AUGUST 31, 2025

iA Global Asset Management

Market Overview

Markets Show Resilience in August Despite Mixed Signals

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	0,66	1,36	1,93	3,38	4,27	2,70
Canada Short Term (FTSE)	0,56	0,76	1,32	2,69	4,70	4,67	1,75
Canada Long Term (FTSE)	-0,50	-2,80	-6,00	-2,95	-1,12	1,65	-4,02
Canada Universe (FTSE)	0,37	-0,31	-1,21	1,07	2,95	3,82	-0,47
Canada Corporate (FTSE)	0,21	0,48	0,59	2,47	5,72	5,91	1,46
Canada Real Return Bonds (FTSE)	0,42	-0,79	-2,70	1,02	3,29	2,34	-1,02
Canada Invesment Grade (S&P)	0,29	0,48	0,56	2,44	5,47	5,76	1,57
Canada High Yield (S&P)	0,92	2,35	2,64	3,90	7,66	8,27	5,72
U.S. High Yield (iShares ETF)	1,08	2,91	3,28	5,21	6,54	7,70	3,61
Global Aggregate (Morningstar)	0,55	1,86	1,44	3,44	2,89	3,92	-0,22
Floating Rate Notes (iShares ETF)	0,27	0,83	1,54	2,22	3,57	4,50	2,82

Equities	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
S&P/TSX 60	4,82	8,88	12,34	16,57	24,69	17,06	14,94
Canadian Equities (TSX Composite)	4,96	9,85	14,09	17,59	25,86	17,49	14,98
Canadian Equities (TSX Dividend)	4,20	7,81	12,71	16,30	21,92	15,58	15,78
Canada Small Cap (TSX)	9,34	17,84	27,19	25,11	30,76	16,21	14,91
U.S. Equities (S&P 500)	1,32	9,46	4,09	5,76	18,05	21,44	15,95
U.S. Equities (Nasdaq 100)	0,15	9,56	6,86	6,38	21,86	26,00	15,30
Global Equities (MSCI World)	1,93	8,34	5,76	8,94	18,34	20,95	14,61
Global Equities Growth (MSCI)	1,04	8,82	7,83	7,74	21,76	24,51	13,99
Global Equities Value (MSCI)	2,91	7,83	3,58	10,22	14,82	17,15	14,80
Global Small Cap (MSCI)	4,46	11,40	9,22	9,49	16,12	14,80	11,94
International Equities (MSCI EAFE)	3,55	4,96	9,50	17,71	16,60	19,51	11,87
Emerging Markets (MSCI)	0,76	9,71	11,43	14,20	19,86	13,16	6,80

Canadian Sectors (S&P/TSX Composite)	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer Discretionary	3,2	0,66	6,56	14,47	17,04	21,72	14,04	14,14
Consumer staples	3,6	-0,77	-0,83	8,67	5,42	10,34	13,81	13,59
Energy	15,9	3,96	10,31	12,57	10,93	16,06	11,60	23,06
Financials	32,4	4,27	9,62	14,36	17,17	33,56	19,63	18,94
Health Care	0,2	9,22	12,05	0,91	-3,87	6,80	1,43	-14,84
Industrials	12,0	-0,05	-0,26	2,56	5,40	6,84	9,23	10,73
Information Technology	10,3	6,18	16,37	10,61	17,25	52,30	42,09	10,53
Materials	14,8	15,87	20,20	34,34	50,79	48,51	24,76	12,35
Real Estate	1,8	3,75	10,18	12,37	12,15	7,03	6,92	8,15
Communication services	2,3	4,42	12,91	10,86	15,01	-3,81	-5,37	1,38
Utilities	3,6	0,31	3,05	9,68	13,06	18,81	2,16	7,46

U.S. Sectors (S&P 500)	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	10,5	2,53	8,29	2,53	-2,65	29,70	17,34	10,13
Consumer staples	5,2	0,70	-3,04	-7,30	0,25	5,05	8,70	8,62
Energy	3,0	2,77	11,64	-3,68	2,58	4,33	8,11	26,32
Financials	14,0	2,22	6,05	-1,14	7,11	22,85	21,03	18,98
Health Care	9,1	4,50	3,85	-11,54	-3,80	-8,70	6,54	7,72
Industrials	8,5	-0,88	6,40	6,45	10,52	20,42	20,51	16,46
Information Technology	33,5	-0,52	15,60	13,09	8,69	26,01	32,57	21,15
Materials	1,9	4,88	7,54	0,56	6,53	3,41	10,38	10,93
Real Estate	2,0	1,32	2,06	-5,32	0,84	3,47	5,34	7,59
Communication services	10,0	2,71	13,61	9,65	12,52	38,05	32,76	15,90
Utilities	2,4	-2,41	3,41	2,66	7,83	16,89	8,88	11,89

Currencies	Rate	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
USD/CAD*	0,73 $	0,70	0,15	4,92	4,75	-1,84	-1,56	-1,04

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

Market Highlights

Most major markets posted positive returns in August, supported by resilient economic activity, moderating inflation, and strong corporate earnings. Despite concerns around the sustainability of AI-driven growth and signs of softening in the U.S. labour market, investor sentiment remained broadly positive, supported by expectations of rate cuts in the U.S.

Riskier Fixed-Income Securities Continue to Lead

Credit markets continued to perform well, with high-yield spreads tightening amid strong PMI data, robust earnings and anticipated rate cuts by the U.S. Federal Reserve. Conversely, long-term securities underperformed, as increased political scrutiny of central banks led investors to demand higher compensation for holding longer-dated bonds.

Canadian and International Equities Outperform

Canadian equities delivered strong performance, supported by the appreciation of the Canadian dollar relative to the U.S. dollar, and rising gold prices, which drove returns in the materials sector.

International equities also posted solid gains, led by Japan, which benefited from a trade agreement with the United States. U.S. equities performed well, supported by second-quarter earnings that exceeded expectations. Meanwhile, emerging markets lagged, despite China benefiting from an extended trade truce with the U.S.

From a style perspective, small-cap and value stocks outperformed in August, driven by expectations of monetary easing and resilient economic activity. Technology stocks lagged, as investors grew cautious about the returns on AI investments.

Fund Performance Highlights

- The Global Multisector Bond (Loomis Sayles), Global Fixed Income (PIMCO) and Fidelity American High Yield Currency Neutral funds outperformed. Conversely, the Money Market (iA) and the Canadian Corporate Bond (iA) funds faced a more challenging month.
- On the equity side, the Canadian Equity Index (iA) and International Equity Index (BlackRock) funds outperformed, while the U.S. DAQ Index (iA) fund underperformed, reflecting the weaker performance in the technology sector in the United States.

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.