ECONOMIC AND MARKET REVIEW

SECOND QUARTER 2024

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AGENDA

Diversified portfolio off to a strong first half

Balanced portfolio produced above average results in first half of 2024

Return of Balanced Index Portfolio

First half of each year, 1987-2024

POSITIVE 2nd Half of Year
NEGATIVE 2nd Half of Year

-15% - -10%	-10% - -5%	-5% - 0%	0% - 5%	5% - 10%	10% - 15%	15% - 20%
			2020			
			2018	**2024**		
			2017	2023		
			2016	2021		
			2012	2015		
			2011	2014		
			2009	2013		
			2007	2000		
			2006	1997		
			2005	1996		
		2010	2004	1995		
		2008	2003	1991	2019	
	2002	1994	1999	1989	1998	
2022	2001	1990	1992	1988	1993	1987

- Average first-half of year return has been 3.8% prior to 2024. 2024 has posted a 6.8% return year to date
- Two years that had 5%+ return in first half of year, subsequently posted negative second half (1987 – included Black Monday; 2000 – Tech Bubble)

Balanced Index Portfolio: 20% S&P/TSX Composite Index, 20% S&P 500 Index, 20% MSCI EAFE Index and 40% FTSE Canada Universe Bond Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Economic indicators dashboard – Canada

Q2 2024

Market Volatility

Stayed at the lower end of the typical range in Q2

Yield

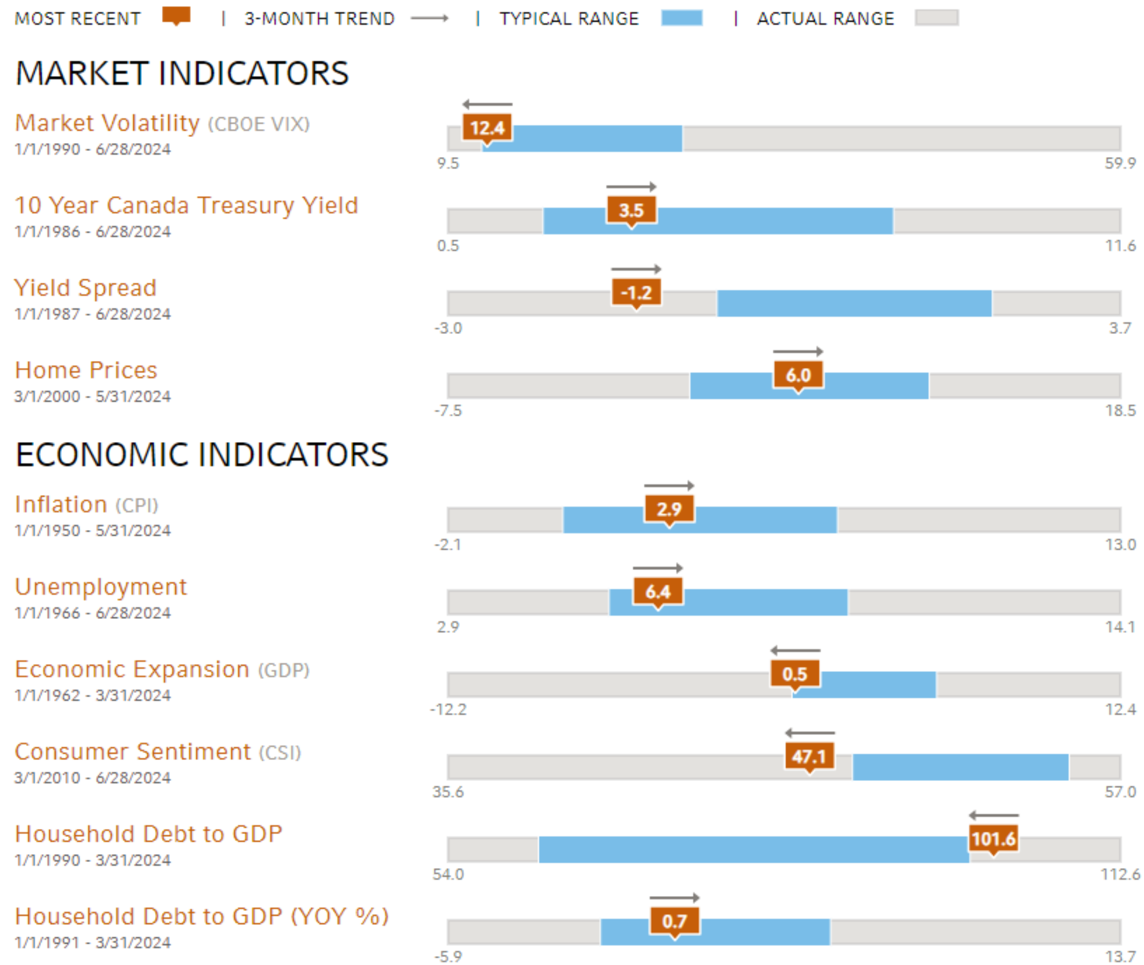
Yields rose slightly on stronger than expected May inflation report

Unemployment

Unemployment rate rising as the economy is not creating enough jobs to absorb strong immigration.

Consumer Sentiment

Slight decreased due to inflation and employment concerns



Source: LSEG DataStream, St. Louis Fed, Russell Investments, as of June 30, 2024. **See Slide 28 for category definitions.** Russell Investments' Economic Indicators Dashboard charts several key indicators to help investors assess economic and market trends.

Economic indicators dashboard – U.S.

Q2 2024

Market Volatility

Stayed at the lower end of the typical range in Q2

Yield Spread

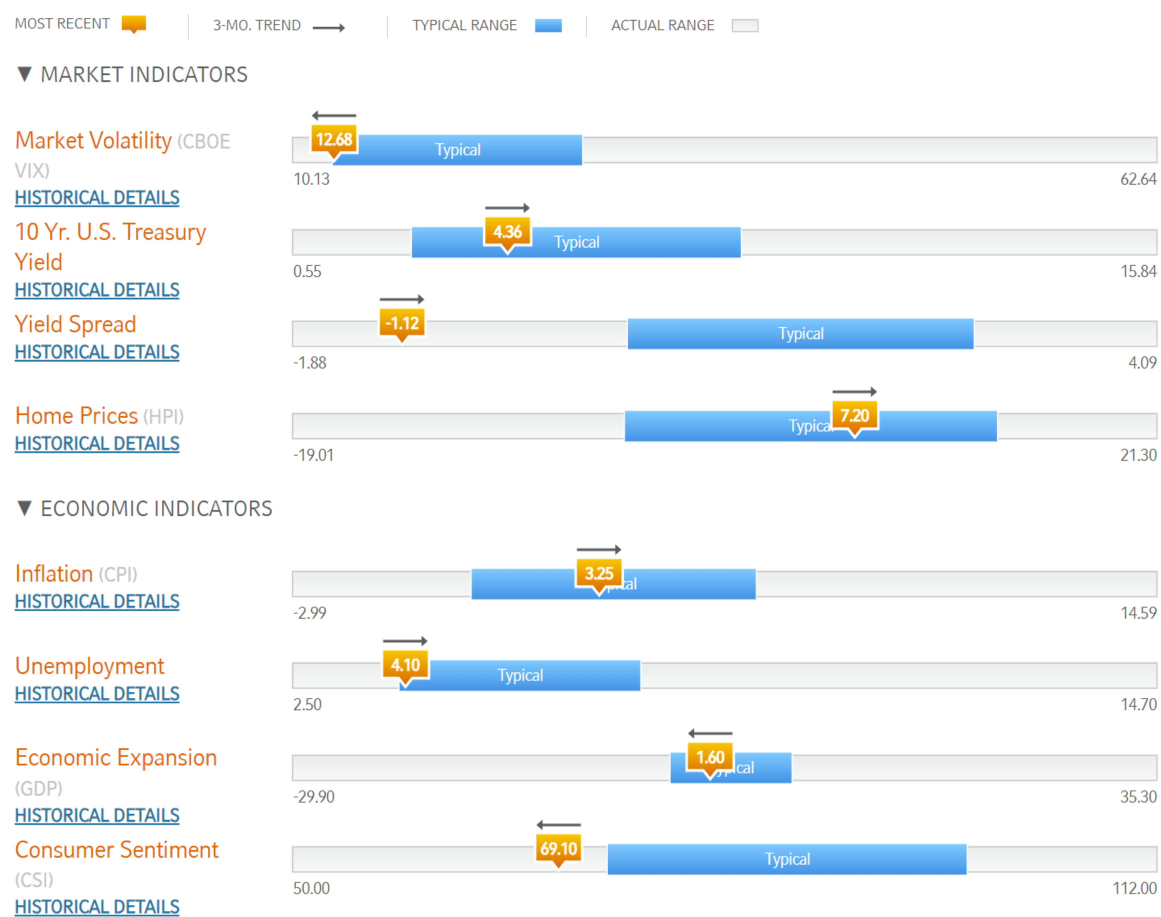
Narrowed from -1.26% at the end of Q1

Unemployment

Remained low despite a slight increase from 3.80 at the end of Q1

Consumer Sentiment

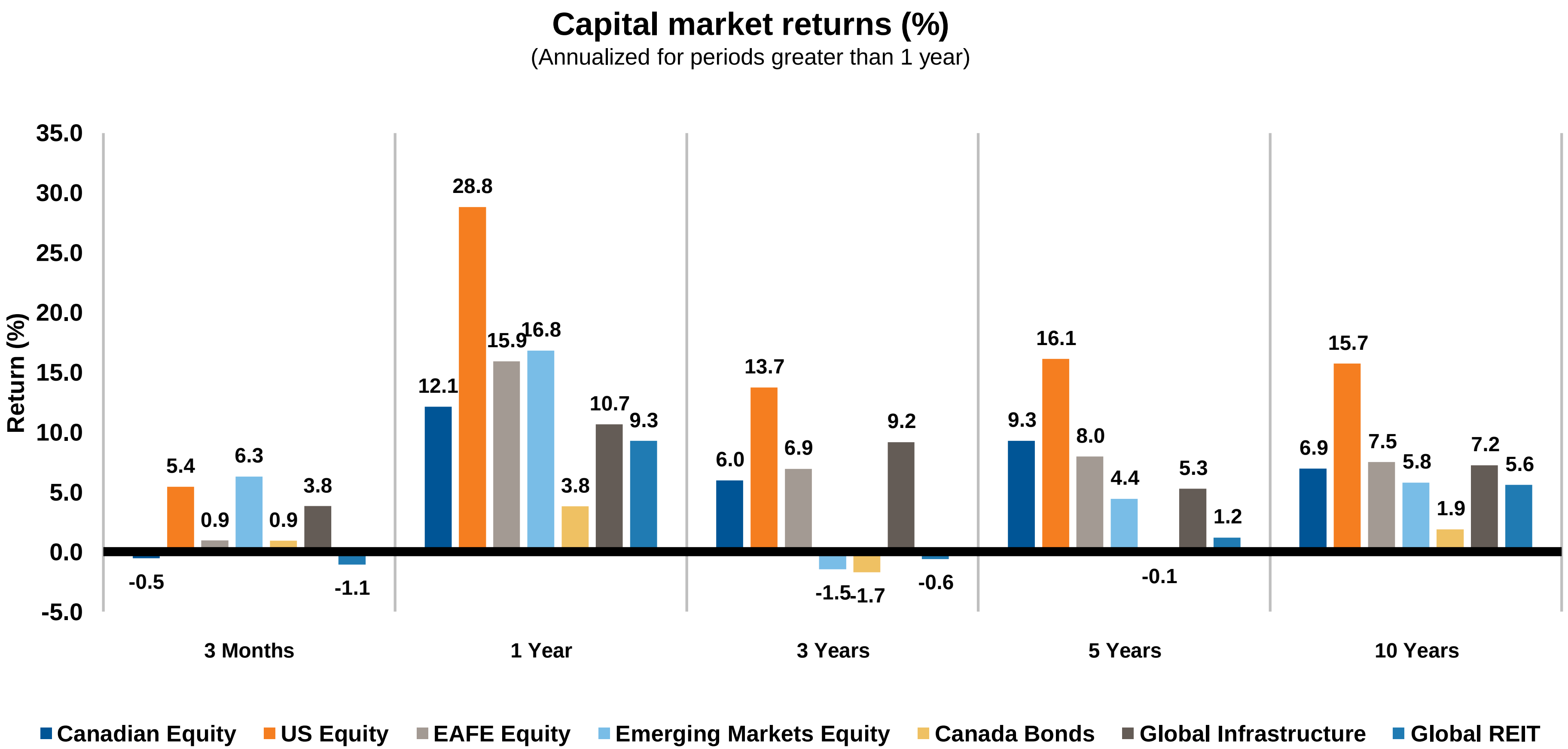
Fell out of the typical range from 79.60 at the end of Q1



Source: http://www.russellinvestments.com, current state as of 07/08/2024. See appendix for category definitions. Russell Investments' Economic Indicators Dashboard charts several key indicators to help investors assess economic and market trends.

