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EPISODE 97:

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# Consistency and Culture

*with CIBC Wealth Management*



**Robert Morier:** Welcome to the Dakota Live Podcast. I'm your host, Robert Morier. The goal of this podcast is to help you better the people behind investment decisions. We introduce you to chief investment officers, manager research professionals, and other industry leaders to help you sell in between the lines and better understand the investment sales ecosystem. If you're not familiar with Dakota and our Dakota Live content, please check out our website at [dakota.com](https://dakota.com). Before we get started, I need to read a brief disclosure. This content is provided for informational purposes and should not be relied upon as recommendations or advice about investing in securities. All investments involve risk and may lose money. Dakota does not guarantee the accuracy of any of the information provided by the speaker, who is not affiliated with Dakota. Not a solicitation, testimonial, or an endorsement by Dakota or its affiliates, nothing herein is intended to indicate approval, support, or recommendation of the investment advisor or its supervised persons by Dakota. Today's episode is brought to you by Dakota Marketplace. Are you tired of constantly jumping between multiple databases and channels to find the right investment opportunities? Introducing Dakota Marketplace, the comprehensive institutional and intermediary database built by fundraisers for fundraisers. With Dakota Marketplace, you'll have access to all channels and asset classes in one place, saving you time and streamlining your fundraising process. Say goodbye to the frustration of searching through multiple databases and say hello to a seamless and efficient fundraising experience. Sign up now and see the difference Dakota Marketplace can make for you. Visit [dakotamarketplace.com](https://dakotamarketplace.com) today. Well, I am thrilled to introduce our audience to Angela Williams, senior investment analyst with CIBC Private Wealth. Angela, welcome to the show.

**Angela Williams:** Happy to be here. Thanks for having me.

**Robert Morier:** Yeah, absolutely. I'm happy we're in Newport, Rhode Island.

**Angela Williams:** Yes. Yes. It's hard to complain with this view.

**Robert Morier:** It really is. It's a great event. We're here at the Venture Capital Summit, getting to some local investors, some investors from outside of the area as well, and some allocators, which is wonderful. How are you finding it so far?

**Angela Williams:** It's really interesting. So many interesting strategies, so many different areas of focus. And I'm a generalist, so I joke it's a liberal arts education and investing. And that's what this conference has been. It's been a lot of very different things with very smart, intellectual people and been a great experience.

**Robert Morier:** That's great. That's a great way to describe it as well. Well, before we get started, I'm going to read your biography for the audience. Angela Williams is a senior investment analyst in CIBC Private Wealth's Boston office, with over 25 years of industry

experience. In this role, she is responsible for manager due diligence and selection for CIBC's Private Wealth's multi-manager investment program. Prior to joining the firm in 2022, Angela served as a senior manager on the Raytheon Technologies corporate pension plan, where she focused on defined contribution plans and fixed income investments. Previously, she served as an investment analyst at Prime Buchholz and Associates, focusing on non-profit clients. Angela started her career on the asset management side of the business, where she worked for over 12 years in a variety of roles, from portfolio specialist to fund administration. Angela earned an MBA in finance and information technology from NYU Stern and a BA in German from Smith college. She is also a CFA charter holder. Most importantly, she calls Salem, Massachusetts, home, where she lives with her family. Thank you for being here today.

**Angela Williams:** Thank you.

**Robert Morier:** It's really a pleasure. Congratulations on all your success. We love speaking to veterans in the industry, particularly on the manager research side. And this is your first podcast.

**Angela Williams:** Yes, it is. Very exciting.

**Robert Morier:** Well, it's exciting for us too. We like to start at the beginning. The reason we do is because a growing amount of our audience are students and educators who are tuning in to better understand what careers look like from an asset allocation and manager research perspective. So, I'm going to ask you to go all the way back to Smith college. What were you thinking? Were you thinking about wealth management?

