



Portfolio Management in a Bourstad simulation

Webinar for 2025 Bourstad Challenge participants
Thursday, February 13, 7 p.m.

Guest speaker:

Ms. Erika Toth, CFA,

Director & Team Leader - ETF Distribution

BMO Global Asset Management

Content

- Welcome
 - Portfolio management in a BOURSTAD simulation
 - The investor's profile
 - The investment strategy
 - Learning objectives
 - Portfolio Management Assessment in the Bourstad Challenge
- A Primer on the Canadian ETF Industry
 - **Erika Toth, CFA** Director & Team Leader
ETF Distribution
BMO Global Asset Management





Portfolio management in the Bourstad Challenge

- ▶ The criteria used by the jury to evaluate the quality of the portfolio management are:
 - ▶ consistency of the fictitious-investor
 - ▶ choice of strategies and their consistency with the investor
 - ▶ transactions carried out according to the strategies in force
 - ▶ portfolio management follow-up according to the mandatory justifications provided
 - ▶ quality of the additional justifications
 - ▶ performance achieved in relation to the investor's objectives and profile
 - ▶ learning objectives achieved
 - ▶ consideration of responsible investment concepts

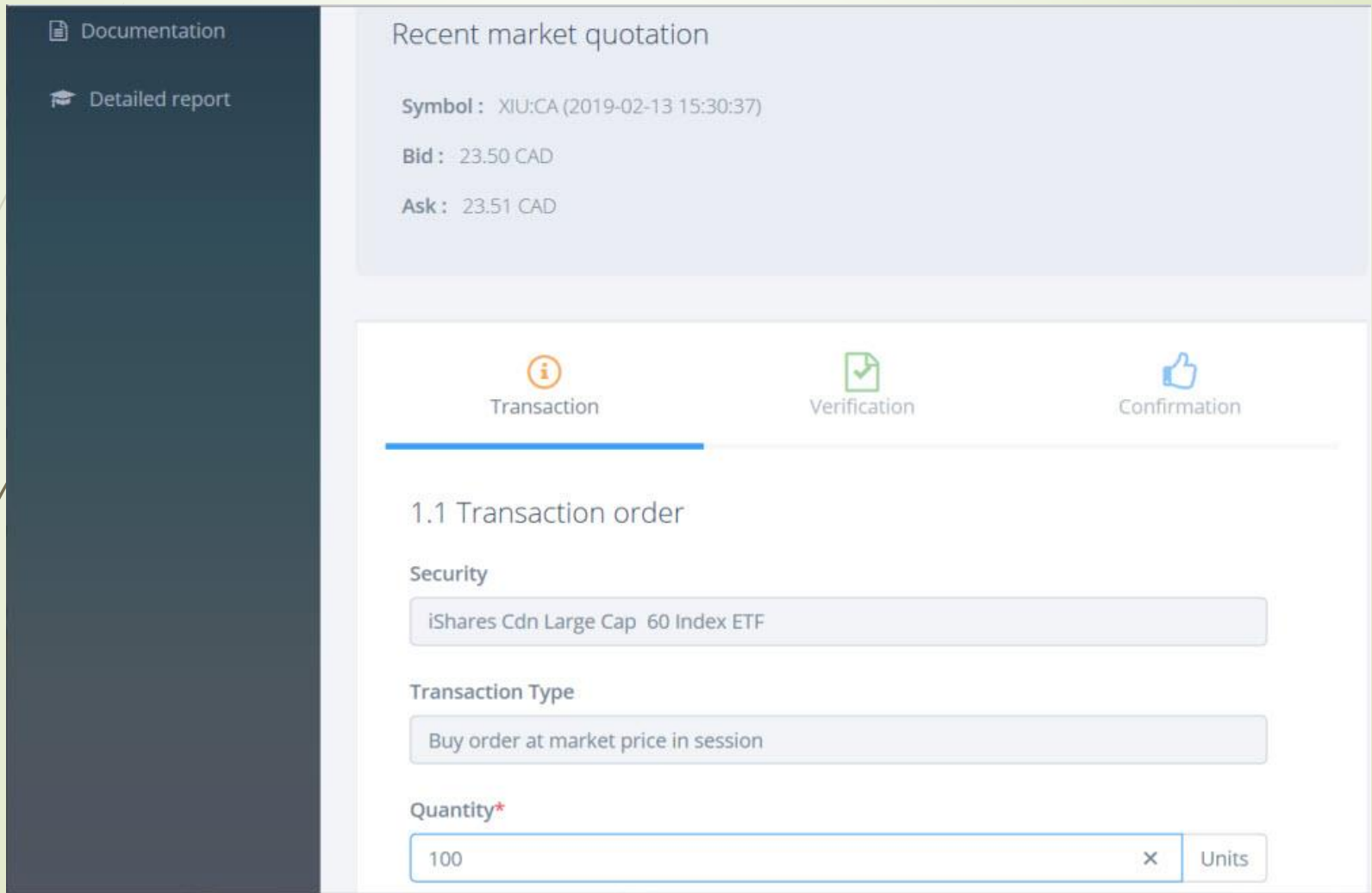


Portfolio management on the Boursstad platform

- The investor's profile
 - Who is your fictitious investor?
- The investment strategy (Portfolio management)
- Learning objectives

Many resources available in the documentation system

Transaction in a Bourstad simulation



The screenshot displays the Bourstad simulation interface. On the left is a dark blue sidebar with two menu items: 'Documentation' (with a document icon) and 'Detailed report' (with a graduation cap icon). The main content area is white and features a light blue header for 'Recent market quotation'. Below this, three navigation tabs are visible: 'Transaction' (selected, with an information icon), 'Verification' (with a checkmark icon), and 'Confirmation' (with a thumbs-up icon). The 'Transaction' section is titled '1.1 Transaction order' and contains three input fields: 'Security' with the value 'iShares Cdn Large Cap 60 Index ETF', 'Transaction Type' with the value 'Buy order at market price in session', and 'Quantity*' with the value '100'. The 'Quantity*' field includes a unit selector dropdown currently set to 'Units'.

Documentation

Detailed report

Recent market quotation

Symbol: XIU:CA (2019-02-13 15:30:37)

