

## INTERVIEW WITH ROB MITCHELL, PRESIDENT VSFA

BG: Tell us about your background.

RM: I am originally from Vancouver, I received my B.Com from the University of Calgary, my MBA from the University of Western Ontario and started my career in Calgary. In 1986, I moved back to Vancouver to join Seaboard Life Insurance and moved up to become their Chief investment Officer. After, the firm was acquired by Industrial Alliance in 1999 I entered the investment counseling business and started up Dixon Mitchell Rae. We now have four partners and \$120 million under Management.

BG: What motivated you to pursue the CFA designation?

RM: Seaboard valued the CFA very highly and I was encouraged to take it.

BG: What do you like most about your job?

RM: I like the fact that it is employee-owned and we are building a new firm from scratch.



I also like the personal contact with clients and working with other CFA's..

BG: What do you like about living in Vancouver?

RM: The skiing at Whistler and in the summer I play a lot of tennis.

BG : What do you do in your spare time?

RM: I like to ski, golf, play tennis and spend time with my family.

BG: What is the best business book you have read?

RM: "Non-Zero" by Robert Wright. It is about looking at life with the concept that it is a non-zero sum game. Everyone wins when people and societies work together.

BG: What is your favourite restaurant?

RM: The original "Tandoori King Restaurant" in East Vancouver.

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## President's Message – Robert E. Mitchell, CFA

Our top accomplishment this year was to secure Vancouver as the site for the 2008 AIMR Annual Conference. Many AIMR members recall the conference held in 1995 and the beautiful setting that Vancouver offers. There will be many opportunities for members to be involved in the organization of the conference. With support from the membership an Annual Conference can provide an excellent source of revenue for the host society.

The society continues to grow, regular member's number 625, affiliates 63 for a total of 688.

A successful Forecast Dinner was held this year attended by approximately 450 members and guest. A membership survey will be circulated during the next few months to get your feedback on this event.

Thank you to the dedicated group of directors and volunteers who contribute many hours to enhance the benefits of membership in the VSFA.

## Treasurer's Report - Janine Guenther, CFA

The VSFA's main source of revenue continues to be AIMR society dues, followed by cost recovery on Society events.

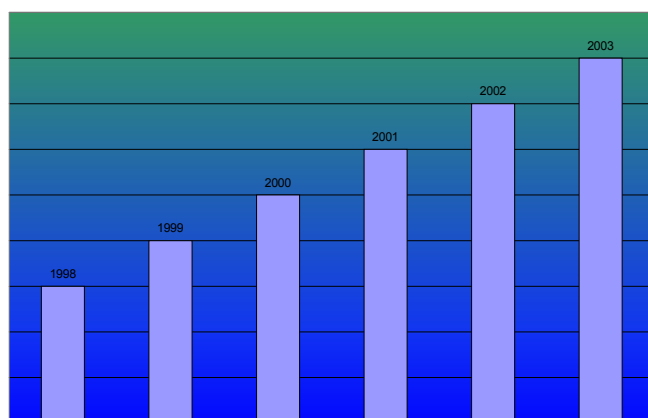
Your Board has made a conscious effort to provide all members with the opportunity to attend two lunches this year as a part of your annual society dues of \$40 USD.

The Forecast Dinner is our largest event but is largely a break-even operation. Total revenues and expenditures for 2002 – 2003 were approximately \$46,000.

The Board has segregated the Mike Ryan Speaker Series Funds from our general operating funds. This was a request made by some members at the 2001 – 2002 AGM in order to provide clearer disclosure on the use of funds. Your Board has targeted Fall 2003 as the next event in this biennial speaker series.

The Society continues to have the goal of managing financial resources in order to provide the maximum benefit for Members.

