



User Guide
Wealthscope For Advisor
August 2023

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Quick Start

Landing Page

On the landing page, you have three points of entry: **Advisor Dashboard**, **Client Management**, and **Add Client**.

Application Design

There are two views: **Advisor** and **Client**. The top-right corner of each page tells you which view you are in: when it is **light blue**, you are in Advisor view (hence “ME” in brackets); when it is **navy blue**, you are in Client view (with your client’s name). There will also be a **purple** border around the entire screen when you are in Client view.

Advisor View



Client View



There is a menu bar at the top of the application, denoting the feature segments available for the advisor and each client. On the left-hand side of the application, there is a navy blue navigation bar, with important destination points, such as the Advisor Dashboard, Client Management.

Feature Segments

There are four integrated segments: **ACCOUNTS**, **PORTFOLIOS**, **PLANNING**, and **TOOLS** on the top menu bar. These segments are available in Advisor view (for you to test drive ideas) and in Client view. In Client view, everything that you save is saved for that client only.

IMPORTANT: To get started, we suggest that you save your model portfolios first in Advisor View. In **PORTFOLIOS**, we offer several Portfolio Builders and the ability for you to designate portfolios as **Model Portfolios**. This designation allows you to compare different portfolios to your models and conduct portfolio simulations in **PLANNING**, for all of your clients.

Please follow these steps:

- i. In **Advisor** view, create and analyze a portfolio using any one of the Portfolios Builders.

- ii. Save the portfolio by selecting the **Save** icon on the left-hand-side panel of the Wealthscope Portfolio Scorecard. Please see the [Icon Legend](#) on the last page of this guide for reference.
- iii. To designate a saved portfolio as a model portfolio, revisit your saved portfolio (**PORTFOLIOS** -> *Revisit a saved portfolio*) and toggle it as a Model. This function is only available in **Advisor** view.
- iv. Your models will now show up in portfolio dropdown menus in select tools, in all Client views.

1. Landing Page

1.1 Add Client

This is where you enter a new client and their information. First name, last name, and email address are the only required fields. The email address serves as a unique identifier only - rest assured that we will not email your clients. Once the information is entered, click the 'Save & Go' button.



You will then immediately enter the view of the client you have just created. You can start linking and analyzing their investment accounts and building portfolio ideas and retirement plans for the client. See Section 3 "Feature Segments" below for your choices.

Note: If you plan to link and automatically update your clients' information from **NDEX**, please email us (contact@wealthscope.ca) for setup instructions.

1.2 Client Management

This is where you can search and access a client. The arrow highlighted in purple to the right of a client's name allows you to enter the Client view.



You may group different clients' investment accounts together as a family for analysis by selecting the 'Add New Family' button.

Once in "Add New Family", you must designate a client to be the "Family Head". The name of the family will be represented by the surname of the family head. Next, you can add family members by selecting the "Add New Family Member" button. For family grouping, only the portfolio analysis functionality is available. Here, you can analyze all family members' investment accounts together or in specific groupings. **Note:** clients cannot belong to multiple families.



To revisit a family, click the "Home" icon highlighted in orange to the left of the client whose family you would like to view.



1.3 Advisor Dashboard

This dashboard displays your aggregated client information at the top and a high-level summary of individual clients at the bottom. After you have added clients, click the “Go to Client View” button to enter Client view for a specific client.



2. Application Design

2.1. Menu Bar

It is important to remember that the feature segments, **ACCOUNTS**, **PORTFOLIO**, **PLANNING**, and **TOOLS**, are available to the advisor for testing as well as to each client. When an action is performed inside Client view, any information saved will be attached only to that specific client’s record. You will not see this information anywhere else. Likewise inside Advisor view, except for portfolios designated as model portfolios.

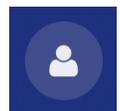
2.2 Navigation Bar

The Navigation Bar is the navy column found on the left-hand side of the application.

There is a Client Management icon. You can manage individual clients and/or households there.



When in Client view, this advisor icon allows you to return to Advisor view and will route you back to the Advisor Dashboard.



3. Feature Segments

There are four integrated segments: **ACCOUNTS**, **PORTFOLIOS**, **PLANNING**, and **TOOLS** (top menu bar).

