



CIBC ASSET MANAGEMENT

Global Markets Compass

Quarterly market and economic breakdown to help guide you in the right direction

Q2 2024 | As of June 30, 2024



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Q2 2024 *Global Markets Compass* webcast

Recommended for investment professionals

Join David Wong, Michael Sager and host Michael Johnston as they explore the economic insights and trends in the latest issue of CIBC Asset Management's quarterly *Global Markets Compass*. The winds of change are in the air, and this dynamic conversation will focus on where the global economy and markets appear to be headed to help support your ongoing investment decisions.

[Watch webcast](#)

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Portfolio Solutions Research Forum

The views of our Portfolio Solutions Research Forum help guide CIBC Asset Management and our partners by providing strategic asset allocation recommendations, as well as strategic and tactical investment oversight for CIBC managed solutions.



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Market review



Economic overview

- The global economic outlook is improving. The headwind to growth posed by central banks is declining and broad financial conditions seem reasonably balanced.
- Early signs of recovery are progressing and the number of countries reporting a gradual strengthening in growth has increased.
- By contrast, US growth appears to be decelerating from an unsustainably fast pace to a rate more consistent with the US economy's long-term trend.
- The global growth recovery will likely not prevent a further deceleration in inflation. In particular, recent data from the US service sector have softened. If maintained, this trend will likely facilitate the start of policy easing by the US Federal Reserve (the Fed).
- Political risks currently appear to pose a more important challenge to markets and investor sentiment than economic data or central banks. Volatility related to political events has already risen in a number of markets, including in Europe and Latin America.
- US November elections are expected to be especially relevant to market price action. This event is often associated with positive equity returns and higher market volatility. Starting valuations of US equity markets this time around might make an outsized gain much harder to realize. By contrast, generalized market volatility remains low and is likely to rise as we approach the elections.



Fixed income

- Global bond market performance was slightly negative in the second quarter of 2024—the WGBI index (Canadian dollars hedged) decreased by 0.45%. Yields moved higher in the first half of the quarter but finished the period almost unchanged. It is worth noting, however, that the broad measures of bond performance in Canada, and the US were positive, with the FTSE Canada Universe Bond Index returning 0.86%, and the Bloomberg US Aggregate Bond Index (in USD) having a 0.07% return.
- Bond markets were impacted by the beginning of interest rate cutting cycles in Canada and Europe. The Fed and the Bank of England have both expressed a bias to easing policies as long as the gradual trend lower in inflation re-asserts itself.
- By contrast, the BoJ continues to march to its own beat and is looking to cautiously raise its policy rate as well as taper quantitative easing (QE). These moves are expected to lead to a gradual move higher in Japanese government bond (JGB) yields.
- Across developed markets, government bond yields are trading close to our estimate of long term, structural equilibriums and we expect yields to fluctuate within a relatively narrow band around these levels over the next 12 months. The US 10-year US Treasury yield is likely to move in a range of 3.50% to 4.75%, centered around a long-term equilibrium yield of 4.15%. As such, Treasury bond returns in the next year will likely be dominated by interest income.



Equities

- The performance of global equity markets was mixed over the past quarter. The US, Hong Kong, China, and Taiwan all generated strong returns.
 - Other markets were impacted by political uncertainty. Unexpected election results towards the end of the second quarter triggered a marked rise in market volatility in India and South Africa, and noteworthy market declines in France and Mexico.
 - The benign macroeconomic environment remains cautiously constructive for equities, which can be expected to make further progress to the upside, albeit perhaps more limited than the past year at least in the US.
 - Equity valuations range from neutral to expensive, depending on the region—which partly explains our cautious optimism. We don't expect significant support to equity returns from either expanding valuations or rising profit margins. Instead, returns will likely be supported by resilient revenue growth.
- The more important challenge to asset markets in the next 12 months could come from political events rather than economic data or central bank rate decisions. Potential political risks include November's US elections and China's relations with the US and Europe.
 - We remain focused on strong fundamentals and relatively attractive valuations. Canada is one of the more attractive markets from a valuation perspective, and so are select Emerging Markets (EM). Japan offers a relatively constructive outlook based on structural reforms being implemented to improve corporate competitiveness. Most of our indicators point toward near-term relative underperformance of US equities. However, S&P 500 performance has continued to defy any sense the US economy is losing momentum. The risk is this situation will persist for the foreseeable future.

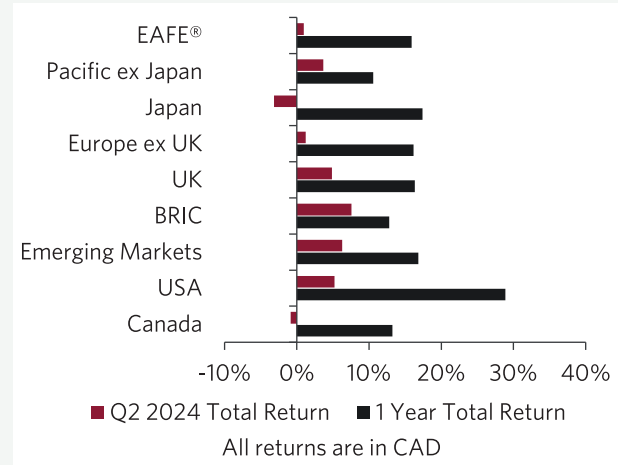
Read our detailed outlook for the global economy in the [Summer 2024 issue of Perspectives](#).

Summary in charts

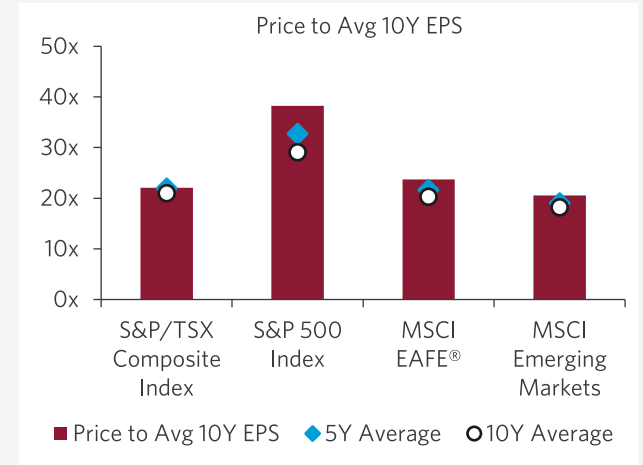
A traditional 60/40 equity and fixed income balanced portfolio continued to outperform cash over 3 months, 6 months and 1 year.

3 Months	6 Months	1 Year
Emerging Market Equities 6.29%	US Equities 19.64%	US Equities 28.80%
US Equities 5.45%	Global Equities 16.26%	Global Equities 24.87%
Global Equities 3.93%	Emerging Market Equities 11.74%	Emerging Market Equities 16.83%
Balanced Portfolio 1.62%	International Equities 9.74%	International Equities 15.91%
Canadian High Yield 1.53%	Balanced Portfolio 6.83%	Balanced Portfolio 12.87%
Cash 1.30%	Canadian Dividend 6.70%	Canadian Dividend 12.64%
Canadian Corporate Bonds 1.09%	Canadian Equities 6.05%	Canadian Equities 12.12%
International Equities 0.95%	Canadian High Yield 4.54%	Canadian High Yield 12.11%
Canadian Gov Bonds 0.78%	Cash 2.55%	Canadian Corporate Bonds 6.46%
Canadian Dividend 0.08%	Canadian Corporate Bonds 1.16%	Cash 5.13%
Global Bonds -0.48%	Global Bonds -0.34%	Global Bonds 2.76%
Canadian Equities -0.53%	Canadian Gov Bonds -0.89%	Canadian Gov Bonds 2.75%

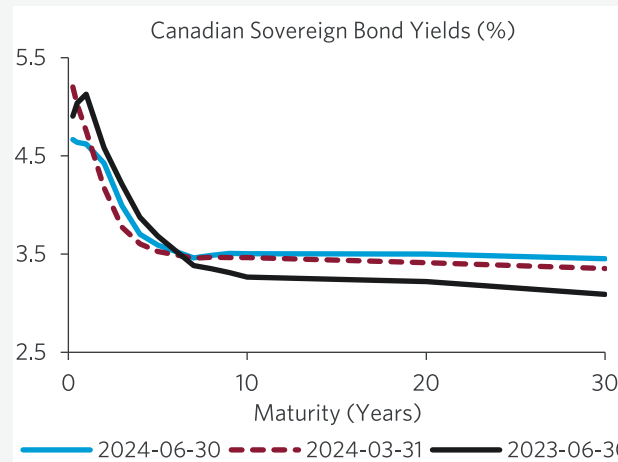
Stocks were generally higher in Q2, with narrowness of participation in the US continuing...



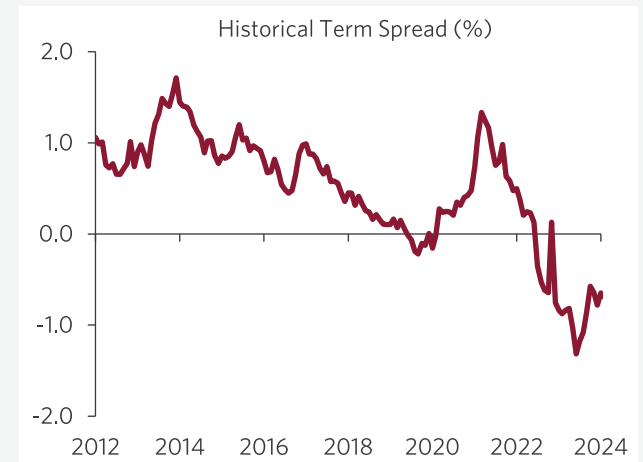
...moving valuations close to long-term averages.



The yield curve continued to normalize in Q2, with shorter maturity interest rates falling faster than longer-dated yields.



A move back to positive sloping yield curves would be consistent with investors being paid for accepting term risk.



Benchmark Proxies: MSCI EAFE® (EAFE®), MSCI Pacific ex Japan (Pacific ex Japan), MSCI Japan (Japan), MSCI Europe ex UK (Europe ex UK), MSCI UK (UK), MSCI BRIC (BRIC), MSCI Emerging Markets (Emerging Markets). The Balanced Portfolio is composed as follows: 21.5% Canadian Bonds, 16.5% Canadian Stocks, 25% US Stocks, 15% International Stocks, 3.5% Emerging Market Stocks, 5% T-Bills, and 13.5% Global Bonds. Source: MSCI Indices, TSX © Copyright 2024 TSX Inc. All rights reserved, Bloomberg, Rimes Technologies Inc. "EAFE" is a registered trademark of MSCI Inc., used under license. Data available as of June 30, 2024.

Message from our Portfolio Solutions Research Forum

In many respects, the second quarter of 2024 was a straightforward continuation of the first three months of the year, which itself prolonged the momentum of 2023. The S&P 500 outperformed the EAFE index, which in turn beat the S&P/TSX Capped Composite. This has been a familiar pattern over the past couple of years. However, this quarter did provide some indication that the winds of change are in the air. The Bank of Canada led central banks in easing interest rates for the first time since beginning restrictive policy in March 2022. Partially as a result of this, Q2 saw a resurgence of “useful” diversification of returns across asset classes, with positive returns from bonds offsetting negative performance from equities in Canada.

Canadian equities had a return of -0.53% in the second quarter, while Canadian bonds (FTSE Canada Universe Bond Index) were up 0.86%. This complementary relationship is baked into the expectations of many investors, however multi-asset portfolios have had quite a different experience over the past few years. Since October 2000, the Canadian equity market has had a negative returning month 109 times, while the bond market has had a positive return in 70 of those months (roughly 64% of the time)*. Since July 2020 when the Government of Canada 10-year bond yield bottomed, the Canadian equity market has been down in 19 months, while the bond market has been up in only 5 of those months—roughly 26% of the time.

When bond yields are low and rising, the “useful” kind of diversification becomes mathematically challenged. With today’s bond yields continuing to be well above their lowest levels, and central banks clearly demonstrating a new direction in monetary policy, we are once again seeing evidence of bond diversification.

Within the US equity market, the healthy 5.45% return of the S&P 500 over Q2 continued to be narrowly driven by a small subset of stocks. The Russell 1000 Growth index, which comprises US stocks with the highest price-to-book ratios, had a very strong return of 9.54%, while the Russell 1000 Value index, which features US stocks with the lowest price-to-book ratios actually had a negative return over the quarter (-1.07%).

Dissecting this data even further, growth stock darling Nvidia in particular had a disproportionately positive effect on stock returns, with a gain of 38% in Q2. It also moved up in the market cap rankings from being the third largest company in the S&P 500 at the start of Q2 to being essentially tied with Apple for the second largest weight by the end of June. The unabated increase in concentration of the S&P 500 has caused major headwinds for many active US equity managers that preach the virtues of diversification and valuation discipline. The median manager in the eVestment US Large Cap Equity Universe with over 1000 active managers** lagged the S&P 500’s return by -2.84% in Q2, while the index beat 72% of these managers.

It is hard to overstate the challenges that Nvidia has had on active management results over the past 18 months. A lot of attention is being paid to the transformative potential of artificial intelligence, and Nvidia’s leading role in facilitating this has resulted in euphoria. Questions remain about whether this outperformance is sustainable, or if the market has overvalued an undeniably exciting growth story. Nvidia briefly overtook Microsoft to become the world’s most valuable company for a short period in June, before starting a decline that has extended deep into the first month of Q3. Time will tell whether this is a blip in the path to lasting domination, or if it marks the beginning of more modestly priced expectations.

*Canadian equity market = S&P/TSX Capped Composite; Canadian Bond market = Bloomberg Canadian Aggregate

**eVestment U.S. Large Cap Equity Universe, data as of 7/27/2024; 1002 members

Trees do not grow to heaven, as the saying goes. The Russell 1000 Value index has underperformed the Russell 1000 Growth index by 8.31% *annualized* over the past 10 years. This means that, on average, an investor choosing Growth stocks in 2015 would now have more than twice the amount of gains as an investor who picked Value stocks! Therefore, there is understandable interest around the potential for the latest reversal of fortune for Nvidia and its growth-endowed ilk to be a lasting one.

If we look at the 45.5 years since inception annualized returns of the Russell 1000 Growth and Value indexes, their fortunes have been very similar (12.64% vs. 11.95% in favour of the Growth index), even with the strong recent outperformance. If we rewind the calendar to the end of 2009, the 31 years since inception annualized returns actually favoured the Value index (11.62% vs. 10.04%). Leadership changes have occurred in the

past, and they will continue to happen in the future. The only uncertainty is timing.

Regardless of what themes emerge over the remainder of this year, we continue to believe that staying fully invested, broadly diversified, and disciplined is an appropriate prescription for uncertain timing. This approach, proxied by a balanced portfolio, continued to provide superior returns versus cash in Q2, despite negative returns from Canadian equities. The dangers of waiting out the fearful headlines about the economy, gloomy geopolitics, and lofty valuations continue to be highlighted in the solid investment results of diversified investors. While concerns might ultimately become validated with market volatility, investors should take comfort in this quarter's evidence that bonds can provide stability should the gentle winds of change we have observed turn into a hurricane.



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Our asset allocation views



Strategic

There are no changes to our long-term views, or base probability estimates, of relative asset class performance

Our strategic views:

- Equities will remain the cornerstone of wealth generation and will continue to reward investors for additional volatility over risk-free assets.
- Similar to equities, over the long term, corporate bonds will reward investors for additional risk, such as default risk.
- Higher growth in emerging markets relative to developed markets will drive a higher relative return.
- Market-impacting events can unfold unpredictably; our priority is to continue to identify diversifying assets that will create value for our clients.



