

MARKETS OVERVIEW AS OF FEBRUARY 29TH, 2024

INDEX HEAT MAP

Fixed Income Indices

	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Money Market (FTSE)	0,41	1,26	2,58	0,87	4,89	2,51	1,95
Canada Short Term (FTSE)	0,03	1,36	3,53	-0,15	4,25	0,12	1,41
Canada Long Term (FTSE)	-0,65	1,94	3,67	-3,91	3,11	-5,41	-0,63
Canada Universe (FTSE)	-0,34	1,66	3,64	-1,71	3,79	-2,17	0,65
Canada Corporate (FTSE)	0,21	2,78	5,23	-0,47	6,34	-0,55	2,01
Canada Real Return Bonds (FTSE)	-0,30	0,32	3,08	-3,24	-0,40	-2,91	0,79
Canada Investment Grade	0,20	2,57	4,86	-0,45	6,16	-0,33	1,96
Canada High Yield	0,54	4,45	6,76	1,83	9,42	3,43	5,22
U.S. High Yield	0,26	3,54	5,27	-0,04	9,04	0,70	2,30
Global Aggregate	-0,74	2,05	2,77	-0,98	4,69	-2,11	0,57
Floating Rate Notes	0,45	1,28	2,48	0,86	5,18	2,66	2,09

Equity Indices

	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
S&P/TSX 60	1,95	6,65	7,91	2,49	9,79	9,78	9,75
Canadian Equities (TSX Composite)	1,82	6,39	6,99	2,38	9,19	9,01	9,29
Canadian Equities (TSX Dividend)	2,09	6,50	7,04	2,45	7,58	11,70	9,61
Canada Small Cap (TSX)	0,77	4,18	0,83	0,40	0,25	1,44	6,04
U.S. Equities (S&P 500)	6,94	12,02	14,21	10,18	29,96	14,51	15,44
U.S. Equities (Nasdaq 100)	6,89	13,18	16,70	10,31	49,28	14,41	21,23
Global Equities (MSCI World)	5,86	10,81	12,97	8,58	25,12	11,70	12,88
Global Equities Growth (MSCI)	7,62	13,13	16,12	11,36	37,54	11,32	16,17
Global Equities Value (MSCI)	4,03	8,41	9,69	5,72	13,16	11,33	8,86
Global Small Cap (MSCI)	4,94	10,28	7,57	3,40	8,79	3,49	8,06
International Equities (MSCI EAFE)	3,39	7,94	9,62	5,37	14,58	7,41	7,92
Emerging Markets (MSCI)	6,37	3,90	5,33	2,78	8,77	-3,75	2,88

Canadian Sectors (S&P/TSX Composite)

	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	3,66	2,19	6,67	8,05	3,52	10,19	6,49	9,23
Consumer staples	4,39	5,25	10,18	14,32	7,24	16,32	20,03	12,55
Energy	17,59	3,73	2,48	4,94	5,38	12,15	24,64	10,85
Financials	31,09	2,30	10,00	12,67	2,03	7,53	10,42	9,66
Health Care	0,31	8,51	17,66	-0,44	4,31	8,53	-35,43	-29,12
Industrials	14,49	5,69	14,92	11,65	7,92	15,65	11,88	13,52
Information Technology	8,92	-1,53	9,04	17,37	5,11	56,17	-2,52	20,36
Materials	9,91	-2,12	-6,97	-12,17	-8,26	-10,49	1,25	6,29
Real Estate	2,32	-0,96	8,17	2,59	-0,59	-4,30	2,47	2,53
Communication services	3,57	-4,69	-1,01	-1,10	-1,97	-8,10	4,72	2,99
Utilities	3,76	-2,35	1,62	-2,72	-3,56	-4,61	-0,32	6,61

U.S. Sectors (S&P 500)

	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	10,63	10,11	11,18	11,17	7,61	32,24	7,96	13,09
Consumer staples	5,96	3,64	6,58	4,99	6,60	7,65	12,10	10,75
Energy	3,71	4,51	2,68	-1,55	5,47	5,91	29,75	11,74
Financials	12,99	5,50	13,03	18,89	10,13	14,95	12,37	11,79
Health Care	12,52	4,55	10,81	10,11	9,09	15,59	13,08	12,31
Industrials	8,74	8,61	13,65	13,31	9,05	21,80	14,55	12,42
Information Technology	29,80	7,68	14,65	20,92	13,39	58,39	21,59	26,85
Materials	2,30	7,83	6,87	7,14	4,96	8,94	10,70	12,83
Real Estate	2,31	3,90	6,14	8,01	0,27	5,89	7,51	6,60
Communication services	8,89	7,06	16,25	19,49	13,90	57,98	8,86	13,94
Utilities	2,13	2,42	-0,13	0,77	0,63	-1,47	7,79	5,75

Currency USD/CAD

	Rate	Trailing Performance (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
USD/CAD*	0,74 \$	-1,50	-0,04	-0,25	-2,78	0,38	-2,27	-0,59

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

Sources: IA Global Asset Management and Morningstar

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HIGHLIGHTS ON FUNDS' PERFORMANCE

THE FIXED-INCOME MARKET IS STILL WAITING FOR INTEREST CUTS

Fixed Income market were broadly down in February, as investors are digesting the idea of higher rates for longer than expected in the US. Stronger inflation than anticipated also contributed to the general negative tone. Bonds with less rate-sensitivity such as corporate bonds and high yield bonds managed to outperform. Such an environment also benefited funds with a shorter duration (sensitivity to interest rates).

