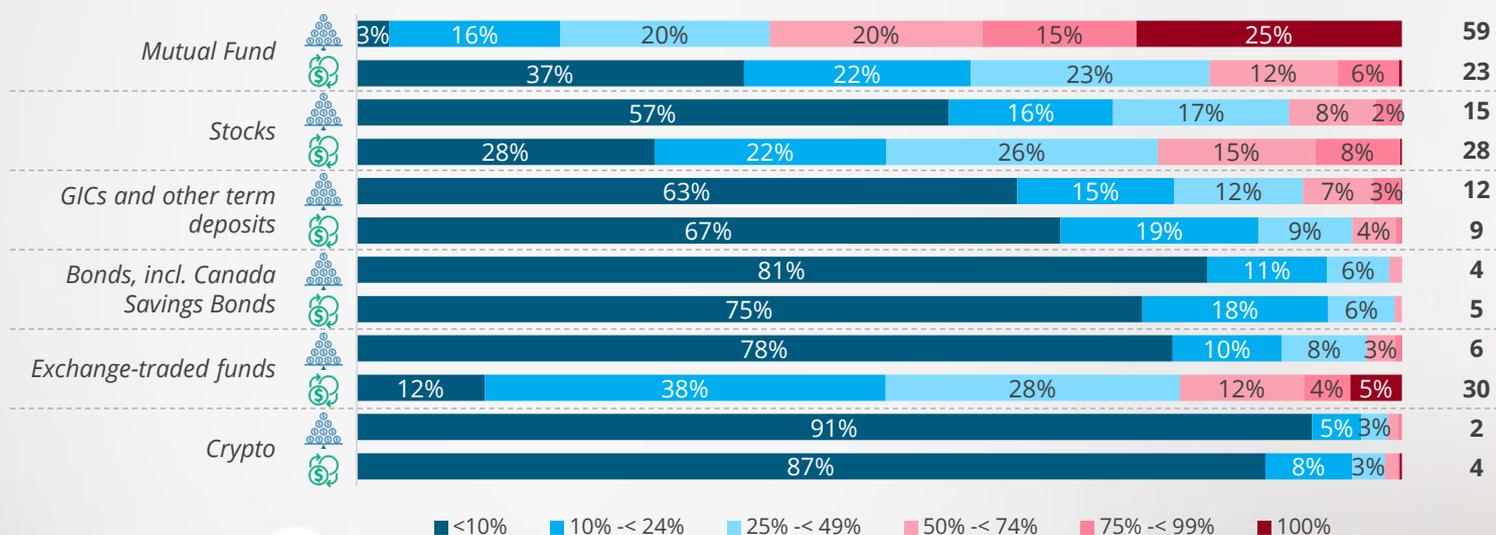


Mutual Fund Investors



ETF Investors

- Mutual Fund investors continue to rely heavily on Mutual Funds, saying they make up an average of 59% of their portfolio, which is lower than the 63% in 2022 but not back to the 47% in 2021.
- In contrast, ETF investors' portfolios are made up almost equally of ETFs (30%), stocks (28%) and Mutual Funds (23%). However, these three products have declined since last year (ETFs -2, stocks -9, Mutual Fund -13).



Average % of each investment in portfolio



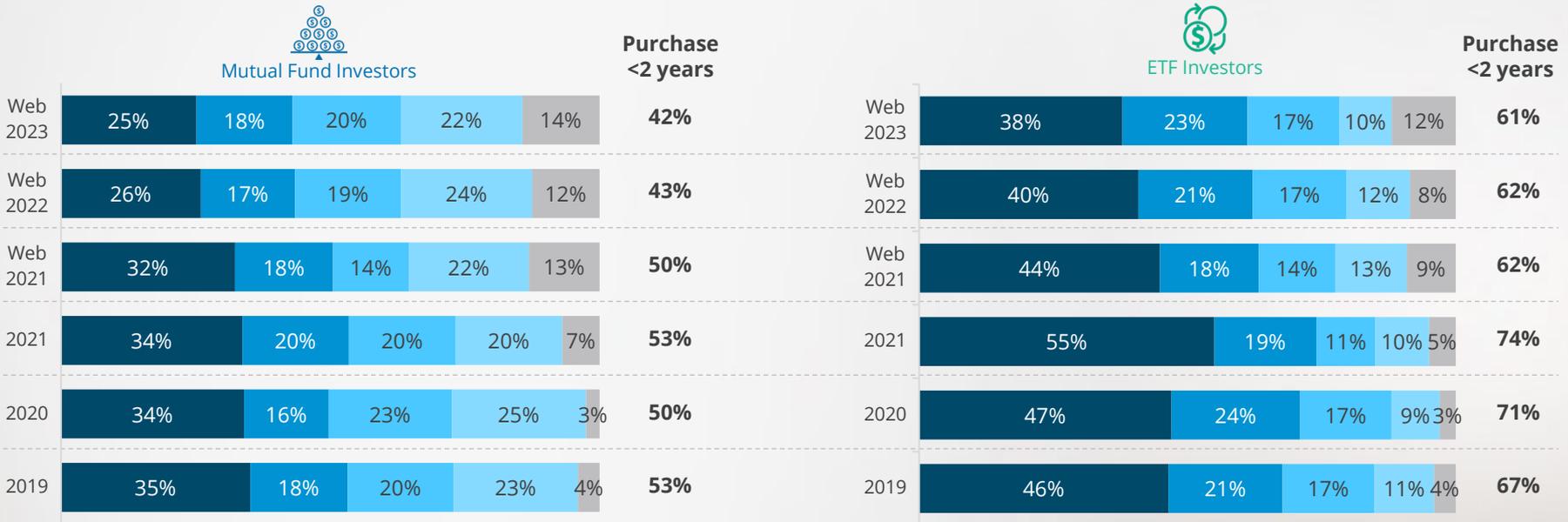
Q13. You mentioned that you have more than one type of investment. What percentage of your investment portfolio is made up of... and how about...?

Base: Those with more than one investment type: Web 2023 MF N=varies, Web 2023 ETF N=varies

# Most Recent New Fund Purchase

Recent purchases of Mutual Funds and ETFs have remained consistent since last year.

- 42% of Mutual Fund investors have purchased a fund in the past two years, while 25% did so in the past year, similar to last year's findings, and down from 2021.
- A majority of ETF investors (61%) have purchased an ETF in the past two years, while 38% have done so in the past year, consistent with last year's findings.
- **Investors who have purchased in past-year:** Knowledge about investing has the biggest impact on recent purchases, with those more knowledgeable being more likely to invest. Portfolio size has little to do with past-year purchases.



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

Q14. When was the last time you purchased a Mutual Fund /ETF that you did not already own, either as part of your RRSP or outside of your RRSP?  
 Base: Web 2023 MF N=4121, Web 2023 ETF N=1514

---

# Attitudes Toward and Knowledge of Fees

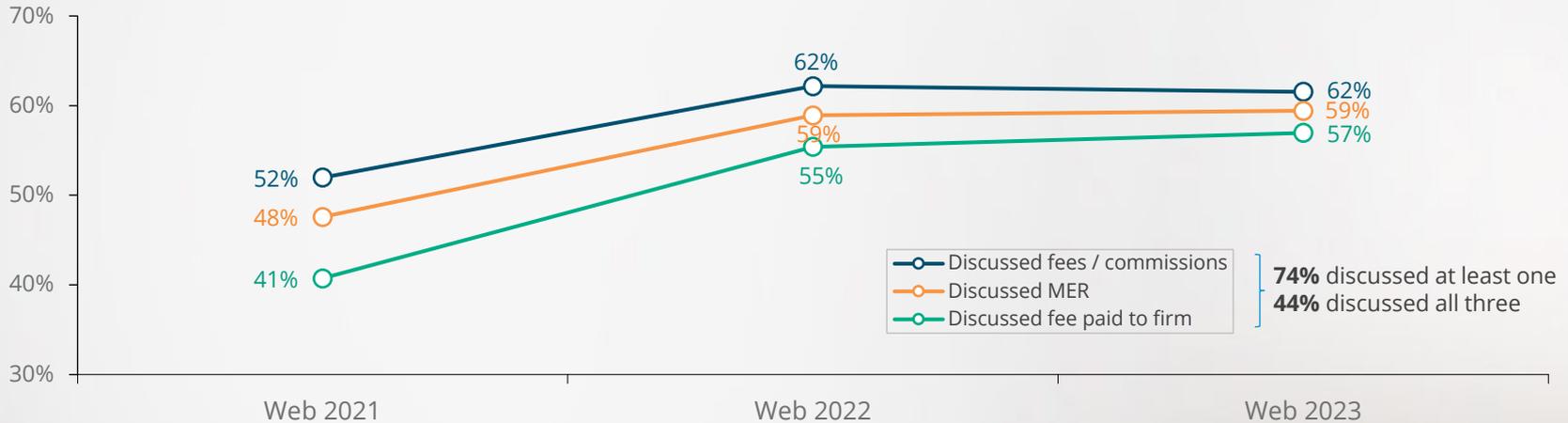
---

# Discussion of Compensation/Fees/MER with Advisor

Investors are less likely to have discussed at least one fee with advisors.



- While most Mutual Fund investors purchasing from an advisor report that advisors have discussed at least one aspect of fees (74%), this has declined from 86% last year. The likelihood of advisors having discussed all three fees has declined only slightly (to 44% from 48% in 2022).
- Advisors continue to be most likely to discuss fees/commissions (62% - no change from last year) and less likely to discuss fees paid to the firm (57% +2)
- **Mutual Fund Investors most likely to have discussed fees:** Younger investors who are new to investing and men are more likely to have heard about at least one fee. Those who are satisfied with their advisor are more likely to have discussed all three fees. Those who get advice from social media are also more likely to have these discussions.



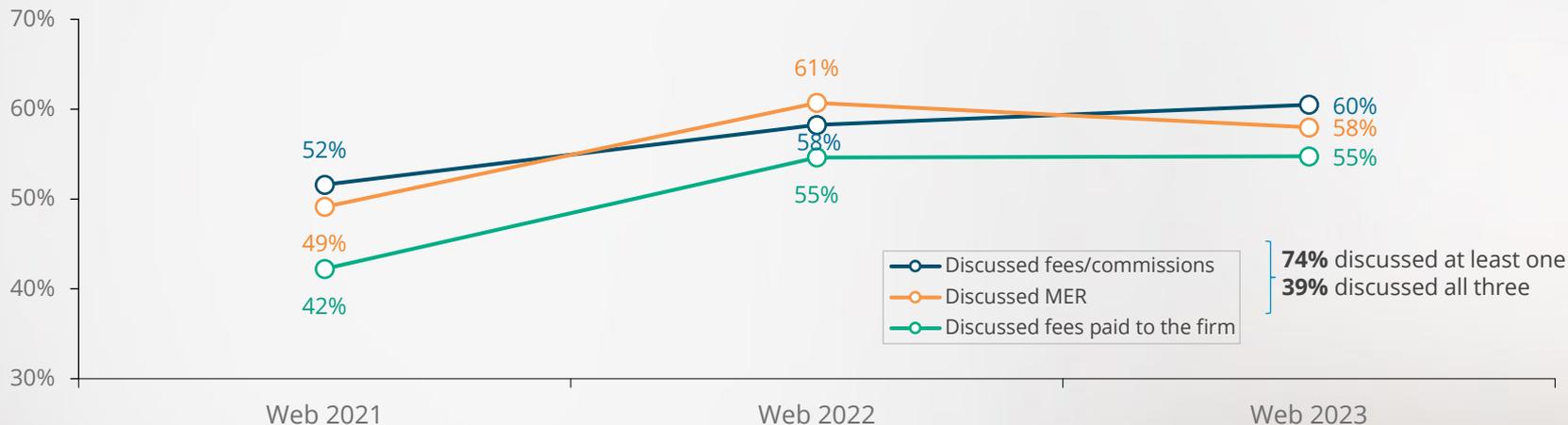
Q19. Thinking back to the last time you invested in Mutual Fund, did your advisor: Discuss whether or not you will be charged any fees when buying or selling your Mutual Fund/ ETF/ Mutual Fund or ETF. This can be called a front-end or back-end load or a trading fee? Discuss the fee the Mutual Fund / ETF / Mutual Fund or ETF company receives for managing, distributing and administering the fund, also known as the Management Expense Ratio or the MER? Discuss the fee paid to the firm where your advisor works? Base: Purchased Mutual Fund from advisor: Web 2022 MF N=3299

# Discussion of Compensation/Fees/MER with Advisor

ETF investors are also less likely to have discussed at least one fee.



- As with Mutual Fund investors, while most ETF investors who use an advisor report that the advisor discussed at least one fee (74%), this has declined since last year (82%). Those who have discussed all three fees have also declined from 48% to 39%.
- Fees and commissions are most often discussed (60%), an increase of 2%, while fees paid to the firm continue to be least-often discussed (55%). The incidence of discussing MER has decreased by three points this year.
- **ETF Investors most likely to have discussed fees:** Those who were more knowledgeable about investing, younger investors, those new to investing, those who are satisfied with their advisor, as well as those who get advice from social media.



Q19. Thinking back to the last time you invested in ETFs, did your advisor: Discuss whether or not you will be charged any fees when buying or selling your Mutual Fund/ ETF/ Mutual Fund or ETF? This can be called a front-end or back-end load or a trading fee. Discuss the fee the Mutual Fund / ETF / Mutual Fund or ETF company receives for managing, distributing and administering the fund, also known as the Management Expense Ratio or the MER? Discuss the fee paid to the firm where your advisor works? Base: Purchased Mutual Fund from advisor Web 2023 ETFs N=1004

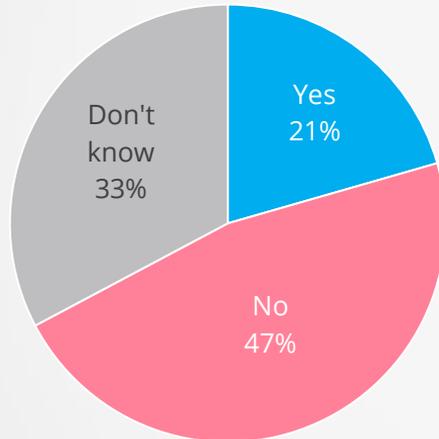
# Awareness of Fees Not Included in Statements



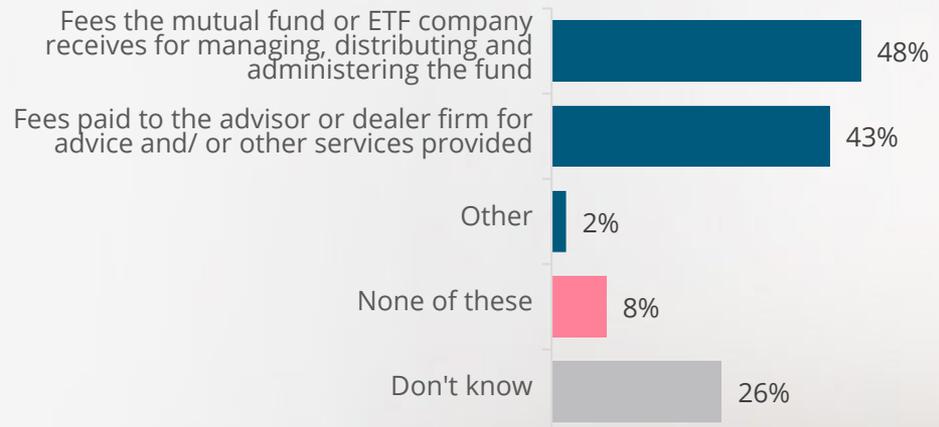
Only one-fifth of Mutual Fund investors believe there are fees that are not included.

- 47% of Mutual Fund investors think all the fees they pay are included in their annual fee and performance statement, while 33% are not sure. More than two-fifths believe fees for managing, distributing and administering funds, as well as those paid for other services, are included.
- **Mutual Fund investors who are aware of additional fees:** Younger investors who are new to investing are more likely to know about these additional fees, however only a minority of these groups know about the fees. Those who get advice from non-professionals or social media are also more aware of these fees.

Pay fees not shown in annual fee and performance statements



Which fees are included?



Q31. To the best of your knowledge, are there fees that you pay related to your investments that are not shown in your annual fee and performance statements? Base: Web 2023 MF N=4121

Q32. To the best of your knowledge, which, if any, of the following fees are included in your annual fee and performance statement? Please select all that apply. Base: Web 2023 MF N=4121



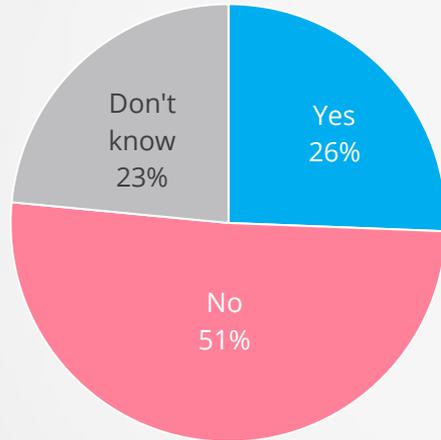
# Awareness of Fees Not Included in Statements



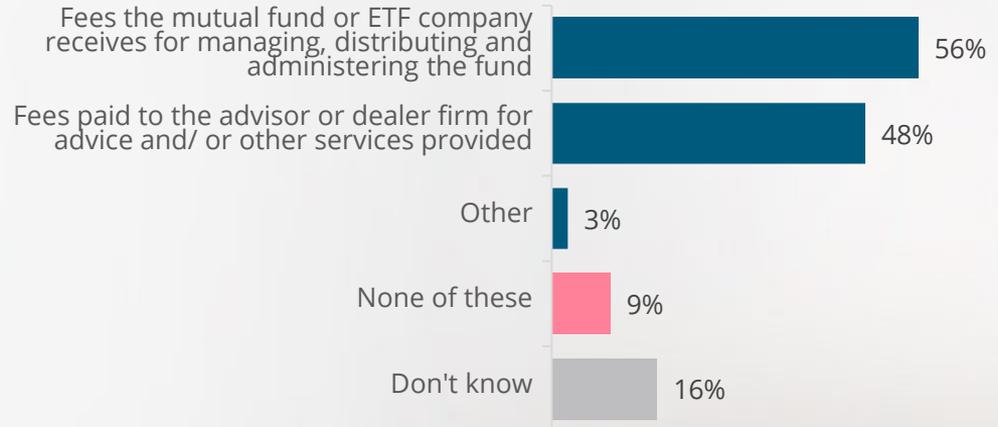
Only slightly more ETF investors are aware of fees not included in statements.