Tactical

Positioned for economic growth with sticky inflation

- Neutral Equities versus Fixed Income.
- Overweight Canada & Emerging Market Equities, underweight International & US small-cap.
- Overweight Global Fixed Income, underweight Canadian Fixed Income.

Our tactical views:

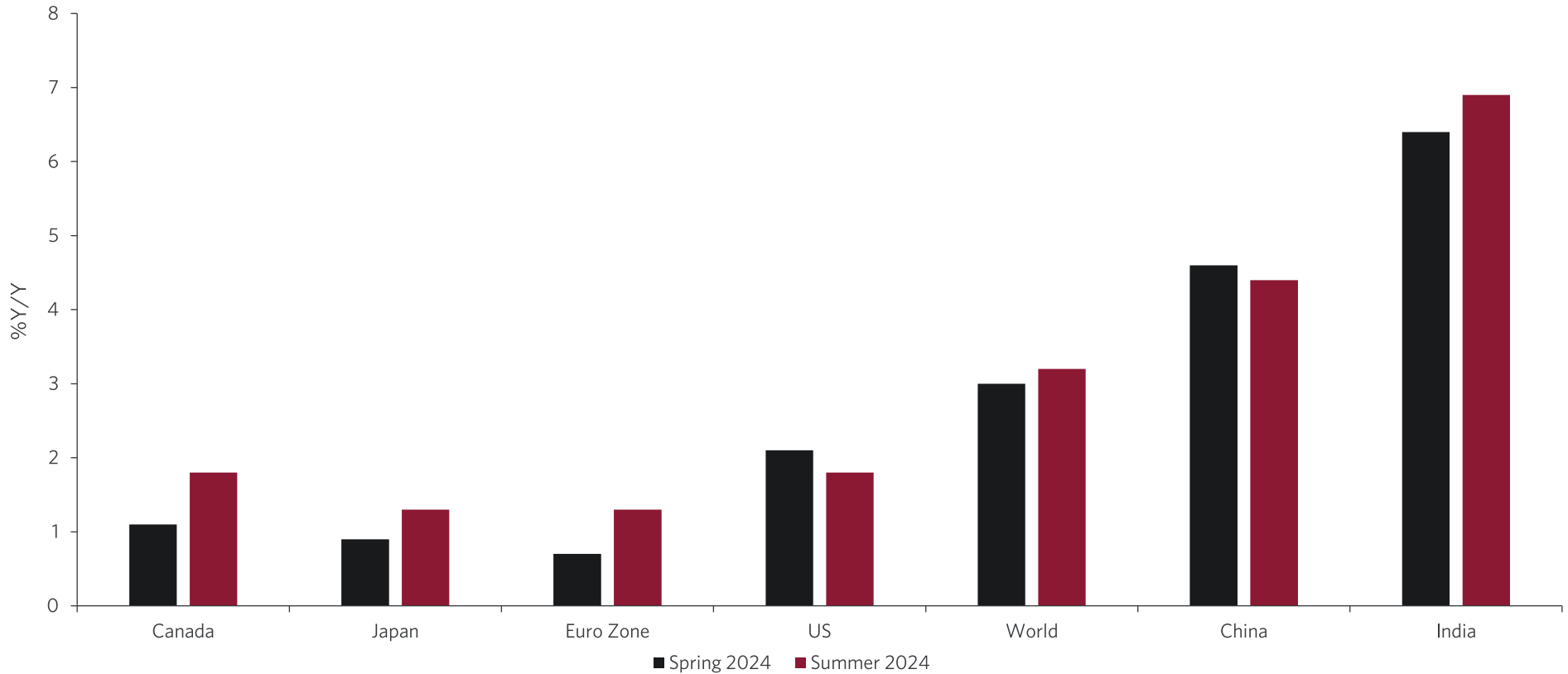
- Cautiously optimistic. US GDP growth has remained resilient; green shoots of recovery elsewhere in global economy.
- Inflation has remained stickier than expected, which could mean central banks will ease policy by less than expected.
- Focused on equity markets with better valuation and scope for cyclical recovery.
- Pick-up in hedged carry motivates our relative fixed income positioning. We see more room for a back-up in Canadian yields on rate cut disappointment.

Economic review

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Global growth projections

The global economic recovery has broadened and strengthened. Global GDP is expected to grow by 3.2% over the next 12 months.



Sources: Refinitiv-Datastream and CIBC Asset Management Inc. Data as of June 30, 2024.

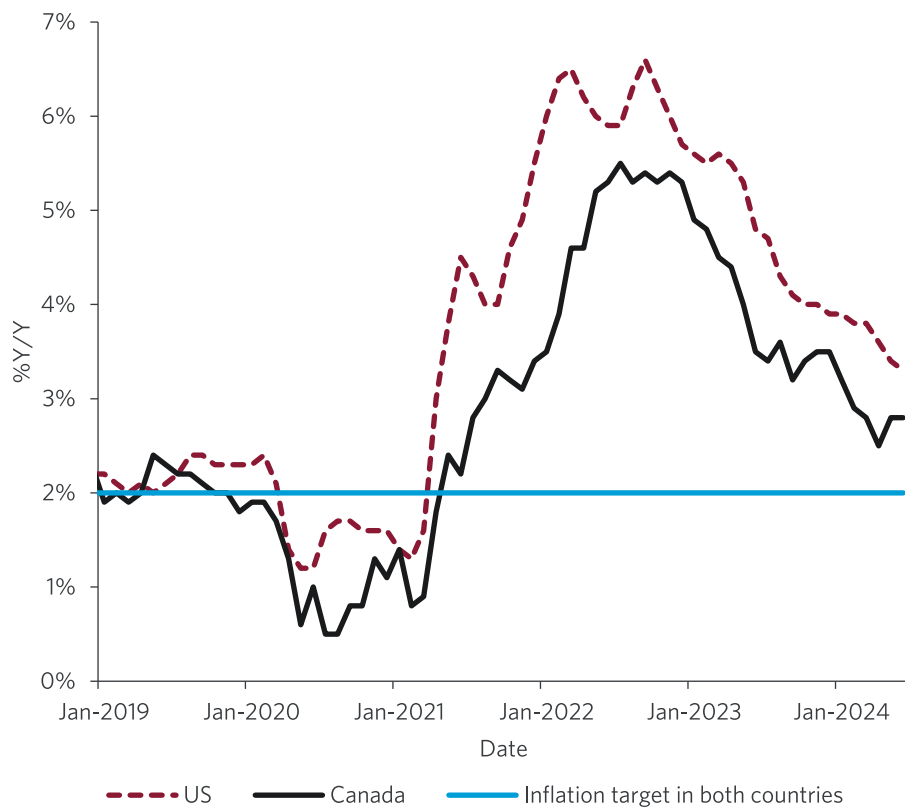


To learn more, see CIBC Asset Management's quarterly [Perspectives](#) publication.

Inflation in Canada and the US remains above target but is declining

Inflation has resumed its downward trend in Canada and the US. Particularly encouraging is the recent decline in US services inflation excluding shelter, which is central to the timing and magnitude of Fed easing.

CPI excluding food & energy



Canadian consumer price inflation

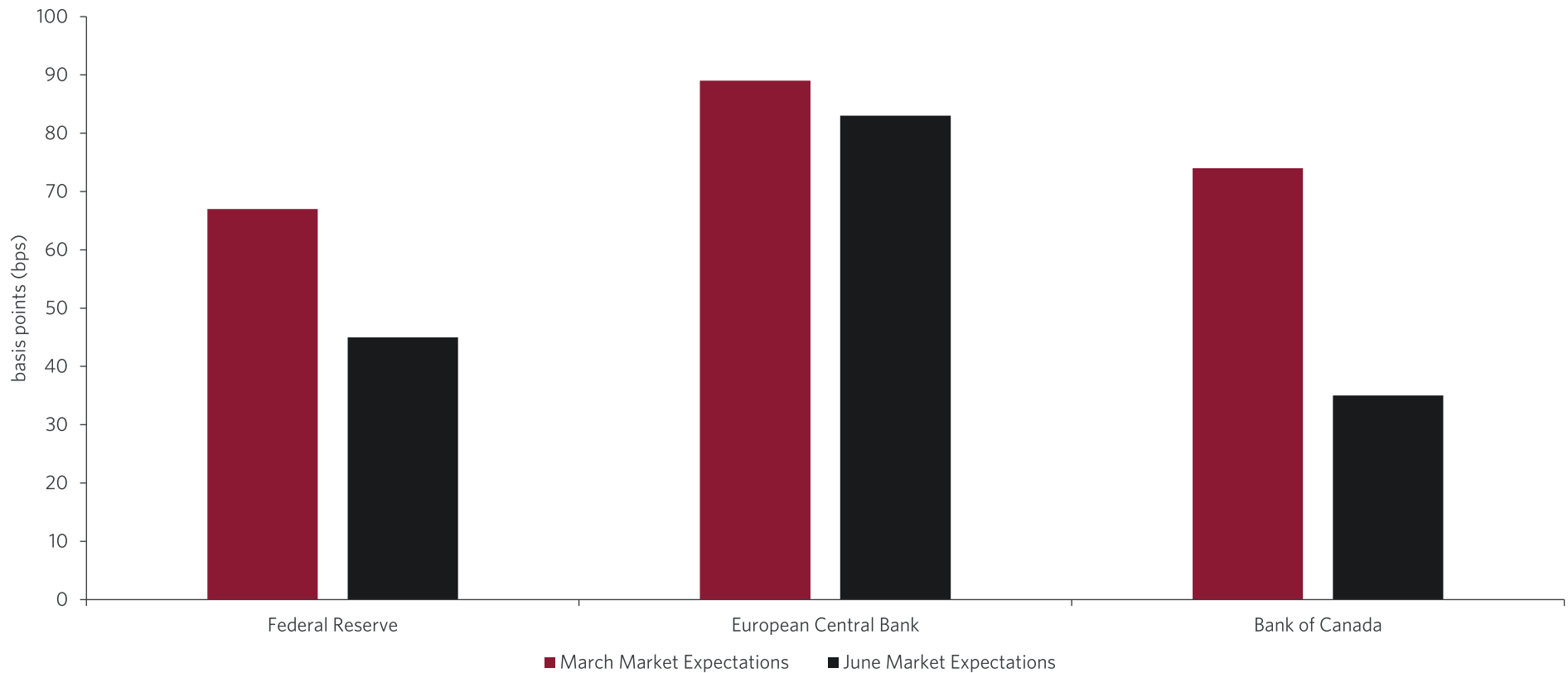
Categories	12-month inflation	Change from previous quarter
CPI	2.9%	0.1%
Core CPI	1.8%	-0.2%
Food	2.4%	-0.91%
Energy	4.1%	2.8%
Shelter	6.4%	-0.1%
Transportation	3.5%	1.2%
Health and personal care	3.6%	-0.2%
Recreation, education and reading	1.3%	0.3%
Clothing and footwear	-3.0%	1.2%
Alcoholic beverages and tobacco products	3.2%	-0.4%
Household operations, furnishings and equipment	-1.5%	0.2%

Sources: US Bureau of Labour Statistics, Stats Canada. Available data as of June 30, 2024.

Developed Market central banks have either already started easing policy, or are soon to begin

Inflation is expected to move closer to central bank policy targets in coming months. But healthy GDP growth likely means less cuts than the market consensus expects.

Central bank market expectation of policy rate cuts



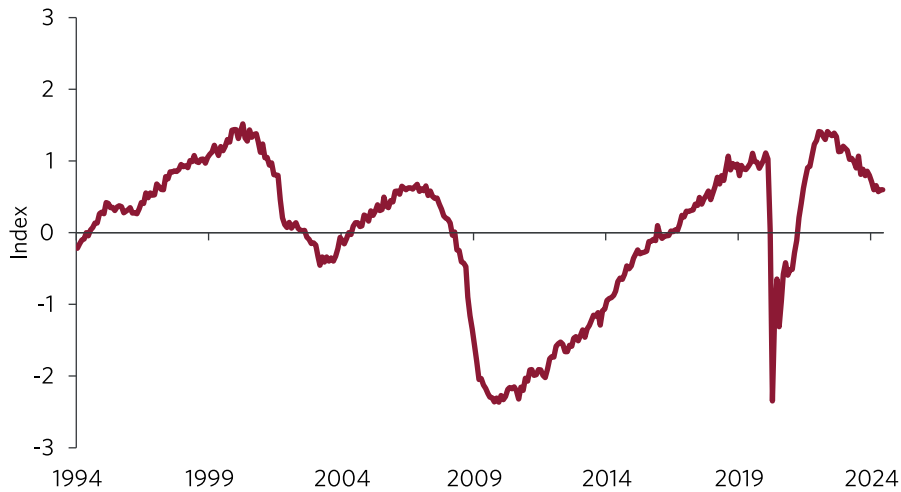
Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: Bloomberg; LSEG Datastream. Data as at 28 June 2024.

US outlook: Growth decelerating to trend

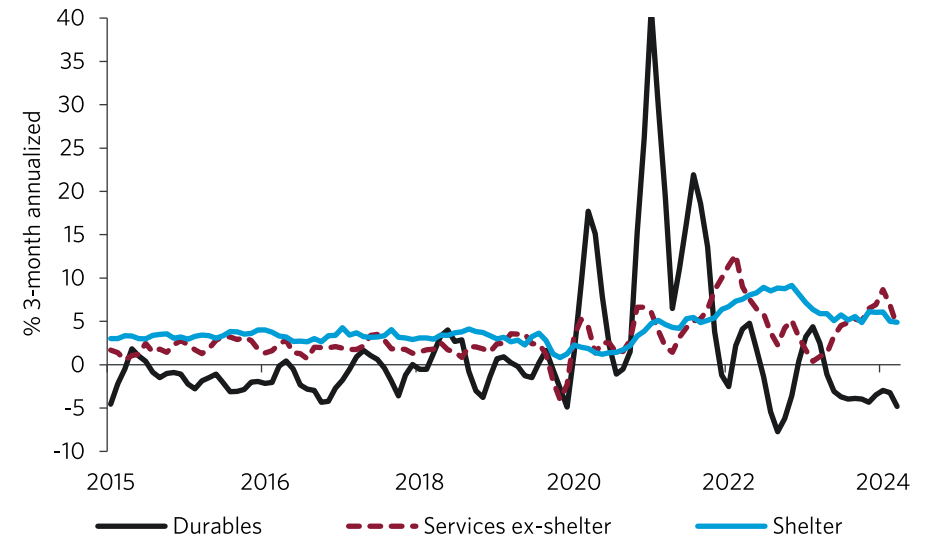
The US economy is cooling from the surprisingly strong growth it delivered over the last several quarters. This slowdown will likely prove benign as activity adjusts towards its historical trend rate, around 1.8% Y/Y.

The US labour market continues to rebalance

Kansas City Fed labour market conditions level of activity indicator



US CPI expected to decline



Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: Bloomberg; Kansas City Federal Reserve; LSEG Datastream. Data as at 28 June 2024.