3.1 Accounts

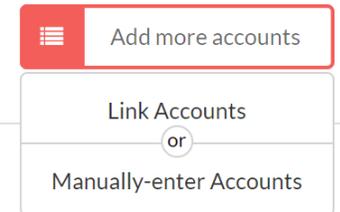
See a consolidated view of your client’s investments across different financial institutions and have them analyzed on demand. The securities currently supported in the analysis are Canadian and U.S. stocks, Canadian and U.S. ETFs, Canadian mutual and aggregated funds (except private funds - contact us if you want to set up a data feed), and most bank HISA funds.

There are three ways to populate your client’s account information. You can link their accounts directly through NDEX or Wealthica, or manually input their accounts. Account values are updated daily.

1. **NDEX:** To sync and update client accounts via NDEX, please email us for setup instructions.

For Wealthica or to manually enter accounts, in Client view, go to **Accounts**. You will land on ‘Overview’ and at the top there is an ‘Add more accounts’ button.

2. **Wealthica:** click ‘Link Accounts’ in the dropdown. This option requires your client to have an existing Wealthica account prior and has aggregated their account information on Wealthica’s site. You will also need to have their Wealthica login credentials.

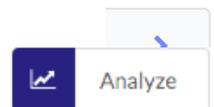


3. **Manually enter accounts:** Click ‘Manually enter Accounts’ in the dropdown.

- i. Enter the institution name, account type (e.g., TFSA, RRSP....etc.), and account currency;
- ii. Search and select holdings; adding cash (non-interesting-bearing) is optional;
- iii. Enter the holdings' corresponding quantities (number of shares/units)....etc.

Once you have added accounts, the “Overview” tab on the left of the screen will display an aggregation of key account information across all accounts added. Individual tabs below will also appear for each investment account.

Click on an account to view a dashboard with basic account information. The table here has several columns, so do not forget to scroll right using the blue arrow to see more.



To generate your **Wealthscope Portfolio Scorecard** (details in Section 4 below) for an investment account, click the “Analyze” button in the top right corner. USD accounts can be analyzed in CAD or USD.

1. Toggle “Group accounts?” to select and analyze a specific group of accounts. Once you are done selecting accounts, click “Analyze”. When grouping accounts in different currencies, USD accounts are converted to CAD.
2. On each account dashboard (with the exception of “Overview”), there are two functionalities in the dropdown menu when you select the “More” (three dots) button  next to “Analyze”.
 - i. **Rebalancing:** Keep track of whether account holding weights are in line with specified target weights. Note: You will need to update the target weights whenever there are changes in the holdings.
 - ii. **Cash:** Include non-interest bearing cash within an account in the Scorecard to see the impact of cash drag.
3. **Compare** an account with a portfolio previously saved in the **PORTFOLIOS** segment (see Section 3.2 below) or with a “What-if” portfolio you specify on the fly. The ‘Compare’ function (the ‘Scale’ icon) can be found on the red panel of the Portfolio Scorecard on the left. 
4. **Replace** an excluded holding due to its short history with a proxy in the Scorecard using the ‘Replace’ (two-way arrows) icon. **Note:** The Replace icon will only appear beside holdings that have been excluded due to short history. To read Wealthscope’s exclusion rules, hover over “Guidelines” in the Scorecard near the top. 

3.2 Portfolios

There are several portfolio builders designed for your research in the Portfolios segment. Select “Create a New Portfolio”, and you will find:

- **ETF Portfolio Builder:** Pick your own asset mix from different asset classes. You can see the ETFs that track each asset class by clicking the “Execute” (money) icon on the red panel of the Portfolio Scorecard on the left. This is an excellent place to build benchmark or core portfolios. 
- **SmartRisk Portfolio Builder:** Machine learning is leveraged to generate ETF model portfolios for tactical asset allocation, using 32 asset categories. You can use it to optimize specific risk exposures, including human capital. These models are perfect to use as customized core portfolios. Like the ETF Portfolio Builder, click the “Execute” (money) icon to see the list of ETFs.
- **Custom Portfolio Builder:** A quick way to test portfolio ideas by inputting any Canadian and U.S. stocks, ETFs, and Canadian mutual and segregated funds (except private funds) using their

tickers/fund codes and corresponding weights. You can also allocate weights to Bitcoin and/or Ethereum here to see their impact.

- **Asset Allocation Using Machine Learning Builder:** Input your desired holdings and use a technique called Hierarchical Risk Parity (HRP) to determine the optimal portfolio weights to achieve diversification. (Note: Holdings must have at least 3 years of history.)