- The **Bond (iA)** and **Fixed Income Managed Portfolio (iA)** funds underperformed due to their long duration.
- The **Money Market (iA)** and **Strategic Corporate Bond (iA)** funds outperformed due to their short duration.
- The **Floating Rate Income (Wellington Square)** benefited from rising rates.

EQUITY MARKETS PRODUCED POSITIVE RESULTS

Equities posted gains in most markets, but performance was more difficult in Canadian markets. In the United States, company results for the fourth quarter of 2023 were better than expected overall, and economic data reiterated the resilience of the US economy. China had a good February, thanks to the economic activity generated by the Lunar New Year and the announcement of certain interventions by the Chinese government, which generated strong returns in emerging markets. The trend of growth stocks outperforming value stocks continues this month.

- The **Canadian Equity Index (iA)** suffered from the underperformance of Canadian markets.
- The **U.S. Equity Index (BlackRock)** benefited from the outperformance of U.S. stock markets.
- The **Emerging Markets (Jarislowsky Fraser)** and **Asia Pacific (iA)** funds benefited from China's performance.
- The **U.S. DAQ Index (iA)** benefited from the positive trend in growth style.

SECTOR RETURNS FOR THE S&P/TSX COMPOSITE IN JANUARY PROVED TO BE MIXED

The healthcare sector was the strongest performer, but represents only a small portion of the index. It therefore contributed very little to overall performance in Canada. The industrial sector also stood out, posting the second-best performance and accounting for almost 15% of the Canadian index. On the other hand, it was a difficult month for funds exposed to the telecommunications sector, which was the worst performer.

- Funds like **North American Equity (iA)** and **Dividend Growth (iA)** benefited from an overweight in the healthcare sector.
- The **Canadian Equity Small Cap (QV)** fund suffered from its value bias in a market where the growth style continued to dominate.
- **Real Estate Income (iA)** was penalized by the poor performance of the real estate sector.

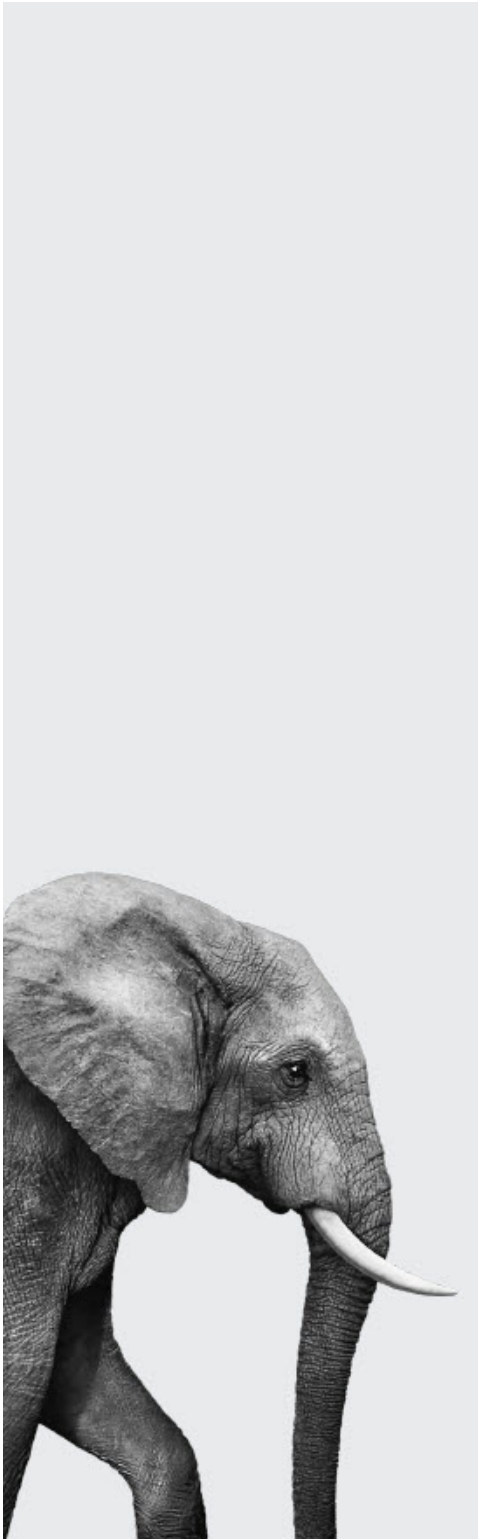
THE COMMUNICATION SERVICES AND INFORMATION TECHNOLOGY SECTORS LED THE WAY

The US market continues the trend of recent months with a remarkable performance. In February, the "Magnificent Seven" presented results that exceeded expectations for the fourth quarter of 2023. US economic data and the job market continue to demonstrate their strength and resilience.

- This environment benefited funds such as **American (Dynamic)**, which had over-allocations to the consumer discretionary and industrial sectors.
- The outperformance of the "Magnificent Seven" continues to make it difficult for international equities, partly explaining why **International Equities (iA)** and **Fidelity Europe** underperformed.
- The **Fidelity Insights** and **Thematic Innovation (iA)** funds benefited from their growth bias, while **Global Equity Opportunistic Value (Wellington)** suffered from its exposure to the value factor.

The Canadian dollar (CAD) depreciated against the US dollar (USD), benefiting Canadian investors who invested in US securities.

iAGAM Fund Management and Oversight Team



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