

Professionalism at every level

In our last publication, we highlighted how agency issues, i.e., conflicts of interest, have been empirically shown to create greater demand for stocks exhibiting high volatility. We revealed how this demand could cause stock over-valuations and subsequent underperformance, with greater risk. For investment purposes, and for stakeholders of the global capital markets, it is paramount that a firm's culture is committed to ethically managing conflicts of interest. While it is obvious that client interests should matter most, recent history has demonstrated that many corporate cultures do not operate according to this principle.

The title of this piece is inspired by a slogan used by The CFA Institute. The CFA Institute's mission is "to lead the investment profession globally by promoting the highest standards of ethics, education, and professional excellence for the ultimate benefit of society." You may have noticed that of all the stated objectives, the "highest standards of ethics" is listed first. The CFA Program promotes the highest ethical standards. They are key to successfully completing the program, and remaining in good standing within the global society.

The CFA charter is a globally recognized graduate-level designation. In 2010, the Financial Times put it best; "Among the countless finance degrees around the world, the Chartered Financial Analyst qualification has become the gold standard." Industry practitioners tailor the program's curriculum to ensure that successful candidates gain real-world investment analysis and portfolio management skills. To receive the designation, a candidate must pass three levels of rigorous exams that test an advanced curriculum, gain four years of qualifying work experience, and adhere to high ethical and professional standards that often supersede regulatory minimums.

SEAMARK's commitment to the CFA Institute's mission has been evident all throughout the firm's history. The CFA Institute is the global governing body of its members, but it is the local societies that advocate the mission in their respective regions. Bob McKim is one of the five members who founded CFA Society of Atlantic Canada in 1990, and he subsequently served as the society's president from 1998-1999. George Loughery served as society president from 2001-2003, and Beste Alpargun served as president from 2011-2012. George, Beste, and Don have each volunteered their time to provide industry mentorship to local university teams competing in the CFA Institute's annual Investment Research Challenge. Beste continues her involvement by teaching an evening prep course at Saint Mary's University for students wishing to write the level one exam.

Joel Muise took one of Beste's prep courses back in 2009. Today, SEAMARK is pleased to announce that Joel has passed the three exams, recently obtained the qualifying work experience, and is now a CFA charter holder! With Joel's attainment, every member of SEAMARK's investment team is now a CFA charter holder!

SEAMARK's next generation of investment professionals is also committed to integrity and professionalism. After attaining his charter in 2012, Tyrone Saunders joined the board of directors of the CFA Society of Atlantic Canada; Joel Muise and Megan Murphy are both interested in joining the board as well.

SEAMARK claims compliance with the CFA Institute Asset Manager Code of Professional Conduct. This claim has not been verified by CFA Institute. Our voluntary compliance to a code specifically tailored for asset managers is further evidence of our commitment to upholding the industry's highest level of ethical and professional standards. Under SEAMARK's new operating structure, the firm can now work to become compliant with the CFA Institute's Global Investment Performance Standards (GIPS).



Tyrone Saunders, CFA
Investment Analyst

Congratulations, Joel!

A Saint Mary's University graduate with a Bachelor of Commerce degree, Joel had the opportunity to participate as a fund manager for two years in a student-managed investment fund, with mentors throughout the industry. During his studies, Joel also represented the CFA Society of Atlantic Canada in New York City at the CFA Global Investment Research Challenge, placing in the top six schools throughout North and South America. Joel joined SEAMARK in 2010 as part of SEAMARK's Professional Development Intake Program. The program helped him develop a well-rounded understanding of the business by working in all of SEAMARK's departments, from back office and trading, to equity research.