Capital markets

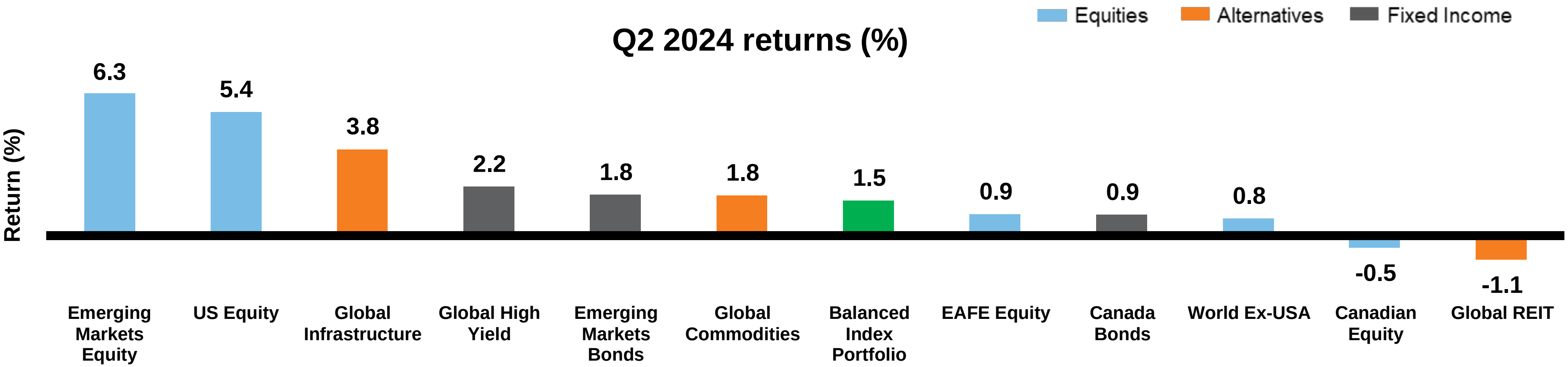
Periods ending June 30, 2024

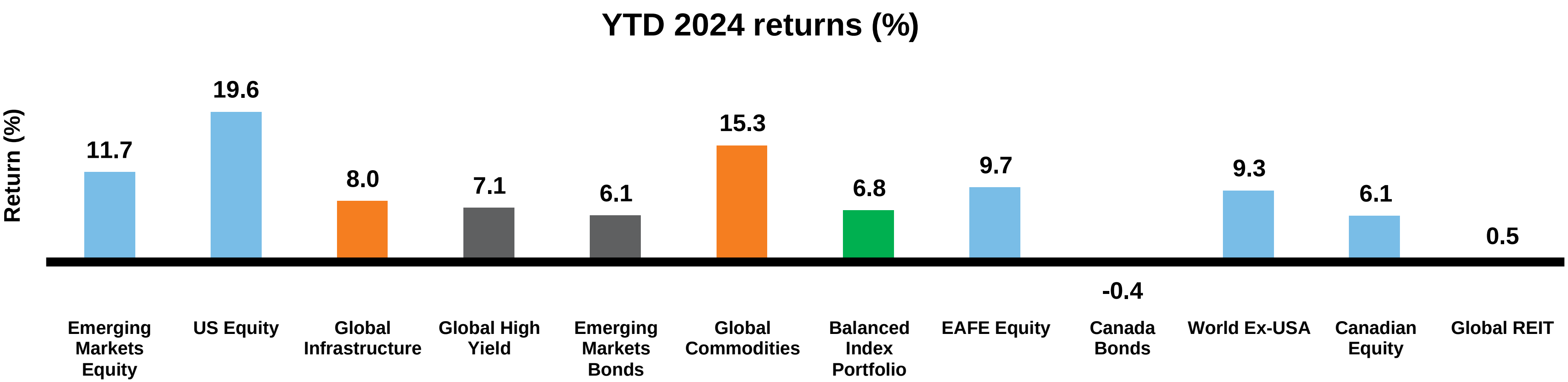


Source: Russell Investments, Morningstar. In CAD. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly. Definitions: Canadian Equity = S&P/TSX Composite Index, US Equity = S&P 500 Index, EAFE Equity = MSCI EAFE Index, Emerging Markets Equity = MSCI Emerging Markets Index, Canada Bonds = Bloomberg Canada Aggregate Index, Global Infrastructure = S&P Global Infrastructure Index, Global Real Estate Investment Trusts (REITs) = FTSE EPRA NAREIT Developed Index. Returns are annualized except for periods less than one year. EAFE is an acronym referring to Europe, Australasia and the Far East.

What worked and what didn't

Q2 2024 vs. YTD 2024





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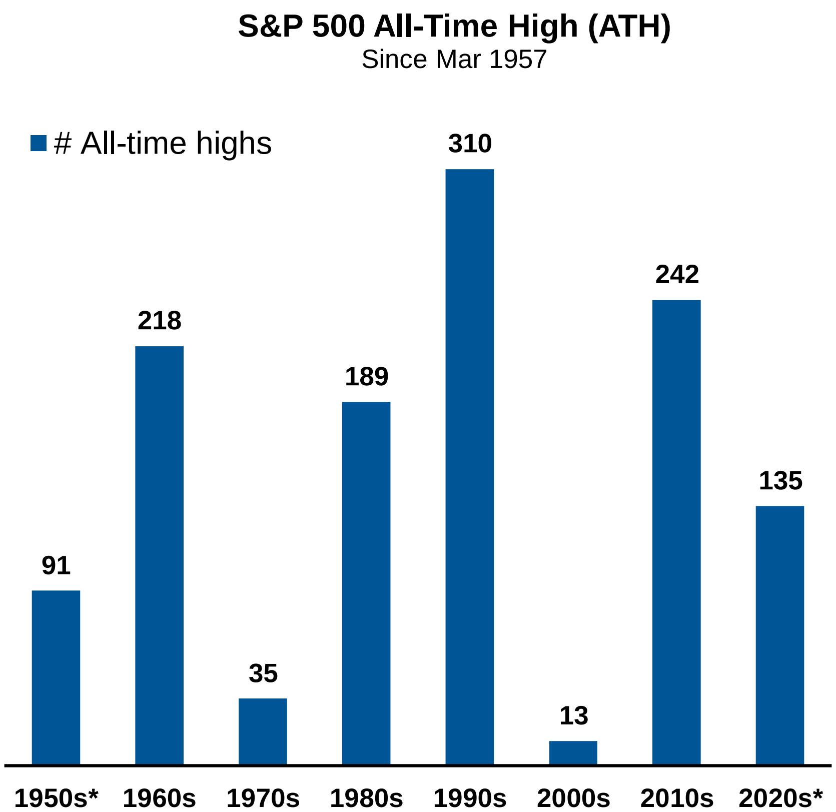
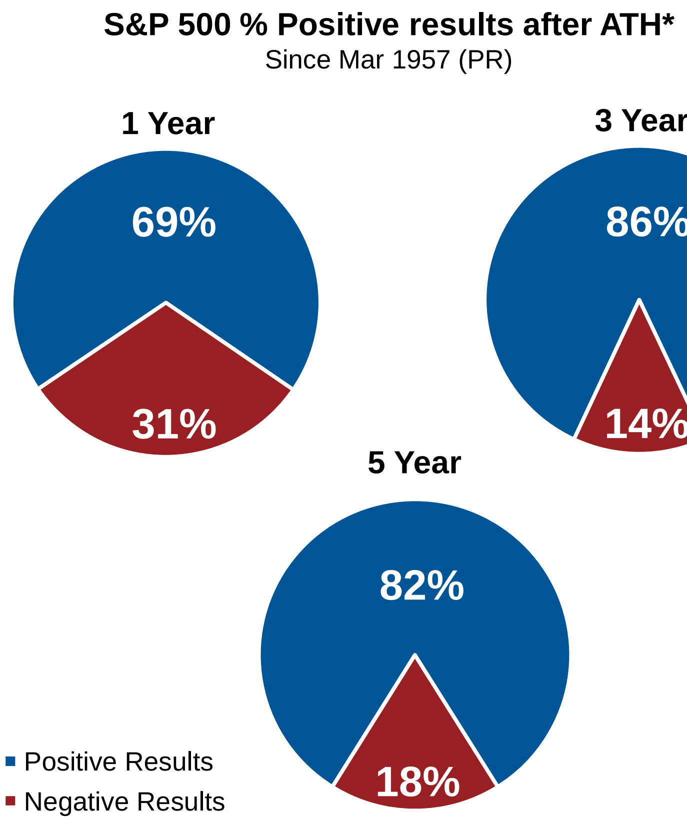
Investing after market highs

Thirty-one new U.S. market highs in the first half of 2024



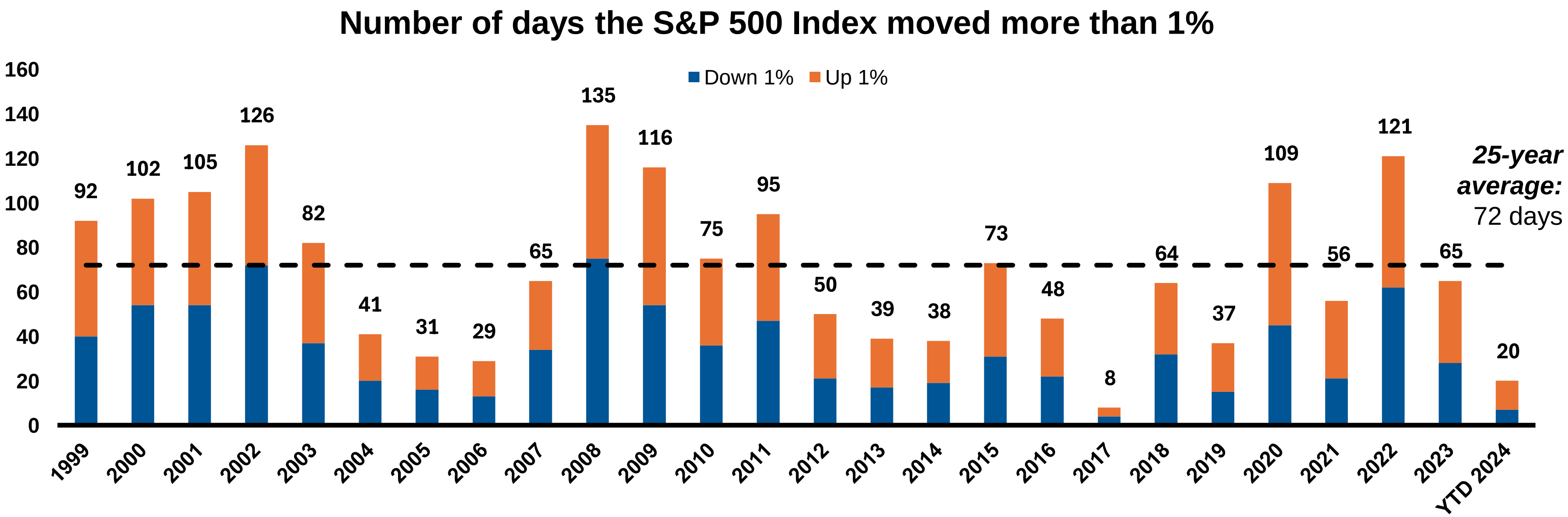


- Since 1957, the S&P 500 has hit an all time high an average of 25x a year or 8.0% of the time
- Halfway through 2024, that average has been surpassed with markets achieving an ATH 31x so far
- Despite apprehension of investing after peaks, markets have historically delivered positive outcomes

Source: Morningstar. S&P 500 Price Index as of 6/30/2024. *1950s: 3/4/1957 – 12/31/1959, *2020s: 1/1/2020-6/30/2024. ATH; All time high. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Where is the volatility?