**Angela Williams:** My very practical degree in German, which I absolutely loved. And I will say... so I graduated from college in 1996, which seems so long ago, but also like it was just last year in a way. But as a German major, I was there in the 90s. So just a few years after reunification, if you can believe that. And I was just fascinated by how a country that had been divided for decades, how you bring together so such disparate, even cultures and economies while they shared a very common history after you're separated for 50, 60 years, that's a huge undertaking. So, I think getting used to that level of change has actually served me very well in the financial industry.

**Robert Morier:** I can imagine, especially if you see a consolidation or any type of merger. Like, that's nothing.

**Angela Williams:** Yeah. I've seen a country merge. So, companies.

**Robert Morier:** And you're taking the language as well?

**Angela Williams:** Yes. Yes. So, I did. I passed my fluency exam in German. And I had to do that in order to graduate. So, no pressure. But it was a fascinating experience. I actually started German my first year of college and to become fluent, I did do the summer language program at Middlebury, which I highly recommend, very intense. I knew when I started thinking in German that it was really is starting to click, which is really an amazing experience. And now we've seen so much more research about being bilingual and how it actually impacts neurons in your brain. And it really... I think it makes you more open to different ways of thinking, which I think has also served me very well in the investment industry.

**Robert Morier:** That's great and good advice for students, particularly as they're thinking about careers in global markets.

**Angela Williams:** Yes.

**Robert Morier:** That's excellent. Thank you for sharing that. So, what was the motivation then to go back for your MBA? Because you were on the career path. So, what was the spark that took you back?

**Angela Williams:** As much as I absolutely loved my German degree and my liberal arts background at Smith, fantastic training ground, I really did not have a strong grounding in investments, or I never took an accounting class. And so, I really felt from my own knowledge and maybe it's my own intellectual curiosity, that I felt like I really wanted to get a firm grounding in investment concepts, in economics, in accounting, to really make me more a well-rounded investment person. As you know, when you're doing investment due diligence, you're surrounded by so many smart people. And they have great presentation skills. Every time you... and it's so easy, I was 22, 23 years old and think these people are so brilliant, they must what they're doing. Let me give them all the money and realize that I wanted to have really more of a rigorous quantitative background. And Stern is fantastic for that.

**Robert Morier:** That's great. Wonderful. And 12 years in asset management, then you went to the other side.

**Angela Williams:** Yes, then I went to the other side. I joke, I've been on all of the sides of the table from doing individual stock research, starting out, to then working in portfolio and risk analysis, working as a product manager, and then an investment consulting, and then a corporate pension plan, and now strictly doing manager research.

**Robert Morier:** Absolutely. But you went to a unique consultant because most people who start in consulting after an MBA, they're usually going to the Big Five, the majors. You went to Portsmouth, New Hampshire.

**Angela Williams:** I did. I did.

**Robert Morier:** Was Redhook Brewery there?

**Angela Williams:** Yes.

**Robert Morier:** OK.

**Angela Williams:** I just love the seaside towns. I live in Salem, worked in Portsmouth. If it has water, I'm usually there.

**Robert Morier:** And consulting nonprofits.

**Angela Williams:** Consulting nonprofits, which was fantastic. I do a lot of volunteer work myself. I've been the treasurer of multiple nonprofits. I feel like it's really important to try to give back. I feel like we do have an obligation to help our communities. And I feel like for someone who has a financial background, if you can apply that to a nonprofit that's serving your community and help them work most efficiently where they're using their dollars in the best possible way, it's incredibly gratifying, which I try to remind myself when I'm poring over spreadsheets at 10:00 PM that I'm doing something good for the community and that it's worth it.

**Robert Morier:** What were some of those lessons that you learned on the advisory side of the business that you've carried forward with you to where you sit today?

**Angela Williams:** I'd say really the value of intellectual independence. That's what really drove me to Prime Buchholz in the first place. Besides the emphasis on nonprofit, they are completely independent. They don't have any of their own strategies. It's really... they are just putting their best ideas forward. And what I really learned to... interesting enough, in consulting is the importance of group dynamics and how some investment committees could be much more functional than others. And I think it was a matter of preparation. So, the committees where we would generally have the pre meeting with the investment committee chair and the staff, those generally went better because we knew what to expect from the meeting. And also, just how different investment committee heads would lead a team and the team that they would assemble and how they worked... could be so differently from each other. And the best case, they had complementary skills and personalities and really help people work together.

