ETF Exchange Podcast

Episode 44 Rough Transcript

Announcer: Hello and welcome to the Fidelity ETF Exchange – powered by FidelityConnects –connecting you to the world of investing and helping you stay ahead.

In this episode of the Fidelity ETF Exchange host Étienne Joncas Bouchard welcomes Audrey Kim to the show.

Audrey is the capital Markets analyst on Fidelity Canada's ETF team. As Fidelity Canada celebrates the fifth anniversary of its first ETF launch. Audrey explains to investors what ETF products Fidelity offers and elaborates on its many categories, such as equity factors, fixed income, thematic, Multiasset, and more. Etienne and Audrey also touch on the five common myths about ETFs and also five tips when it comes to trading ETFs.

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Étienne Joncas Bouchard: Hello, everyone, and welcome to the Fidelity ETF exchange. I'm your host. It's shaw, a k e JB and I'm very glad to be back recording another episode of the Fidelity ETF exchange. It's been a bit more than a month, but as I'm sure many of you that are that are listening, we took the time to take a little bit of vacation in August and to recharge the batteries for a very packed fall. It's been quite an interesting year so far for the Canadian ETF industry. Just some of the few notable trends or highlights that I can mention.

Obviously, we do this quarterly recap, but I always like to chat about kind of some of the main flows that we've seen in August was another really strong month and we're up to a bit more than $25 billion in net new assets in the Canadian ETF industry. So really, really continuing on the strong momentum that's been built up since 2020, if you will, with some very strong inflow years. And it's going to be really interesting to see where we wrap up the year at given you're starting to see more breadth among the various asset classes, fixed income leading the way, cash alternatives continue to be strong, but also equities, you know, obviously net net positive inflows. So just a a really good year so far for the for the ETF industry.

As for today's episode and actually usually we do a recap but I'll keep it nice, short and sweet. Our last episode was one of our quarterly recaps where we talked a lot about flows that is available on Fidelity Dossier or on your favorite podcast app. You can check it out there if you want to have a listen.

So as for today, we have a really interesting episode and it's a it's a it's going to be of a one of a kind episode because September 18th, Fidelity celebrated our five year ETF anniversary. We launched two products for the first time in the Canadian marketplace back in 2018. So we're going to take an approach, if you will, on the number five. So we're going to talk about five ETF misconceptions about the vehicle itself. We're going to talk about five trading tips. We're going to talk about some highlights, obviously, of the things that we've achieved and accomplished fidelity. So I guess a fair disclaimer to everybody listening. You might hear a little bit more about fidelity than you usually do on this podcast just because, you know, we want to highlight some of the the great successes that that our team has has achieved over the past five years and kind of looking forward, what are some of the things you can expect?

And joining me today to have this conversation is one of our staple analysts that's been at Fidelity for for the majority of, if you will, that this this inception of this business line at Fidelity. And that is Audrey Kim, who is an ETF analyst focused on the capital markets side of things here at at Fidelity Investments Canada. So, Audrey, thank you so much for joining us and we're very happy to finally have you on the podcast.

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Audrey Kim: Thank you. EJB. I'm really pumped to be on and especially for this episode, lots of exciting energy in the office. Again, we're celebrating our five year ETF anniversary, so very excited to join Know.

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Étienne Joncas Bouchard: And that's awesome because you know what you've done so many different you had so many different roles on the ETF team. Audrey So I don't think there's anybody better to come talk about the growth that we've seen that we've had and kind of the the bumps along the way because, you know, it hasn't necessarily been a straight line. I mean, we also did go through pandemic. We've had more than 40 product launches, which I'm sure have kept you up way too late. And in certain evenings and I know for a fact you're one of the hardest working people in our team, if not at Fidelity as a whole.

So I'm sure going to have a wealth of knowledge to share with with our audience. But I guess to kick things off to to put everything into perspective, I'll share a few of the highlights that we've had over those those past five years. Fidelity's now at, you know, 40 ETFs that are listed, we've got it trading very close to 4 billion in assets where about 3.7 as of the end of last week. We've got a product lineup that is good, that consists of various different types of ETFs. We've got obviously core equity mandates based on our ETF fidelity factor, excuse me, we've got active fixed income. We've launched, you know, more thematic mandates in the sustainable or ESG category. We also have crypto. I mean, there's been so many different launches that we've had to have this really robust line up.