On pace to have among lowest number of 1% daily moves since 1999



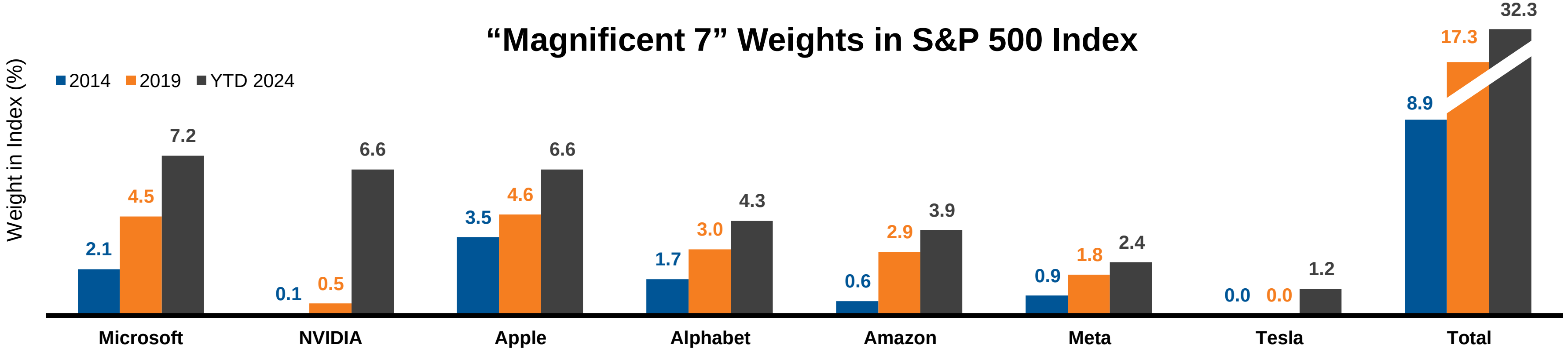
1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024
21.0%	-9.1%	-11.9%	-22.1%	28.7%	10.9%	4.9%	15.8%	5.5%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	-18.1%	26.3%	15.3%

- 2024 is on pace to have just over half the historical average number of days with a greater than 1% move up or down
- 2002, 2008, and 2022 had the three worst calendar year returns, and the greatest volatility, since 1999

Source: Morningstar. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

"Magnificent Seven" continues significant run

Total market share expands as NVIDIA leads the way



"Magnificent 7" Return and Rank in S&P 500 Index Top 10 | 11-50 | 300-400 | 401+

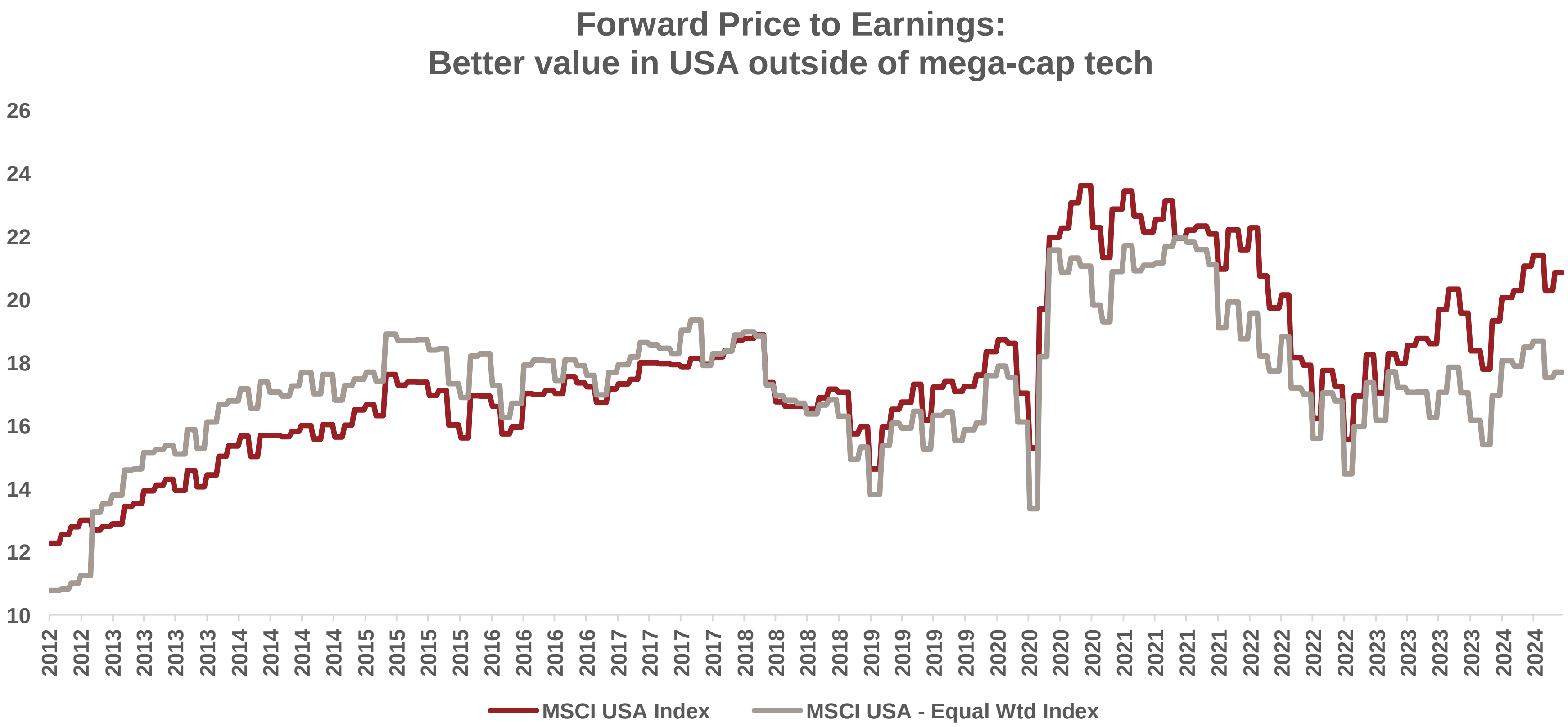
	2019		2020		2021		2022		2023		YTD 2024		2019 - YTD 2024	
	Return %	Rank in S&P 500	Return %	Rank in S&P 500	Return %	Rank in S&P 500	Return %	Rank in S&P 500	Return %	Rank in S&P 500	Return %	Rank in S&P 500	Total Return %	Rank in S&P 500
Microsoft	57	48	42	53	52	87	-28	375	58	40	19	83	365	20
NVIDIA	77	17	122	1	125	6	-50	479	241	1	149	1	3,631	1
Apple	88	9	82	13	35	191	-26	367	49	56	10	193	458	15
Alphabet (Class A)	28	250	31	93	65	41	-39	436	58	39	31	34	249	47
Amazon	23	289	76	16	2	424	-49	477	81	15	27	43	157	97
Meta	57	50	33	84	23	277	-64	498	194	2	43	14	285	36
Tesla	26	-	743	-	50	96	-65	500	102	8	-20	471	792	-
S&P 500 Index	**31**		**18**		**29**		**-18**		**26**		**15**		**139**	

- After strong returns in 2023 and YTD 2024 The "Magnificent 7" stocks now make up nearly one-third of the S&P 500.
- Despite being a relatively small component just a few years ago, NVIDIA has surged to the 2nd largest stock in the index.
- While returns for this group have been impressive, downturns like 2022 highlight the risk individual positions may carry.

Source: Morningstar, Russell Investments and Factset. As of 6/30/2024. Alphabet weight represents A&C shares. Index weights based on each calendar year end. Yearly return ranks based on start of period index components. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. "Magnificent 7" refers to Apple, Microsoft, Alphabet, Amazon, NVIDIA, Tesla and Meta.

Not all U.S. equities are created equally

Better valuations beneath the mega cap securities

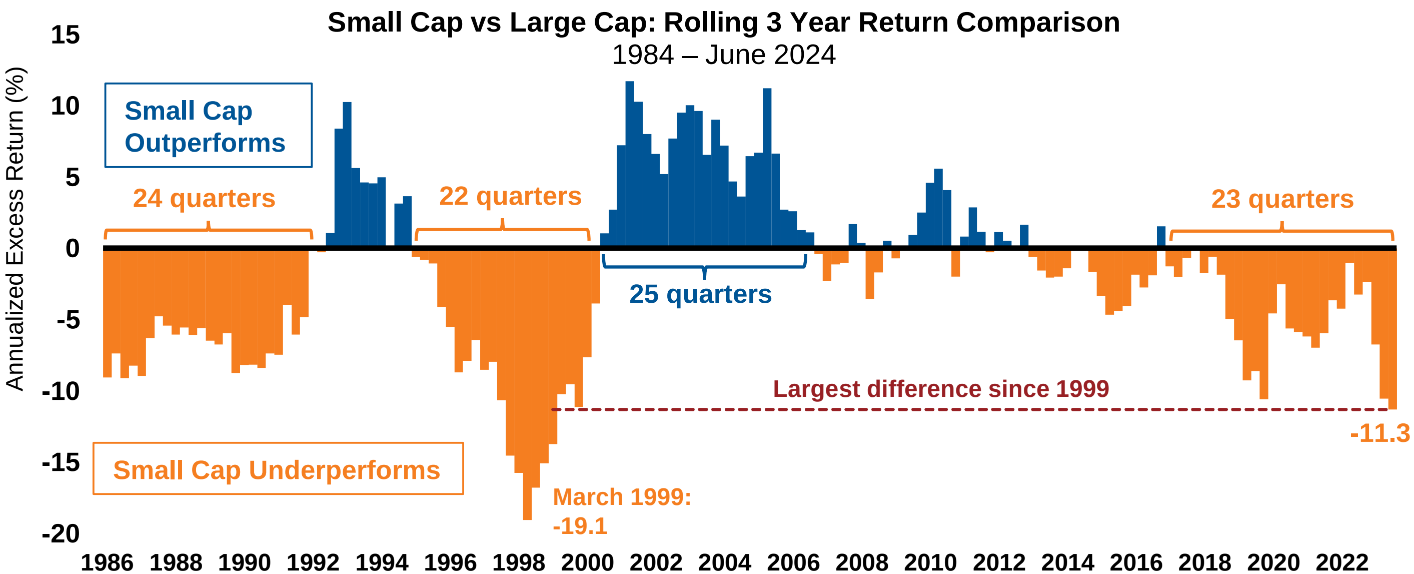


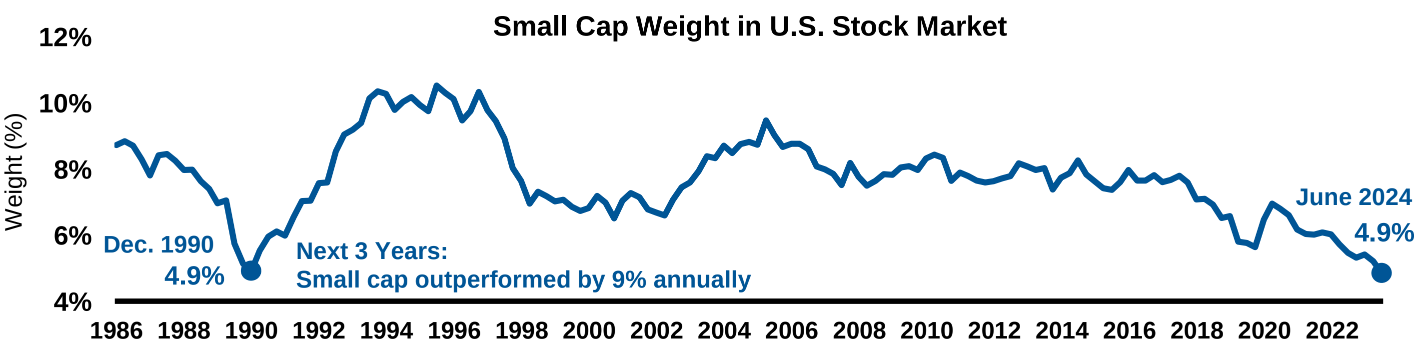
- U.S. equities aren't attractively valued, with a forward PE ratio around 15x.
- Mega-cap tech stocks trade at much higher valuations than the broader market.
- On an equal-weighted basis, the forward PE ratio drops to 13.5x, revealing opportunities outside the high-priced tech sector

Source: LSEG DataStream, Russell Investments. As of June 2024. MSCI USA Index is market cap weighted, being compared to its equal-weighted counterpart.

Big potential for small caps?