MEMBERSHIP



## CALENDAR OF EVENTS

**JUNE 27, 2003**

**CHUCK HILL, THOMSON FIRST CALL  
“EARNINGS UPDATE”**

**SEPTEMBER 24, 2003**

**“RETIREMENT PLANNING SEMINAR”**

Presented to you in partnership with

**SFU GLOBAL ASSET AND WEALTH  
MANAGEMENT**

Presentations

**RETIREMENT PLANNING  
ED LEE, LEONG & ASSOCIATES**

**USING TRUST FOR INCOME TAX PLANNING  
OR ESTATE PLANNING**

**FASKEN MARTINEAU AND EDGAR  
FRECHETTE**

**US ESTATE PLANNING IMPLICATIONS  
ELISE REES OR MIKE NADLER  
ERNST & YOUNG**

**WATCH FOR**

**MARK RIEDEL, PRESIDENT  
ACCUMEN EXECUTIVE SEARCH**

**DETAILS TBA**

## JOB OPPORTUNITIES

**Powerex Corp.**

**Energy Trader**

**RBC Capital Markets**

**Research Associate  
Paper & Forest**

**Raymond James Ltd.**

**Investment Banking  
Analyst**

**Ethical Funds Inc**

**Investment Product  
Strategist**

**Vancouver International  
Airport Authority**

**Manager Corporate  
Finance**

Post you employment opportunity with the VSFA  
\$150 per month for Members  
\$300 for Non-members

## CONGRATULATIONS

### 2003 VSFA/AIMR

#### SCHOLARSHIP RECIPIENTS

David Icharia  
Cameron Shiyuk  
Brian Parker  
Jason Bennet  
Stefano Renzitti  
Frederic Bastien  
Mihai Popescul  
Mari Main  
Aly Alibhai  
Andrew Birkby

## PROFESSIONAL DEVELOPMENT

FORMERLY CONTINUING EDUCATION

### *Peter Klein, CFA*

We held five events last year under the Continuing Education banner, most of which were jointly organized with SFU's Wealth Management MBA program. Topics ranged from risk management to hedge fund investing.

We anticipate a similar number of events for the upcoming year. Our kick-off is a half day session on retirement planning, which will include presentations from Leong & Associates, Fasken Martineau Dumoulin, and Ernst & Young. Please mark your calendars for the afternoon of September 24.

As you may know, Continuing Education is now known as Professional Development. We are pursuing Approved Provider status under AIMR's new guidelines in order to simplify your fulfillment of the voluntary Activity Standards.

## CFA CANDIDATE PROGRAMS

The VSFA held a successful CFA Candidate Reception and Information Session in December of last year. Approximately 300 candidates, prospective candidates, and university students attended to hear AIMR Vice President Bob Luck, CFA, give an overview of the CFA program, and to browse exhibits from Schweser, Stalla and Office Depot (exam calculators).

We also had tremendous interest in the ten AIMR and VSFA scholarships available this year. Congratulations to successful applicants listed above. Neither the VSFA nor AIMR will be offering scholarships for the December Level I exam.

While all CFA candidates were encouraged to purchase the prescribed text books from AIMR, the VSFA tried to make available a number of supplementary study options. The VSFA (thank you Cory Okrainetz) purchased new texts for 2003 for libraries at UBC, SFU and for the Vancouver Public Library Main Branch so that a complete set of level I texts was available at each location. Weekly self-study groups were led by Cory Okrainetz and Duc Dang (level 1), David De Bold (level 2) and Victor Whang (level 3). Schweser offered weekly lectures following their own study guides over an 18 week period for all three levels of the CFA. In addition, both Schweser and Stalla offered three day intensive review sessions in May. Finally, the VSFA treated interested candidates to appetizers at a post-CFA exam gathering at Steamworks in Gastown.

The 18 week series offered by Schweser marked the first time that a comprehensive, live-lecture series was available in Vancouver for candidates, and we were especially pleased that Schweser was able to offer their course to all three CFA program levels. Schweser offers similar lecture series in New York, Boston, Philadelphia, Chicago, and Los Angeles.

