



SHARING OF KNOWLEDGE
LEARNING SERIES 2021

Conducting Your Portfolio Symphony

The Sharing of Knowledge Learning Series offers current and prospective clients of TD Asset Management Inc. an opportunity to hear our thought leaders discuss some of the most important current topics in the world of investing. In light of the current environment, we once again held a virtual event this year – our second virtually and 18th overall.

As investment strategies continue to evolve in complexity amid a persistently low-yield environment, getting every ounce of risk-adjusted return from portfolios and achieving investment goals is a challenge many institutional investors face.

This year, the conversation was about **conducting your portfolio symphony**. Drawing on parallels between music and portfolio construction, we shared our insights on the key instruments needed to make important investment decisions, and how they can perform together to help construct a harmonious, well-tuned portfolio in today's challenging macroeconomic environment. **The event covered four key areas:**

The composition – setting the asset mix

In music, the blueprint for a piece is the composition, but each piece is a unique combination of notes. Within portfolio construction, asset classes create the fundamental notes, and there are fundamental lessons on correctly linking the risk and return characteristics to investment objectives. Just as in music, in portfolio management, there are differences in objectives and investment beliefs, which makes each investor's asset mix unique to their circumstances.

Long-term assumptions across equities, fixed income and private markets are a key input in determining the most appropriate strategic mix. The assumptions need to be objective, easy to understand and reconcilable with the investor's beliefs.

The musical arrangement – manager structure

After the composition, the instrumental arrangement must be set. This influences the tone of the piece, which provides the source of unity and variety in music and is key to the correct expression of the composition. Just as in today's music world where there is an increasing complexity in the available sounds, there is also increasing complexity with the available investment styles.

The manager structure must be set correctly to support the objectives of the asset mix. Focusing on the importance of each type of asset, investment factors and their exposure are key. It is also imperative to ensure the asset mix is consistent with the goals of the investor.

The musicians – fund selection

Once an instrumental arrangement is in place, the piece has to be performed by skilled musicians. Just as every musician brings their own perspective to the art, every manager has their own perspective on the markets. It is important that the manager's strategy complements the strategy of other managers, fits the overall investment objectives and delivers on investor expectations. Private credit is an example of how different investment strategies can align or conflict as it includes a wide array of strategies that may be consistent or inconsistent with the assumptions made when setting the asset mix.

The conductor – bringing it all together and day-to-day portfolio management

The conductor is the one who brings everything together - the composition, arrangement and musicians - in order to create a song or symphony, and the same can be said for investment management. The conductor controls the beat, synchronization of sounds and overall feel of the piece. Investment portfolios require the same degree of oversight in their execution - and, just as in music, in portfolio management every "beat" matters. In this respect, day-to-day portfolio management is key. This includes being able to measure success and incorporate a feedback loop: after a periodic review, being open to adjust.



English Broadcast Speakers



Moderator: Kim Parlee,
Vice President, TD Wealth and Host
of MoneyTalk on BNN Bloomberg

Panelists:



Jafer Naqvi, CFA,
Vice President
and Director, Asset
Allocation, TDAM
Bloomberg



Pawel Piesowicz,
FCIA, FSA, CFA,
Vice President, Asset
Liability Management,
TDAM Bloomberg



Andrew Croll,
CFA, CAIA,
President and
Director, Alternative
Investments, TDAM

French Broadcast Speakers



Moderator: Anne Giroux, CFA
SIPC, Vice President & Director,
Relationship Management, TDAM

Panelists:



Maxime Carrier,
FCIA, FSA, CFA, CAIA,
Vice President &
Director, Asset Liability
Management, TDAM



Louis Belanger,
CFA, FRM,
Vice President & Director,
Private Debt, TDAM



Carlos Phillips, CFA,
Vice President
& Director, Client
Portfolio Management,
TDAM

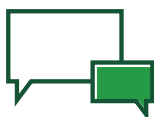
Special Guest Speakers



Bruce Cooper, CFA
Chief Executive Officer, TDAM
and Senior Vice President, TD Bank Group



Matthew Loden,
Chief Executive Officer of the Toronto
Symphony Orchestra (TSO)



If you would like to hear from us, please contact your **Relationship Manager**
or **Mark Cestnik, Managing Director**.

Telephone: 416 983 7088 | mark.cestnik@tdam.com

Wealth

Connect with TD Asset Management



The information contained herein has been provided by TD Asset Management Inc. and is for information purposes only. The information has been drawn from sources believed to be reliable. The information does not provide financial, legal, tax or investment advice. Particular investment, tax, or trading strategies should be evaluated relative to each individual's objectives and risk tolerance. Certain statements in this document may contain forward-looking statements ("FLS") that are predictive in nature and may include words such as "expects", "anticipates", "intends", "believes", "estimates" and similar forward-looking expressions or negative versions thereof. FLS are based on current expectations and projections about future general economic, political and relevant market factors, such as interest and foreign exchange rates, equity and capital markets, the general business environment, assuming no changes to tax or other laws or government regulation or catastrophic events. Expectations and projections about future events are inherently subject to risks and uncertainties, which may be unforeseeable. Such expectations and projections may be incorrect in the future. FLS are not guarantees of future performance. Actual events could differ materially from those expressed or implied in any FLS. A number of important factors including those factors set out above can contribute to these digressions. You should avoid placing any reliance on FLS. TD Asset Management Inc. is a wholly-owned subsidiary of The Toronto-Dominion Bank. All trademarks are the property of their respective owners. ® The TD logo and other trademarks are the property of The Toronto-Dominion Bank or its subsidiaries.