

Building retirement wealth

The low-fee trade-off

What Questrade ads fail to mention.

We've all seen Questrade's ubiquitous ads claiming that investors can "retire up to 30% richer" with their portfolios. What their claim overlooks, however, is there's more to successful investing than just fees. Legitimately active management, asset allocation, portfolio construction and investing with advice can all have a lasting effect on one's investments.

Focusing solely on lower fees wrongly assumes that:

- 1) all investments deliver the same performance, and, therefore,
- 2) the fund with the lowest fees will always come out ahead, and
- 3) there is no intrinsic value gained from financial advice.

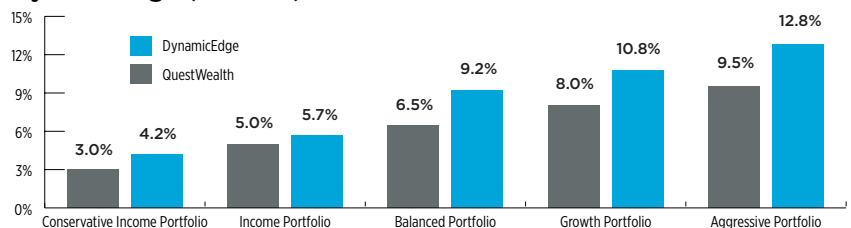
It's important to keep in mind that not all investments are created equal.

Let's take a closer look at the impact these factors have on your investments.

Performance matters

When we compare Questwealth Portfolios and DynamicEdge portfolios, you can see which one comes out ahead. The following chart shows the performance of each Questwealth Portfolio since its inception compared to the DynamicEdge portfolio with similar mandate in the same time period. Dynamic's active management outperforms even after accounting for fees. For example, Questwealth Balanced Portfolio management fee is 0.25% vs. DynamicEdge Balanced Growth Portfolio MER of 1.20%.

**Annualized Returns Since Inception*
DynamicEdge (Series F) vs. Questwealth**



*Questwealth Portfolios inception date of November 1, 2014 used. Questwealth Conservative Income Portfolio inception date of January 1, 2015 used for Conservative Income Portfolio.
Analysis conducted to perform comparison of investment performance solely. As such, returns reflect Series F data for DynamicEdge Portfolios, and Questrade's management fees of 0.25% are not taken into account.
Source: Dynamic Funds and Questrade.com as of August 30, 2021.

Legitimately Active Management® matters.

When comparing the two products, it's important to understand the difference. DynamicEdge mutual fund portfolios are actively managed, meaning they are built by portfolio managers, of individual assets such as stocks and bonds that are individually selected based on rigorous analysis that look into factors such as how the holdings fit with one another, expected performance and downside risk. Robo-advisor's, such as Questrade's Questwealth Portfolios, which are not mutual funds, provide automated, algorithm-driven investing services with little to no human supervision. They are comprised of individual ETFs that track the performance of different indices and may be rebalanced as needed.

At Dynamic Funds, we don't just take what the market gives. Our portfolio managers aim to build concentrated portfolios that deliver differentiated performance beyond the benchmark. It's hard to beat the benchmark if you look just like it.

More importantly: Advice matters, now more than ever.

Regardless of your circumstances, a financial advisor can help you reach your financial goals and work toward building enough wealth to sustain a comfortable retirement.

Research shows that Canadians working with an advisor over a four- to six-year period accumulate 1.5 times more assets versus non-advised investors¹. Over the long term, the positive impact of financial advice is even greater: after 15 years, households using an advisor have nearly three times more assets than their non-advised counterparts.

The past 12 months have continually underscored the value of advisors, who've played an essential role helping guide clients through turbulent markets, while offering key insights and perspective on everything from investing and financial planning to taxes, pandemic benefits and so much more. In times like these, advice is more valuable than ever.

Annualized Performance as of August 30, 2021

Below are the annualized returns for all standardized periods, of each Questwealth portfolio vs., the DynamicEdge portfolio with the similar asset allocation. These are the portfolios we compared in the previous bar chart showing performance since Questwealth Portfolios inception. In the majority of cases you can see that regardless of the time period the DynamicEdge portfolio outperforms.

Name	Target Allocation (EQ/FI)	Inception	1Y Return (%)	3Y Annualized (%)	5Y Annualized (%)	11/01/2014 - 08/30/2021 (%)	01/01/2015 - 08/30/2021 (%)
Questwealth Conservative Income Portfolio	20/80	2015-01-01	6.0	4.4	3.5	-	3.0
DynamicEdge Defensive Portfolio (Sr. F)	20/80	2012-02-28	4.2	5.3	4.4	-	4.2
Questwealth Income Portfolio	40/60	2014-11-01	11.4	6.0	5.4	5.0	-
DynamicEdge Conservative Class Portfolio (Sr. F)	35/65	2012-02-28	7.8	6.8	6.1	5.7	-
Questwealth Balanced Portfolio	60/40	2014-11-01	17.0	7.4	7.2	6.5	-
DynamicEdge Balanced Growth Portfolio (Sr. F)	65/35	2008-02-19	16.1	11.4	10.3	9.2	-
Questwealth Growth Portfolio	80/20	2014-11-01	22.5	8.7	8.9	8.0	-
DynamicEdge Growth Portfolio (Sr. F)	80/20	2008-02-19	19.5	13.1	12.2	10.8	-
Questwealth Aggressive Growth Portfolio	100/0	2014-11-01	27.8	10.0	10.5	9.5	-
DynamicEdge Equity Portfolio (Sr. F)	100/0	2008-02-19	24.5	15.3	14.5	12.8	-

Source: Dynamic Funds & Questrade.com August 30, 2021 data used as that is the performance data available on Questrade.com.

Annualized Performance as of August 31, 2021

Name	1Y Return (%)	3Y Annualized (%)	5Y Annualized (%)	10Y Annualized (%)	Since Inception	Inception Date
DynamicEdge Defensive Portfolio (Sr. F)	4.1	5.2	4.3	-	4.5	2012-02-28
DynamicEdge Conservative Class Portfolio (Sr. F)	7.9	6.7	6.0	-	6.1	2012-02-28
DynamicEdge Balanced Growth Portfolio (Sr. F)	16.7	11.3	10.3	9.2	7.6	2008-02-19
DynamicEdge Growth Portfolio (Sr. F)	20.3	13.0	12.2	10.7	8.4	2008-02-19
DynamicEdge Equity Portfolio (Sr. F)	25.5	15.2	14.5	12.6	9.3	2008-02-19

Source: Dynamic Funds

¹ Source: The Gamma Factor and the Value of Financial Advice, by Claude Montmarquette and Nathalie Viennot-Briot, CIRANO, 2016

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