The VSFA wishes candidates all the best as they receive their exam results over the next couple of months. We will post news of upcoming candidate events on our website [www.vsf.bc.ca](http://www.vsf.bc.ca).

*Ian Robertson, CFA*  
*Candidate Programs Chair*  
*Vancouver Society of Financial Analysts"*

## ADVOCACY

*Don Gordon, CFA*

The Canadian Advocacy committee (CAC) consists of representatives of societies and chapters across Canada. On July 30, 2002 the President of the United States signed into law H.R. 3763 known as the Sarbanes-Oxley Act of 2002 or "SOX", largely inspired by the collapse of Enron Corp. SOX contains sweeping reforms affecting publicly traded companies, auditors, board members, lawyers, and analysts. This caused a flurry of regulatory activity in Canada on which the CAC has been actively providing comments and holding discussions with the involved authorities in response to SOX. Your CAC has met with the CICA on two occasions that have accelerated the pace of change in accounting on such issues as: conflicts, special purpose entities, option expensing, and strengthening audit committees. The securities commissions have been racing along as well. The Ontario Securities Commission issued a number of letters challenging

market participants to adopt SOX type changes and recently new rule making and enforcement powers were passed for the OSC. Alberta is leading the securities harmonization project, and BC has written a whole new prospectus and registration legal platform – which we like but it's not uniform. The Federal government is weighing in with the Wise person Committee appointed by Mr. Manley the Minister of Finance and Deputy PM, led by Michael Phelps and Harold McKay. Both these wise persons have been accessible and candid – they will explore the possibility of involving the federal government in a new market structure. Solutions are bogged down in a number of debates: principles vs. prescription, federal vs. provincial, and blue chip vs. venture market. The CAC reflects AIMR's code and standards wherever appropriate on these issues, with a great deal of success.

## VSFA HOSTS MEDIA EDUCATION SEMINARS

The VSFA Presented two complimentary media seminars for Vancouver journalists interested in learning more about the increasingly complex world of financial reporting and corporate disclosure. Rob Edel, CFA, US Equity Portfolio Manager at TAL Global Asset Management, presented both seminars, which covered topical issues such as accounting abuses, stock options accounting and business write-offs.

The objective of these seminars is to build a profile with the local media in order to increase the public awareness of our society. These events are a way for the association to pass along some of our knowledge to business reporters. As the investor's first source for news and analysis, business reporters play a vital role in communicating critical financial information to the investing public. Overall, we had a good turn out, as six local reporters attended and we received positive feedback for the event. The VSFA plans to continue these seminars on a regular basis.



As the VSFA Public Awareness director I would like to thank the presenter, Rob Edel and our event coordinator consultant Pauline Buck.

*Jason Zandberg, CFA  
VSFA Director, Public Awareness*



## VSFA MEMBER INTERVIEW TRACEY McVICAR, CFA

*BARBARA GRAY, CFA EDITOR*

BG: What inspired you to move to New York City for the summer and work in the Bronx?

TM: I was inspired by two things: the rise of individual philanthropy in the business world on the heels of the long bull market; and the seemingly endless crisis among children in the inner cities. It seemed that for those children, there was no evidence at all of the huge prosperity and wealth creation that had characterized the 90's. I read a non-fiction book called "*Ordinary Resurrections*"; Children in the Years of Hope by an educator named Jonathon Kozol that was set in a church/community centre in the South Bronx. He's written several books about how the "system" fails inner city children in America generally and in that neighbourhood in particular. I decided to see if I could arrange to take a meaningful period of time to go there and make a contribution to those children's lives.

BG: What was it like to go from being an investment banker to being a volunteer teacher in the South Bronx?

TM: Well, I think sometimes in our business you become very defined by the position you occupy. In five months in the South Bronx, not one person asked me where I worked or what I did for a living – they just wanted to know if I was going to come back the next day! I suspect a lot of people would say that there are far too many investment bankers in the world, but in the summer of 2001 if there had been 10 more people like me in the South Bronx, or a hundred more, it wouldn't have been enough.