Difference in return and market weight vs. large cap stocks reaches 1990s levels



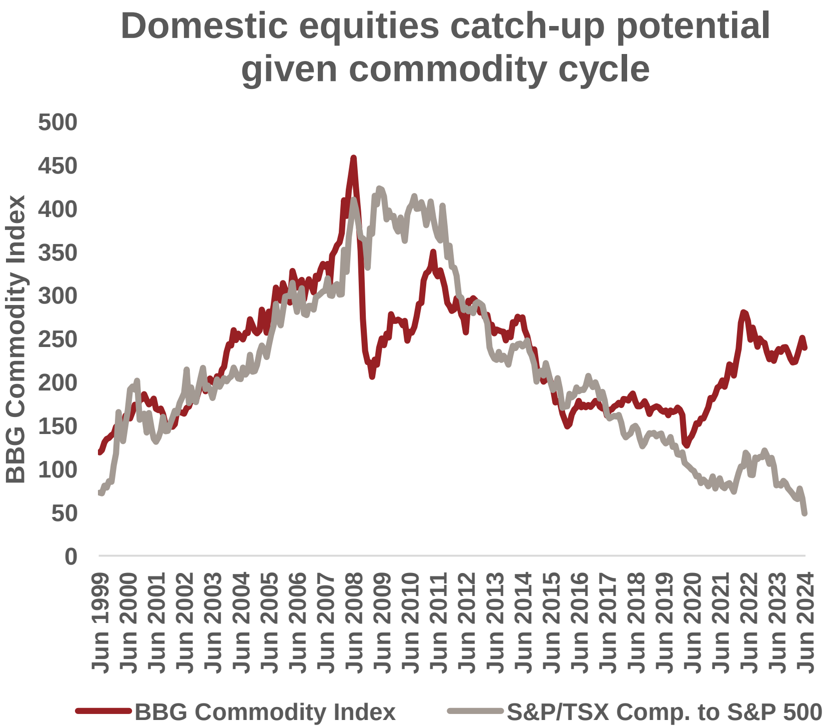


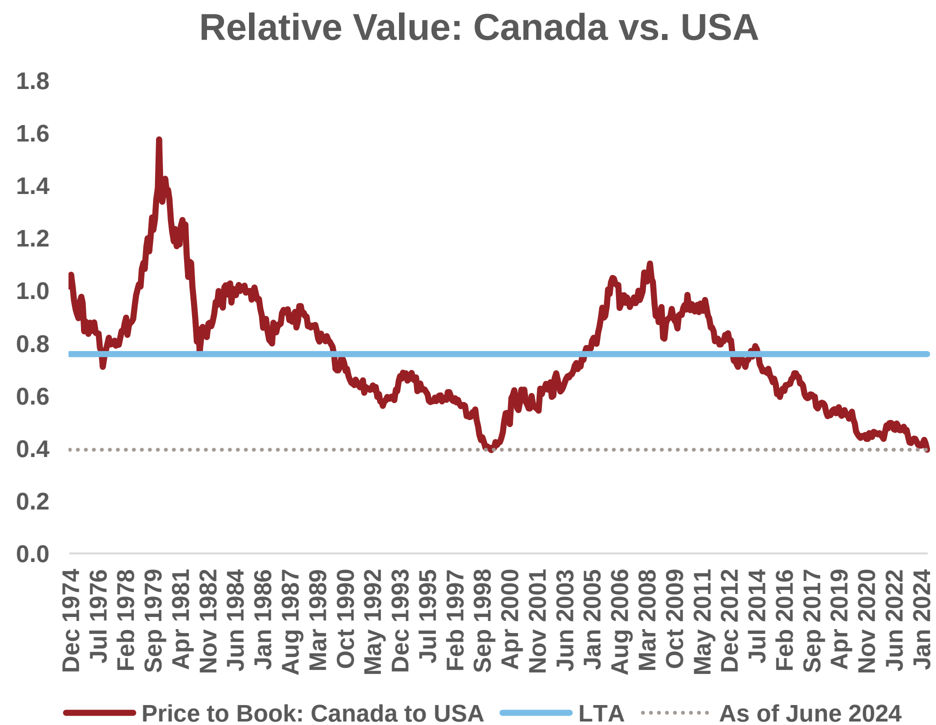
- After strong returns from U.S. large cap stocks, relative performance and allocations for small cap has fallen to levels last seen in the 1990s.
- In previous similar experiences, this trend reversed as small cap stocks outperformed in future periods.
- Markets tend to move in cycles. Maintaining exposure to small cap stocks can benefit portfolios as leadership reverses.

Source: Morningstar and Russell Investments. As of 6/30/2024. Large Cap represented by Russell 1000 Index; Small Cap represented by Russell 2000 Index; U.S. Stock Market represented by Russell 3000 Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Canadian equities lag, despite favorable commodity prices

Mega-cap tech rally no match for resource-rich domestic equities





- Canadian equities have typically outperformed U.S. stocks during strong commodity price cycles
- The post-pandemic equity rally has been driven by growth stocks and mega-cap tech, especially with the AI theme
- While Canada's economic vulnerability is worth noting, long-term investors can benefit from better value and the structural boost to commodities from the energy transition

Source: LSEG DataStream, Russell Investments. BBG = Bloomberg. As of June 2024.

Recognizable brands that are based abroad

Crossing the border, no passport required

Canada
John Hancock®
Burger King®

Venezuela
Citgo®

Ireland
Accenture®

Belgium
Budweiser®

U.K.
Holiday Inn®
Lysol®
Johnnie Walker®

France
Tiffany & Co®
Sephora®

Italy
Ray Ban®
Sunglass Hut®

Germany
Trader Joe's®
Alka Seltzer®
Greyhound®

Sweden
Spotify®
Frigidaire®
Yale Locks®

Switzerland
Purina®
Gerber®
Nestlé®

Japan
Firestone®
indeed®
7-Eleven®

Hong Kong
Milwaukee Tool®
Hoover®
Dirt Devil®

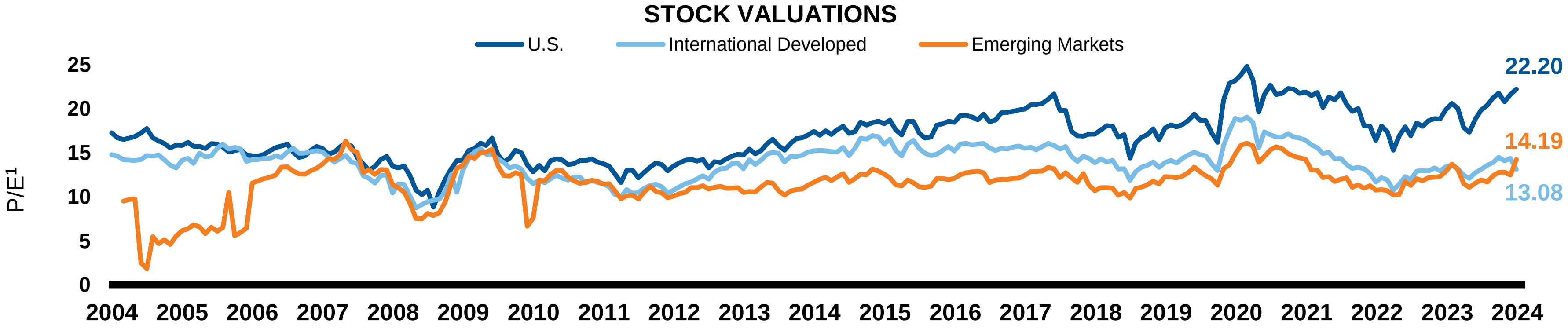
China
Forbes®
Universal Music Group®

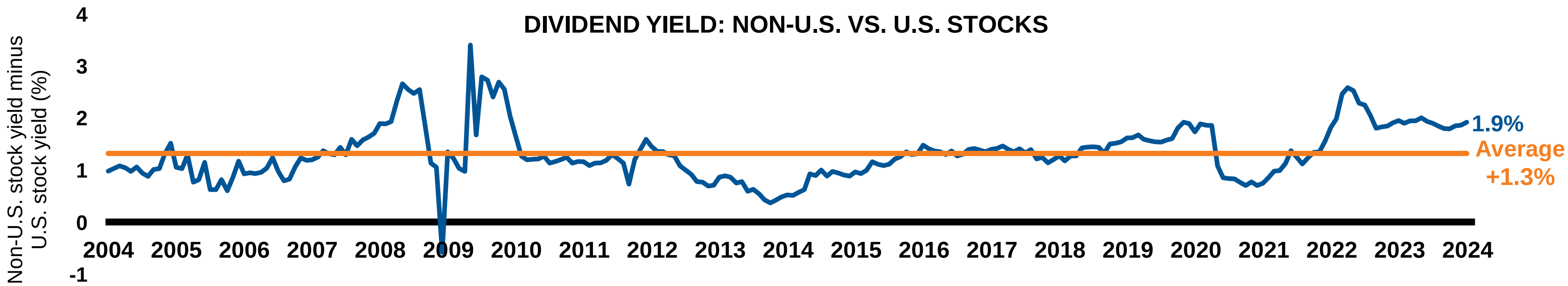
- Investors tend to gravitate to opportunities that are familiar
- Turns out, many of those opportunities are based outside the U.S.
- Investing abroad may be less foreign than many investors think

Sources: Applicable corporate websites accessed on July 8, 2024

International and emerging market stocks appear attractive

Based on favorable valuations and yields relative to U.S. stocks





AVERAGE P/E AS OF 6/30/2024			
	5YR	10YR	20YR
S&P 500	19.4	19.0	16.8
MSCI EAFE	14.2	14.7	13.9
MSCI EM	12.4	12.3	11.5

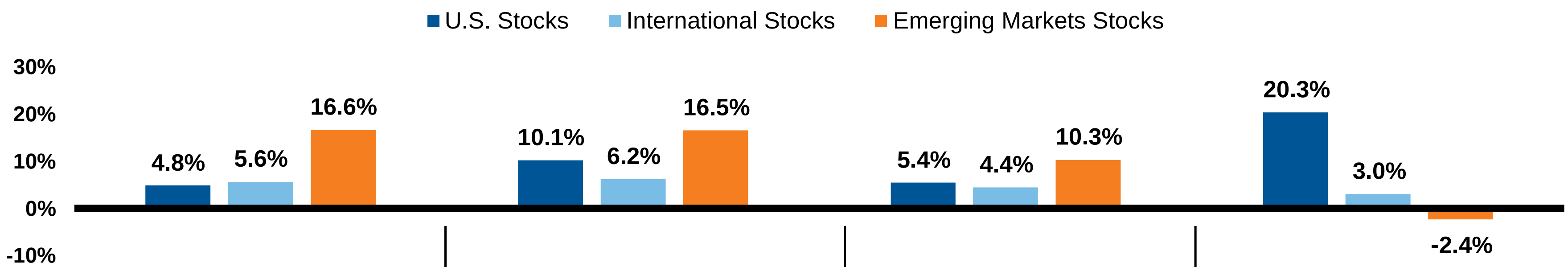
- Prices for U.S. Stocks are higher than their long-term averages
- International and Emerging markets company are cheap relative to U.S. stocks, and in-line with recent averages
- Non-U.S. Stocks have consistently delivered higher levels of income than their U.S. Counterparts

Source: Morningstar, Data 6/30/2004 – 6/30/2024. U.S.: S&P 500 TR Index; Non-U.S./International Developed: MSCI EAFE Index; Emerging Markets: MSCI Emerging Markets index.
1. Emerging Markets data beginning 08/30/2008. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Returns following U.S. Fed Funds rate changes

U.S., International, and emerging markets stocks

Average Forward 3-yr Return Following Policy Rate Change



Change in rate (bps)	-50+	-25	25	50+
Number of observations	21	31	35	5

	U.S. stocks	International stocks	EM stocks	Observations
Average 3-yr returns following rate increase	7.2%	4.2%	8.7%	40
Average 3-yr returns following rate decrease	8.0%	5.9%	16.5%	52

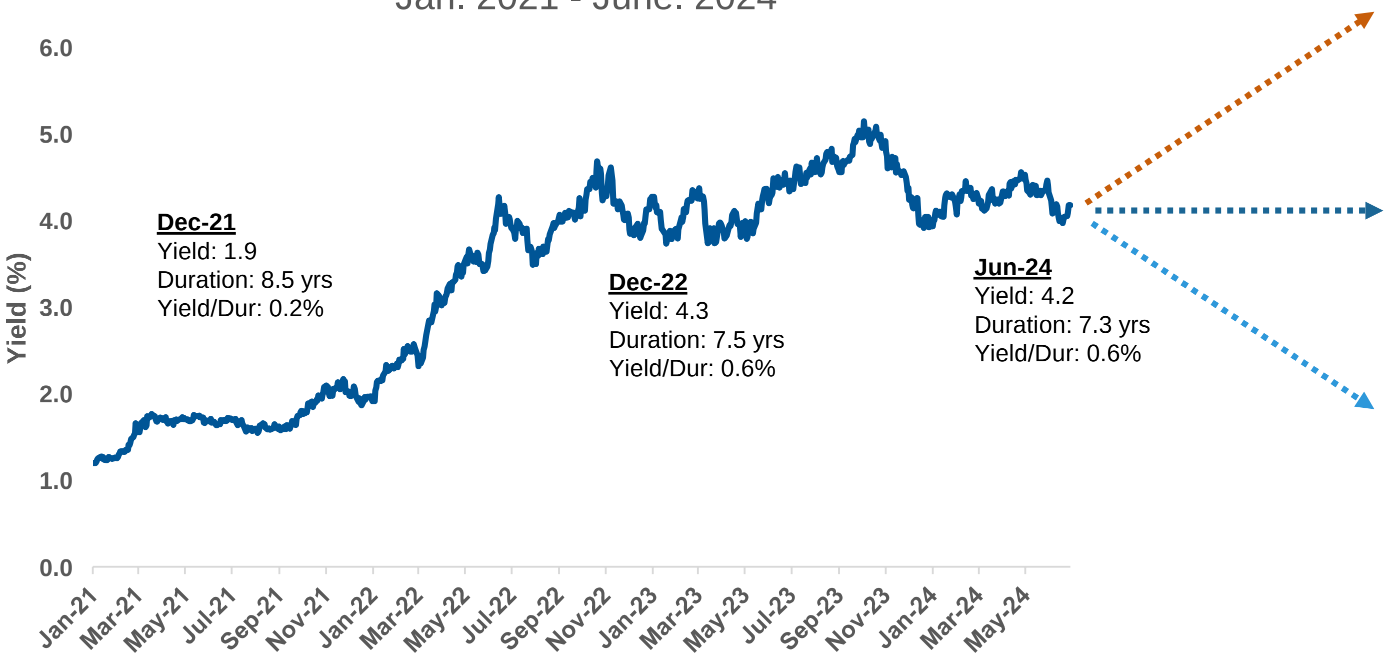
- Emerging markets have outpaced U.S. and international stocks on average following both rate increases and decreases
- Capital outflows from emerging markets can be triggered by higher rates in other markets
- Higher interest rates raise servicing costs for Emerging market debt, which is often priced in U.S. dollars

Sources: Morningstar, U.S. Federal Reserve. Annualized Returns. U.S.: S&P 500 TR Index; International Developed: MSCI EAFE Index; Emerging Markets: MSCI Emerging Markets index. Data provided since 1990. Where policy range was provided, wide end of range is used. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Understanding the impact of changing rates