- 26% of ETF investors are aware of fees not included in annual fee and performance statements, slightly more than that of Mutual Fund investors. They are also slightly more likely to say fees for managing, distributing and administering funds, as well as other services, are included.
- **ETF investors who are aware of additional fees:** As with Mutual Fund investors, ETF investors who are younger and new to investing, as well as those who obtain advice from non-professional sources, are more likely to know about these fees.

Pay fees not shown in annual fee and performance statements



Which fees are included?



Q31. To the best of your knowledge, are there fees that you pay related to your investments that are not shown in your annual fee and performance statements? Base: Web 2023 ETF N=1514

Q32. To the best of your knowledge, which, if any, of the following fees are included in your annual fee and performance statement? Please select all that apply. Base: Web 2023 ETF N=1514

---

# Sources of Information about Investing

---

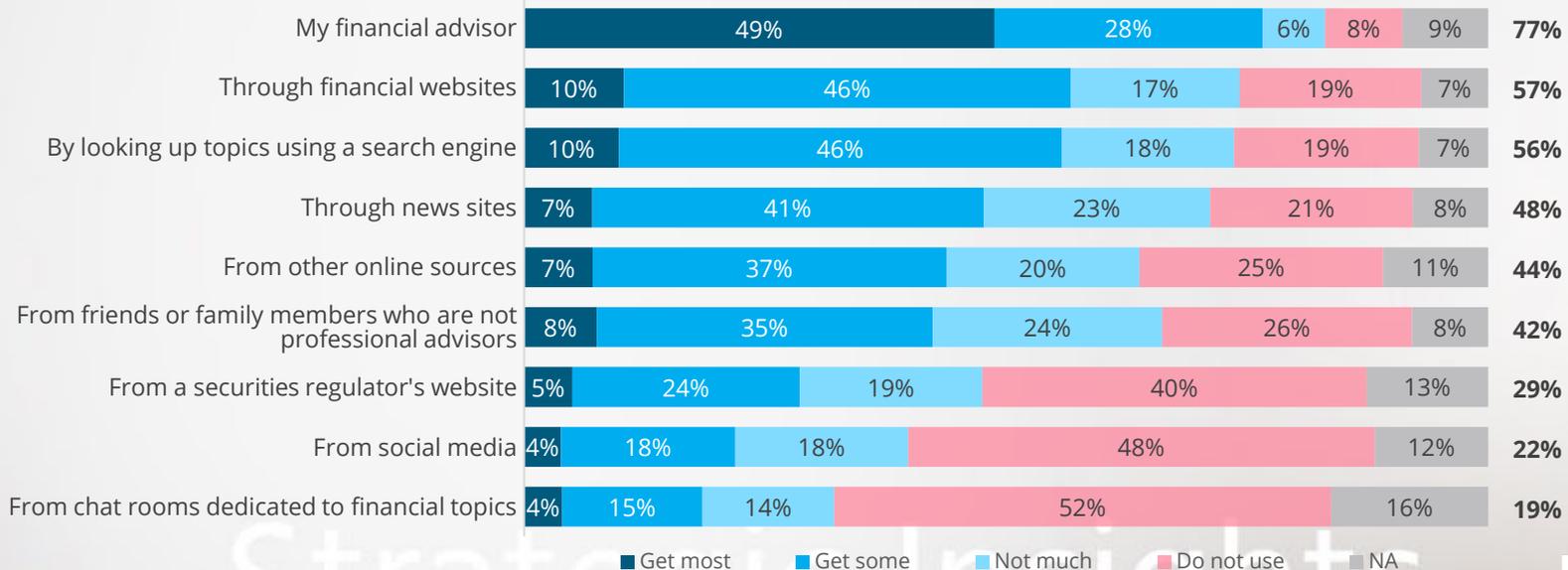
# Sources of Financial Information

Many sources of investing information are used, besides financial advisors.



- Financial advisors are the most-used source of information, with 77% of Mutual Fund investors getting at least some of their information from them. However, many also use other online sources of information. While 57% use financial websites, a similar proportion use Google searches (56%) or news sites (48%) for at least some information, and 42% turn to friends and family who are not professionals.
- 22% get information from social media and 19% from financial chat rooms.
- Those who use social media for financial information:** Younger investors (18-24 53%, 25-44 40%, 45-64 14%, 65+ 5%), who have started investing in the past five years (47%).

Use as source of information



Net % Get most / Get some information



Q3. To what extent do you use each of the following as sources of information about investments or investing? Base: Web 2023 MF N=3819

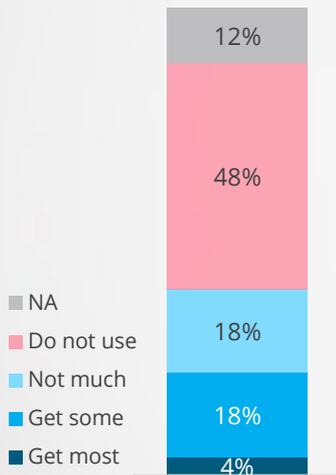
# Use of Social Media

Of those who get some information about investing from social media, only one-in-three are sure their sources are financial professionals.

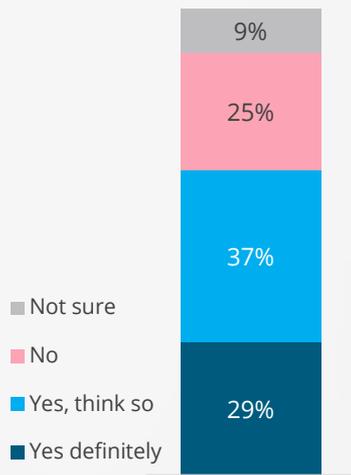


- Only 29% feel certain their social media sources are financial professionals, while 37% think they are and 34% know they are not or don't know.
- YouTube followed by Facebook are the most-used channels, with one-third using Instagram (38%) or Twitter (31%). Young investors (18-24) are more likely to use Instagram (51%) or TikTok (48%) than older investors.
- **Those believing they follow financial professionals on social media:** Men (32% vs. 24% of women), those new to investing (past five or 10 years - 34%), and those without a post-secondary education (34% vs. 25% of university graduates).

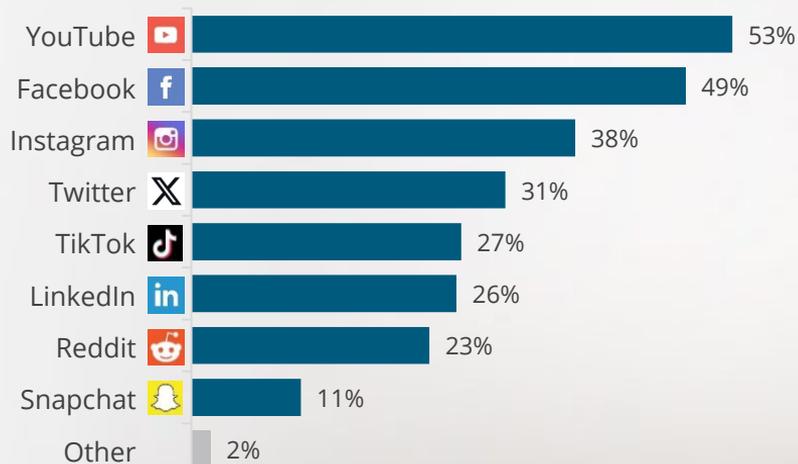
Info from social media



Are they financial professionals?



Which social media channels?



Q3. To what extent do you use each of the following as sources of information about investments or investing? Base: Web 2023 MF N=3819

Q4. Are the people you get information from on social media professional financial advisors? Base: Web 2023 MF N=827

Q5. What social media channels do you use to get information about investing? Please select all that apply. Base: Web 2023 MF N=827

# Sources of Financial Information

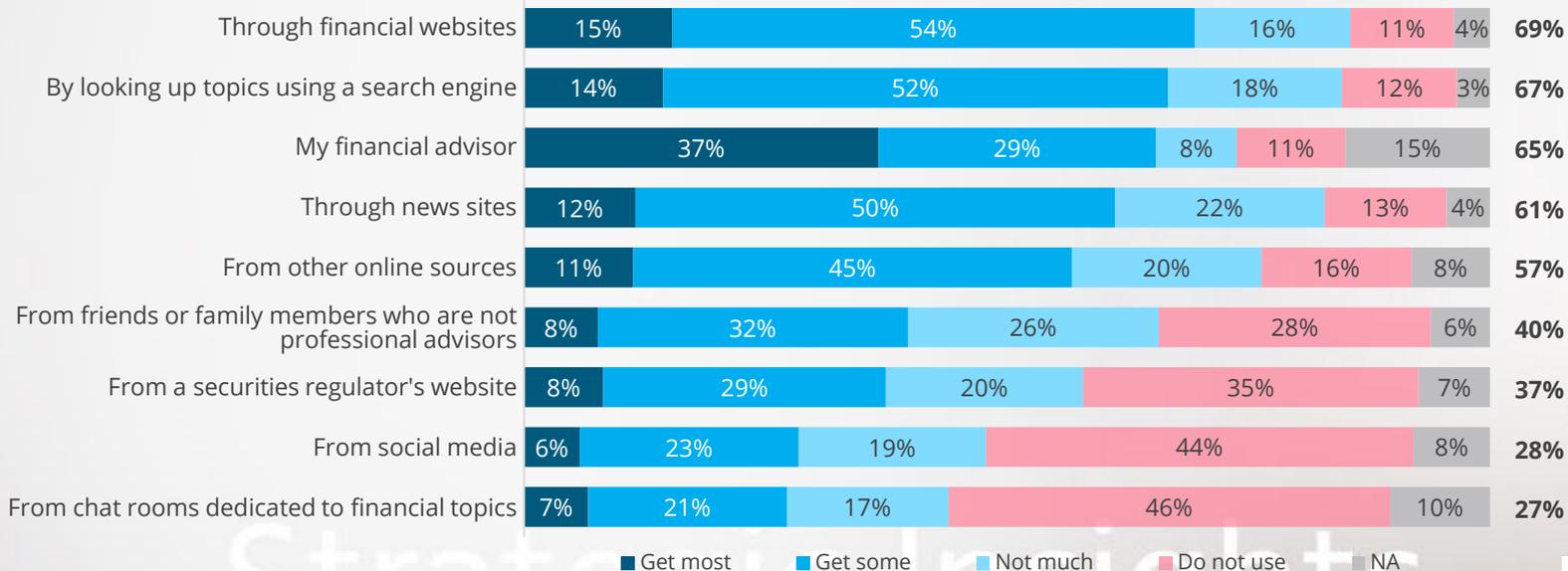
ETF investors rely on a number of different sources for information.



ETF Investors

- One-third of ETF investors rely on advisors for “most” of their information, which is higher than any other source. But they get at least “some” information from a number of sources. The highest proportion get some information from financial websites (69%) or by using search engines (67%), while three-fifths use news sites (61%).
- 28% get information from social media and 27% from financial chat rooms (27%), which is higher than among Mutual Fund investors.
- **Those who use social media for financial information:** Younger investors (18-44 49%, 45-64 20%, 65+ 4%), who have started investing in the past five years (58%)

Use as source of information



Net % Get most / Get some information



Q3. To what extent do you use each of the following as sources of information about investments or investing? Base: Web 2023 ETF N=1419

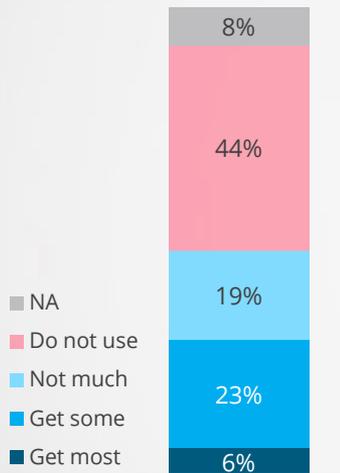
# Use of Social Media

As with Mutual Fund investors, only one-third of those who obtain information from social media are confident their sources are professionals.

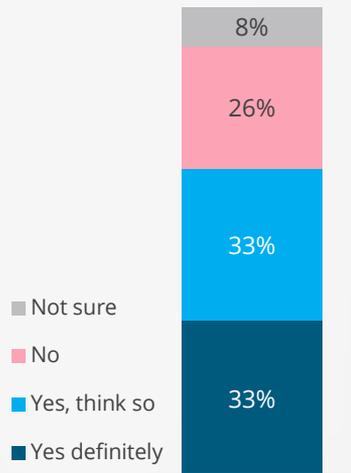


- While two-thirds (66%) feel their social media sources may be professionals, only one-third (33%) are certain they are, while one-third know they are not or are not sure (34%). ETF investors are most likely to use YouTube (55%) or Facebook (45%) with two-fifths using Instagram (39%) as a source of information.
- **Those believing they follow financial professionals on social media:** Those who feel knowledgeable about ETFs (39%), are younger (25-44 38%) and who do not have a university education (41%).

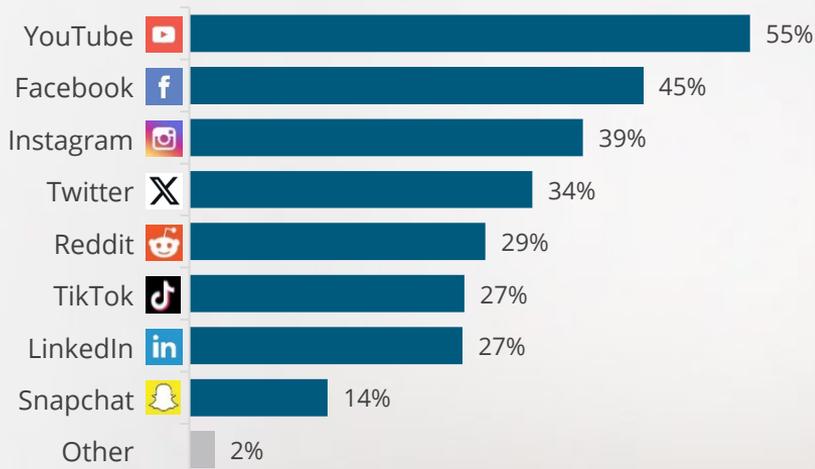
Info from social media



Are they financial professionals?



Which social media channels?



Q3. To what extent do you use each of the following as sources of information about investments or investing? Base: Web 2023 ETF N=1419

Q4. Are the people you get information from on social media professional financial advisors? Base: Web 2023 ETF N=459

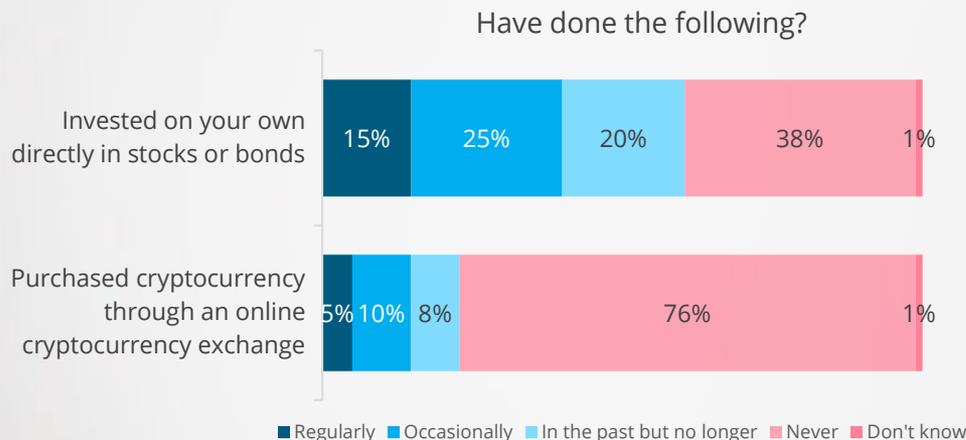
Q5. What social media channels do you use to get information about investing? Please select all that apply. Base: Web 2023 ETF N=459

# Information for Self-Directed Investing

Three-fifths have invested in stocks or bonds on their own, while one-fifth have done the same with crypto.



- 60% have invested directly in stocks or bonds, with 15% doing so regularly, 25% occasionally and 20% in the past. When it comes to self-directed crypto investing, 23% have done it, 5% do so regularly and 10% occasionally. While financial websites and financial advisors are the most common sources of information, one-third use search engines (36%), news sites (30%) and non-professionals (30%), and 14% rely on social media for information.
- **Those likely to have self-directed investing:** Younger investors (18-24 56%, 25-44 54%), those new to investing (53%) and men (45%) are most likely to do this at least occasionally.
- **Those likely to have cryptocurrency:** Younger investors (18-24 34%, 25-44 32%) and new to investing (past five years - 35%), although this is only slightly more popular among men (16% vs. 13% of women).