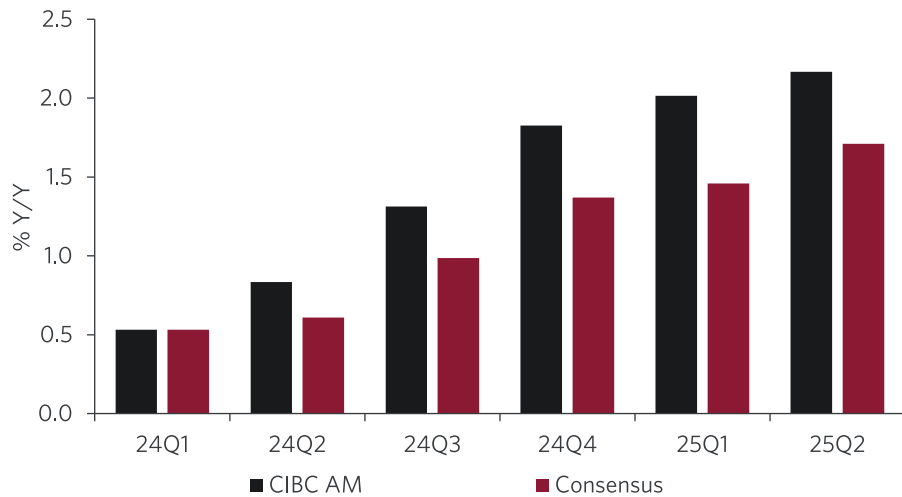


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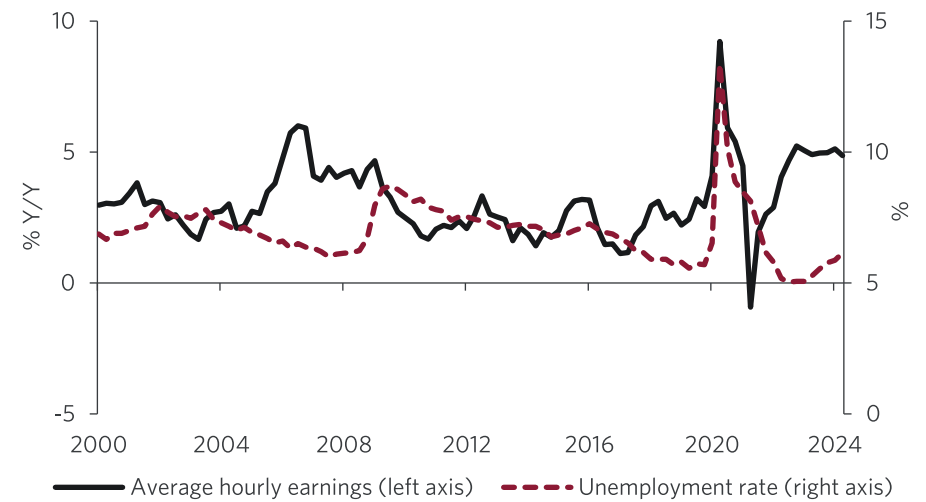
Canada outlook: the economy is expected to gain strength

The Canadian economy rebounded solidly in the first quarter of the year after three quarters of soft growth. We expect GDP growth to remain resilient.

The Canadian economy is expected to gain strength



High wage inflation has persisted despite rising unemployment



Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: LSEG Datastream. Data as at 28 June 2024

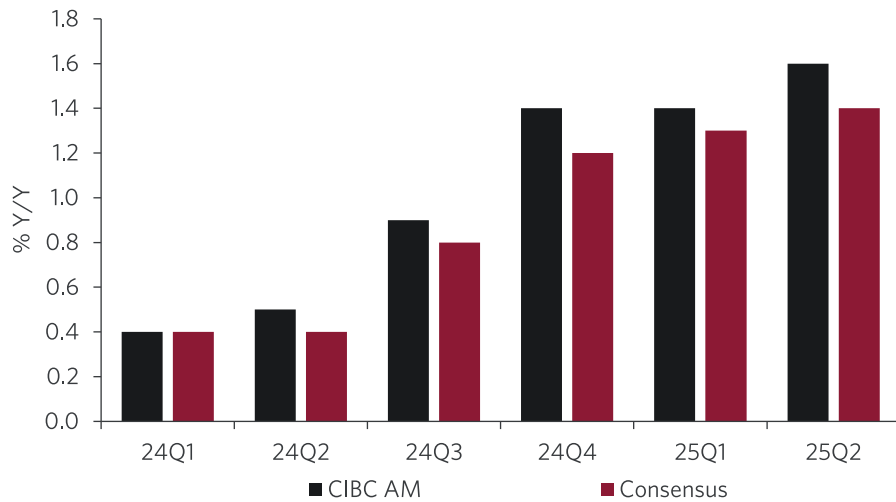


To learn more, see CIBC Asset Management's quarterly [Perspectives](#) publication.

Eurozone outlook: Recovery gathers pace, inflation challenges remain

More rate cuts are expected from the European Central Bank (ECB). But its room for maneuver is likely more limited than the market consensus expects, reflecting poor productivity and sticky wage inflation.

Eurozone growth is expected to strengthen further



Unit labour costs represent a challenge to the ECB



Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: LSEG Datastream. Data as at 28 June 2024.

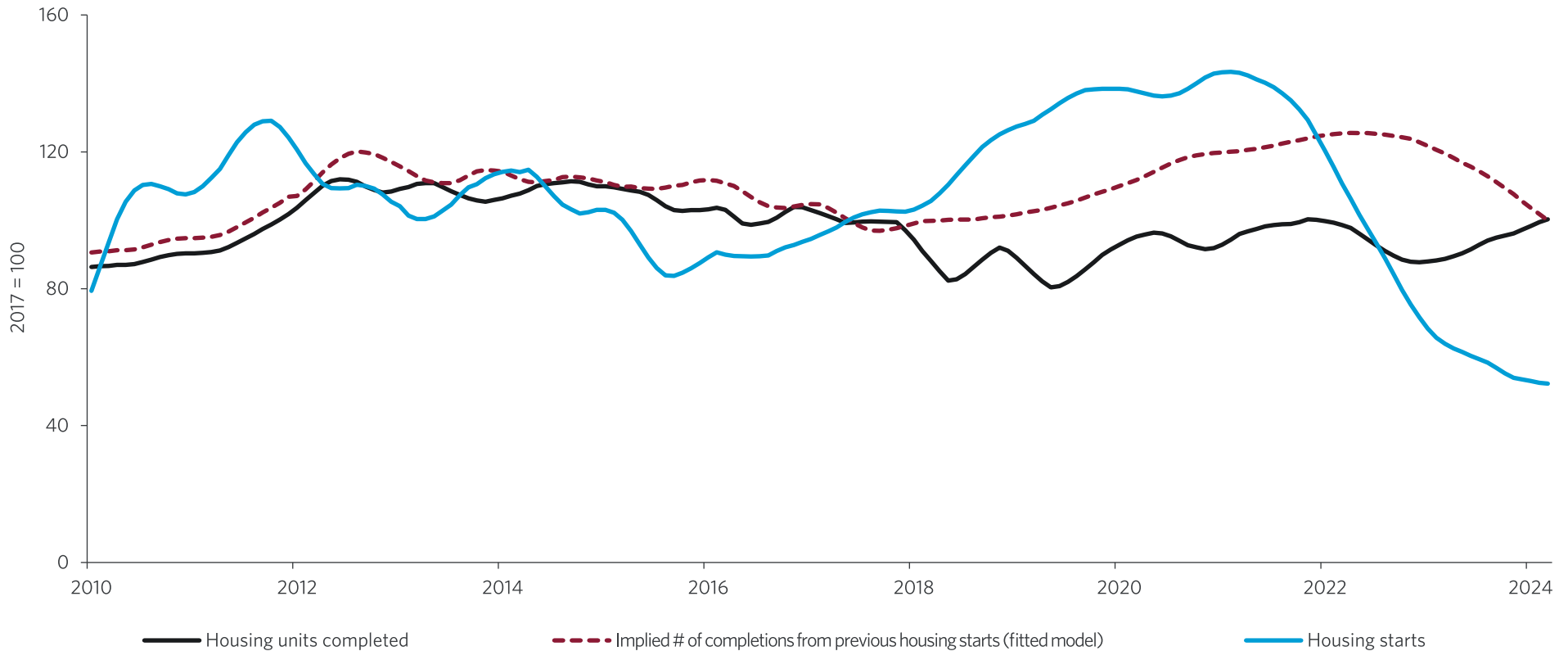


To learn more, see CIBC Asset Management's quarterly [Perspectives](#) publication.

China outlook: More stimulus required to support growth

Chinese growth remains weak. The persistent downturn in residential construction remains a major obstacle to growth. Other parts of the economy are also struggling despite the injection of substantial stimulus in sectors such as technology and renewable energy. Downward pressure on inflation will remain.

A massive amount of stalled housing projects



Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: Bloomberg; LSEG Datastream. Data as at 28 June 2024.



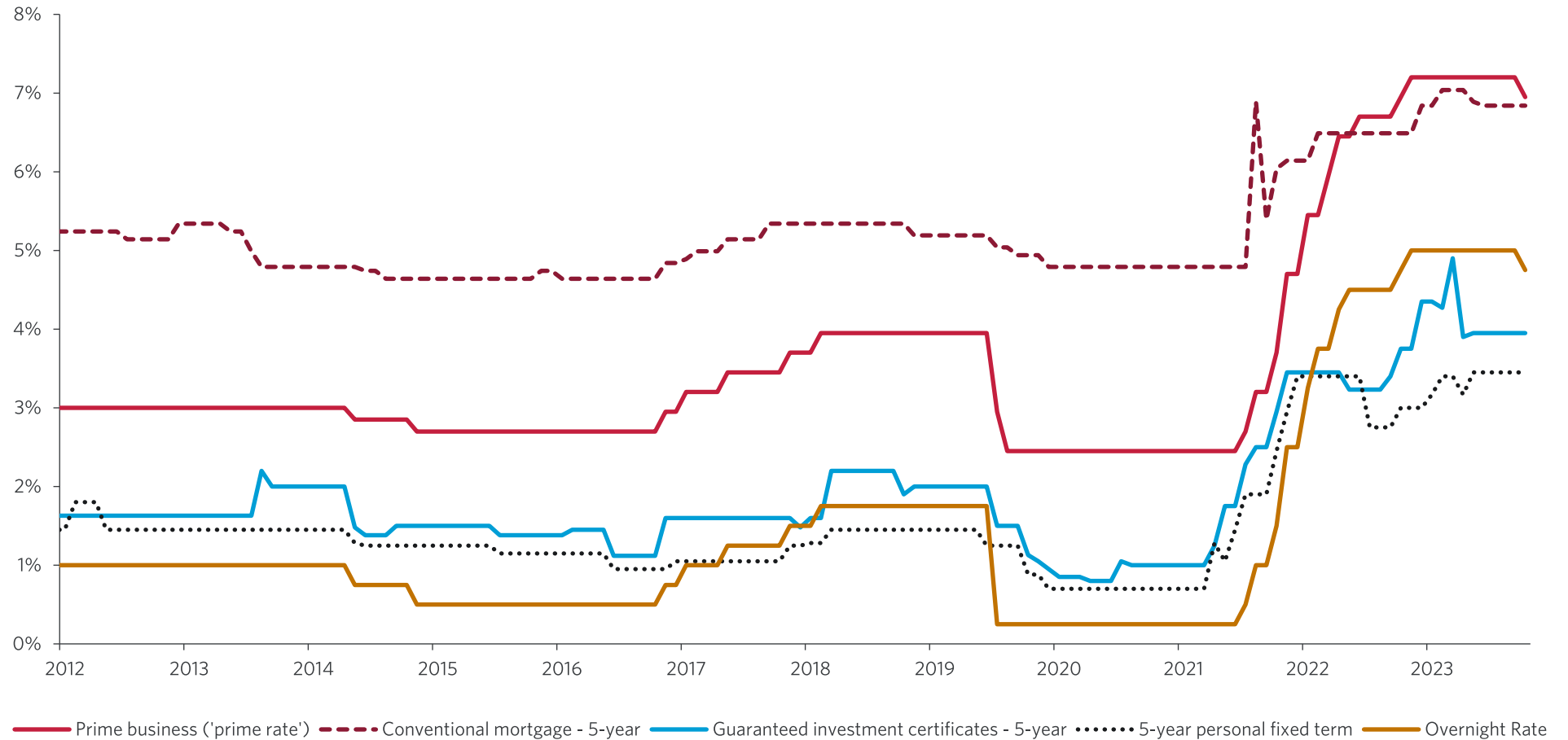
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Fixed income, currency and commodities markets

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Canadian key interest rates

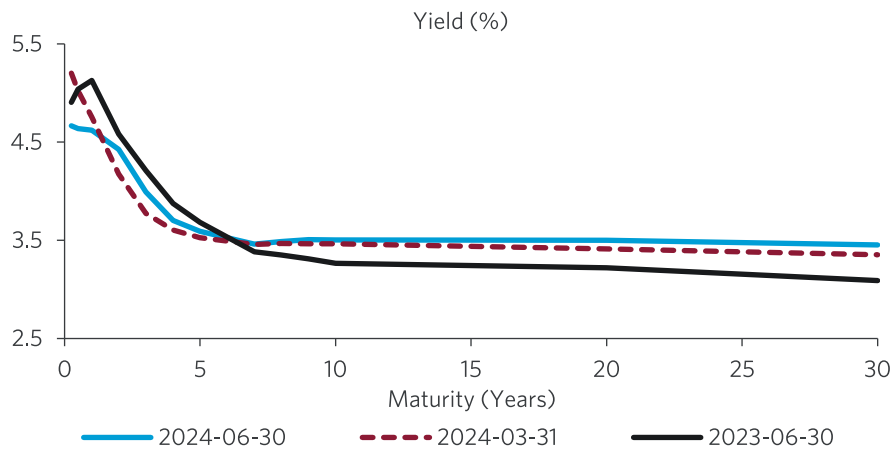
The BoC policy rate was lowered to 4.75% in Q2 2024, and again to 4.50% in July. With inflation expected to decline further, the BoC is expected to announce further cuts in the next 12 months.



Source: Bank of Canada. Data as of June 30, 2024.

Canadian sovereign bond yields

Longer-dated Canadian sovereign bond yields will likely fluctuate within a relatively narrow band in the next 12 months. The yield curve is still inverted, but we expect an eventual return to a normal, positively sloped yield driven primarily by lower short-dated interest rates.