Falling rates can boost return from bonds

FTSE Canada Universe Bond Index Yield
Jan. 2021 - June. 2024



HYPOTHETICAL 1-YEAR RETURNS:

Rates rise 1.0%
Yield Return: 4.2%
Price Return: -7.3%
1-Yr Return: -3.1%

Rates unchanged
Yield Return: 4.2%
Price Return: 0.0%
1-Yr Return: +4.2%

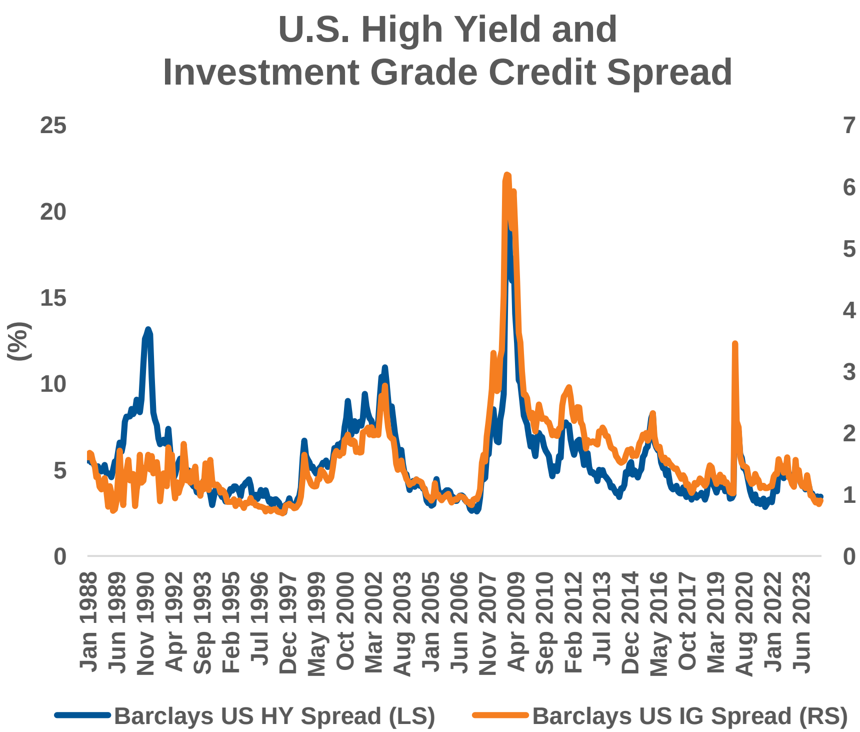
Rates fall -1.0%
Yield Return: 4.2%
Price Return: 7.3%
1-Yr Return: +11.5%

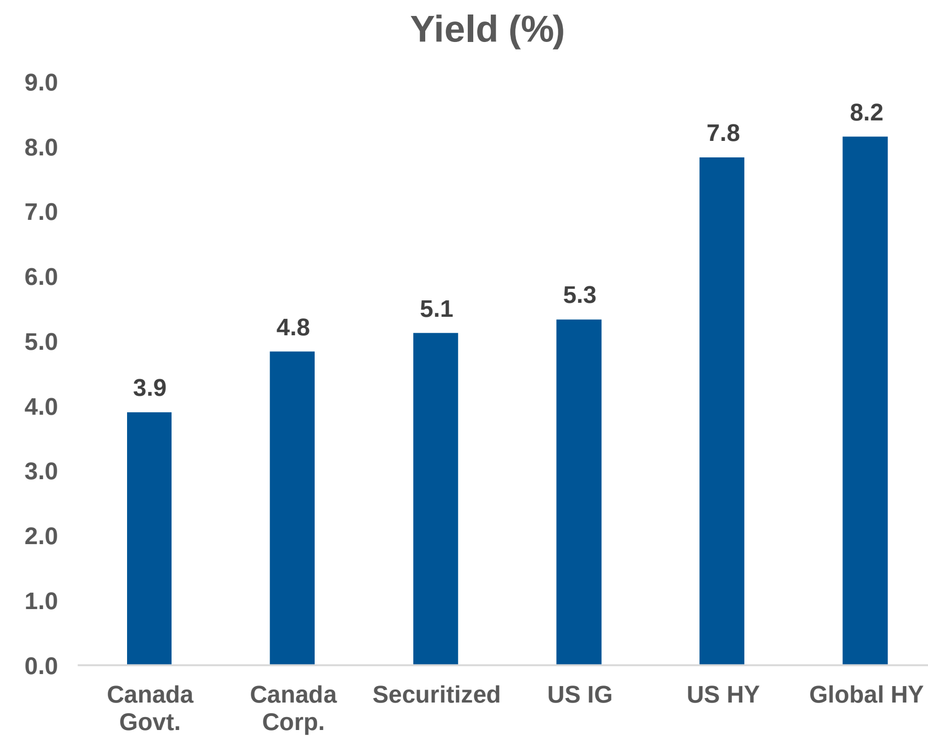
- Fixed income is a crucial diversifier of equity market volatility
- Higher yields help to offset the price impact of further rate increases
- If rates fall, price appreciation can boost returns as demonstrated in Q4 2023
- As of June 28, bond market pricing is for two additional 25bps rate cuts by year-end 2024

Source: LSEG DataStream. Data as of 6/28/2024. Yield-to-Worst and Duration of the FTSE Canada Universe Bond Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly. Duration is a measure of interest-rate sensitivity.

Corporate bond overview

Spreads are tight, though healthy yields offers a buffer





- Credit spreads are still very tight, even without clear recession signals in the global economy
- Yields in different spread sectors are strong and provide a cushion against economic turbulence
- Security selection and diversifying across fixed income sectors is essential

Source: LSEG DataStream, Russell Investments. Left chart as of June 2024. Right chart based on respective FTSE Canada Universe index, as of July 8, 2024. IG=Investment Grade; HY=High Yield

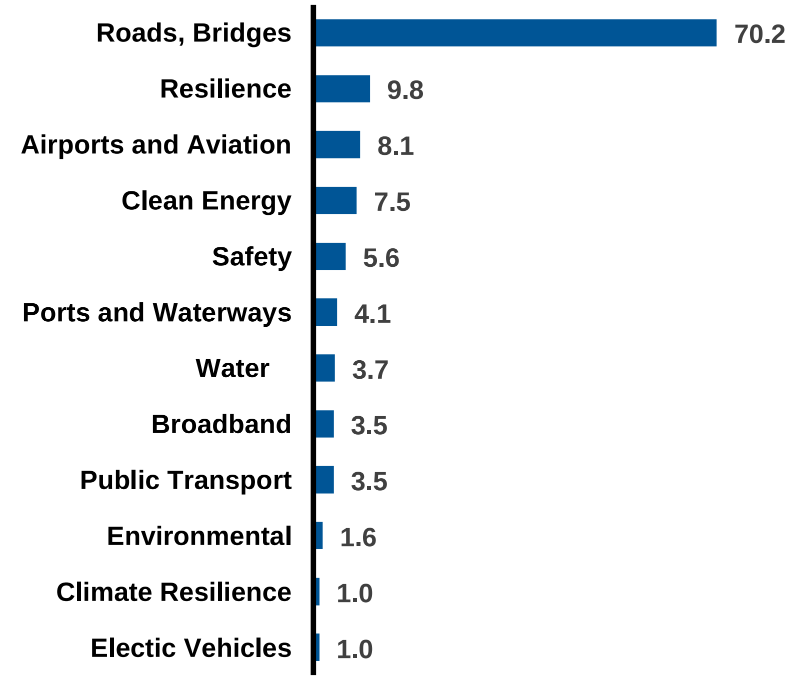
Infrastructure spending is supporting economic growth

Challenging current conditions and additional spending could provide continued support

ASCE 2021 Report Card for America's Infrastructure

	OVERALL G.P.A.	**C-**
	AVIATION	D+
	BRIDGES	C
	DRINKING WATER	C-
	ENERGY	C-
	PORTS	B-
	RAIL	B
	ROADS	D
	TRANSIT	D-

U.S. investment in Infrastructure
2021-2023 $Billions

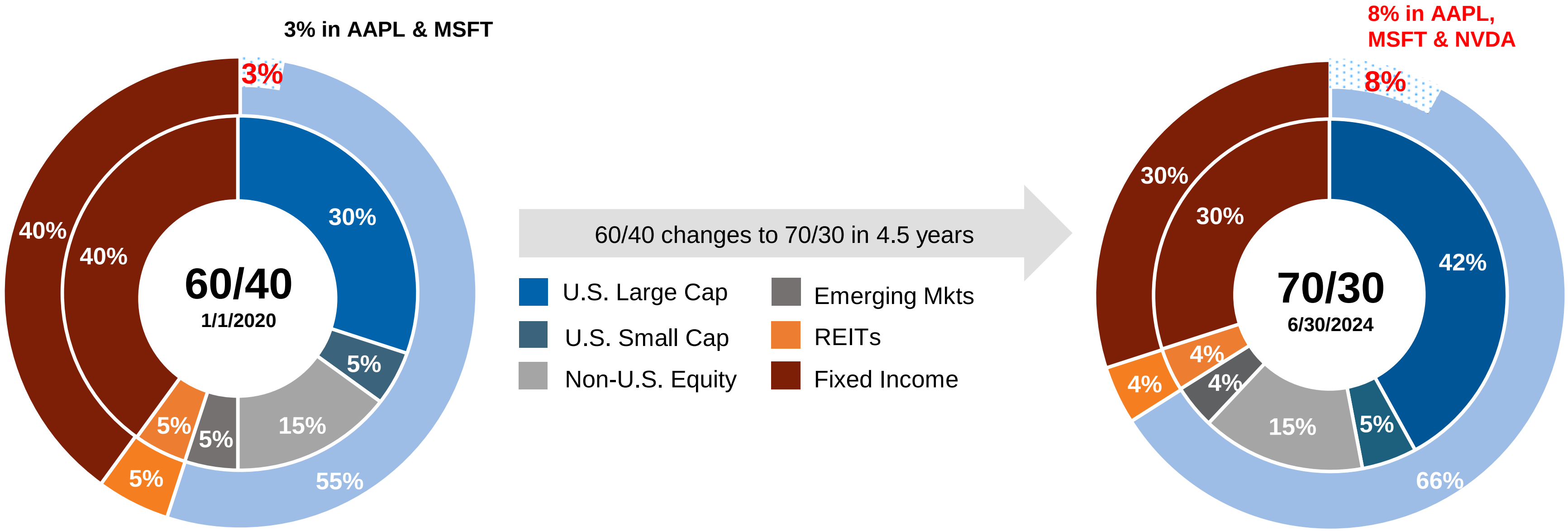


- America's infrastructure will drive significant investment – both public and private
- The Infrastructure Investment and Jobs Act (2021) provides for US$1.2 trillion in spending between 2021 and 2030
- The Act could lead to billions in private investment and millions of new jobs

Source: American Society of Civil Engineers (ASCE), Statista

Importance of rebalancing a diversified portfolio

Letting it ride moves the portfolio into a different risk range



Risk/Return Comparison 1984 – June 2024	Annual Return%	Annual Std Dev%	Worst Qtr%	Worst Year%	Worst 3 Years Total%	Worst 5 Years Total%	Worst 10 Years Total%
60% Equity**	9.8%	9.8%	-19.9%	-27.8%	-20.7%	-10.0%	+9.1%
70% Equity**	10.3%	11.2%	-22.9%	-32.0%	-25.8%	-14.8%	+0.1%

- A 60/40 portfolio that has not rebalanced since 2020 now has over 8% in just three stocks
- That three-stock allocation is greater than the allocation to emerging markets, U.S. small cap or real assets

Source: U.S. Large Cap: S&P 500; U.S. Small Cap: Russell 2000® Index; Non-U.S. Equity: MSCI EAFE NR; REITs: FTSE NAREIT All Equity; EM Equity: MSCI EM NR; Bonds: Bloomberg U.S. Aggregate Bond Index. **Given the available length of index history, for the 60% Equity and 70% Equity Portfolio returns, the Equity was comprised of Russell 3000 Index (1989 – June 2024) and the Bonds were the Bloomberg U.S. Aggregate Index (1986-2024 June) linked to Ibbotson SBBI US Intermediate-Term Government Bonds Index (July 1984-1885). The returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Totals in table may not sum to 100% due to rounding. AAPL=Apple Inc., MSFT-Microsoft, NVDA=Nvidia

Russell Investments' global market outlook

ECONOMIC VIEWS

U.S. AND CANADA ECONOMY

- Recovery in labor supply has brought U.S. economy into better balance, allowing for gradual rate cuts by the U.S. Federal Reserve later in the year. Still, there are mixed signals as the labor market slows and yield curve remains inverted
- Bank of Canada expected to ease policy further; recession risks in Canada remain elevated as the unemployment rate increases by over 1.5% from cycle low

EUROZONE

- Parts of Europe (e.g., Germany) in a technical recession, but some tentative signs from credit activity that things may be bottoming out
- Inflation tracking towards European Central Bank (ECB) targets
- ECB started cutting interest rates in June, but risk of interest rates being too tight for too long remains

PACIFIC BASIN

- Wage growth and inflation expectations have moved towards Bank of Japan's inflation targets.
- China's announced 5% GDP target looks achievable as the government ratchets up stimulus efforts

FISCAL POLICY

- Fed hinted at 1-2 rate cuts for 2024, though longer delays in interest rate cuts risks achieving a "soft landing".
- BoC cut its target rate 25bps in June, with markets pricing two more.