Q6. Have you ever done the following? Base: Web 2023 MF N=4121

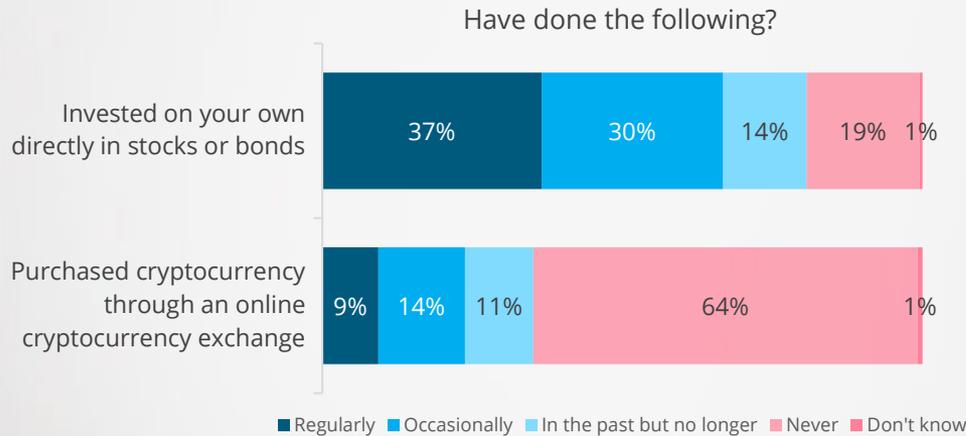
Q7. Thinking of when you conducted these financial transactions, where did you get the information for them? Base: Web 2023 MF (Not Never/DK at Q6) N=2496

# Information for Self-Directed Investing

ETF investors are more likely to be involved in self-directed investing than Mutual Fund investors.



- 81% of ETF investors have invested in stocks and bonds on their own, with 37% doing so regularly, 30% occasionally and 14% having done so in the past. One-third of ETF investors have invested in crypto, with 9% doing so regularly, 14% occasionally and 11% in the past. Financial websites and search engines are the most-used sources of information for this self-directed investing.
- **Those likely to have self-directed investing:** While this sort of self-directed investing is more common among younger Mutual Fund investors, age has less impact when it comes to ETF investors. Those who claim to be more knowledgeable about ETFs and who use social media as a source of information are more likely to invest directly on their own.
- **Those likely to have cryptocurrency:** Those who obtain information through non-professional channels or social media.



Q6. Have you ever done the following? Base: Web 2023 ETF N=1514

Q7. Thinking of when you conducted these financial transactions, where did you get the information for them? Base: Web 2023 ETF (Not Never/DK at Q6) N=1268

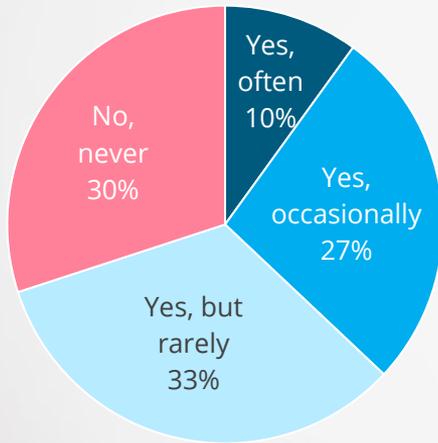


# Reliance on Non-Professionals for Financial Advice

Most of those who purchase their own investments have done so without professional advice.

- Only one in three say they have never purchased an investment on their own without professional advice. While one-third say they have done this rarely (33%), 37% do so at least occasionally.
- The most common reason for not using professional advice is they don't want to pay the fees (19%), they want to be up to date (14%) and they don't have enough money to use an advisor (10%).
- **Those likely to make these purchases without professional advice:** Younger people (18-24 67%, 25-44 57%), those new to investing (past five years - 63%, 5-9 years - 56%) and women (43%).

Advised by non-professional financial advisor?



Why rely on non-professional financial advisor for information?



Q8. Have you ever done one of these financial transactions on the advice of someone who was not a professional advisor? Base: Web 2023 MF (Not Never/DK at Q6) N=2496  
Q9. Why do you rely on sources other than a financial advisor to get information about investing? Base: Web 2023 MF N=4121

# Reliance on Non-Professionals for Financial Advice

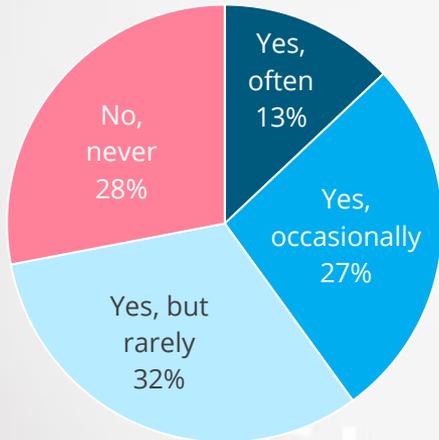
The majority of those who purchase their own investments have done so without professional advice.



ETF Investors

- As with Mutual Fund investors, only 28% of ETF investors have never purchased their own investments without the advice of professionals. Conversely, two-fifths do this often (13%) or occasionally (27%).
- These investors are most likely not to rely on professional advice because they don't want to pay the fees (30%) or they want to be up to date on newest tips (18%).
- **Those likely to make these purchases without professional advice:** Younger investors (18-24 69%, 25-44 57%), those new to investing (past five years: 68%) and women (48%).

Advised by non-professional financial advisor?



Why rely on non-professional financial advisor for information?



Q8. Have you ever done one of these financial transactions on the advice of someone who was not a professional advisor? Base: Web 2023 ETF (Not Never/DK at Q6) N=1268

Q9. Why do you rely on sources other than a financial advisor to get information about investing? Base: Web 2023 ETF N=1514

# Assessments of Investment Advisor

**pollara**  
strategic insights

# Use of Advisors for all Investments

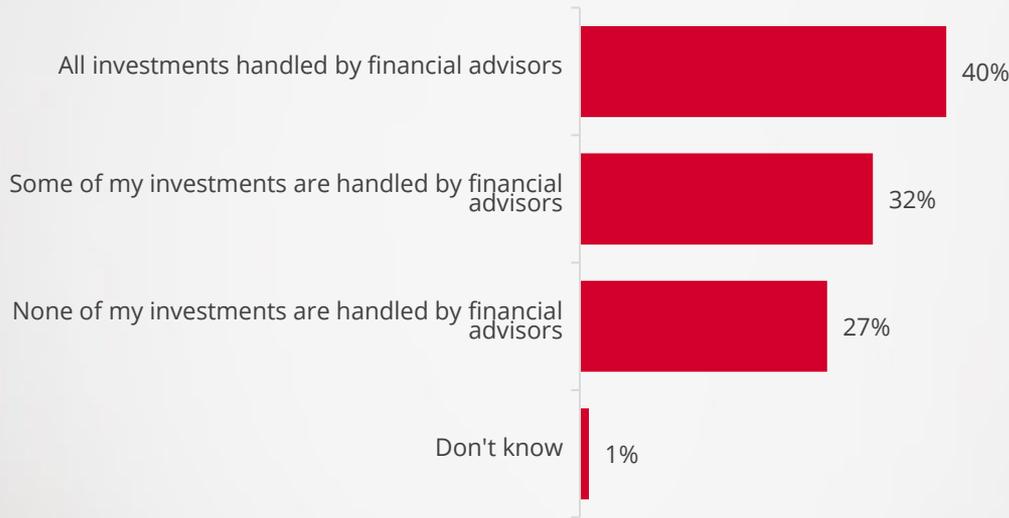
While three-quarters use advisors for some investments, more than half hold some investments on their own.



All Canadians

- Of all Canadians with any kind of investments, 72% use an advisor for at least some of their investments, while 40% use an advisor for all their investments.
- Conversely, 59% have purchased at least some investments on their own, with 27% purchasing all of their investments on their own.

Type of investments



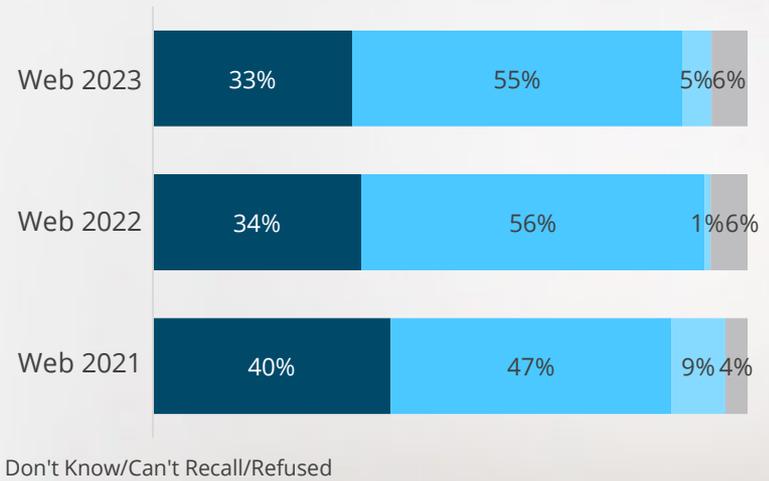
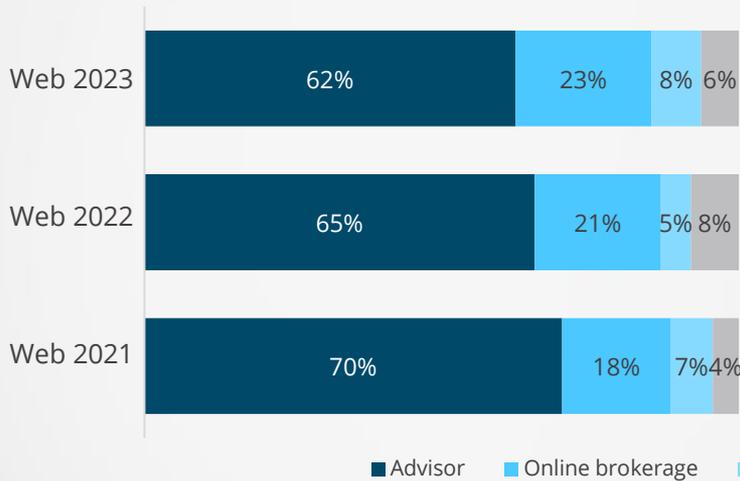
Use advisor for at least some investments	72%
Purchase at least some investments without advisor	59%



# Method of Most Recent Fund Purchase

Use of advisors has declined both among Mutual Fund and ETF investors.

- While Mutual Fund investors continue to be more likely to use advisors, this usage has continued to decline, down 3% since 2022 and 8% since 2021. Only one-third of ETF investors used an advisor for their last purchase, down 1% since 2022 and 7% since 2021.
- The use of online brokerages continues to be higher among ETF investors but has declined very slightly from last year (-1 to 55%).
- **Investors more likely to use online brokerages:** Younger investors; males; knowledgeable about investing; and well educated.



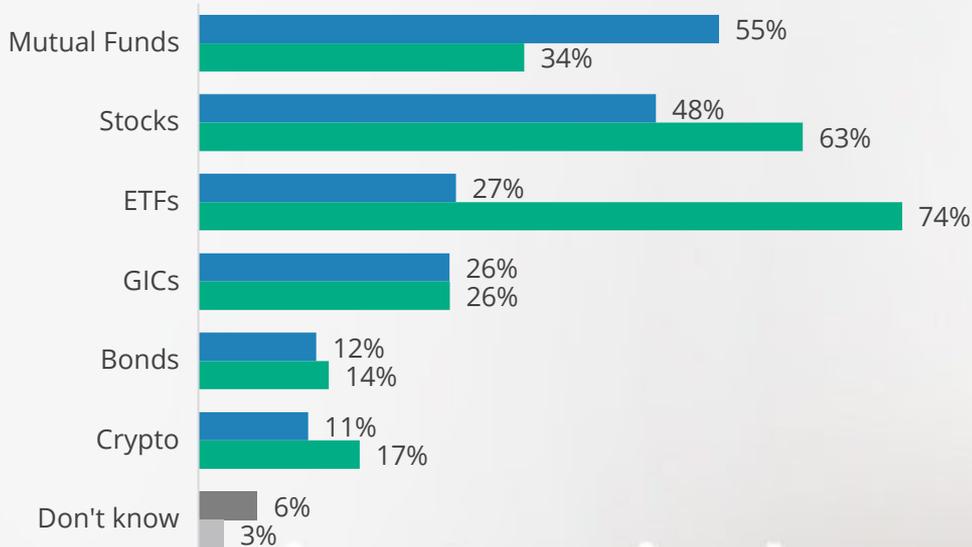
■ Advisor ■ Online brokerage ■ Another way ■ Don't Know/Can't Recall/Refused

Q15. 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 2023 MF N=4121; Web 2023 ETF N=1514

# Investments Purchased without an Advisor

Mutual Fund investors are most likely to purchase Mutual Funds or stocks, while ETF investors are most likely to purchase ETFs or stocks without an advisor.

- Of the Mutual Fund investors who have made a self-directed purchase, half have purchased Mutual Funds or stocks. Among ETF investors, these purchases are most likely to be ETFs or stocks.



Q17. What investments have you purchased yourself, not using an advisor? Please select all that you have purchased without your advisor.

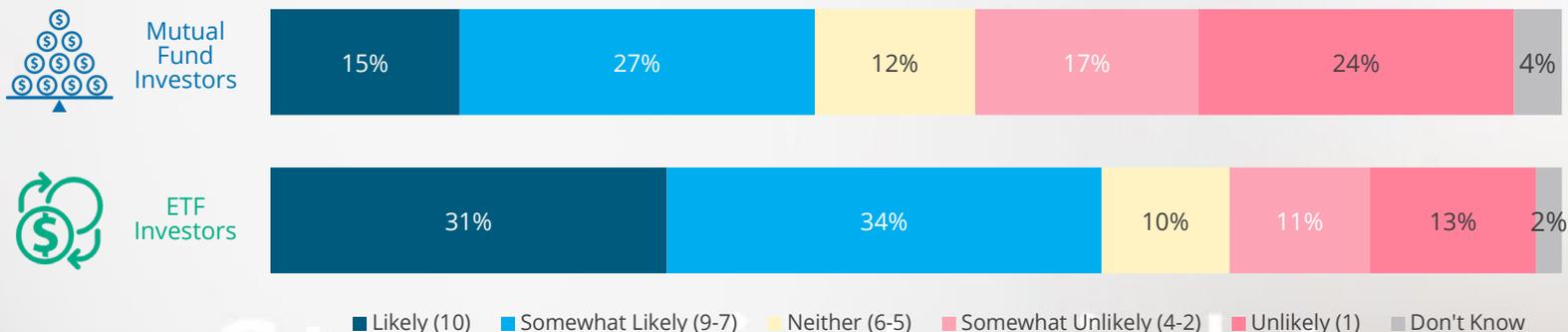
Base: Investors who have self-directed investments and advisor-purchased investments Web 2023 MF N=785, Web 2023 ETFs N=184

# Likelihood of Purchasing without an Advisor

ETF investors are likely to make a purchase on their own, while Mutual Fund investors are split.

- 42% of Mutual Fund investors are at least somewhat likely to make an investment purchase in the next year without the help of an advisor, while a similar proportion (41%) are not.
- Those who use an advisor are less likely to think they will make a purchase on their own. However, one-fifth (22%) of those are completely dependent on advisors say they are at least somewhat likely to make a purchase on their own. Similarly, while those who are completely satisfied with their advisors are less likely to consider this, one-quarter may (28%).
- **Mutual Fund investors who will purchase on their own:** Younger Mutual Fund investors (18-24 53%, 25-44 59% vs. 45-64 39%, 65+ 25%), men (47% vs. 36% of women), those who consider themselves knowledgeable about Mutual Fund (55%).
- ETF investors are more likely to make a purchase on their own (65%), with one-in-three saying this is likely (31%). While those who are completely dependent on advisors are less likely to do so, while 38% would consider it.
- **ETF Investors who will purchase on their own:** There are fewer demographic differences among ETF investors on this trait, although those 65+ are less likely to consider this purchase (51%).

Likelihood to purchase investments online, without the help of an advisor (in the next year)



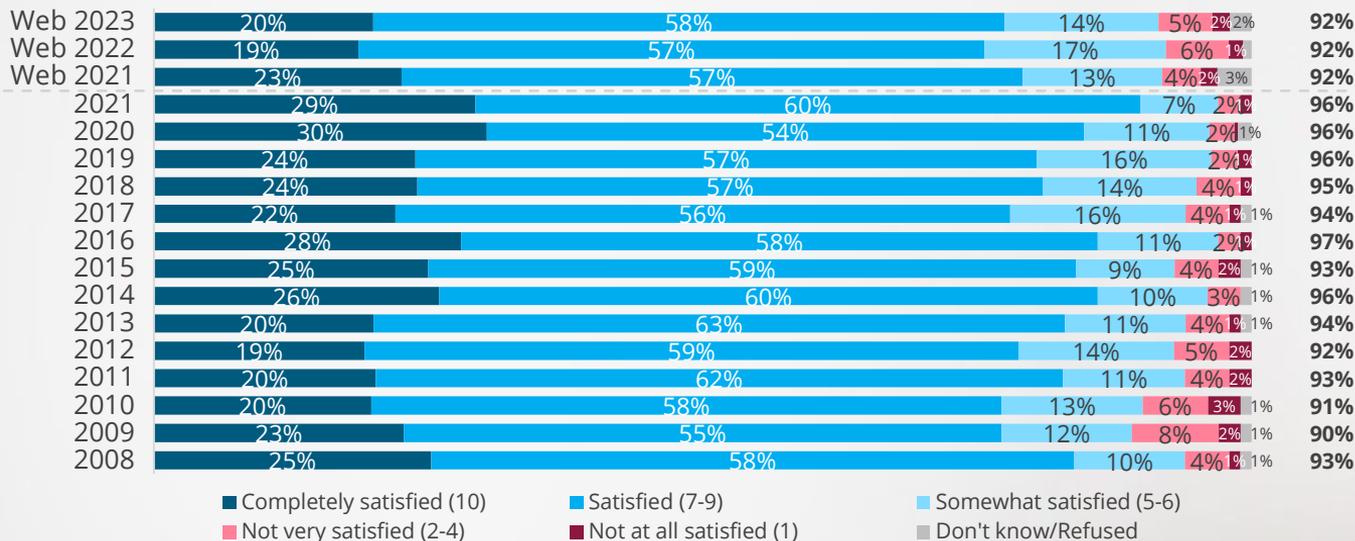
Q18. Using a 10-point scale, where 1 means 'not at all likely' and 10 means 'very likely', how likely would you be to purchase your investments online yourself, without the help of an advisor, in the next year? Base: All Respondents Web 2023 MF N=4121, Web 2023 ETFs N=1514

# Satisfaction with Financial Advisor

Mutual fund investors using an advisor remain satisfied.