Canadian bond yields (%)

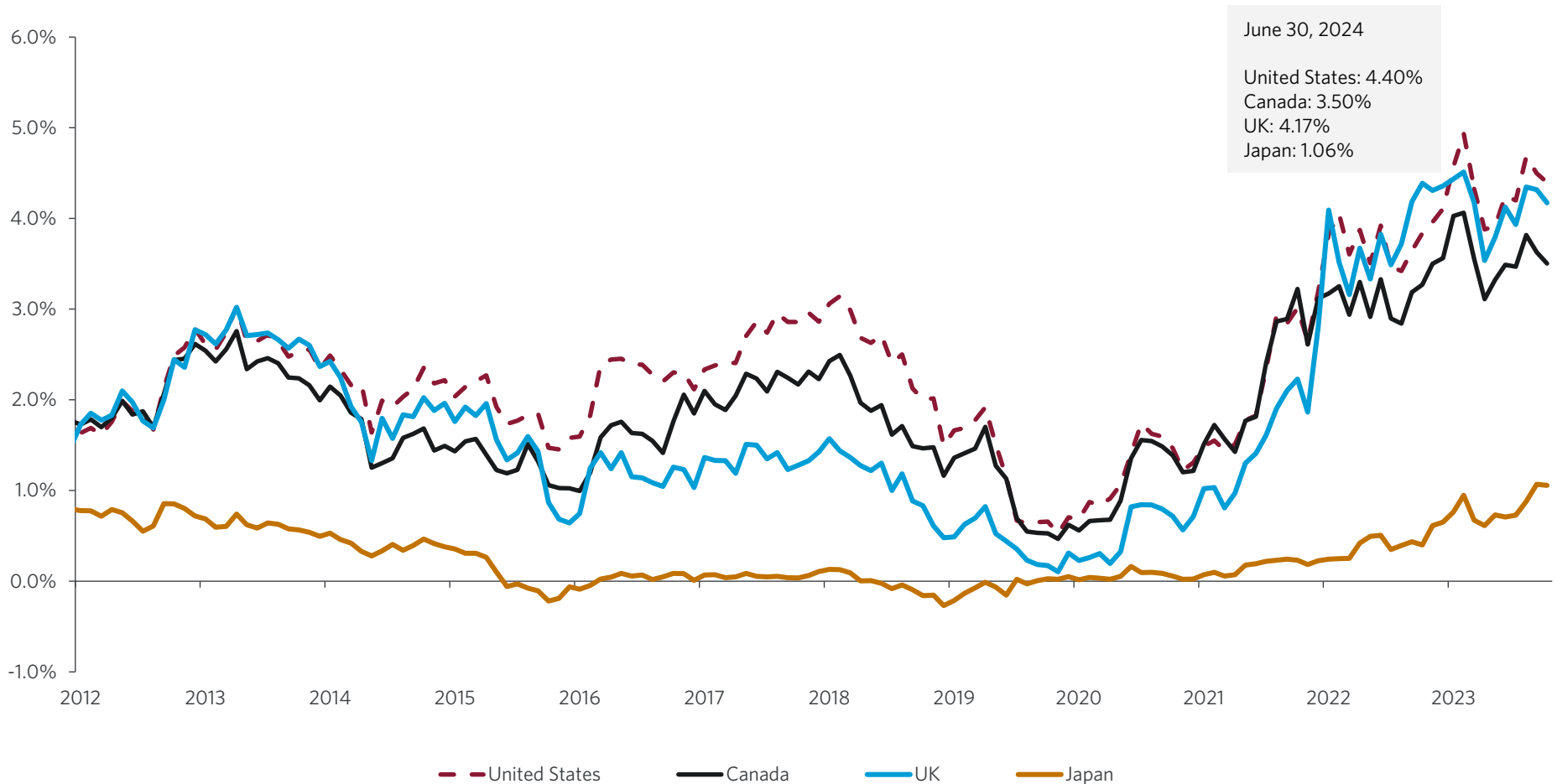
Period	3 mo	6 mo	1 yr	2 yr	3 yr	4 yr	5 yr	7 yr	8 yr	9 yr	10 yr	20 yr	30 yr
2024-06-30	4.67	4.64	4.62	4.43	3.99	3.70	3.59	3.46	3.49	3.51	3.50	3.50	3.45
2024-03-31	5.20	5.02	4.76	4.18	3.77	3.61	3.53	3.46	3.47	3.47	3.47	3.41	3.35
2023-06-30	4.91	5.04	5.13	4.58	4.21	3.87	3.68	3.38	3.35	3.31	3.27	3.22	3.09

Source: Bloomberg. Data as of June 30, 2024.

Global government bond yields

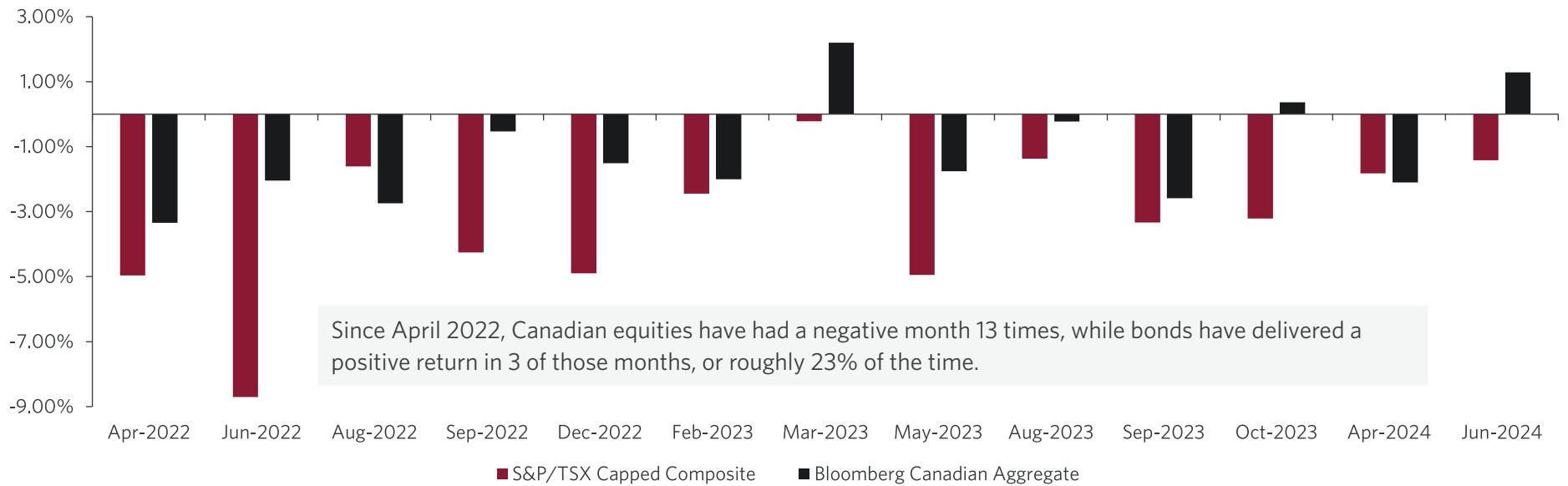
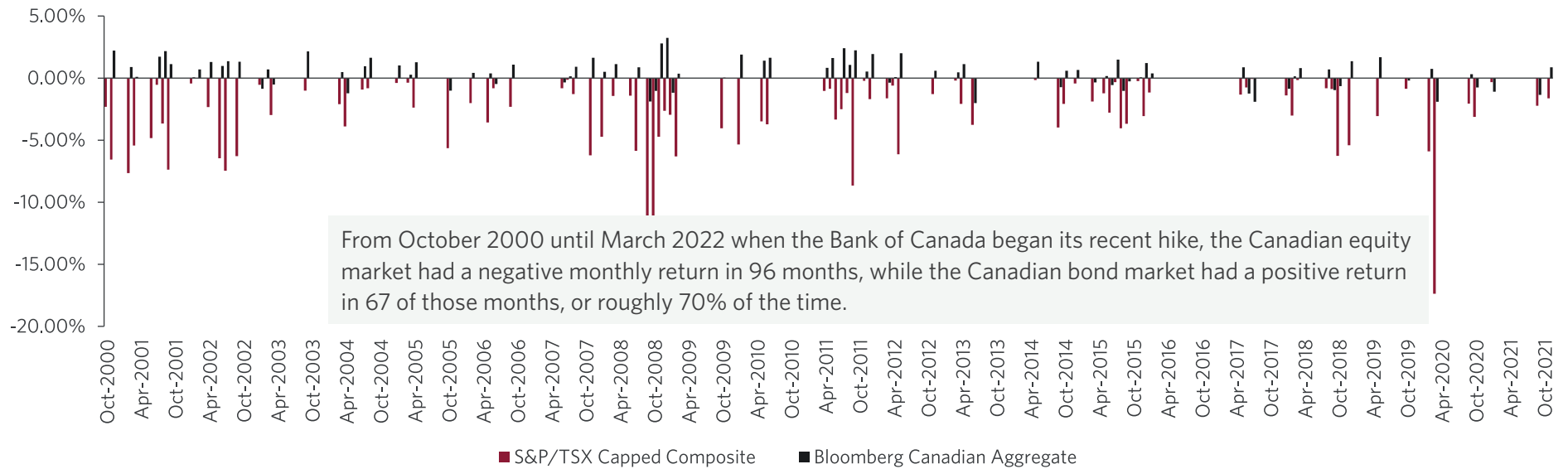
Across developed markets reflecting a combination of policy expectations and cyclical economic trends, government bond yields are trading close to our estimate of long-term, structural equilibriums. One exception is Japan, where the central bank is looking to allow yields to return to a higher level consistent with better economic data.

10-year government bond yield



Source: Bloomberg. Data as of June 30, 2024.

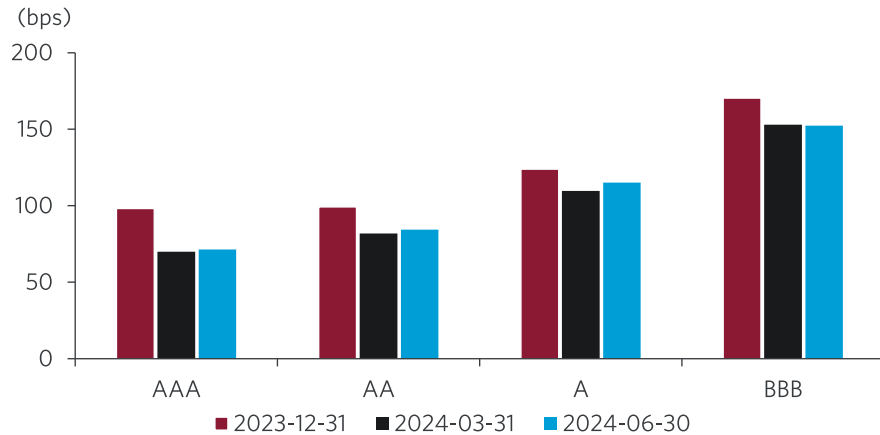
The Return of "Useful" Bond Diversification?



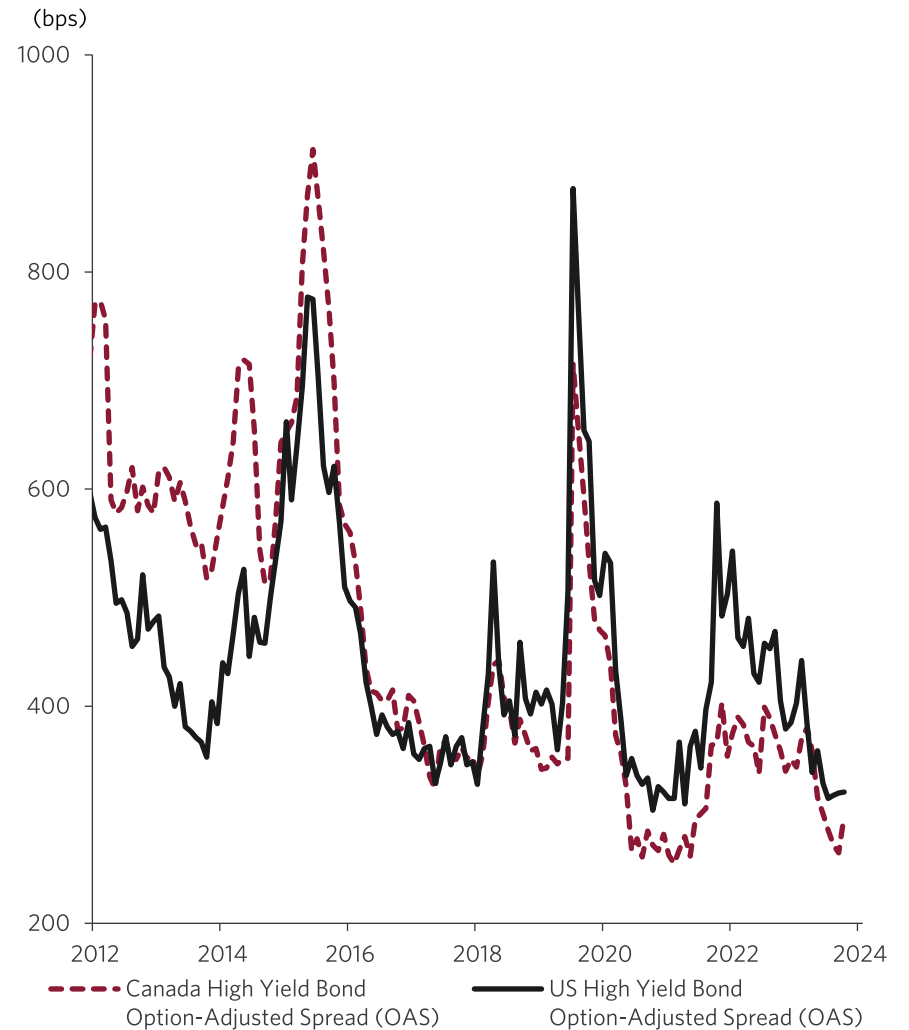
Credit spreads

Credit spreads have remained tight on an historical comparison. With global growth gradually improving, the risk of a significant widening appear low for now, but remains important to monitor.

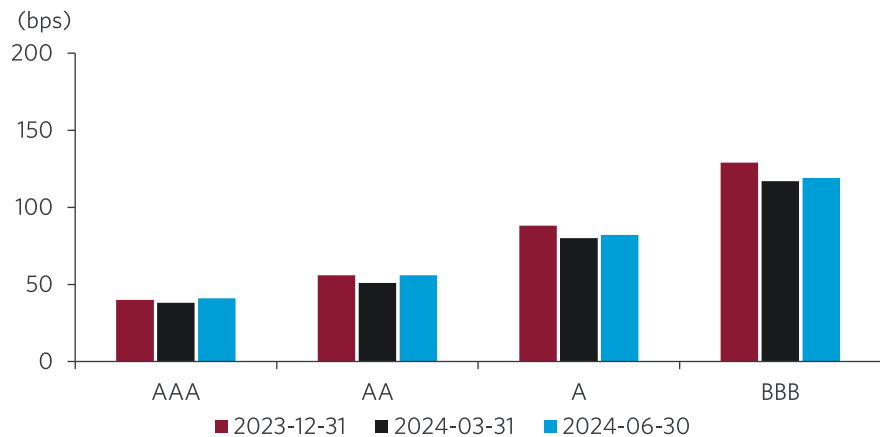
FTSE Canada all corporate bond index corporate bond spreads



High-yield corporate bond spreads












The BofA Merrill Lynch US corporate index corporate bond spreads

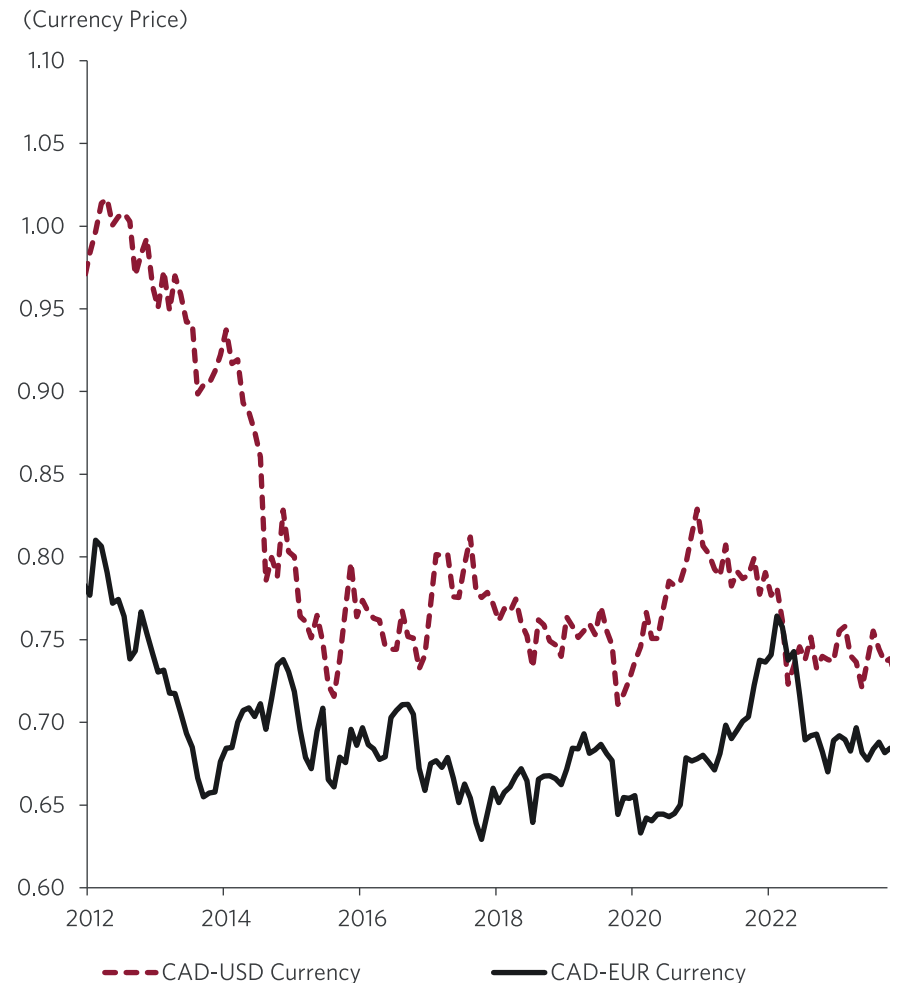


Source: Bloomberg, Bank of America Merrill Lynch Bond Indices, PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Data as of June 30, 2024. High-Yield bond sectors represented by Merrill Lynch Canada High Yield Index and Merrill Lynch US High Yield Master II Index. Investment Grade Corporate Bond sectors represented by FTSE Canada Universe Corporate Index and BofA Merrill Lynch US Corporate Index.

