CIBC ASSET MANAGEMENT

Global Markets Compass

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

Fall 2024 | As of September 30, 2024

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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

- Our forecasts continue to predict 3.2% global growth for the year and a slight uptick into 2025. Growth forecasts were helped by declining inflation and interest rates among major global economies.
- GDP growth remained resilient in North America and several Eurozone countries, while Japan's economy rebounded despite its return to tighter monetary policy following years of near-zero or negative rates.
- Despite continued geopolitical risks in the Middle East and Europe, as well as uncertainty ahead of the US presidential election, markets rose in each of the past four months, setting new record highs. US equities gained nearly 5% CAD amid a 50 basis point US Federal Reserve (Fed) rate cut in September that sparked hopes for continued growth.
- Gold gained over 13% USD in the quarter and over 30% on the year, reaching record highs above $2600 USD/oz amid declining interest rates, helped by renewed government stimulus from China and continued central bank buying, including from India and Turkey.

Fixed income markets

- Falling global interest rates gave a strong boost to fixed income markets in Q3, with the Bloomberg Global Aggregate Index posting very strong 7.0% USD (5.6% CAD) returns. Both government and corporate bonds delivered solid returns, while emerging market debt also rallied and was among the top performers so far in 2024.
- Major central banks targeted muted economic growth and took advantage of lower inflation data to implement more accommodative policy, helping bond prices to rise.
- The European Central Bank cut interest rates for a second time, with its key rate now at 3.5%, while the Bank of England began its easing cycle in August with a 25 bps decline. Government bonds in these regions rose in Q3, albeit underperforming the US, while corporate and high yield spreads tightened slightly.
- Within Canada, returns were strong but trailed other global bond markets. The FTSE Canada Universe Bond Index rose 5.7% CAD on the quarter. Gains within Canadian bonds were again spread among all sectors, with the largest quarterly returns coming from long term, provincial, and municipal bonds. Short term bonds underperformed amid the sharp rate cut from the Fed, while Federal bonds also lagged. US bonds fared similarly, while leveraged loans underperformed but still managed to gain on the quarter.

Equities

Canada

- After its first interest rate cut in more than four years last quarter, the Bank of Canada (BoC) lowered its key interest rate again in both of its Q3 meetings, for a total reduction of 75 basis points this year.
- Despite crude oil falling over 16%, the S&P/TSX Composite Index had its strongest quarter in four years, rising 10.5% CAD on stronger earnings reports among financials companies and rising gold and other materials prices. All sectors posted positive returns, with double digit gains seen in eight of the 11 GICS sectors.
- Insurance companies benefited from recent equity market strength, while fears over non-performing bank loans lessened amid lower interest rates and extended mortgage terms. Rate sensitive sectors outperformed, led by real estate, materials, communication services, and financials, while defensive sectors such as utilities and health care also rose strongly this quarter.

US

- Following a slow first quarter, US GDP growth rose to an annual rate of 3% in Q2 on stronger consumer and business spending. The Fed announced an aggressive 50 basis point rate cut in September, its first cut since the start of the pandemic. The Fed cited easing inflation pressures, in the context of some softening in labour market conditions, as a primary motivation for lower rates.
- US unemployment edged up this year to 4.2% in August since hitting a low of 3.4% last year, while US inflation slowed to 2.6%. Amid higher volatility, equity markets viewed these results favourably, ending Q3 at all-time highs following a large drop in late July and into August.
- The S&P 500 Index rose 5.9% USD (4.5% CAD), with all sectors rising—with the exception of energy—amid falling oil prices. Markets were led by double-digit gains in more value-oriented sectors including utilities, real estate, industrials, and financials.

International:

- International markets rose across developed markets with some exceptions. Stocks in Asia gained the most outside of Japan, spurred by announced stimulus efforts by China to reinvigorate the housing market, including lower interest rates and downpayment requirements for home purchases.
- On the flipside, Japanese equities fell close to 5% as the Bank of Japan raised interest rates in August as years of monetary stimulus finally led to mid-year economic growth and a strengthening Japanese Yen. Rate sensitive equity sectors outperformed, helping real estate, small-cap and value-oriented asset classes, while growth stocks underperformed but still added to their strong year-to-date returns.
- In Latin America, negative growth was seen in Chile and Argentina (which has been in recession the last three quarters), while Brazil reported continued strength. Among developed countries, growth was led by the US, UK and Switzerland, while Germany continued to lag.
- The MSCI EAFE® Index rose 6% CAD (7.3% USD), helped by stocks in Asia but offset by more muted gains in Europe. Emerging markets outperformed, but were also offset by some declines across parts of Latin America. Within the MSCI EAFE® Index, growth stocks within the information technology sector declined, as did the energy sector. As with domestic markets, the strongest returns came from more sensitive and defensive stocks within real estate, utilities, and communications services.

Read our detailed outlook for the global economy in the Fall 2024 issue of Perspectives.

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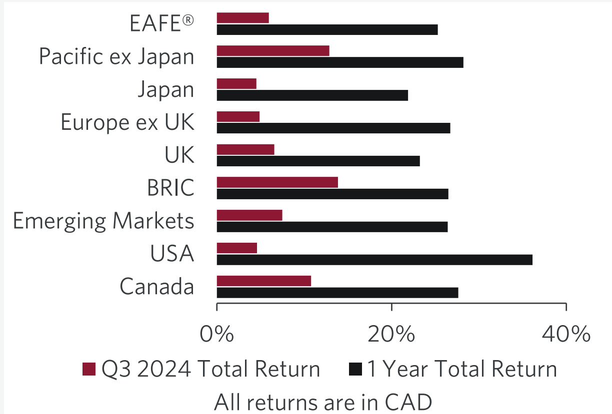
Summary in charts

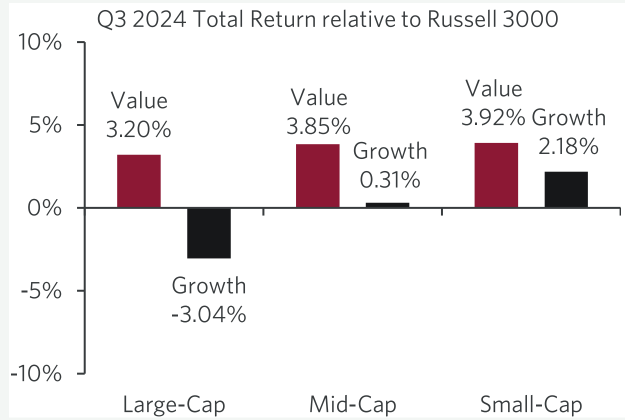
A traditional 60/40 equity and fixed income balanced portfolio continued to outperform cash over 3 months, 6 months and 1 year.

3 Months	6 Months	1 Year
Canadian Equities 10.54%	Emerging Market Equities 14.25%	US Equities 36.25%
Canadian Dividend 10.42%	US Equities 10.23%	Global Equities 32.93%
Emerging Market Equities 7.49%	Canadian Dividend 10.23%	Canadian Equities 26.73%
International Equities 5.97%	Canadian Equities 9.96%	Emerging Market Equities 26.44%
Global Bonds 5.59%	Global Equities 9.24%	Canadian Dividend 26.13%
Balanced Portfolio 5.28%	Balanced Portfolio 6.98%	International Equities 25.28%
Global Equities 5.11%	International Equities 6.97%	Balanced Portfolio 20.83%
Canadian Corporate Bonds 4.67%	Canadian Corporate Bonds 5.81%	Canadian High Yield 15.39%
Canadian Gov Bonds 4.66%	Canadian High Yield 5.62%	Canadian Corporate Bonds 13.96%
US Equities 4.54%	Canadian Gov Bonds 5.47%	Canadian Gov Bonds 12.53%
Canadian High Yield 4.02%	Global Bonds 5.08%	Global Bonds 10.93%
Cash 1.22%	Cash 2.53%	Cash 5.13%

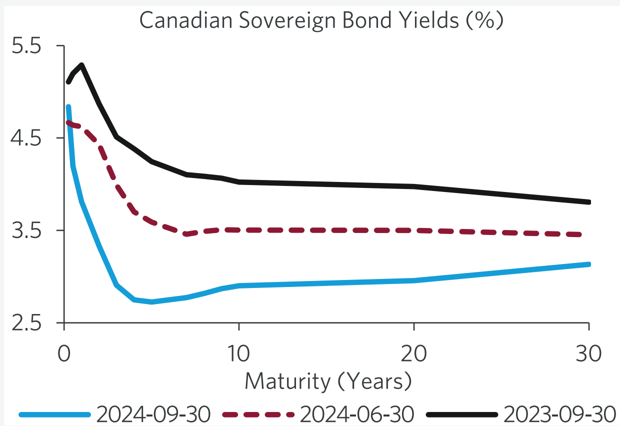
Easing inflation and interest rate cuts in many important advanced economies drives continued strength in equities.



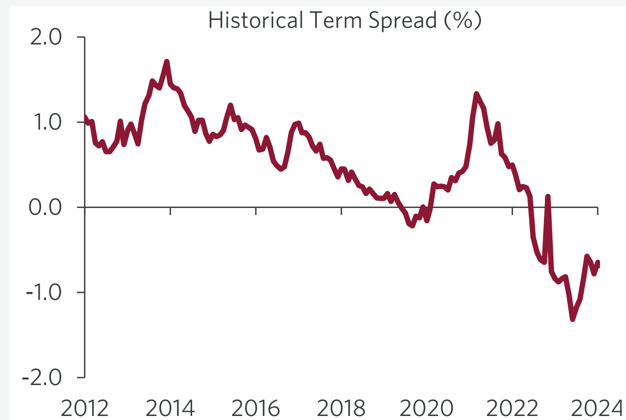
There was a rotation out of growth stocks and into value stocks. Performance differences between value and growth was most prominent in the US given its high concentration of big tech.



Canadian bond yields fell and should continue falling as the policy rate approaches the BoC's estimate of the neutral rate (2.25% to 3.25%).



The yield curve flattened. By mid-October 2024, the term spread between 10-year and 2-year bonds was no longer negative.



Canadian Dollar Total Returns. Performance of CIBC Smart Balanced is used to illustrate the performance of a balanced, multi-asset portfolio. Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. 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). Sources: MSCI Indices, Bloomberg TSX © Copyright 2024 TSX Inc. All rights reserved., Rimes Technologies Inc. Data as of September 30, 2024.

Fall 2024 *Global Markets Compass* commentary—Bull market 2.0: New and improved

A continuation of strong markets, this time with increased breadth of participation, was the story of the third quarter. Despite retracting from the end of Q2 to early August, global equity markets as measured by the MSCI ACWI Index fully recovered by the end of the month and have subsequently reached new highs.

Market performance over the quarter was mostly driven by the good mood that investors had about easing inflation and interest rate cuts delivered by key developed market policymakers. The Bank of Canada, the Bank of England, and the European Central Bank reduced their target rates by 75, 25 and 50 basis points respectively since the beginning of June. In the US, the Fed finally delivered its first, long-awaited and higher-than-expected rate cut of 50 basis points in September. Emerging Markets equity, led by China, which represents 27.9% of the MSCI EM Index, generated strong returns for the second quarter in a row following the Chinese government's reveal of its largest stimulus package since 2015.