- 92% of Mutual Fund investors are satisfied with their advisors, consistent with the findings of the last two years.
- **Those completely satisfied with advisors:** Older, less educated, and with larger investment portfolios are more likely to be completely satisfied with their advisor.

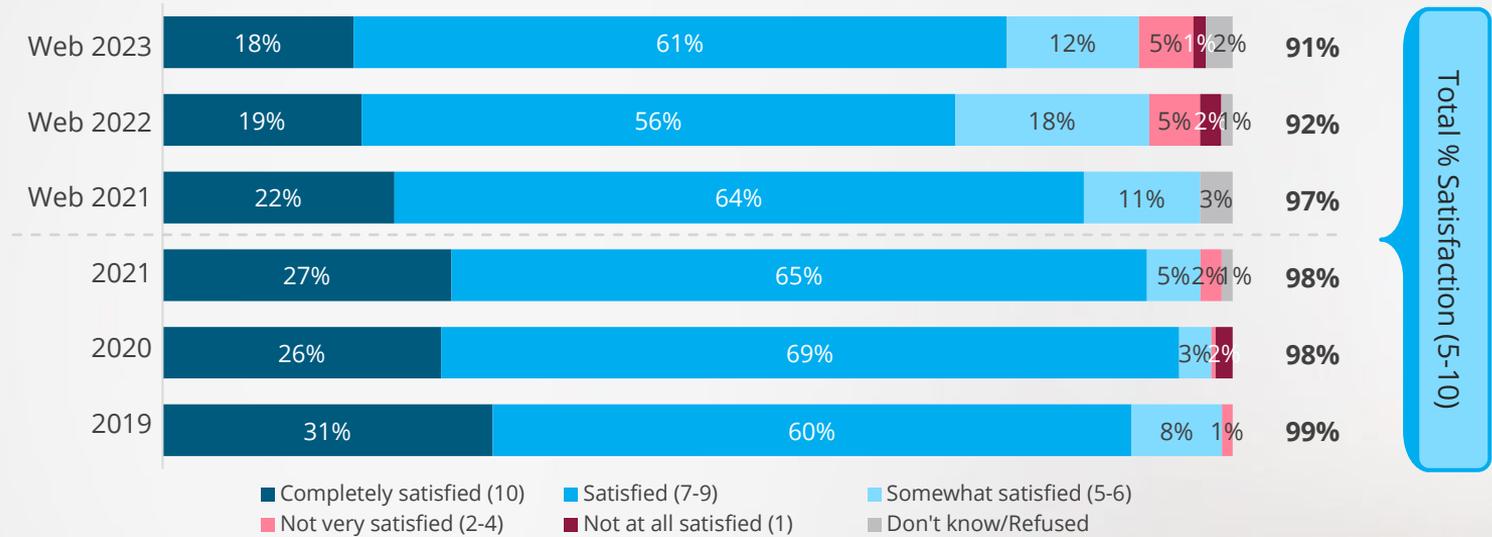


Total % Satisfaction (5-10)

# Satisfaction with Financial Advisor

While still high, satisfaction among ETF investors has not rebounded after last year's decline.

- 91% ETF investors expressed satisfaction with their advisor. After a significant drop last year, this year's satisfaction declined insignificantly, down 1% since 2022
- **Those completely satisfied with advisors:** Older investors, less knowledgeable, and those with larger investment portfolios are more likely to be completely satisfied with their advisor.



# Value of Financial Advisor

Results continue to increase gradually, after a decline in 2021, but are not quite back to 2020 levels.

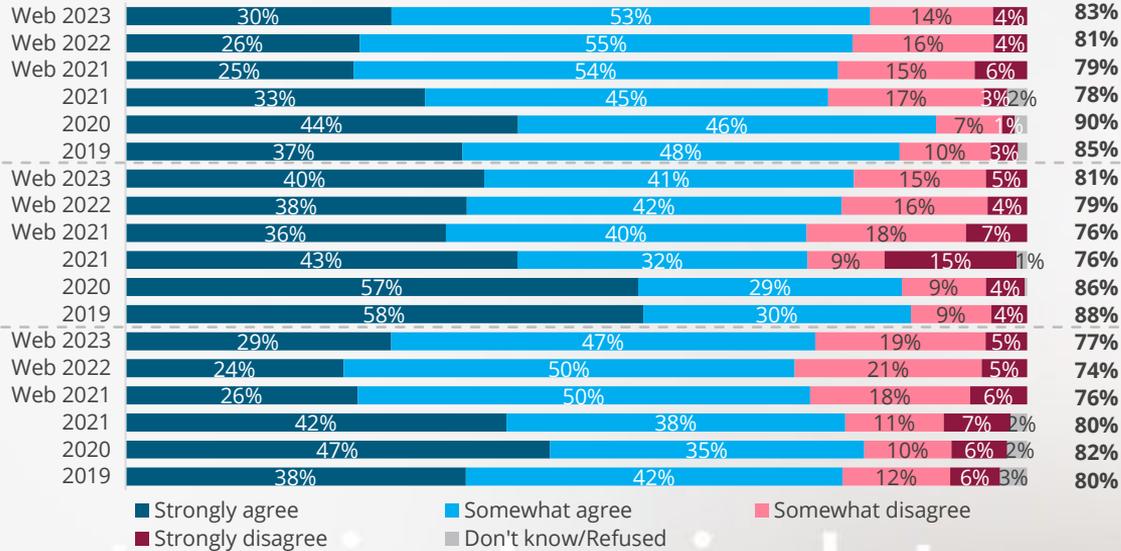
- Value placed on advisors by Mutual Fund investors has increased slightly since last year. Eight in 10 investors agree that advice is worth the fees, and they would not want to handle investments on their own, an increase of two points since last year and four points and five points respectively since 2021.
- Feeling that advisors help encourage better savings habits saw a three-point increase since last year.
- **Those who see value in advice:** Older investors with larger portfolios are more likely to see value in advice.



*Advice provided by my financial advisor is worth the fees*

*I would not want to handle my investment on my own*

*Because of my advisor, I have better saving and investment habits*



Total % in Agreement



Q21A/Q21B/Q21C. To what extent do you agree or disagree with the following statements about financial advisors?  
Base: Purchased Mutual Fund from advisor: Web 2023 MF N=3299

Strategic Insights

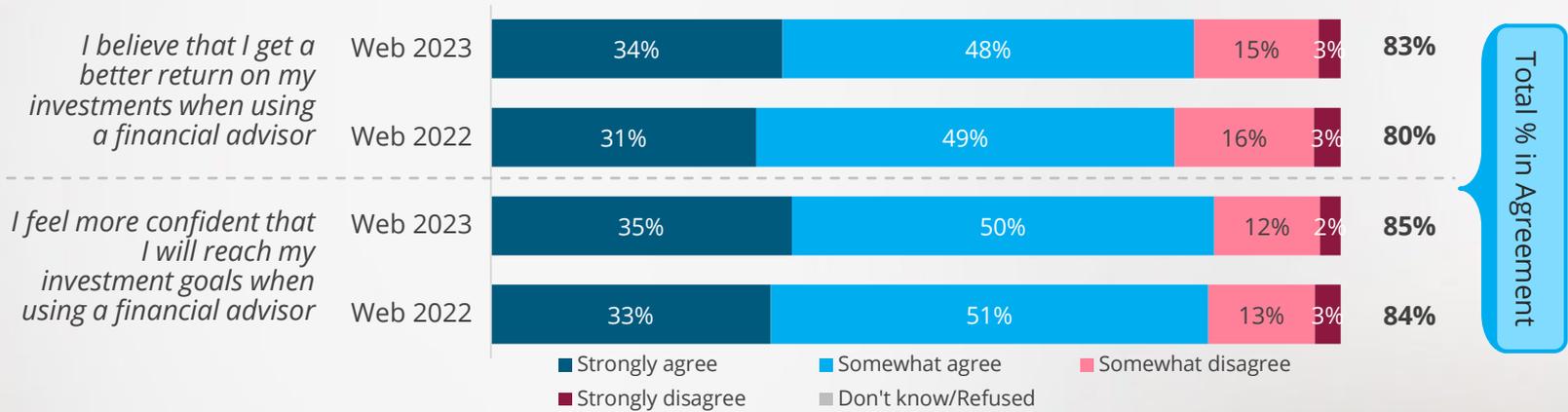


# Value of Financial Advisor

The confidence in investment outcomes when using an advisor is high and has increased slightly since last year.



- Four-fifths at least somewhat agree they get better returns and are more confident they will reach their goal when they use an advisor. This has increased by three points and one point since last year.
- **Those who feel they are more successful when using an advisor:** Older investors and those with a larger portfolio.



# Value of Financial Advisor

ETF investors do not feel quite as positive about the value of advice as Mutual Fund investors, but their positive feelings have continued their upward trend.

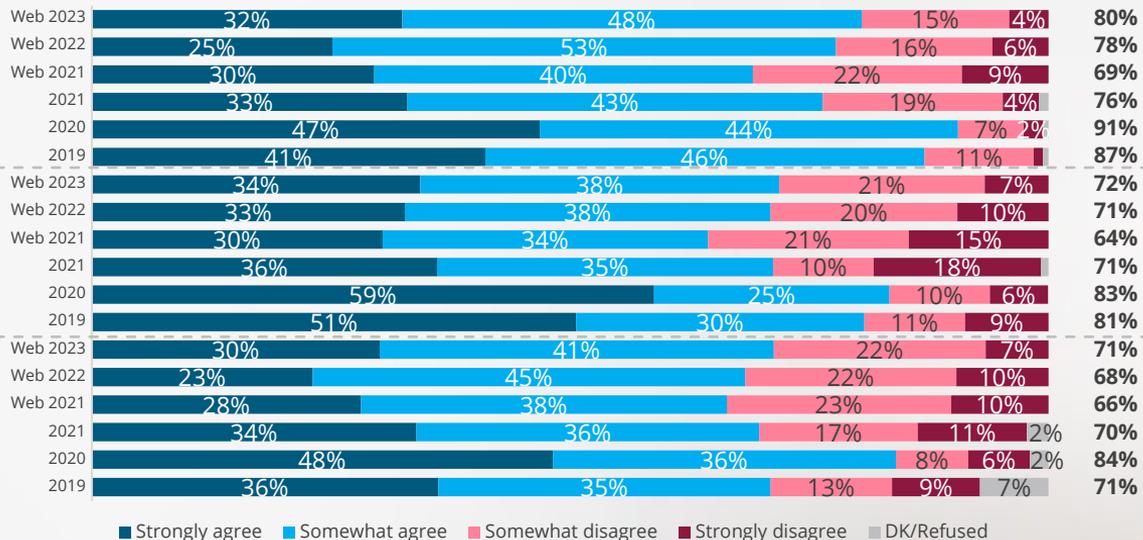
- While ETF investors' perceptions of the value of advice saw a significant increase last year, this year, the increase was minor, but the upward trend continues. Specifically, the advice being worth the fees increased by two, not wanting to handle investments on my own by one, and better savings and investment habits by three.
- While ETF investors feel similarly to Mutual Fund investors about the advice being worth the fees, ETF investors are less likely than Mutual Fund investors to want to handle their own investments and their investment habits due to advisors.



Advice provided by my financial advisor is worth the fees

I would not want to handle my investment on my own

Because of my advisor, I have better saving and investment habits



Total % in Agreement

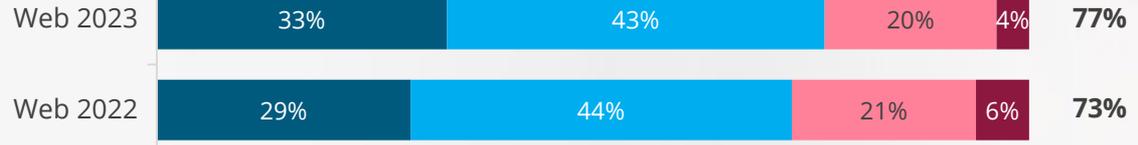
# Value of Financial Advisor

ETF investors feel less confident about their financial advisors than Mutual Fund investors when it comes to advisors helping them with their success

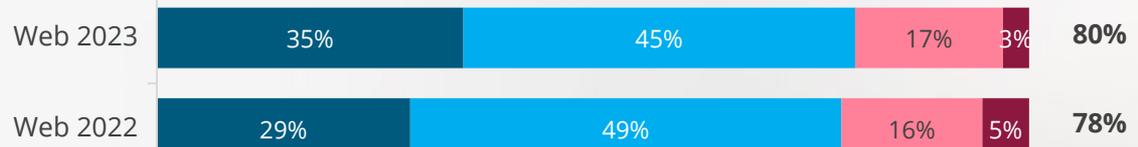
- 77% of ETF investors believe they get better returns with an advisor, an increase of four points since last year. 80% feel more confident about reaching their goals when using an advisor, an increase of two points since last year. Both scores are five points lower than that received by Mutual Fund investors.



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



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



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

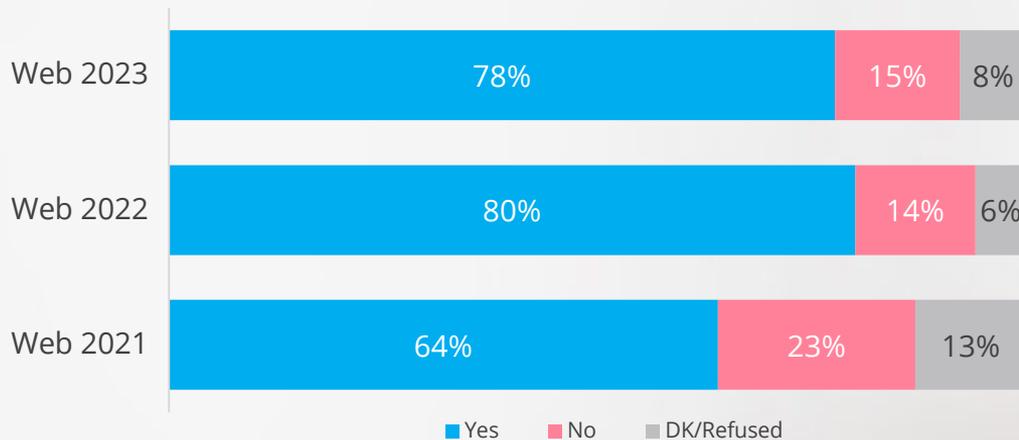
Total % in Agreement

# Whether Advisors Discussed Suitability

After seeing a significant increase in 2022, the likelihood of discussing investment suitability has slightly decreased this year.



- Most Mutual Fund investors say their advisors have discussed the suitability of investments (78%), decreasing only slightly since last year.
- **Profile of investors discussing suitability:** Larger portfolio, long-term investors, and high level of satisfaction with their advisor. Those in Quebec are least likely to have had these discussions.



Q19. Thinking back to the last time you invested in Mutual Fund, did your advisor discuss how well suited that Mutual Fund is for reaching your investment objectives?  
Base: Purchased Mutual Fund from advisor Web 2023 MF N=3299

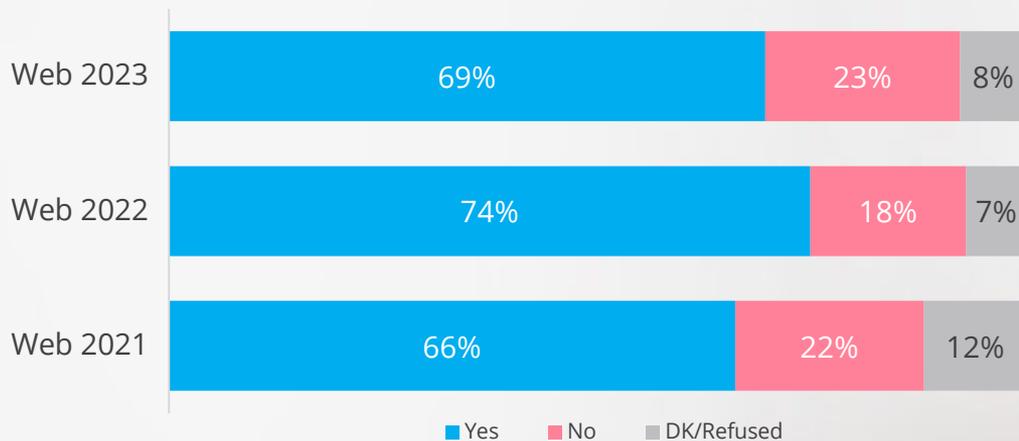
Strategic Insights

# Whether Advisors Discussed Suitability

The likelihood of discussing the suitability of investments has decreased among ETF investors but has not returned to 2021 levels.