Bid: 23.50 CAD

Ask: 23.51 CAD

Transaction Verification Confirmation

1.1 Transaction order

Security

iShares Cdn Large Cap 60 Index ETF

Transaction Type

Buy order at market price in session

Quantity*

100 x Units

Transaction in a Bourstad simulation (cont'd)

1.2 Quantitative Impacts on the Portfolio

Quantity held after the transaction Units

Liquid balance after transaction \$

1.3 Weight of asset types and business lines

Liquid assets ▼

Bonds ▼

Utilities ▼

Financial services ▼

Consumer products ▼

Industrial products ▼

Natural resources ▼

1.4 Investment Objectives (changeable for 48 hours)

Income objective %

Targeted capital gain %

Portfolio management in a Bourstad simulation

BOURSTAD
199 988.00 \$

- Simulation
- Dashboard
- Management
- Transaction
- Portfolio
- Accounting
- Resources
- Documentation
- Notifications
- Detailed report
- Budget
- Sign Out

Investor profile

Define the fictitious investor for whom you will act as an investment advisor during the simulation.

[Edit](#)

Portfolio Management

Implement strategies and tactics to improve your investor's portfolio risk-return ratio.

[Edit](#)

Learning Objectives and Achievements

Describe the learning objectives you are pursuing in this simulation. You will then describe your accomplishments in this exercise.

[Edit](#)

Notes

Add, if desired, additional information to your report.

[Edit](#)

Investor profile

Investor profile

Investor description

Investment Information

Last name

First name

Gender

- Male
 Female

Age

Marital status

- Single
 In a relationship

Occupation

Job security

Dependent child(children)

- Yes No

Other dependents

- Yes No

Description of the family

[+ Add a family member](#)

First name

Enregistrer les modifications?

Age

Annuler

Relationship

Enregistrer

Total Annual Income

Targeted performance as :

%

%

Risk Tolerance

Investment Experience

Investment Knowledge

Total Assets

\$

Total debt

\$

Total Annual Income

\$

Investor profile

- Prudent
- Middle
- Speculator

Awareness of socially responsible investment

Enregistrer les modifications?

Annuler

Enregistrer

Investment information

Investment strategy A

1. Approaches

What style of portfolio management will you use?

- Active (aims to exceed the return of the stock index)
- Passive (aims to match the performance of the stock market index)

What use will you make of each of these approaches? Click to choose the level.

