



## Millennials: How to Retire Early With Your TFSA Freedom Fund

### Description

Many of today's young investors, millennials in particular, are proactively taking command of their financial futures by opting to manage their own retirement portfolios instead of delegating the vital task to a "professional" who may not have their best interests in mind.

Entrusting a "professional" in return for a seemingly "small" 2.8% management fee is actually more detrimental to one's long-term returns when compounding is taken into account. So, the trend of young investors moving towards DIY (do-it-yourself) investing is one that I believe will continue to pick up traction as FinTech continues to make the portfolio management learning process more accessible, comfortable, and cheaper.

Young investors have seen the ads on TV that highlight the fact that "professional" money managers cost investors a fortune in fees. And with a wealth of knowledge that's available through the power of the internet, many young investors have embraced the FIRE (Financial Independence to Retire Early) movement, using the knowledge they've gained through online forums and articles like the one you're reading now to amass large freedom funds.

The FIRE movement seems far-fetched on the surface, but it's more than attainable for those who shoot to minimize their fees and maximize their knowledge of the investing game. The constant betterment of one's understanding of investments not only can beat the returns generated by professional money managers after fees, but they can outright beat their performance, even before the fees are slapped on.

Seeing as you're actively seeking out content to better your knowledge, you're well on the right track to amassing a sizable TFSA nest egg a lot sooner than your parents or grandparents would have thought possible.

You've got advantages that they didn't have back in the good old days: the [TFSA and tech](#).

If one can adequately leverage both, there's no need to lose a third of your retirement in fees to some professional money manager. You can do it yourself.

Coincidentally, one of the businesses that have been fostering the move towards DIY investing is also one of today's best TFSA buys. The company I'm talking about is **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)), Canada's second-largest bank, or, as I like to call it, Canada's most American bank.

Over the last few months, TD Bank, along with the [broader banking sector](#), has been under pressure thanks to unfavourable macroeconomic trends. The economy is slowing, as is the rate of interest rate hikes. Many pundits are calling for rate cuts, and that's not good news for the banks that have been enjoying the swollen net interest margins (NIMs) made possible by the recent barrage of rate hikes over the years.

While TD Bank is undoubtedly in a tight spot, one has to take a long-term view if they're to do well with the name. Despite the barrage of concerns hitting the banks, I still believe the banks are great dip buys, especially TD Bank, which is making a strong case for why it should have the title of Canada's most technologically advanced bank.

While all the big banks have been throwing tonnes of cash at tech initiatives to improve the experience for customers, TD Bank has set itself from the pack when it comes to the field of DIY investing. Clearly, TD Bank sees the trend continuing, as mutual fund sales gradually go on the decline.

TD Bank recently launched an AI-powered chatbot named TD Clari alongside a revamped WebBroker platform. With many technologies coming down the pipeline, including a TD ETF-picking service, many investors are going to be more willing to try DIY rather than settling for sub-par results that they're paying top dollar for.

## Foolish takeaway

Want to retire early? DIY investing is the way to go. Minimize fees, maximize investment knowledge, and embrace technologies as they come to be. TD Bank is leading the charge with the move to DIY investing, and coincidentally, it's also one of the best stocks that DIY investors may want to pick up for their TFSAs today.

Stay hungry. Stay Foolish.

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### Date

2025/08/23

### Date Created

2019/04/17

### Author

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