And then our most latest launch or one of our latest launches was our All in one ETF suites, which we finalized, if you will, in 2022, which are these multi-asset solutions that really packages kind of some of our strongest solutions together. And, you know, I guess the the some some launches in some product lines have been more successful than others. But that's the beautiful thing about of having access to so much research and different tools that a firm like Fidelity is that we can really build out this complete line up and do so in a fairly quick way, right? Another five years launching 40 ETF. That's quite something. So, Audrey, I'll I'll send it over to you. Is there anything that stuck out over these past five years that you think is worth mentioning and, you know, maybe. Some of the stuff that maybe even I haven't kept an eye on in that that are noteworthy, that would be interesting to our investors and advisors on the line.

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Audrey Kim: I mean, I think you captured most of it. JB But I would say if there's anything that really sticks out, it's the past few years here and this is where after we've kind of built out and solidified our building blocks, we rounded out our factories. We we got our first Multiasset Solutions launched in the beginning of 2020. We rounded out our fixed income suite. So the past few years we're really focused on expanding our reach and delighting our clients. And what do I mean by that? Like the other ones you mentioned, we took our strongest solutions package, package them up so we have a one ticket solution for those clients that are looking for something simple. We we listened and we heard our clients. There are some clients looking for USD purchase option. We launch those in the end of 2021 and also we entered the digital asset space.

So something that was very, very new for Fidelity. But we, you know, we listened, we understood that there is appetite and demand for assets like crypto. So that's when we started looking into that. And 2022 was again broadening our ETF offerings. We completed our all in one suite there with the addition of the 100% equity which is executed here and are conservative, which was ballpark 4060. Our metaverse launch and our ether launch and then in 2023 is when we really saw that renewed momentum with our active equity launch. And actually just last week we cracked that 3.7 billion milestone.

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Étienne Joncas Bouchard: That's that's awesome. And those are some great points because even like I guess we've done so much that sometimes some things just kind of get lost in our in our memory. But I mean, how could I even miss out our active launch? We've had obviously such great success in the past with on the fund side, with our active managers here at Fidelity Canada and obviously Fidelity Worldwide as a whole. You know, these great managers have really strong track records of of of performance and and and oftentimes even like risk adjusted return wise is significantly better than than than if you look at just a broad market index, it was quite something to have them now available as an ETF. Right. And it's not something that was extremely complicated in reality, right? It's the similar manner or same mandate as they're already existing in funds. But while just broadening the distribution of of these of these managers which are now available via ETF.

So I think that's an area where and we see it in the industry also right where active has become a much more I mean it's still not the size of passive, let's be honest it's you know, a smaller portion of the total ETF industry. But I think it's an area of growth. And as we go forward, you know, there's only so many more passive, you know, indices we can replicate or replicate indices in a passive way, I should say. So I think there's going to be more growth in the active space. This kind of high active share, notably where it's maybe even tougher to to execute a passive strategy. So that's one area that I think I'm really excited for in the future. I here at Fidelity, but also just in the industry as a whole, I don't know if you you echo that sentiment also.

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Audrey Kim: Oh, I absolutely agree. And if we even broaden out our, let's say, definition of active to include smart beta, strategic beta, which includes systematic, the growth we have seen in that active space in the Canadian landscape, get alone. Our partners in the US is absolutely tremendous. The past couple years.

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Étienne Joncas Bouchard: Yeah, I know it's such a good point. And even when I when so when we, when we launched I guess back in 2018, I'd have to double check these numbers. But with the proportion of purely passive, we managed ETFs was closer to 75, 76% of the total volume of the Canadian ETF industry. And now it's, you know, below slightly below 70%. So, you know, there has been a gap. I think that's slowly closing. Not to say that it's going to be the majority, but once again, you know, it is an interesting trend that we're seeing. So that's really cool and hopefully will benefit fidelity as we move forward.