Notes:

- i. Once you have built a portfolio, you will automatically receive a Wealthscope portfolio scorecard.
- ii. You can **edit/save** these portfolios using the icons on the left panel of the Wealthscope Portfolio Scorecard. Once saved, you can use them to compare against your actual investments or against other saved portfolios (using the 'Compare' function in the Scorecard, which is the "Scale" icon on the left), or for use in **PLANNING** to simulate returns.



Note: To use the portfolio simulation feature in our **PLANNING tools, you should save your model portfolios (for 5 risk profiles) first. You also have the option to use Wealthscope's models; see them in the **Portfolios** segment.**

- iii. Select 'Revisit a saved portfolio' to see portfolios saved from portfolio builders. In Advisor view, you have the option to toggle a saved portfolio to make it an advisor's 'Model Portfolio'. These portfolios will then appear for all clients in their 'Revisit a saved portfolio', and importantly, available for use in the **PLANNING** segment to simulate returns and for portfolio comparisons.

3.3 Planning

There are tools crafted separately for the accumulation and the decumulation phases of retirement planning. The target saving tool is multi-purpose and can be used for general financial planning, such as saving for children's education.

3.3.1 Accumulation

1. Select **Retirement Blueprint (Pro Edition Users Only)** to help your client complete a 4-part questionnaire to:
 - i. Calculate annual spending needs net of expected retirement income such as pension benefits.

- ii. Determine your client’s “Target Wealth” at retirement, which is the desired size of their nest egg. For this step, you need to first create 5 model portfolios for different risk profiles. These are portfolios your client will be drawing down their savings from once they are retired.
- iii. Determine your client’s ‘Target Saving’, which is the monthly saving required from now until retirement to achieve their Target Wealth. For the simulations, you can choose one of your models or a portfolio you have saved previously for the client. Once a likelihood of success is selected, Wealthscope provides a “Simulated Saving Outcomes” chart to help your client visualize the expected outcomes of their assumptions.
- iv. Target Wealth and Target Saving assume that the client’s investments are held in registered accounts. However, that may not be the case. Rather than making assumptions about the client’s future tax brackets, Wealthscope calculates the expected taxes from the investment portfolio for the next year. This amount (if any) represents the extra savings required, and will change with the client’s tax bracket. This calculation uses the client’s current income and contribution room.
- v. Under Summary, you will see the summarized results of the Retirement Blueprint. It includes context boxes that display adaptive insights to help you extract more actionable information from the financial plan.
- vi. Save the blueprint at the bottom of the Summary page. Once saved, you can edit and change scenarios directly from the Blueprint. You can also download the blueprint as a PDF.

3.3.2 Decumulation

1. Select “Portfolio Longevity” to see how long your client’s savings will last in retirement, versus their conditional life expectancy, using different investment options. This is a great tool for lead generation and to explain the idea of longevity risk.
2. Select “Optimal Drawdown” ([Pro Edition Users Only](#)) to see how much a retiree can afford to spend each year with their savings and retirement income, and from which sources, such that taxes are minimized and a smooth lifestyle is maintained. The assumptions and how this tool works are described at the top.
3. “Optimal Drawdown with Target Spending” ([Pro Edition Users Only](#)) is for retirees who have an annual spending amount in mind and are not at risk of outliving their savings. This tool shows how to drawdown savings from various sources in order to minimize taxes. You will see a comprehensive breakdown of retirement income sources, tax burden, and investment account projections over their planning horizon.

4. Wealthscope Portfolio Scorecard

A portfolio will be given an overall letter and percentage grade, as well as graded on **6** important portfolio dimensions: **risk-adjusted performance, downside protection, diversification, fund fees, income, and ESG**. Click on any letter grade in the Portfolio Scorecard to see a short article about why and how we score portfolios. The Overall Score is a simple average of all the dimension scores.

Overview Performance Downside Fees Income Diversification ESG

Include income score [?] Yes No

Include ESG score [?] Yes No

Change Equity Benchmark [?]

Rebalancing Frequency [?]

