

# Affluent Investing: Incl Impact of COVID-19 - Canada - April 2020

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## This report looks at the following areas:

- The impact of COVID-19 on consumer behaviour and the affluent investment market
- How the affluent investment market will fare post-COVID-19
- Consumer attitudes and behaviour related to affluent investors (those with over \$500,000 in investments) and millionaires (those with over \$1 million in investments)
- Product ownership, type of investment firm used for wealth management, investment activities, amount of investments and segmentation by amounts owned, attitudes related to financial advice and investing

The rise in global wealth growth came to a sharp halt recently as markets dropped due to COVID-19. But as affluent investors take stock of the situation, their attitudes and behaviours are not likely to change much given that markets rise and fall all the time (albeit, not as precipitously). In other words, most of the affluent still remain affluent, though possibly shaken a bit by recent market events.

The wealth management industry worldwide is estimated at \$75 trillion and the Canadian market at \$5 trillion. As affluent investors make up the bulk of the investment business of wealth management firms, this market is of greater interest to the financial industry.



“In the short-term, affluent consumer preferences shift to safer fixed income investments such as bonds, savings accounts and GICs. But in the middle to longer-term, relatively normal levels expected to resume, potential with an increase in use of financial advisors as affluent investors are more likely to value expert advice.”

– Sanjay Sharma, Senior Financial Services Analyst

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## Table of Contents

### OVERVIEW

- What you need to know
- Key issues covered in this Report
- Definitions
- Income
- Glossary

### EXECUTIVE SUMMARY

- Impact of COVID-19 on investing
- Some 4% of Canadians have at least a million in investments

Figure 1: Breakdown of Investments (excluding cryptocurrencies), January 2020

- Around half of affluent investors own fixed income investments and stocks

Figure 2: Ownership of products/accounts, by level of investments, January 2020

- Affluent women are less comfortable, what can the industry do?

Figure 3: General attitudes about investing, affluent man vs affluent women, January 2020

- Younger are more socially conscious

Figure 4: General attitudes and behaviours about investing (select), 18-44s vs Over-45s, January 2020

- Affluent women more likely to use robo-advisors
- What it means

### THE IMPACT OF COVID-19 ON AFFLUENT INVESTING

- Summary

Figure 5: Short, medium and longer term impact of COVID-19 on affluent investing, April 2020

- Opportunities and Threats
- A temporary flight to safer investments is inevitable...
- ...and the crisis will increase the popularity of ESG investing
- An emphasis on community and mutual support

Figure 6: Vancity Facebook post, March 2020

- Playing to their confidence as investors

Figure 7: Desjardins Online Brokerage mobile ad, May 2020

Figure 8: Fisher Investments Canada online ad, May 2020

- Market impact of COVID-19
- Fewer in-person interactions as consumers move online
- Mutual funds face flood of redemptions, some real estate funds halt redemptions

### What's included

Executive Summary

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- Shifts in consumer behaviour
- Affluent investors more likely to keep their investments in Canada
- How the crisis will affect key consumer segments
- Women are more likely to cut spending drastically
- Opportunity for robo-advisors to target affluent women
- Younger affluent Canadians may be experiencing a cash surplus
- How a COVID-19 recession will impact consumer finances
- Unemployment is a concern as GDP drops
- Economic update
- Moving from 2019, perception of financial health was already softening

Figure 9: Perception of financial health, January/February 2015-20

- COVID-19: Canadian context

#### THE MARKET – WHAT YOU NEED TO KNOW

- Financial market impact of COVID-19
- Affluent market segment perspective: doctors
- New deferred annuities to provide greater income security for retirees
- Deferred sales charges to be banned
- Trailer fees also on the “ban radar”

#### WHAT’S NEW?

- Financial market impact of COVID-19  
Figure 10: Worry about impact of COVID-19 on one’s lifestyle, March 26 – April 1, 2020
- Affluent market segment perspective: doctors
- Background
- Doctors vs other affluent clients
- Competition
- New deferred annuities to provide greater income security for retirees
- Deferred sales charges to be banned
- Trailer fees also on the “ban radar”

#### KEY PLAYERS – WHAT YOU NEED TO KNOW

- Partnerships and acquisitions
- Legal and regulatory news
- Marketing campaigns

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## INDUSTRY DEVELOPMENTS AND INNOVATIONS