ASSET CLASSES

GLOBAL EQUITIES

- Potentially limited upside given expensive multiples and overbought sentiment
- Non-U.S. developed stocks at discount compared to U.S., but still earnings uncertainties

FIXED INCOME

- Government bonds remain attractive as yields trade in excess of expected inflation – US Treasuries preferred
- Favorable government bond outlook also extends across many non-U.S. developed markets
- Credit spreads are very tight in the U.S., dampening return expectations for investment grade and high yield

REAL ASSETS

- REIT valuations appear attractive relative to broad equities, and if central banks cut interest rates in 2024, that may be a tailwind

CURRENCIES

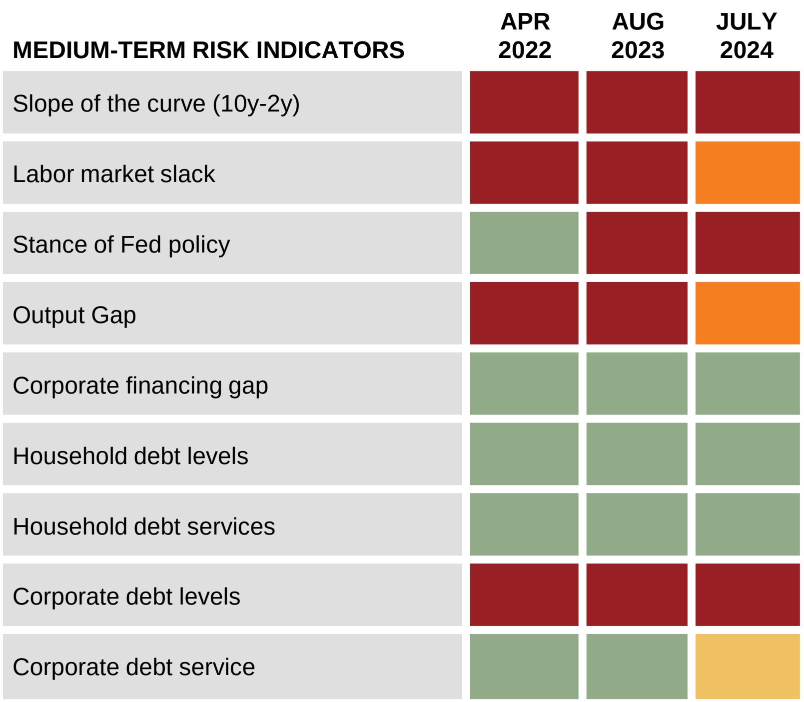
- USD appears expensive on a purchasing-power parity basis
- However, a global recession in 2024 could result in further upside for the dollar as investors flock to safety

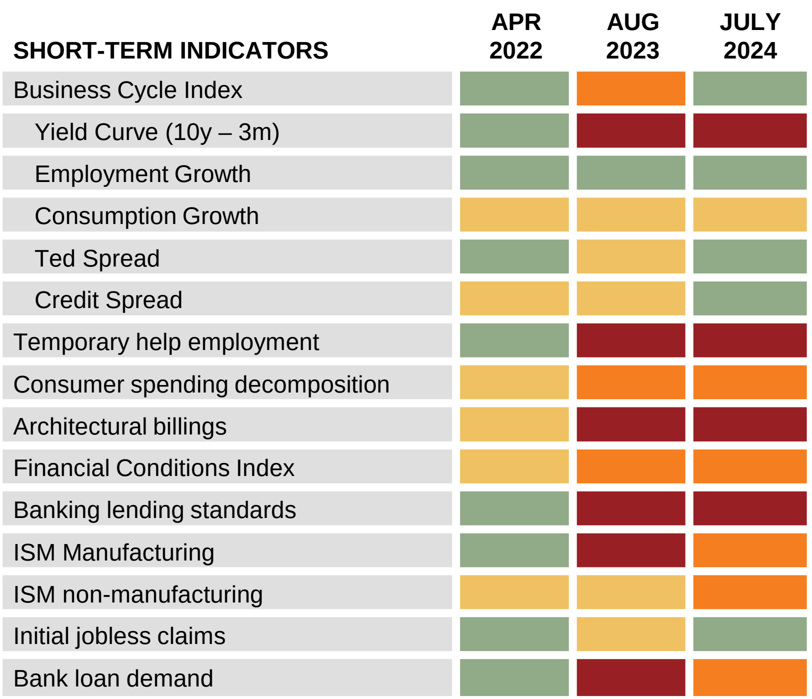
There is no guarantee the stated expectations will be met.

As of July 2024. Forecasting represents predictions of market prices and/or volume patterns utilizing varying analytical data. It is not representative of a projection of the stock market, or of any specific investment.

U.S. recession risks have come down from their peak

Seeing some improvement in both short and medium-term indicators



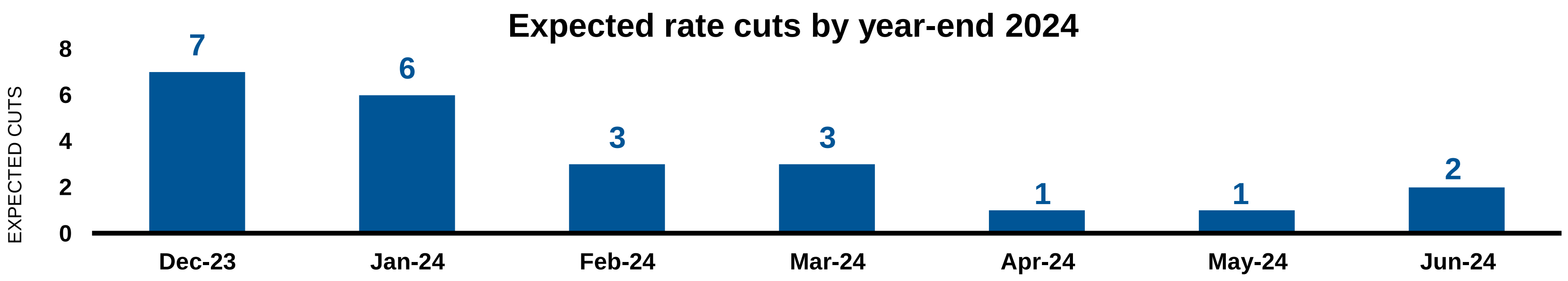


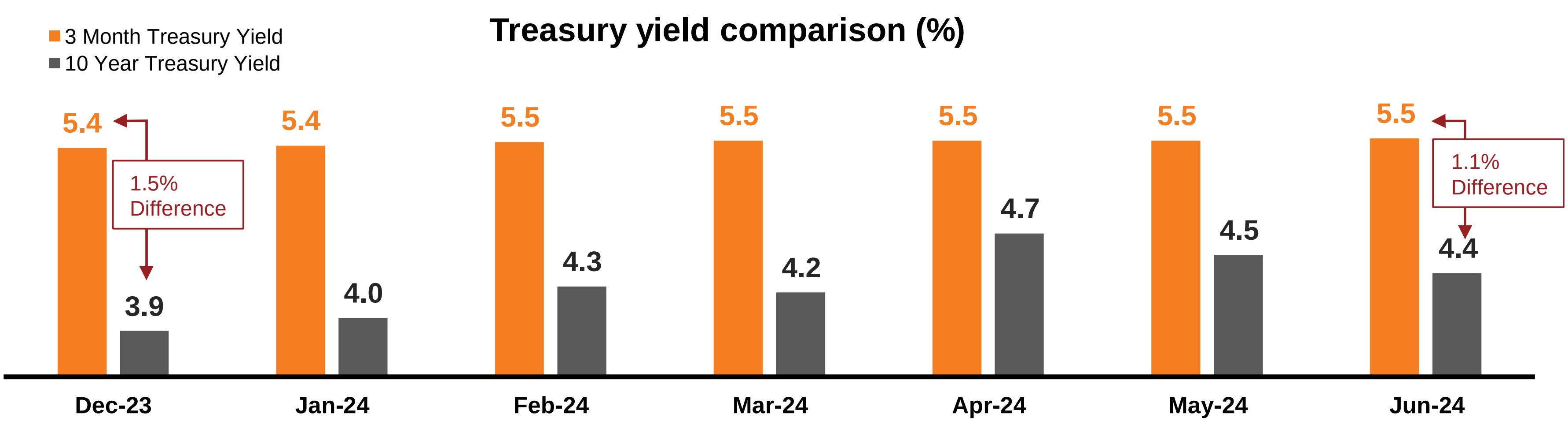
- Business Cycle Index is seeing improvement for the improvement in the Ted Spread and Credit Spreads
- Corporate debt servicing becoming more difficult as interest rates stay elevated
- Despite some improving indicators, the economic outlook remains mixed with higher than normal level of uncertainty

Source: Russell Investments, July 2024 Red represents areas of high risk. Orange and yellow represent areas of intermediate risk. Green represents areas of low risk.

Shifting U.S. Fed Funds rate cut expectations

Rate cut forecasts have dropped significantly since the start of the year



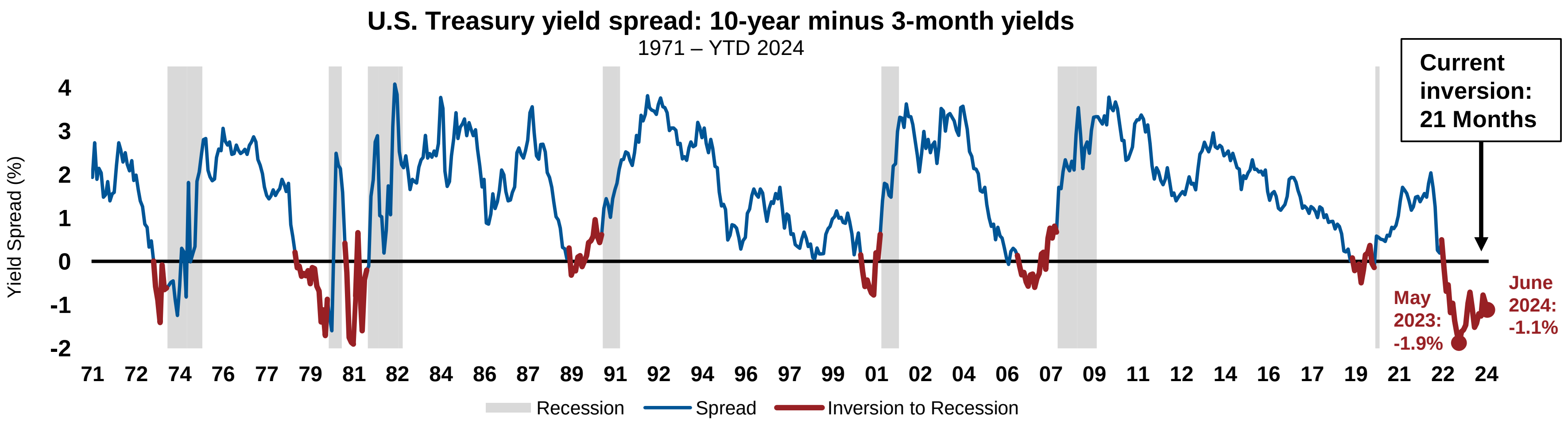


- Investors entered 2024 with expectations of seven 0.25% cuts to the U.S. Federal Funds rate throughout the year
- A resilient economy and lingering high inflation have caused the Fed to hold rates steady while expected cuts have been reduced
- Short-term rates have mostly been unchanged; longer rates have increased as a result

Source: U.S. Treasury and CME Group. Expected cuts represents highest probability Fed Funds target range at each month end based on market pricing. Based on expectations for December 2024 U.S. Federal Reserve meeting. Forecasts are not guaranteed, and actual outcomes may differ

Yield curve inversion: Different or just longer?