- 69% of ETF investors have discussed investment sustainability with their advisors. After an increase in 2022, the score dropped by five points this year, but it is not back to 2021 levels. It is less likely that advisors will have these discussions with ETF investors than with Mutual Fund investors.
- **Profile of investors discussing suitability:** Men who are knowledgeable about ETFs are satisfied with their advisors and are new to investing. Residents of Quebec are less likely to have had this conversation.



Q19. Thinking back to the last time you invested in ETFs, did your advisor: Discuss how well suited that Mutual Fund is for reaching your investment objectives?

Base: Purchased ETFs from advisor Web 2023 ETF N=1004; \* All results significant - Details in the notes

---

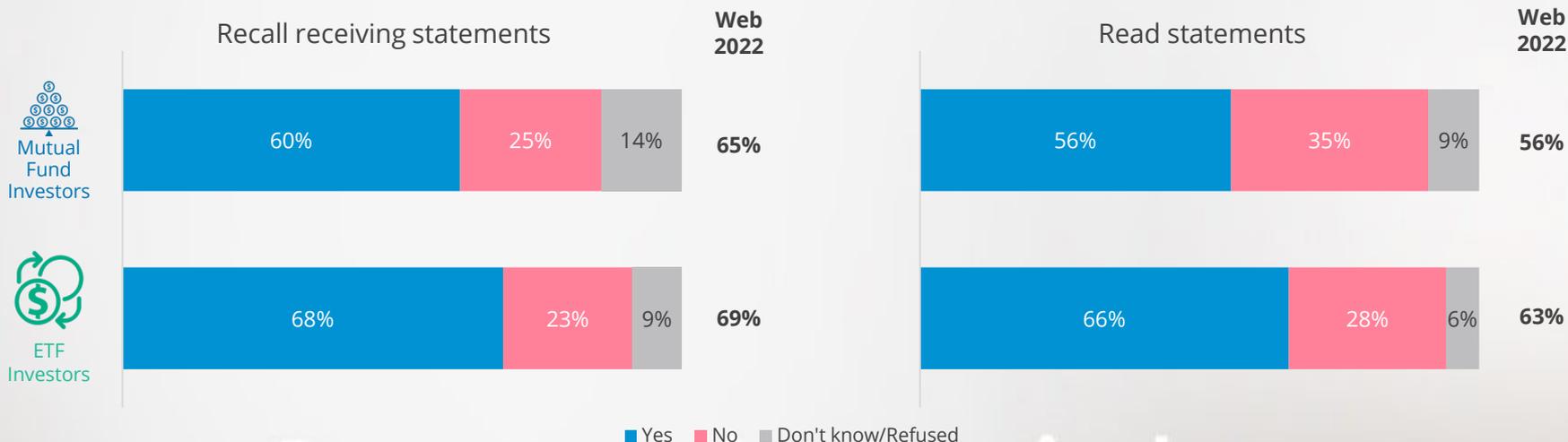
# Information Requirements and Investment Statements

---

# Fee and Performance (CRM2) Statement

Recall of their annual fee and performance (CRM2) statement has decreased among Mutual Fund investors, with the likelihood of reading remaining consistent.

- 65% of Mutual Fund investors recall receiving the CRM2 statement – a decline of 5% since last year. Recollection is higher among ETF investors (68%), which saw a decline of only 1%.
- The incidence of reading this statement is higher among ETF investors (66%, +3) than among Mutual Fund investors (56% no change).



Q25/26. Do you recall receiving annual fees and performance statement(s) for your investments this year? Q25. Have you read the annual fees and performance statement(s) that you received for your investments this year? Base: Web 2023 MF N=4121, Web 2023 ETFs N=1514 \* All results significant - Details in the notes

# Rating of Annual Fee and Performance Statement

Satisfaction with the information on the statements increased slightly since 2022.

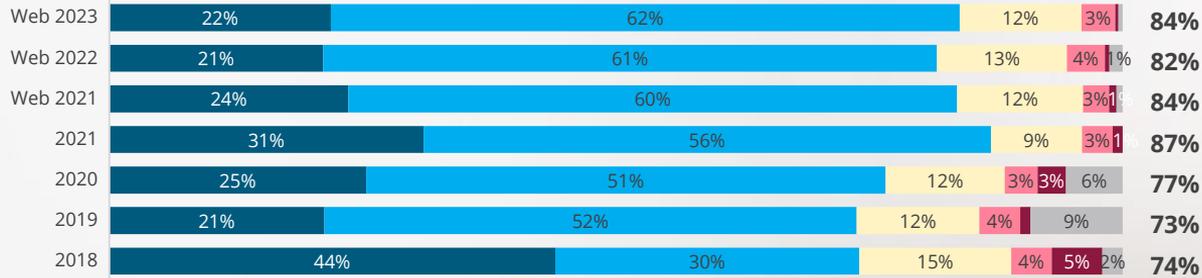


- Even though satisfaction with easy-to-understand statements and the information they provide slightly declined in 2022, it rebounded this year, returning to 2021 levels (easy to understand 80% +4, information I needed 84% +2).
- **Mutual Fund investors most satisfied with statement:** Knowledgeable investors; older (65+); men; larger portfolio; and more satisfied with their advisor.

The information in the statement was easy to understand



Provided me with all the information I needed



Total % Good/Excellent (7-10)

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



Q27. Please rate the quality of the information you received in your annual fees and performance statement(s) about your investments in each of the following areas. Base: Web 2023 MF N=2279

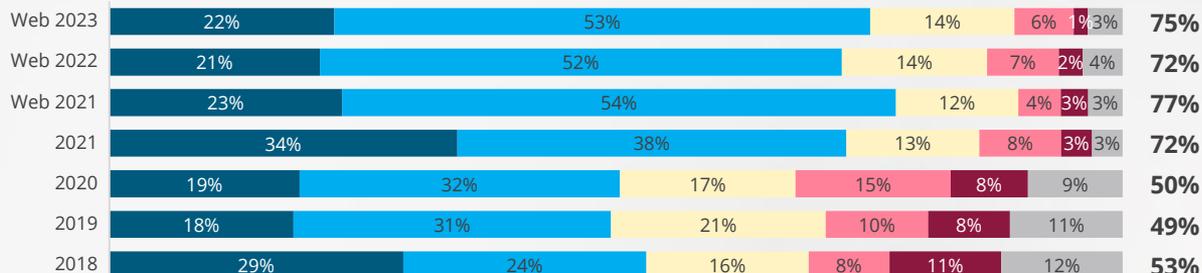
# Rating of Annual Fee and Performance Statement

Satisfaction with the statement clearly showing fees paid has increased by 22% since 2018.

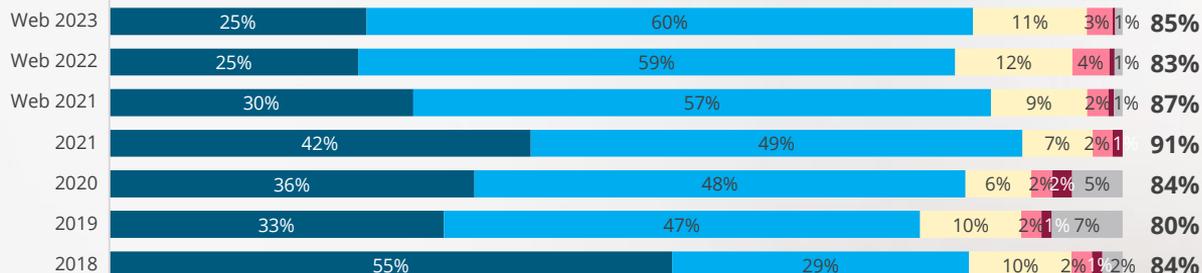


- After a decline of satisfaction with the statement clearly showing fees in 2022, this has rebounded by 3% this year, with satisfaction with this factor rising by 22% since 2018.
- Satisfaction with clearly showing the rate of returns has also increased this year to 85% (+2).
- **Mutual Fund investors most satisfied with statement:** Knowledgeable investors; older (65+); men; larger portfolio; and more satisfied with their advisor.

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



Clearly showed the rate of return on my account



Total % Good/Excellent (7-10)

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



# Rating of Annual Fee and Performance Statement

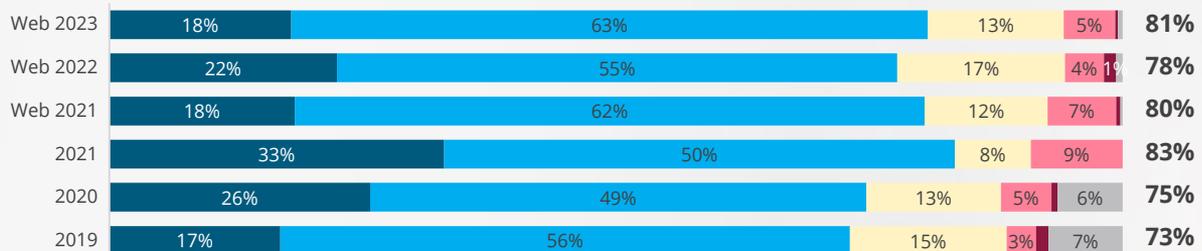
Satisfaction with information on statement has increased since 2022.



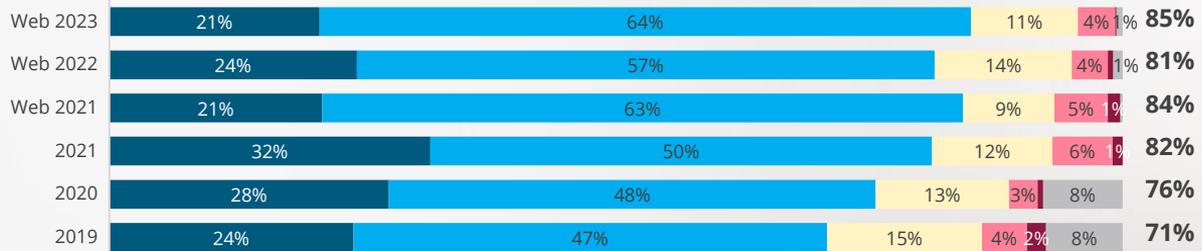
ETF Investors

- Satisfaction with comprehension of information and providing the information needed decreased slightly in 2022 but rebounded this year. Four-fifths feel that the information is easy to understand (81% +3) and the statements provide the information they need (85% +4).
- ETF Investors most satisfied with statement:** Knowledgeable investors; older (65+); and more satisfied with their advisor. Portfolio size among ETF investors has less impact.

*The information in the statement was easy to understand*



*Provided me with all the information I needed*



Total % Good/Excellent (7-10)

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

# Rating of Annual Fee and Performance Statement

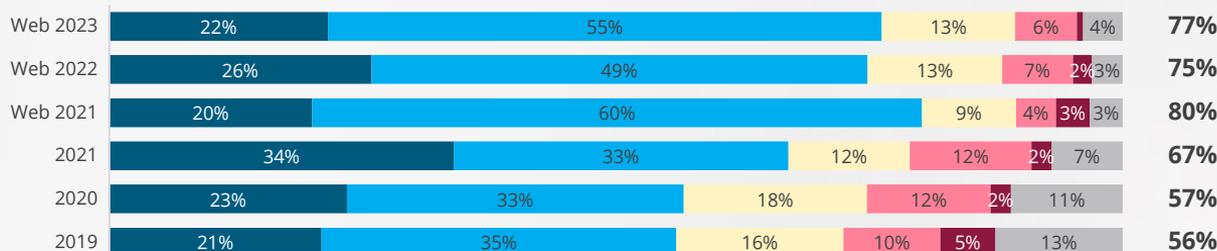
Satisfaction with the statement clearly showing fees paid has increased by 22% since 2019.



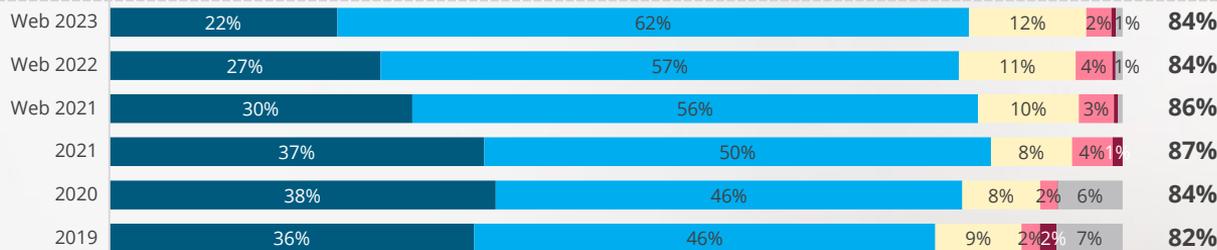
ETF Investors

- While satisfaction with the statements ability to show the fees paid decreased in 2022, it saw a slight increase this year to 77%, meaning it has increased by 22 points since 2019 (from 56%).
- Satisfaction with clearly showing the rate of returns remained consistent this year (84%).
- **ETF Investors most satisfied with statement:** Knowledgeable investors; older (65+); and more satisfied with their advisor. Portfolio size among ETF investors have less impact.

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



Clearly showed the rate of return on my account



Total % Good/Excellent (7-10)

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

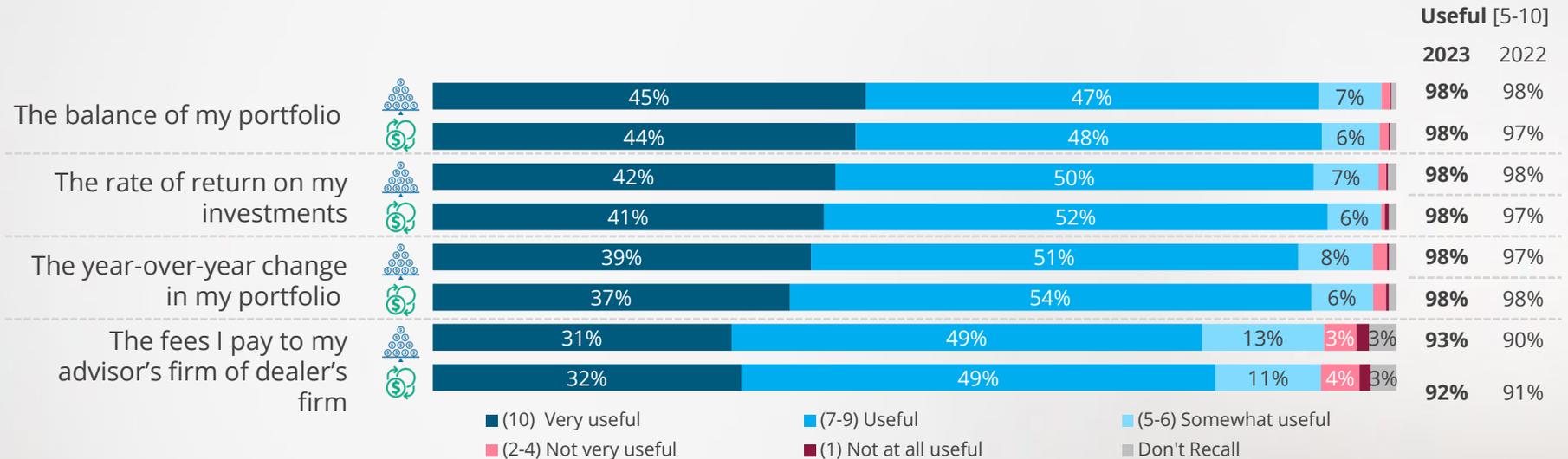


Q27. Please rate the quality of the information you received in your annual fees and performance statement(s) about your investments in each of the following areas. Base: those who recall receiving their annual statement for ETF account this year Base: Web 2023 ETFs N=959

# Usefulness of Statement Features

Portfolio balances, rate of returns and year-over-year changes are more useful features of statements than fees paid.