With the US accounting for just over 64% of global markets, on the surface the rally may look like a continuation of the US equity bull market we've seen since October 2022. However, a peek under the hood reveals that returns look fairly different. The reduction in policy rates and less hawkish tone across policymakers prompted a rotation out of technology stocks and a lift to more rate-sensitive pockets of the market, such as the utilities, real estate and financials sectors, as well as smaller cap stocks–all areas of the market which had previously lagged. Given the Canadian stock market's high exposure to those sectors, domestic stocks delivered exceptionally strong returns, with the TSX Index returning 10.54%, making this quarter its strongest in four years. All Canadian sectors generated positive returns over the quarter, including energy, which was negative across many other major markets.

The US stock market saw large underperformance from big tech stocks, with only three of the Magnificent 7 providing positive returns over the quarter. The average return from these stocks over the quarter was 4.2% CAD, while the average US stock, as measured by the S&P equal-weighted index, was 8.2% CAD. Artificial Intelligence darling Nvidia lost steam and finished the quarter in the red, despite beating Q2 earnings estimates. This reminds us how difficult it can be to outperform when high growth rates are already reflected in current stock prices.

For a change, the US was not the top performing country, and value stocks outperformed growth stocks. While we cannot count out the continuation of the US and growth stock hegemony over the past 14 years, the fact that other markets stepped up to the occasion should give investors optimism that the rally can continue even if the bloom comes off the A.I. rose. We would argue that increased participation from unloved sectors and countries, along with the ongoing innovation from the growth sectors, is the Bull Market 2.0: New and Improved.

Bonds are even more directly tied to rate policy decisions, and lower interest rates drove a rally in government bonds as yields fell and prices rose across maturities. Several primary bond indices now sport double-digit returns over the trailing twelve month period, led by the US, where the yield curve is no longer inverted. The upward-sloping curve reflects a return to normal with investors demanding extra income in exchange for locking up their money with the government.

This past quarter is a textbook example of why it's important to diversify your investments. The change in equity market leadership illustrates how yesterday's winners aren't necessarily today's and that putting all your eggs in one basket is far from a bulletproof investment strategy. We believe the US equity market is not immune to a meaningful drawdown due to the high concentration in the Magnificent 7 (around 30% of the S&P 500), which flaunts stretched valuations. These companies will need to stay ahead of the game and continue to wow investors with the strength of actual and prospective earnings growth. In addition, customers will need to realize some of the promised productivity growth. This becomes increasingly difficult with investors' expectations already high.

Can the rotation into value persist? We're not ruling out that scenario. Growth stocks have enjoyed a very healthy and lengthy ride, having benefited from near-zero interest rates and technological advances. Low interest rates made it easy for companies to borrow to fund growth. The low rate environment also pushed investors out of bonds–which offered very little income and in turn, low return–towards equities and riskier parts of the market. Growth stocks also benefited from technology enabling greater scale and lower marginal costs. Since 2010, growth stocks in the US have outperformed value stocks in 64% of the quarters.

Given the current economic environment, we see the real short-term rate normalizing at around 1.5%. And while technological innovation is likely to persist, there are question marks around the potential impact on further corporate margin expansion. This can create a very different environment for future stock returns relative to the last 15 years. So while recency bias would lead us to believe growth stocks will continue up, up and away, base rate probabilities tell us that growth stocks will likely return to the long-term relationship against value stocks, which is closer to a 50/50 split of leadership between growth and value.

With yields well above their lowest levels of a few years ago and now broadly in line with our estimate of long-term equilibrium, bonds will continue to be an important ballast in multi-asset portfolios. We believe investors will become increasingly rewarded for taking risk, especially as yield curves un-invert, making them relatively more attractive than they were over the majority of the previous 15 years. Also, bond coupons should provide a buffer in moments of economic and equity market stress. These characteristics, as well as proof from recent bond performance relative to equities, should provide confidence in the continued useful diversifying properties of bonds.

Both stocks and bonds outperformed cash over the quarter. It's hard to over-emphasize the importance of remaining invested. With elevated economic uncertainty in 2023, short-term deposits offered comfort through guaranteed, relatively attractive returns amid higher interest rates. But investors who instead adhered to their strategic investment strategy and stayed close to their long-term asset allocation did better than those who moved their money onto the sidelines. To put this into perspective, all major asset classes delivered double digit returns in CAD over the last 12 months. Our illustrative Balanced Portfolio of 60% equity and 40% bonds delivered 20.83%. However, any combination of stocks and bonds would have likely outperformed the–gross of tax–5.13% generated from cash over the same time period.

Looking forward, the US presidential elections may lead to some market turbulence. However, our analysis shows that since 1928, the difference in S&P 500 total returns in election years versus all other years is negligible. Fundamental factors such as economic growth and inflation, as well as interest rates, corporate profitability and technological innovation, are the key drivers of longer-term investment performance. Holding a diversified portfolio of stocks and bonds is an optimum way to maximize the probability of achieving investment goals and ensuring your portfolio has exposure to changes in leadership in the financial productivity of asset markets as these occur.

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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:

- We remain broadly constructive on the outlook for the global economy and financial markets. US GDP growth has remained resilient; green shoots of recovery elsewhere in global economy.
- Inflation has moderated, and looks to be a weaker constraint on the speed and magnitude of central bank easing than it was at the beginning of 2024.
- Political risk is the key challenge to our constructive outlook. Geopolitical risks have increased, and the ramifications of November's US election are top-of-mind for investors.
- We remain focused on relative investment strategies within asset classes. In equities, Canada has been less directly impacted than International Equity by the policy shock emanating from Japan and has benefited from a more rapid easing in monetary policy.
- Our relative fixed income positioning is motivated by a pick-up in hedged carry. This tilt has not played out recently given the BoC's dovish bias. But market pricing of future BoC easing appears too aggressive, given residual inflation risks.

Source: CIBC Asset Management.

Economic review

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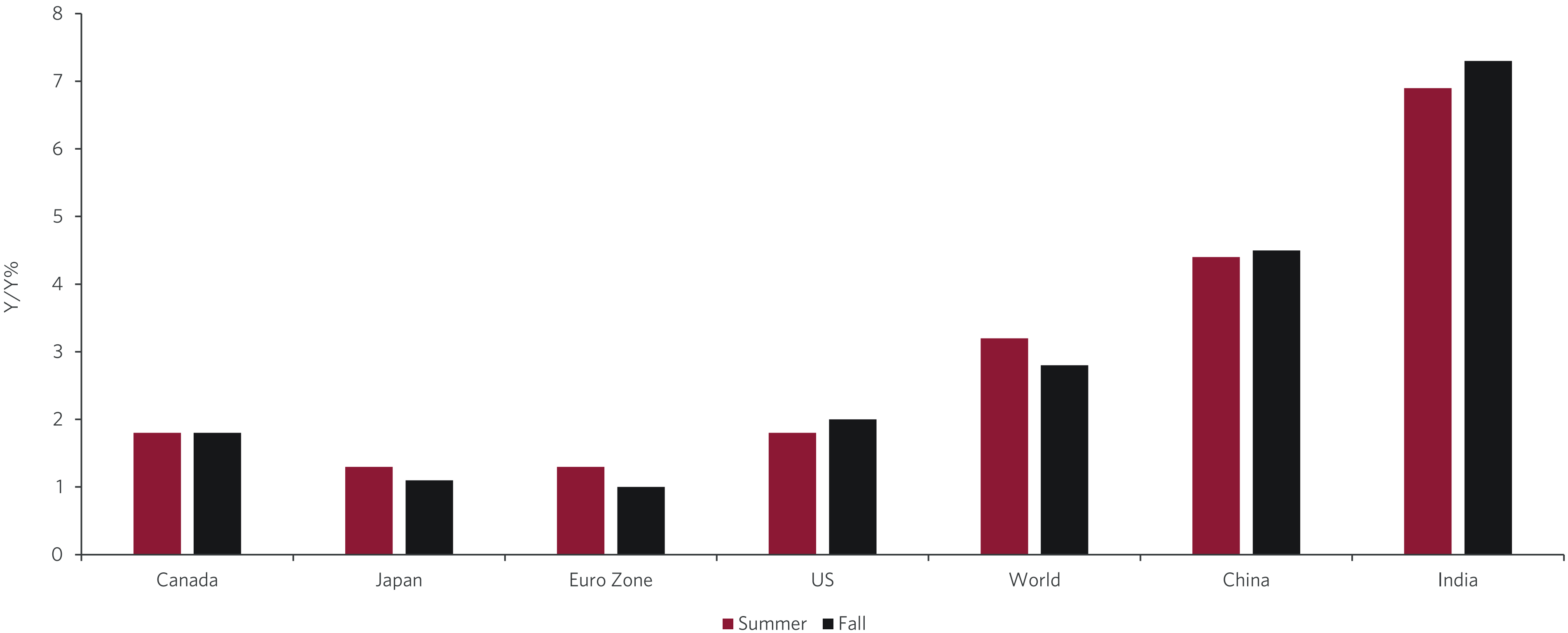
What is the outlook for global growth?

We expect most regions to contribute to a gradual strengthening in global growth. Exceptions include the US, which is experiencing a benign slowing from unsustainably fast growth, and China which is confronting significant structural headwinds.

Global growth projections: Fall vs. Summer



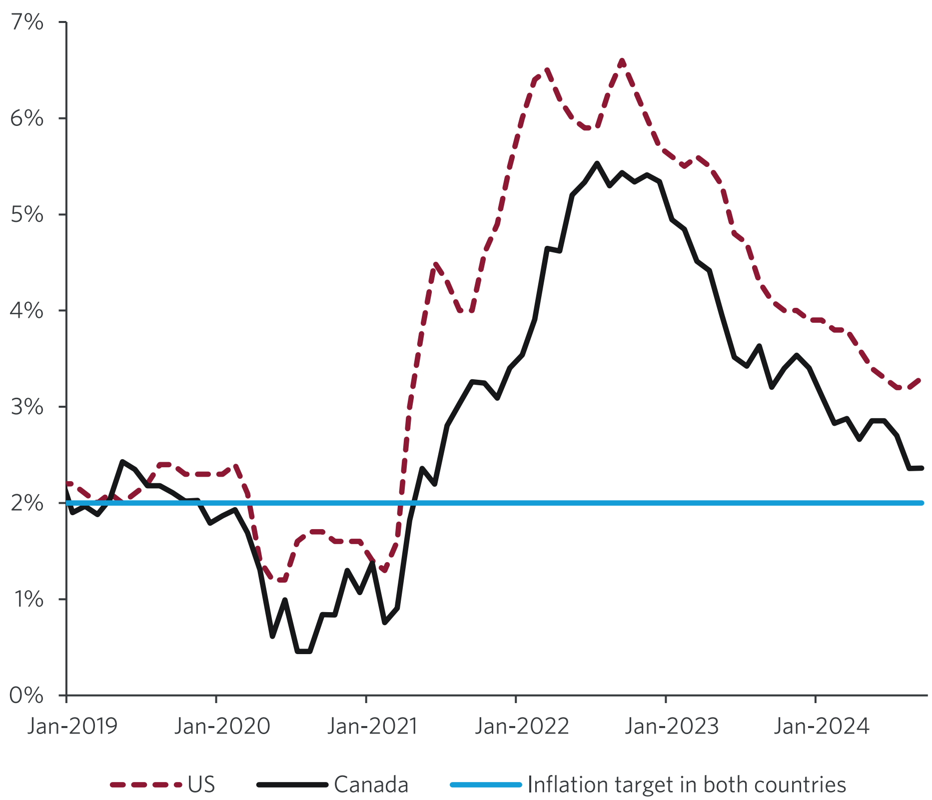
Sources: Refinitiv-Datastream and CIBC Asset Management Inc. Data as of September 30, 2024.

