



Di Iorio Family Wealth of RBC Dominion Securities

Think bigger. Act bolder. Invest better.

5 Big Ideas and Predictions for 2021 and Beyond

2021-01-22 | Di Iorio Family Wealth

Happy New Year to all of our clients, partners, and friends! We have dedicated our first blog post of the last several years to exploring some themes and making some predictions for the year ahead. This year is no different, and we believe that many of the most significant trends that emerged to the forefront in 2020 are poised to continue into 2021. The ongoing pandemic continues to transform so many aspects of both our lives and the world as a whole, but, as difficult as it has been to live through this period, we believe that many of these changes will actually prove to be positive for the future. Some of the foremost areas of impact are the transformation of the enterprise, the evolution of the consumer, the acceleration of fintech, and innovation in healthcare. Here are some of our top themes and predictions for 2021 and beyond:

1. Data is the new infrastructure, and the 2020s will become the decade of data

We've talked a lot about "big data" in past posts, and have been aligning our portfolios to benefit from this trend for some time already. This is rapidly becoming so broad an area, that a single term will no longer be sufficient to cover it. Ranging from business intelligence tools and operational applications using AI and machine learning, to programmatic advertising and content recommendations – the collection and application of data will become central to the success of companies across all areas of the economy.

Prediction: Investing in the collection, transformation, and application of data becomes akin to investing in the "infrastructure" of the new economy.

2. Just like vaccines, cures and treatments for other diseases may be closer than we think

Despite how long the last nine-plus months may have felt, the pace at which a vaccine has been developed and rolled-out is nothing short of astonishing in a historical context. A big contributing

factor has of course been massive funding, and an accelerated pace of approvals made necessary by the severity of the pandemic. However, the advancements made in what we like to call “health tech” were just as significant. This is potentially the space we are most excited about from an investing perspective, and it has far reaching applications including improved quality of care, better access to specialists, customized-treatments, new drug development, better chronic-condition management, and preventative medicine.

Prediction: Perhaps not in 2021, but we believe the blending of healthcare and technology will lead to much better treatments, and maybe even cures, for many of the diseases and health issues of today. This may be the single best area for investment over the next decade, as well as the most influential in improving overall quality of life.

3. Working remotely for a year changes the way we work forever

Look no further than our team – we’ve had one of our most successful years ever in terms of performance, client service, and onboarding. A major contributor to this was the fact that we had almost three times the amount of meetings (virtual of course) vs. 2019. We saved time and money for all parties by cutting out travel, related costs of travel, as well as various inconveniences that caused by human inefficiencies. As a result, we were able to devote more time to refining processes, researching new opportunities, and articulating our “Why” through publishing more content for our clients and partners to consume. We do not believe we are an isolated case, and we expect that even when things return to normal, the “Work” dynamic has been forever changed.

Prediction: Changes to the “Work” dynamic will not only improve quality of life, but also increase productivity, reduce inefficiencies, and provide new opportunities.

4. Direct listing becomes the new normal for companies going public

You’ve probably heard of SPACs or Special Purpose Acquisition Companies. These have also sometimes been referred to as “blank cheque companies”. They are essentially publicly listed entities with no operations (just a lump sum of cash), with the goal of going out to acquire a non-public company, thus bringing it “public” without going through the traditional (and expensive) Initial Public Offering (IPO) process. More companies came to market this way in 2020 than ever before, and though we think the current hype surrounding these vehicles has likely created some bubbles, we do expect that this will become the new normal.

Prediction: In 2021, the SPAC trend continues, and over the next several years becomes the standard route for companies going public.

5. Investing for growth continues to reward those who are patient

The debate between “value” and “growth” investing has been raging for years, and the outperformance of “growth” has been ongoing for so long that the prevailing opinion is this will

undoubtedly reverse course. Our opinion on this entire topic is that it is outdated, and completely misses the point. “Growth” is perceived as a more “risky” investment style, while “Value” is viewed as more “conservative”. We think this couldn’t be further from the truth, as we feel that investing in high quality growing companies is actually one of the safest ways to allocate capital over time. Over the short-term, it is certainly possible that the market may shift away from some of the biggest winners in 2020, as investors seek to rotate their funds and time the resurgence of some of the most beaten-down areas. However, in our view, the trends underlying many of the best growth areas are not only intact, but have only been secured and accelerated.

Prediction: 2021 proves that many growth areas from 2020 have staying power, and will continue to outperform over time

As always, we want to thank all of our readers. We invite you to get in touch with us if you have any questions, or if you want to discuss anything you have read here in more detail.

Sincerely,
Di Iorio Family Wealth

This information is not investment advice and should be used only in conjunction with a discussion with your RBC Dominion Securities Inc. Investment Advisor. This will ensure that your own circumstances have been considered properly and that any action is taken based upon the latest available information. The strategies and advice in this report are provided for general guidance. Readers should consult their own Investment Advisor when planning to implement a strategy. Interest rates, market conditions, special offers, tax rulings, and other investment factors are subject to change. The information contained herein has been obtained from sources believed to be reliable at the time obtained but neither RBC Dominion Securities Inc. nor its employees, agents, or information suppliers can guarantee its accuracy or completeness. This report is not and under no circumstances is to be construed as an offer to sell or the solicitation of an offer to buy any securities. This report is furnished on the basis and understanding that neither RBC Dominion Securities Inc. nor its employees, agents, or information suppliers is to be under any responsibility or liability whatsoever in respect thereof. The inventories of RBC Dominion Securities Inc. may from time to time include securities mentioned herein.

This commentary is based on information that is believed to be accurate at the time of writing, and is subject to change. All opinions and estimates contained in this report constitute RBC Dominion Securities Inc.'s judgment as of the date of this report, are subject to change without notice and are provided in good faith but without legal responsibility. Interest rates, market conditions and other investment factors are subject to change. Past performance may not be repeated. The information provided is intended only to illustrate certain historical returns and is not intended to reflect future values or returns.

RBC Dominion Securities Inc.* and Royal Bank of Canada are separate corporate entities which are affiliated. *Member-Canadian Investor Protection Fund. RBC Dominion Securities Inc. is a member company of RBC Wealth Management, a business segment of Royal Bank of Canada. ® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © 2026 RBC Dominion Securities Inc. All rights reserved.