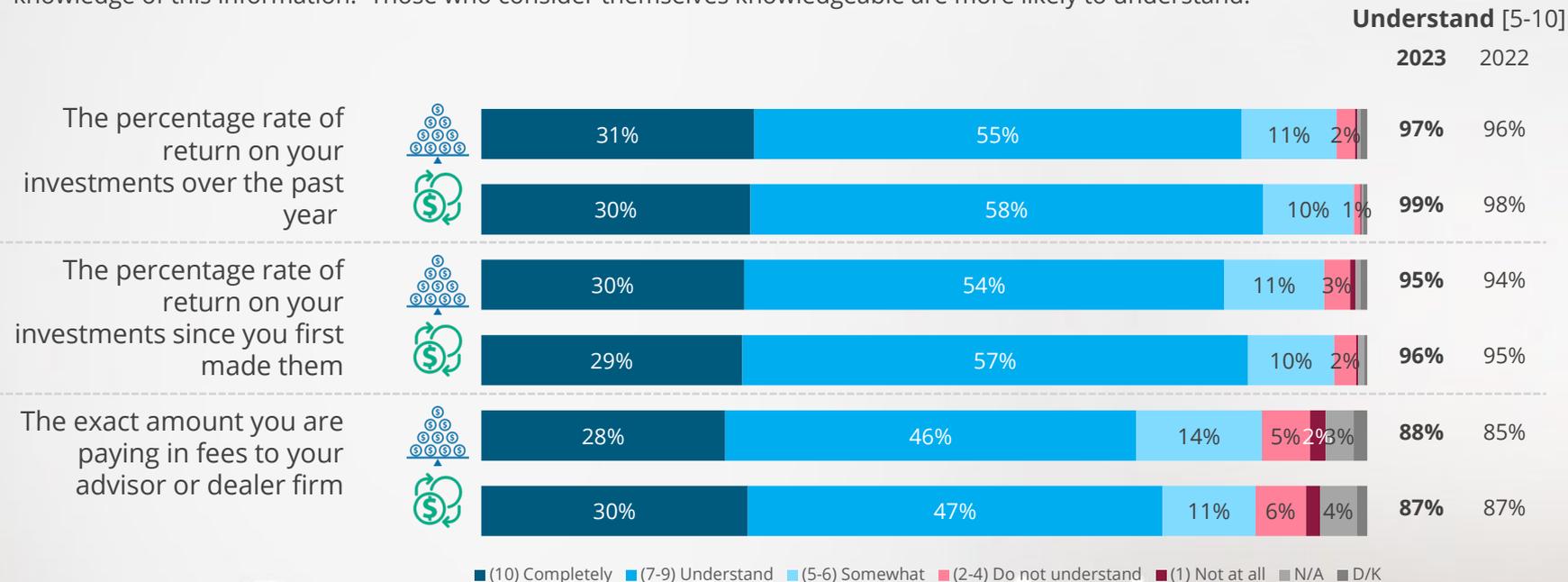
- Almost all investors find each feature of the annual statement to be at least somewhat useful. Almost half find the balance of their portfolio very useful, while two-fifths feel the same about the rate of return on investments and the year-over-year change in their portfolio.
- While nine in 10 find the fees they pay to be at least somewhat useful, only one in three say this is very useful. This is the area of the statement receiving the lowest usefulness marks.



# Comprehension of Information

While investors have some understanding, fewer completely understand their statements.

- Almost all investors have some understanding of the rate of returns (both annual and since inception), but just one in three completely understands.
- The amount of fees paid is least understood, while the majority say they understand it at least somewhat.
- **Profile of investors who understand completely:** Those who are older or have a larger portfolio are more likely to have strong knowledge of this information. Those who consider themselves knowledgeable are more likely to understand.



Q29. Based on the information contained in your statement, to what extent do you understand each of the following?  
 Base: Read Statements: Web 2023 MF: N=2266; Web 2023 ETF N=959

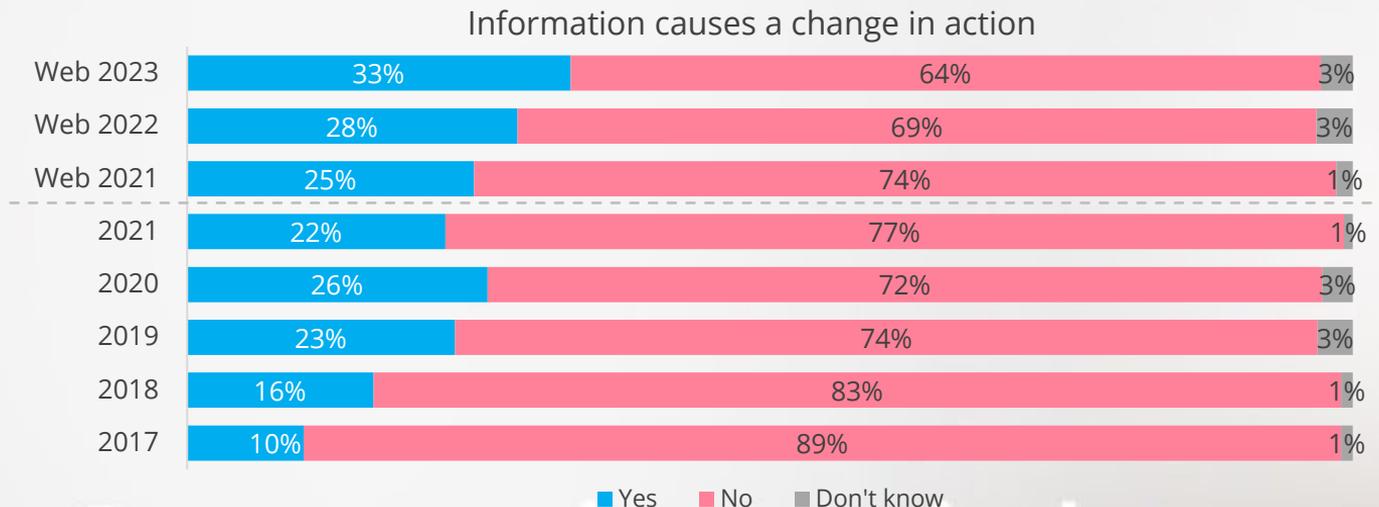
# Action Taken Due to Statements



Mutual Fund Investors

Likelihood of taking action due to the statement has increased again to an all-time high.

- The likelihood of taking action due to statements has increased again, with one-third (33%) saying they have done this. This is an increase of 5% since last year and 23% since 2017.
- **Profile of Mutual Fund investors who have taken action:** Knowledgeable; younger; and new to investing.



Q30. Has this information caused you to take any action when it comes to your account? Base: those who have read their annual statement for Mutual Fund account this year Base: Web 2023 MF N=2279

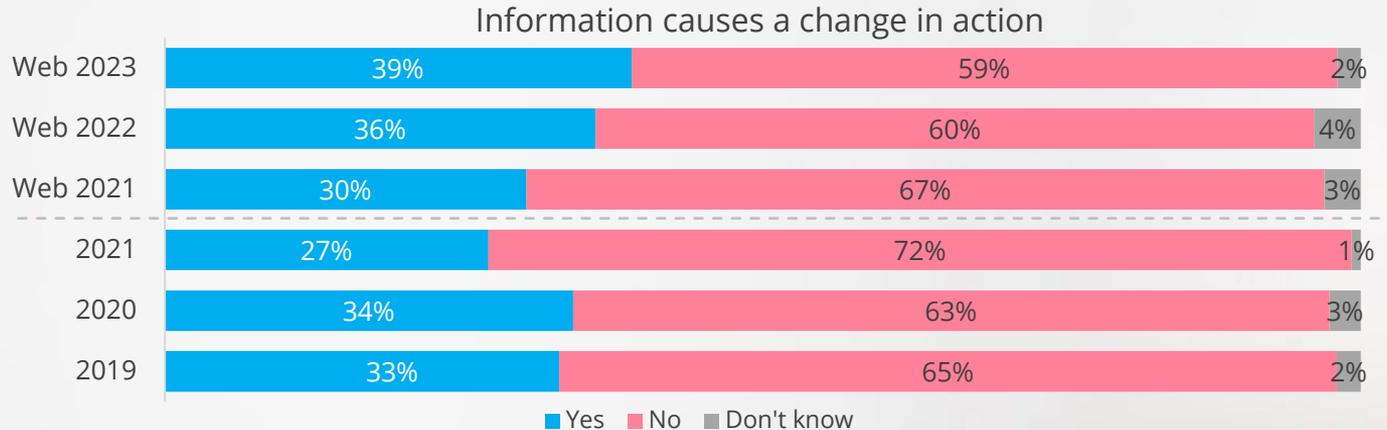
Strategic Insights

# Action Taken Due to Statement



ETF investors are more likely to take action than Mutual Fund investors, increasing since last year.

- 39% of ETF investors have taken action due to information in statements, an increase of 3% since last year and 9% since 2021
- **Profile of ETF investors who have taken action:** Younger, new to investing, women and knowledgeable.



Q30. Has this new information caused you to take any action when it comes to your account? Base: those who have read their annual statement for ETFs account this year - Base: Web 2023 ETF N=959

---

# Preferred Format for Investment Statements

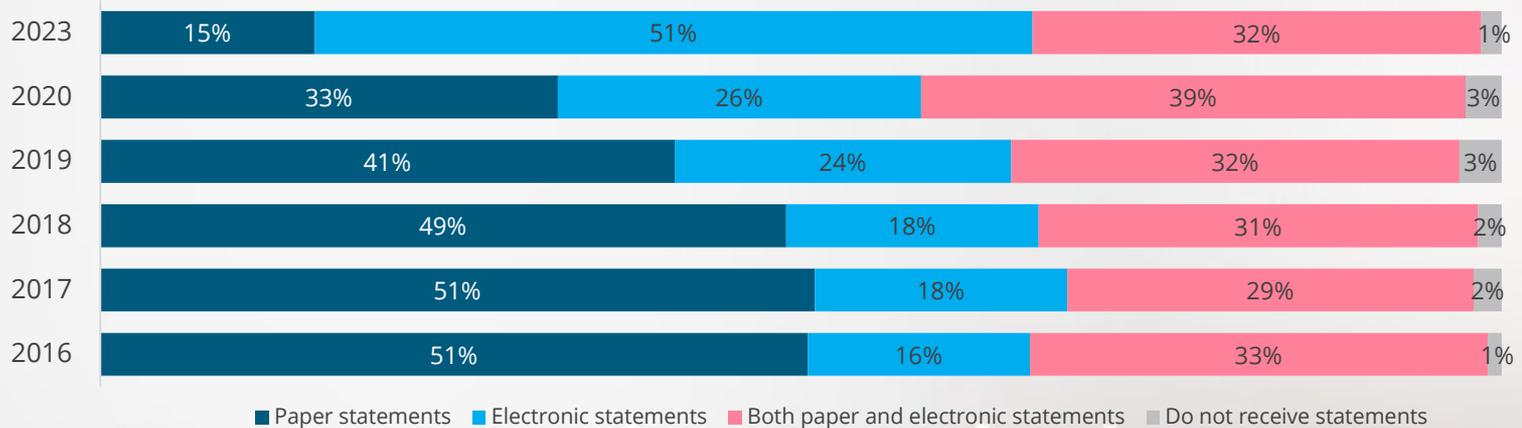
---

# Form of Mutual Fund Account Statements Received

There has been a significant decline in the use of paper statements since 2020.



- Almost all Mutual Fund investors recall receiving statements of their accounts, with only 1% saying they did not receive a statement.
- In 2017, half of Mutual Fund investors only received paper statements. This saw a steady decline to 33% in 2020, and now has dropped to 15%. Conversely, 51% now only receive statements online. Those who receive both paper and electronic statements has remained quite steady, with 32% saying they receive it in both formats.
- While paper-only statements are more popular with those 65 years of age and older than younger investors, only 22% of this group receive their statements in this way.

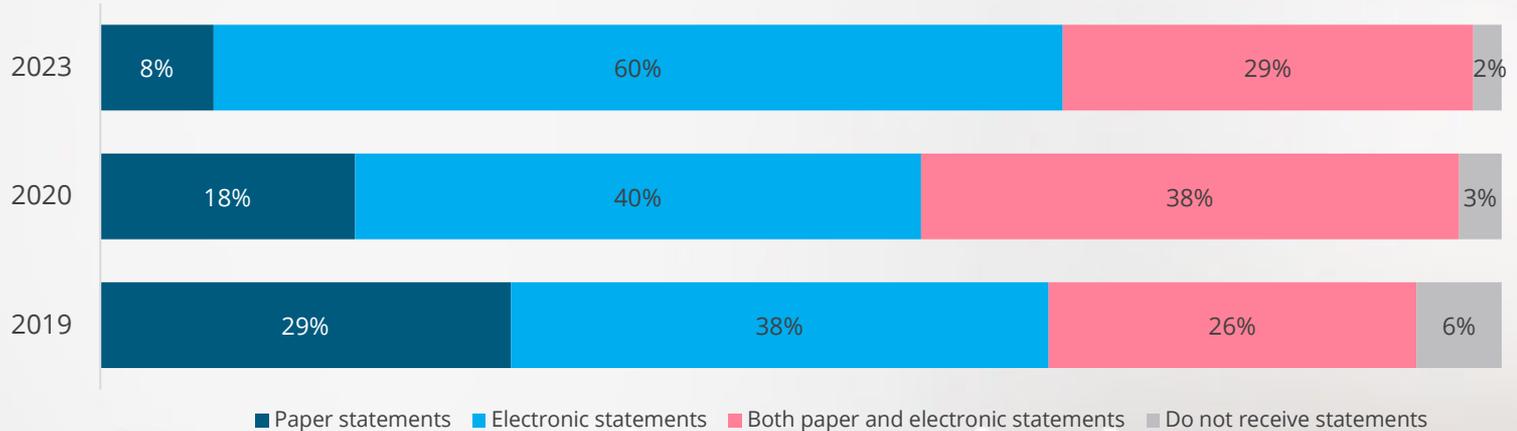


# Form of ETF Account Statements Received

Use of paper statements among ETF investors is even lower.



- Almost all ETF investors recall receiving statements of their accounts, with only 2% saying they did not receive a statement.
- Historically, use of paper statements has been lower among ETF investors than Mutual Fund investors. In 2019, 41% of Mutual Fund investors received paper statements only, compared to 29% of ETF investors. This trend continues, with only 8% of ETF investors currently getting paper statements only. Conversely, 60% get their statements electronically, and 29% get it both formats.
- While paper-only statements are more popular with those 65 years of age and older than younger investors, only 13% of this group receive their statements in this way.



Q24. In what form do you receive statements regarding your Mutual Fund/ETF accounts? Base: Mutual Fund N=4121

# Preferred Method for Statements and Fund Facts



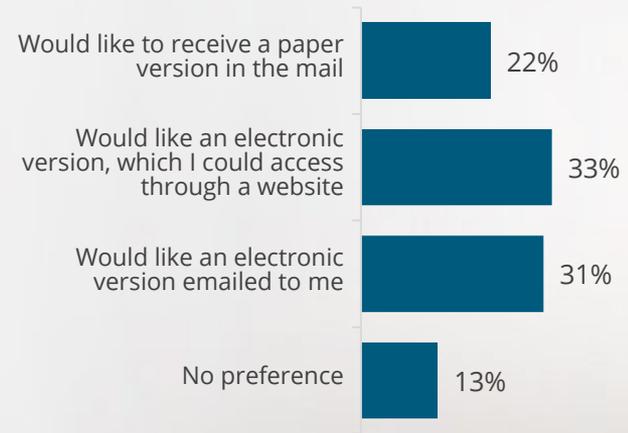
Most would prefer to receive all information in an electronic format.

- When it comes to personal statement information, Mutual Fund investors are most likely to prefer it to be available through an online portal (48%), while 16% would prefer the statement emailed.
- When it comes to Fund Facts, results are split between those wanting it available through email (31%) and on a website (33%).
- **Profile of those preferring paper statements:** Older investors would prefer paper statements (45-64 30%, 65+ 42%) and Fund Facts (45-64 23%, 65+ 31%).

How like to receive statements about account



How would like to receive Fund Facts or ETF Facts



Q33. How would you like to receive your statements about your specific account? Please choose only one. Base: Web 2023 MF N=4121

Q35. How would you like to receive Fund Facts or ETF Facts - which provides information about the Mutual Fund/ETFs you are purchasing and does not contain any of your personal account information. Base: Web 2023 MF N=4121

# Preferred Method for Statements and ETF Facts

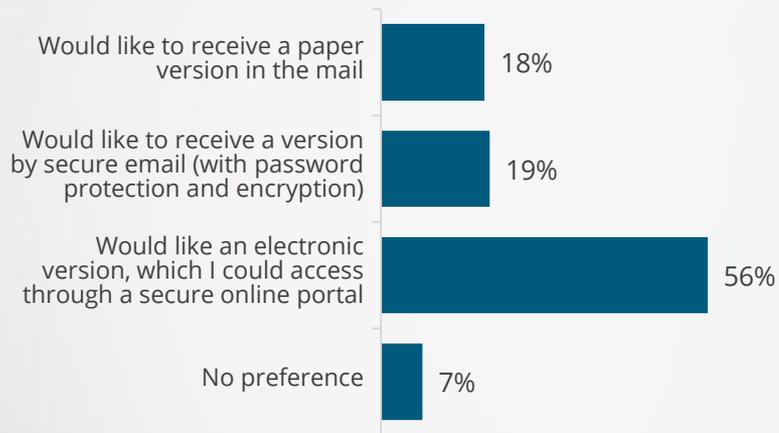


ETF Investors

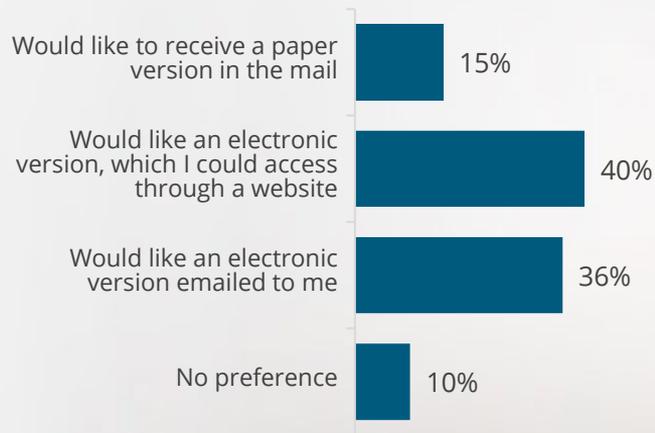
Few ETF investors want statements or ETF Facts through the mail.

- When it comes to personal statements, there is a strong preference among ETF investors to have these statements available through an online portal (56%), with 19% wanting them emailed and 18% through a paper version.
- When it comes to ETF Facts, results are split between those wanting it via email (36%) and those wanting it available on a website (40%).
- **Profile of those preferring paper statements:** Older investors would prefer paper statements (29%), and Fund Facts (65+ 22%). However, even among this group, the preference would be for electronic versions of each.

