

# MARKET OVERVIEW AS AT MARCH 31, 2024

## MARKET INDEX HEAD MAP

### Fixed Income Indices

	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Money Market (FTSE)	0,37	1,24	2,54	1,24	4,84	2,63	2,00
Canada Short Term (FTSE)	0,48	0,33	4,45	0,33	3,48	0,25	1,34
Canada Long Term (FTSE)	0,32	-3,61	10,68	-3,61	0,81	-4,06	-1,44
Canada Universe (FTSE)	0,49	-1,22	6,94	-1,22	2,10	-1,52	0,28
Canada Corporate (FTSE)	0,54	0,07	7,70	0,07	5,50	-0,03	1,72
Canada Real Return Bonds (FTSE)	1,47	-1,81	8,50	-1,81	0,38	-1,95	0,29
Canada Investment Grade	0,46	0,00	6,91	0,00	5,24	0,18	1,68
Canada High Yield	1,24	3,10	8,53	3,10	10,89	3,89	5,21
U.S. High Yield	1,05	1,01	7,83	1,01	8,84	0,95	2,35
Global Aggregate	1,19	-0,21	6,97	-0,21	4,71	-2,00	0,80
Floating Rate Notes	0,42	1,28	2,52	1,28	5,18	2,79	2,16

### Equity Indices

	Trailing Performance % (CAD)						
	1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
S&P/TSX 60	3,74	6,33	15,64	6,33	14,44	9,55	10,35
Canadian Equities (TSX Composite)	4,14	6,62	15,26	6,62	13,96	9,11	9,96
Canadian Equities (TSX Dividend)	4,06	6,61	14,42	6,61	12,93	11,00	10,28
Canada Small Cap (TSX)	7,49	7,92	14,37	7,92	8,22	3,99	7,82
U.S. Equities (S&P 500)	2,98	13,46	23,60	13,46	29,87	14,27	15,35
U.S. Equities (Nasdaq 100)	0,94	11,34	24,17	11,34	38,48	14,51	20,17
Global Equities (MSCI World)	3,03	11,87	21,69	11,87	25,71	11,85	12,92
Global Equities Growth (MSCI)	1,64	13,18	25,18	13,18	31,47	11,88	15,66
Global Equities Value (MSCI)	4,54	10,53	18,02	10,53	19,70	11,16	9,45
Global Small Cap (MSCI)	3,72	7,25	17,77	7,25	16,43	4,27	8,66
International Equities (MSCI EAFE)	3,17	8,71	17,12	8,71	15,89	7,94	8,13
Emerging Markets (MSCI)	2,29	5,13	10,67	5,13	8,58	-2,30	2,88

### Canadian Sectors (S&P/TSX Composite)

	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	3,55	0,97	4,53	12,16	4,53	10,84	4,71	9,67
Consumer staples	4,07	-3,05	3,96	12,34	3,96	8,09	15,28	11,12
Energy	17,99	7,30	13,08	11,57	13,08	23,07	24,67	12,50
Financials	30,86	3,44	5,55	19,02	5,55	18,24	9,30	10,68
Health Care	0,34	13,47	18,36	20,75	18,36	38,86	-32,07	-27,59
Industrials	14,39	2,94	11,09	19,31	11,09	16,67	11,27	13,36
Information Technology	8,59	-0,26	4,83	30,00	4,83	40,18	0,63	18,99
Materials	11,02	15,38	5,85	7,85	5,85	-3,38	5,86	8,86
Real Estate	2,28	2,29	1,69	12,55	1,69	2,73	2,16	2,24
Communication services	3,17	-6,64	-8,48	-1,53	-8,48	-14,82	-0,09	1,10
Utilities	3,75	2,55	-1,10	6,99	-1,10	-7,18	-1,47	6,19

### U.S. Sectors (S&P 500)

	Weight (%)	Trailing Performance % (CAD)						
		1m	3m	6m	YTD	1 yr	3 yrs	5 yrs
Consumer discretionary	10,34	-0,05	7,55	18,28	7,55	28,89	6,97	11,85
Consumer staples	5,97	3,34	10,16	13,73	10,16	7,32	10,72	10,27
Energy	3,95	10,44	16,47	6,03	16,47	17,82	33,27	13,17
Financials	13,16	4,62	15,22	28,51	15,22	33,71	12,28	13,07
Health Care	12,42	2,22	11,52	16,08	11,52	16,23	12,78	12,36
Industrials	8,80	4,26	13,70	25,73	13,70	26,86	13,22	13,28
Information Technology	29,57	1,82	15,45	32,32	15,45	46,19	21,99	25,74
Materials	2,37	6,34	11,62	19,76	11,62	17,72	10,59	13,62
Real Estate	2,28	1,62	1,89	18,43	1,89	9,74	6,05	5,61
Communication services	8,95	4,18	18,67	28,79	18,67	49,94	9,55	13,99
Utilities	2,20	6,46	7,13	13,77	7,13	0,54	6,77	6,16

