

# ADVISOR'S EDGE REPORT

2012 MEDIA PLANNER

## ADVISOR'S EDGE REPORT

October 2011 / vol. 7 no. 9

www.advisor.ca

1.75% Personal Advantage Account

Manulife Bank

BY BOB WATT

### HOMELAND AFFINITY

It's been six years since the federal government moved to scrap foreign content limits in registered plans in an effort to open up the market to international investments. Yet Canadians still prefer investing closer to home

GLOBAL REPORT

Just like many advisors, Robert Abboud has less-than-fond memories of the foreign property rule, which imposed a 30% limit on foreign securities in registered plans. "Administratively, it was tort-

ure. It was something you had to track and there was a penalty if you went over the limit," says Abboud, an advisor with Wealth Strategies/Raymond James in Orleans, Ontario, recalling the additional paperwork involved in complying with the rule, especially for offshore accounts.

"It was a real pain for us planners because the book value of registered plans was recalculated on a monthly basis and there was a 1% penalty applicable when the 30% threshold was exceeded," adds Jeanette Brox, a CFP with Investors Group in Toronto. "That's a nightmare for someone with a big book."

"It was a challenge, and you really had to be organized," Brox says.

The rule was scrapped in 2005, opening the door to interna- ▶ 15

INSIDE PART ONE PART TWO

P.15-19 GLOBAL REPORT

Stocks lead, foreign indirect investment, opportunities in emerging markets

P.2-3 NEWS

Faceoff: silver, generic drug sector

P.4 COMPLIANCE

Securities regulators in Canada not pulling up their socks

P.8-12 INVESTMENTS

Improve pensions by aiming for percentage of salary. Fixed-income ETFs work for advisors. Not simple to invest in commodities

P.13-14 20 TAX

Tax on equity-based compensation: RRSP or TFSA for your laid-off client? Can't write off expenses related to exploring pre-business activity

P.21-22 YOUR PRACTICE

Eight secrets to success: Unlock client's potential by understanding their behaviours

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Trustee duties explained

P.25-28 INSURANCE

Importance of a specialized FICo review. GAMIS must evolve to attract younger clients

P.30 FINANCE WORDS

Impact investing, asset class on the block

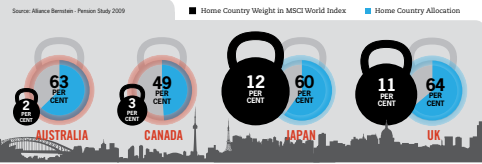
BY CHIP BRIAN

Investor panacea? Generic drug sector holding its own

NEWS

In sharp contrast to the branded pharmaceutical market, which has stalled in this difficult economy, the generic-drug market is enjoying financial success.

The generics market remains a major growth area in the global healthcare market. That growth has been partly driven by containment in several native healthcare sectors, with governments seeking to promote



MODERATED BY KANUPRIYA VAISHNATH

### FACEOFF: will silver keep its sheen?

Two experts discuss whether this precious metal is a sound investment

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## ADVISOR'S EDGE REPORT

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### TACTICAL ADVANTAGE

Tactical asset allocation can be tricky; here's what it is and how it's done

NEWS

Should investors check their portfolios on a regular basis? Or should they take a more flexible approach to asset class percentages?

P.2-3 NEWS

Faceoff: silver, generic drug sector

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OF WHICH:

Target	Range
Canadian equity	35%
US equity	25%
International equity	15%
Fixed Income	75-85%
International equity	15-25%
Fixed Income	5-15%

NEWS

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BY RAVANNA HUANG

### Round two

How to protect your clients' assets in second marriages

NEWS

"All you need is love" is probably not what Beate Paul McCartney hummed after his \$50-million divorce from Heather Mills in 2008. In hindsight, he also needed a prenuptial agreement.

According to the latest Statistics Canada research, 41% of divorces are expected to end in remarriage. In a 2009 study by Dr. Anne-Marie Lambert of York University, of those individuals facing divorce, approximately 70% of men and 58% of women will remarry. Remarriage is more common among immigrants than Canadian-born citizens, and in a minority phenomenon because of a preference for cohabitation. A divorce can leave or prevent individual wealth for marriage is even more important, as their first marriage has likely eroded their net worth. ▶

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Net stocks trending up

Internet Information Provider Sector showing strong results

NEWS

People are using more information than ever before. What types of companies will find new growth opportunities in this rapidly changing ecosystem? The challenge is not just in understanding the technology, but also the fundamental skills in business communication behaviour.

