

Market Overview

2025 enjoys a solid first month on equity and fixed-income markets

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)	0,34	0,96	2,18	0,34	4,79	3,92	2,52
Canada Short Term (FTSE)	0,88	1,84	3,39	0,88	6,82	2,75	2,10
Canada Long Term (FTSE)	1,36	2,18	3,13	1,36	6,21	-1,87	-2,23
Canada Universe (FTSE)	1,20	2,19	3,42	1,20	6,94	0,95	0,45
Canada Corporate (FTSE)	1,06	2,61	4,54	1,06	8,84	2,85	1,98
Canada Real Return Bonds (FTSE)	2,59	3,57	3,65	2,59	9,64	-0,10	0,55
Canada Investment Grade (S&P)	1,12	2,51	4,49	1,12	8,55	2,86	2,06
Canada High Yield (S&P)	0,91	2,57	5,08	0,91	10,12	5,52	5,37
U.S. High Yield (iShares ETF)	1,27	1,81	4,02	1,27	8,32	3,13	2,72
Global Aggregate (Morningstar)	0,48	0,29	0,98	0,48	2,96	-0,93	-0,32
Floating Rate Notes (iShares ETF)	0,36	1,02	2,07	0,36	4,61	4,03	2,60

Equities	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
S&P/TSX 60	4,19	7,42	13,30	4,19	25,44	9,90	11,90
Canadian Equities (TSX Composite)	3,48	6,47	12,11	3,48	25,19	9,97	11,45
Canadian Equities (TSX Dividend)	3,06	4,28	9,02	3,06	23,07	9,86	11,41
Canada Small Cap (TSX)	0,65	-0,04	3,87	0,65	20,05	4,75	9,71
U.S. Equities (S&P 500)	3,50	10,36	15,44	3,50	36,99	16,86	17,28
U.S. Equities (Nasdaq 100)	2,93	12,19	16,29	2,93	35,85	17,88	21,20
Global Equities (MSCI World)	4,27	9,66	13,47	4,27	32,18	14,94	14,68
Global Equities Growth (MSCI)	3,37	12,79	16,79	3,37	37,45	16,57	17,21
Global Equities Value (MSCI)	5,28	6,47	10,08	5,28	26,84	12,73	11,38
Global Small Cap (MSCI)	4,21	7,71	8,38	4,21	25,32	9,56	10,22
International Equities (MSCI EAFE)	6,00	6,31	5,78	6,00	18,37	10,33	8,73
Emerging Markets (MSCI)	2,52	1,89	6,71	2,52	25,04	4,16	5,35

Canadian Sectors (S&P/TSX Composite)	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer Discretionary	3,2	0,18	0,77	4,04	0,18	10,65	6,04	10,68
Consumer staples	3,7	-2,65	3,77	-1,44	-2,65	13,64	13,68	11,80
Energy	16,6	0,23	1,92	5,17	0,23	22,31	15,20	14,01
Financials	32,7	2,69	8,64	19,16	2,69	33,95	9,85	13,39
Health Care	0,3	-2,68	-10,52	4,74	-2,68	9,54	-19,25	-21,19
Industrials	12,6	3,38	4,49	2,96	3,38	11,08	9,83	10,93
Information Technology	10,8	10,01	35,17	49,64	10,01	42,18	15,65	19,23
Materials	12,2	10,20	1,25	7,82	10,20	42,79	11,61	11,65
Real Estate	1,9	0,44	-4,68	-0,34	0,44	5,57	-1,93	1,28
Communication services	2,3	2,26	-13,65	-14,08	2,26	-21,56	-9,25	-2,55
Utilities	3,7	-0,32	-0,07	6,10	-0,32	14,80	1,27	3,95

U.S. Sectors (S&P 500)	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	11,0	4,49	25,33	31,93	4,49	51,45	15,23	16,92
Consumer staples	5,4	2,07	4,85	9,65	2,07	23,18	9,56	9,89
Energy	3,1	2,15	2,20	-0,64	2,15	16,47	18,88	17,23
Financials	13,3	6,59	14,80	23,41	6,59	44,45	15,86	14,97
Health Care	9,8	6,87	3,89	3,24	6,87	14,34	10,06	11,90
Industrials	7,9	5,10	7,39	13,56	5,10	33,22	17,33	14,59
Information Technology	31,6	-2,84	6,27	10,07	-2,84	36,93	22,02	24,61
Materials	1,8	5,67	-0,90	1,35	5,67	18,11	8,26	13,18
Real Estate	2,0	1,91	0,26	6,86	1,91	20,97	3,31	6,42
Communication services	9,1	9,20	20,53	31,24	9,20	56,66	20,11	18,35
Utilities	2,3	3,01	1,63	13,38	3,01	40,86	12,02	7,66

Currencies	Rate	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
USD/CAD*	0,69 \$	-0,69	-3,75	-4,61	-0,69	-7,75	-4,24	-1,80

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

Market Highlights

President Trump’s return to the White House resulted in increased market fluctuations, although overall returns were predominantly positive across all markets.

Increased Volatility for Fixed-Income Securities

In January, a combination of Trump’s expansionary policies and lower-than-expected U.S. inflation data in December sent mixed signals to the bond markets. Despite these challenges, the bond markets still achieved mostly positive results, although the environment proved to be difficult for short-term and floating-rate securities.

International and Global Equities Lead the Charge

European markets stood out as clear frontrunners in January, leading to outperformance in international and global markets. In contrast, emerging markets faced challenges due to economic uncertainty. Additionally, value stocks outperformed growth stocks during the month.

In Canada, the information technology and materials sectors exhibited remarkable performances, while the telecommunications sector posted the most remarkable outperformance in the United States.

The depreciation of the Canadian dollar against the U.S. dollar proved beneficial for Canadian investors with U.S. holdings, providing an extra layer of return to their portfolios.

Fund Performance Highlights

- The Fidelity American High Yield Currency Neutral and Core Plus Bond (Agile) funds outperformed, while the Money Market (iA) and Floating Rate Income (Loomis Sayles) funds had a more challenging month.
- The International Equity Index (BlackRock) and Global Equity Index ACWI (BlackRock) funds benefited from the outperformance of European and International markets. Meanwhile, the Asian Pacific (iA) and Emerging Markets (Jarislowsky Fraser) funds suffered from the underperformance of emerging markets.

About iA Global Asset Management (iAGAM)

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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.

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