When do you plan to retire?

That’s the only question you’ll need to answer if you choose to invest in a target date fund.

A target date fund is a well balanced portfolio that includes investment funds ranging from the more aggressive (such as equity funds) to the more conservative (such as fixed income funds). They provide an optimal investment solution from the perspective of risk, return and cost.

Is a TDF the right investment strategy for you?

Yes, if:

- you aren’t naturally drawn to investing
- you don’t know a lot about fund types and investments
- you’d rather leave your investment strategy to the pros
- you simply don’t have the time

How does it work?

You invest in the target date fund that is closest to your expected retirement date. As the years go by and you get closer to retirement, the asset allocation of your fund is managed so that it gradually moves to a more conservative mix, with a higher percentage invested in the fixed income funds than in equity funds.

So the path your target date fund will take over the years might look something like this:

Find out more

Speak with your financial advisor or a Manulife Group Savings & Retirement representative.