Top-down approach

Bottom-up approach

2. Asset Class Weights and Risk Levels

How important will each sector be in the portfolio?

Fixed rate investments	%
Liquidity	<input type="text" value="0"/>
Bonds	<input type="text" value="0"/>
Stocks	%
Utilities	<input type="text" value="0"/>
Financial services	<input type="text" value="0"/>
Consumer products	<input type="text" value="0"/>
Industrial products	<input type="text" value="0"/>
Natural resources	<input type="text" value="0"/>
TOTAL	<input type="text" value="0"/>

Save Changes?

Cancel

Save

Investment strategy B

How important will each level of risk in the portfolio be?

Securities with ___ risk	%
Zero	<input type="text" value="0"/>
Low	<input type="text" value="0"/>
Average	<input type="text" value="0"/>
High	<input type="text" value="0"/>
TOTAL	<input type="text" value="0"/>

3. Techniques and strategies

Will you apply these techniques or strategies during the simulation?

TECHNICAL ANALYSIS

- Identification of ups and downs Yes No
- Study of moving averages Yes No
- Study of short-term fluctuations Yes No

FUNDAMENTAL ANALYSIS

- Calculation of ratios Yes No
- Calculation of the fundamental value Yes No
- Analysis of the management and projects of the company Yes No

RESPONSIBLE INVESTMENT

- Taking into account environmental risks Yes No
- Taking into account social risks Yes No
- Consideration of risks related to governance Yes No

Save Changes?

Cancel

Save

Participant's goals and achievements

Objectives and achievements

[+ Add a learning objective](#)

Category ?	Learning Objective	Learning achievement	
<div data-bbox="353 691 747 1019"><ul style="list-style-type: none">Select a levelRememberingComprehendingApplyingAnalyzingSynthesizing</div>	<input type="text"/>	<input type="text"/>	<input type="button" value="-"/>

Save Changes?



Portfolio Management Assessment in the Bourstad Challenge

Automated Evaluation of Portfolio Management - Dissemination

- ▶ Formative evaluation during the simulation
 - ▶ 5 evaluation measures
 - ▶ The participant consults his formative evaluation
 - ▶ On the participant's dashboard (Achievements)
 - ▶ In the detailed report accurately

- ▶ Summative evaluation when simulation is complete
 - ▶ 14 evaluation measures
 - ▶ The participant's detailed report displays it when the simulation is over

Summative measures

- **Realism of the investor's situation**
- **Coherence between the investor profile and their risk sensitivity**
- Coherence between sector weights in the strategy in place on February 24 and the investor profile
- Coherence between sector weights in the strategy in place on March 24 and the investor profile
- **Coefficient of learning index at the beginning of the simulation**
- Estimation of learning realized during the simulation
- Financial performance considering the investor profile
- **Average liquid balance maintained during simulation**
- Compatibility of additional justifications with the fundamental / technical profile
- **Weight of sectors in the portfolio on February 24 Vs weightings of the investment strategy**
- **Weight of sectors in the portfolio on March 24 Vs weightings of the investment strategy**
- Assessment of the impact of transactions on the weights of the sectors in the portfolio
- Estimation of the liquid balance after transactions
- Taking into account risks related to corporate social responsibility (ESG)

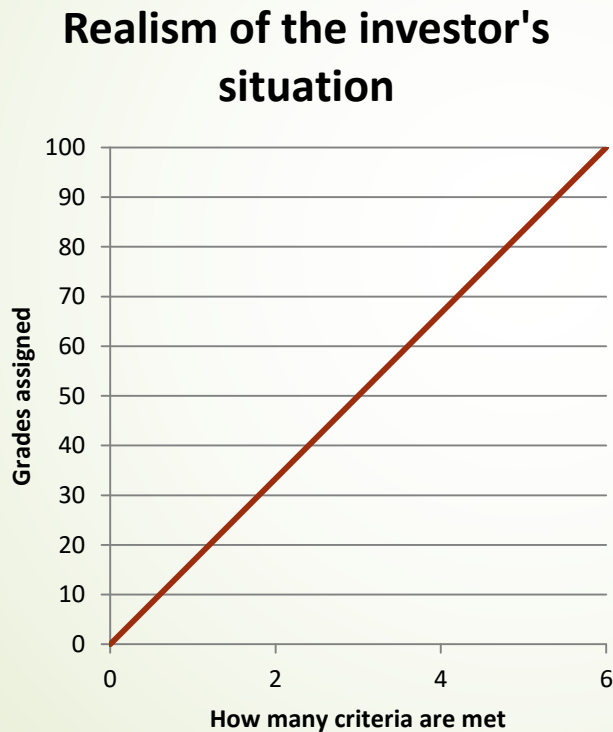
Formative measures in red

The participant's dashboard

The dashboard is divided into three main sections:

- Resources (Left Sidebar):** A dark blue sidebar containing links for Documentation, Notifications, Detailed report, and Sign Out. The user's name, Ian Gascon, is also displayed.
- Calendar (Center):** A blue calendar for February 2024. The 12th is highlighted in green, and the 15th is circled in blue. A tooltip for the 25th indicates a deadline: "Deadline to define the investor, the strategy et the learning objectives (11:59 PM)". The word "TODAY" is centered at the bottom of the calendar.
- Achievements (Right Panel):** A white panel titled "Achievements" with a list of tasks, each with a checkbox:
 - Performed the minimum number of eligible transactions (10 done)
 - Investor profile defined (41.18%)
 - Basic strategy defined
 - Learning objectives described
 - Lessons learned

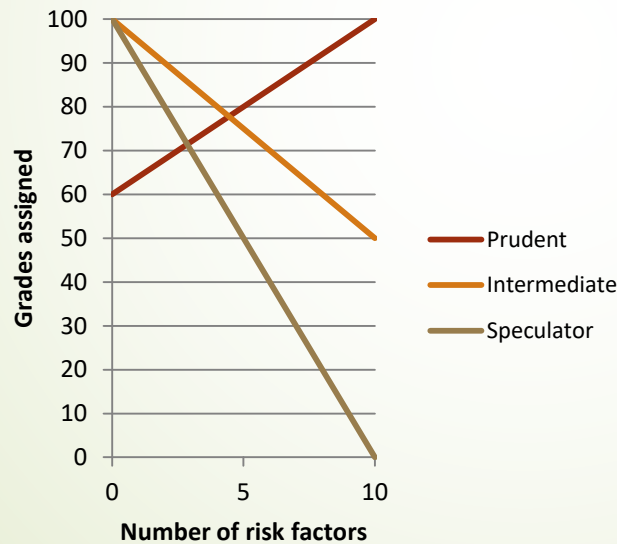
Realism of the investor's situation



- A person has entrusted you with \$200,000 to invest on their behalf in the financial markets
- This is probably not
 - Warren Buffet or Jeff Bezos
 - A recent 6-49 winner
 - A college graduate who just got his first job

Coherence between the investor profile and their risk sensitivity

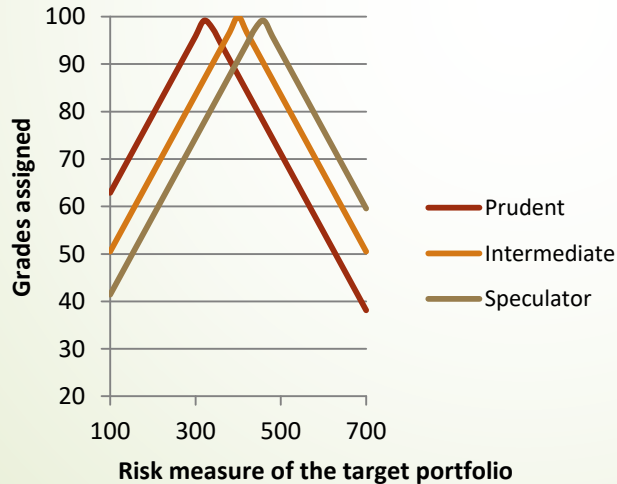
Coherence between the investor profile and their risk sensitivity



- ▶ What is the investor profile of the person who has retained your investment counselling services?
- ▶ This should be determined by taking into account risk factors:
 - ▶ Dependents
 - ▶ Job security
 - ▶ Debt load
 - ▶ ...