To learn more, see CIBC Asset Management's quarterly Perspectives publication.

Will inflation continue to moderate?

In most developed countries, inflation has moderated in recent months and is expected to fall further. This includes Canada, where core CPI is approaching the Bank of Canada's (BoC's) 2% target.

CPI excluding food & energy



Canadian consumer price inflation

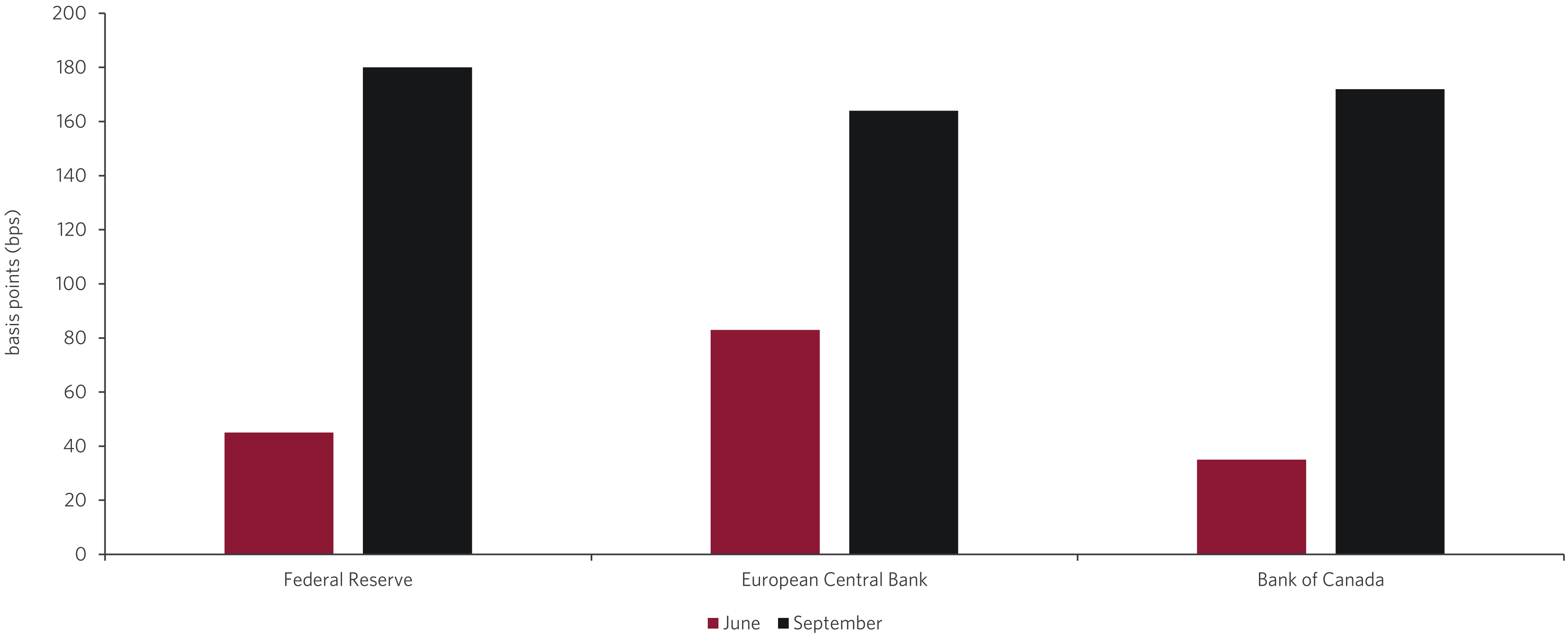
Categories	12-month inflation	Change from previous quarter
CPI	1.6%	-1.0%
Core CPI	1.6%	-0.3%
Food	2.8%	-0.06%
Energy	-8.3%	-8.8%
Shelter	5.0%	-1.3%
Transportation	-1.5%	-3.5%
Health and personal care	3.1%	0.0%
Recreation, education and reading	0.0%	-0.6%
Clothing and footwear	-4.4%	-1.3%
Alcoholic beverages and tobacco products	3.0%	-0.1%
Household operations, furnishings and equipment	-0.2%	0.7%

Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: LSEG Datastream. Data as at September 30, 2024.

How much further will central banks ease policy?

The balance of risks in most developed countries has shifted from fighting inflation to supporting growth. This has allowed central banks to initiate easing cycles intended to deliver a soft landing in the US and a sustained growth recovery in other countries.

Central bank market expectation of policy rate cuts

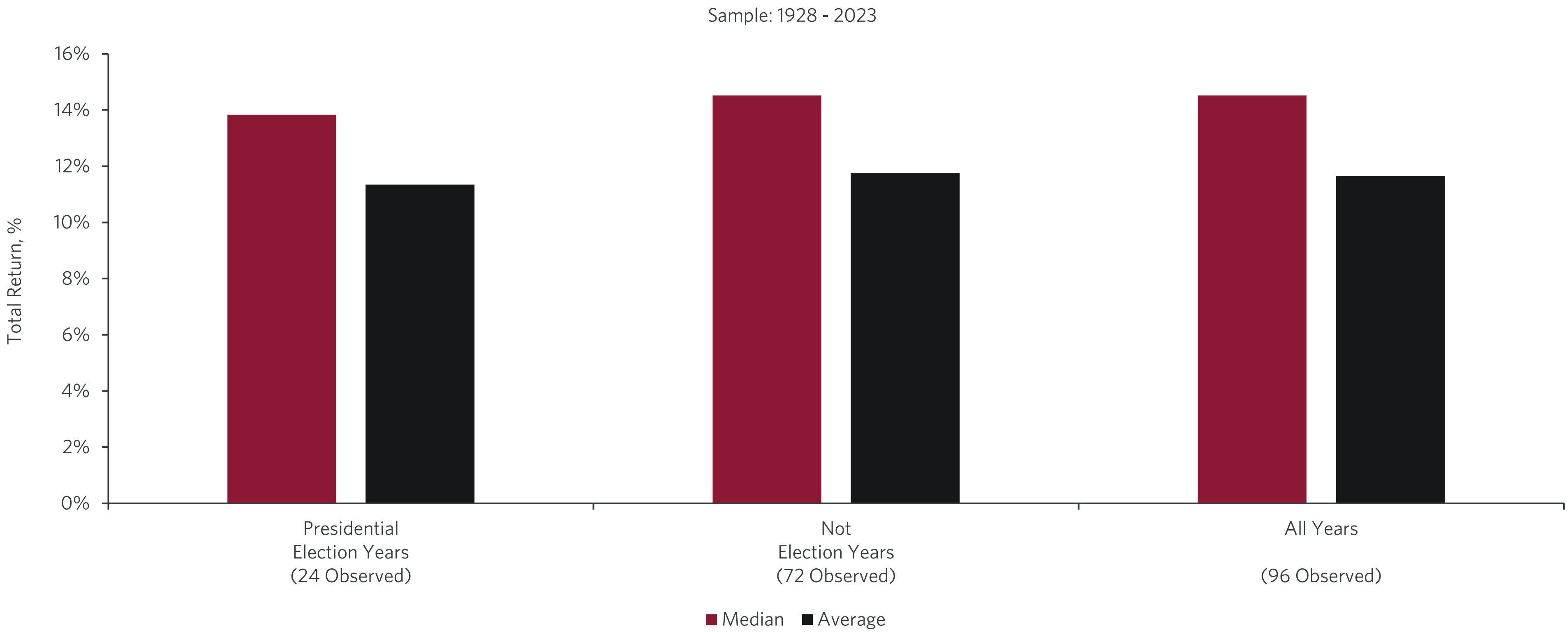


Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: Bloomberg; LSEG Datastream. Data as at September 30, 2024.

US election – How much does it matter?

The difference in S&P total returns in presidential election years vs. non-election years is negligible. Growth and inflation are typically more important drivers of long-term market performance.

S&P 500 total returns in election years versus all other years



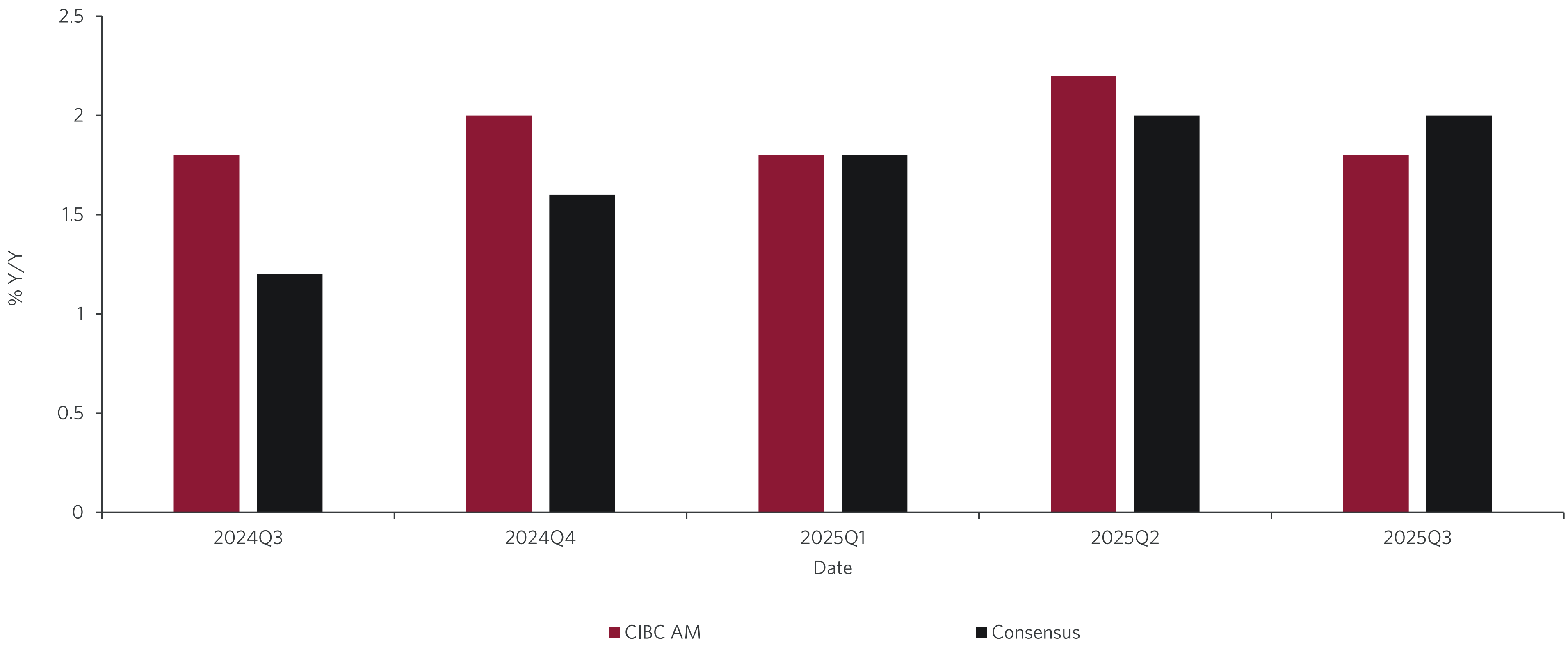
Source: The information was prepared by CIBC Asset Management Inc. using the following third-party service providers' data: https://pages.stern.nyu.edu/~adamodar/New_Home_Page/data.html.
Data sample: January 1, 1928 - December 31, 2023. Accessed as at September 3, 2024.