BG: What did you like most about it?

TM: The experience brought out in me a lot of qualities that I didn't know I had, like a good way with children and a LOT of patience. There's something very simple and direct about all kids – they haven't learned yet to hide any emotions so if they don't like you, they let you know. On the other hand, if they like you, it makes it very difficult to leave at the end of each day.

BG: What did you take away from the experience?

TM: I have an ongoing relationship with the people I met in the South Bronx. I visit there as often as I can and last summer I organized a visit to Vancouver for a mother and her three children with whom I had worked. With a lot of help from some friends in the financial community, this family had the trip of a lifetime. It was amazing to see them experience Kits Beach, Whistler, the Vancouver Aquarium, the PNE and their first ride on an ATV. I hope to be able to do the same thing with three teenaged sisters later this year. Ultimately, I would like to make a very meaningful contribution towards the funding and expansion of the programs at the centre where I worked.

BG: How did it change the way you view your life? the world?

TM: Many people my age are focused on building careers and raising families and believe that philanthropy is something that can wait until later on in life. What I learned is that you don't need to wait until you can fund a million dollar scholarship program, and you don't necessarily have to give in a traditional way. Before I went to the South Bronx, I wondered why more inner city kids didn't take advantage of all the help available to them to get an education and make a better life for themselves and their families. I learned that is a pretty simplistic view held mainly by those who don't have to live there. The issues are very complex and interrelated in a way that makes it almost impossible to change the outcomes unless you change every aspect of the system. How can a teacher contact parents when most don't have a phone? How can a teacher teach effectively if most of the 35 plus kids in the class are undernourished and therefore can't pay attention? Many kids are diagnosed with ADD when it's possible that a better diet represents the real remedy. But a doctor can't prescribe a better diet, so many are treated with drugs – drugs that will sometimes go "missing" to fund someone else's habit.

BG: What have you been doing since you've been back?

TM: I'm working with a private equity firm and I've joined the board of the Central City Mission Foundation. The CCMF manages a \$10 million endowment to benefit the people of the Downtown Eastside by building and operating low cost housing and funding programs for residents of the area.

BG: You are truly an inspiration – thanks for sharing your story with us.

## VSFA 2002-03 BOARD OF DIRECTORS

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### Newsletter

Barbara J. Gray, CFA  
Sheila Hughson, Administrator

## REMEMBERING MURRAY V. LEITH, CFA

As many of our readers will know, the VSFA lost one of its longest serving members recently. Murray Leith was a former president and a member of the local society for over 35 years.

Murray spent his entire working life in the investment industry. He served his apprenticeship at Ryan Investments in the 1960's before moving to Pemberton Securities where he had research responsibility for the Forest Products and Banks. While at Pemberton, Murray began managing pension portfolios. This career path led to the creation, along with Bill Wheeler, of Leith Wheeler Investment Counsel in 1982.

Murray was always a strong advocate for A.I.M.R and was an early proponent for the adoption and promotion of Performance Presentation Standards. In an era where most of us have come to rely on software to produce performance calculations, Murray remained a skeptic and would happily spend hours doing his own calculations with nothing other than a pen and paper.

Many of our current members have been beneficiaries of Murray's willingness to spend time with young people trying to enter our industry. As one of the founders of the Portfolio Management Foundation at U.B.C, Murray continued to act as a mentor for the program enjoying the interaction with the students who, in turn, greatly valued his advice.

We will miss Murray's contribution as an investment professional to our society and the investment community in general. However we will miss his good humor and generous nature even more.

