

# BENEFITS OF MUTUAL FUNDS

## **PROFESSIONAL MONEY MANAGEMENT**

- Analysis of company financial statements
- Analysis of the industry
- Analysis and access to company management
- Analysis of company competitors / suppliers / distributors
- Analysis of the economy and its effect on corporate products

## **HIGHLY REGULATED**

- Designed to protect investors from fraud
- Fund industry regulated by Provincial Securities Regulators and Mutual Fund Dealer's Association (MFDA)
- Ensures firms managing and distributing mutual funds are sound and viable
- Individuals working in the industry from portfolio managers to financial advisors must meet specific education requirements to qualify in the industry
- Industry members including advisors are subject to regular audits
- Mutual fund assets are used only to meet the investment

## **CUSTODIAL SERVICES**

- Tax reporting to CRA and individual investors
- Holding funds 'in trust' for investors
- Statements
- Confirmation of transactions

## **ACCESS TO TRADING SMALLER INVESTORS DO NOT HAVE**

- Better pricing on individual securities due to size, scale and relationships
- Allows small investors access to professional money management via pooling with other investors
- Diversification – Ability to potentially outperform market indexes.

## **CHOICE**

- Wide variety of investment styles, risk, geographic and asset class diversification
- Investors can choose from the very safest to highly aggressive investments
- Investors can choose how they wish to pay for these; via a financial advisor, fee for service, or embedded commissions