


Sticky by Nature: Why Canadian Asset Owners Struggle to Achieve Total Portfolio View



For Canadian pension plans and institutional investors, Total Portfolio View (TPV) refers to a synchronized, near real-time understanding of public and private holdings and exposures across the enterprise. It's the cornerstone of investment clarity, empowering decisions, strengthening oversight, and unifying front-to-back investment processes.

Yet for Canadian asset owners, achieving TPV isn't just complex; it's sticky. Like maple syrup: sweet when it finally comes together, but it takes pressure and patience. Governance models, FX overlays, and deep allocations to private markets complicate every step of the journey.

In this piece, we examine the structural roadblocks to TPV, the unique challenges facing Canadian institutions, and how organizations can begin building a future-ready view of the total portfolio.

Why Total Portfolio View Remains Difficult to Achieve

Even in the most technologically advanced institutions, TPV remains elusive. Why? Achieving it is less about plugging in a new platform and more about aligning the underlying people, processes, and data. Common challenges include:

- Siloed platforms and reporting systems across front, middle, and back offices
- Fragmented data sources with inconsistent formats
- Timing issues due to real-time vs. batch-based updates
- Misaligned goals between operations, performance, and risk teams

The result? A lack of clarity. As we've discussed in [Achieve Clarity With Total Portfolio View](#), institutions often struggle to answer foundational questions:

“Where are we exposed? How did we perform? Can we trust the data behind our decisions?”

Now layer in the complexity of Canada's investment ecosystem, and the challenge grows stickier.



What About TPV is Challenging for Canadian Asset Owners

➔ Global Exposure & FX Hedging Complexity

Canadian pensions are globally ambitious by design. According to the CPPIB, over 55% of assets are allocated outside Canada, often in USD- and EUR-denominated investments¹. This exposure brings sophisticated FX hedging programs and overlays, critical for managing currency risk, but quite complex to manage at scale.

Without consistent data tagging and real-time hedge alignment, institutions risk introducing noise into performance and risk analysis. The same asset may be shown as overperforming or underperforming depending on where hedge impacts have been applied at the investment, strategy, or total fund level.

➔ Heavy Allocation to Private Markets

Canadian asset owners are among the world's top allocators to private markets. Some of the largest public pensions allocate 40–60% of their portfolios to illiquid assets like real estate, infrastructure, and private equity.

Yet private markets are the antithesis of standardized data. Valuations lag, manager reports vary, and benchmarks are inconsistent. Integrating these assets into a unified TPV requires custom ingestion, normalization, and valuation models, not to mention close collaboration across risk, operations, and accounting.

➔ Fragmented Regulatory Environment

Unlike the U.S. SEC or Europe's ESMA, Canada's regulatory environment is decentralized. Institutions must navigate a fragmented landscape of provincial and national guidance (e.g., OSFI, CSA, local pension acts), and this means:

- Compliance requirements vary from one region to another
- Reporting formats diverge
- Custom workflows and tools are often developed in-house to meet unique demands

The result? The lack of a single regulatory framework drives up customization, inherently pushing firms further away from a clean, consolidated view.

➔ In-House Management Models

Canadian pension plans often manage significant assets in-house to reduce costs and retain control. But internal control comes with a price: legacy infrastructure.

Over time, custom-built solutions emerge, each tailored to a specific function or asset class. While efficient in isolation, these systems aren't designed to communicate with one another. The total cost of ownership continues to rise, and without interoperability, TPV becomes more about reconciliation than insight.



When Complex Gets More Complex: The Risk of Half-Modernization

Many Canadian institutions find themselves modernizing from within while still carrying the weight of legacy infrastructure. This hybrid approach can cause friction at every point:

- Misaligned data hierarchies and taxonomies
- Conflicting versions of performance or exposure
- Lack of shared reference data
- Difficulty reconciling across asset classes and time zones

As we note in [Architect for the End-State](#), TPV requires building an operating model that enables aggregation, not one that constantly fights it. Without this foundation, as an institution grows, it becomes increasingly difficult to see the whole picture.

What Can Be Done? Practical Steps for a Sticky Problem

TPV is not out of reach, but it requires deliberate design. Here's how Canadian asset owners can take action:

- **Investing in enterprise data governance:** Create shared definitions, reference hierarchies, and oversight structures.
- **Designing for integration:** Build cloud-native architecture and APIs that enable aggregation across business lines and systems.
- **Normalizing private market data:** Structure unstructured inputs, automate ingestion, and implement consistent valuation models.
- **Enhancing FX hedge tracking:** Tag and timestamp hedge positions to ensure alignment with exposures and attribution models.
- **Anchoring to common reference points:** Build performance and risk reporting around shared benchmarks and taxonomies.

Most importantly, stop chasing the myth of a “perfect” system. TPV is a journey, not a single solution, and one that demands flexible frameworks and a shared vision.

Clarity Is Worth the Climb



Total Portfolio View isn't just a reporting capability; it's a strategic imperative. For Canadian asset owners navigating operational silos, legacy systems, and growing allocations to private markets, the journey to TPV can feel overwhelming. But with the right strategy, architecture, and partners, it is achievable, and it's transformative.

Achieving TPV means enabling better investment decisions, aligning risk and performance, and building the infrastructure needed for long-term agility. Canadian institutions that begin to tackle the complexity today will gain a competitive advantage tomorrow, one rooted in clarity, control, and confidence.

Why Meradia



Meradia helps asset owners transform complexity into clarity. With deep expertise in performance, risk, and operational architecture, we've guided leading institutions through their TPV journeys, aligning data, systems, and strategy.

Our growing presence in Canada means we bring not just global experience, but insight into the region's unique investment models, regulatory expectations, and data challenges. We understand what makes TPV sticky here, and how to help you unstick it.

References

¹<https://www.cppinvestments.com/the-fund/how-we-invest/our-investment-strategy/>

²<https://www.preqin.com/insights/research/trending-data/trending-data-infrastructure-takes-the-crown-in-canada>

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