So, yeah, I guess that was quite a bit of fidelity talk. We'll probably chime back in with some certain comments, but we're just once again just really excited about this five year anniversary and trying to think anybody obviously was listening to this podcast has contributed to that growth and and making fidelity. Yes. A notable player in the ETF industry in Canada and kind of I don't I don't think you can avoid us any further if you're a Canadian investor. So we're really happy about that. So let's let's move on to kind of the core content of the and this is I'll give full credit to you because this was your idea and I guess maybe after doing 44 podcast episode, sometimes, you know, I lack a bit of creativity, but this is really a cool idea. And I jumped on board right away to do, okay, we're doing five year anniversary.

Let's do like series of fives, you know, and topics that we can talk about. And the first one that you brought up was five Misconceptions about ETFs. And I think. Way back when when we started doing this podcast, we've kind of done something similar where was like myths about ETFs, but we could never talk about it enough because even, you know, I still go to two meetings with advisors where maybe they're a bit newer to the ETF landscape and they're trying to figure out some of the stuff that they've heard in news, you know, various news outlets, if you will, of information that are sometimes a bit false or misleading about the ETF vehicle. So I'm going to send it over to you and say, you know, let's run through five different misconceptions. And, you know, I'll jump in as as as they see fit, but I'll let you lead the way with what is your number one myth or misconception about ETFs.

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Audrey Kim: So my number one myth, I would say is ETFs tend to be more volatile because they are traded throughout the day. As in you have the ability to do intraday trading with ETFs. And I think where I really want to focus on this is really the reality is is ETF market prices are transparent. So in other words, you can see the actual movement of ETF market prices throughout the trading day, but that doesn't necessarily make them more volatile, just I guess, more observable. And it's really worth noting that the market price of an ETF is just it's just reflecting the changing values of the underlying components or the underlying securities and the supply and demand of that ETF in the given market.

Right. So if we look at the difference between an ETF and an actively managed mutual fund, the price of the mutual fund, which also reflects the value of value of the underlying securities, is set just once a day, which is right after market closed, while ETF prices changes throughout the day, throughout the day, in real time. So, for example, the pricing might not, you see at 11 a.m. might not be the price you see at 12 p.m.. Right. But it's important to note that this doesn't necessarily mean that ETFs are more volatile, their price changes are just more visible or observable, right? Whereas a mutual fund, you just can't directly observe that price fluctuation or value fluctuation throughout the day.

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Étienne Joncas Bouchard: Yeah, no, that's a really good one because, you know, it's like if you think about it, it's similar to like when you see a stock, like it can open a certain place, like it can reach a low during the day and it can reach another high and then finally just closes like right back next to the initial price. But it seems like it is volatile. But when you look at it from a day to day basis, which is what you would do with a fund, for example, maybe it doesn't look finally like it's volatile because, you know, it's ended up very close to the open. But throughout the day, it could have been a bit more volatile because you're seeing what's happening under the hood, basically. So to your point. So miss number two.

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Audrey Kim: Yeah. So just while we're on the topic of sort of ETF versus mutual funds, myth number two, which would be ETFs are riskier than mutual funds. And in reality, risk is really driven by the underlying assets you're investing in, Right? And not necessarily the vehicle used to access those assets. In this case, mutual funds are ETFs. So just like a mutual fund, the risk profile of an ETF is tied to the underlying holdings or the asset it invests in. So a managed mutual fund and the ETF can hold that holds similar stocks or bonds, for example, will have similar risk profiles. And another example like to give is an emerging markets ETF or mutual fund may have higher risks than, let's say, a US investment grade corporate bond ETF. Right? But the that risk is independent of whether you choose to hold a mutual fund or an ETF. So funds in general I'd say whether that be a mutual fund or an ETF offers greater diversification potential compared to just holding single stocks now.