How like to receive statements about account



How would like to receive Fund Facts or ETF Facts



Q33. How would you like to receive your statements about your specific account? Please choose only one. Base: Web 2023 ETF N=1514

Q35. How would you like to receive Fund Facts or ETF Facts - which provides information about the Mutual Fund/ETFs you are purchasing and does not contain any of your personal account information. Base: Web 2023 ETF N=1514

# Reasons for Preferring Electronic Statements



Electronic statements are preferred for the environment and are easier to keep.

- Mutual Fund holders who prefer electronic statements say this is for environmental reasons (57%) and is also easier to manage (easier to file 56%, less clutter in the home 53%).
- When it comes to security, 34% appreciate the secure access which is provided electronically, while 22% do not want this information to be in the mail.
- One-quarter find it easier to read online (27%) and like that they can zoom in on certain parts (25%).

Why would you rather have electronic than paper form?



# Reasons for Preferring Electronic Statements



ETF  
Investors

ETF investors also prefer the ease and environmental aspects of electronic statements.

- As with Mutual Fund investors, ETF investors find e-statements easier (to file 57%, reduces clutter 54%) and they appreciate the environmental factors (53%). One-third (34%) believe it allows for secure access and 20% do not want their information sent in the mail.
- One-quarter find the electronic versions easier to read (easier to read 25%, zoom in on certain areas 25%).

Why would rather have electronic than paper form?

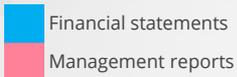


# Receipt of Financial Statements and Management Reports

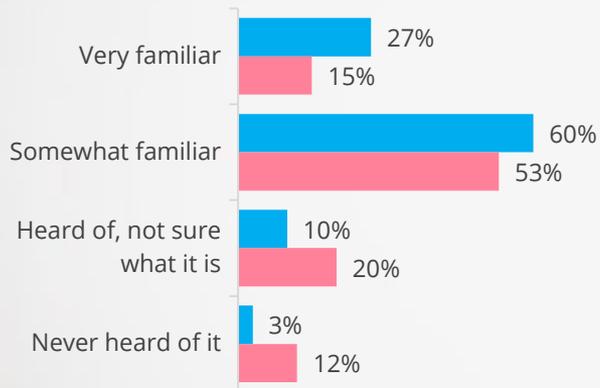


There is some familiarity and interest in reading financial statements and management reports, primarily through electronic methods.

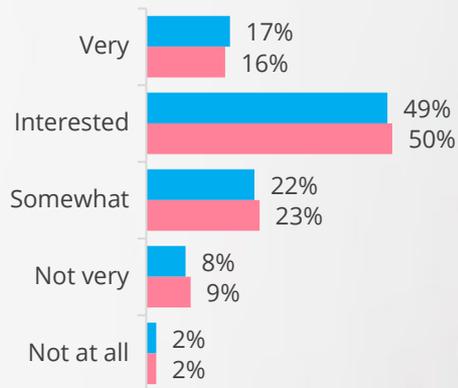
- While few are very familiar, most have at least heard of financial statements and management reports. There is some, albeit moderate, interest in reading both. Most would want these statements electronically, with two-fifths preferring they be available on a website and one-quarter wanting them emailed.



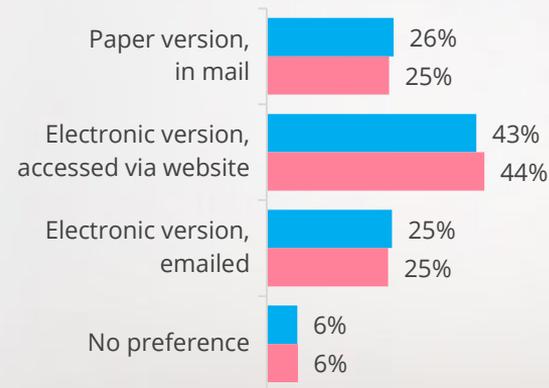
Familiar with?



Interested in receiving and reading?



How would like to receive this information?



Q36. How familiar are you with each of the following? Base: Web 2023 MF N=4121

Q37. How interested are you in receiving and reading the information in each, for your investment funds? Base: Those familiar - Web 2023 MF N=varies

Q38. How would you like to receive this information? Base: Those familiar/interested - Web 2023 MF N=varies

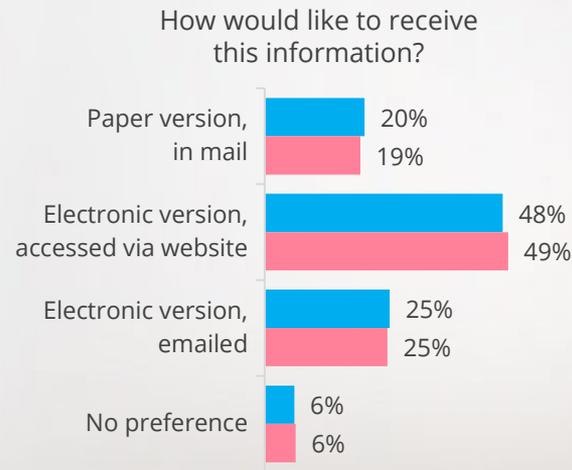
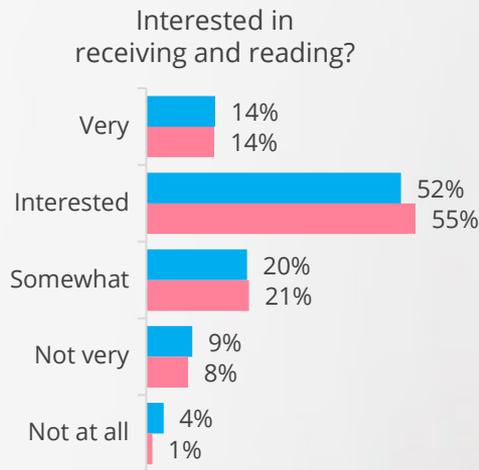
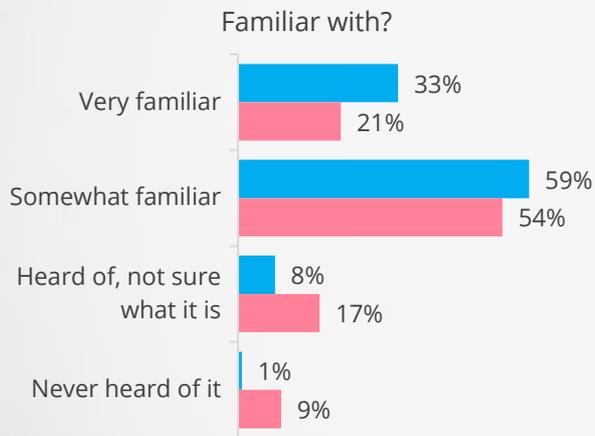
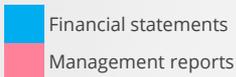
# Receipt of Financial Statements and Management Reports



ETF Investors

There is some familiarity and interest in reading financial statements and management reports, primarily electronically.

- As with Mutual Fund investors, most ETF investors have at least heard of financial statements and management reports, with the proportion who are very familiar with them being slightly higher among this group.
- There is some, albeit moderate, interest in reading both. Most would want these statements electronically, with half preferring they be available on a website and one-quarter wanting them emailed.



Q36. How familiar are you with each of the following? Base: Web 2023 ETF N=1514

Q37. How interested are you in receiving and reading the information in each, for your investment funds? Base: Those familiar - Web 2023 ETF N=varies

Q38. How would you like to receive this information? Base: Those familiar/interested - Web 2023 ETF N=varies

# Impact of Environmental Claim on Statement Preference

Most investors would be willing to receive information electronically, after hearing environmental claim

- Among the Mutual Fund investors who wanted paper statements, 36% would want to switch to electronic versions after hearing the environmental claim.
- ETF investors are more influenced, with 49% saying they would switch to electronic.
- **Willing to switch to electronic:** Those who are willing to make the change are more likely to be younger (under 44 Mutual Fund 58%, ETF 74%) and Quebec residents (Mutual Fund 47%, ETF 58%).

Each year, the Canadian investment industry mails out approximately 900 tonnes of paper to investors to meet its regulatory requirements (annual statements, etc.). These documents can also be accessed online. You mentioned that you would prefer a paper version of some of your investment statements or information. Given the above information, would you change your preference?



■ Yes, I would like to receive electronic versions

Total number of investors willing to receive information electronically		
Personal Statements	82%	89%
Fund/ETF Facts	86%	93%
Financial Statements*	83%	89%
MFRP*	83%	90%

\* Among those interested in receiving this information

Q39. Each year, the Canadian investment industry mails out approximately 900 tonnes of paper to investors to meet its regulatory requirements (e.g. annual statements, etc.). These documents can also be accessed online. You mentioned that you would prefer a paper version of some of your investment statements or information. Given the above information, would you change your preference? Base: Prefer a paper copy - Web 2023 MF N=1500; Web 2023 ETF N=453

---

# Awareness and Attitudes Toward Responsible Investments

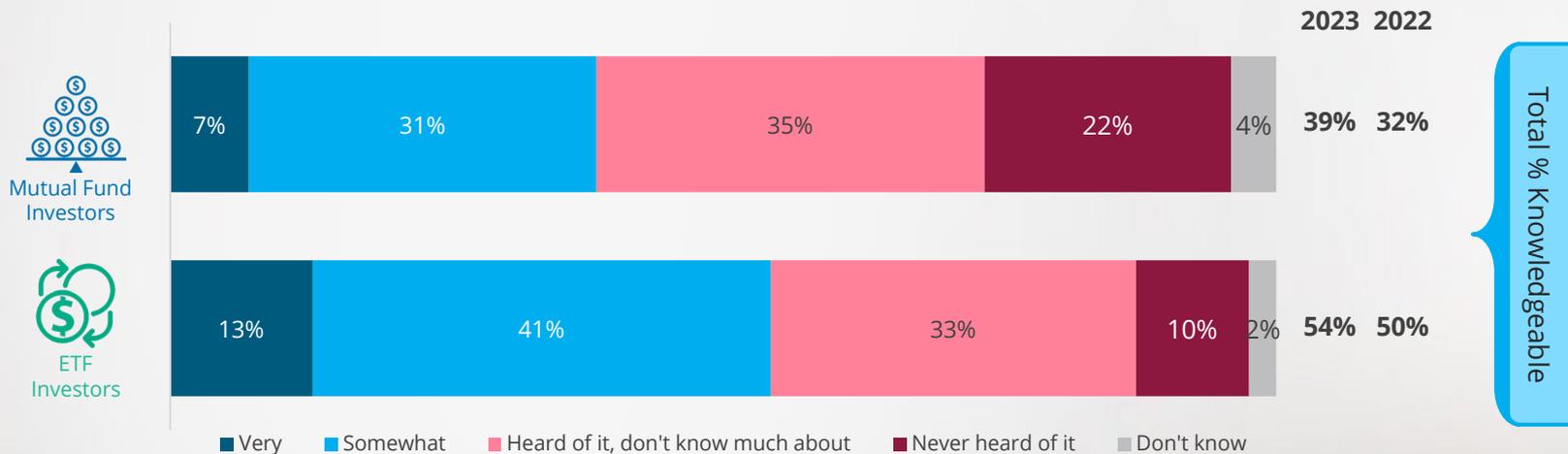
---

**pollara**  
strategic insights

# Knowledge of RI

While knowledge of RI is still limited, it has increased since last year.

- ETF investors are significantly more likely to be very or somewhat knowledgeable (54%), an increase of four points since last year. While Mutual Fund investors have less knowledge, their knowledge has increased by seven points (to 39%) since 2022.
- Investors who are most knowledgeable about RI;** men; younger and new to investing. Those who get information from social media or from non-professionals have more knowledge about RI.



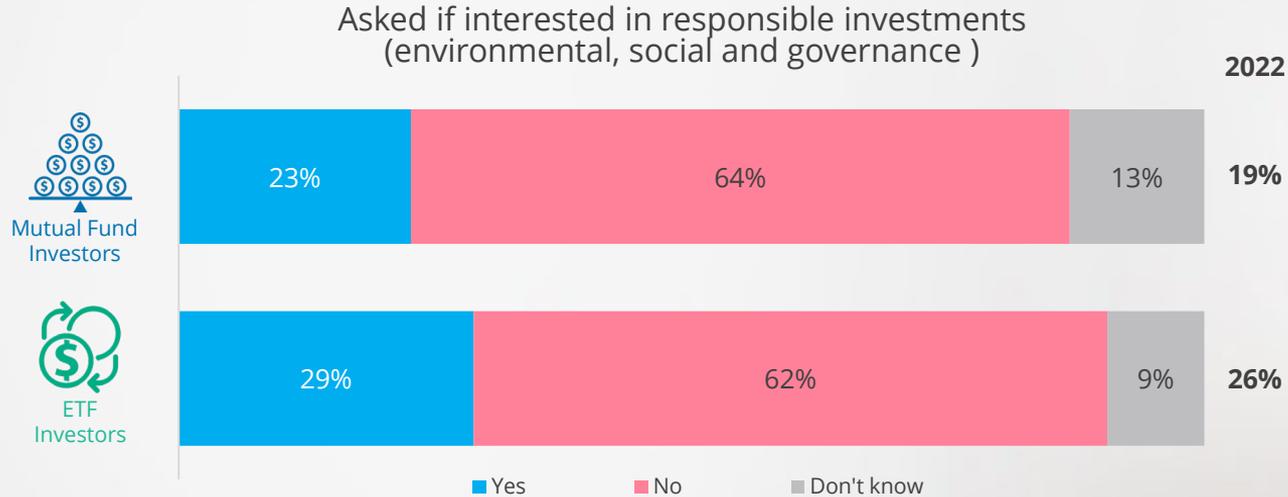
Q40. RI: A strategy to incorporate Environmental, Social and Governance criteria in investment decisions. Would you say you are...?

Base: Web 2023 MF N=4121, Web 2023 ETFs N=1514

# Asked about Interest in RI

While the minority of investors are asked if they are interested in RI, this has increased since last year.

- Most investors, whether Mutual Fund or ETF investors, continue to say they have not been asked if they are interested in RI. However, compared to last year, there has been an increase in the number who have (Mutual Fund investors 23% +4, ETF investors 29% +3).
- **Those more frequently asked about interest in RI:** Younger investors (18-44).



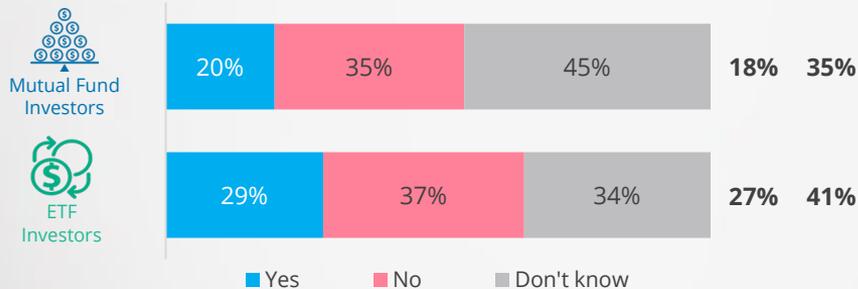
Q41. Has your financial advisor or financial institution ever asked you if you are interested in RI/ESG investing/Sustainable Investing?  
Base: Web 2023 MF N=4121, Web 2023 ETFs N=1514 \* All results significant - Details in the notes

# Inclusion of RI in Portfolio

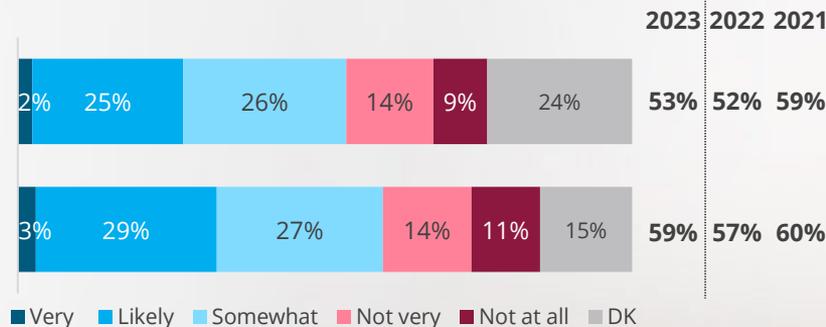
While a quarter of investors currently own responsible investments, a majority may include them in the future.

- The likelihood of holding RI declined significantly in 2022. This increased slightly in 2023, with 20% (+2) of Mutual Fund investors and 29% of ETF investors (+2) currently holding RI.
- More than half of both Mutual Fund (53% +1) and ETF (59% +2) investors who do not currently own RI believe they may include RI in their portfolio in the next couple of years. That said, 27% of Mutual Fund and 32% of ETF investors say this is likely (rated 7 to 10).