Key Canadian dollar (CAD) exchange rates

	Currency	Exchange	6-30-24	3-31-24
	US Dollar	CAD-USD	0.73	0.74
	Euro	CAD-EUR	0.68	0.68
	Japanese Yen	CAD-JPY	117.52	111.77
	Pound Sterling	CAD-GBP	1.73	1.71
	Australian Dollar	CAD-AUD	1.10	1.13
	Swiss Franc	CAD-CHF	0.66	0.67
	Hong Kong Dollar	CAD-HKD	5.71	5.78
	Chinese Yuan	CAD-CNY	5.31	5.33
	Swedish Krona	CAD-SEK	7.75	7.87
	New Zealand Dollar	CAD-NZD	1.20	1.23
	South Korean Won	CAD-KRW	1006.23	994.85
	Singapore Dollar	CAD-SGD	0.99	1.00
	Norwegian Krone	CAD-NOK	7.81	7.99
	Mexican Peso	CAD-MXN	13.38	12.23
	Brazilian Real	CAD-BRL	4.09	3.71
	Indian Rupee	CAD-INR	60.89	61.55

We expect CAD to remain in a trading range against the US dollar over the next 12 months. Driven by poor productivity, CAD will likely remain weak to its estimated fair value.



Canadian bonds: Performance

High yield and short-term were the best performing bond categories. The performance of longer-dated bonds continued to lag during the second quarter.

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
High Yield 1.53%	High Yield 4.54%	High Yield 12.11%	High Yield 3.25%	High Yield 4.96%	High Yield 5.24%	High Yield 4.97%
MBS 1.42%	Short Term 1.57%	Corporate 6.46%	Short Term 0.64%	Corporate 1.40%	Corporate 2.19%	Corporate 2.73%
Short Term 1.24%	MBS 1.41%	Short Term 5.61%	Corporate -0.09%	Short Term 1.40%	Short Term 1.63%	Long Term 2.05%
Corporate 1.09%	Corporate 1.16%	MBS 5.03%	MBS -0.20%	MBS 1.01%	MBS 1.52%	Mid Term 2.01%
Real Return 1.05%	Mid Term -0.30%	Mid Term 3.89%	Mid Term -1.62%	Mid Term 0.30%	Mid Term 1.26%	Core 1.90%
Core 0.86%	Federal -0.37%	Core 3.69%	Federal -1.64%	Core -0.05%	Real Return 1.17%	MBS 1.67%
Mid Term 0.83%	Core -0.38%	Federal 3.14%	Core -1.78%	Real Return -0.19%	Core 1.09%	Short Term 1.66%
Federal 0.80%	Real Return -0.78%	Government 2.75%	Government -2.36%	Federal -0.24%	Government 0.71%	Real Return 1.61%
Government 0.78%	Government -0.89%	Real Return 1.47%	Real Return -2.74%	Government -0.56%	Federal 0.63%	Government 1.60%
Long Term 0.22%	Long Term -3.39%	Long Term 0.38%	Long Term -5.15%	Long Term -2.32%	Long Term 0.13%	Federal 1.20%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Canadian Dollar Total Returns. Data as of June 30, 2024.

Currency returns relative to the Canadian dollar

In Q2, expected interest differentials and idiosyncratic political events were both important drivers of exchange rates. The yen continued to weaken in the face of low Japanese interest rates. The Mexican peso weakened in response to heightened political risk.

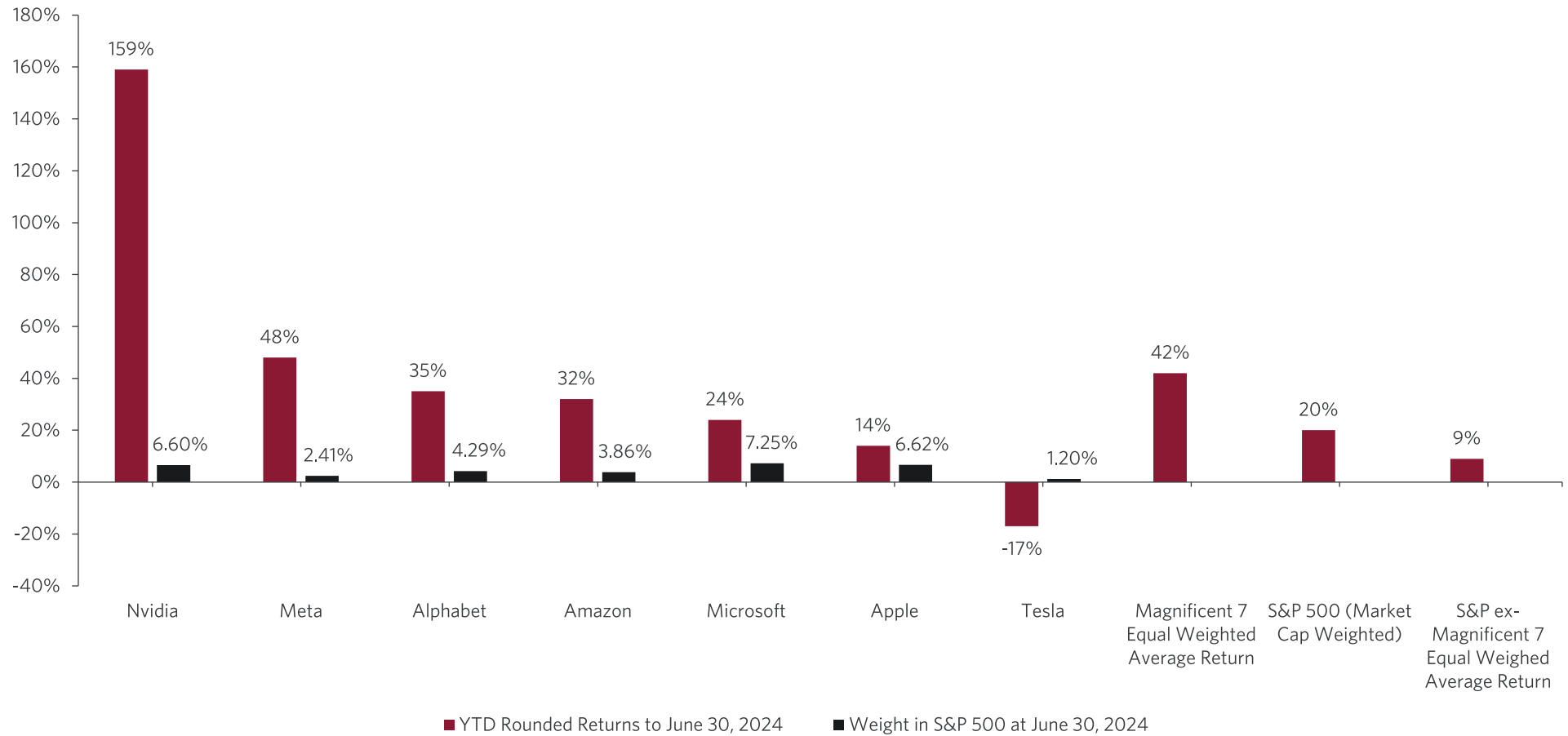
3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Australian Dollar 3.50%	Hong Kong Dollar 3.36%	Hong Kong Dollar 3.70%	Mexican Peso 6.43%	Swiss Franc 2.56%	Swiss Franc 1.70%	US Dollar 2.52%
Swiss Franc 1.36%	US Dollar 3.30%	Australian Dollar 3.63%	Swiss Franc 4.33%	Mexican Peso 1.95%	Singapore Dollar 1.00%	Hong Kong Dollar 2.44%
Hong Kong Dollar 1.30%	Pound Sterling 2.58%	US Dollar 3.31%	US Dollar 3.33%	Hong Kong Dollar 0.91%	Hong Kong Dollar 0.78%	Swiss Franc 2.38%
Pound Sterling 1.23%	Australian Dollar 1.13%	Chinese Yuan 3.15%	Hong Kong Dollar 3.16%	US Dollar 0.88%	US Dollar 0.77%	Singapore Dollar 1.67%
US Dollar 1.03%	Chinese Yuan 1.04%	Singapore Dollar 3.05%	Singapore Dollar 3.09%	Singapore Dollar 0.86%	Mexican Peso 0.68%	Chinese Yuan 0.91%
Singapore Dollar 0.62%	Singapore Dollar 0.57%	Swiss Franc 2.88%	Pound Sterling 0.31%	Pound Sterling 0.81%	Pound Sterling 0.35%	Euro 0.03%
Chinese Yuan 0.40%	Euro 0.31%	Pound Sterling 2.82%	Euro -0.12%	Australian Dollar -0.12%	Euro -0.16%	Pound Sterling -0.53%
Euro 0.25%	Swiss Franc -3.32%	Euro 1.40%	Australian Dollar -0.57%	Chinese Yuan -0.23%	Chinese Yuan -0.24%	Mexican Peso -0.93%
Japanese Yen -5.06%	Mexican Peso -3.86%	Mexican Peso -2.99%	Chinese Yuan -0.62%	Euro -0.32%	Australian Dollar -1.23%	Australian Dollar -0.96%
Mexican Peso -8.33%	Japanese Yen -9.57%	Japanese Yen -7.45%	Japanese Yen -8.69%	Japanese Yen -6.89%	Japanese Yen -4.27%	Japanese Yen -2.13%

Source: MSFX Indices, Rimes Technologies Inc. Data as of June 30, 2024.