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Étienne Joncas Bouchard: Absolutely. That's another really good one. And I think you're absolutely right, because technically, I mean, both vehicles, you can own the exact same holding like underlying holdings. So it really just depends on the strategy itself. Not so much the vehicle where I guess, you know, maybe some would put an asterisks. There is when they do see dislocations to NAV and I know I don't want to I don't want to open up Pandora's box here, but I remember, you know, periods like March 2020 where you could look at like a similar fund, an ETF with the same or very similar underlying. And one wasn't moving, especially on the fixed income side. The fund and the ETF was was moving more because there was discounts that were applied because, you know, basically once again due to the higher visibility. But in reality, those tend to be corrected over a fairly short period of times as the market normalizes liquidity. But that's one way that, you know, I guess the devil's advocate could could say that ETFs would be more volatile than funds, but in reality, it's just more once again, it's just a function of visibility. So going back to your first point that you mentioned, but really the underlying dictating the volatility of the investments, not so much the vehicle.

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Audrey Kim: That's right. And I couldn't agree more, which leads me to my. Myth number three, it's only apply if you're investing in a very specific component of the market. And I think it's just important to remember, you know, ETF is just an investment vehicle, right? It's a type of investment vehicle. You can actually use ETFs for a wide range of exposures and outcomes, just like you would use mutual funds. So ETFs just offer lower cost access to specific markets, whether it be a country or an industry. It could be specific themes, whether it be, I don't know, either clean tech and or broad exposure. So think MSCI Acwi or think US bond markets. Or specific targeted outcomes like doctor ETFs with like we have the fidelity factor ETF.

So whether that be high quality low wall momentum value. You get the idea. So wide range of exposures and offerings combined with ease and speed in which you can actually buy or sell these ETFs means that investors can access investments that may otherwise be out of reach for some people. Yeah. So whether it's hard, whether it's a hard to access more market or whether it's work poor building blocks for your portfolios or for specific target outcomes, there's an ETF available on the Canadian market that can help with that.

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Étienne Joncas Bouchard: No, absolutely. And I think maybe that that myth arose just by the kind of the the way that the has evolved. You know, initially, yes. You know, there was like the first ETFs, if you will, if you exclude kind of obviously what initially was launched in Canada way back when in the nineties with ETFs, the 35. But if you look at like spider ETF and they launched it was was actually broad market based but then you had like sector ETFs were very popular. You also had like region specific ETFs or fairly popular. And then you had like a very big boom into like niche, more niche things like thematics and things like that. Especially in the U.S. I'd say as the market's bigger, it was easier to do more thematic things. Now you're seeing that move to Canada also. But like you can get an ETF that's got 3000 holdings, but you can get an ETF that's got one holding right in that that now exists.

Also, like single stock ETFs in the U.S. are not obviously quite here yet and I don't think they're here anyways. Here in Canada, maybe you could correct me there, but you know, it's just shows once again, kind of the flexibility of the vehicle where you can really kind of get anything, anything you'd like. So let's move on to myth number four. Audrey, what do we got?

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Audrey Kim: ETFs always trade at a premium to it's not so in reality. ETFs can trade at a premium or discount to its NAV. But I think what we should really focus on and and it's important to note that the biggest risk is really to the ETF premiums and discount and how it's realized when an investor purchases an ETF. So, for example, if an investor purchases the ETF when it's trading at a substantial premium and then sells it at a substantial discount, that's when you're actually going to realize that risk. So I think it's more important to focus on the volatility of a fund's premium or discount, whether than how much of a premium is, how much of a discount is it? It's that volatility that's much more important. And that's why you do see ETF investors tending to focus more on the average premium. But the stability of premiums and discounts over time will have much more impact.

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Étienne Joncas Bouchard: Know that that makes a lot of sense, right? Because it's mostly like it will impact it as you treat it like if you hold the ETF less, yes, it might impact the daily fluctuation or the price return you'll see in your in the in your account. But technically it won't impact. It will have an impact on performance, total performance until it's traded. Correct. So like you said, if you buy at a premium solid discount, obviously, then you know that's not ideal. On the flip side, though, buying a discount sell at a premium. Well, you know, maybe you're you're happy with that.