**Robert Morier:** But then off to the corporate pension—

**Angela Williams:** And then off to the corporate... as wonderful as that was, I saw the opportunity at Raytheon. And I thought, I was like, wow, instead of working with 30 clients, I can work on one portfolio. Although if you think about it as one portfolio with 250,000 participants. So instead of having 30 different clients, I had a quarter of a million clients.

**Robert Morier:** What was that like moving to that plan sponsor role? It's a different level of fiduciary responsibility. I mean, they're your colleagues.

**Angela Williams:** Yes. Yes. And that's... and engineers are not quiet when they're unhappy. They're pretty quantitative.

**Robert Morier:** But I've learned that teaching them at Drexel University.

**Angela Williams:** Yes, yes, yes. But it was really fantastic. So, I started on fixed income on the divine benefit side, pre-merger Raytheon. And it was really fascinating to work. My boss, Sarah Smithson, who oversaw fixed income and the DC plan, was just so smart and so great at bringing me up to speed in the way that they viewed the fixed income portfolio and really being able to invest across the spectrum and being able to invest in a discretionary way versus on the investment consulting way where my client relationships were generally non-discretionary. So, we were the trusted advisor, which is very important. But being able to make the recommendations, bring it to our investment committee, and then make the investment itself and then the ongoing due diligence, in a way, that's a very streamlined process. And I really appreciated that, that you go into the field, you do your quantitative screens, and you meet with your managers, make your recommendation, make your case, and then you are able to implement it right away, which is really a nice way to invest.

**Robert Morier:** Yeah, I mean, before becoming a teacher, I worked in the industry for over 20 years, having exposure to both Prime Buchholz and Raytheon. And both firms, but particularly Raytheon, always had an excellent reputation of being ahead of the curve, being willing and able to get into more nimble strategies despite their size and giving their staff a lot of runways.

**Angela Williams:** Yeah. Yeah. Having that autonomy and having that... you obviously have a sense of responsibility. And I always thought that on starting on the fixed income side, we were the ballast for the portfolio. And I knew that our side of the portfolio was really... we always made sure that we had the cash on hand and income coming in to pay beneficiaries because when you're paying out \$160 million a month, that forces some discipline in terms of your liquidity management. But then being able to... I really thought of it. It's a sense of balance that you, of course, want to provide that liquidity. That's why this pool of capital exists to pay the beneficiaries. But then being able to divvy it up and

divide it and say, OK, this is our bucket, this is our long term bucket, this is where we can have some privates, this is where we can have a little bit more esoteric and where we can have some emerging managers because it gets into that, well, you are... it's a huge plan. So, an emerging manager might not have a huge impact on the plan itself. But if you have also a responsibility to the industry, when you have capital like that to be able to foster new firms coming up and new strategies, it's really important, I think, for the investment industry in a whole.

**Robert Morier:** That's a good reminder. Responsibility. Probably we can't stress that enough. We should do a whole episode on it. Thank you for sharing that. It's a great point. So, after that time at Raytheon, CIBC. I always like to know... did they find you or did you find them?

**Angela Williams:** It was a little bit of both. I saw it and thought, this looks really interesting. And a friend of mine had worked there for years as a relationship manager. She's fantastic. And I saw the opening. I stayed on with Raytheon through the merger of UTC and legacy Raytheon company. Fantastic experience. I can't say enough great things about the team and Robin diamante, the CEO of RTX, is just an amazing person, amazing woman, an amazing person, a booster of the industry in general, and being intellectually independent and rigorous while fostering a sense of community within the industry. And so, I helped. I stayed to... I helped a bit on the defined benefit merger in 2020, which was a bizarre time to go through a merger. I think this was where my German major coming from reunifying a country. It's not that different from a corporate merger in some ways. And then stayed on to help with the 401(k) merger in 22. And then after that was done in January 22. I really thought that... what I love most I think in the industry is manager research. I really enjoy getting to different managers, different strategies, different approaches to the world. And I think that's where also that German major comes into play and looking at different points of view, and that very smart people, very accomplished people, can have completely different opinions about something. And being able to parse through that I find just very intriguing.