Equity markets

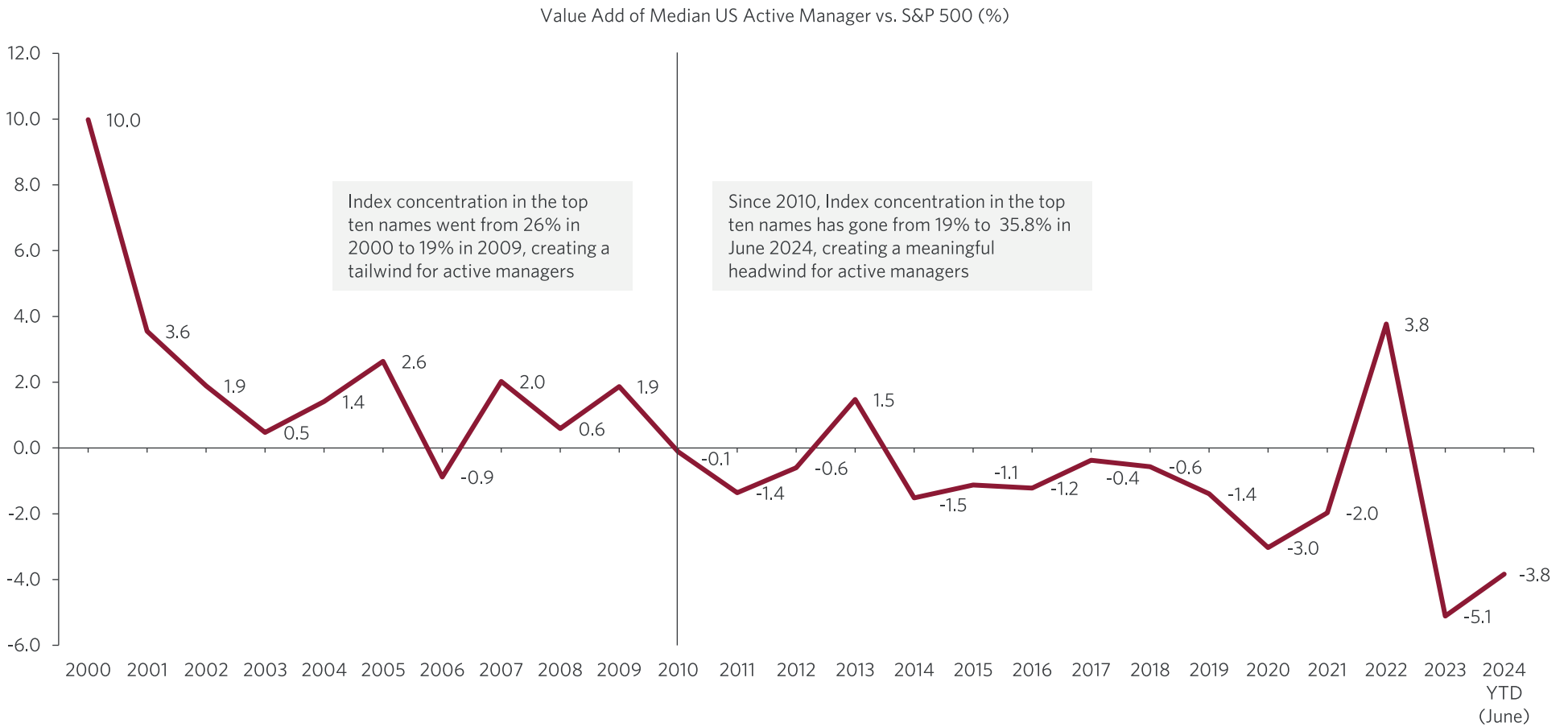
Q2 2024 Global Markets Compass

YTD returns (%): Magnificent 7 continues to dominate



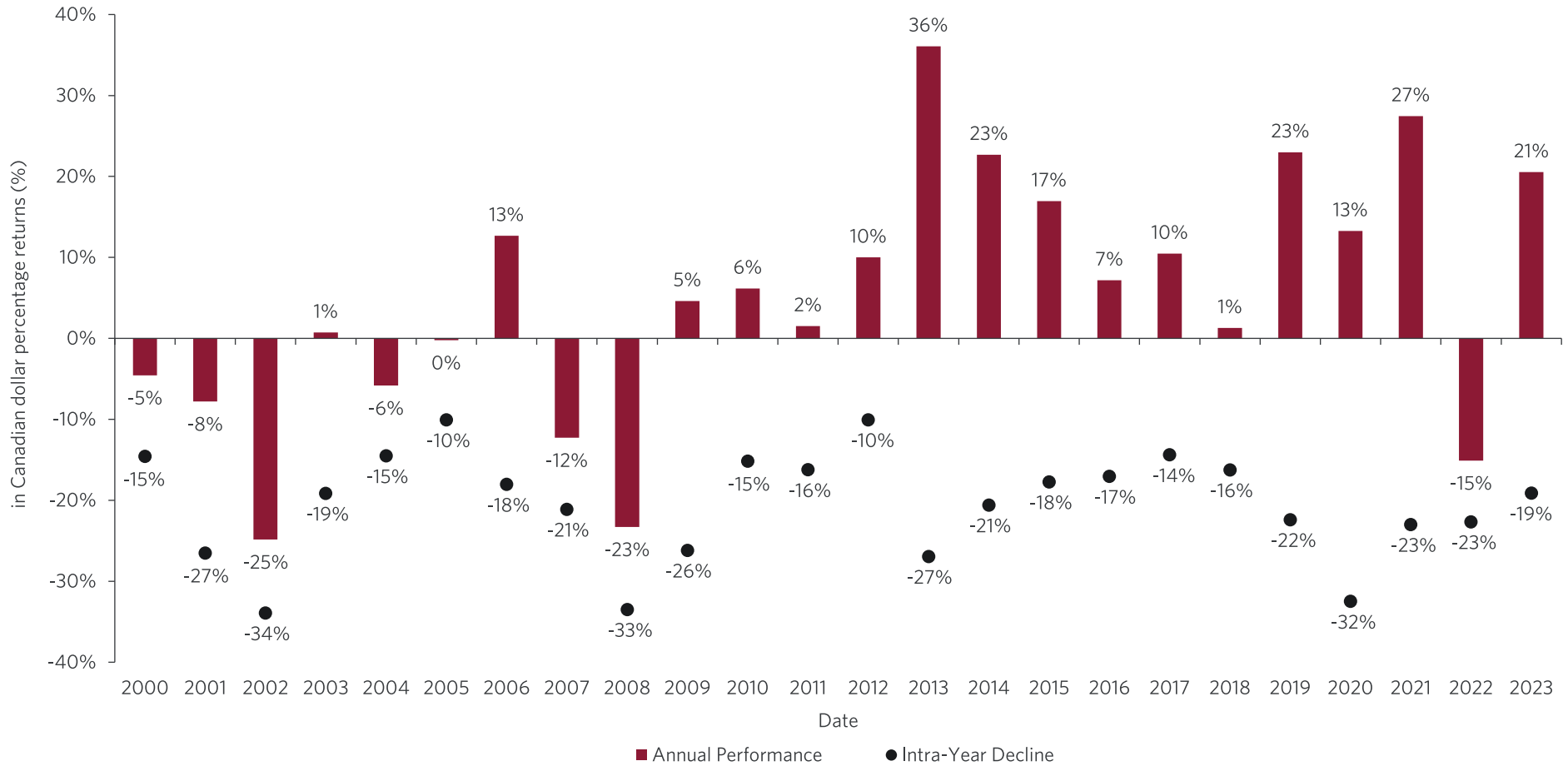
Period Ended June 30, 2024; Source: Refinitiv

Impacts of concentration in top ten names in S&P 500 2000 – June 2024



Period Ended June 30th, 2024; Source: eVestment U.S. Large Cap Equity Universe

S&P 500 Intra-year decline vs. calendar year performance

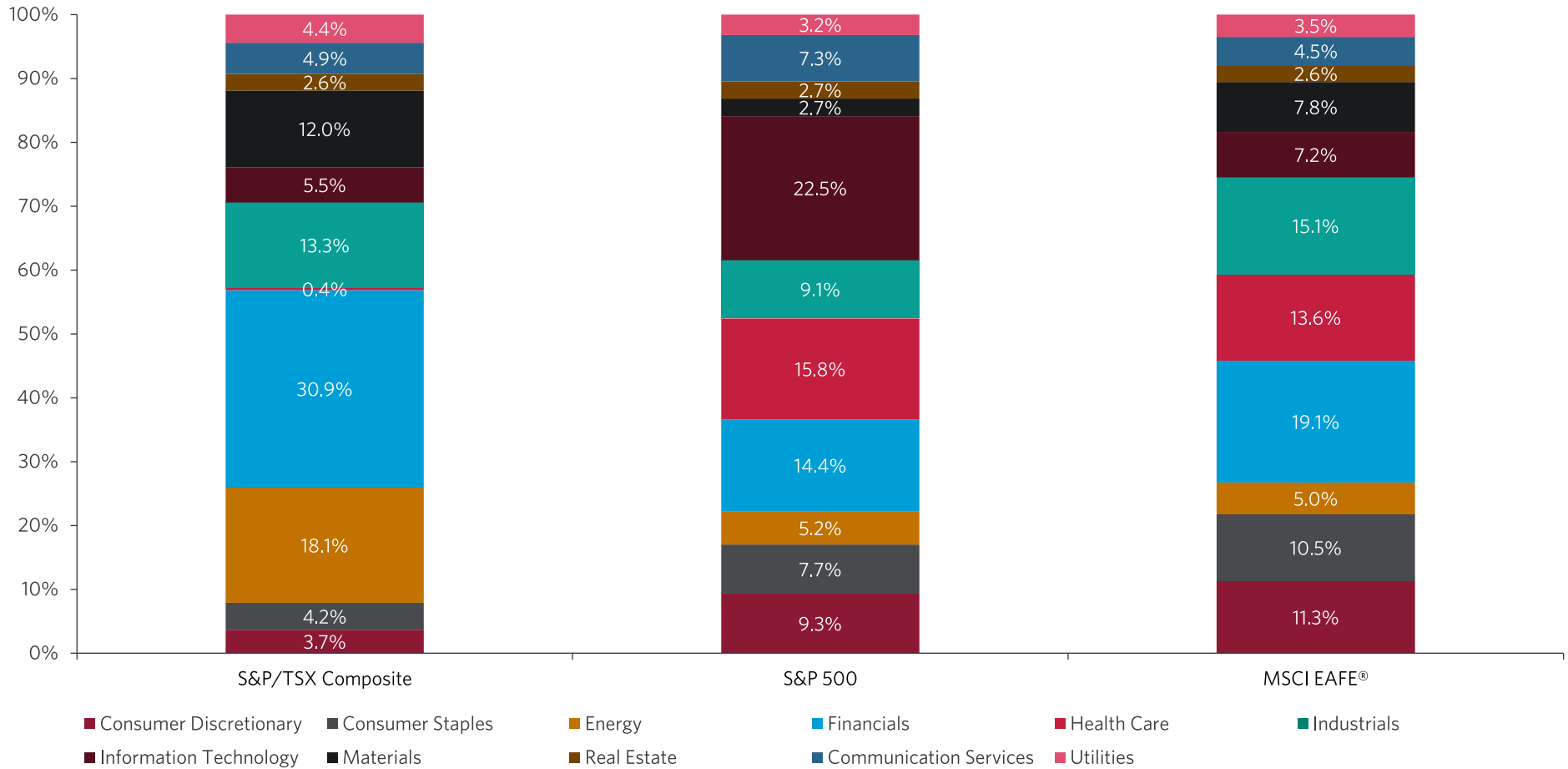


Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: Bloomberg. Data as at 28 June 2024.

Canadian equities

The Canadian equity market comprises more cyclical industries such as Energy and Materials relative to non-domestic equity markets. Given headwinds to these sectors in Q2 2024, Canadian stocks underperformed most other regions for the three-month period.

GICS sector breakdown across equity markets



Source: S&P/TSX GICS Indices, TSX© Copyright 2024 TSX Inc. "EAFE®" is a registered trademark of MSCI Inc., used under license. All rights reserved. Due to rounding totals may not always equal 100%. Data as of June 30, 2024.

Global equities: GICS sector returns

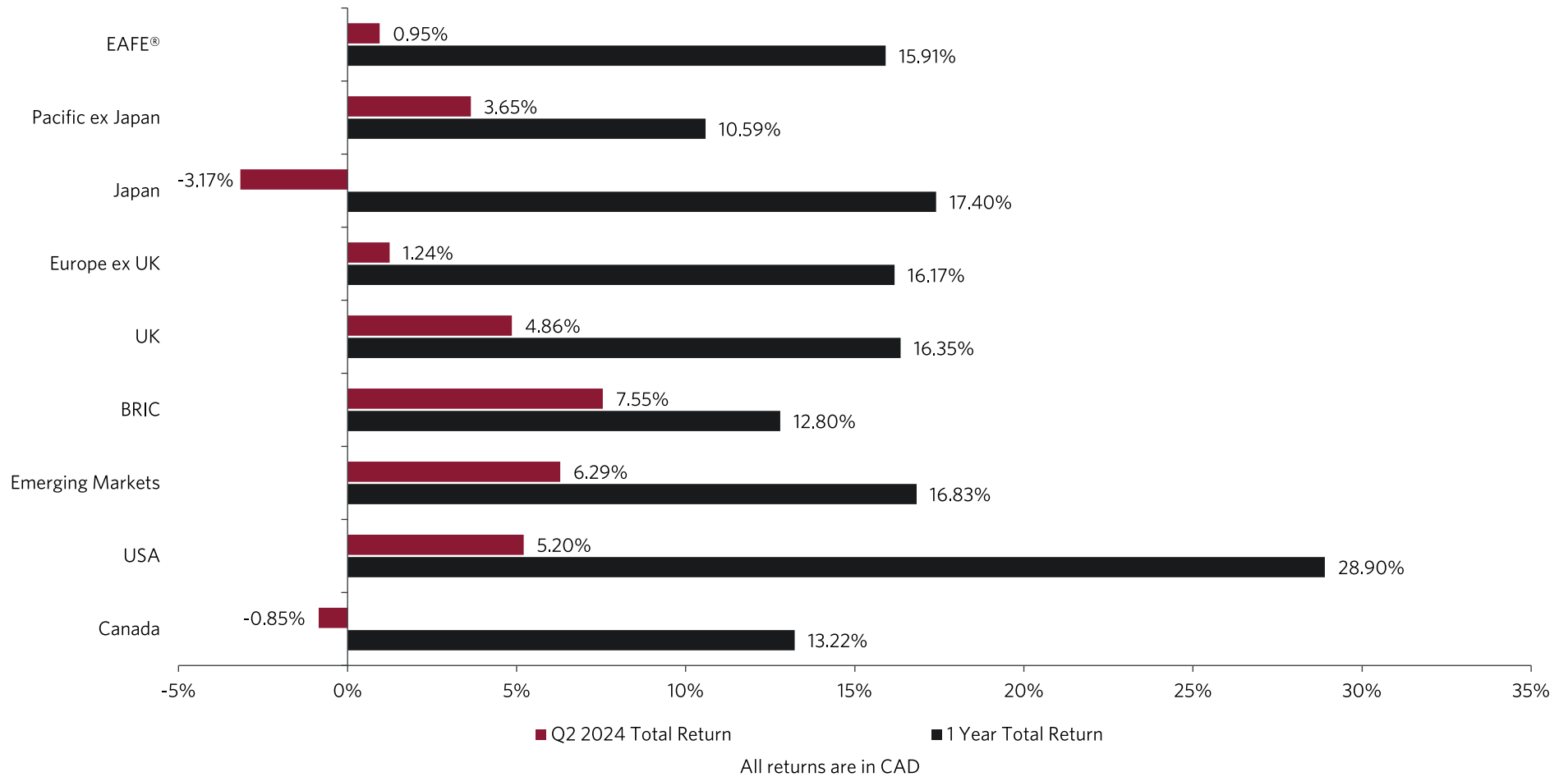
Global market performance continued to be led by a relatively narrow set of stocks in Q2. And Growth continued to outperform Value.

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Information Technology 12.69%	Information Technology 29.94%	Information Technology 43.08%	Energy 25.07%	Information Technology 25.11%	Information Technology 23.97%	Information Technology 23.52%
Communication Services 9.36%	Communication Services 26.82%	Communication Services 42.32%	Information Technology 19.27%	Communication Services 12.91%	Consumer Discretionary 11.71%	Consumer Discretionary 12.81%
Utilities 4.63%	Financials 14.64%	Financials 28.77%	Financials 11.13%	Health Care 11.66%	Communication Services 11.00%	Health Care 12.04%
Health Care 1.72%	Energy 12.91%	Energy 20.60%	Industrials 10.13%	Consumer Discretionary 11.48%	Health Care 10.81%	Industrials 11.52%
Consumer Staples 1.45%	Health Care 12.38%	Industrials 20.21%	Health Care 8.99%	Industrials 11.29%	Industrials 10.19%	Financials 10.45%
Financials 0.96%	Industrials 11.59%	Health Care 15.52%	Utilities 7.64%	Energy 11.26%	Energy 9.78%	Communication Services 10.43%
Energy -0.01%	Utilities 8.98%	Consumer Discretionary 13.51%	Communication Services 7.00%	Financials 11.00%	Materials 9.31%	Consumer Staples 8.93%
Industrials -0.96%	Consumer Discretionary 8.43%	Materials 12.15%	Consumer Staples 6.35%	Materials 9.92%	Financials 8.99%	Materials 8.88%
Consumer Discretionary -1.11%	Consumer Staples 7.76%	Utilities 9.39%	Materials 6.16%	Consumer Staples 6.91%	Utilities 7.39%	Utilities 8.42%
Materials -2.22%	Materials 3.78%	Consumer Staples 6.18%	Consumer Discretionary 3.87%	Utilities 6.41%	Consumer Staples 6.46%	Energy 5.09%

Source: S&P/TSX GICS Indices, TSX© Copyright 2024 TSX Inc. All rights reserved. Canadian dollar total returns. Data as of March 31, 2024.

Global equities performance

A broadening and strengthening in the global economic recovery helped sustain constructive market sentiment. Many equity markets continue to experience robust performance.

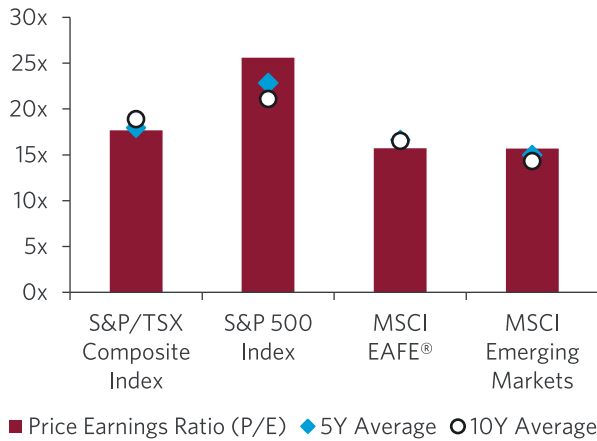


Source: MSCI Indices, Bloomberg. All returns are in CAD. Benchmark Proxies: MSCI EAFE® (EAFE®), MSCI Pacific ex Japan (Pacific ex Japan), MSCI Japan (Japan), MSCI Europe ex UK (Europe ex UK), MSCI UK (UK), MSCI BRIC (BRIC), MSCI Emerging Markets (Emerging Markets). "EAFE®" is a registered trademark of MSCI Inc., used under license. All returns are in CAD. Data as of June 30, 2024.

