



# Investing in Canada – A Guide to Self-Directed Investing for Newcomers

This Master Class will begin shortly

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TD Direct Investing | Client Education

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11/14/2024





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# Introduction



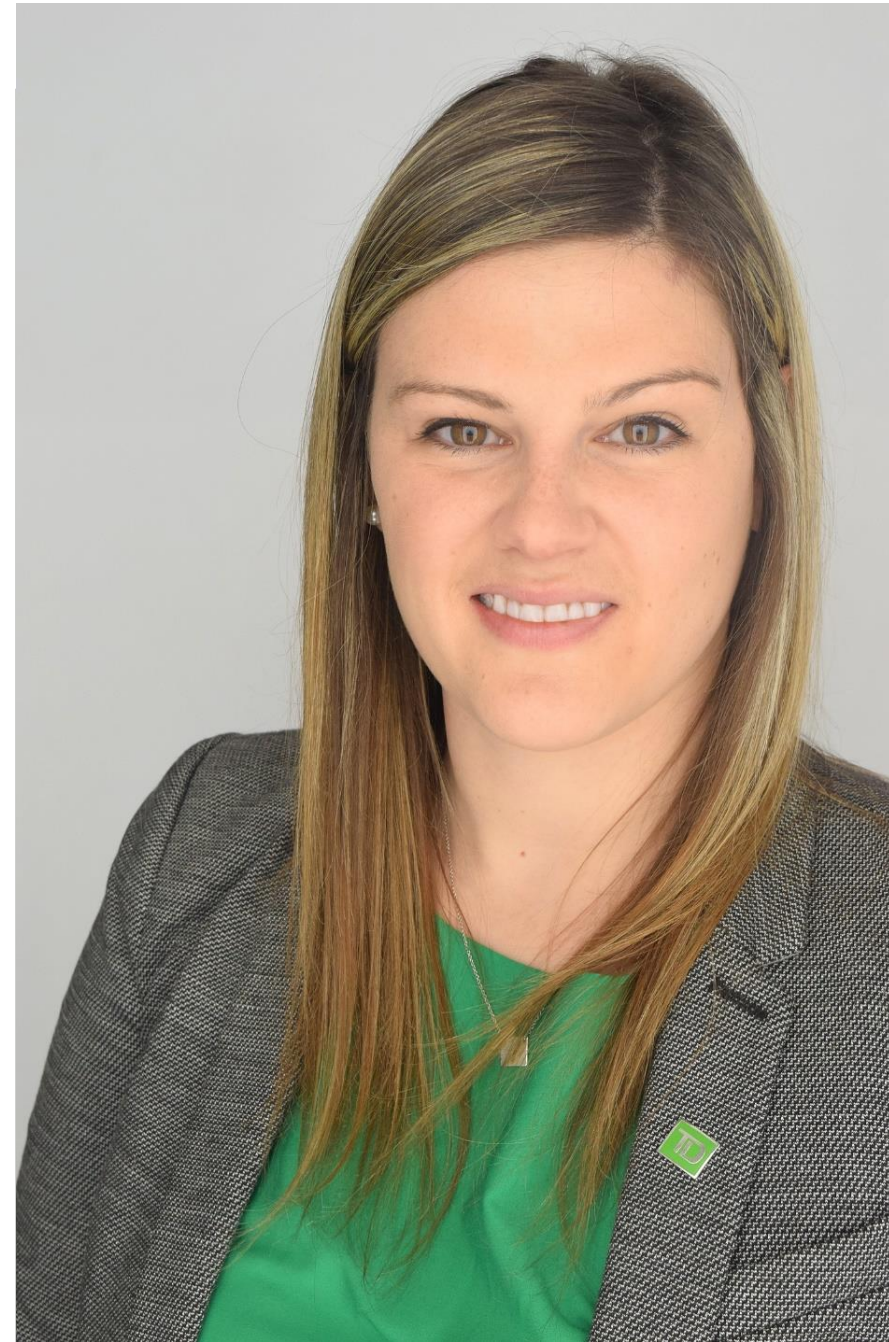
**Ayami Kato**

Client Education  
Instructor



**Caitlin Cormier**

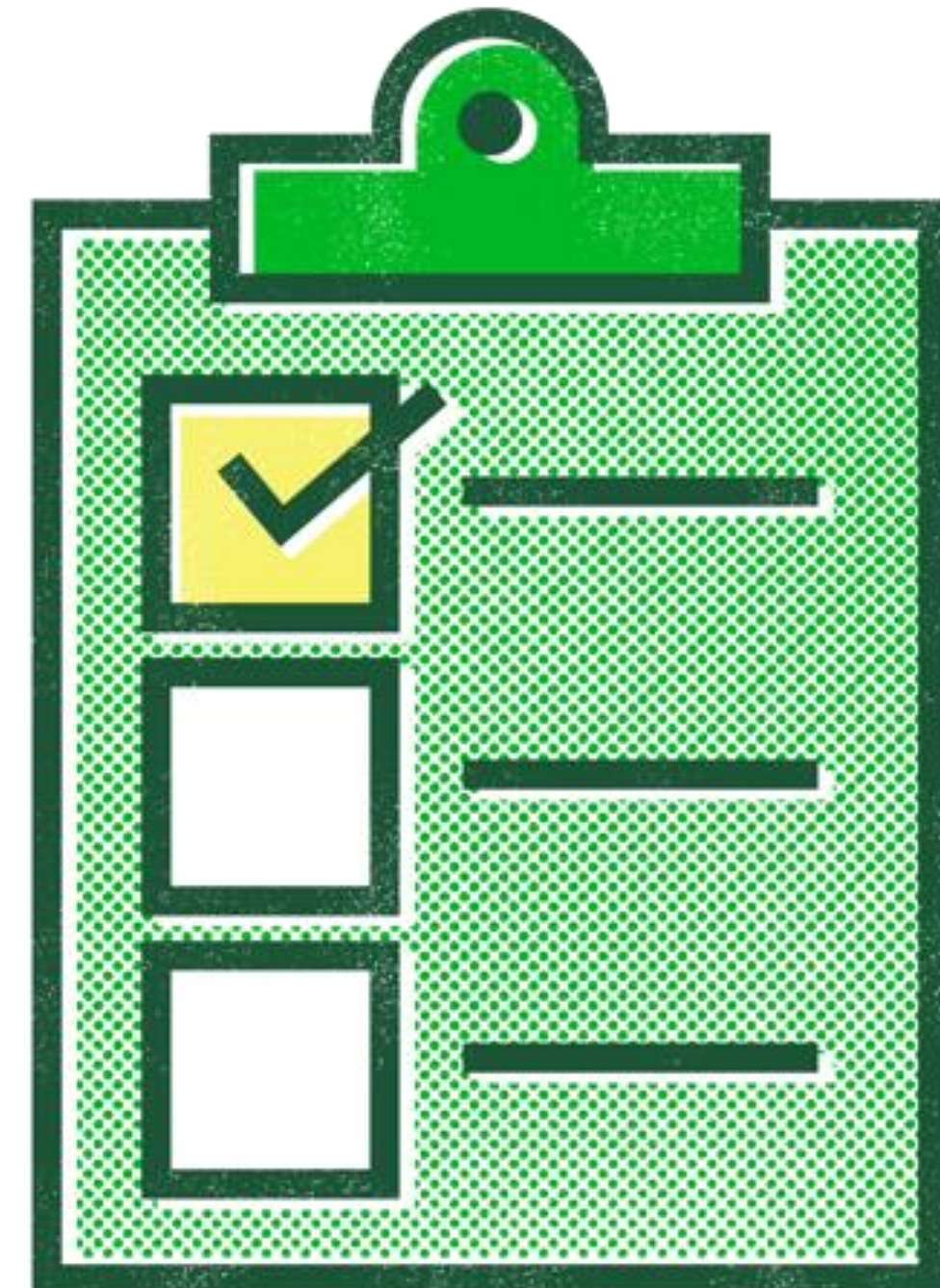
Senior Client Education Instructor





# Learning Objectives

- Explore self-directed investing
- Set your investment goals
- Start your investing journey
- Embrace the power of time





