

VALUE OF DIVERSIFICATION



Annual Total Returns (%) for Key Market Indexes (2007 – 2022)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Best performing	EMERGING MARKETS 18.6	CANADIAN BONDS 6.4	CANADIAN SMALL CAP 62.4	CANADIAN SMALL CAP 35.1	CANADIAN BONDS 9.7	EMERGING MARKETS 16.0	US SMALL CAP STOCKS 48.1	US LARGE CAP 23.9	US GROWTH 26.0	CANADIAN SMALL CAP 38.5	EMERGING MARKETS 28.7	US GROWTH 6.7	US GROWTH 29.0	US GROWTH 35.8	CANADIAN LARGE CAP 28	US VALUE -1.3	
	CANADIAN LARGE CAP 11.1	60% STOCKS 40% BONDS MIX -14.8	EMERGING MARKETS 52.0	US SMALL CAP STOCKS 20.2	US GROWTH 4.7	INT'L STOCKS 15.3	US GROWTH 43.2	US VALUE 22.9	US LARGE CAP 21.6	CANADIAN LARGE CAP 21.4	US GROWTH 21.1	US LARGE CAP 4.2	US LARGE CAP 24.8	US SMALL CAP STOCKS 17.9	US LARGE CAP 27.6	CANADIAN LARGE CAP -6.2	
	CANADIAN BONDS 3.7	US SMALL CAP STOCKS -17.2	CANADIAN LARGE CAP 31.9	CANADIAN LARGE CAP 13.8	US LARGE CAP 4.6	US VALUE 14.9	US VALUE 41.6	US GROWTH 22.6	INT'L STOCKS 19.5	US SMALL CAP STOCKS 17.1	INT'L STOCKS 17.4	CANADIAN BONDS 1.4	CANADIAN LARGE CAP 21.9	EMERGING MARKETS 16.6	US GROWTH 24.8	INT'L STOCKS -7.8	
	60% STOCKS 40% BONDS MIX 2.0	US VALUE -20.3	US GROWTH 16.4	EMERGING MARKETS 13.0	US VALUE 2.4	US SMALL CAP STOCKS 13.8	US LARGE CAP 41.3	US SMALL CAP STOCKS 14.3	US VALUE 15.0	US VALUE 14.3	US LARGE CAP 13.8	US VALUE -0.3	US VALUE 19.9	US LARGE CAP 16.3	US VALUE 24.3	US VALUE 24.3	CANADIAN SMALL CAP -9.3
	CANADIAN SMALL CAP 0.9	US LARGE CAP -21.2	60% STOCKS 40% BONDS MIX 15.7	US GROWTH 11.5	60% STOCKS 40% BONDS MIX 0.5	US LARGE CAP 13.4	INT'L STOCKS 31.6	CANADIAN LARGE CAP 12.3	US SMALL CAP STOCKS 14.6	US LARGE CAP 8.1	CANADIAN LARGE CAP 9.8	60% STOCKS 40% BONDS MIX -2.3	US SMALL CAP STOCKS 19.2	CANADIAN SMALL CAP 12.9	CANADIAN SMALL CAP 20.3	60% STOCKS 40% BONDS MIX -9.4	
Weakest performance	INT'L STOCKS -5.3	US GROWTH -23.0	INT'L STOCKS 12.5	US VALUE 10.2	US SMALL CAP STOCKS -1.8	US GROWTH 12.7	60% STOCKS 40% BONDS MIX 14.3	60% STOCKS 40% BONDS MIX 10.9	60% STOCKS 40% BONDS MIX 5.1	60% STOCKS 40% BONDS MIX 7.9	60% STOCKS 40% BONDS MIX 8.4	US SMALL CAP STOCKS -3.0	INT'L STOCKS 16.5	CANADIAN BONDS 8.7	US SMALL CAP STOCKS 13.8	CANADIAN BONDS -11.7	
	US GROWTH -5.5	INT'L STOCKS -28.8	US SMALL CAP STOCKS 8.0	60% STOCKS 40% BONDS MIX 9.7	CANADIAN LARGE CAP -9.1	CANADIAN LARGE CAP 8.1	CANADIAN LARGE CAP 13.3	CANADIAN BONDS 8.8	CANADIAN BONDS 3.5	CANADIAN BONDS 7.7	US SMALL CAP STOCKS 7.1	INT'L STOCKS -5.6	CANADIAN SMALL CAP 15.8	60% STOCKS 40% BONDS MIX 8.6	60% STOCKS 40% BONDS MIX 12.3	US LARGE CAP -12.2	
	US LARGE CAP -10.5	CANADIAN LARGE CAP -31.2	US LARGE CAP 7.4	US LARGE CAP 9.1	INT'L STOCKS -9.5	60% STOCKS 40% BONDS MIX 7.9	CANADIAN SMALL CAP 7.6	EMERGING MARKETS 7.0	EMERGING MARKETS 2.4	US GROWTH 3.7	US VALUE 5.8	EMERGING MARKETS -6.5	60% STOCKS 40% BONDS MIX 15.8	INT'L STOCKS 6.4	INT'L STOCKS 10.8	EMERGING MARKETS -13.9	
	US VALUE -16.1	EMERGING MARKETS -41.4	CANADIAN BONDS 5.4	CANADIAN BONDS 6.7	EMERGING MARKETS -16.1	CANADIAN BONDS 3.6	EMERGING MARKETS 4.3	INT'L STOCKS 4.1	CANADIAN LARGE CAP -7.8	CANADIAN BONDS 1.7	CANADIAN SMALL CAP 2.8	CANADIAN LARGE CAP -7.6	EMERGING MARKETS 12.9	CANADIAN LARGE CAP 5.6	CANADIAN BONDS -2.5	US SMALL CAP STOCKS -14.7	
	US SMALL CAP STOCKS -16.5	CANADIAN SMALL CAP -45.5	US VALUE 1.7	INT'L STOCKS 2.6	CANADIAN SMALL CAP -16.4	CANADIAN SMALL CAP -2.2	CANADIAN BONDS -1.2	CANADIAN SMALL CAP -2.3	CANADIAN SMALL CAP -13.3	INT'L STOCKS -2.0	CANADIAN BONDS 2.5	CANADIAN SMALL CAP -18.2	CANADIAN BONDS 6.9	US VALUE 1.1	EMERGING MARKETS -3.1	US GROWTH -23.8	