But at the end of the day, I think it's just like you said, to make sure that are not make sure, but to just to understand that a little bit and be conscious of it but at the same time shouldn't be a material impact with most ETFs, given the fact that most underlying assets in ETFs are fairly liquid, right? Like that's there's a reason why there's very little like alternative alternative ETFs with like private assets or like fixed assets that are hard to move and don't get priced every day or throughout the day even. So I think the ETF industry as a whole has for the most part respected the reality of the vehicle and just basically not construct like asset managers, like Fidelity are not coming out with things that are going to lead to massive discounts and premiums because you know, there's an asset there that trades every ten years instead of like every day or every couple of days. So good point. Last final myth and then we'll move on to something else. But, you know, there's got to be many other more. But what's the number five?

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Audrey Kim: So number five is ETFs are. For day traders, and that just couldn't be further from the truth. I am definitely not a day trader, but I sure hold ETFs. ETFs are just an effective investment tool for many types of investors. And since ETFs have the same trading flexibility as stocks as they trade, they're listed on an index. Short term traders can use ETFs to quickly move in and out of a position because they can be traded intraday. But also, ETFs are just a cost efficient way to build a long term core portfolio. So it's no, it's not just for day traders. Sure, you could trade it for short term purposes, but they're also in a very effective tool to build a long term portfolio.

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Étienne Joncas Bouchard: That's that's a great point. It's not because you can trade them that you should they trade them. There's there's a big difference there. And I'm sure that applies to many things in life. But all that said, that's a great point, right? You definitely can trade them more, more, more frequently and more often just because of the nature of the vehicle. It's, you know, you get price throughout the day. But, you know, long term investors, you can see this as really core building blocks and portfolios. And that's obviously what's what we're trying to build in terms of the solutions that we have anyways here at Fidelity is that these are long term investments. And I think of the factor space specifically.

You know, the longer you tend to hold a factor ETF, the higher probability you have realizing this or capturing strategic alpha over time. So that's just I think a great example with regards to our lineup anyways that that proves that, you know, time is your friend generally speaking. So that's very good. That's five myths. Okay, let's, let's move on to trading tips and obviously I mentioned it earlier in your role now at Fidelity, you are on our capital markets team. So you you work with market makers on a daily basis. You work with advisors and investors trying to execute trades. So this is really your bread and butter, if you will. So obviously no better person to to name us your five ETF trading tips. So let's start with number one and once again, I'll jump in if there's anything that I can add.

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Audrey Kim: Yeah. So number one, and I'm starting this one, starting with this one on purpose, and that is to use limit orders. I mean, if I had to provide just one tip, limit orders would be it. And I'll say it one more time for the people in the back, use limit orders and I'll tell you why. Limit orders are a particularly valuable tool for trading thinly traded securities, you know, and especially when even a small order have the potential to represent a high percentage of a given ETF average daily volume, that's when limit orders can be particularly important. But I think just in general, using limit orders is a good practice. And by using limit orders, you're setting a specific price at which you're willing to buy or sell that ETF. So you're better able to control your execution price so that there's no surprises.

By contrast with the market order, you get the prevailing market bid or ask price. But again, you're opening yourself. You're exposing yourself to that factor of supplies should something change. Right. So and obviously it's I should note that there could be potential pitfalls or cost to using limit orders, and that would be just time and incomplete execution. Let's say the market moves a bit so your full order doesn't get filled. But I think it's just important to note that these costs are pitfalls need to be considered against the cost of an unfavorable or unexpected execution.

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Étienne Joncas Bouchard: No, that's this is the like you said, I think if there's one tip that we had to give, this is definitely be one, just because I feel like I've heard. A lot of nightmare stories with market orders where somebody is putting in an order and then, you know, realizing it only like even maybe not even on the spot. Then you're like, wow, okay, I got I got $0.02 more on my on my offer than than I was expecting. Well, that's maybe because it was a fairly large order and there was the, you know, the ask price that you were seeing, for example, when you're buying. Well, that was for the first 500 shares or the first 2000 shares and then the others, you know. So unless you have, you know, access to full depth, which even then, it's probably not worth it. You definitely want to use limit orders. And I think there's and you mentioned pitfalls. I think, you know, the the positives far outweigh the negatives with regards to limit orders versus market orders. So really good first tip, what would be tip number two, order.