**Robert Morier:** I'm excited to dig into it. Before we do, just for our audience who may be less familiar with CIBC Private Wealth, could you give us just a very brief overview and specifically where you and your team sit within the organization?

**Angela Williams:** Oh, yes, of course. Sometimes I forget that. So, CIBC is... we are a Canadian bank, but we are the private wealth division in the United States. We have approximately \$100 billion under management. And I am on the multi-manager investment platform. So, we perform due diligence on all of our external managers. We do offer proprietary strategies as well. But going into my really, I've always looked for roles where I can be intellectually independent, we offer a full suite of products for our clients. So, my team manages the research and due diligence for all of our external



managers, whether it's marketable on hedge funds, private equity. So, we are separated really more, I'd say, by liquidity. So, I'm on the traditional marketable investment side as a generalist. So, we cover equity, fixed income, real estate, basically anything with a ticker. And then we do have... we have three people doing our fundamental research there. And then we have three people on our hedge fund side and then a private investments team as well.

**Robert Morier:** Interesting. Is there an investment committee that points to compass?

**Angela Williams:** Yes, so we do have a multi-manager investment committee. So, all of our new investments, so hirings and firings go through the investment committee. And they're very seasoned investment professionals. So, it's really good to get their input on potential managers or unfortunately, if we do have to cut a manager that with something that all of our decisions are made very deliberately and very well thought out.

**Robert Morier:** That makes a lot of sense. So, if you could take us through that process, the committee, let's say, has decided on a specific asset class in your area of the world, what does sourcing look like? There are a lot of managers say, for example, that are running emerging market equities or an EFA strategy. So, what is that first step, that first sourcing process look like from your perspective?

**Angela Williams:** So, I would say our first source will start with the quantitative screens. And we do look for a certain asset level as well, given our size, that we want to within our... we never want to become too large a percent of a manager's overall assets, particularly in a given strategy, particularly if we're thinking of mutual fund or ETF that we want to be maintaining liquidity for our own clients and not disadvantaging other investors in a strategy. So really looking at performance, looking at assets. And that's where our first grade very important. But then I think it gets more interesting where we can do the fundamental analysis and look at the different teams, really get to know the different approaches that managers take. And even in something, say, international developed, it's still a fairly heterogeneous universe that you're looking at and looking at where do managers have their specializations. Because we're all human beings, we all have biases. We can try to overcome that. I think we should try to overcome them, be aware of them, but really looking at where each team, how they've worked together, what their emphasis is, and then see, how does that complement the rest of our lineup. And because one thing we don't want to add a manager and then have it languish on the platform. We want to make sure that it's a complement to what we already have.

**Robert Morier:** That makes sense. Does the limit in the percentage of ownership preclude you from emerging managers or would you have a separate bucket for that?



**Angela Williams:** We can have a separate bucket for that. I would say that happens a lot more on the alternative side than in my world right now on traditional, but we do think... it gets into that we want to offer differentiated strategies to our clients. We know people invest online, which is great, but we also as a due diligence professionals, want to make sure that we are bringing strategies to our clients and to our investment committee that have some sort of differentiated flavor. And I think a lot of times you can find that with the emerging managers.

**Robert Morier:** Those biases. I'm not going to ask you what your biases are. But what are your preferred characteristics? So, when you think about the types of managers in traditional that are coming your way, some are publicly traded, some are privately owned, some have assets over \$100 billion, some maybe one to five billion. It depends on the strategy. Take, say, international small cap. So, what are some of those characteristics that you have found over your course of your career that are consistent in, say, the portfolio today.