- **Subsidiary of Purpose Financial buying Wealthsimple's financial-advisor business**
- **Hub Financial partners with Nest Wealth**
- **Discount brokerages hit with class-action lawsuit**
- **Handing back control of PACE credit union to members**
- **Taking over stock market trading supervision in Canada**
- **Mutual funds face flood of redemptions, some real estate funds halt redemptions**

## MARKETING CAMPAIGNS

- **Manulife puts disciplined advice at the forefront**  
Figure 11: Manulife Investment Management - The Farm, February 2020
- **BMO breaks biases**  
Figure 12: BMO | Jane's Story, March 2020
- **Ellevest (US)**  
Figure 13: Retirement in Real Life: Irene Buchman & Kayla Gluck, January 2019

## THE CONSUMER – WHAT YOU NEED TO KNOW

- **Some 4% of Canadians have more than a million in investments**
- **Around half of affluent investors own fixed income investments and stocks**
- **Retail banks most favoured for investing**
- **Majority of investors are risk averse, less so among affluent**
- **Affluent women more likely to outsource investment decision making**
- **Affluent women are less comfortable interacting with the investment industry**

## AFFLUENCE & PRODUCT OWNERSHIP

- **Some 4% of Canadians have at least a million in investments**  
Figure 14: Breakdown of Investments (excluding cryptocurrencies), January 2020  
Figure 15: "Who are the affluent?" by age and gender, January 2020
- **Some 11% have a net worth of more than a million**  
Figure 16: Breakdown of net worth (including real estate and pensions), January 2020
- **Half of Canadians have a TFSA, majority have a savings account**  
Figure 17: Ownership of products/accounts, January 2020

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

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- **Around half of affluent investors own fixed income investments and stocks**

Figure 18: Ownership of products/accounts, by level of investments, January 2020

- **Affluent men have a higher ownership of stocks and ETFs**

Figure 19: Ownership of products/accounts (select), affluent men vs affluent women, January 2020

#### TYPE OF FINANCIAL INSTITUTION USED

- **Retail banks most favoured for investing**  
Figure 20: Type of FI used for investing, January 2020
- **Those with \$500k-\$1 million in investments are key clients for independent investment companies**
- **...while millionaires are key clients for bank/credit union owned wealth management subsidiaries**

Figure 21: Type of FI used for investing, by amount of investments, January 2020

- **Discount brokerage use trends higher among affluent, Chinese Canadians and men**

#### INVESTING ACTIVITIES

- **Around half have performed one of the selected investing activities**  
Figure 22: Investing activities performed, January 2020
- **Passive investing and using investment software holds more appeal to affluent men**  
Figure 23: Investing activities performed (select), by amount of investments, January 2020
- **Estate planning and charitable giving are more important for affluent**
- **Affluent women more likely to use robo-advisors and create a financial plan**

Figure 24: Investing activities performed, (Select), affluent men vs affluent women, January 2020

#### ATTITUDES TOWARDS INVESTING

- **Majority find investing complicated and interesting**  
Figure 25: Attitudes towards investing, January 2020
- **Majority of investors are risk averse, relatively less among affluent**  
Figure 26: Attitudes towards investing (% agree), affluent vs overall, January 2020
- **Majority feel that investing in property is safer than the stock market**

#### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

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- **Affluent women are more risk averse**

## FINANCIAL ADVICE

- **Awareness about financial advice is fairly high**  
Figure 27: Attitudes related to financial advice, January 2020
- **Younger consumers are strongly open to digital communication with their financial advisor**  
Figure 28: Attitudes related to financial advice (select), 18-44s vs over-45s, January 2020
- **Affluent women more likely to outsource investment decision making to a financial advisor**  
Figure 29: Attitudes related to financial advice (select), affluent vs overall, January 2020

## INVESTING STRATEGIES & GENERAL ATTITUDES

- **Only one in four comfortable interacting with the investment industry**  
Figure 30: General attitudes and behaviours about investing, January 2020
- **Younger are more socially conscious**  
Figure 31: General attitudes and behaviours about investing (select), 18-44s vs over-45s, January 2020
- **Affluent women are less comfortable, what can the industry do?**  
Figure 32: General attitudes about investing (select), affluent men vs affluent women, January 2020
- **Affluent investors more likely to keep their investments in Canada**  
Figure 33: General attitudes and behaviours about investing (select), affluent vs overall, January 2020

## APPENDIX – DATA SOURCES AND ABBREVIATIONS

- **Data sources**
- **Consumer survey data**
- **Abbreviations and terms**

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

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