To learn more, see CIBC Asset Management's quarterly Perspectives publication.

What is the Canadian economic outlook?

Solid income growth and high household savings suggest that the Canadian economy will experience a faster recovery than expected by the consensus.

Canadian Real GDP growth forecast



Source: The information is provided by CIBC Asset Management Inc. using data from the following third-party providers: LSEG Datastream. Data as at September 30, 2024.

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Fixed income, currency and commodities markets

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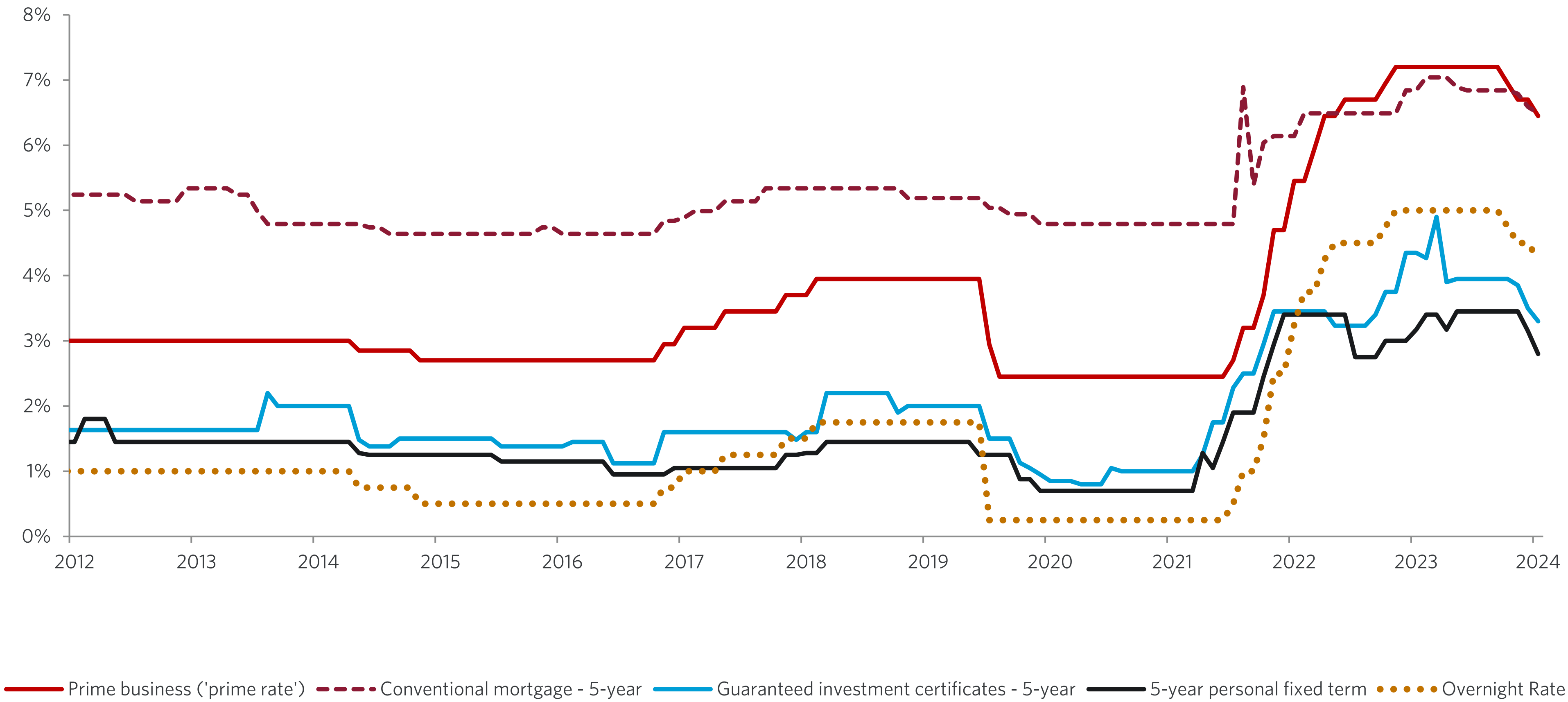
Canadian key interest rates

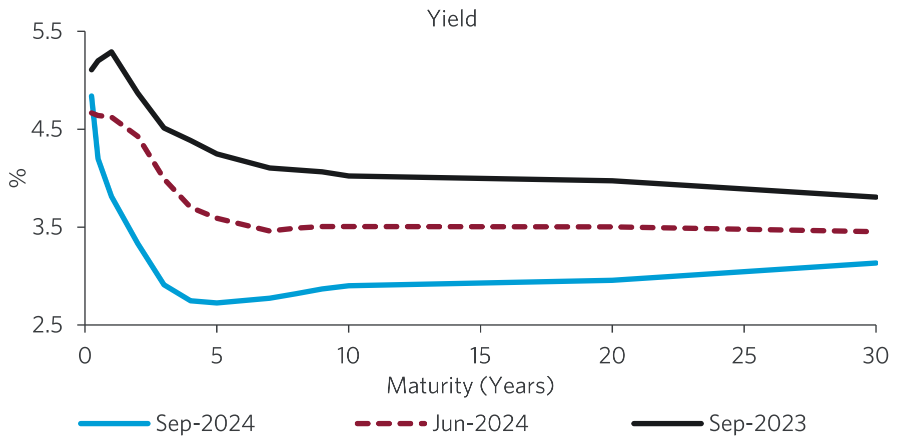
BoC reduced the policy rate another 25 bps to 4.25% in September. With better control over inflation, we expect the BoC to cut rates further over the next 12 months.



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

Canadian sovereign bond yields

Sovereign bond yields came down over the quarter as the market gained confidence in the BoC's eventual return to its nominal neutral rate in the range of 2.25% to 3.25%. The yield curve flattened and became less inverted over the quarter. By mid-October 2024, the term spread between 10-year and 2-year bonds was no longer negative.



Canadian bond yields (%)

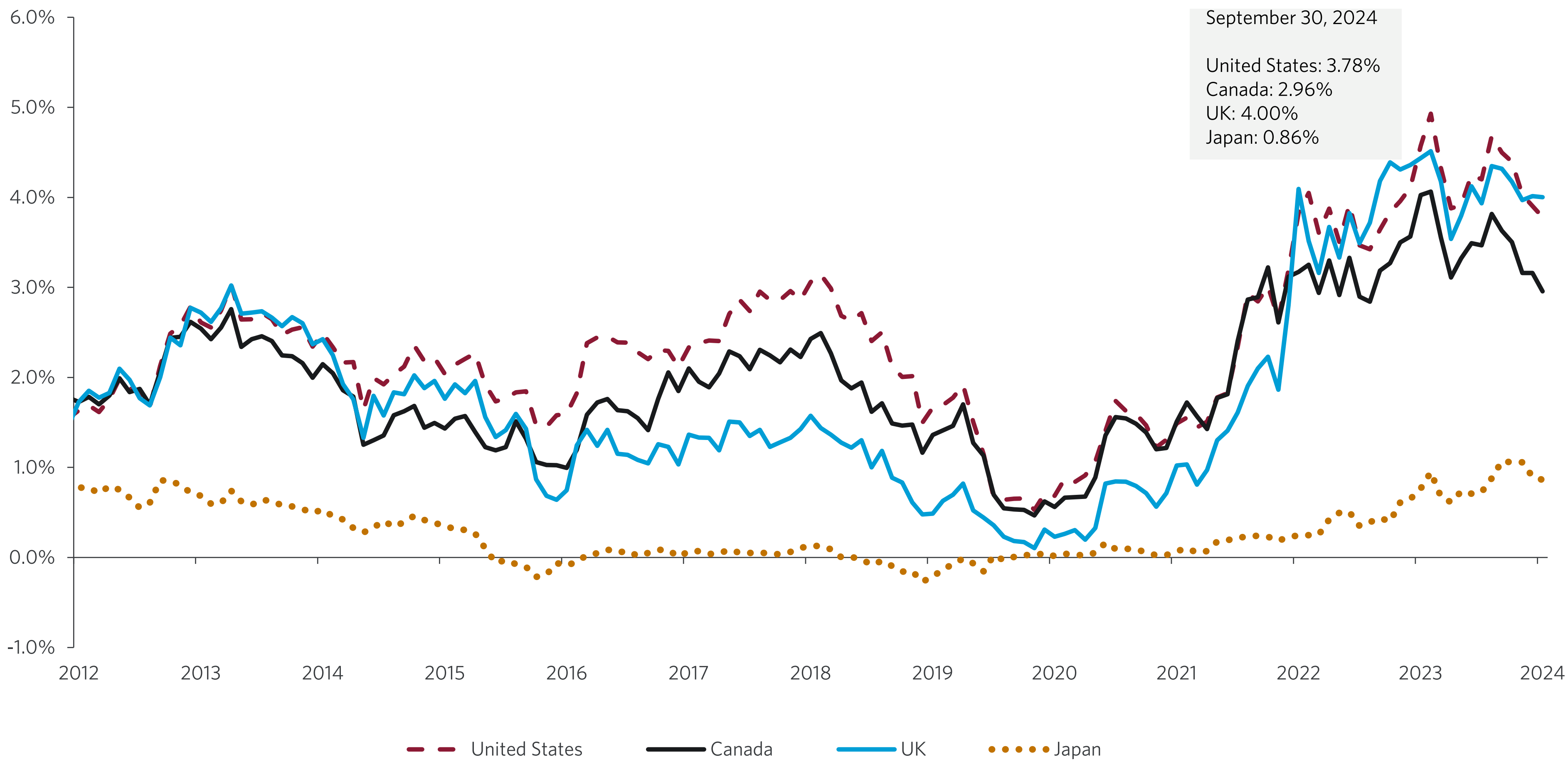
Period	3 mo	6 mo	1 yr	2 yr	3 yr	4 yr	5 yr	7 yr	8 yr	9 yr	10 yr	20 yr	30 yr
2024-09-30	4.84	4.20	3.81	3.33	2.91	2.75	2.73	2.77	2.82	2.87	2.90	2.96	3.13
2024-06-30	4.67	4.64	4.62	4.43	3.99	3.70	3.59	3.46	3.49	3.51	3.50	3.50	3.45
2023-09-30	5.11	5.20	5.29	4.87	4.51	4.38	4.25	4.10	4.08	4.07	4.02	3.97	3.81

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

Global government bond yields

Reflecting a combination of policy expectations and cyclical economic trends, government bond yields across developed markets are trading close to our estimate of long-term, structural equilibriums. One exception is Japan, where the central bank is looking to cautiously raise its policy rate as well as taper quantitative easing (QE). These movements are expected to lead to a gradual move higher in Japanese government bond (JGB) yields in coming quarters.