**Angela Williams:** Sure. No, that's a great question. And we can see that. I think a great strategy can reside in a huge firm or it can reside in a small boutique. I think so much of it comes down to the team management and the team culture. I really like to see consistency with my managers because as a due diligence analyst, when we're hiring a manager, we're hiring them to fulfill a certain role in a portfolio. And I want to make sure that they are going to stay in that role and not... there is an advantage to the go anywhere strategies. I think they can play an important role of a portfolio. But that has to be appropriately sized. I do... I am still a firm believer in diversification and as our advisors are creating portfolios for their clients, we want to make sure that we're providing them with the best building blocks. And I think the way that we can do that is the consistency, the consistency of team. I also like to see that there is some progression in a team because there is... we want people to foster people's careers as well. And people... great people aren't going to stay in a team where they're not... where they don't see a path forward for themselves. We're all pretty competitive people in this industry, and people they to... they want to add value, and if they don't feel like they're being used in the best way, they're not going to stay on a team, so.

**Robert Morier:** I like that you follow the career ladder. That's interesting to think of it that way because a lot of times, especially portfolio managers when they have a good analyst, they want to keep them there. They're giving good recommendations. They that sector industry incredibly well. But people have their careers in mind. So, balancing both, it's interesting that you follow along.

**Angela Williams:** Yes. Yes. And I think a lot of our best strategies, the portfolio managers will maintain some analyst responsibilities. But I think it's also when people obviously are very smart, very dedicated and motivated, but when they're also humble enough to

realize that bringing someone else on, even a more junior analyst can add value and take some things off of their plate. And that it really should be a collaboration. I've never been a big fan of this sort of star manager. The joke was something goes right, the portfolio manager made a great call, and if something goes wrong, the analyst made a mistake.

**Robert Morier:** Yeah, I've seen that in real life before. Never fun for either side from the allocator or for the employee. I noticed CIBC, at least in your marketing material, prefer truly active differentiated strategies. Differentiated is tough. It's tough for asset managers. It's the question that's often asked, what's your competitive edge. What makes you unique? What makes you differentiated? In your selection process, what makes a manager differentiated? What makes them stand out relative to say, the herd?

**Angela Williams:** I do really believe if people are paying for active management, which I do think active management can still play a very important role. We know beta is cheap. We do offer passive strategies on our platform as well for that beta exposure. But a strategy should be truly active. A manager should have the courage of their convictions. I do more focused strategies. If we're going to be paying active dollars for someone, you shouldn't be a closet benchmark hugger. I don't want to hear how you are. This stock relative to your benchmark. Well, we know benchmarks are important. We need... they're not perfect, but they are as a way to benchmark performance. But it's a measure of performance. It's not a perfect measure, but it's better than not having any measure at all. But really, I want to see managers who are comfortable making calls and will stand by those calls. And I know it's been... as the markets so concentrated right now, it can be hard when your strategy is out of favor.

**Robert Morier:** I'm not supposed to ask you buy and sell recommendations. But buy or sell active share? If you see active share in a presentation, how meaningful is it to you as an allocator?

**Angela Williams:** It depends. How is that as a wishy washy? It's a small cap. If it's a small cap strategy, if you're not more than 90% active, then what are you doing. Because if you're against the Russell 2000, you better have a high active share. And even in large cap, I'd say if you're truly active, your active share should probably be over 70% because otherwise what are our clients getting? How could... if they could just buy an ETF for five basis points, why would they pay more for an active strategy?

**Robert Morier:** That makes sense. How about concentration? How do you define concentration? It's something again, I hear often from asset managers. I've heard some asset managers with 100 stocks say they're concentrated because their universe is quite large. Others who are managing 10, 20 concentrated. So where do you fall within that spectrum?

**Angela Williams:** I will also say it depends. But if you're talking about EM, I would say 60 to 100 stocks and EM is pretty concentrated because you're talking about a very diverse set of countries. EM is not a monolith. If you're talking large cap domestic equity, I would say 20 to 30, maybe 50 stocks is concentrated. Small to mid-cap, you might get a little bit more just given I don't want to see a manager... also as we have our concentration limits in this for a strategy, we don't want our managers to own too much of any one stock either. So, it's always I think so much of investing, and life is the balance. So, you want this balance of being fairly concentrated. As people joked, like, do you really want the managers 61st best idea or do you want their top 60 names?