Currently have funds for RI in portfolio



Likelihood of including RI in portfolio



Total % Likely

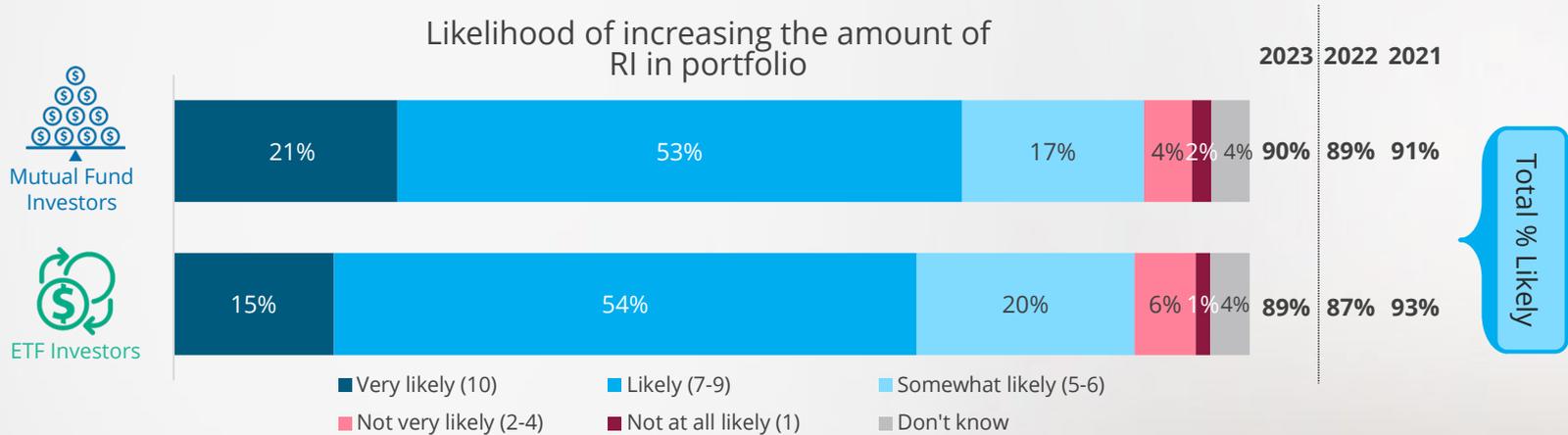
Note: In 2021, respondents were asked about RI and impact investing separately. In 2022, respondents were asked about RI, also called sustainable investing

Q42. Thinking of the funds that you own, are any of these funds RI/ESG investing/Sustainable Investing? Base: Mutual Fund N=4121, ETFs N=1514 Q43. Using the following scale, how likely are you to include RI/ESG investing/Sustainable Investing into your investment portfolio over the next couple of years? Base: Does not own ESG funds: Web 2023 MF N=3262, Web 2023 ETFs N=1049

# Addition of RI

Majority of the investors who already own RI are likely to increase the number of these products in their portfolio over the next few years.

- The majority of all investors who currently include RI in their portfolio expect to increase these products in the next few years, with almost nine in 10 saying they may. While the majority feel this is likely (rated 7-10), Mutual Fund investors feel more strongly about this with three-quarters rating this likely (74%) and one-fifth saying it is very likely (21%). This compares to the 69% of ETF investors who feel this is likely and 15% who say this is very likely.
- While overall likelihood of increasing RI has risen slightly for both Mutual Fund and ETF investors, the number of ETF investors who say this is very likely has declined (from 22% to 15%). Conversely, Mutual Fund investors who say this is very likely has increased (from 17% to 21%).

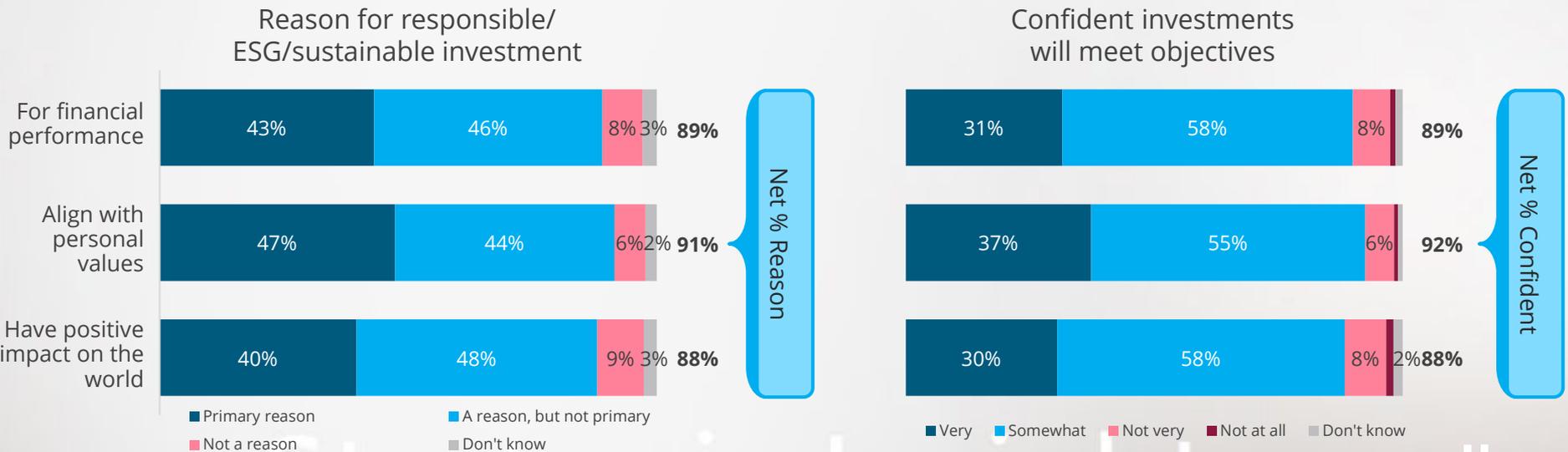


# Reasons for RI



Mutual Fund investors choose RI both for their financial performance and social impact and feel their investments will meet their objectives.

- RI are chosen both for their financial performance and their social impact, with nine in 10 listing these as reasons. While aligning with personal values is most likely to be listed as the primary reason (47%), 43% say financial performance and 40% say positive impact on the world (40%) are the primary reasons they have chosen RI investments.
- Nine in 10 Mutual Fund investors feel at least somewhat positive that their RI funds will meet both their financial and social objectives, although only one-third feel strongly about this. While aligning with personal values is most likely to be the primary reason, this reason is also most likely to be able to reach objectives (37%).
- **Those most likely to list aligns with personal values as primary reason for RI:** Younger, new to investing.



Q45. To what extent do you invest in Responsible Investments/ESG Investment/Sustainable Investments? Base: Owns responsible investments - Web 2023 MF N=859  
 Q46. How confident are you that your Responsible Investments/ESG Investments or Sustainable Investments will meet your objectives in each of the following areas. Base: Owns responsible investments / Reason for owning - Web 2023 MF N=varies

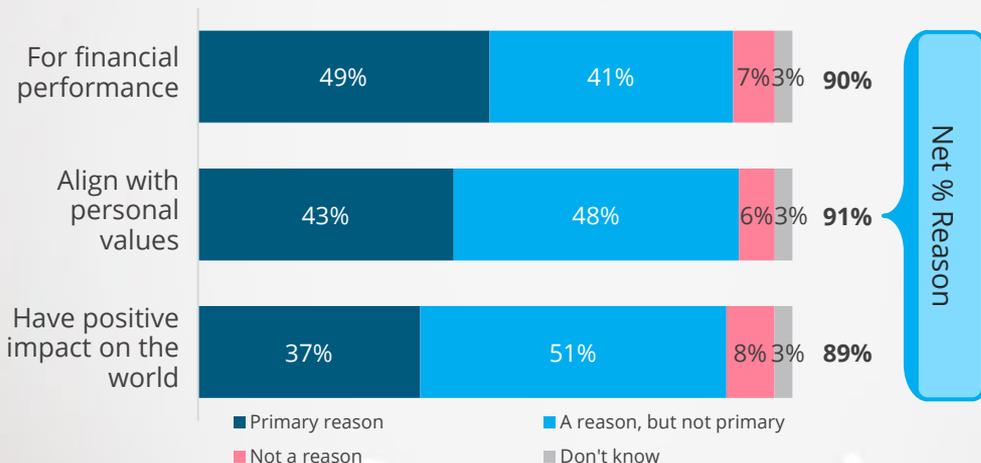
# Reasons for RI



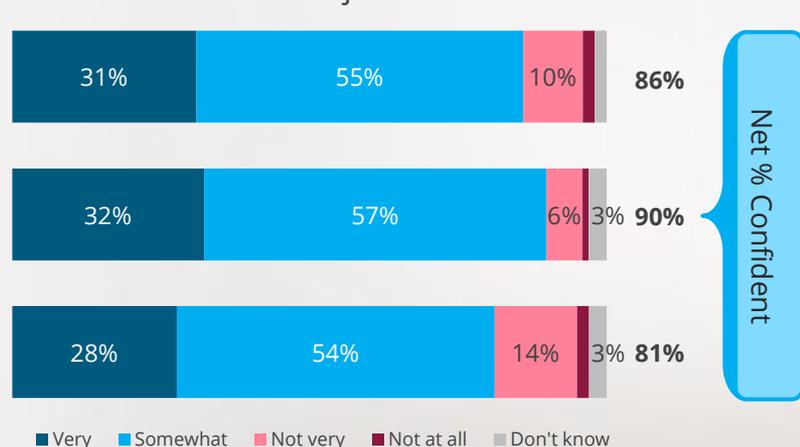
While social impact is important, ETF investors are more focused on the financial performance of RI.

- As with Mutual Fund investors, nine in 10 ETF investors say both financial performance and social impacts are reasons for RI. However, half (49%) say financial performance is the primary reason, compared to 43% who feel the same about aligning with personal values and 37% having a positive impact on the world.
- ETF investors also feel at least somewhat positive that the funds are meeting their objectives, with one in three feeling very positive.
- **Those most likely to list financial performance as the primary reason for RI:** Younger investors who are new to investing.

Reason for responsible/ ESG/sustainable investment



Confident investments will meet objectives



Q45. To what extent do you invest in Responsible Investments/ESG Investment/Sustainable Investments? Base: Owns responsible investments - Web 2023 ETF N=465  
 Q46. How confident are you that your Responsible Investments/ESG Investments or Sustainable Investments will meet your objectives in each of the following areas. Base: Owns responsible investments / Reason for owning - Web 2023 ETF N=varies

---

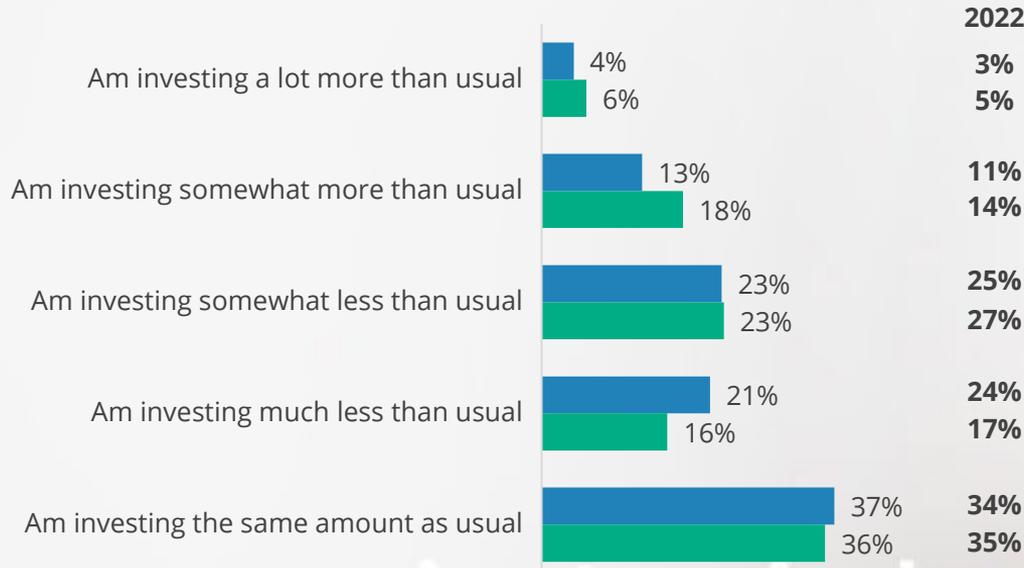
# Impact of Current Economic State on Investors

---

# Impact of Inflation on Current Investing

While the negative impact of inflation on investing has lessened, it is still there.

- 44% of Mutual Fund investors and 39% of ETF investors are currently investing less than usual due to inflation. This is a decline of 5% among both investor types.
- Mutual Fund investors are seeing the biggest cut, with 21% investing much less than usual (compared to 16% of ETF investors).
- One-fifth are currently investing more than usual (17% of Mutual Fund investors +4, 24% of ETF investors +5).
- **Those most likely to invest much less this year:** Women; lower level of investing knowledgeable; and investors not satisfied with their advisor. Those who obtain advice from social media are more likely to be investing more than usual.

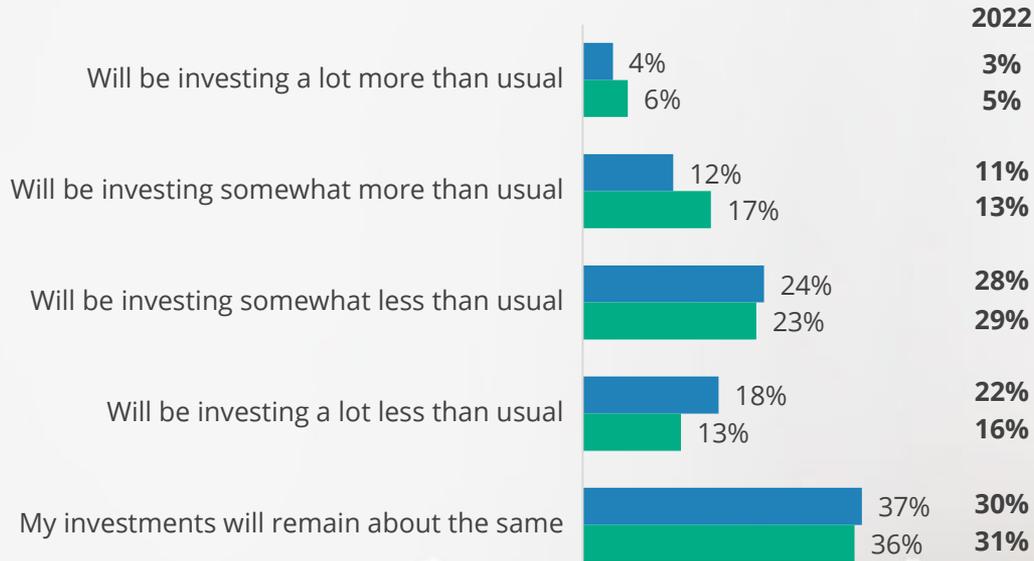


Q10. Has inflation and the rising cost of living impacted how much you are currently investing? Base: Total Web 2023 MF N=4121, Web 2023 ETFs N=1514.

# Impact of Inflation on Future Investing

While some expect the decline to last into next year, this has decreased since last year.

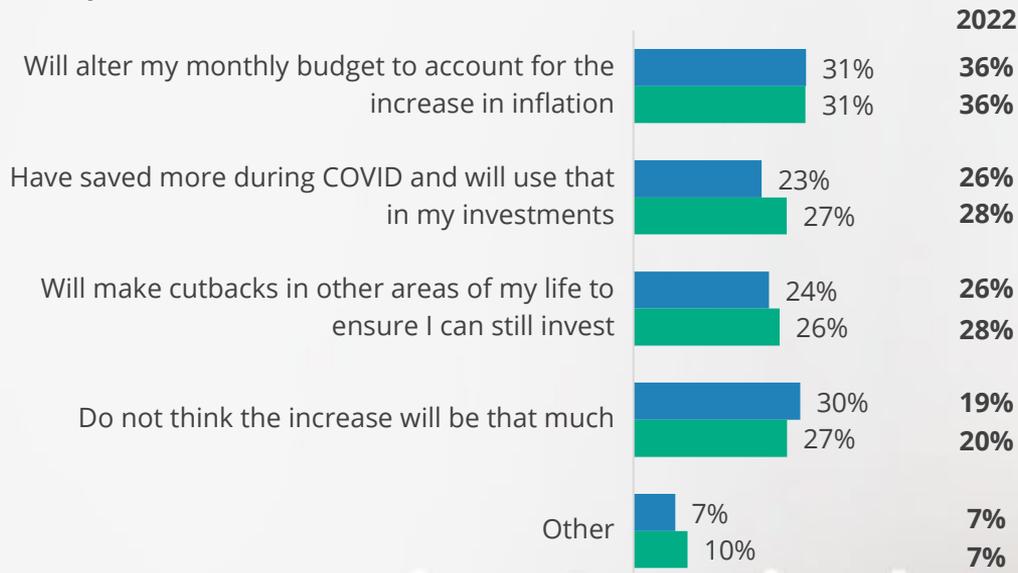
- Two-fifths of Mutual Fund (42%) and one-third of ETF (36%) investors expect that they will be investing less than usual next year due to inflation. This has decreased by eight points for Mutual Fund investors and nine points for ETF investors.
- Mutual fund investors are feeling this pinch, with 18% (-4) saying they will be investing a lot less compared to 13% (-3) of ETF investors who feel the same.
- **Those planning on investing much less:** Women; lower level of investing knowledgeable; and investors not satisfied with their advisor. Those who obtain advice from social media are more likely to increase investments in the next year.



# Investing Despite Inflation

Those who plan on investing more or the same amount next year are being less affected by inflation than last year.

- While many investors are making plans to deal with inflation, these plans are being made less often now, compared to last year. Specifically, while 31% of both investor types say they will alter their budget, this is down from 36% who said the same last year. The likelihood of using COVID savings in investments has also decreased (Mutual Fund investors 23% -3, ETF investors 27% -1).
- One in three believe the increase to inflation going forward will not be that much (Mutual Fund investors 30%, ETF investors 27%), an increase of 11% and 7% since last year.



Q12. How will you invest [a lot more/somewhat more/same amount] if there is an increase in inflation? Please select all that apply  
 Base: Those who Invest more or same Web 2023 MF N=2166, Web 2023 ETFs N=876.

---

**Lesli Martin**  
**Senior Vice-President, Public Affairs**

---

[LesliMartin@pollara.com](mailto:LesliMartin@pollara.com)

416.707.9770

**pollara**  
strategic insights