**CONGRATULATIONS to  
those who achieved CFA status**

Geoffrey A. Barsky, CFA  
Scott Bissillion, CFA  
Anthony Borthwick, CFA  
Dillon J. Cameron, CFA  
Matthew J. Carlyle, CFA  
Oliver T.L. Chan, CFA  
Lawrence C. Chin, CFA  
Yee Mei Chong, CFA  
Bruce E. Chow, CFA  
David H. Christopher, CFA  
Mark P. Comeau, CFA  
Michael P. Cormier, CFA  
Ariz C. David, CFA  
Quinn T. Dawson, CFA  
George J. Drazenovic, CFA  
Jonathan C. Dudra, CFA  
Steven B. Eng, CFA  
Mark D. Freeman, CFA  
Edwin W.Y. Fung, CFA  
Sukhbinder S. Gill, CFA  
Kenji Goto, CFA  
Richard W. Grassett, CFA  
Randy C. Hardy, CFA  
Mike S. Henry, CFA  
Brian D. Ingram, CFA  
Derrick Johnstone, CFA  
Rovin I. Karunanayake, CFA  
Jamie R. Kozak, CFA  
Raymond T.K. Lau, CFA  
Edmund Lee, CFA  
Eugene Y.K. Lee, CFA  
Kwong Fai Lee, CFA  
Ivy K. Leung, CFA  
David S.W. Lo, CFA  
Gary K. Lo, CFA  
Elaine Loo, CFA  
Darren G. Lorimer, CFA  
Christopher MacDougall, CFA  
Baljit S. Mann, CFA  
Brian K. Mayhew, CFA  
Marshall McAlister, CFA  
Glenn W. McCoy, CFA  
alexey V. Melekhin, CFA  
William P. Newman, CFA  
Maria C. Pacella, CFA  
William E. Porter, CFA  
Parminder S. Purewall, CFA  
Sandra M. Richard, CFA  
David A. Reichwald, CFA  
Denny Roman, CFA

Steven B. Rowles, CFA  
George Rubin, CFA  
Pamela M. Russell, CFA  
Robert J. Scott, CFA  
Yvonne S.H. Sim, CFA  
Brian D. Steeves, CFA  
Shawn C. Streifel, CFA  
Perry Teperson, CFA  
Kevin W. Trotter, CFA  
Charles S. Vertes, CFA  
Dennis Wan, CFA  
Matthew T. Wilson, CFA  
William Wong, CFA  
Robert S. Yurchevich, CFA  
Li Zhu, CFA

**Welcome New Members**

Perry W. Abbey  
Karim Allibhai  
Gurpreet Singh Banwall  
Kevin P. Bayley  
Grant M. Beasley, CFA  
Andrew J. Bensen,  
Rene Botzenhardt  
Anthony A. Borthwick  
Daniel G. Blue  
S. Todd Brulhart  
Matthew J. Carlyle, CFA  
Alroy Y.U. Chan  
Oliver T.L. Chan, CFA  
Yee Mei Chong, CFA  
Bruce E. Chow, CFA  
Jonathan C. Dudra, CFA  
Michelle K. Duncan  
Daniel J. Frederiksen  
Edwin W.Y. Fung  
Barbara J. Gray, CFA  
Randy C. Hardy, CFA  
Mike S. Henry, CFA  
Jerome J. Holland  
Menno J. Hulshof  
Barbara D. Insley  
Brian R. Korb, CFA  
Pravim Kumar  
Robert M. Kwan, CFA  
Mark A. Laoun  
Darren C. Lee  
Ivy K. Leung  
Mark W. Liedemann  
Ivy K. Leung  
Soo-Ling Leung

Gary K. Lo  
Elaine Loo, CFA  
Darren G. Lorimer, CFA  
Baljit S. Mann, CFA  
Brian K. Mayhew, CFA  
Xiang Mao  
Marshall L. McAlister, CFA  
Scott C. Murray  
Maria C. Pacella  
Ashok Parekh  
Micajah E. Pickett, III, CFA  
Timothy J. Plommer  
Rebecca Rennison  
Steven Repstock  
Luc Richard  
Steven B. Rowles  
George Rubin  
Alistair L. Sale  
Alison See  
Douglas B. Stadelman  
Ken C. Su  
Miranda M.L. Tei  
Steven E. Vanry  
Rosemin A. Visram  
Charles S. Vertes, CFA  
David B. Waldref  
C.K. Guy Wang  
William Wong  
John C. Yuan  
Li Zhu, CFA