**Robert Morier:** Yeah, that makes sense. I have a feeling this one may depend as well, which is absolutely fine. But I do like asking about generalists versus specialists, especially in fixed income. In fixed income, you can have a manager that really does offer everything in every variation, in every vehicle. But every now and again, get a specialist, a high yield specialist, an emerging market debt specialist. When you get into those relatively more esoteric parts of the credit spectrum, how do you feel between generalists and specialists?

**Angela Williams:** I think when you're getting into the more esoteric, so say high yield, bank loans, and EMD, I really do want to see even if you're at a large asset manager, I want to see that the team has a very dedicated background in that asset class because you're looking at specific companies, you're looking at really looking you're looking at the covenants, as a former fixed income person. I love a covenant. And I want to know that my research team understands what they're getting into. These are contractual obligations on the fixed income side. And with EMD, you want to make sure that the analysts and the portfolio managers have a deep understanding of the markets that they're investing in. It's so much of it is political, it's economic, it's currency. And it's such a broad opportunity set there that you really have to have specialization there.

**Robert Morier:** Yeah, it makes perfect sense. I'm just thinking about as you're talking about fixed income, I always think to myself how important it is to know that language, whether you're an allocator or an asset manager, because it is the foundation, the babble of the way it all goes out from there. It really is all about the—

**Angela Williams:** Yeah, although you can get too much in your head. I can tell you my partner asked me once about cocoa, and I looked at her and said, how do what contingent convertibles are? He was asking me about the price of chocolate. Not—

**Robert Morier:** Exactly. You can get way too esoteric. That's really funny. I was lucky, at least in my career, I started at a firm called Julius Baier investment management.

**Angela Williams:** Oh, yes, I know Julius Baier.

**Robert Morier:** It was there for a long time. And they had a very relatively robust, not large, but robust investment grade fixed income and high yield desk. And for me, I was grateful to have those language skills. I was not dreaming in fixed income, thank God, but I was still exposed to it, which was very happy.

**Angela Williams:** It's a great background to have. That's what and when I go to Smith, and I sometimes do mock interviews with the students doing the finance concentration. They don't have a major, but they do have a concentration. And I always tell them to think about a career in fixed income because I think it's a great background to have.

**Robert Morier:** I agree. And I have a few friends who have been through rotational programs, consultants, or even asset managers. And they're trying to avoid fixed income at all costs. And I'm like, no, start with that. Start with it. I know it might feel a little sleepy, but it's really not. I think the other reason and another question, I'm curious, I was talking to an earlier guest on this show, and we were talking about the balance of optimism. And I don't know if I want to call it pessimism, cynicism. It's probably realism in investment management. But where do you sit in that spectrum? Because long only equity is such an optimist game where high yield, like a long-short equity fund resides a lot in pessimism, cynicism, that what that management says, that team says is not going to happen. So, I'm just curious where you sit on the seesaw.

**Angela Williams:** Sure. So, I think, and this is funny, having spent years in fixed income, I tilt more towards the optimist side, but I feel like I am, I think, by nature an optimist, but also a realist. Like I want to hope for the best, but plan for the worst. And I always want some sort of hedge. As a financial person, I think I love a hedge. And you have to... it gets into this whole importance of diversification and being balanced in your portfolio, in your life, that you don't... I can't tell you where interest rates are going to be. I think the people who... I think people way smarter than me have gone bankrupt trying to predict interest rates. But you can position your portfolio in a way that you won't get hurt too much, whichever way the pendulum swings and whatever the Fed does, whatever the economy does, whatever the election does. And we just... you have to be prepared for every eventuality. I remember when I was at Prime Buchholz, I had a client as a non-discretionary. They'd made some rebalancing. They wouldn't reinvest until after the election. And then the market went up so much, which people weren't really expecting. And we just can't especially in the short term, I think it's so hard to how the market's going to react to certain events that just trying to stay diversified, trying to be in the best strategies you can be, and having exposure to many different areas is the way that you hopefully make money over time.