# A guide to DIY investing

## Do-it-yourself (DIY) may be right for you

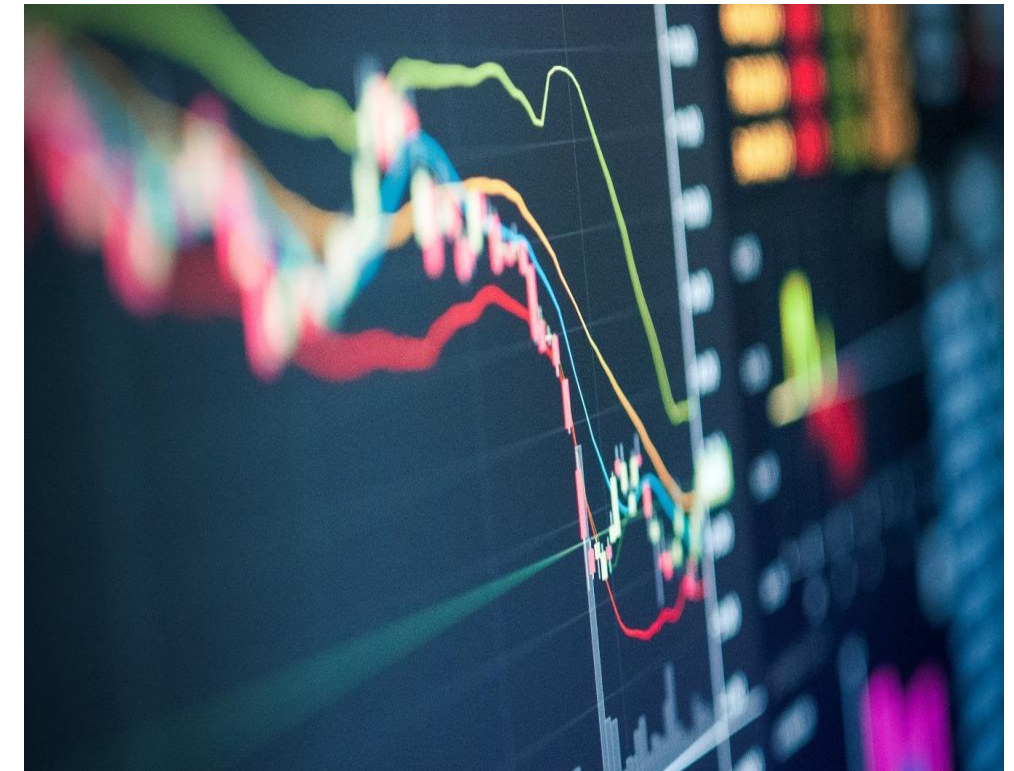
You're in control – with our support



Learn



Research



Trade



## A guide to DIY investing

# What are you investing for?

## 3 Common goals



Home Ownership



Retirement / Financial  
Independence, retire early



Generational wealth

# A Guide to DIY Investing

## What are your main financial goals?



**Retirement / FIRE**  
income



**Major Purchase**



**Generational wealth**  
/ paying it forward



**Other**



# A guide to DIY investing

## Types of financial goals

Goals based investing:

Focuses on attaining life goals rather than obtaining a high portfolio return



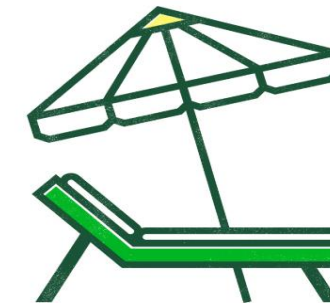
Short-term

e.g. Emergency savings



Intermediate term

e.g. Down payment, Car purchase



Long term

e.g. Child's education, Retirement





# A guide to DIY investing

## What are my investment options?



### Cash & Cash equivalents

- Cash, money market instruments, redeemable GICs
- Emergency funds
- Possible use for opportunities



### Fixed Income

- Loans to Corporations/ Governments.
- Pays interest income
- Less volatile than equities
- Bonds, fixed income ETFs\*, bond MFs, GICs



### Equities

- Denotes ownership
- Higher degree of volatility
- Historically highest long-term returns
- Stocks, equity mutual funds, equity ETFs\*



### Alternative investments

- Gold, silver
- Futures, options
- Real Estate

Lower Risk,  
Lower Reward



Higher Risk, Potentially  
Higher Reward

\*ETFs: Exchange traded funds

# A guide to DIY investing

## Registered vs Non-registered



### Registered

- Special tax treatment that can help you grow your investments
- Defer, shelter, or minimize on investment income, capital gains, and dividends
- Example of accounts: Registered Retirement Savings Plan (RRSP), Tax-Free Savings Account (TFSA), Registered Education Savings Plan (RESP)



### Non-registered accounts

- Investment gains/growth is fully taxable
  - Investment gains could include interest, dividends, fund distributions and capital gains
- Example of accounts: Cash account, Margin account



## A Guide to DIY Investing

**Are you confident in your level of financial knowledge?**



**Yes**



**No**

# A Guide to DIY Investing

## Did you know?

**47%**

of Canadians do not feel confident in their level of investment knowledge

**3 in 10**

of Canadian investors self-assessed their financial knowledge too highly<sup>2</sup>

**47 %**

*of Canadians have not made or are not planning to make any contributions to their investments this year<sup>1</sup>*



“

**Half of Canadians have not established a personalized financial plan in the past year that is tailored to their goals<sup>1</sup>**



# A Guide to DIY Investing

## Time value of money

Who comes out ahead?