Driven by high bandwidth penetration, maturing "social" ▶

FORUMS

www.advisor.ca/forum

HAVE RETURNED TO ADVISOR.CA

# ADVISOR'S EDGE REPORT

## EDITORIAL OVERVIEW

Advisor's Edge Report is a key source of strategic intelligence for Canadian investment advisors. Each issue boasts exclusive content to keep advisors apprised of industry developments, the latest research, and news items that affect the way they do business. We also feature a Face-Off column that squares off two advisors on a controversial topic. And, in AER's departments, Canada's top advisors share their secrets about how best to apply investment and insurance solutions, and deploy finance, tax and estate planning strategies.

**FREQUENCY:** 12 times a year

**CIRCULATION:** 37,031 (ABC JUNE, 2011)

## 2012 ADVERTISING RATE CARD

FOUR-COLOR	1 x	5 x	10 x
Full page tabloid	\$13,062	\$12,490	\$11,529
2/3 page	\$11,223	\$10,782	\$10,353
Magazine page	\$12,590	\$11,356	\$10,782
1/3 page	\$7,534	\$7,237	\$6,950
1/4 page	\$6,401	\$6,139	\$5,886
1/6 page	\$4,931	\$4,729	\$4,537
DPS	\$22,628	\$21,720	\$20,849
1/2 page spread	\$20,586	\$19,810	\$18,674

Black and white rates less 15%.

## COVER RATES

FOUR-COLOR	1 x	5 x	10 x
Outside Back	\$17,882	\$17,193	\$16,516
First Tabloid page	\$13,721	\$13,026	\$12,382
Inside Back	\$15,830	\$15,152	\$14,605
Cover ear lug	\$2,865	\$2,722	\$2,508
Cover 1/6 page banner	\$4,931	\$4,729	\$4,537

For Pantone Colour or Spot Colour, add \$1,070 for each colour.



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# ADVISOR'S EDGE REPORT

## EDITORIAL CALENDAR

Twelve times a year, *Advisor's Edge Report's* expert writers provide their colleagues technical help, new ideas, and food for thought.

ISSUE	FEATURES	IMPORTANT DATES		
		closing	material	mailing
<b>JANUARY</b>	<ul style="list-style-type: none"> <li>Portfolio changes for people in transition (separation/divorce, recently widowed, and health changes)</li> <li>FaceOff: How do you harness volatility to benefit clients?</li> </ul>	December 28	January 4	January 16
<b>FEBRUARY</b>	<ul style="list-style-type: none"> <li>How to stress test a portfolio</li> <li>FaceOff: Can Critical Insurance sell in Canada?</li> </ul>	January 25	February 1 <sup>st</sup>	February 13
<b>MARCH</b>	<ul style="list-style-type: none"> <li>Alternative investments – themed takeover of issue</li> <li>FaceOff: Can you sell something your client doesn't understand?</li> </ul>	February 22	February 29	March 12
<b>APRIL</b>	<ul style="list-style-type: none"> <li>Covered call strategies</li> <li>FaceOff: Do you need your options license?</li> </ul>	March 21	March 28	April 9
<b>MAY</b>	<ul style="list-style-type: none"> <li>How do you quantify risk and avoid box ticking?</li> <li>FaceOff: Is diversification dead?</li> </ul>	April 25	May 2	May 14
<b>JUNE</b>	<ul style="list-style-type: none"> <li>Distributors Conference special coverage</li> <li>FaceOff: Will the MFDA survive?</li> </ul>	May 30	June 6	June 18
<b>JULY</b>	<ul style="list-style-type: none"> <li>The new face of commodity investing</li> <li>FaceOff: Are municipal bonds right for Canadian clients</li> </ul>	July 4	July 11	July 23
<b>AUGUST</b>	<ul style="list-style-type: none"> <li>The changing shape of retirement income</li> <li>FaceOff: Should your clients work until they're 68?</li> </ul>	August 1 <sup>st</sup>	August 8	August 20
<b>SEPTEMBER</b>	<ul style="list-style-type: none"> <li>RESPs: What do you do if your client's kid doesn't go to school?</li> <li>FaceOff: Are registered plans the best choice for education savings?</li> </ul>	August 29	September 5	September 17
<b>OCTOBER</b>	<ul style="list-style-type: none"> <li>How to combine products effectively</li> <li>FaceOff: Using a specialist versus having the license</li> </ul>	September 27	October 2	October 15
<b>NOVEMBER</b>	<ul style="list-style-type: none"> <li>Have retirement draw rates changed? What's a safe %?</li> <li>FaceOff: Is it a must for clients to pay their mortgage before retiring?</li> </ul>	October 24	October 31	November 12
<b>DECEMBER</b>	<ul style="list-style-type: none"> <li>The year ahead – investment trends for 2013</li> <li>FaceOff: Dollar cost averaging. Does it really work?</li> </ul>	November 21	November 28	December 10