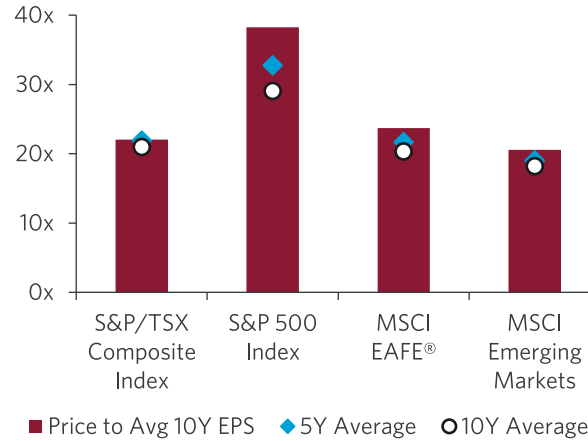
Equity valuation measures

There's little evidence of extreme valuations relative to history across equity regions.

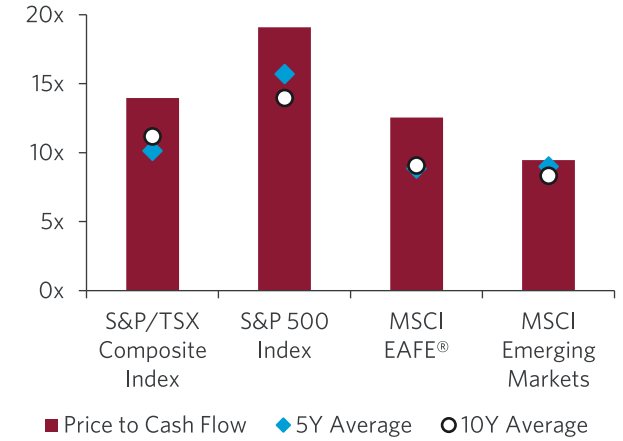
Trailing price earnings ratio (P/E)



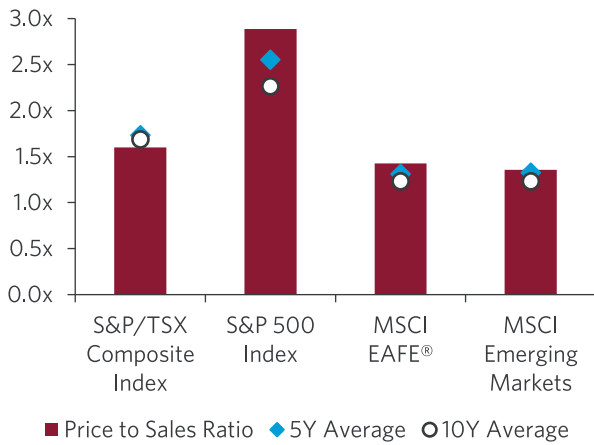
Price to avg 10Y EPS



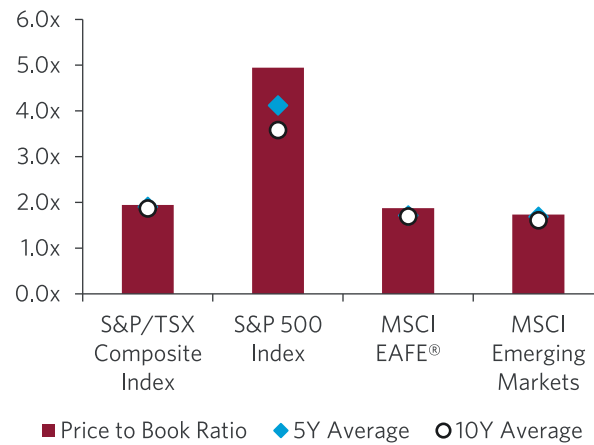
Price to cash flow



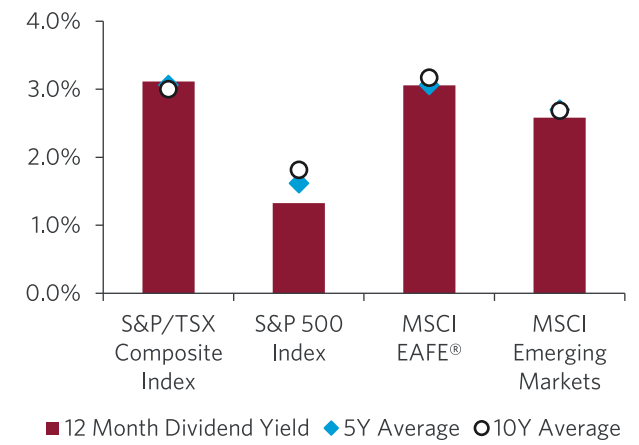
Price to sales ratio



Price to book ratio



12-month dividend yield



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Asset allocation

Q2 2024 Global Markets Compass

Asset class returns

Asset class leadership varies over time based on a variety of factors. Investing in a broadly diversified portfolio will ensure at least some participation in the highest performing asset classes at any given time and is an appropriate prescription for uncertain timing. This approach, proxied by a balanced portfolio, continued to provide superior returns versus cash in Q2.

	3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Emerging Market Equities	6.29%	U.S. Equities 19.64%	U.S. Equities 28.80%	U.S. Equities 13.74%	U.S. Equities 16.11%	U.S. Equities 15.13%	U.S. Equities 15.72%
U.S. Equities	5.45%	Global Equities 16.26%	Global Equities 24.87%	Global Equities 11.01%	Global Equities 13.36%	Global Equities 12.28%	Global Equities 12.52%
Global Equities	3.93%	Emerging Market Equities 11.74%	Emerging Market Equities 16.83%	Canadian Dividend 8.43%	Canadian Dividend 9.78%	Canadian Dividend 8.94%	Canadian Dividend 7.55%
Balanced Portfolio	1.62%	International Equities 9.74%	International Equities 15.91%	International Equities 6.93%	Canadian Equities 9.28%	Canadian Equities 8.65%	International Equities 7.50%
Canadian High Yield	1.53%	Balanced Portfolio 6.83%	Balanced Portfolio 12.87%	Canadian Equities 5.98%	International Equities 7.97%	International Equities 7.05%	Canadian Equities 6.95%
Cash	1.30%	Canadian Dividend 6.70%	Canadian Dividend 12.64%	Balanced Portfolio 4.18%	Balanced Portfolio 6.03%	Balanced Portfolio 6.11%	Balanced Portfolio 6.60%
Canadian Corporate Bonds	1.09%	Canadian Equities 6.05%	Canadian Equities 12.12%	Canadian High Yield 3.25%	Canadian High Yield 4.96%	Canadian High Yield 5.24%	Emerging Market Equities 5.79%
International Equities	0.95%	Canadian High Yield 4.54%	Canadian High Yield 12.11%	Cash 3.06%	Emerging Market Equities 4.45%	Emerging Market Equities 4.71%	Canadian High Yield 4.97%
Canadian Gov Bonds	0.78%	Cash 2.55%	Canadian Corporate Bonds 6.46%	Canadian Corporate Bonds -0.09%	Cash 2.18%	Canadian Corporate Bonds 2.19%	Canadian Corporate Bonds 2.73%
Canadian Dividend	0.08%	Canadian Corporate Bonds 1.16%	Cash 5.13%	Emerging Market Equities -1.45%	Canadian Corporate Bonds 1.40%	Cash 1.92%	Canadian Gov Bonds 1.60%
Global Bonds	-0.48%	Global Bonds -0.34%	Global Bonds 2.76%	Canadian Gov Bonds -2.36%	Canadian Gov Bonds -0.56%	Canadian Gov Bonds 0.71%	Cash 1.52%
Canadian Equities	-0.53%	Canadian Gov Bonds -0.89%	Canadian Gov Bonds 2.75%	Global Bonds -3.77%	Global Bonds -2.30%	Global Bonds -0.54%	Global Bonds 1.27%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc., Zephyr Associates Inc., Rimes Technologies Inc., Bloomberg & TSX © Copyright 2024 TSX Inc. All rights reserved. The Balanced Portfolio is composed as follows: 21.5% Canadian Bonds, 16.5% Canadian Stocks, 25% US Stocks, 15% International Stocks, 3.5% Emerging Market Stocks, 5% T-Bills, and 13.5% Global Bonds. Canadian Dollar Total Returns. Data as of June 30, 2024.

Asset class correlations

Currency: CAD	Cash	Canadian Equities	Canadian Dividend	Canadian Bond	Canadian High Yield	US Equities	Global Equities	International Equities	Emerging Market Equities	Global Bonds	Benchmark
Cash	1.00	-0.33	-0.32	-0.24	-0.22	-0.25	-0.26	-0.15	-0.44	-0.08	FTSE Canada 91 Day T-Bill Index
Canadian Equities	-0.12	1.00	0.99	0.71	0.88	0.69	0.81	0.96	0.53	0.51	S&P/TSX Composite Index
Canadian Dividend	-0.14	0.99	1.00	0.69	0.87	0.67	0.79	0.95	0.51	0.46	S&P/TSX Composite Dividend Index
Canadian Bonds	0.12	0.45	0.40	1.00	0.80	0.61	0.65	0.63	0.33	0.79	FTSE Canada Universe Bond Index
Canadian High Yield	-0.07	0.70	0.68	0.47	1.00	0.50	0.62	0.80	0.34	0.58	FTSE Canada High Yield Overall Bond Index
US Equities	0.04	0.80	0.76	0.49	0.51	1.00	0.98	0.80	0.58	0.66	S&P 500 Index
Global Equities	0.05	0.85	0.81	0.51	0.57	0.98	1.00	0.90	0.61	0.65	MSCI World Index
International Equities	0.07	0.82	0.80	0.48	0.59	0.81	0.90	1.00	0.55	0.54	MSCI EAFE® Index
Emerging Market Equities	0.02	0.57	0.53	0.37	0.57	0.54	0.61	0.68	1.00	0.23	MSCI Emerging Markets Index
Global Bonds	0.24	-0.23	-0.28	0.60	-0.09	-0.01	-0.01	0.00	0.04	1.00	Citigroup World Government Bond Index

■ 1-Year Correlations

■ 7-Year Correlations

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc., Zephyr Associates Inc, Rimes Technologies Inc, Bloomberg. "EAFE®" is a registered trademark of MSCI Inc., used under license. Canadian currency. Data as of June 30, 2024.

Appendix – Index returns

Q2 2024 Global Markets Compass

Canadian bonds: Returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
High Yield 10.00%	Short Term -4.04%	High Yield 6.18%	Real Return 13.02%	Long Term 12.71%	MBS 2.47%	High Yield 9.94%	High Yield 16.93%	Mid Term 4.86%	Long Term 17.48%
Long Term 9.51%	High Yield -5.44%	Real Return 1.84%	Long Term 11.90%	High Yield 8.48%	Federal 2.39%	Long Term 7.03%	Corporate 3.73%	Government 3.84%	Real Return 13.18%
Corporate 8.37%	MBS -5.69%	MBS -0.76%	Mid Term 10.08%	Corporate 8.05%	High Yield 2.15%	Corporate 3.38%	Real Return 2.86%	Long Term 3.80%	Government 9.29%
Core 6.69%	Federal -9.34%	Short Term -0.93%	Corporate 8.74%	Real Return 8.02%	Short Term 1.91%	Core 2.52%	Long Term 2.47%	Federal 3.66%	Mid Term 9.16%
Mid Term 6.13%	Corporate -9.87%	Corporate -1.34%	Government 8.69%	Core 6.87%	Mid Term 1.91%	Government 2.18%	Core 1.66%	Core 3.52%	Core 8.79%
Government 6.11%	Mid Term -10.29%	Core -2.54%	Core 8.68%	Government 6.42%	Government 1.53%	MBS 0.97%	Mid Term 1.61%	Real Return 2.79%	Corporate 7.58%
Short Term 5.02%	Core -11.69%	Federal -2.62%	Federal 7.28%	Mid Term 5.75%	Core 1.41%	Mid Term 0.96%	MBS 1.24%	Corporate 2.71%	Federal 6.91%
Federal 5.00%	Government -12.34%	Mid Term -2.69%	High Yield 6.69%	Federal 3.73%	Corporate 1.10%	Real Return 0.72%	Short Term 1.01%	Short Term 2.61%	MBS 3.10%
MBS 4.15%	Real Return -14.32%	Government -2.97%	MBS 5.95%	MBS 3.21%	Long Term 0.31%	Federal 0.13%	Government 0.89%	MBS 2.54%	Short Term 3.06%
Real Return 1.99%	Long Term -21.76%	Long Term -4.52%	Short Term 5.29%	Short Term 3.10%	Real Return -0.05%	Short Term 0.08%	Federal 0.00%	High Yield -3.81%	High Yield 2.54%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Data as of December 31, 2023.

Global equities: GICS sector returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Information Technology 49.53%	Energy 58.33%	Energy 40.57%	Information Technology 41.73%	Information Technology 40.66%	Health Care 12.33%	Information Technology 29.63%	Energy 23.16%	Consumer Staples 28.48%	Health Care 29.40%
Communication Services 42.08%	Utilities 3.11%	Information Technology 29.04%	Consumer Discretionary 34.59%	Industrials 22.00%	Utilities 12.16%	Materials 20.98%	Materials 18.79%	Health Care 28.43%	Information Technology 27.12%
Consumer Discretionary 31.89%	Health Care 1.94%	Financials 27.60%	Communication Services 21.27%	Communication Services 21.46%	Information Technology 6.55%	Industrials 17.62%	Industrials 9.62%	Consumer Discretionary 27.06%	Utilities 26.70%
Industrials 20.49%	Consumer Staples 1.31%	Health Care 19.32%	Materials 18.38%	Consumer Discretionary 20.69%	Consumer Discretionary 3.45%	Consumer Discretionary 16.06%	Financials 9.26%	Information Technology 26.18%	Consumer Staples 17.72%
Financials 13.86%	Financials -2.99%	Consumer Discretionary 17.17%	Health Care 12.10%	Financials 20.02%	Communication Services -0.94%	Financials 15.30%	Information Technology 8.10%	Communication Services 24.00%	Consumer Discretionary 13.83%
Materials 12.24%	Materials -3.80%	Industrials 16.07%	Industrials 10.22%	Materials 17.67%	Consumer Staples -1.34%	Health Care 12.51%	Utilities 3.19%	Industrials 18.13%	Financials 13.01%
Health Care 1.48%	Industrials -6.42%	Materials 15.79%	Consumer Staples 6.62%	Health Care 17.63%	Industrials -6.36%	Consumer Staples 10.06%	Communication Services 2.86%	Financials 16.49%	Industrials 10.05%
Energy 0.75%	Information Technology -25.56%	Communication Services 13.81%	Utilities 3.78%	Consumer Staples 17.34%	Energy -7.55%	Utilities 7.08%	Consumer Discretionary 0.06%	Utilities 12.98%	Communication Services 7.80%
Consumer Staples 0.26%	Consumer Discretionary -28.28%	Consumer Staples 12.76%	Financials -3.89%	Utilities 17.33%	Financials -8.94%	Communication Services -0.26%	Consumer Staples -1.26%	Materials 2.09%	Materials 3.95%
Utilities -1.51%	Communication Services -32.14%	Utilities 9.81%	Energy -31.74%	Energy 6.79%	Materials -9.04%	Energy -1.08%	Health Care -9.56%	Energy -6.66%	Energy -3.00%

Source: MSCI World Index, Bloomberg. All rights reserved. Canadian Dollar Total Returns. Data as of December 31, 2023.