Consistency between the sector weights in the strategy as of February 24 and the investor's profile

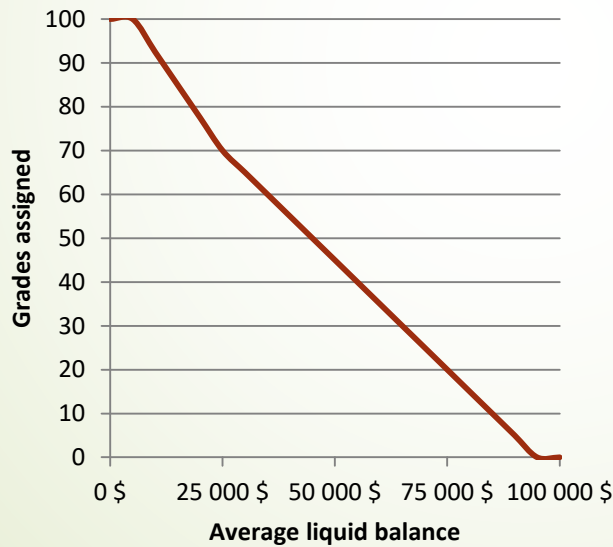
Coherence between sector weights in the strategy in place and the investor profile



- Cash (1)
- Bonds (2)
- Utilities (3)
- Financial Services Sector (4)
- Consumer Products Sector (5)
- Industrial Products Sector (6)
- Natural Resources Sector (7)

Average liquid balance maintained during simulation

Average liquid balance maintained during simulation



- ▶ You should aim to invest the maximum amount of the sum entrusted to you
- ▶ Exemption for which no penalty is applied: \$5,000

Compatibility of additional justifications with the fundamental / technical profile

Compatibility of justifications with the fundamental / technical profile



TECHNICAL ANALYSIS

Identification of ups and downs

Yes No

Study of moving averages

Yes No

Study of short-term fluctuations

Yes No

FUNDAMENTAL ANALYSIS

Calculation of ratios

Yes No

Calculation of the fundamental value

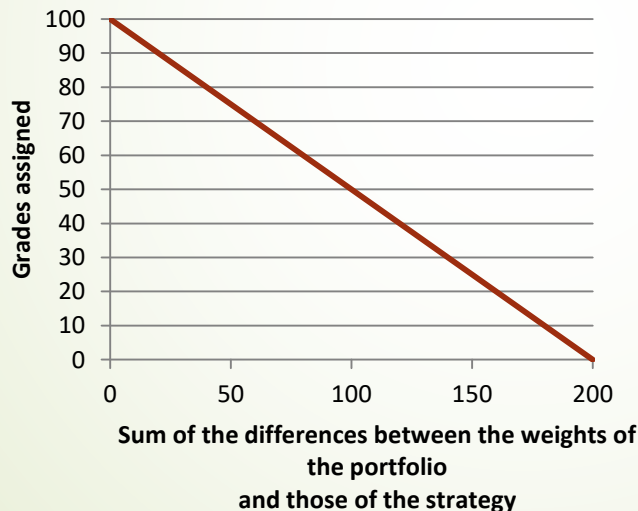
Yes No

Analysis of the management and projects of the company

Yes No

Weight of sectors in the portfolio Vs weightings of the investment strategy

Weight of sectors in the portfolio Vs the current strategy

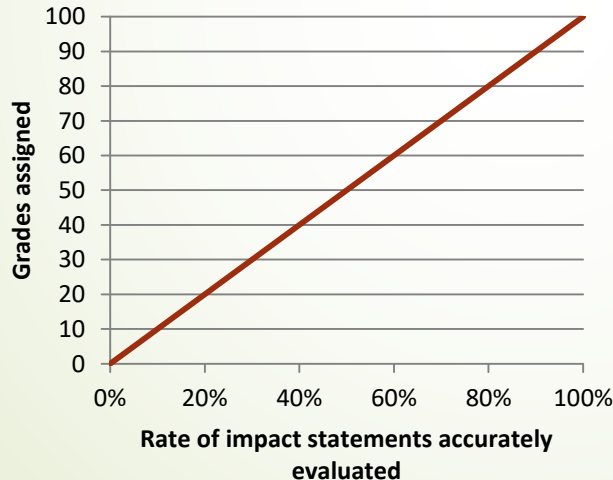


► You should aim to create an actual portfolio that matches your strategy allocation :

- Cash
- Bonds
- Utilities sector
- Financials Sector
- Consumer Products Sector
- Industrial Products Sector
- Natural Resources Sector

Assessment of the impact of transactions on the weights of the sectors in the portfolio