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Audrey Kim: Tip number two, trade when the underlying market is open. So if you're trading an ETF that invests in securities that trade in markets outside of the domestic market, it's best to trade when the constituents of the ETF are actively changing hands in their home market. So, for example, it would be best to trade Fidelity's international high quality ETF during the morning while European markets are still open. So and that's because during these overlapping trading hours it's much easier for market makers and market participants to keep excuse price in line with. It's not as the underlying holdings are still being bought and sold in real time across international markets. Right. And once the international markets close, market makers tend to rely on the futures, on futures as a guide in setting prices. So inherently it's a little less reliable touch, touchstone, and that can be reflected in the spread.

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Étienne Joncas Bouchard: Yeah. So basically, as market makers need to do to manage their risk also when those underlying are not trading. Correct. So I think it just and it is same thing is as you would do with with any asset that you're that you're training. If you don't know the value that you're going to have to sell or buy it, you're going to want to protect yourself. So that makes a lot of sense. And that's another one where I've heard a couple, you know, tougher stories of, you know, I needed to make a trade later, but then the spread was much wider. So then finally ended up not working.

And often what happens and it was what I'm talking with, with advisors is, you know, I get and I say, oh, why is this ETF got a ten or $0.12 spread when usually it's at one or $0.02? And generally speaking, it's I look at the ETF in question, it's either like you said, it's it's a market that's closed on the underlying and then you know the best the best recommendation is is to be patient unfortunately and to to execute it in more optimal times, for example. So that's a really good one and definitely applies to markets like international specifically, you know, obviously could be others, but that's definitely one I think that comes to mind. That's very common. That was a good number to tip what's what's number three?

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Audrey Kim: Yeah. So speaking of optimal, my thoughts, it would be just avoid trading around market open or close. And the reason being just it's best to avoid trade right after opening bell because it actually takes it's a while to wake up in the morning, I like to say, and it's because it takes some time for all the underlying securities of the ETF to begin trading. It's that period is actually called the price discovery period. And during those times, market makers may demand wider spreads as compensation or price uncertainty because they need to manage their risk. Right. So I also say it's also a good idea to avoid trading ETFs as we approach market close, because as the market winds down towards the end of the trading day, many markets might might step, take a step back from the markets to make sure they limit their risk heading into the close. So, you know, in light of these considerations, it just makes sense to wait about 15 to 30 minutes after opening bell and just before close. And I'm not saying that you can't trade at this time. So if you if you do wish to trade at this time or you need to trade at this time, going back to tip number one, use limit orders.

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Étienne Joncas Bouchard: That's a good point. So it's all of these things will tie in together beautifully, I'm sure, once we get to number five and then, you know, you'll have a very good guide on on things to to avoid and to do. But this is another one kind of it's hard but in the same vein is like when the underlying are are trading like your number two tip whereas you know there are better times just because of other factors. So obviously the underlying being open is one of them. But then timing, like you said, is that there also is generally more volatility around the beginning and end of the market day. So that's going to lead to to less risk taking, if you will, among market participants. So makes a lot of sense. Let's move on to. Number four.

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Audrey Kim: Number four is if you're making a big trade or a large block trade on a friend. In this case, that friend could be the ETF Capital Markets desk here at Fidelity. So if you're looking to execute a large trade in that ETF, it might help to reach out to your dealer or the fund providers Capital Markets Desk. And here at Fidelity, we have actually an ETF Capital Markets Desk. And I one of the investment analysts on that team, we can help connect our clients to liquidity providers. On top of that, we can also just provide trading and liquidity consultations and provide insight on efficient ETF execution strategies.