Portfolio Overview
National Bank Direct
RRSP

Print/PDF Guidelines

Overall Score [?] 86% **A** 04/2007 - 07/2023

XSP:CA iShares Core S&P 500 Index ETF	25.84%
VDY:CA Vanguard FTSE Canadian High Dividend Yield Index ETF	21.86%
MDLZ Mondelez International Inc.	21.5%
XIU:CA iShares S&P/TSX 60 Index ETF	15.94%
GLDM SPDR Gold MiniShares Trust	8.1%
RY:CA Royal Bank of Canada	6.77%

4.1 Control Panel

The control panel allows you to customize your scorecard.

i. Include All & Replace

Wealthscope scores a portfolio in each dimension based on how well the portfolio has performed during the specific time period in question. The period is dictated by how far the securities go back in history. If the securities are relatively new, they may be filtered out (see “Guidelines” to the left of “Overall Score” to learn more) and displayed with a red outline. To accommodate these holdings, you can replace them with a similar proxy by clicking the two-way arrow to access the “Replace” function. Alternatively, toggle “Include All Holdings” to “Yes” in the top control panel to override the guidelines. If included, short history holdings can potentially skew the analysis and the Scorecard should be interpreted with caution.

ii. Include Income Score

The default is YES, meaning that the income score is included in the calculation of the Overall score. You can toggle to NO to exclude it if income is not an important goal for the portfolio.

iii. Rebalancing Frequency

By default, the Scorecard assumes the portfolio will be rebalanced to its current weights each month. The “Rebalancing Frequency” toggle allows you to dynamically change the default assumption to “Quarterly” or “Monthly” and generate an analysis that more accurately matches your investment strategy.

iv. Custom Benchmark

Your portfolio is analyzed against a benchmark for Performance and Downside Protection, which is selected automatically depending on which one of the eleven asset allocations your portfolio is closest to (100% equity, 90% equity 10% fixed income to 10% equity 90% fixed income, 100% fixed income). The default equity portion of the benchmark is the TSX Composite Capped 10%, but you can choose a global equity index instead (see dropdown at the top-right of Overview page). Or, you can create a custom benchmark. For some ETFs with short history, we use the underlying index returns (minus the MER) prior to inception in the portfolio analysis.

v. ESG Score

Wealthscope partners with Owl Analytics to bring you ESG scores for each of your holdings as well as your portfolio as a whole. The default of this toggle is set to NO. You should always check the ESG coverage for the portfolio’s holdings first by clicking on the ESG tab at the top, before including the ESG score in the Overall Score.

4.2 Dimension Scores

Click on each tab at the top of the scorecard to see the details for each dimension.

Performance – an evaluation of past performance based on risk-adjusted returns as well as annualized returns relative to the benchmark, which is a portfolio of two index ETFs that has a similar asset allocation of stocks and bonds to your portfolio. A higher score is more desirable.

Downside Protection – an evaluation of the portfolio’s ability to limit losses when there is a stock market downturn. Downside capture, maximum drawdown, and downside risk relative to the benchmark portfolio are used for this score. A higher score is more desirable.

Diversification – an evaluation of your portfolio’s ability to diversify risk, scored in terms of the portfolio’s weighted average pairwise correlation and the following three dimensions, across regional stock markets, macroeconomic factors, and global business sectors. A higher score means that your portfolio’s risk exposures are more spread out. A higher score is more desirable.

Fund Fees – an evaluation based on your portfolio’s weighted average management expense ratio (MER). MER is a fee charged by ETFs and mutual funds. Depending on the series (e.g., A), it may include

a trailing commission that compensates the advisor who sold the fund. Note that fund returns are reported net of MER. Additional advisory or trading fees are not included in this score. When a MER is unavailable for a given fund, it will be replaced by the category average; this will be indicated in a message to the right of the MER value. A higher score indicates lower fund fees, which is more desirable. The maximum is set at 3%, meaning that a portfolio with a MER of 3% or more will receive a score of 0%.

Income – this refers to income such as dividends and fund distributions. It is the weighted average yield of the portfolio. The maximum is set at 5%, meaning that a portfolio with a yield of 5% or more will receive a score of 100%. A higher score represents a higher income yield. Depending on your client’s needs at their current life stage, they may or may not be looking for income from their investments.

ESG - ESG ratings for stocks and funds are powered by OWL Analytics, a big data analytics firm specializing in ESG research. Note that ESG ratings are not evenly distributed. For example, very few stocks and funds have ESG ratings above 80 on a 0-100 scale currently. Wealthscope takes this into account and rescale the ratings when grading the ESG dimension of the portfolio. Please note that not all holdings have ESG coverage.