10-year government bond yield

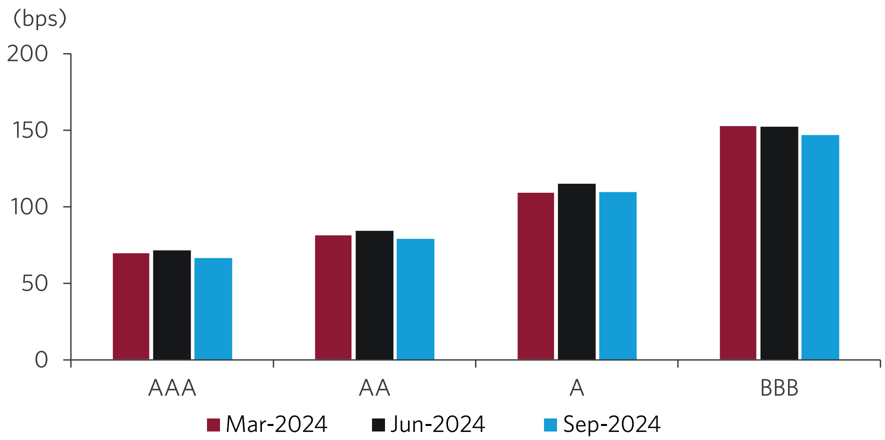


Source: Bank of Canada. Data as of September 30, 2024.

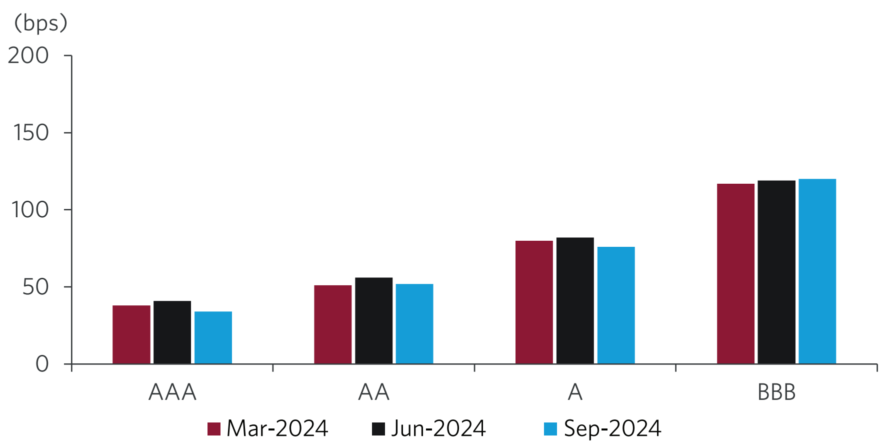
Credit spreads

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

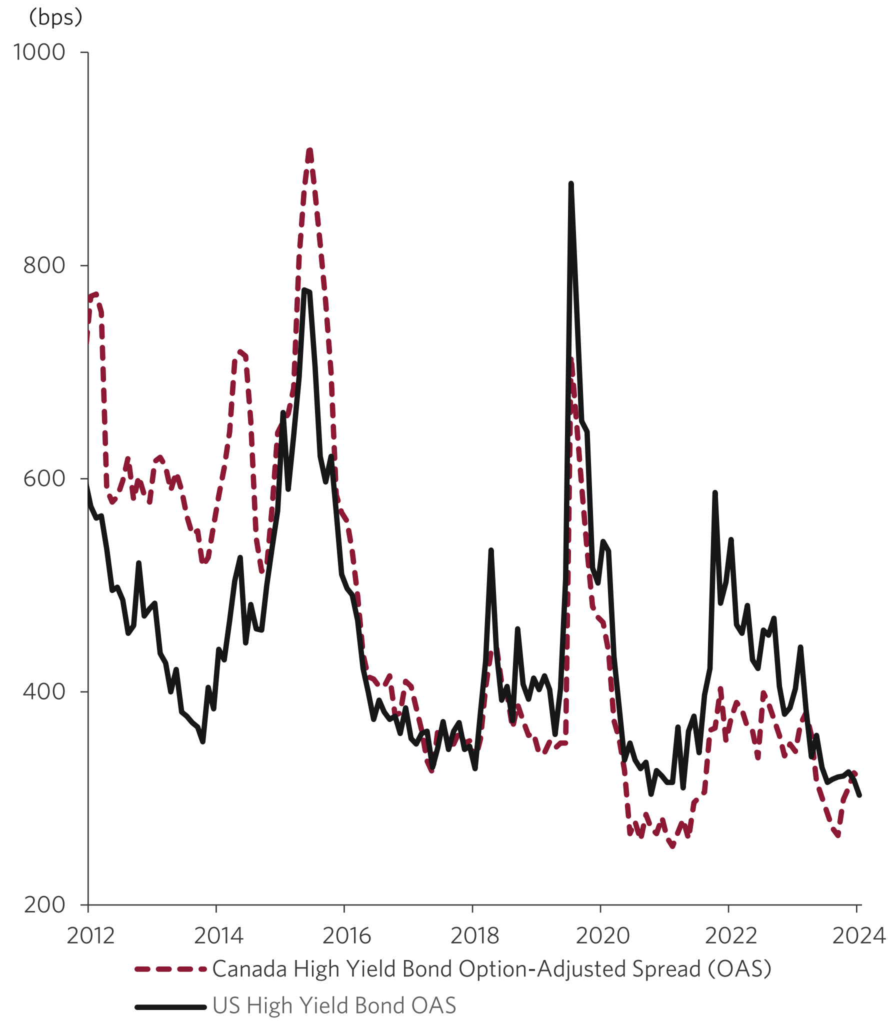
FTSE Canada all corporate bond index corporate bond spreads



The BofA Merrill Lynch US corporate index corporate bond spreads



High-yield corporate bond spreads

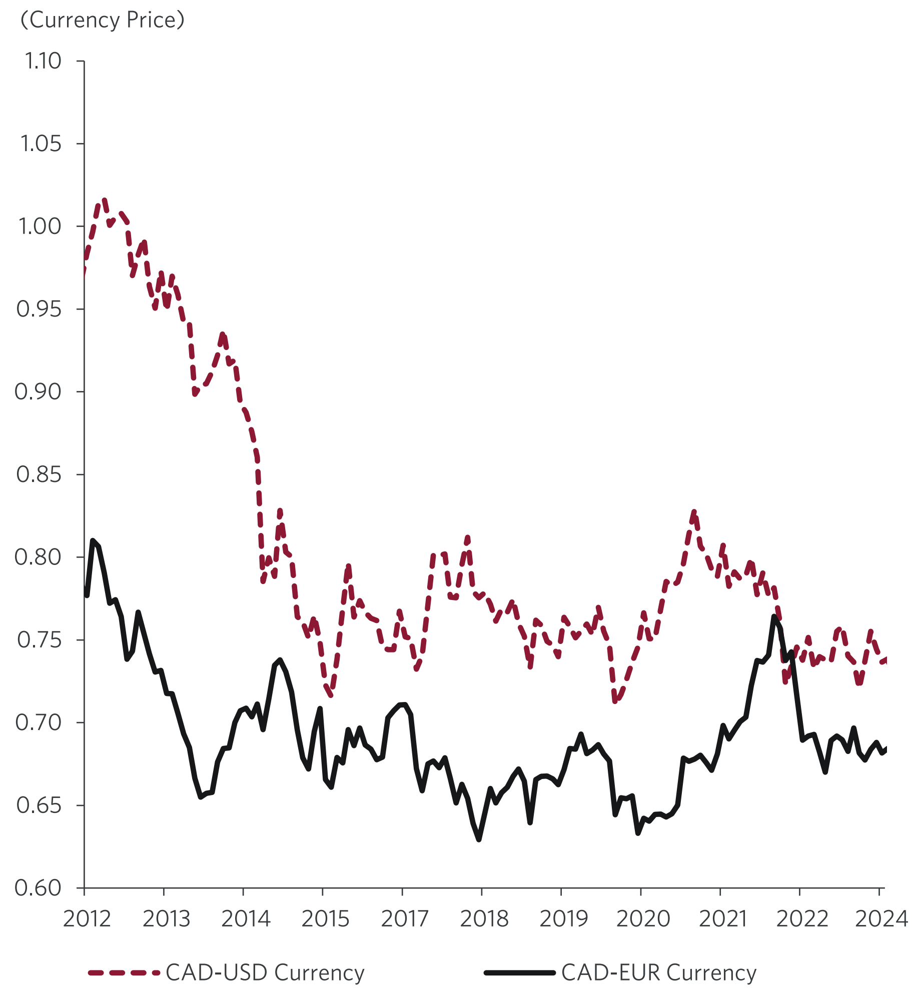


High-Yield bond sectors represented by Merrill Lynch Canada High Yield Index and Merrill Lynch US High Yield Master II Index. Investment Grade Corporate Bond sectors represented by FTSE Canada Universe Corporate Index and BofA Merrill Lynch US Corporate Index. Source: Bloomberg, Bank of America Merrill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

Key Canadian dollar (CAD) exchange rates

Currency	Exchange	9-30-24	6-28-24
US Dollar	CAD-USD	0.74	0.73
Euro	CAD-EUR	0.66	0.68
Japanese Yen	CAD-JPY	106.20	117.52
Pound Sterling	CAD-GBP	1.81	1.73
Australian Dollar	CAD-AUD	1.07	1.10
Swiss Franc	CAD-CHF	0.63	0.66
Hong Kong Dollar	CAD-HKD	5.75	5.71
Chinese Yuan	CAD-CNY	5.19	5.31
Swedish Krona	CAD-SEK	7.51	7.75
New Zealand Dollar	CAD-NZD	1.16	1.20
South Korean Won	CAD-KRW	972.30	1006.23
Singapore Dollar	CAD-SGD	0.95	0.99
Norwegian Krone	CAD-NOK	7.80	7.81
Mexican Peso	CAD-MXN	14.56	13.38
Brazilian Real	CAD-BRL	4.03	4.09
Indian Rupee	CAD-INR	61.98	60.89

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.



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

Canadian bonds: Performance

Long-term and mid-term bonds were the top performing bond categories over the quarter. Over a 1-year period, most bond categories delivered healthy double digit returns.

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Long Term 5.75%	Mid Term 6.27%	Long Term 17.30%	High Yield 4.18%	High Yield 5.37%	High Yield 5.49%	High Yield 5.32%
Mid Term 5.40%	Long Term 5.98%	High Yield 15.39%	Short Term 1.74%	Corporate 2.11%	Corporate 3.06%	Corporate 3.12%
Corporate 4.67%	Corporate 5.81%	Real Return 14.27%	Corporate 1.49%	Short Term 2.02%	Mid Term 2.24%	Mid Term 2.47%
Core 4.66%	High Yield 5.62%	Corporate 13.96%	MBS 0.86%	MBS 1.62%	Real Return 2.21%	Long Term 2.39%
Government 4.66%	Core 5.56%	Mid Term 13.76%	Mid Term 0.13%	Mid Term 1.17%	Short Term 2.18%	Core 2.25%
Federal 4.33%	Government 5.47%	Core 12.89%	Federal -0.10%	Core 0.63%	MBS 2.07%	MBS 1.96%
Real Return 4.23%	Real Return 5.32%	Government 12.53%	Core -0.10%	Federal 0.45%	Core 2.02%	Short Term 1.96%
High Yield 4.02%	Federal 5.17%	Federal 11.01%	Government -0.66%	Real Return 0.38%	Government 1.66%	Government 1.95%
MBS 3.41%	MBS 4.88%	Short Term 9.33%	Real Return -1.30%	Government 0.11%	Long Term 1.54%	Real Return 1.94%
Short Term 3.39%	Short Term 4.68%	MBS 9.10%	Long Term -2.85%	Long Term -1.71%	Federal 1.47%	Federal 1.55%

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

Currency returns relative to the Canadian dollar

The quarter saw the Japanese Yen's strongest run since 2008 as Japanese yields began to look relatively more attractive than the past amid rate cuts across other key economies and the start of rate increases in Japan.

