How to invest in Mutual Funds?

Whether you're a seasoned investor or are just starting out, mutual funds may help you get closer to achieving your financial goals. Rather than purchasing a single asset, mutual funds aim to alleviate risk by investing in different assets, including bonds, stocks, and/or money market investments. When you invest in **TD Mutual Funds**, you're adding some of your money to a larger pool of funds from various investors managed by professional investment managers. They're responsible for using those funds to invest in stocks, bonds, or other securities to help meet a specific investment objective. A fund could seek to maximize returns, minimize risk, or something in between.

Step #1: Find the type of fund that's right for you

TD offers a variety of mutual funds designed to help meet your investing needs.

- **TD Growth Funds** involve a medium to high level of risk, with the potential for greater returns, compared to other non-equity mutual funds.
- **TD Fixed Income Funds** provide a fixed rate of return for a set period of time. These funds are considered lower risk, as they typically invest in high quality bonds rather than equities. TD Fixed Income Funds aim to deliver strong returns for a low amount of risk, as a medium to long-term investment.
- **TD Money Market Funds** invest in high quality money market securities which may help to preserve capital. These funds are a low-risk short-term investment, which generally mature in less than one year.
- **TD Balanced Funds** offer a balanced approach to investing, striving to deliver competitive returns with low to medium risk. TD Balanced Funds seek to provide a consistent monthly income, with investment growth as a secondary objective.

The fund that's right for you depends on a number of factors, including your investment timeline, risk profile, and financial goals. For example, if you're investing for a long-term goal like retirement, or your child's university education, a TD Growth Fund may be a good choice. Alternatively, if you have a lower risk tolerance, or have a mid-term investment timeline, a TD Fixed Income Fund could help you work towards your goals. Finally, if you have a short-term investment timeline, a TD Money Market Fund could help to minimize risk and may provide a steady income through interest payments. A TD Mutual Fund Representative can help you determine which mutual fund is the best fit for you.

Step #2: Review past performance

Although a fund's past performance doesn't guarantee future success, a mutual fund's historical performance can be a good indication of how the fund has been trending to its goals. That's one reason we're proud of our TD Comfort Portfolios. In the last decade we've helped over a million Canadians invest with **TD Comfort Portfolios**. In that time, we've managed over $22 billion in assets and delivered competitive long-term returns to help people get closer to achieving their financial goals.

When deciding which mutual fund to invest in, reviewing a fund's performance to see if it's in line with your personal risk profile and time horizon can help you to identify the mutual fund that's the best match for your needs.

Step #3: Understand mutual fund costs

The Management Expense Ratio (MER) refers to the fees that you pay to cover the cost of managing the fund. In addition, some mutual funds may also charge sales commissions, or loads. Front-end loads are charged when you purchase the mutual fund, whereas back-end loads are paid when you sell your share of the fund. You won't be charged loads when you purchase TD Mutual Funds through TD Investment Services Inc.

Step #4: Start investing and invest regularly

As a TD customer, you can buy mutual funds online, in-person, over the phone, or through the TD app. A TD Mutual Fund Representative can help you find the mutual fund that's the best fit for your financial goals.

Once you've found a mutual fund that's right for you, you can make a plan to invest regularly. This will not only help to grow your investment but may also result in you paying less per unit thanks to an investing principle called dollar-cost averaging. By investing a set dollar amount regularly, you reduce the risk of buying a lot of mutual fund shares when prices are at their peak. On the other hand, since you're investing a set amount of dollars, you're able to buy more shares when prices are low. Over time, this can reduce the average price you pay per share.

Set up a pre-authorized purchase plan to invest in mutual funds and start growing your savings.

Step #5: Perform regular check-ins

Keep an eye on your investments, as you may want to occasionally vary the mutual funds you invest in as your lifestyle and financial goals change. It's a good rule of thumb to conduct an annual checkup to make sure your portfolio is performing within your identified targets.

Questions? We're here to help.

Meet with a Mutual Fund Representative in person or over the phone. They can help you determine the fund that's right for you and answer any questions you may have along the way.

Book an appointment

Share this article

Twitter | Facebook

Legal ›

See what types of Mutual Funds we offer

With a range of funds to choose from there's a TD Mutual Fund that may be right for you.

View products

Related articles

How to make the most of your Mutual Fund Investment ›

Find out how to make the most of your mutual fund investments with these 3 strategies.

Understand the cost of Mutual Funds ›

Understand the costs associated with purchasing Mutual Funds and learn ways to invest in our TD Mutual Funds.

See more articles

Ready to invest? We can help!

Book an appointment

Meet with a Mutual Fund Representative in person at the branch closest to you.

Book now

Give us a call

Our Mutual Fund Representatives are ready to answer questions and can help with your application.

1-800-386-3757

Already have TD Mutual Funds?

Login to EasyWeb to purchase now.

Go to EasyWeb

Have a question? Find answers here

What's your question?

Ask Us

Popular questions ›