When you do have a large trade that you're looking to place. And a lot of the times folks usually ask me, so you know, how much how much does it need to be for me to make that call worthwhile? And I'd say there's really no hard and fast definition of what qualifies as a large trade. General rule of thumb is anything that accounts for 20% of an ETF average daily volume. But that being said, we're always here. We're always looking to support. If you want that support, give us a ring. We're more than happy to help with that. I would say by contacting the ETF providers, Capital Markets team more, contacting a liquidity provider, investors can potentially save themselves substantial execution costs by getting that assistance.

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Étienne Joncas Bouchard: And that's a great point. And I think obviously that's specifically true. I mean, in what you were saying with regards to our ETF capital markets team, with regards for for the advisors that are listening in to you to the podcast, if you're an investor and you know you're out, you're obviously maybe not, you know, you're not going to be in contact with the fund companies, but you are maybe using a brokerage platform that that has a line, you know, an assistance line also to help execute trades. I know, you know, we're part of the younger generation where we seem to do everything on ourselves online or in the apps or whatever. But the reality is you can still reach out to people at most discount brokerage platforms to get help to execute trades. I don't I've never done it, but I know it's out there and it can help for sure. But we are biased, you know, we're part of the industry.

So these tips, we've heard them many times before. But you know, for those that are maybe newer investors to trading ETFs, it doesn't hurt to reach out to somebody that that that's specialized in this, if you will. And if you're using an advisor all to understand kind of the you can reach out to that advisor also obviously to get their tips. So very good tip. Let's move on to the last one. I mean, heck, we're already at 33 minutes. This is a lot. This is what it to be one of the longer episodes that we've done. And I feel like we could go on for another 30. But let's wrap up with our final tip and then we can wrap it up with some closing comments.

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Audrey Kim: And I'll make this one short and sweet. So if you don't want to trade ETFs for whatever reason that is, you can always consider a mutual fund, right? So I recognize that ETFs aren't for everyone. And, you know, really depending on your personal preference and your circumstance. And if you don't really value intraday trading and you just wish to forgo navigating the ins and outs of ETF trading, a mutual fund is just just as great option as well. And so here at Fidelity, we offer most of our ETFs in a mutual fund version so you can select the investment that best fits with your book of business.

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Étienne Joncas Bouchard: That's such a good point. Right? And I don't think it's the case for every ETF provider out there, but obviously at Fidelity given, you know, we work so closely with advisors across the country that it was it was, as you know, of utmost importance for us that the majority, like almost the entirety of our ETFs, are also available in in fund series where you can buy them as you would a traditional mutual fund. So that's a really great tip also. And that option is obviously out there to be considered.

So Audrey, this was this was awesome. We went through a lot of stuff. You did an awesome job. So that means unfortunately for you or fortunately, I'm going to have to have to get you back on eventually. And it's definitely going to be before we have our next five year anniversary. So we'll think of some new cool topics to come up with. And actually, you know what? I might let you decide because I thought this idea was really cool to do that, the five year anniversary theme and to celebrate that because it's truly been a lot of work by a lot of people at the firm. So I want to take the time to thank everybody on our ETF team, but then especially to thank everybody either listening on to, you know, to this podcast episode that's contributed to that in a way of, you know, investing in some of Fidelity's ETFs or, you know, just just investing in ETFs in general in the Canadian ETF industry and supporting that whole the whole thing, the thing that makes everything go the world go round, if you will, so that this is really awesome. Audrey, thanks again. And I guess any closing words of remarks that you'd like to add.

[00:35:22]

Audrey Kim: Have a five year ETF enter, sir. Thank you. EJB.

[00:35:26]

Étienne Joncas Bouchard: Yeah, no, I guess one thing I'll say I'm kind of jealous that you guys got to have cake on Monday, and I unfortunately was not there in person, so I'm going to have to take you guys up on a piece of cake when I get to Toronto next time. But awesome I. All right. Well, thank you, everybody. Thank you for listening to the Fidelity ETF exchange.

[00:35:45]

Announcer: Thank you for listening to the ETF exchange powered by Fidelity Connects. Don't forget to follow Fidelity Canada on Twitter and subscribe to Fidelity Connects on your podcast platform of choice. And if you like what you're hearing, leave a five star rating or review. Thanks again and see you next time.