

Economic and Market Review

SECOND QUARTER 2025



Invest without boundaries™

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1H 2025: Stocks & bonds continued to move higher

Markets appeared to look past uncertainties

January:

- Donald J. Trump sworn in as the 47th President of the U.S.
- Federal Reserve (Fed) maintained its 4.25% - 4.5% target rate range
- Bank of Canada (BoC) cuts rate by 25bps to 3%

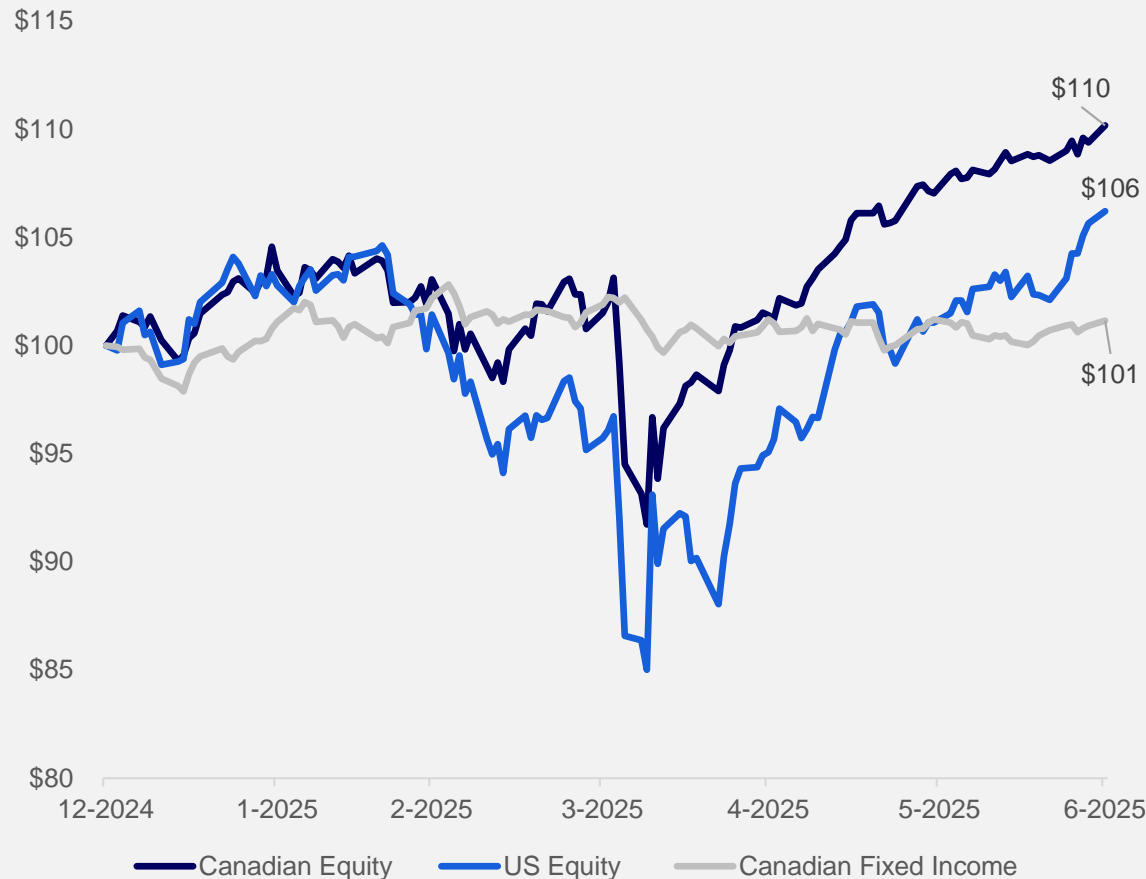
February:

- Trade war risks intensified as the U.S. aimed tariff threats at its three largest trading partners (Canada, Mexico & China)
- Global tensions remained elevated and market strength started to waver

March:

- Fed maintained cautious tone
- Weakness seen across "Magnificent 7" stocks
- DeepSeek's 2025 emergence continued to weigh on big tech
- Market volatility & growth concerns pushed investors toward 'safe haven' assets
- BoC cuts rates by 25bps to 2.75%, taking interest rates to a neutral stance

Growth of \$100 in 1H 2025



April:

- Liberation Day sparked trade policy confusion & volatility
- By April 8th, S&P 500 had fallen nearly -19% from its mid-February peak before posting its largest daily gain (+9.5%) since 2020 on April 9th as trade policy clarity calmed markets.
- U.S. 10 year peaked at 4.48% before settling at its April open (4.17%)

May:

- Tariff negotiations progressed
- U.S. House narrowly passed Trump's "One Big Beautiful Bill."
- Moody's downgraded U.S. credit rating
- S&P 500 recorded its strongest monthly performance since Nov. 2023
- U.S. 10-year Treasury yield climbed 24bps