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Japanese Yen 10.75%	Swiss Franc 6.50%	Pound Sterling 9.34%	Swiss Franc 5.51%	Swiss Franc 3.80%	Swiss Franc 3.14%	Swiss Franc 3.15%
Swiss Franc 5.07%	Australian Dollar 6.07%	Swiss Franc 7.79%	Singapore Dollar 4.09%	Pound Sterling 2.17%	Singapore Dollar 1.98%	US Dollar 1.91%
Pound Sterling 4.64%	Pound Sterling 5.93%	Australian Dollar 7.15%	Mexican Peso 3.94%	Singapore Dollar 1.92%	Hong Kong Dollar 1.25%	Hong Kong Dollar 1.90%
Singapore Dollar 4.34%	Japanese Yen 5.14%	Singapore Dollar 6.00%	Hong Kong Dollar 2.25%	Australian Dollar 0.94%	US Dollar 1.17%	Singapore Dollar 1.84%
Euro 2.76%	Singapore Dollar 4.99%	Euro 4.86%	US Dollar 2.18%	Euro 0.85%	Pound Sterling 1.15%	Euro 0.63%
Australian Dollar 2.49%	Euro 3.02%	Chinese Yuan 3.68%	Pound Sterling 1.96%	Chinese Yuan 0.79%	Chinese Yuan 0.36%	Chinese Yuan 0.55%
Chinese Yuan 2.28%	Chinese Yuan 2.69%	Japanese Yen 3.49%	Euro 0.84%	Hong Kong Dollar 0.61%	Euro 0.31%	Pound Sterling -0.03%
Hong Kong Dollar -0.68%	Hong Kong Dollar 0.61%	Hong Kong Dollar 0.41%	Australian Dollar 0.73%	Mexican Peso 0.58%	Mexican Peso 0.16%	Australian Dollar -0.45%
US Dollar -1.13%	US Dollar -0.10%	US Dollar -0.38%	Chinese Yuan -0.62%	US Dollar 0.43%	Australian Dollar -0.60%	Japanese Yen -0.82%
Mexican Peso -7.91%	Mexican Peso -15.58%	Mexican Peso -11.46%	Japanese Yen -6.20%	Japanese Yen -5.14%	Japanese Yen -2.31%	Mexican Peso -1.87%

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

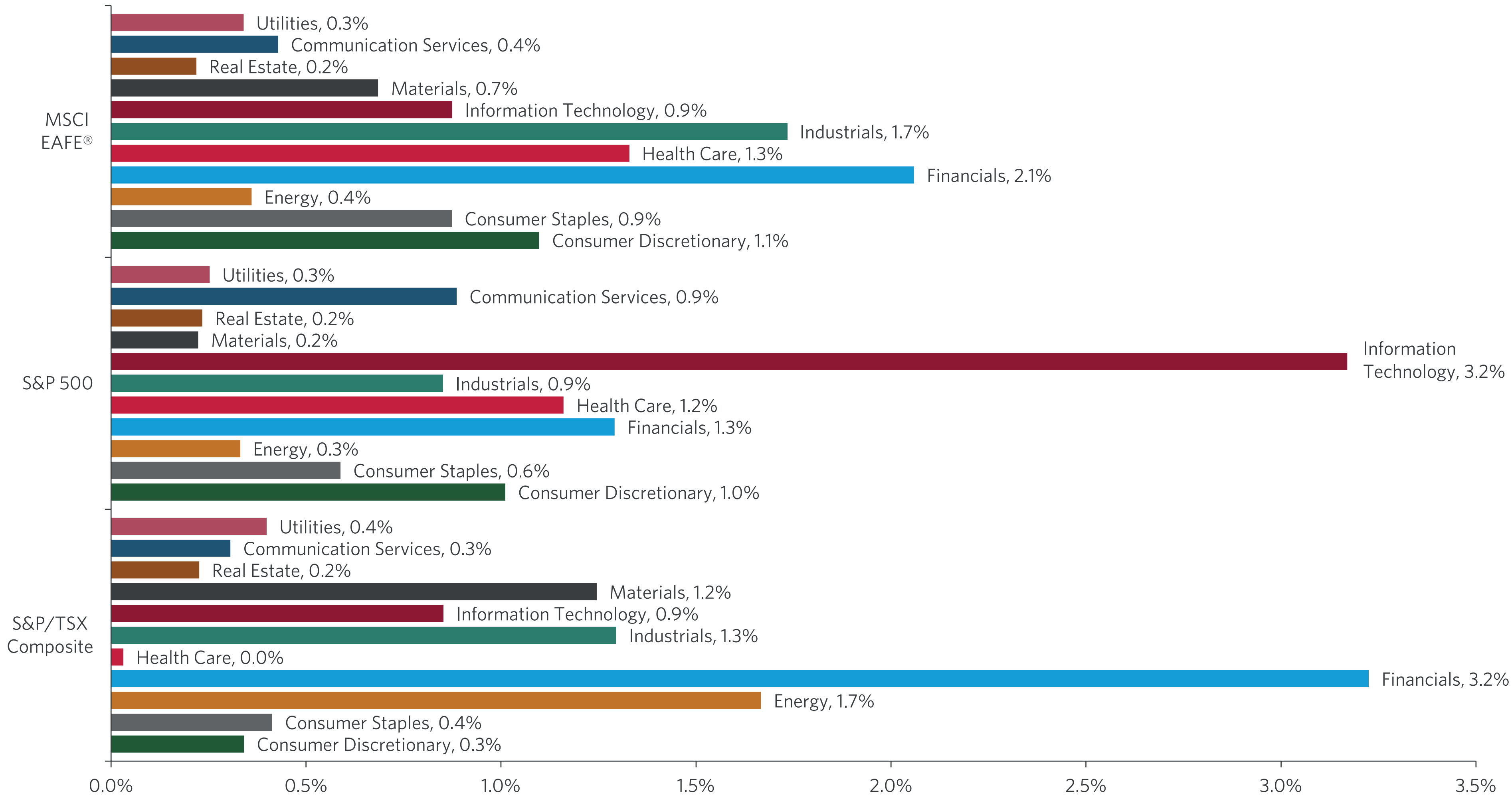
Equity markets

Fall 2024 Global Markets Compass

Canadian equities

The Canadian equity market is comprised of more cyclical industries like financials, energy, materials and industrials than non-domestic markets. The difference in sector composition is a large driver of relative performance.

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 September 30, 2024.

Global equities: GICS sector returns

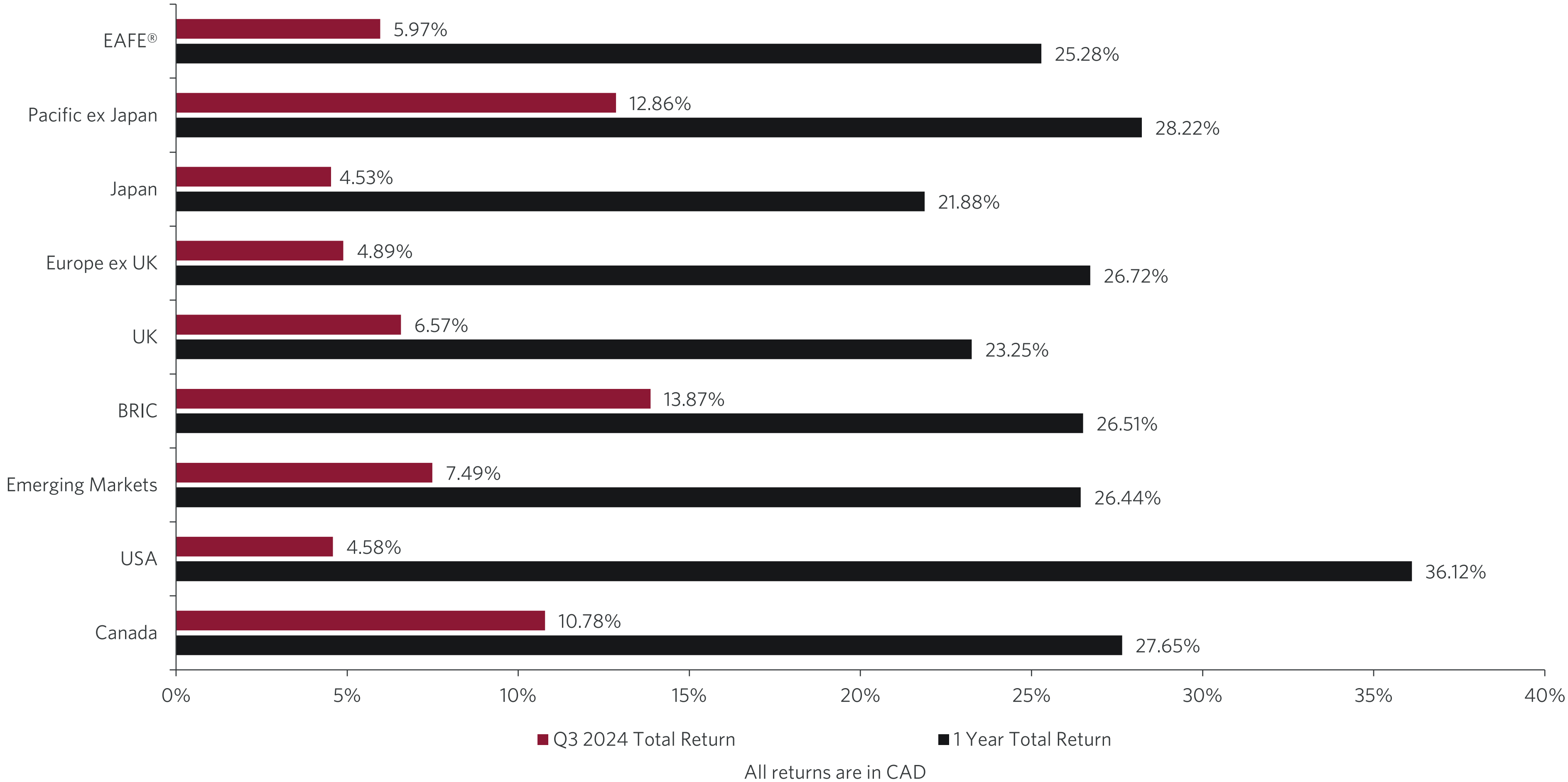
Rate cuts across major economics prompted a rotation out of growthy stocks and lifted higher yielding stocks, like those found in the utilities and financials sectors. Energy stocks were the weakest performers as oil prices plunged over the quarter.

