

BMO NESBITT BURNS

# Managed Portfolio Account



BMO  Nesbitt Burns®

Making money make sense®





## Not just any portfolio manager. *Your* portfolio manager.

Entering into a relationship with a personal Portfolio Manager takes you to the next level of investing. You have the peace of mind that comes from having a direct connection to the person making the investment decisions in your portfolio. And, you have more time to pursue your other goals and interests.

It's a win-win situation. You are directly in touch with the person managing your investments, yet are not required to oversee each decision. These are handled by *your* Portfolio Manager whom you've entrusted to manage your investments on a discretionary basis.

That's the unique promise of the BMO Nesbitt Burns Managed Portfolio Account®.



## Benefit from professional discretion.

Discretionary portfolio management means giving a professional Portfolio Manager the authority to make investment decisions on your behalf. Your investment strategy will be designed and managed according to your clearly-documented needs and goals. However, unlike a traditional investment account, it is not necessary for you to review and approve every single transaction.

The BMO Nesbitt Burns Managed Portfolio Account delivers fully discretionary portfolio management services through registered Portfolio Managers.\*

These advisors are in possession of among the highest credentials available to investment professionals. They have attained specialized certification, accumulated years of experience advising clients, and demonstrated the utmost in care and integrity with substantial assets under administration.

The BMO Nesbitt Burns Managed Portfolio Account is often a good fit for:

- Busy professionals, executives and business owners
- Retirees who travel often or have busy lifestyles
- Recipients of inheritances or other significant lump sums
- Individuals responsible for sizable family trusts
- Trustees of charities, foundations and endowments

If you have considerable assets to invest, the BMO Nesbitt Burns Managed Portfolio Account offers unique rewards. You can feel confident that your financial interests are being managed by a professional Portfolio Manager backed by the knowledge and resources of BMO Financial Group.

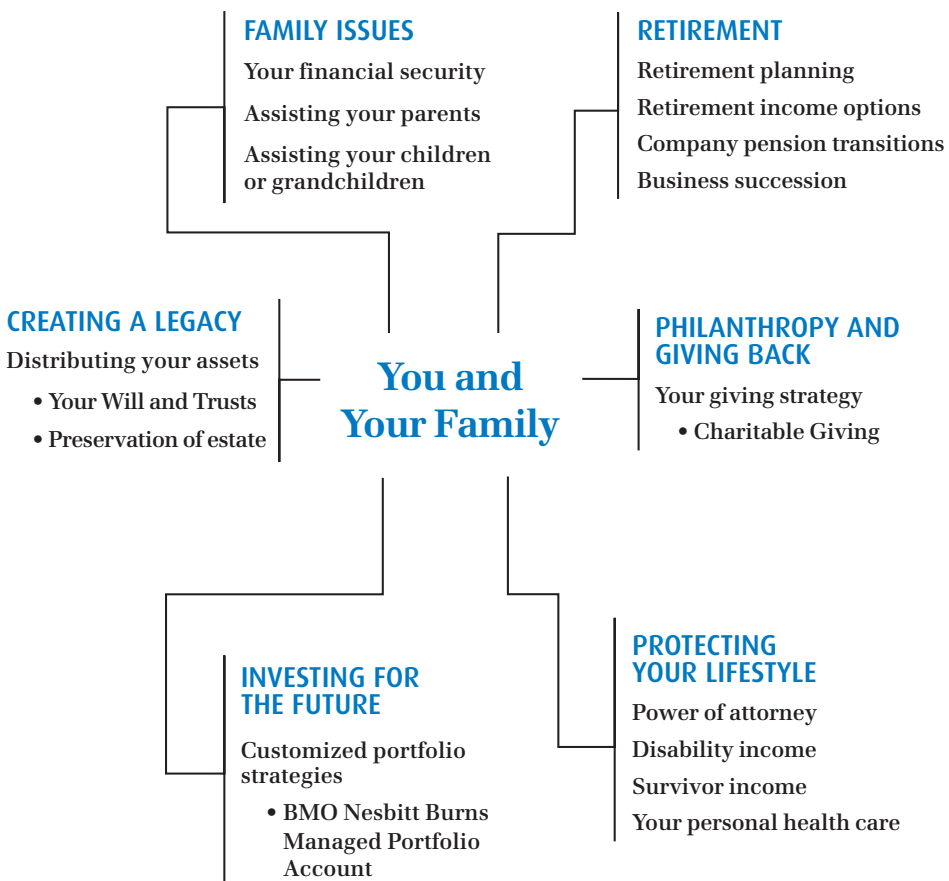
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\* Both Associate Portfolio Managers and Portfolio Managers can offer the BMO Nesbitt Burns Managed Portfolio Account to clients. For simplicity, we have used the term "Portfolio Manager" in this brochure.

# Have the best of all worlds.

The BMO Nesbitt Burns Managed Portfolio Account is unlike other investment services.

In addition to the boutique-style attention of having your own Portfolio Manager, you also have access to the vast resources of BMO Nesbitt Burns and BMO Financial Group. Your Portfolio Manager is your link to teams of complementary wealth management experts in areas such as insurance, private banking, estate planning, business succession planning, and more.







## Trust in a proven process.

Your BMO Nesbitt Burns Managed Portfolio Account will be highly personalized for your specific needs, yet your Portfolio Manager will follow a proven process to construct and manage your portfolio. This approach helps ensure that you can delegate the management of your investments with total confidence.

Your Portfolio Manager will carefully assess your needs, design an investment strategy based on time-tested investment methodologies and world-class investment research, and demonstrate a total commitment to acting in your best interests every step of the way.

