

## BGI's Atkinson moving

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For the past six years Howard Atkinson has been the public face of ishares and exchange-traded funds at Barclays Global Investors. Through overseeing the development, promotion and ongoing management of iUnits and BARCLAYSfunds product lines in Canada, through the co-authorship of at least two books and through his regular appearances on television and at industry events, Atkinson became a well-known participant.

Now comes word Atkinson -- whose official title was head of public funds at BGI, a position where he focused on business development of ETFs -- is on the move. It is expected today he will be named as executive vice-president at BetaPro Management Inc. -- a firm that is also in the index business. He will report early next week.

In his new position, Atkinson -- who along the way worked at Mackenzie Financial and C.I. Funds -- will be responsible for the marketing of all the BetaPro products. As well, he will be responsible for any new product offerings BetaPro may launch.

The manager -- which has been around since last October and which has 14 funds and about \$120 million under management -- is thinking of broadening its product offerings into other platforms, including exchange-traded funds and closed-end funds.

BetaPro is run by Adam Felesky, a Canadian who has spent about four years working with J.P. Morgan, both here and in New York. All its 14 funds, which are structured as mutual funds, are known as bull and bear funds -- a mechanism that allows investors to obtain a leveraged exposure on either a long-only or short-only position -- and its 14 funds limit risk to the maximum amount invested. The 14 funds -- all of which are managed by ProFund Advisors LLC -- are RRSP-eligible.

ProFund, which has been around for about a decade, expanded its offerings in June when it launched a series of 12 ETFs (known as Proshares.) The Proshares -- which are meant to complement its 57 mutual funds -- have already scooped up more than US\$1-billion in assets.

Barclays has introduced 16 ETFs in Canada. The first ETF -- the large-cap 60 Index Fund -- is also the largest with a market cap of \$7.6-billion. At that level

the fund, whose management expense ratio is 0.17%, is also the country's largest mutual fund. The fund, XIU/TSX, has been around since Sept. 1999 and invests in the index shares underlying the S&P/TSX 60 index "in the same proportion as they are reflected in that index."

Through the years, BGI has introduced sector funds (energy, gold, financials, materials, midcap, technology) and specialist funds (dividends, bonds including real return, and short bond funds and REITs and income trusts).

According to its Web site, BGI's most recent ifund was the dividend index and real-return funds, unveiled last December. All up, the ifunds are home to about \$13-billion of assets. Around the world, there are 596 ETFs, which have assets of US\$487-billion.

BGI's Web site lists some of the advantages of ishares: they make it simple to implement asset-allocation strategies; they're cost-effective and they're diversified.

MGI's moves BetaPro Management is part of the Jovian Group of companies. Jovian describes itself as "a management and holding company with interests in a variety of financial service firms specializing in wealth and asset management. It oversees about \$12-billion of client assets.

Jovian also has a securities unit, known as MGI Securities. That firm has undergone some personnel changes of late. For instance, the firm has a new chief executive in Lewis Reford, who replaces Mark Arthur.

"Our intention has been to grow MGI away from its small-cap boutique niche to be more of a mid-tier, full-service dealer, fitting more with parent Jovian Capital's own build-out strategy," said Reford who most recently worked with J.P. Morgan.

On the hiring side the firm has added Joshua Kingsmill in its corporate finance area, Ryan Walker as a mining research associate and Bob Barootes, a veteran equity salesman who worked with firms like Merrill Lynch and National Bank Financial. Barootes is a managing director in institutional equities. A while back, MGI bade farewell to Brad Griffiths and David Connacher.

Avenue's win It was a double win for Avenue Investment Management yesterday. The firm was named as manager of two equity funds that are part of the frontierAlt Investment Management stable. The two funds -- the frontierAlt All Terrain World Fund and the frontierAlt All Terrain Canada Fund -- were acquired about 14 months from Montreal-based Orbit Mutual Funds and rebranded. As part of that rebranding, two equity funds, Canadian and North American, were merged. Recently frontierAlt Investment Management launched a Canadian bond fund.

Avenue Investment has been around since 2002 and was set up by three former TD staffers: Paul Harris, Paul Gardner and Bill Harris. Its "goal is to provide absolute superior risk-adjusted rates over the long-term."

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