**Welcome Affiliate Members**

Jeremy P. Bell  
Timothy W. Caulfield  
Anthony R.H. Chow  
Axel J. Christiansen  
Michael J. Craig  
Colin R. Edwards  
Clive B. Johnston  
Nancy Lihua Liao  
Hugh A. Maclean  
Brian L.Y. Mo  
Fatima Nobre Olson  
Fraser E. Reid  
Ryan A. Schaffer  
Allen Que Tan  
Nikola Tatarkin  
Gordon W. Walker

## Member Programs - Donna J. Gardner, CFA

Your committee worked hard this season to bring you no less than 18 events starting with “Sell Disciplines revisited: How to build and implement an effective sell discipline” with Jeffrey W. Haney, Business Development Manager, Chicago Investment Analytics and ending with a presentation on “the Outlook for Debt Rating Agencies” with Walter Schroeder, President of Dominion Bond Rating Services, a joint presentation with TMAC. DBRS sponsored two other programs this season, “2002 Credit Outlook” and “the Business of Rating Agencies” where VSFA members were invited to attend. The largest attendance was at the AIMR sponsored Speaker Retainer Program with Carl Bang, CFA from State Street Global Advisors.

**Corporate programs** included presentation from Tomkins plc and a company tour of Inex Pharmaceuticals, Burnaby.

### Bank/Dealer programs included:

Global Financial Services Sector - J. Leonard, Salomon Smith Barney  
 Canadian Banking Sector - J. Dzierwa, Salomon Smith Barney  
 Economic & Investment Outlook - D. Drummond, TD Bank  
 2003 Energy Outlook - M. Adkins, Raymond James  
 The Future of the Investment Mgmt Industry - J. Serhant, State Street Bank & Trust

### Other events:

Structured Alpha - Jeffrey B. Klein, Watson Wyatt (Joint presentation with TMAC)  
 Currency Overlay Managers - Fred Bisset, A.G. Bisset & Company  
 Investors Beware the Limits of Financial Statements - Dr. Al Rosen, Rosen & Associates  
 Interesting Characteristics of Emerging Markets - James Donald, Lazard Asset Mgmt  
 Dare to Excel - How to create more success in your life while living a life that you love – Heather Hamilton-Wright, CFA (member VSFA)

### AIMR sponsored programs:

AIMR Professional Standards & Advocacy – Dr. Patricia Walters  
 AIMR Professional Standards Advocacy – Alecia Licata & Nicola Donahue

VSFA 26 <sup>th</sup> Annual Forecast Dinner Predictions	Nov 27/02	Nov 03 ???	M. Leith Jr. Odlum Brown Ltd.	D, Mizrahi UBC Portfolio Mgmt.	R. Harris SFU Dept. of Economics	M. Murenbeeld M. Murenbeeld & Associates <i>Bearish Scenario</i>
CAD \$	63.38		65.00	69.00	60.00	65.50
CAD 90 day T-bill	2.73%		2.75		2.00	2.50
US 90 day T-bill	1.20%		1.50		1.00	1.30
CAD 30 Year Bond	5.57%		5.75		3.00	4.95
TSE 300	6,557.22		7,500		5,000	7,050
DJII	8,818.56		10,000		7,000	9,575
TSE Long			Telus (Voting) (T)	Gennum Corp. (GND)		Barrick Gold (ABX)
Price: Nov 27, 2002			\$15.90	\$11.70		\$23.08
TSE Short			Microcell Telecom (MT.A)	Gateway Casinos (GCI.UN)		Petro-Can (PCA)
Price: Nov 27, 2002			\$0.135	\$ 9.99		\$46.51