

Advice Creates Strong Value for Canadians

Research has shown that having a financial advisor offers significant benefits to Canadians and to our economy. Here are some findings from studies that were completed in recent years that you might want to share with your clients:

Advice significantly enhances long-term savings.

- Investors who work with advisors for 15 years or more accumulate **2.7 times** more in savings than comparable investors without advice.¹

Advice is accessible to all Canadians, whether the amount they have to invest is large or small.

- 27%** of mutual fund investors had less than \$5,000 in financial assets when they first started using an advisor and **58%** had less than \$25,000.²

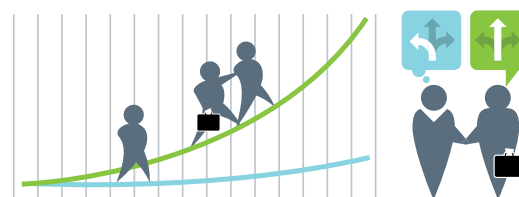
Financial Advisors Help You Build Wealth

Understanding Your Investments

Canadians are building financial security with more than \$1.2 trillion in mutual funds.

92% of investors say they've earned more because they have an advisor.

Independent research has shown that the longer people have advice, the more their investments grow.



Advice and coaching makes the difference

- People with advice for 4-6 years, have close to 1.6x the savings of those without advice
- People with advice for 7-14 years, have 2x the savings of those without advice
- People with advice for 15+ years, have 2.7x the savings of those without advice

For more information, speak with your financial advisor.

¹ Claude Montmarquette and Nathalie Viennot-Briot, *The Value of Financial Advice*, The Annals of Economics and Finance, 16-1, pp. 69 – 94, 2015.

² Pollara Research, *Canadian Investors' Perceptions of Mutual Funds and the Mutual Fund Industry*, 2015.

³ The Conference Board of Canada, *Boosting Retirement Readiness and the Economy Through Financial Advice*, September 2014.

Advised investors report high levels of satisfaction and trust in their advisors.

- **84%** of mutual fund investors report that they are satisfied or very satisfied with the advice provided by their advisors.²
- Nearly all (**94%**) mutual fund investors trust their advisors to give them sound advice.²

Advice delivers benefits for Canadian families and the economy.

- If 10% more Canadian households chose to save with an advisor, overall household wealth would increase by **\$4.8 billion** and our GDP would grow by an additional **\$2.3 billion** over a 45-year period.³

Advice positively impacts retirement readiness.

- Increased use of financial advice results in **higher household savings**, which better prepares Canadians for retirement.³

IFIC is preparing a series of tools to help investors understand their investments and make better decisions. Advisors are welcome to share this information with their clients.

In addition, we have developed a series of tools to help dealers and advisors prepare to implement CRM2 effectively. Our materials are written in plain language to facilitate understanding.

For more information, visit us at IFIC.CA > Member Centre > Member Resources.

Prepared by



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