# ADVISOR'S EDGE REPORT

## MECHANICAL SPECIFICATIONS

	Width	Depth
Full Tabloid page	10.8125	16.625
1/2 page	10.0625	8.3125
Magazine page	7.875	10.75
1/4 page	4.8125	8.3125
1/6 page banner	8	2.3125
1/3 page banner	10.0625	5.375
1/3 page square	8	7
1/4 page banner	10.0625	4
2/3 page	10.0625	10.75
Ear Lug	1.875	2.25
Banner ad opposite mailing label	1	6.0938

### B) TRIM SIZE

10.8125 wide x 16.625 deep (275 mm x 422 mm)

### C) FULL TABLOID PAGE

Allow 1/4" (6 mm) bleed on all four sides of the ad.

- **Single-page bleed** size is 11.3125" x 17.25" (287 mm x 438 mm).  
Type safety zone is 9.8125" x 15.625" (249 mm x 397 mm).
- **Double-page spread bleed** size is 22.375" x 17.25"  
(568 mm x 438 mm). DPS type safety zone is 19.625" x 15.625"  
(498 mm x 397 mm).

Allow 1/4" (6 mm) on each side of gutter.

### D) DIGITAL FILES ADVERTISING SPECIFICATIONS

Magazines Canada AdDirect is a free, web based ad portal designed to streamline the ad delivery process.

- 1) go to <https://addirect.sendmyad.com>
- 2) upload, preflight and review your ad
- 3) approve your ad, and it is automatically sent

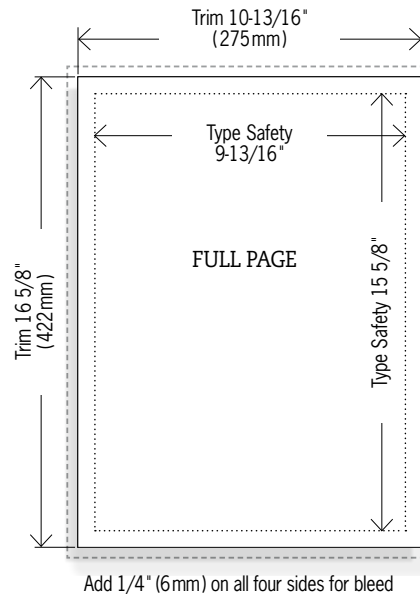
**NOTE: Publisher is NOT RESPONSIBLE for line-up of type or image running through the gutter on spreads or single page to adjacent insert. Running type or image through the gutter is STRONGLY discouraged.**

### E) METHOD OF PRINTING

Offset

### F) METHOD OF BINDING

Saddle stitch



### INSERTS/POLYBAG

Rates and quantities are available on request

### COMMISSION

- Agency Commission: 15% of gross billing allowed on space, colour, bleed, position and the cost of special insert paper charges to recognized advertising agencies only.
- Prices are subject to the sales taxes where applicable. Prices are subject to change.
- Accounts are payable at the office of publication in Canadian funds or their equivalent at the prevailing rate of exchange at the time of payment.