JULY 31, 2025

iA Global Asset Management

Market Overview

Political Clarity and Trade Progress Fuel Market Rally

An analysis by iAGAM Fund Management and Oversight Team

Market Index Heat Map

Fixed Income	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Money Market (FTSE)	0,22	0,65	1,36	1,70	3,56	4,26	2,66
Canada Short Term (FTSE)	-0,08	0,29	1,22	2,11	4,65	3,97	1,65
Canada Long Term (FTSE)	-1,90	-2,06	-3,77	-2,46	-0,75	0,47	-4,51
Canada Universe (FTSE)	-0,74	-0,66	-0,50	0,69	2,90	2,74	-0,77
Canada Corporate (FTSE)	-0,02	0,86	1,18	2,26	5,78	5,15	1,32
Canada Real Return Bonds (FTSE)	-0,62	-0,98	-1,94	0,59	1,64	0,70	-0,93
Canada Invesment Grade (S&P)	-0,07	0,77	1,01	2,15	5,55	4,98	1,45
Canada High Yield (S&P)	0,56	2,75	2,03	2,96	7,21	8,15	5,84
U.S. High Yield (iShares ETF)	0,15	3,33	2,79	4,09	6,92	6,01	3,53
Global Aggregate (Morningstar)	0,09	1,33	2,38	2,88	3,38	2,58	-0,50
Floating Rate Notes (iShares ETF)	0,29	0,88	1,58	1,94	3,69	4,49	2,79

Equities	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
S&P/TSX 60	1,60	9,20	6,75	11,21	20,95	14,62	14,42
Canadian Equities (TSX Composite)	1,69	10,47	8,26	12,03	21,37	14,98	14,40
Canadian Equities (TSX Dividend)	1,15	8,68	8,31	11,62	18,08	13,45	15,44
Canada Small Cap (TSX)	1,50	15,54	13,69	14,43	18,09	11,83	13,78
U.S. Equities (S&P 500)	3,60	14,31	0,85	4,38	16,42	20,11	16,62
U.S. Equities (Nasdaq 100)	3,73	18,74	3,20	6,22	20,01	24,61	17,05
Global Equities (MSCI World)	2,65	12,14	2,50	6,88	16,31	19,36	15,03
Global Equities Growth (MSCI)	3,44	16,57	3,17	6,64	20,48	22,76	15,00
Global Equities Value (MSCI)	1,79	7,59	1,73	7,10	11,99	15,69	14,56
Global Small Cap (MSCI)	2,56	12,39	0,58	4,81	9,02	12,73	11,60
International Equities (MSCI EAFE)	-0,09	5,65	7,24	13,68	13,44	17,08	11,59
Emerging Markets (MSCI)	3,37	13,04	10,55	13,34	17,97	13,87	6,52

Canadian Sectors (S&P/TSX Composite)	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer Discretionary	3,4	2,13	14,45	16,07	16,28	20,76	14,74	15,14
Consumer staples	3,7	2,06	1,14	9,12	6,23	7,55	13,82	13,09
Energy	16,0	2,60	10,91	6,45	6,70	11,96	11,37	23,26
Financials	32,7	1,46	11,96	9,42	12,37	30,38	18,01	19,90
Health Care	0,2	-6,25	3,70	-9,57	-11,99	-5,28	0,87	-17,44
Industrials	12,6	-0,53	8,69	2,00	5,44	5,02	9,47	11,98
Information Technology	10,1	4,46	18,33	0,38	10,43	50,21	36,00	9,02
Materials	13,3	0,03	6,34	18,09	30,13	27,32	20,29	8,91
Real Estate	1,8	4,71	10,89	7,63	8,10	7,26	4,49	7,78
Communication services	2,3	5,04	10,50	7,70	10,14	-7,47	-6,65	1,01
Utilities	3,8	2,50	4,71	13,07	12,71	19,97	2,94	7,23

U.S. Sectors (S&P 500)	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	10,4	4,31	15,14	-9,13	-5,05	19,89	15,92	11,02
Consumer staples	5,2	-0,82	-2,39	-2,46	-0,44	6,95	8,87	9,03
Energy	3,0	4,60	9,28	-2,29	-0,19	-2,91	10,24	25,35
Financials	13,8	1,55	7,89	-1,69	4,79	21,32	20,40	19,18
Health Care	8,8	-1,69	-6,50	-13,86	-7,94	-11,07	3,87	6,77
Industrials	8,6	4,67	16,31	6,08	11,49	20,47	21,19	18,31
Information Technology	34,0	6,89	28,34	12,46	9,26	23,77	31,53	23,38
Materials	1,8	1,18	5,24	-3,87	1,58	-2,57	8,92	10,64
Real Estate	2,0	1,54	1,33	-2,35	-0,48	4,35	4,00	6,99
Communication services	9,9	4,10	20,80	0,32	9,55	31,65	30,67	16,85
Utilities	2,5	6,65	9,61	7,26	10,49	21,62	11,28	11,25

Currencies	Rate	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
USD/CAD*	0,72 $	-1,31	-0,09	4,75	4,03	-0,08	-2,50	-0,63

**Positive performance signifies an appreciation of the Canadian dollar versus the US dollar

Market Highlights

In July, markets benefited from renewed clarity on the political and trade fronts, supported by the passage of the One Big Beautiful Bill Act and the conclusion of several trade agreements between the United States and its partners. Despite high tariffs, these developments helped mitigate the risk of trade escalation, thereby boosting risk appetite.

Riskier Fixed-Income Securities Lead the Way

In a market environment that favoured riskier assets, high-yield bonds outperformed. Corporate bonds and floating rate notes also delivered strong results. Conversely, rising bond yields weighed on long-term securities, which are more sensitive to interest rate fluctuations.

U.S. and Emerging Markets Equities Outperform

Improved investor sentiment supported positive returns across all major equity indices. U.S. and emerging market equities stood out with particularly strong performance, while cyclical sectors outperformed defensive ones.

Growth stocks continued to outperform value stocks, mainly driven by strong performance in the information technology sector, in both Canada and the United States. In contrast, the health care sector, weighed on overall market performance.

The depreciation of the Canadian dollar against the U.S. dollar enhanced returns on U.S. assets held by Canadian investors.

Fund Performance Highlights

- The Floating Rate Income (Loomis Sayles), Fidelity American High Yield Currency Neutral and Strategic Corporate Bond (iA) funds outperformed. Conversely, the Bonds (iA) and Fixed Income Managed Portfolio (iA) funds faced a more challenging month.
- On the equity side, the U.S. DAQ Index (iA) and U.S. Equity Index (BlackRock) funds outperformed, while the International Equity Index (BlackRock) fund underperformed, reflecting the weaker performance of international equities.

About iA Global Asset Management (iAGAM)

ROOTED IN HISTORY, INNOVATING FOR THE FUTURE.

A magnet for top investment talent, iA Global Asset Management is one of Canada's largest asset managers, with over $100 billion under management across institutional and retail mandates. We help investors achieve their long-term wealth creation goals through innovative investment solutions designed for today's complex markets. We are building upon our historic success, supporting the growth of our core strengths, and exploring innovative ways to meet investor needs. We are rooted in history and innovating for the future. Our experienced portfolio managers use a proprietary investment methodology, rooted in iAGAM's unifying commitment to strong risk management, analytical rigor and a disciplined, process-driven approach to asset allocation and security selection.