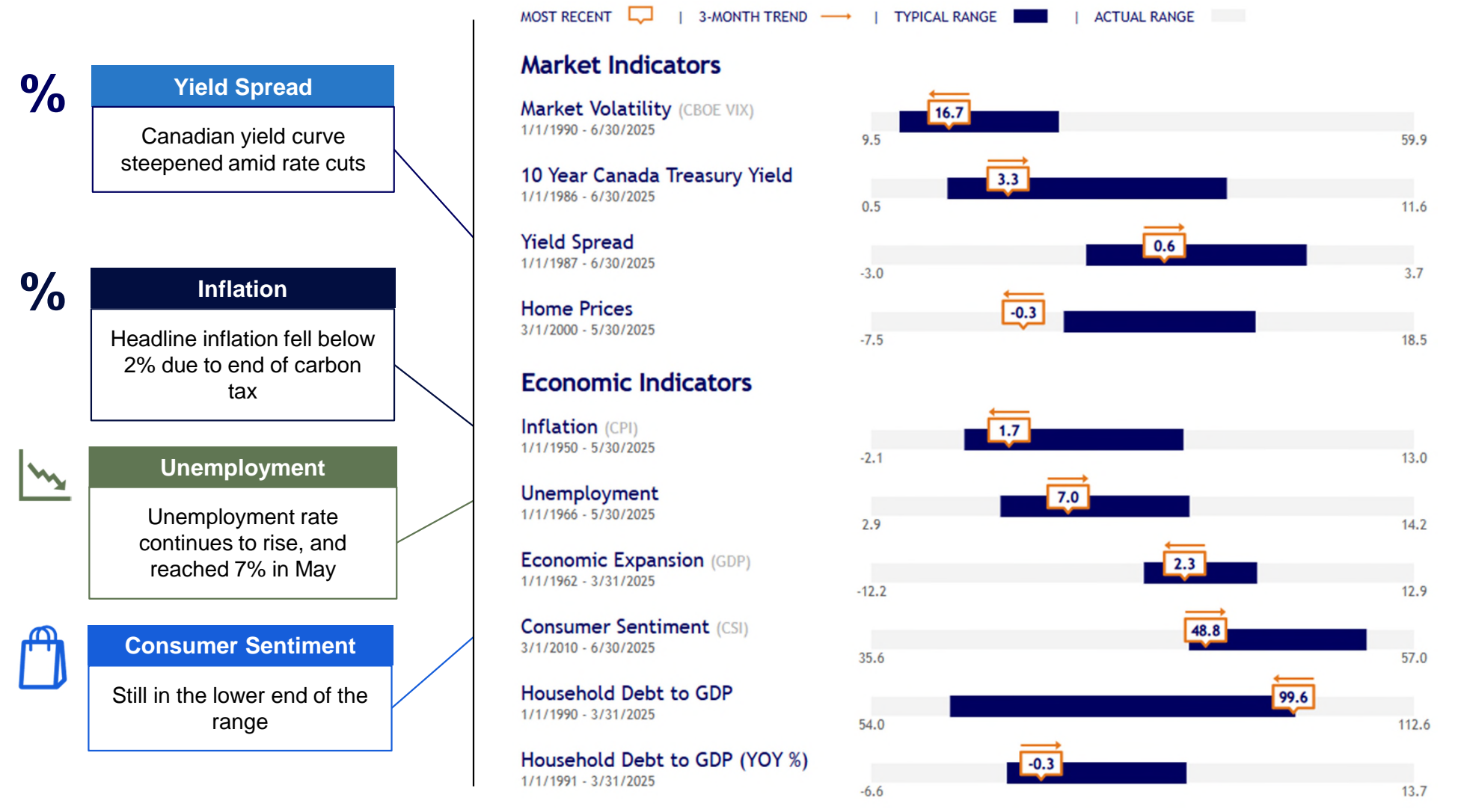
June:

- Trade war fears lingered
- S&P 500 hit new all-time-high

Source: Morningstar and St. Louis Fed. In CAD, with the exception of US Equity which is in USD. Canadian Equity: S&P/TSX Composite Index; US Equity: S&P 500 Index; Canadian Fixed Income: Bloomberg Canada Aggregate Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Economic indicators dashboard - Canada

Q2 2025



Source: LSEG DataStream, St. Louis Fed, Russell Investments, as of June 30, 2025. See Slide 29 for category definitions. Russell Investments' Economic Indicators Dashboard charts several key indicators to help investors assess economic and market trends.

Economic indicators dashboard - U.S.