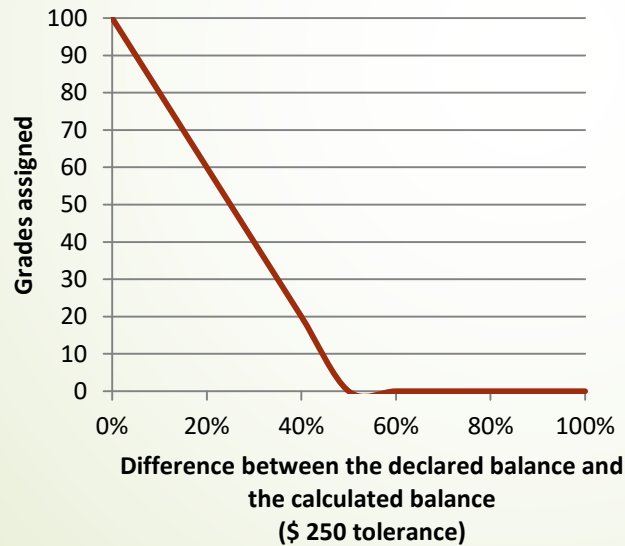
Assessment of the impact of transactions on the weights of the sectors in the portfolio



- Keep in mind the impact a trade normally has on your cash balance:
 - Buy: decrease
 - Selling: increase
- There is one exception!
 - (buying or selling a 100% liquid asset)

Estimation of the liquid balance after transactions

Estimation of the liquid balance after transactions



- Make a reasonable estimate of your cash balance after a trade order is executed
- There is a tolerance of \$250, so there is no need to calculate to the nearest dollar.

Challenge's deadlines

Date	Event
February 10, 2025 9h 30 AM (EST)	• Beginning of the 2025 Bourstad Challenge
February 23, 2025 11h 59 PM (EST)	• Deadline for the definition of the investor-client, the creation of the initial portfolio management strategy and the specification of the participant's learning objectives
March 10, 2025 8h 00 AM (EDT)	• Beginning of the period during which participants can complete the qualification questionnaire for the Responsible Investment component
March 23, 2025 11h 59 PM (EDT)	• End of the period during which participants can complete the qualification questionnaire for the Responsible Investment component • Deadline for adjusting the portfolio management strategy
April 11, 2025 4h 00 PM (EDT)	• Deadline for the self-assessment of learning achieved • End of the 2025 Bourstad Challenge
April 14, 2025 8h 00 AM (EDT)	• Start of Autorité des marchés financiers call for testimonials reserved for eligible participants of the school version.
April 25, 2025 11h 59 PM (EDT)	• End of Autorité des marchés financiers call for testimonials.



Relevant documentation

- 2025 Bourstad Challenge - Important Dates and Deadlines
 - https://bourstad.cirano.qc.ca/DL/BT25_rules/EcheancesTableauSynthese.html
- Portfolio management in a Bourstad simulation
 - Documentation/How it works
- Median Assets and liabilities of households- Canada and Quebec, 2023
 - Documentation/Educational content
- Video recording - [The Basics of Stock Market Investing Webinar](#) (February 3, 2025)
 - [PDF version of the presentation](#)

A Primer on the Canadian ETF Industry



Erika Toth, CFA

- ▶ Director & Team Leader
ETF Distribution
BMO Global Asset
Management
 - ▶ Joined BMO Global
Asset Management 11
years ago
- ▶ Joined BMO Financial
Group a few years
before as a consultant
to high net worth clients
and Investment
representative



Question and answer period



Project manager



Main partner



Gold Partners



Silver Partners



Media partner

les affaires



quotemedia



www.bourstad.ca



Acknowledgements



- To the guest expert, Ms. **Erika Toth, CFA**, Director & Team Leader - ETF Distribution, BMO Global Asset Management
- To Ms. **Marielle Maheu**, director for relations with schools and participants, Bourstad Program, CIRANO
- To CIRANO's Communication Coordinator, Ms. **Manon Blouet**
- To CIRANO's Events Coordinator, Ms. **Élina Caron**
- **To all those who attended this second webinar of the Bourstad 2025 series and those who will see the recording**



Next webinar

- **Sustainable Investment in the Boursiad Challenge**
Thursday, March 6, 7:00 p.m. to 8:00 p.m.
- Guest expert:
 - **Thomas Estinès**, co-director of the Groupe Investissement responsable (GIR)