3 Months	6 Months	1 Year	3 Year	5 Year	7 Year	10 Year
Utilities 16.31%	Utilities 21.70%	Information Technology 49.44%	Energy 22.02%	Information Technology 24.27%	Information Technology 23.24%	Information Technology 22.50%
Financials 9.40%	Information Technology 13.01%	Communication Services 39.31%	Information Technology 17.90%	Industrials 13.07%	Consumer Discretionary 12.69%	Consumer Discretionary 13.30%
Materials 9.25%	Communication Services 11.10%	Financials 38.68%	Industrials 13.18%	Communication Services 12.65%	Health Care 11.71%	Industrials 12.38%
Industrials 9.25%	Financials 10.44%	Utilities 36.90%	Financials 12.81%	Financials 12.62%	Industrials 11.30%	Health Care 11.60%
Consumer Staples 7.99%	Consumer Staples 9.55%	Industrials 35.23%	Utilities 12.67%	Health Care 12.60%	Communication Services 11.23%	Financials 11.11%
Consumer Discretionary 5.92%	Industrials 8.03%	Materials 24.69%	Materials 10.35%	Consumer Discretionary 12.40%	Financials 10.15%	Communication Services 10.32%
Health Care 4.45%	Materials 6.83%	Consumer Discretionary 24.61%	Health Care 9.35%	Materials 12.31%	Materials 9.94%	Utilities 10.09%
Communication Services 1.59%	Health Care 6.24%	Health Care 21.32%	Consumer Staples 8.92%	Energy 11.45%	Utilities 9.84%	Materials 10.07%
Information Technology 0.28%	Consumer Discretionary 4.75%	Consumer Staples 19.74%	Communication Services 6.80%	Utilities 7.99%	Energy 8.44%	Consumer Staples 9.48%
Energy -3.43%	Energy -3.44%	Energy 2.23%	Consumer Discretionary 5.52%	Consumer Staples 7.41%	Consumer Staples 8.27%	Energy 5.25%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Data as of September 30, 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.

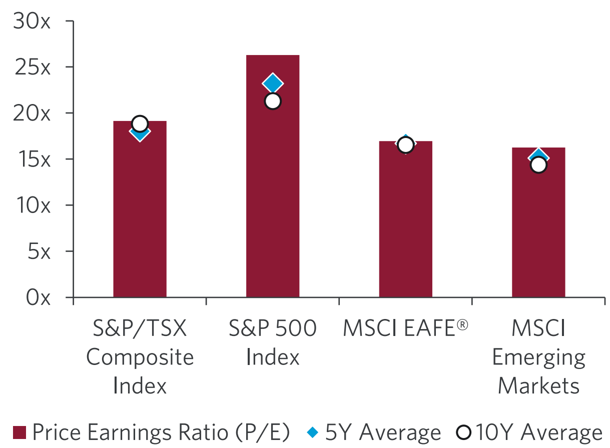


Source: MSCI Indices, Bloomberg. All returns are in CAD. Benchmark Proxies: MSCI EAFE® (EAFE®), MSCI Pacific ex Japan (Pacific ex Japan), MSCI Japan (Japan), MSCI Europe ex UK (Europe ex UK), MSCI UK (UK), MSCI BRIC (BRIC), MSCI Emerging Markets (Emerging Markets). "EAFE®" is a registered trademark of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

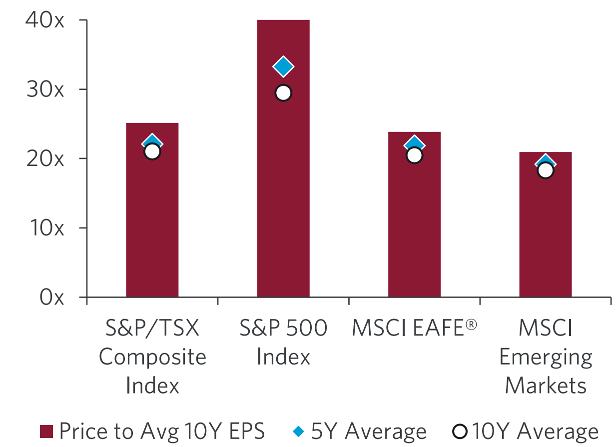
Equity valuation measures

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

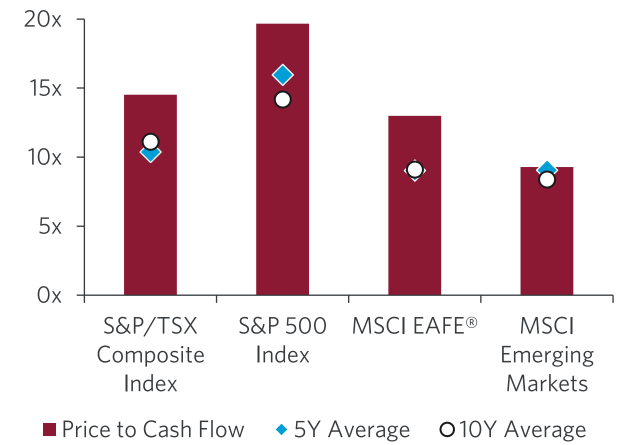
Trailing price earnings ratio (P/E)



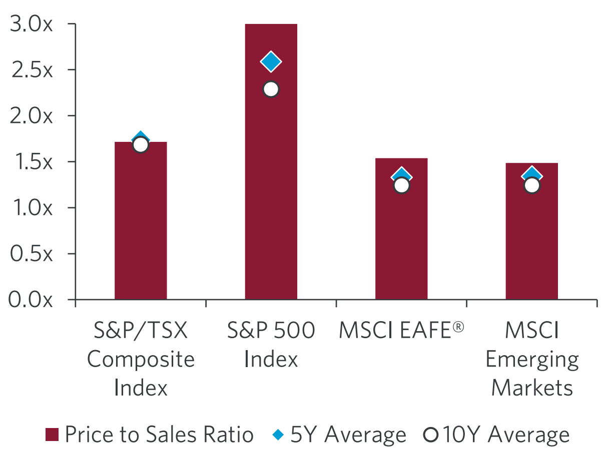
Price to avg 10Y EPS



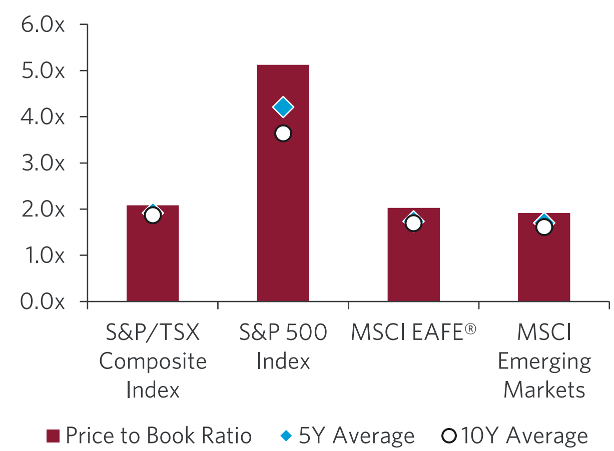
Price to cash flow



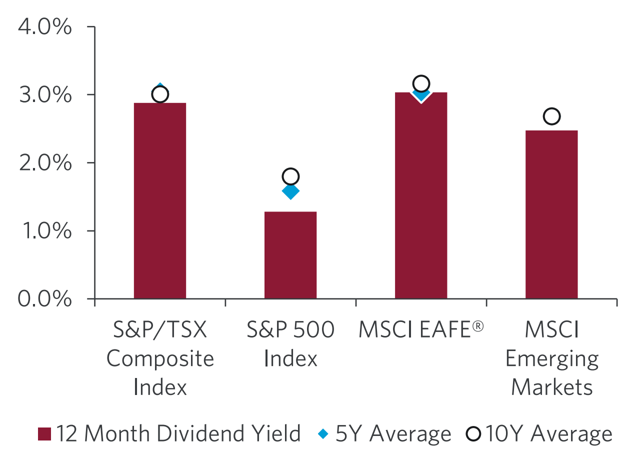
Price to sales ratio



Price to book ratio



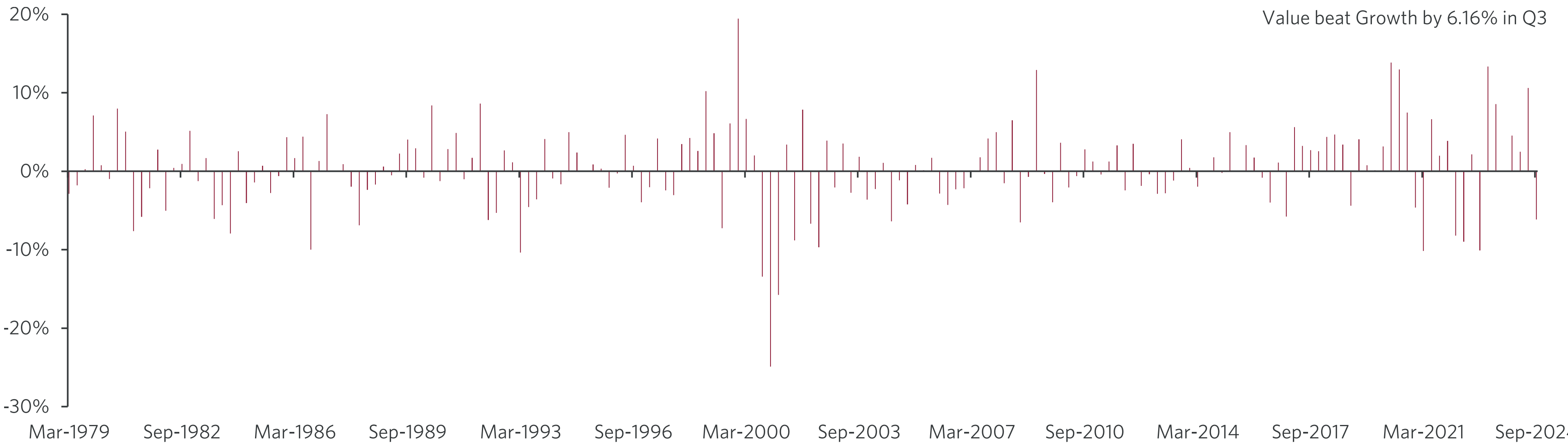
12-month dividend yield



Source: TSX © Copyright 2024 TSX Inc. All rights reserved., Bloomberg, Rimes Technology Inc. "EAFE®" is a registered trademark of MSCI Inc., used under license. Data as of September 30, 2024.

Value stock outperformance in Q3 is a rare occurrence since 2010—Are we reverting to the long-term mean?

Quarterly returns – Russell 1000 Growth Minus Russell 1000



Summary information	Totals
Number of quarters since 2010	59
Number of quarters Growth beat Value since 2010	38
Percentage of time Growth beat Value since 2010	64.41%
Average outperformance when Growth beats Value since 2010	4.02%
Average outperformance when Value beats Growth since 2010	-3.82%
Number of quarters since inception	183
Number of quarters Growth beats Value since Inception	100
Percentage of time Growth beats Value since Inception	54.64%

Source: eVestment.
As of September 30, 2024.

How did active managers do in Q3?