**Robert Morier:** It sounds like you just described your risk management process. The only thing you didn't mention is liquidity. Is liquidity that hedge?

**Angela Williams:** Yes. Yes. And I have to say, maybe it's also coming from a pension fund that I think about so much and thinking about this now as a due diligence analyst. When we have these strategies... and it's not quite like a corporate pension where we had very set liquidity needs. You're generally your liquidity needs for at least the next year when you see what the benefit payments are going to be. But we know our clients have liquidity needs. They buy houses. They send their children to college. Things happen in life where we need money. And being able to offer, especially on the marketable side, knowing that my part of the portfolio could be the source of liquidity that we, of course, want to provide alpha, but we also want to provide make sure that we do have a liquidity buffer.

**Robert Morier:** I'm curious, I alternatives don't fit specifically in your bailiwick. And they're a relatively smaller portion, as I understand it, of CIBC's book.

**Angela Williams:** But growing.

**Robert Morier:** But growing. Absolutely. And that's actually the question, that growth. How are you integrating the growth of alternative investments and client portfolios?

**Angela Williams:** And we are thinking about... we do look at liquid alternatives as well within our lineup of investments. We want to be very careful with those. That was the big thing a few years ago. And I always get a little leery. Maybe that's my realism. Anytime there's too much money chasing one thing, I start to wonder if not the best... it might not be the best investment decisions that are made. Like the first 20 strategies and something might be great. But then you have to wonder, well, the 25th and 26th, the 100th, is that really or is there a really alpha opportunity there, or are those the me-too investments that we see are the copycat investments? And I do think alternatives are really important overall, as I talked about with diversification, especially for high-net-worth individuals, that investing in private equity hedge funds makes complete sense. We do have the A-range of clients, so we do offer some liquid... some limited liquid alternatives, but also aware that we do have great due diligence teams on the hedge fund and private side because we want to offer the best strategies for our clients wherever they reside.

**Robert Morier:** Like alternatives, which is growing very quickly. Passive doesn't seem to be slowing down either. I think it's grown to nearly 60% of the equity fund market as of May 2024. So, I'm just curious, you did touch on passive briefly earlier, but what are some of the advantages and disadvantages? As you think about the active versus passive, it's a cocktail, I would assume.

**Angela Williams:** Yes, I think that's I think it's not necessarily that one is better than the other. Passive is certainly very inexpensive. And I think it's really... one way, really democratized investing when you think about what the mutual fund did 100 years ago.

Now this rise in passive investing has made it so much more accessible to the average person, which is really important when you think about people's retirement and being able to save in very cost-effective ways, really important. But I do think and what I worry about personally is just with this rise of passive investing, are we just investing into momentum? As the market has become more and more concentrated as we're looking at technology being perhaps half of the index... and these technology firms are great, but the economy is more than just technology. We still need the hard assets. You still need a house to live in, a car to drive. We're still all going to be consuming food and wearing clothes. And there's more to the economy than just technology. While AI and technology and cyber and is revolutionary, the economy is broader than just one sector.

**Robert Morier:** Yeah, absolutely. I'm curious. I can't stop thinking about this song. It's by Amos Lee. It's called I've Seen It All Before. And you've seen a lot. And you also see what innovation kind of looks like from asset managers. But a lot of it has remained pretty static in terms of how people construct a portfolio, talk about their process, discuss their edge. How do you remain innovative in this role and what have you seen from CIBC that's been innovative?

**Angela Williams:** That's a great question, and I think we have to continue to innovate. When I started in the industry in 1997, stocks were still even traded in fractions. So do you remember... we had Y2K, and then it was decimalisation and everybody thought that was going to crash the market. And yes, yes. And I think but the firms that were able to innovate... of course, we worked our way through it. And I think that's what the industry is going through so much change now and so much consolidation. You're seeing the rise of ETFs, which I think are further even less expensive, more efficient way of investing in a lot of different asset classes and seeing the rise of model portfolios. And this is where technology is helping too, because while say 10 years ago you'd have your Excel spreadsheet with tax lots and looking at how you were managing a portfolio, it's so much easier to automate all of that now, which, yes, which I think is bringing the cost down for a lot of clients, and it's making things like model delivery and separately managed accounts more widely available than where before you might have needed, say, \$1 million or \$10 million to have a separately managed account. Those minimums have come down a lot because technology has just made it so much more efficient.