### Jane

- Starts investing at 22 and contributes \$166 every month until she reaches 30, for a total contribution of approximately \$16,000
- From age 30 to 60 she contributes \$0



# A Guide to DIY Investing

## Time value of money

Who comes out ahead?

**John**

- Starts investing at 30
- Contributes \$166 every month until his retirement, 60 years old, a total contribution of approximately \$60,000





# A Guide to DIY Investing

**Who comes out ahead at 8% annual return?**



**Jane**



**John**



**Pete**



**Both accumulate  
around the same  
wealth**

# A guide to DIY investing



## Scenario 1 – Starting early with less

Jane's investments from age 22 - 60

Age	Fund	Value	Age	Fund	Value	Age	Fund	Value	Age	Fund	Value
22	\$1992	\$2,066.69	30	\$0	\$24,066.42	40	\$0	\$53,418.78	50	\$0	\$118,570.48
23	\$1992	\$4,304.91	31	\$0	\$26,063.92	41	\$0	\$57,852.52	51	\$0	\$128,411.77
24	\$1992	\$6,728.90	32	\$0	\$28,227.21	42	\$0	\$62,654.25	52	\$0	\$139,069.89
25	\$1992	\$9,354.09	33	\$0	\$30,570.05	43	\$0	\$67,854.52	53	\$0	\$150,612.62
26	\$1992	\$12,197.16	34	\$0	\$33,107.35	44	\$0	\$73,486.41	54	\$0	\$163,113.39
27	\$1992	\$15,276.20	35	\$0	\$35,855.25	45	\$0	\$79,585.74	55	\$0	\$176,651.72
28	\$1992	\$18,610.81	36	\$0	\$38,831.21	46	\$0	\$86,191.32	56	\$0	\$191,313.73
29	\$1992	\$22,222.18	37	\$0	\$42,054.18	47	\$0	\$93,345.16	57	\$0	\$207,192.67
			38	\$0	\$45,544.66	48	\$0	\$101,092.76	58	\$0	\$224,389.56
			39	\$0	\$49,324.85	49	\$0	\$109,483.41	59	\$0	\$243,013.78