Current inversion has lasted longer than others prior to recessions



Inversion date	Months after inversion to recession	Unemployment rate at inversion	Change in unemployment rate (%) 12 mos. after inversion	18 mos. after inversion	24 mos. after inversion
June 1973	5	4.9	0.5	2.3	3.9
Nov. 1978	14	5.9	0.0	1.6	1.6
Oct. 1980	9	7.5	0.4	1.8	2.9
May 1989	14	5.2	0.2	1.0	1.7
July 2000	8	4.0	0.6	1.7	1.8
July 2006	17	4.7	0.0	0.3	1.1
May 2019	9	3.6	9.6	3.1	2.2
Oct. 2022	-	3.6	0.2	0.3	-

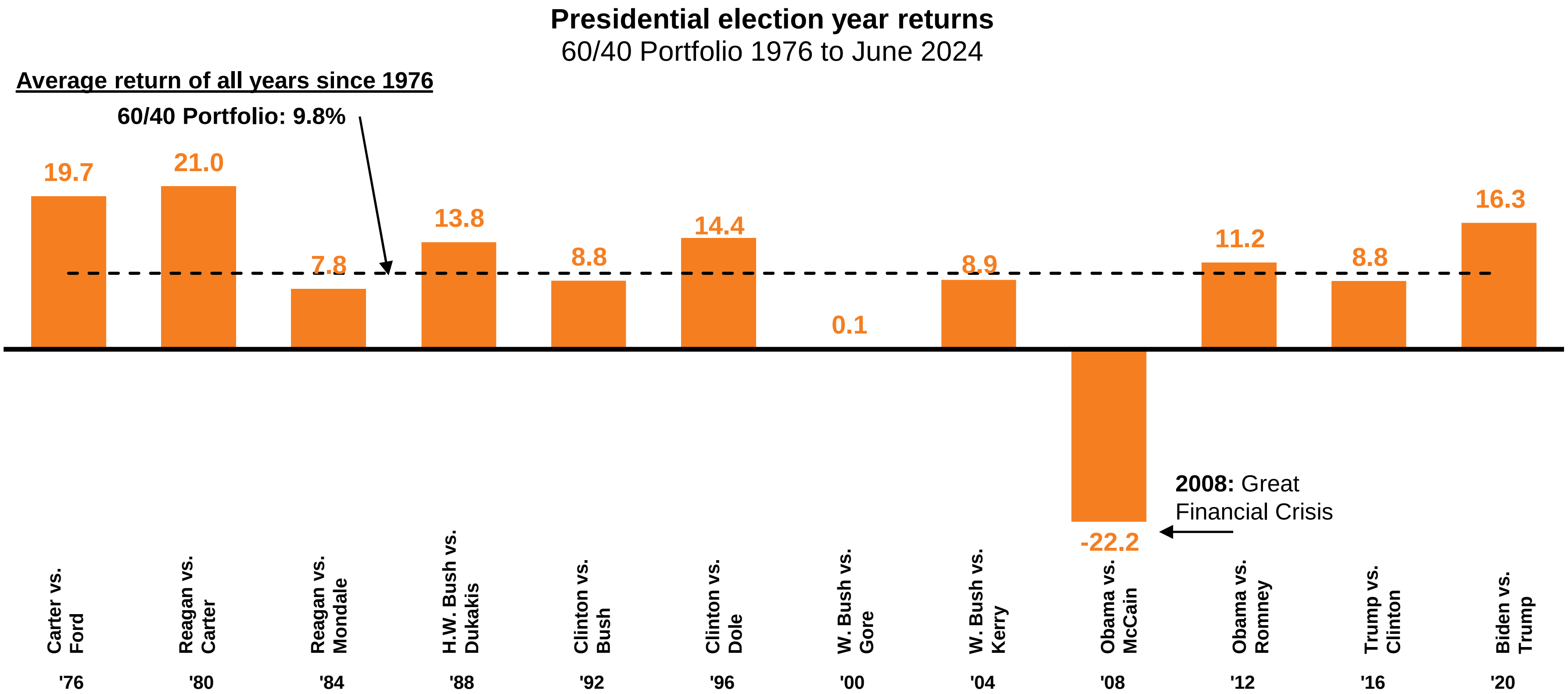
Currently 0.5% higher 20 months after inversion

- Historically, an inverted yield curve has been a leading indicator of a looming recession
- Currently, a continued strong labor market has helped the U.S. economy avoid recession so far
- Despite labor strength, economic signals remain mixed and recession warning signs remain

Source: St. Louis Fed. Yield spread represents Market Yield on U.S. Treasury Securities at 10-Year Constant Maturity minus 3-Month Treasury Bill Secondary Market Rate up to 1982 and 10-Year Treasury Constant Maturity Minus 3-Month Treasury Constant Maturity thereafter. Recessions based on NBER dates.

U.S. election year results

Sticking to the plan has historically provided solid returns in U.S. presidential election years



11 of the last **12** election years, a 60/40 portfolio finished in positive territory

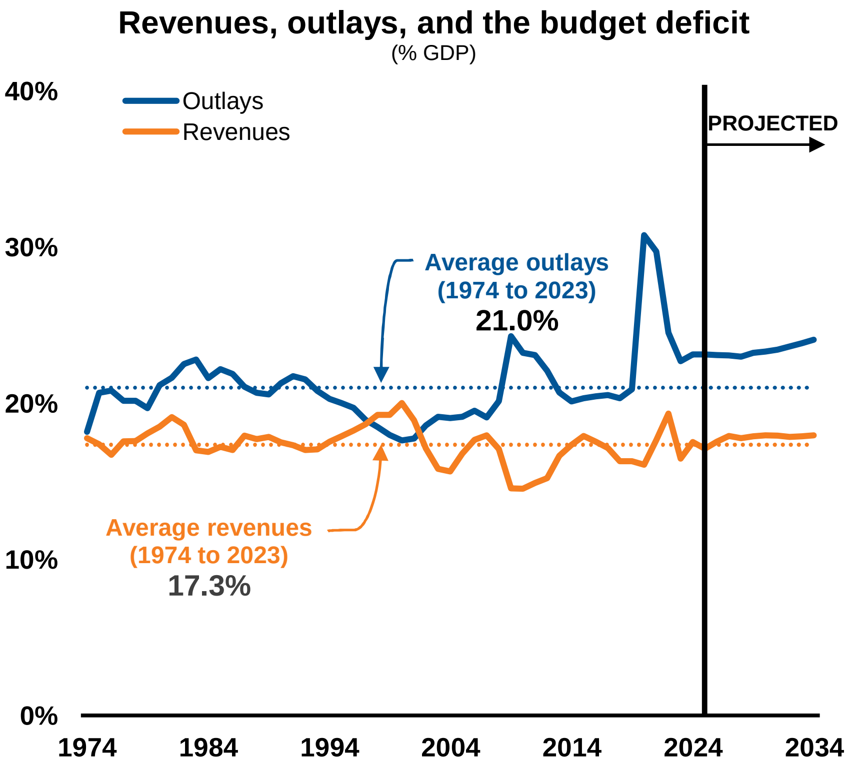
Election years delivered an average annual return of **9.1%**

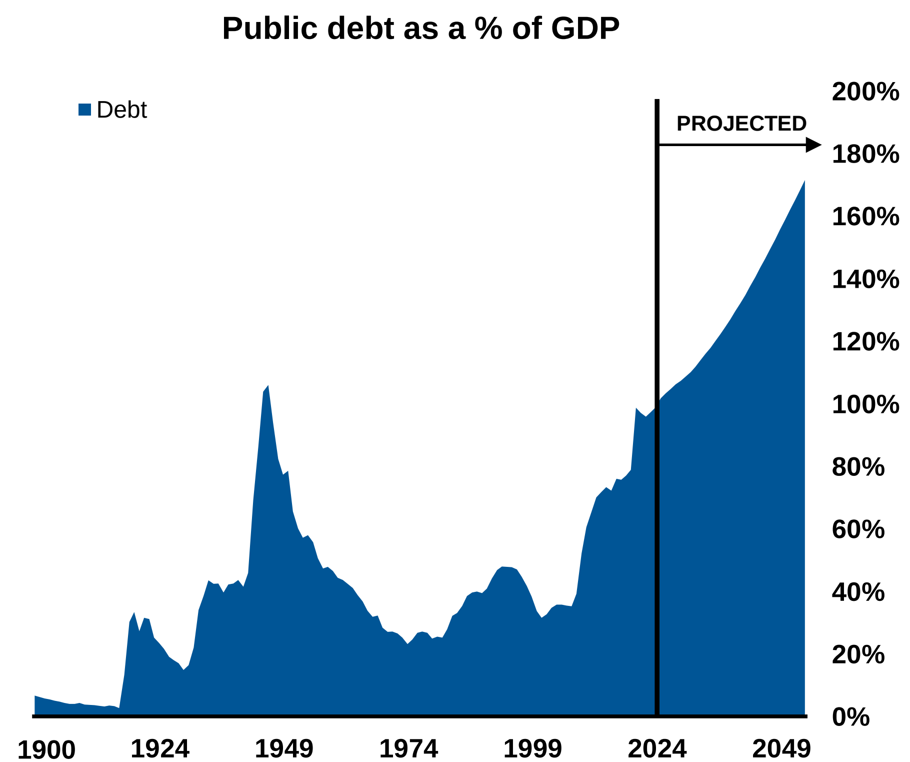
The negative occurrence was driven by the bursting of historic housing bubble

Source: The American Presidency Project & Morningstar Direct: 60/40 Portfolio: 60% U.S. Equity / 40% Bonds. U.S. Equity: Ibbotson U.S. Equity Index (1976-1983), Russell 3000 Index (1984 – Present). Bonds: Ibbotson Intermediate Bond Index (1976-1985) linked to Bloomberg U.S. Aggregate Bond Index (1986-Present). Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Deficits, debts and taxes in the U.S.

More revenue generation likely necessary in the future





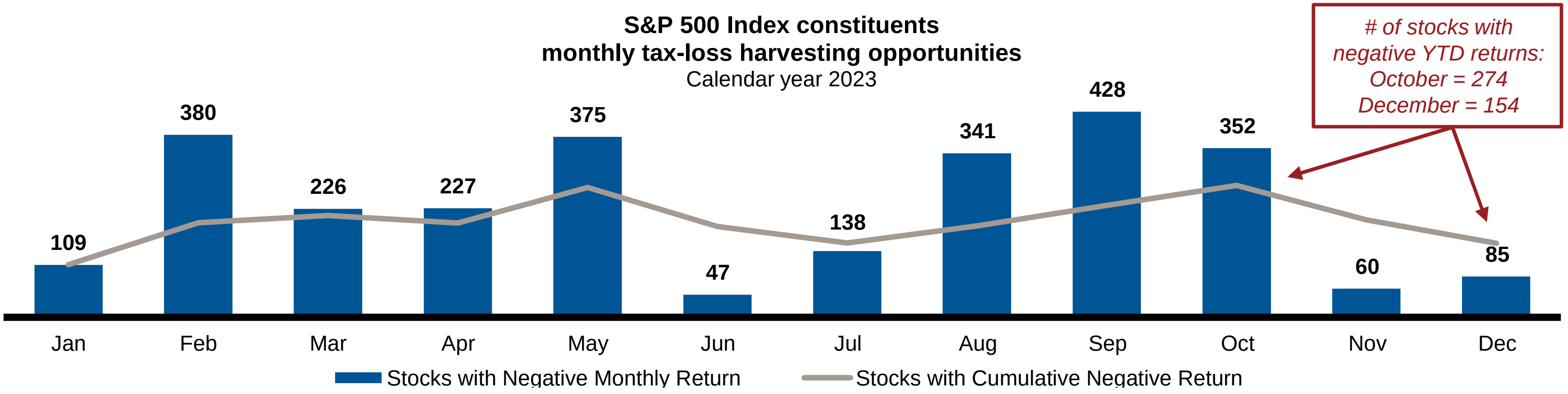
- Rising spending on Social Security and Medicare driving mandatory outlays; Discretionary spending declining
- Taxes either need to increase or mandatory spending decrease for the budget deficit to shrink

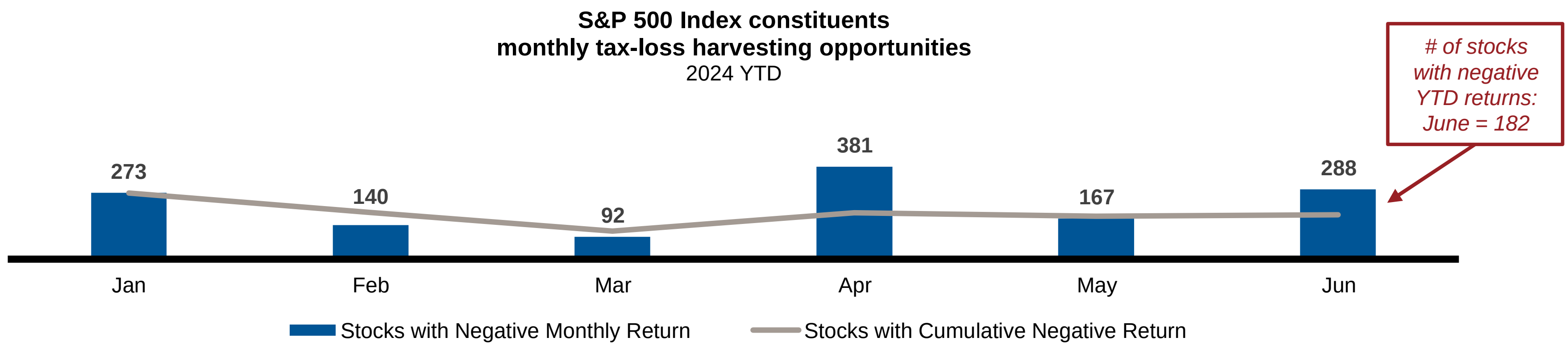
- Budget deficit expected to exceed its 50-year average as a % of GDP through 2034
- This pace of public debt growth is unsustainable over the long term

Source: Congressional Budget Office (CBO) - The Budget and Economic Outlook 2024-2034. Figure 1-2, Federal Debt Held by the Public (% of GDP) and Figure 1- Total Federal Outlays and Revenues (% of GDP). GDP = Gross Domestic Product.