Universes

eVestment universe name	3 mo	1 yr	3 yr	5 yr
Canadian Large Cap Equity – Median	10.14	25.92	10.45	11.18
S&P/TSX Capped Composite Index (CAD)	10.54	26.74	9.52	10.95
Canadian Dividend Focus – Median	10.57	24.80	10.27	10.13
S&P/TSX Composite Dividend Index (CAD)	10.42	26.13	11.56	11.23
US Large Cap Equity – Median	4.8	32.30	12.85	14.86
S&P 500 Index (CAD)	4.54	36.25	14.34	16.45
EAFE® Large Cap Equity – Median	6.15	24.45	8.28	9.39
MSCI EAFE® (ND) Index (CAD)	5.90	24.67	7.77	8.64
Global Large Cap Equity – Median	4.82	28.93	9.96	12.35
MSCI World (ND) Index (CAD)	5.01	32.32	11.44	13.50
Global Dividend Focus – Median	7.10	26.41	11.37	10.74
MSCI World High Dividend Yield (ND) Index (CAD)	8.83	22.51	10.77	8.55
Global Emerging Markets Large Cap – Median	6.43	25.24	4.11	7.44
MSCI EM (ND) Index (CAD)	7.34	25.95	2.58	6.18
Canadian Core Fixed Income – Median	4.81	13.72	0.40	1.29
FTSE Canada Universe Bond Index (CAD)	4.66	12.89	-0.10	0.63

Underperformance of median manager versus benchmark

Outperformance of median manager versus benchmark

Source: eVestment.
Gross-of-Fee performance as of Sep 30, 2024.

Asset allocation

Fall 2024 Global Markets Compass

Asset class returns

Asset class leadership varies over time. Investing in a broadly diversified portfolio ensures at least some participation in the highest performing asset classes. 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
Canadian Equities 10.54%	Emerging Market Equities 14.25%	US Equities 36.25%	US Equities 14.34%	US Equities 16.45%	US Equities 15.76%	US Equities 15.55%
Canadian Dividend 10.42%	US Equities 10.23%	Global Equities 32.93%	Global Equities 11.98%	Global Equities 14.05%	Global Equities 12.91%	Global Equities 12.77%
Emerging Market Equities 7.49%	Canadian Dividend 10.23%	Canadian Equities 26.73%	Canadian Dividend 11.56%	Canadian Dividend 11.23%	Canadian Dividend 9.87%	Canadian Dividend 8.61%
International Equities 5.97%	Canadian Equities 9.96%	Emerging Market Equities 26.44%	Canadian Equities 9.52%	Canadian Equities 10.95%	Canadian Equities 9.65%	International Equities 8.25%
Global Bonds 5.59%	Global Equities 9.24%	Canadian Dividend 26.13%	International Equities 8.32%	International Equities 9.16%	International Equities 7.70%	Canadian Equities 8.09%
Balanced Portfolio 5.28%	Balanced Portfolio 6.98%	International Equities 25.28%	Balanced Portfolio 5.82%	Balanced Portfolio 6.86%	Balanced Portfolio 6.77%	Balanced Portfolio 6.97%
Global Equities 5.11%	International Equities 6.97%	Balanced Portfolio 20.83%	Canadian High Yield 4.18%	Emerging Market Equities 6.58%	Canadian High Yield 5.49%	Emerging Market Equities 6.41%
Canadian Corporate Bonds 4.67%	Canadian Corporate Bonds 5.81%	Canadian High Yield 15.39%	Cash 3.45%	Canadian High Yield 5.37%	Emerging Market Equities 5.20%	Canadian High Yield 5.32%
Canadian Gov Bonds 4.66%	Canadian High Yield 5.62%	Canadian Corporate Bonds 13.96%	Emerging Market Equities 3.00%	Cash 2.34%	Canadian Corporate Bonds 3.06%	Canadian Corporate Bonds 3.12%
US Equities 4.54%	Canadian Gov Bonds 5.47%	Canadian Gov Bonds 12.53%	Canadian Corporate Bonds 1.49%	Canadian Corporate Bonds 2.11%	Cash 2.08%	Canadian Gov Bonds 1.95%
Canadian High Yield 4.02%	Global Bonds 5.08%	Global Bonds 10.93%	Canadian Gov Bonds -0.66%	Canadian Gov Bonds 0.11%	Canadian Gov Bonds 1.66%	Global Bonds 1.73%
Cash 1.22%	Cash 2.53%	Cash 5.13%	Global Bonds -2.34%	Global Bonds -1.66%	Global Bonds 0.52%	Cash 1.62%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc., Zephyr Associates Inc, Rimes Technologies Inc, and Bloomberg. Performance of CIBC Smart Balanced is used to illustrate the performance of a balanced, multi-asset portfolio. Canadian dollar returns. Data as of September 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	-0.22	-0.15	-0.28	-0.31	-0.25	-0.22	-0.02	-0.61	0.03	FTSE Canada 91 Day T-Bill Index
Canadian Equities	-0.07	1.00	0.99	0.73	0.81	0.50	0.68	0.92	0.33	0.59	S&P/TSX Composite Index
Canadian Dividend	-0.09	0.99	1.00	0.70	0.78	0.47	0.66	0.91	0.27	0.61	S&P/TSX Composite Dividend Index
Canadian Bonds	0.15	0.48	0.42	1.00	0.78	0.43	0.53	0.59	0.34	0.75	FTSE Canada Universe Bond Index
Canadian High Yield	-0.03	0.71	0.68	0.49	1.00	0.32	0.49	0.71	0.28	0.48	FTSE Canada High Yield Overall Bond Index
US Equities	0.04	0.80	0.75	0.49	0.51	1.00	0.97	0.67	0.47	0.27	S&P 500 Index
Global Equities	0.05	0.85	0.81	0.52	0.58	0.98	1.00	0.83	0.46	0.36	MSCI World Index
International Equities	0.10	0.82	0.80	0.49	0.59	0.80	0.90	1.00	0.26	0.46	MSCI EAFE® Index
Emerging Market Equities	0.04	0.57	0.53	0.39	0.57	0.55	0.62	0.68	1.00	0.24	MSCI Emeging Markets Index
Global Bonds	0.27	-0.19	-0.23	0.60	-0.07	0.00	0.00	0.02	0.05	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 September 30, 2024.

Appendix – Index returns

Fall 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
REIT 23.15%	REIT 15.71%	Value 33.50%	Value 13.77%	Value 12.14%	Large Cap 10.08%	Large Cap 8.62%
Value 14.84%	Value 14.48%	Large Cap 26.83%	Dividend 11.56%	Dividend 11.23%	Dividend 9.87%	Dividend 8.61%
Equity Income 11.65%	Dividend 10.23%	Core 26.73%	Equity Income 9.92%	Large Cap 11.15%	Value 9.83%	Value 8.47%
Large Cap 11.16%	Equity Income 10.02%	Dividend 26.13%	Large Cap 9.70%	Core 10.95%	Core 9.65%	Core 8.09%
Core 10.54%	Core 9.96%	REIT 25.12%	Core 9.52%	Equity Income 10.14%	Growth 8.97%	Growth 7.27%
Dividend 10.42%	Large Cap 9.67%	Small Cap 25.07%	Growth 8.25%	Small Cap 10.09%	Equity Income 8.84%	Equity Income 6.95%
Small Cap 8.44%	Small Cap 9.36%	Equity Income 23.20%	Small Cap 4.95%	Growth 9.04%	REIT 6.79%	REIT 6.43%
Growth 5.89%	Preferred 6.75%	Growth 22.01%	REIT 1.94%	REIT 2.62%	Small Cap 6.08%	Small Cap 4.98%
Preferred 4.00%	Growth 5.14%	Preferred 21.63%	Preferred -3.69%	Preferred 0.72%	Preferred -1.76%	Preferred -2.60%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Data as of September 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 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
Small Cap Value 10.15%	Large Cap Growth 11.79%	Large Cap Growth 42.19%	Large Cap Growth 12.02%	Large Cap Growth 19.74%	Large Cap Growth 18.20%	Large Cap Growth 16.52%
Mid Cap Value 10.08%	Large Cap Core 9.87%	Large Cap Core 35.68%	Large Cap Core 10.83%	Large Cap Core 15.64%	Large Cap Core 14.18%	Large Cap Core 13.10%
Large Cap Value 9.43%	Large Cap Value 7.06%	Mid Cap Growth 29.33%	Large Cap Value 9.03%	Mid Cap Growth 11.48%	Mid Cap Growth 11.88%	Mid Cap Growth 11.30%
Small Cap Core 9.27%	Mid Cap Value 6.33%	Mid Cap Core 29.33%	Mid Cap Value 7.39%	Mid Cap Core 11.30%	Mid Cap Core 10.48%	Mid Cap Core 10.19%
Mid Cap Core 9.21%	Small Cap Value 6.14%	Mid Cap Value 29.01%	Mid Cap Core 5.75%	Large Cap Value 10.69%	Large Cap Value 9.53%	Large Cap Value 9.23%
Small Cap Growth 8.41%	Small Cap Core 5.69%	Large Cap Value 27.76%	Small Cap Value 3.77%	Mid Cap Value 10.33%	Mid Cap Value 8.82%	Small Cap Growth 8.94%
Mid Cap Growth 6.54%	Mid Cap Core 5.56%	Small Cap Growth 27.66%	Mid Cap Growth 2.32%	Small Cap Core 9.39%	Small Cap Growth 7.59%	Mid Cap Value 8.93%
Large Cap Core 6.08%	Small Cap Growth 5.25%	Small Cap Core 26.76%	Small Cap Core 1.84%	Small Cap Value 9.29%	Small Cap Core 7.36%	Small Cap Core 8.78%
Large Cap Growth 3.19%	Mid Cap Growth 3.12%	Small Cap Value 25.88%	Small Cap Growth -0.35%	Small Cap Growth 8.82%	Small Cap Value 6.60%	Small Cap Value 8.22%

Source: PC Bond Analytics, FTSE Global Debt Capital Markets Inc. Canadian dollar total returns. Data as of September 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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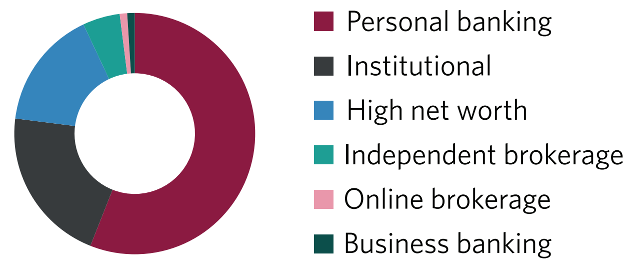
We're dedicated to developing unique multi-asset class investment solutions based on robust research and a tradition of disciplined investment processes. Our expertise and innovative solutions play a pivotal role in shaping the investment landscape of today and tomorrow.

Founded in 1972[2]	Expertise spans across various asset classes and investment styles within both public and private markets
$232 billion of assets under management[3]	A respected asset manager headquartered in Canada
150+ highly qualified investment professionals	with more than 19 years of industry experience on average

Our clients



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Disclosure

Released October 2024

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

[2] TAL Global Asset Management Inc., a privately-owned investment manager was founded in 1972. CIBC took an ownership stake in 1994, eventually assuming 100% in 2001.

[3] As at June 30, 2024. This figure includes $46 billion in multi-asset and notional currency overlay mandates and $38 billion in 3rd party sub-advised assets.

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