# A guide to DIY investing



## Scenario 2 – Starting late and investing more

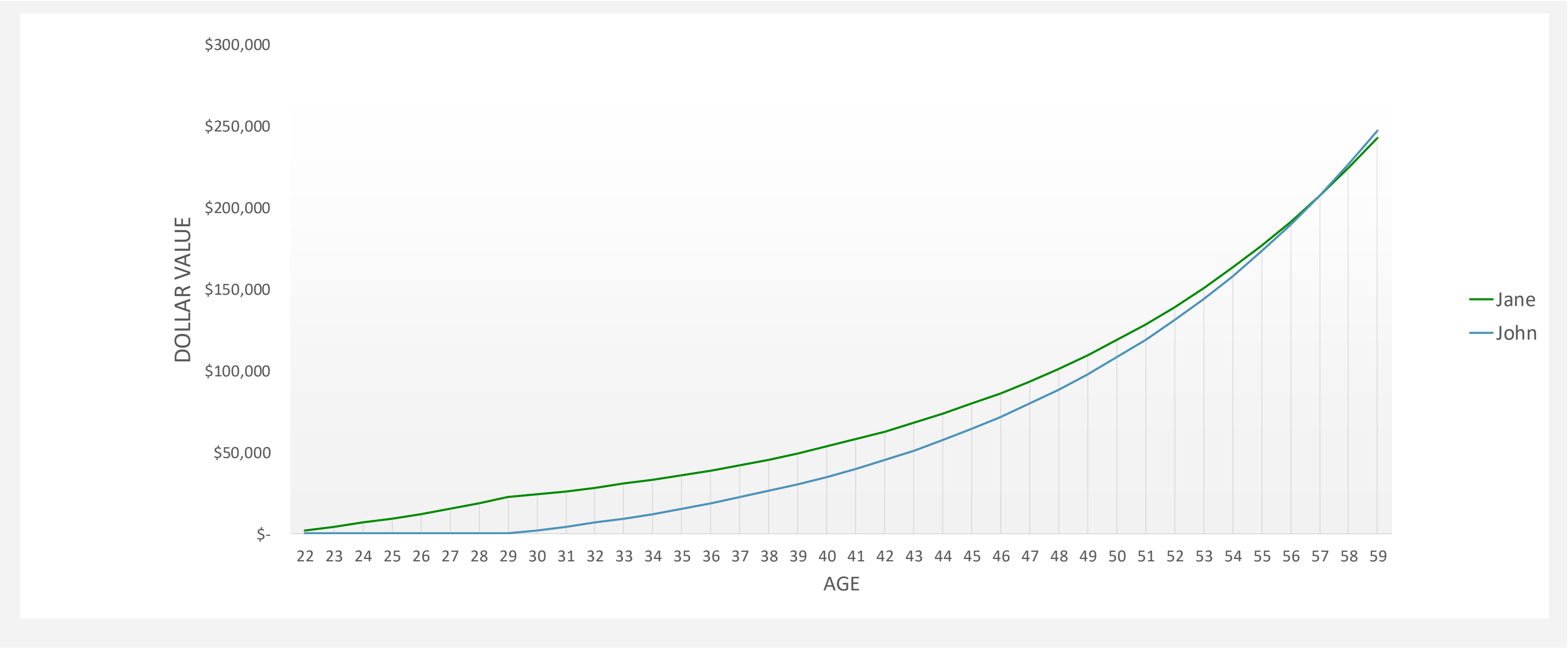
John's investments from age 30 - 60

Age	Fund	Value	Age	Fund	Value	Age	Fund	Value
30	\$1,992.00	\$2,066.69	40	\$1,992.00	\$34,956.35	50	\$1,992.00	\$107,959.55
31	\$1,992.00	\$4,304.91	41	\$1,992.00	\$39,924.39	51	\$1,992.00	\$118,986.83
32	\$1,992.00	\$6,728.90	42	\$1,992.00	\$45,304.78	52	\$1,992.00	\$130,929.36
33	\$1,992.00	\$9,354.09	43	\$1,992.00	\$51,131.75	53	\$1,992.00	\$143,863.13
34	\$1,992.00	\$12,197.16	44	\$1,992.00	\$57,442.34	54	\$1,992.00	\$157,870.38
35	\$1,992.00	\$15,276.20	45	\$1,992.00	\$64,276.72	55	\$1,992.00	\$173,040.23
36	\$1,992.00	\$18,610.81	46	\$1,992.00	\$71,678.34	56	\$1,992.00	\$189,469.17
37	\$1,992.00	\$22,222.18	47	\$1,992.00	\$79,694.30	57	\$1,992.00	\$207,261.71
38	\$1,992.00	\$26,133.30	48	\$1,992.00	\$88,375.57	58	\$1,992.00	\$226,531.02
39	\$1,992.00	\$30,369.04	49	\$1,992.00	\$97,777.39	59	\$1,992.00	\$247,399.67

# A guide to DIY investment



## Jane and John's investments over time





# A guide to DIY investing

## Worried that you missed out?

It's never too late

- Increase contribution and / or frequency
- Review goal / time horizon
- Review asset allocation and risk / reward assessment
- Example: What if John increased his contribution to \$200 / month?



# A guide to DIY investing

## What else is stopping you?

Some of the common investor fears

- Fear of being too late to start
- Fear of losing money
- Fear of not having the education / confidence required
- Fear of commitment
- Fear of not having enough money to start





