

Are *all* your assets working together efficiently?

Diversification is an important strategy to incorporate into any portfolio. By holding a mix of asset classes, your portfolio can benefit from good performance in all areas, yet is protected from downturns in any one.

But there is one instance where diversification is less understood — some investors mistakenly believe that holding their investments at several financial institutions enhances their investing strategy. In fact, if you currently have savings accounts, Guaranteed Investment Certificates (GICs), Registered Retirement Savings Plans (RRSPs), mutual funds, and other investments held across a number of institutions, consolidating them into one, well-managed portfolio can provide a number of benefits.

The power of one

When your investments are held across more than one institution, it can be very challenging to ensure that they are all working together and that your advisors are aware of your total financial

picture. With your assets held together, it is easier for us to see the big picture and develop a portfolio solution that consistently reflects your goals, time horizon, and risk tolerance.

Simplified record keeping

When you hold all your assets with a single institution, you get one convenient, easy-to-read statement that details all your investments, income, capital gains, and transactions.

This allows professional advisors like me to do a better job on your behalf. It becomes much easier for us to diversify and monitor your portfolio, identify investment opportunities, track transactions for tax purposes, and check your progress towards your goals.

Asset allocation. If you have one account, your statement tells you how much of your total portfolio is in equities, fixed income, and cash. This makes it easier for me to see your true asset allocation — for more precise rebalancing — and easier for you to see the results.

Effective diversification.

When your assets are held across numerous financial companies, it can be difficult to spot areas of overlap or duplication. For example, while each individual account might be adequately diversified, on an overall basis, you might have an unhealthy concentration of holdings within one asset class, geographic area, or sector. Or, you might be overly diversi-

One portfolio, many advantages

- One account statement
- Potential for more effective asset allocation
- Less risk of over- or under-diversification
- Simplified tax reporting
- Greater possible tax efficiency
- Better access to investment opportunities

Continued on reverse

Working together

Continued from front

fied, with your capital spread too thin for gains in any one sector to have much impact on total portfolio performance.

Working with one consolidated portfolio can eliminate the risk of over- and under-diversification.

Tax efficiency. Consolidating your assets makes your life easier at tax time. For starters, you need only wait for one or two tax receipts to cover all your RRSP contributions. It's also easier to track annual capital gains and losses.

What's more, with your assets in one institution, it is easier to ensure that investments that generate different types of income are allocated across registered and non-registered accounts in a tax-efficient manner.

Investment opportunities. Too often, people think that consolidating means giving up access to a complete range of investments. This is not the case. In fact, dealing with one firm may provide you with greater access to investments that might otherwise be unavailable because they carry high minimum investment requirements. And consolidating your RRSPs may enable you to take advantage of more foreign investment opportunities.

For example, you can maximize your RRSP's foreign content by consolidating your different plans into one account — including those, such as a GIC-only RRSP, which do not take advantage of their foreign-content room.

More professional advice. Nor do you lose access to multiple opinions when you consolidate your assets

with one firm. I am supported by a number of financial specialists who work together to provide integrated solutions that draw on each expert's specific knowledge. At ScotiaMcLeod, you have an entire team of experts — economists, market strategists, portfolio managers, and analysts — working for you.

Lower costs. If you have accounts at several places, you may be paying multiple management fees. Consolidating several accounts into one may reduce the number of fees paid on a per-account basis. In addition, fees may be reduced for portfolios that exceed a certain minimum value.

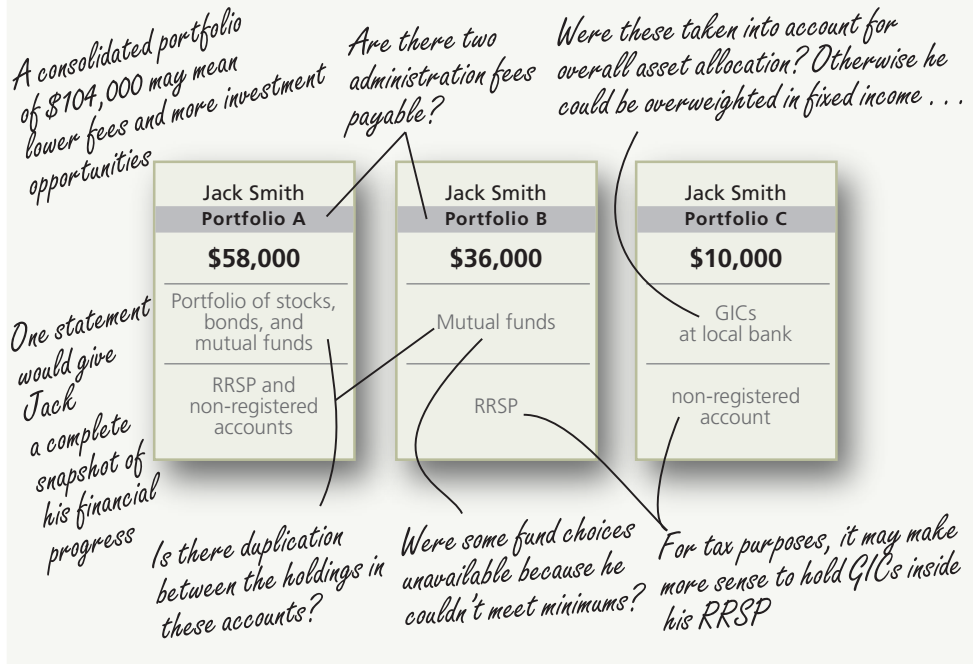
Greater control. Consolidating your assets with one firm does not mean you give up control of your portfolio. Quite the contrary. You still decide exactly how much you want to be involved in investment decisions. Working together, we'll ensure that your plan continues to meet your goals.

Take the time now to consider the benefits of pooling your assets. Depending on your circumstances, there may be advantages beyond those described above.

I can help make investing a little easier and possibly much more rewarding for you. ■

Could this investor benefit from consolidation?

Jack Smith's assets are spread across three portfolios, with three different institutions. Is he getting the most from his investments?



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