### **Investment Policy Statement**

Your personal Investment Policy Statement is the foundation on which your Managed Portfolio Account is built. It guides your Portfolio Manager in building and managing your portfolio and serves as a constant benchmark against which to measure your progress.

To begin, your Portfolio Manager will work with you to build a comprehensive picture of you as an investor – everything from your current financial situation to your long-term objectives and any special circumstances.

Based on this analysis, your Portfolio Manager will develop your personal Investment Policy Statement, setting out your objectives and the types of investments you will own. Your Investment Policy Statement also outlines your overall investment profile – for example, whether you are a conservative investor focused on capital preservation, or a moderately aggressive investor seeking growth. For you, as well as your Portfolio Manager, your

Investment Policy Statement is an essential document that helps plan and direct your progress for the future.

You can have the peace of mind of knowing that your investment portfolio is professionally managed in accordance with your most important needs and wishes.

## Asset Mix

Stocks, bonds and cash each have unique risk and return characteristics, with higher expected returns generally correlating to higher expected volatility. A portfolio that's diversified across each of these asset classes can help you capture a fuller range of opportunities, including those with higher growth potential and those with the potential to reduce volatility.

Your Portfolio Manager will develop an asset mix for your portfolio that prudently balances your desire for growth or income with your need to protect valuable capital. Over the long term, this asset mix decision will typically have a greater impact on investment returns and performance than security-specific decisions—accounting for over 90% of portfolio volatility.\* Defining the asset mix of your portfolio is a critical step towards achieving the goals defined by your Investment Policy Statement.

## Portfolio Construction

In constructing your portfolio, your Portfolio Manager can draw on the deep resources of BMO Nesbitt Burns and BMO Capital Markets. This includes our top-ranked equity research<sup>†</sup>, the work of third-party research providers, and the expertise of our trading desks.

Your overall asset mix strategy will set the framework to build your portfolio. Once that framework is set, your Portfolio Manager will invest in a mix of investments from a wide range of investment opportunities, based on your Investment Policy Statement.

The BMO Nesbitt Burns Managed Portfolio Account is not a one size fits all solution – your portfolio is designed and managed for your specific needs. Since you directly own the holdings in your account, your Portfolio Manager has added flexibility to select unique investments, recommend particular trading strategies, and address issues such as increasing the overall tax efficiency of your portfolio.

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\* Brinson, Gary P., Randolph L. Hood and Gilbert L. Beebower. "Determinants of Portfolio Performance." *Financial Analysts Journal*. July/August 1986.

† Brendan Wood International Institutional Equity Research, *Sales and Trading Performance in Canada, 2009 Report*.



## **Portfolio Management**

Markets are always changing, and your Portfolio Manager has a finger on the pulse of economic developments. By synthesizing information gleaned through independent study, insights from BMO Financial Group analysts and economists, and esteemed third-party research groups, your Portfolio Manager is well-equipped to anticipate and respond to these developments in a manner that is consistent with the goals set out in your Investment Policy Statement.

With the ability to act on your behalf, your Portfolio Manager can make adjustments to your portfolio designed to take advantage of market opportunities or to limit potential risk.

### **BMO Capital Markets Equity Research**

Your Portfolio Manager has access to the top-ranked BMO Capital Markets equity research team. With a large, in-house department devoted exclusively to research, your Portfolio Manager draws upon this knowledge and insight to help choose the investments designed to meet your objectives.

### **BMO Capital Markets Economics**

This team of economists provides timely information and forecasts about the economies of Canada, the United States and the world. They also monitor and forecast trends in the price of currencies and commodities.



## **BMO Nesbitt Burns Portfolio, Action & Research Team**

BMO Nesbitt Burns has a team of individuals dedicated to providing timely insights and analysis, drawing from a broad range of resources within BMO Capital Markets as well as from third-party providers. This group is called the Portfolio, Action & Research Team.

The team distils research from BMO Capital Markets and third-party providers to identify recommendations for Canadian, U.S. and international equities, fixed income securities, as well as investment funds and exchange traded funds.

Asset mix recommendations are generated by the Private Client Investment Strategy Committee. The committee is composed of senior investment professionals with backgrounds in economics, fixed income, equity strategy and analysis, and portfolio management.

## **Review and Monitor**

You will be kept well informed through regular contact with your Portfolio Manager as well as a monthly statement of account that details your holdings, transactions and the value of your portfolio.

Over the years, your evolving personal needs may dictate changes to your Investment Policy Statement or portfolio composition. You will always have an open line of communication with your Portfolio Manager to ensure that you understand the activity taking place in your portfolio, and that your investment strategy and your life goals remain clearly aligned.

## **Online Tools**

At BMO Nesbitt Burns, it's our goal to ensure that you're connected to the best information, knowledge and expertise available. That's why we developed BMO Nesbitt Burns Gateway®, an online client information centre that provides instant access to a wealth of information about your account from any location, 24 hours a day.



## Sophisticated wealth management made *truly* personal.

It may be time to consider the benefits of the BMO Nesbitt Burns Managed Portfolio Account.

Discretionary portfolio management is a decision that can give you more freedom and peace of mind. By delegating the management of your investments to a personal Portfolio Manager, you can reap the rewards of a highly customized investment strategy and professional management without having to devote your time to daily decision making.

We invite you to discover how the BMO Nesbitt Burns Managed Portfolio Account can make sophisticated wealth management a truly personal experience.





[www.bmonesbittburns.com](http://www.bmonesbittburns.com)

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**Member-Canadian Investor Protection Fund**

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