### Currencies

	Rate	Trailing Performance % (CAD)				
		1m	3m	6m	YTD	1 yr
USD/CAD*	0,74 \$	0,23	-2,56	-0,09	-2,56	0,01

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

Sources: iA Global Asset Management and Morningstar

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## FUND PERFORMANCE HIGHLIGHTS

### Difficult 1st quarter for emerging markets, while the US market continues to dominate

#### MIXED PERFORMANCE FOR FIXED-INCOME SECURITIES IN Q1

Last quarter saw a rise in rates on the fixed-income market, leading to a fall in prices. The main reasons for this are that the major central banks have been slow to announce interest rate cuts, and inflation continues to be higher than expected, particularly in the United States.

In this environment, high duration bonds, being more sensitive to interest rate fluctuations, underperformed, while high yield and short duration bonds, less sensitive to interest rate variations, outperformed. Against a backdrop of rising interest rates, variable-rate products outperformed.

- The **Bond (iA)** and **Fixed Income Managed Portfolio (iA)** funds underperformed.

- The **Canadian Corporate Bond (iA)** and **Fidelity American High Yield Currency Neutral** funds outperformed.

#### STOCK MARKETS REPORT POSITIVE RESULTS

Overall, equities posted gains in the first quarter of 2024, but performance was weaker in emerging markets and, to a lesser extent, in Canadian markets. The United States still outperformed the majority of its peers, thanks to the excellent performance of the "Magnificent Seven". The underperformance of emerging markets was mainly due to lingering doubts about China's growth prospects, despite a remarkable February. Growth stocks continued their trend, outperforming value stocks during the quarter.

- The **U.S. Equity Index (BlackRock)** and **U.S. Equity (iA)** funds benefited from the outperformance of U.S. stock markets.

- The **Emerging Markets (Jarislowsky Fraser)** fund suffered from the underperformance of emerging market equities.

- The **Canadian Equity Index (iA)** underperformed due to the more difficult performance of Canadian markets.

- The **U.S. DAQ Index (iA)** benefited from the positive trend in the growth style. Translated with

#### MIXED SECTOR RESULTS FOR CANADIAN EQUITIES

The healthcare and energy sectors stood out last quarter, posting the best performances. These sectors make up over 18% of the index, contributing significantly to overall performance in Canada. The industrial sector also posted a notable performance over the past three months. On the other hand, this period was particularly difficult for funds exposed to the Communication services sector, which largely underperformed.

- The **North American Equity (iA)** and **Dividend Growth (iA)** funds benefited from an overweight in the healthcare sector.

- The **Fidelity Canadian Opportunities** fund suffered from an underweight in energy.

- The **Canadian Small-Cap Equity (QV)** fund suffered from its value bias in a market where the growth style dominated.

- The **Real Estate Income (iA)** fund was penalized by the underperformance of the real estate sector.

#### TELECOMS AND ENERGY MAINTAIN POSITIVE TREND FOR U.S. EQUITIES

The US market started 2024 with a solid performance, continuing the trend of 2023, with the telecoms and energy sectors proving the best performers. The "Magnificent Seven" continued their noteworthy performance during the quarter. In the US, the Consumer discretionary sector acts as a detractor to overall performance.

- This environment benefited funds such as **Fidelity Insights** and **Fidelity Global Innovators**, which had over-allocations in telecommunications.

- The outperformance of the "Magnificent Seven" made it difficult for international equities, which have no exposure to these stocks, partly explaining why **Fidelity European Equities** underperformed.

- The **Thematic Innovation (iA)** and **American (Dynamic)** funds benefited from their growth bias, while **Global Equity Opportunistic Value (Wellington)** suffered from its exposure to the value factor.

#### THE LOONIE LOSES FEATHERS

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

iAGAM Fund Management and Oversight Team

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