Canadian equities: Returns

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Preferred 2.64%	Preferred 10.88%	Growth 15.61%	Value 8.92%	Value 9.90%	Large Cap 9.03%	Dividend 7.55%
Small Cap 0.85%	Growth 9.96%	Small Cap 14.42%	Dividend 8.43%	Dividend 9.78%	Dividend 8.94%	Large Cap 7.52%
Dividend 0.08%	Small Cap 8.83%	Value 13.58%	Growth 6.65%	Large Cap 9.40%	Core 8.65%	Core 6.95%
Value -0.31%	Dividend 6.70%	Preferred 13.36%	Equity Income 6.25%	Core 9.28%	Growth 8.62%	Value 6.81%
Core -0.53%	Core 6.05%	Dividend 12.64%	Core 5.98%	Equity Income 8.71%	Value 8.35%	Growth 6.75%
Growth -0.71%	Value 5.52%	Core 12.12%	Large Cap 5.97%	Small Cap 8.06%	Equity Income 7.53%	Equity Income 5.68%
Large Cap -1.34%	Large Cap 4.90%	Large Cap 11.18%	Small Cap 1.28%	Growth 7.96%	Small Cap 5.21%	REIT 4.14%
Equity Income -1.46%	Equity Income 2.82%	Equity Income 6.60%	REIT -4.10%	REIT 0.07%	REIT 3.69%	Small Cap 3.11%
REIT -6.04%	REIT -7.12%	REIT -5.19%	Preferred -4.46%	Preferred -0.23%	Preferred -2.23%	Preferred -3.06%

Source: S&P/TSX GICS Indices, TSX © Copyright 2024 TSX Inc. All rights reserved. Canadian Dollar Total Returns. Data as of June 30, 2024.

Canadian equities: Returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Growth 12.27%	Value 1.51%	Value 36.18%	Small Cap 12.87%	Equity Income 25.81%	REIT 6.29%	Growth 13.06%	Small Cap 38.48%	REIT -4.74%	Growth 15.94%
Large Cap 12.05%	Equity Income 0.65%	Equity Income 36.10%	Growth 10.53%	Value 22.93%	Growth -6.05%	REIT 9.85%	Equity Income 28.49%	Value -6.38%	Large Cap 12.27%
Core 11.83%	Dividend -0.09%	REIT 35.22%	Core 5.60%	Core 22.84%	Large Cap -7.58%	Large Cap 9.78%	Value 27.01%	Dividend -7.66%	Dividend 10.85%
Value 10.51%	Core -5.75%	Large Cap 28.05%	Large Cap 5.56%	REIT 22.79%	Dividend -8.59%	Dividend 9.33%	Dividend 24.00%	Large Cap -7.76%	Core 10.55%
Dividend 9.63%	Large Cap -6.24%	Dividend 27.82%	Dividend 1.08%	Large Cap 21.93%	Core -8.88%	Core 9.08%	Large Cap 21.36%	Core -8.33%	REIT 10.22%
Equity Income 6.97%	Growth -7.53%	Core 25.15%	Preferred 0.05%	Dividend 21.71%	Equity Income -10.77%	Preferred 8.34%	Core 21.08%	Growth -10.53%	Value 5.38%
Small Cap 4.79%	Small Cap -9.29%	Small Cap 20.27%	Equity Income -7.39%	Growth 20.44%	Value -11.86%	Equity Income 7.61%	REIT 17.63%	Small Cap -13.31%	Equity Income 5.24%
REIT 2.80%	REIT -16.99%	Growth 14.84%	Value -7.55%	Small Cap 15.84%	Preferred -12.21%	Value 5.84%	Growth 14.20%	Equity Income -14.55%	Preferred 1.72%
Preferred -0.73%	Preferred -22.31%	Preferred 13.65%	REIT -13.08%	Preferred -2.02%	Small Cap -18.17%	Small Cap 2.75%	Preferred 1.25%	Preferred -19.31%	Small Cap -2.34%

Source: S&P/TSX GICS Indices, TSX © Copyright 2023 TSX Inc. All rights reserved. Canadian Dollar Total Returns. Data as of December 31, 2023.

Asset class returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
US Equities 22.90%	Cash 1.82%	Canadian Dividend 27.82%	Emerging Market Equities 16.60%	US Equities 24.84%	Global Bonds 8.09%	Emerging Market Equities 28.70%	Canadian Dividend 24.00%	US Equities 21.59%	US Equities 23.93%
Global Equities 21.08%	Canadian Dividend -0.09%	US Equities 27.61%	US Equities 16.32%	Canadian Equities 22.84%	US Equities 4.23%	International Equities 17.36%	Canadian Equities 21.08%	Global Equities 19.55%	Global Equities 15.01%
International Equities 15.66%	Canadian High Yield -5.44%	Canadian Equities 25.15%	Global Equities 14.45%	Global Equities 21.91%	Canadian High Yield 2.15%	Global Equities 14.99%	Canadian High Yield 16.93%	International Equities 19.46%	Balanced Portfolio 11.66%
Balanced Portfolio 12.77%	Canadian Equities -5.75%	Global Equities 21.31%	Balanced Portfolio 9.91%	Canadian Dividend 21.71%	Canadian Gov Bonds 1.53%	US Equities 13.83%	US Equities 8.09%	Global Bonds 15.22%	Canadian Dividend 10.85%
Canadian Equities 11.83%	International Equities -7.76%	International Equities 10.82%	Canadian Corporate Bonds 8.74%	International Equities 16.45%	Cash 1.38%	Canadian High Yield 9.94%	Emerging Market Equities 7.74%	Balanced Portfolio 7.78%	Canadian Equities 10.55%
Canadian High Yield 10.00%	Balanced Portfolio -9.09%	Balanced Portfolio 7.53%	Canadian Gov Bonds 8.69%	Emerging Market Equities 12.87%	Canadian Corporate Bonds 1.10%	Canadian Dividend 9.33%	Balanced Portfolio 6.33%	Canadian Gov Bonds 3.84%	Canadian Gov Bonds 9.29%
Canadian Dividend 9.63%	Canadian Corporate Bonds -9.87%	Canadian High Yield 6.18%	Global Bonds 8.18%	Balanced Portfolio 12.56%	Global Equities 0.06%	Balanced Portfolio 9.27%	Global Equities 4.41%	Canadian Corporate Bonds 2.71%	Global Bonds 8.49%
Canadian Corporate Bonds 8.37%	Global Equities -11.75%	Cash 0.17%	Canadian High Yield 6.69%	Canadian High Yield 8.48%	Balanced Portfolio -0.76%	Canadian Equities 9.08%	Canadian Corporate Bonds 3.73%	Emerging Market Equities 2.42%	Canadian Corporate Bonds 7.58%
Emerging Market Equities 7.31%	US Equities -12.16%	Canadian Corporate Bonds -1.34%	International Equities 6.38%	Canadian Corporate Bonds 8.05%	International Equities -5.55%	Canadian Corporate Bonds 3.38%	Canadian Gov Bonds 0.89%	Cash 0.63%	Emerging Market Equities 7.03%
Canadian Gov Bonds 6.11%	Global Bonds -12.32%	Canadian Gov Bonds -2.97%	Canadian Equities 5.60%	Canadian Gov Bonds 6.42%	Emerging Market Equities -6.52%	Canadian Gov Bonds 2.18%	Cash 0.51%	Canadian High Yield -3.81%	International Equities 4.12%
Cash 4.71%	Canadian Gov Bonds -12.34%	Emerging Market Equities -3.06%	Canadian Dividend 1.08%	Cash 1.61%	Canadian Dividend -8.59%	Cash 0.56%	Global Bonds -1.91%	Canadian Dividend -7.66%	Canadian High Yield 2.54%
Global Bonds 2.36%	Emerging Market Equities -13.90%	Global Bonds -7.76%	Cash 0.90%	Global Bonds 0.54%	Canadian Equities -8.88%	Global Bonds 0.43%	International Equities -2.00%	Canadian Equities -8.33%	Cash 0.91%

Source: FTSE Global Debt Capital Markets Inc., Zephyr Associates Inc., Rimes Technologies Inc., Bloomberg & TSX © Copyright 2023 TSX Inc. All rights reserved. The Balanced Portfolio is composed as follows: 21.5% Canadian Bonds, 16.5% Canadian Stocks, 25% US Stocks, 15% International Stocks, 3.5% Emerging Market Stocks, 5% T-Bills, and 13.5% Global Bonds. Canadian Dollar Total Returns. Data as of December 31, 2023.

US equity performance

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Large Cap Growth 8.33%	Large Cap Growth 20.70%	Large Cap Growth 33.48%	Large Cap Growth 11.28%	Large Cap Growth 19.34%	Large Cap Growth 18.64%	Large Cap Growth 16.33%
Large Cap Core 3.57%	Large Cap Core 14.24%	Large Cap Core 23.88%	Large Cap Core 8.74%	Large Cap Core 14.61%	Large Cap Core 13.93%	Large Cap Core 12.51%
Large Cap Value -2.17%	Large Cap Value 6.62%	Mid Cap Growth 15.05%	Large Cap Value 5.52%	Mid Cap Growth 9.93%	Mid Cap Growth 11.69%	Mid Cap Growth 10.51%
Small Cap Growth -2.92%	Mid Cap Growth 5.98%	Large Cap Value 13.06%	Mid Cap Value 3.65%	Mid Cap Core 9.46%	Mid Cap Core 9.63%	Mid Cap Core 9.04%
Mid Cap Growth -3.21%	Mid Cap Core 4.96%	Mid Cap Core 12.88%	Mid Cap Core 2.37%	Large Cap Value 9.01%	Large Cap Value 8.61%	Large Cap Value 8.23%
Small Cap Core -3.28%	Mid Cap Value 4.54%	Mid Cap Value 11.98%	Mid Cap Growth -0.08%	Mid Cap Value 8.49%	Mid Cap Value 7.67%	Mid Cap Value 7.60%
Mid Cap Core -3.35%	Small Cap Growth 4.44%	Small Cap Value 10.90%	Small Cap Value -0.53%	Small Cap Value 7.07%	Small Cap Growth 7.28%	Small Cap Growth 7.38%
Mid Cap Value -3.40%	Small Cap Core 1.73%	Small Cap Core 10.06%	Small Cap Core -2.58%	Small Cap Core 6.94%	Small Cap Core 6.85%	Small Cap Core 7.00%
Small Cap Value -3.64%	Small Cap Value -0.85%	Small Cap Growth 9.14%	Small Cap Growth -4.86%	Small Cap Growth 6.17%	Small Cap Value 5.89%	Small Cap Value 6.23%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Canadian dollar total returns. Data as of June 30, 2024.

US equity performance

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Large Cap Growth 42.68%	Large Cap Value -7.54%	Mid Cap Value 28.34%	Large Cap Growth 38.49%	Large Cap Growth 36.39%	Large Cap Growth -1.51%	Large Cap Growth 30.21%	Small Cap Value 31.72%	Large Cap Growth 5.67%	Mid Cap Value 14.75%
Large Cap Core 26.53%	Mid Cap Value -12.03%	Small Cap Value 28.27%	Mid Cap Growth 35.59%	Mid Cap Growth 35.47%	Mid Cap Growth -4.75%	Mid Cap Growth 25.27%	Small Cap Core 21.31%	Large Cap Core 0.92%	Large Cap Value 13.45%
Mid Cap Growth 25.87%	Small Cap Value -14.48%	Large Cap Growth 27.60%	Small Cap Growth 34.63%	Large Cap Core 31.43%	Large Cap Core -4.78%	Small Cap Growth 22.14%	Mid Cap Value 20.00%	Mid Cap Growth -0.20%	Large Cap Core 13.24%
Small Cap Growth 18.66%	Mid Cap Core -17.32%	Large Cap Core 26.46%	Large Cap Core 20.96%	Mid Cap Core 30.54%	Large Cap Value -8.27%	Large Cap Core 21.69%	Large Cap Value 17.34%	Small Cap Growth -1.38%	Mid Cap Core 13.22%
Mid Cap Core 17.23%	Large Cap Core -19.13%	Large Cap Value 25.16%	Small Cap Core 19.96%	Small Cap Growth 28.48%	Mid Cap Core -9.06%	Mid Cap Core 18.52%	Mid Cap Core 13.80%	Mid Cap Core -2.44%	Large Cap Growth 13.05%
Small Cap Core 16.93%	Small Cap Core -20.44%	Mid Cap Core 22.58%	Mid Cap Core 17.10%	Mid Cap Value 27.06%	Small Cap Growth -9.33%	Small Cap Core 14.65%	Large Cap Core 12.05%	Large Cap Value -3.83%	Mid Cap Growth 11.90%
Small Cap Value 14.65%	Small Cap Growth -26.36%	Small Cap Core 14.82%	Mid Cap Value 4.96%	Large Cap Value 26.54%	Small Cap Core -11.01%	Large Cap Value 13.66%	Small Cap Growth 11.28%	Small Cap Core -4.41%	Small Cap Growth 5.60%
Mid Cap Value 12.71%	Mid Cap Growth -26.72%	Mid Cap Growth 12.73%	Small Cap Value 4.63%	Small Cap Core 25.52%	Mid Cap Value -12.29%	Mid Cap Value 13.34%	Mid Cap Growth 7.33%	Mid Cap Value -4.78%	Small Cap Core 4.89%
Large Cap Value 11.46%	Large Cap Growth -29.14%	Small Cap Growth 2.83%	Large Cap Value 2.80%	Small Cap Value 22.39%	Small Cap Value -12.84%	Small Cap Value 7.82%	Large Cap Growth 7.08%	Small Cap Value -7.47%	Small Cap Value 4.21%

Source: Russell Indices, Bloomberg. US Dollar Total Returns. Data as of December 31, 2023.

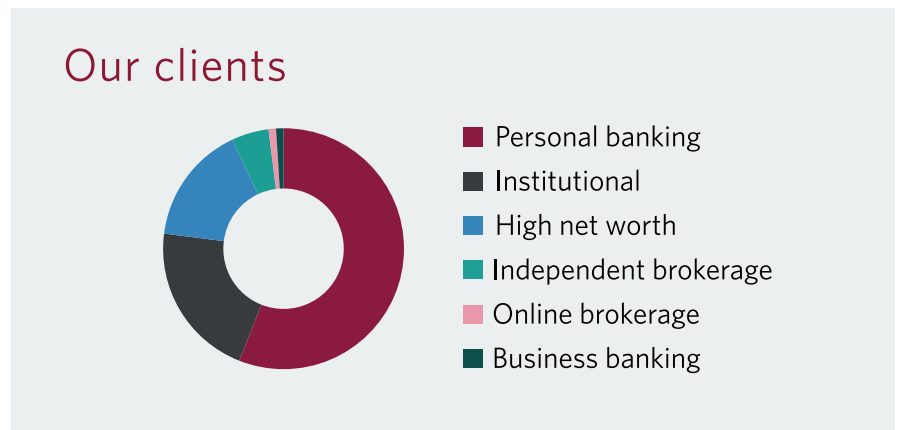
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\$323 billion of assets under management³	A respected asset manager headquartered in Canada
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Disclosure

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¹ Benefits Canada – Top 40 Money Manager survey – Fall 2023.

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