Disclaimer: The Wealthscope Portfolio Scorecard is based on an objective, data-driven evaluation of each portfolio dimension. It provides a useful tool for analyzing and comparing portfolios within the same risk category or asset allocation to help you identify opportunities for further research. It should not be considered recommendations to buy or sell individual securities or portfolios. And the usual disclaimer applies – past performance is not necessarily indicative of future performance.

On the Portfolio Overview tab, there is the option to print or download as a PDF the entire scorecard output. In the Advisor edition of Wealthscope, there is an option to remove the grades and percentages here.



5. Prospecting Tool

Pro Edition users receive a complimentary, digital lead generation tool which can be easily integrated into their marketing website. To learn more, please visit <https://www.wealthscope.ca/prospecting-tool>.

To begin setting up your Prospecting Tool, get in touch with our team at contact@wealthscope.ca.

6. FAQs

How do I remove a client?

Enter the **Client** view of the client you wish to remove. Hover over their name at the right-side of the top menu bar and click 'Profile' in the dropdown. Here, you will be able to remove a client.

What to do if the account information linked through Wealthica is out-of-date?

There are two types of connection errors you may experience that can result in out-of-date information:

1. A syncing error due to Wealthica's connection issues with the financial institution in question. Wealthscope will display a warning message on the relevant account. This requires the Wealthica account owner to take action on Wealthica's site. Once the issue is resolved on Wealthica's site, it will be reflected on the Wealthscope Advisor platform.
2. The token that links Wealthscope with Wealthica for a specific client has expired. Simply re-link their Wealthica account on the Wealthscope Advisor platform to resolve this issue. Note: the token expires every 12 months for your client's protection.

Am I able to customize the PDF exports to display my firm's logo?

This is planned for phase two of the Advisor edition, depending on demand from our users. Let us know this is a desired feature.

How do I delete an investment account?

You can only delete manually entered accounts. Go to the account you wish to delete. At the bottom of the holdings table, there is a 'Delete' button. Once an account is deleted, it cannot be recovered.

How do I edit the positions or weightings in an account?

You can only edit the positions and/or weights of manually-entered accounts. Go to the account. At the bottom of the holdings table, there is an "Edit" button. Remember to save your changes.

How can I ensure the security of my clients' data?

The Wealthscope platform has gone through rigorous vulnerability assessments and we use bank-level security to protect the information we collect. User data is stored in Canada on Amazon Web Services (AWS) servers and is encrypted using the AES-256 algorithm. All passwords are hashed (meaning not even we can tell what it is!)

7. Icon Legend

	Hover for more information on a particular subject	Beside certain text.
	Enter Client Management	Found on the navigation bar to the left..
	Enter Advisor view	Found on the navigation bar to the left.
	Edit the asset allocation or positions of a portfolio from the portfolio builders	Found on the red panel on the left when viewing a Portfolio Scorecard.
	Save a portfolio from the portfolio builders	Found on the red panel on the left when viewing a Portfolio Scorecard.
	Compare an account or portfolio with previously saved portfolios	Found on the red panel on the left when viewing a Portfolio Scorecard.
	Options to execute an ETF portfolio when using an ETF Portfolio Builder	Found on the red panel on the left when viewing a Portfolio Scorecard.
	Access a client (i.e., enter client view)	To the right of the client's name in Client Management.

	Visit a family	To the left of the client's name in Client Management.
	Add a note to a specific client-account.	To the right of the client account's name when selected.
	Click to view our multimedia educational content on YouTube; explaining financial concepts with simple videos	Beside certain text.
	Security has been excluded in the analysis because it has insufficient history or other errors	To the right of the security name in the Scorecard.
	Click to 'Replace' a holding that has been excluded in the analysis with a proxy security instead.	To the right of the specific holding in the Overview tab.
	In a rebalancing system: when one or more weights exceed their maximum deviation, or when holdings in an account have been sold and/or added.	On an account tab.
	Indicate that a rebalancing system has been set up for an account	On an account tab.
	Account syncing with financial institution has failed	On an account tab.
	Report a bug (i.e., issues with our platform)	At the bottom right corner of every page.

8. Grading Scheme

A	80 - 100
B	70 - 79
C	56 - 69
D	21 - 55
F	Below 21

9. Need help?

This guide only serves as an introduction. If you need further assistance or would like to have a demo via Zoom, please contact Wealthscope at contact@wealthscope.ca.