

# INVESTMENT INSIGHTS

## The Smartest, Easiest Investment Strategy for Individuals

### Index Fund Investing

The simplest and most cost-effective strategy is to invest in low-cost index funds that track the overall market, providing broad diversification.

### Diversification Across Asset Classes

A diversified portfolio across stocks, bonds, and other asset classes reduces risk and improves long-term returns by capturing growth in different market environments.

### Passive vs. Active Investing

Passive investing, which involves buying and holding index funds, generally outperforms active investing over the long term due to lower costs and reduced risk.

### The Power of Automation

Automating contributions to your investment account ensures that you stay on track with your savings goals, making investing effortless and consistent.

### Dollar-Cost Averaging (DCA)

This strategy involves investing a fixed amount regularly, regardless of market conditions, reducing the risk of market timing and lowering the average cost per share over time.

### Minimizing Fees

Keeping costs low through the use of index funds and avoiding high-fee investment products allows your investments to grow without unnecessary drag on returns.

### Rebalancing for Long-Term Goals

Periodically rebalancing your portfolio ensures that your asset allocation remains aligned with your risk tolerance and long-term financial objectives.

### Long-Term Focus

Successful investing requires a long-term perspective. Ignore short-term market fluctuations and focus on the steady growth that comes from well-diversified, low-cost investments.

### Tax Efficiency

Tax-advantaged accounts like RRSPs and TFSAs in Canada can help optimize your investment returns by reducing taxes on gains and dividends.

### No Speculation

Avoid the temptation to chase hot stocks or speculative investments. Instead, stick to a simple, diversified strategy that builds wealth over time without taking unnecessary risks.