Sources:

Canadian Large Cap
S&P/TSX 60 INDEX¹
A float-adjusted market capitalization index, comprising of Canadian incorporated companies with established track records. Only stocks with a float turnover exceeding 3.5 are considered for inclusion in the "60."

Canadian Small Cap
S&P/TSX CANADIAN SMALL CAP INDEX¹
Float-adjusted and market cap weighted, this index was developed with industry input as the ideal benchmark for those with small cap exposure of the Canadian equity market.

Canadian Bonds
FTSE TMX CANADA UNIVERSE BOND INDEX²
An index of approximately 750 bonds with a term to maturity of one to 30 years, designed to reflect the Canadian bond market. Prior to 2006: RBC CM Canadian Bond Market Index.

US Large Cap
S&P 500 INDEX
A capitalization-weighted index comprising 500 industrial, utility, transportation, and financial companies of the US market. The index represents about 75% of NYSE market capitalization and 30% of NYSE issues.

US Small Cap Stocks
RUSSELL 2000® INDEX
Measures the performance of the 2,000 smallest companies in the Russell 3000® Index, representative of the US small capitalization securities market.

US Growth
RUSSELL 3000® GROWTH INDEX
Measures the performance of those Russell 3000® Index companies with higher price-to-book ratios and lower forecasted growth values, representative of US securities exhibiting growth characteristics.

US Value
RUSSELL 3000® VALUE INDEX
Measures the performance of those Russell 3000® Index companies with lower price-to-book ratios and lower forecasted growth values, representative of US securities exhibiting value characteristics.

International Stocks
MSCI EAFE INDEX³
An index, with dividends reinvested, representative of the securities markets of 20 developed market countries in Europe, Australia and the Far East.

Emerging Markets
MSCI EMERGING MARKETS INDEX
A free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

60% Stocks 40% Bonds Mix
Represented by 30% Canadian stocks (S&P/TSX COMP), 15% US stocks (S&P 500), 15% International stocks (MSCI EAFE), 40% Canadian bonds (1995–2005 RBC CM Canadian Bond Market Index; 2006 – Current FTSE TMX Canada Universe³).

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