# A guide to DIY investing

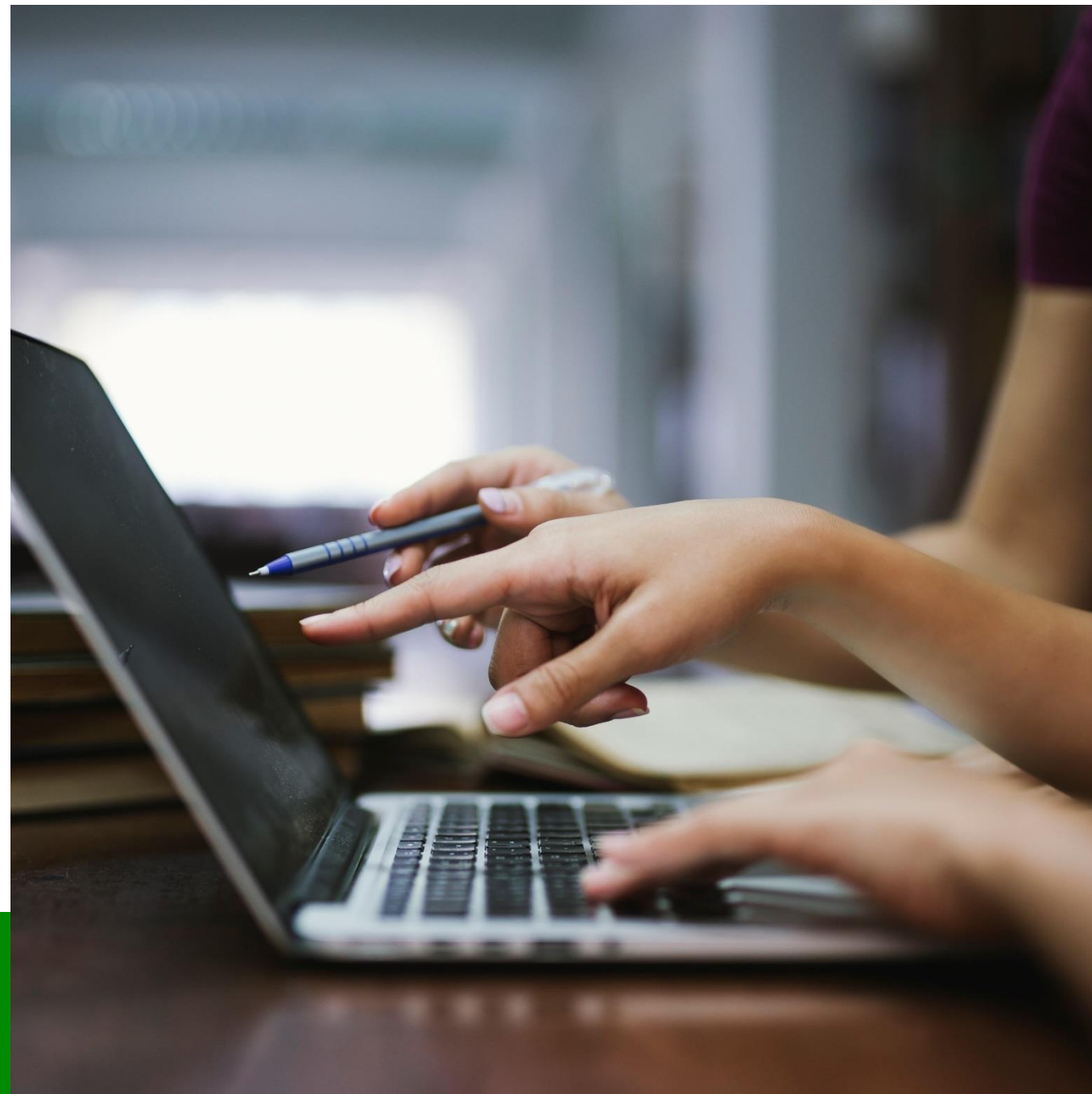


## Current offers and campaigns

Access exclusive offers to help set you up for financial success



# A guide to DIY investing



## TD EasyTrade™, WebBroker & Advanced Dashboard

Experience what it's like to learn, research, and trade through us.





# A guide to DIY investing

## Call to Action

- Define your financial goal
- Follow TD Direct Investing on YouTube / Instagram and enroll in our free classes and webinars
- Review current offers and campaigns

Follow us on  
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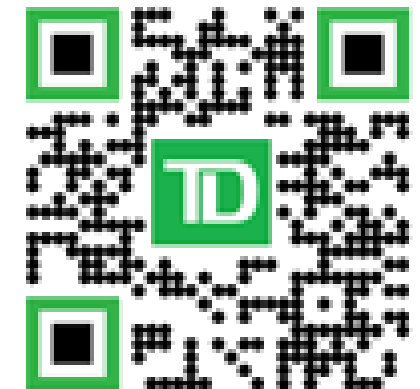
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# Questions?

