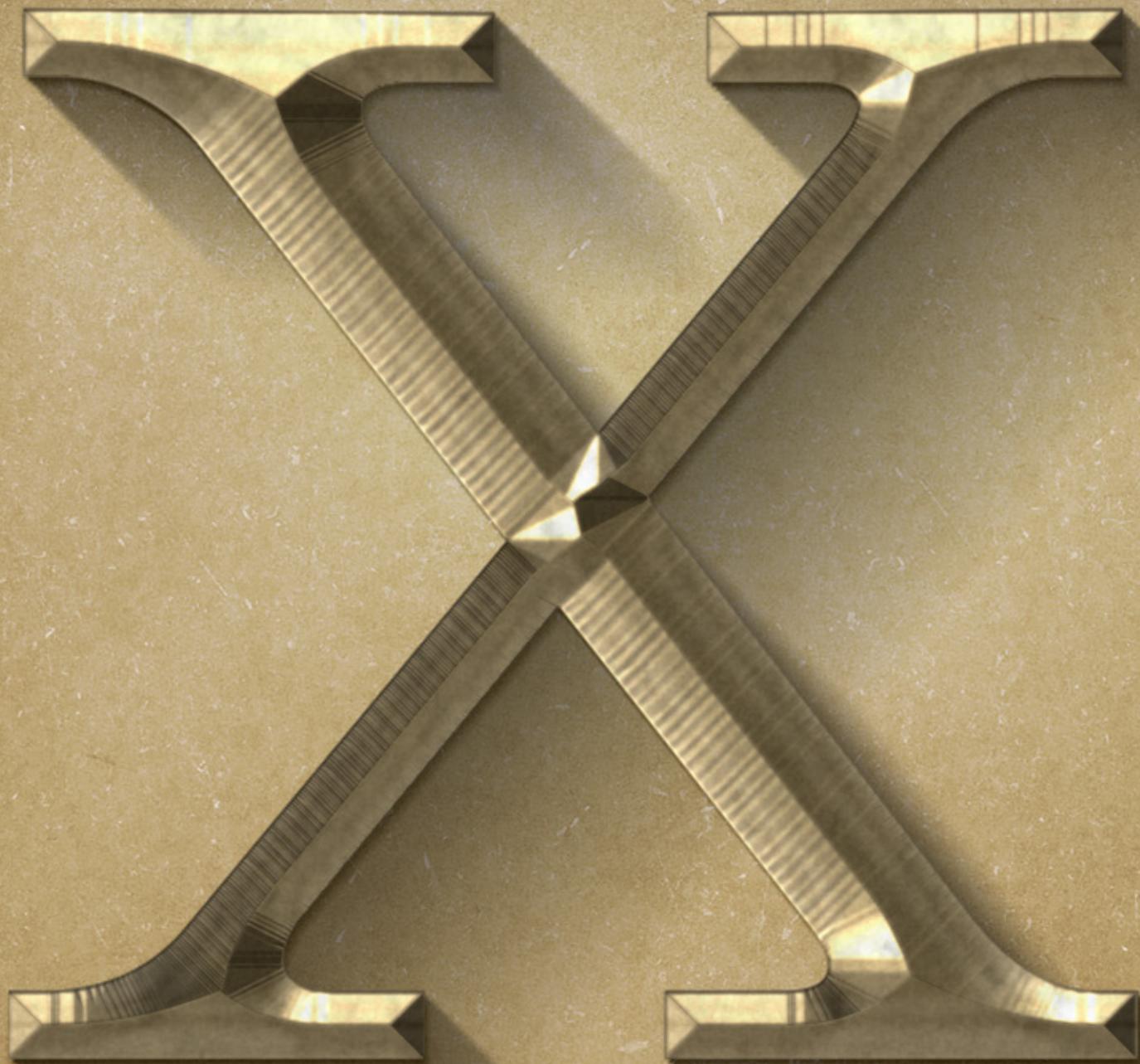


ETF Report

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THE TEN MOST IMPORTANT PEOPLE IN ETFs

Tim Clift

Tim Clift, chief investment strategist at Envestnet, finds himself at one of the more dynamic spots in financial markets. Here, the ubiquitous hand of technology is changing the way investors invest, the way traders trade and even the way advisors help clients.

The company—among other services—provides the open architecture that allows more than 100 fund strategists to market their ETF model portfolios to investors everywhere using tools such as unified management accounts (UMAs).

UMAs allow investors to aggregate various strategies into one comprehensive statement, and firms like Envestnet market those various strategies in one place. It's not the only firm in its space, but these days, if you're not on Envestnet, you're sort of nowhere.

mutual funds as well as ETFs on its platform, but make no mistake: ETFs are increasingly where the action is. More specifically, the ETF strategist space has been one of the fastest-growing pieces of the \$2 trillion ETF world in the past few years.

"The majority of the growth has been in ETFs," Clift said. Whether it's for tactical trading or for more strategic holdings, "ETFs are much more suitable for trading," he added. "I'd say ETFs have a very bright future. Innovation is still in the early stages."

After a brief stint in the early 1990s at Donaldson, Lufkin & Jen-

QUICK BIO

FIRM
ENVESTNET

TITLE
CHIEF INVESTMENT
STRATEGIST

LOCATION
BOSTON

"Innovation is still in the early stages"

Clift is a gatekeeper of sorts, advising ETF strategists—especially ones just starting out—how to run their portfolios more smoothly, and, not least, offering them a platform where they can market their various strategies.

More than \$600 billion in assets is tied to Envestnet in an "assets under administration" arrangement, with a total of about 2.8 million client accounts. Envestnet also has about \$65 billion in discretionary assets under management, and \$18 billion in proprietary assets in a relatively new portfolio management operation, the latter of which Clift is involved with closely.

To be clear, the company includes

rette, where he pitched stocks and wasn't "feeling it," Clift joined and helped build a firm called FundQuest, a technology-driven company that was mining the same trading-technology traffic that Envestnet would one day join and come to dominate.

Envestnet was born in 1999, and it ended up acquiring FundQuest in 2005. Clift quickly gained influence and stature in the new company, and he says his inclination to push for different ways of doing things is perhaps his best quality as a manager, and probably helped propel his career.

"I push every day to think of new ideas, and I'm assembling a team that can do that," he noted.