**Robert Morier:** That's a good point. It's also making... I guess in some ways it's making it easier for managers to come to market because costs are less, which means as a result, there are more managers to source. So, it's an interesting time in the market for sure. I appreciate you sharing all that. I have a question for you. Do you still read in German?

Angela Williams: Occasionally, yes. Children's literature are very good. Children's literature. A lot of German podcasts and YouTube, which is my friend.



**Robert Morier:** Are you a reader?

**Angela Williams:** I am.

**Robert Morier:** What are you reading now?

**Angela Williams:** Right now, I'm actually... well, it's a little... I'm reading Mrs. Everything by Jennifer Weiner.

**Robert Morier:** Yeah. How are you enjoying it?

**Angela Williams:** I'm really enjoying it.

**Robert Morier:** Oh, good. What else outside of the office, do you like to do that kind of helps you disconnect?

**Angela Williams:** I really love walking. So, living in Salem, very beautiful, historic, a little busy right now, this time of year. But it's just wonderful to explore my neighborhood and explore my town. And working in Boston, there's just so... I love walking by the water and just exploring the cities. I feel like the cities are ever evolving too. I've lived in the Boston area for 22 years now, and it's changed so much in that time.

**Robert Morier:** Does Salem have a town ordinance that you need to get dressed up for Halloween?

**Angela Williams:** No, but it is highly encouraged, I would say. Yes.

**Robert Morier:** You did share with me, if you want to talk about it on the podcast, how much candy you purchased.

**Angela Williams:** Yes, so I went to... I am a very loyal Costco shopper. I spent \$400 on Halloween candy.

**Robert Morier:** That is unbelievable. I'll let you how much I spend in Philadelphia. It will not be that much, but it's still a very Halloween friendly town. Thank you for sharing that. I do have one last question. We always like to talk about the mentors, the people who have been important in your career. You don't need to name them all. But even if it's even if it's what they shared or what they did to influence you along, it would be great for us to here.

**Angela Williams:** Yes. I've had so many fantastic mentors. I would say Prime Buchholz, Bill McCarran, the president, just how he runs the firm, how he works with... he still has clients, his own clients that he works with. And he said how you connect with clients,



what you bring to the table and knowing that it's not personal if they disagree with you and working through that and really depersonalizing the situation was really, really important to think about. And then at Raytheon, my first boss, Sarah Smithson, on fixed income, she was fantastic. And Robin Diamonte, the CIO, she's just amazing. And it was great to be able to work with her. And she was actually super supportive when I had to unfortunately tell her I was leaving. But I think she's one of these people that just wants to see people grow their careers. And it's really nice to see that in such a competitive industry that at the end of the day, we are all human beings. We all have many different things going on in our lives and to have people that have been so supportive.

**Robert Morier:** Absolutely. We know how much you have going on. Thank you for spending time with us today, sitting down and telling us about your career and how you think about managing your research and selection. It's been very insightful. Thank you for your time.

**Angela Williams:** Thank you. It's been a pleasure.

**Robert Morier:** And congratulations on all your success. We wish you nothing but more.

**Angela Williams:** Thank you. You as well.

**Robert Morier:** If you want to learn more about Angela and CIBC Private Wealth, please visit their website at [www.private-wealth.us.cibc.com](http://www.private-wealth.us.cibc.com). You can find this episode and past episodes on [Spotify](#), [Apple](#), or your favorite podcast platform. We are also available on [YouTube](#) if you prefer to watch while you listen. If you'd like to catch up on past episodes, please check out our website at [dakota.com](http://dakota.com). Finally, if you like what you're seeing and hearing, please be sure to like, follow, share these episodes. We welcome your feedback. Angela, thank you again for a wonderful conversation. And to our audience, thank you for investing your time with Dakota.