Tax loss harvesting opportunities year-round

Waiting to harvest losses at the end of year could lead to missed opportunities



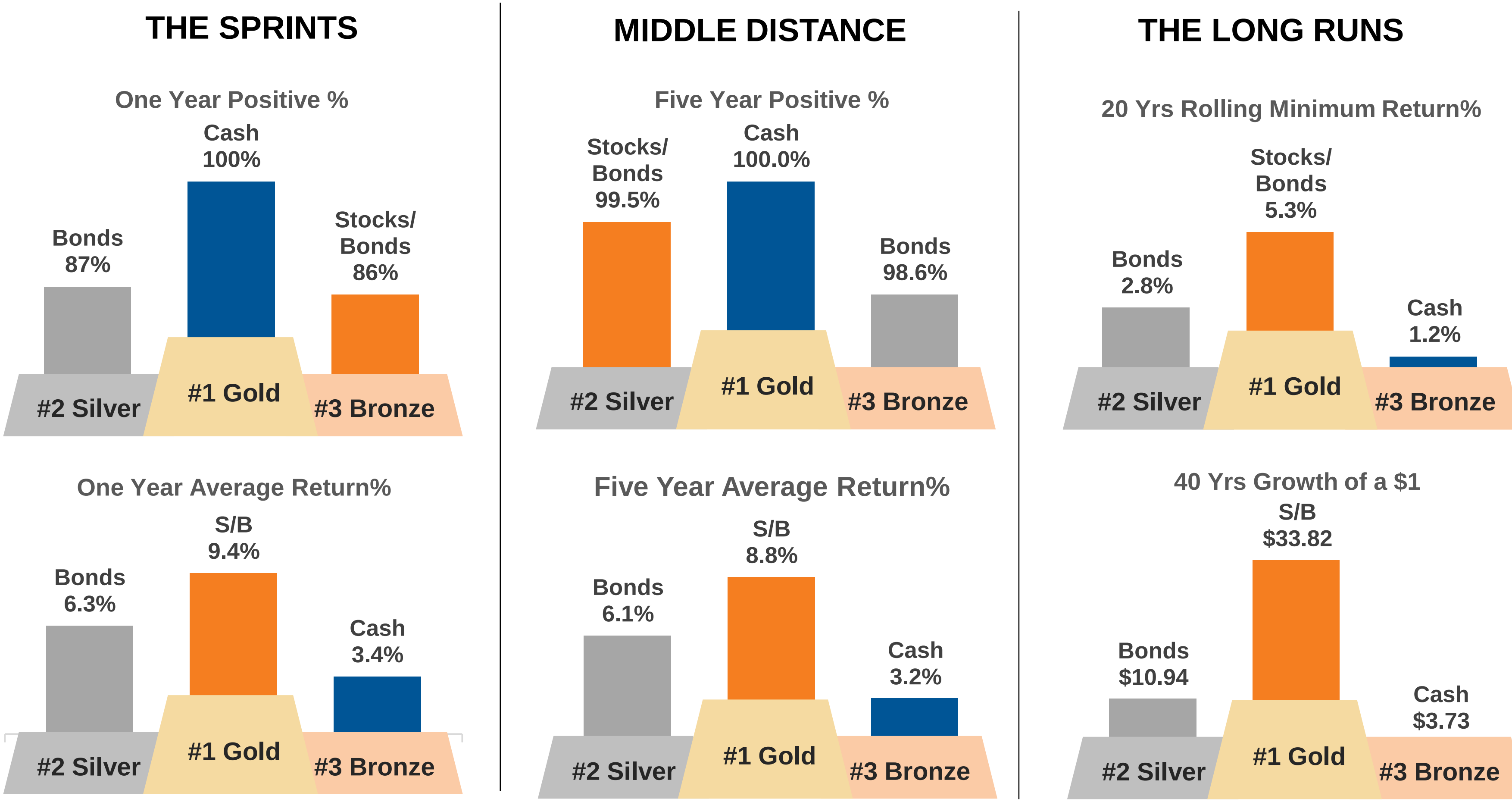


The theme from 2023 has continued through the first half of 2024: Loss harvesting opportunities have been available in each month while the S&P 500 Index had a strong positive return YTD

Source: Morningstar Direct. Stocks represent companies in the S&P 500 Index on 12/31/2023. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

40 years of U.S. market returns, 1984-2024

Cash may win the sprint to safety, but not the long-term investment race



Source: Returns periods from July 1984 through June 2024. 50/50 : 50% Russell 3000 Index, 50% Bloomberg Aggregate Bond Index (1986 to Present) linked to Ibbotson SBBI US Intermediate-Term Government Bonds Index (July 1984-1985), Bonds: , 50% Bloomberg Aggregate Bond Index (1986 to Present) linked to Ibbotson SBBI US Intermediate-Term Government Bonds Index (July 1984-1885), Cash: Citigroup 3 -month T-bill Index Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Index definitions

FTSE EPRA/NAREIT Developed Index: A global market capitalization weighted index composed of listed real estate securities in the North American, European and Asian real estate markets.

FTSE NAREIT All Equity Index: Measures the performance of the commercial real estate space across the U.S. economy offering exposure to all investment and property sectors.

JP Morgan Emerging Market Bond Index (EMBI): Dollar-denominated sovereign bonds issued by a selection of emerging market countries.

MSCI country indices: Indices which include securities that are classified in that country according to the MSCI Global Investable Market Index Methodology, together with companies that are headquartered or listed in that country and carry out the majority of their operations in that country.

MSCI EAFE (Europe, Australasia, Far East) Index: A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

MSCI Emerging Markets Index: A float-adjusted market capitalization index that consists of indices in 24 emerging economies.

MSCI World Ex-US Index: A broad global equity index that represents large and mid-cap equity performance across 23 developed market countries.

Russell 1000® Growth Index: Measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Value Index: Measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000® Index: measures the performance of the 2,000 smallest companies in the Russell 3000 index.

Russell 3000® Index: Measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **S&P Canada Aggregate Bond Index** tracks the performance of Canadian dollar-denominated investment-grade debt publicly issued in the eurobond or Canadian domestic market.

S&P/TSX Composite Index: The benchmark Canadian index, representing roughly 70% of the total market capitalization on the Toronto Stock Exchange.

The S&P 500® Index: A free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500® are those of large publicly held companies that trade on either of the two largest American stock market exchanges: the New York Stock Exchange and the NASDAQ.

S&P Goldman Sachs Commodities Index: A composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

The **S&P Global Infrastructure Index**: Provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure across the global listed infrastructure market, the index has balanced weights across three distinct infrastructure clusters: Utilities, Transportation, and Energy.

S&P Global Natural Resources Index: The index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across 3 primary commodity-related sectors: agribusiness, energy, and metals & mining.

Index definitions continued

Bloomberg Global High Yield Index: An index which provides a broad-based measure of the global high-yield fixed income markets. The Global High-Yield Index represents the union of the U.S. High-Yield, Pan-European High-Yield, U.S. Emerging Markets High-Yield, CMBS High-Yield, and Pan-European Emerging Markets High-Yield Indices.

The **Bloomberg Canada Aggregate Bond Index** measures the Canadian investment grade fixed income market and is comprised of government, government-related and corporate securities.

Bloomberg Global Aggregate Index CAD Hedged: measures the performance of the global investment grade, fixed-rate bond markets. The benchmark includes government, government-related and corporate bonds, as well as asset-backed, mortgage-backed and commercial mortgage-backed securities from both developed and emerging markets issuers.

Bloomberg U.S. Corporate Bond Index TR: Measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Bloomberg HY Muni TR: An unmanaged index considered representative of noninvestment-grade bonds. Includes dollar-denominated, investment-grade, publicly issued securities with maturities of one to 10 years.

Citigroup 1-3 Month T-Bill Index: An unmanaged index that tracks short-term U.S. government debt instruments.

FTSE Canada Real Return Bond Index consists of semi-annual pay real return bonds denominated in Canadian dollars, with an effective term to maturity greater than one year.

ICE BofA US 3M Treasury Bill TR: measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date.

ICE BofA Global High Yield Index Hedged (CAD): Tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or Eurobond markets.

Economic Indicators Dashboard definitions - Canada

LSEG DataStream source for all data.

Market Indicators

HOME PRICES – Teranet - National Bank House Price: Composite 11, Index. The index is estimated by tracking the observed or registered home prices over time.

MARKET VOLATILITY(VIX) – CBOE VIX (Chicago Board Options Exchange Volatility Index) measures annualized implied volatility as conveyed by S&P 500 stock index option prices and is quoted in percentage points per annum. For instance, a VIX value of 15 represents an annualized implied volatility of 15% over the next 30 day period. The VIX measures implied volatility, which is a barometer of investor sentiment and market risk.

10 YR. CANADATREASURY YIELD – The yield on the 10 year Canadian Treasury note issued by the Canadian Government. It is important because it is seen as a benchmark for interest rate movements and borrowing costs in the economy.

YIELD SPREAD – The spread between 3 month Treasury bill yields and 10 year Treasury note yields measures the market outlook for future interest rates. A normal or upward-sloping yield curve, can imply that investors expect the economy to grow and inflation to eat into asset returns. They thus demand a higher yield for long-term Treasuries. An inverted yield curve has often been an indicator of coming recessions, but not always. For example, reduced inflation expectations could cause the yield curve to flatten.

Economic Indicators

CONSUMER SENTIMENT – The Thomson Reuters/Ipsos Consumer Sentiment Index (CSI) is based on a monthly random sample of consumer citizens in chosen countries who answer 11 standard quantitative questions. The eleven tracked questions are then used to create a series of Indexes.

ECONOMIC EXPANSION (GDP) – GDP (Gross Domestic Product) measures the total market value of a nation's output of goods and services during a specific time period. It is usually measured on a quarterly basis. Calculating Real GDP growth allows economists to determine if production increased or decreased, regardless of changes in the purchasing power of the currency.

INFLATION – The Consumer Price Index (CPI) is a measure of the average change in prices over time of goods and services purchased by households. This indicator value represents the trailing year over year % change in the CPI index as of last month-end.

UNEMPLOYMENT – Number of unemployed persons expressed as a percentage of the labour force. The unemployment rate for a particular group (age, sex, marital status, etc.) is the number unemployed in that group expressed as a percentage of the labour force for that group.

HOUSEHOLD DEBT TO GDP – Canada, Household Sector, Debt to Gross Domestic Product

Economic Indicators Dashboard definitions – U.S.

Market Indicators

HOME PRICES – The S&P/Case-Shiller Home Price Index is a measurement of U.S. residential real estate prices, tracking changes in top 20 metropolitan regions. This indicator value represents the trailing year over year % change in the home prices index as of last month-end. Residential real estate represents a large portion of the U.S. economy, and the Home Price index helps us monitor the value of real estate.

MARKET VOLATILITY(VIX) – CBOE VIX (Chicago Board Options Exchange Volatility Index) measures annualized implied volatility as conveyed by S&P 500 stock index option prices and is quoted in percentage points per annum. For instance, a VIX value of 15 represents an annualized implied volatility of 15% over the next 30-day period. The VIX measures implied volatility, which is a barometer of investor sentiment and market risk.

10 YR. U.S. TREASURY YIELD – The yield on the 10-year U.S. Treasury note issued by the U.S. Government. It is important because it is seen as a benchmark for interest rate movements and borrowing costs in the economy.

YIELD SPREAD – The spread between 3-month Treasury bill yields and 10-year Treasury note yields measures the market outlook for future interest rates. A normal or upward-sloping yield curve, can imply that investors expect the economy to grow and inflation to eat into asset returns. They thus demand a higher yield for long-term Treasuries. An inverted yield curve has often been an indicator of coming recessions, but not always. For example, reduced inflation expectations could cause the yield curve to flatten.

Economic Indicators

CONSUMER SENTIMENT – The University of Michigan Survey of Consumer Sentiment Index is an economic indicator which measures the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation.

ECONOMIC EXPANSION (GDP) – GDP (Gross Domestic Product) measures the total market value of a nation's output of goods and services during a specific time period. It is usually measured on a quarterly basis. Current GDP is based on the current prices of the period being measured. Nominal GDP growth refers to GDP growth in nominal prices (unadjusted for price changes). Real GDP growth refers to GDP growth adjusted for price changes. Calculating Real GDP growth allows economists to determine if production increased or decreased, regardless of changes in the purchasing power of the currency.

INFLATION – The Consumer Price Index (CPI) NSA (non-seasonally adjusted) measures changes in the price level of a market basket of consumer goods and services purchased by households. This indicator value represents the trailing year over year % change in the CPI index as of last month-end.

UNEMPLOYMENT – The Bureau of Labor Statistics measures employment and unemployment of all persons over the age of 15 using two different labor force surveys conducted by the United States Census Bureau (within the United States Department of Commerce) and the Bureau of Labor Statistics (within the United States Department of Labor) that gather employment statistics monthly. The data reported here is seasonally adjusted (SA) to account for seasonal gains in employment leading up to Christmas.