Q2 2025

MOST RECENT  3-MO. TREND  TYPICAL RANGE  ACTUAL RANGE 

▼ MARKET INDICATORS

Market Volatility:
Moderated after spiking to 52 in early April

Market Volatility (CBOE VIX)



10 Yr. U.S. Treasury Yield

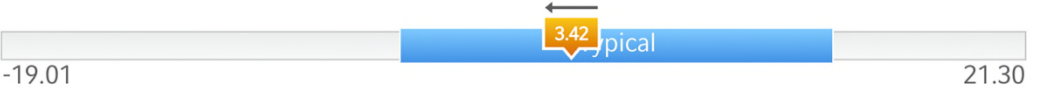


Yield Spread:
Remained inverted in Q2

Yield Spread



Home Prices (HPI)



▼ ECONOMIC INDICATORS

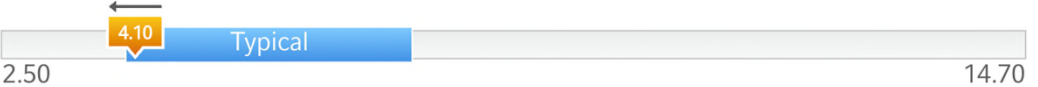
Inflation:
Fell from 2.8% at the end of Q1

Inflation (CPI)



Unemployment:
Remained low, down slightly from 4.2% in Q1

Unemployment



Economic Expansion (GDP)



Consumer Sentiment:
Persisted at the lower end of the historical range

Consumer Sentiment (CSI)

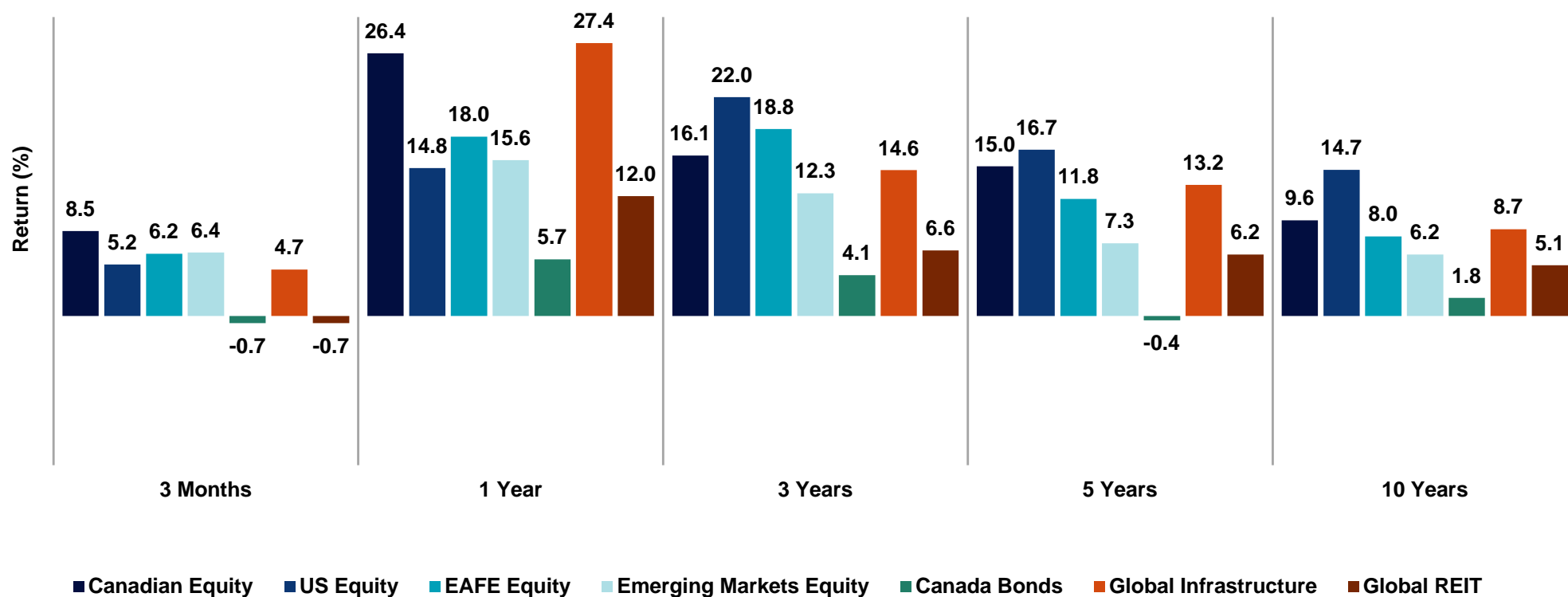


Source: <http://www.russellinvestments.com>, current view from RI.com as of 06/30/2025, data points as of most recent month-end. For more up to date information, please refer to www.russellinvestments.com. See appendix for category definitions. Russell Investments' Economic Indicators Dashboard charts several key indicators to help investors assess economic and market trends.

Capital markets

Periods ending June 30, 2025

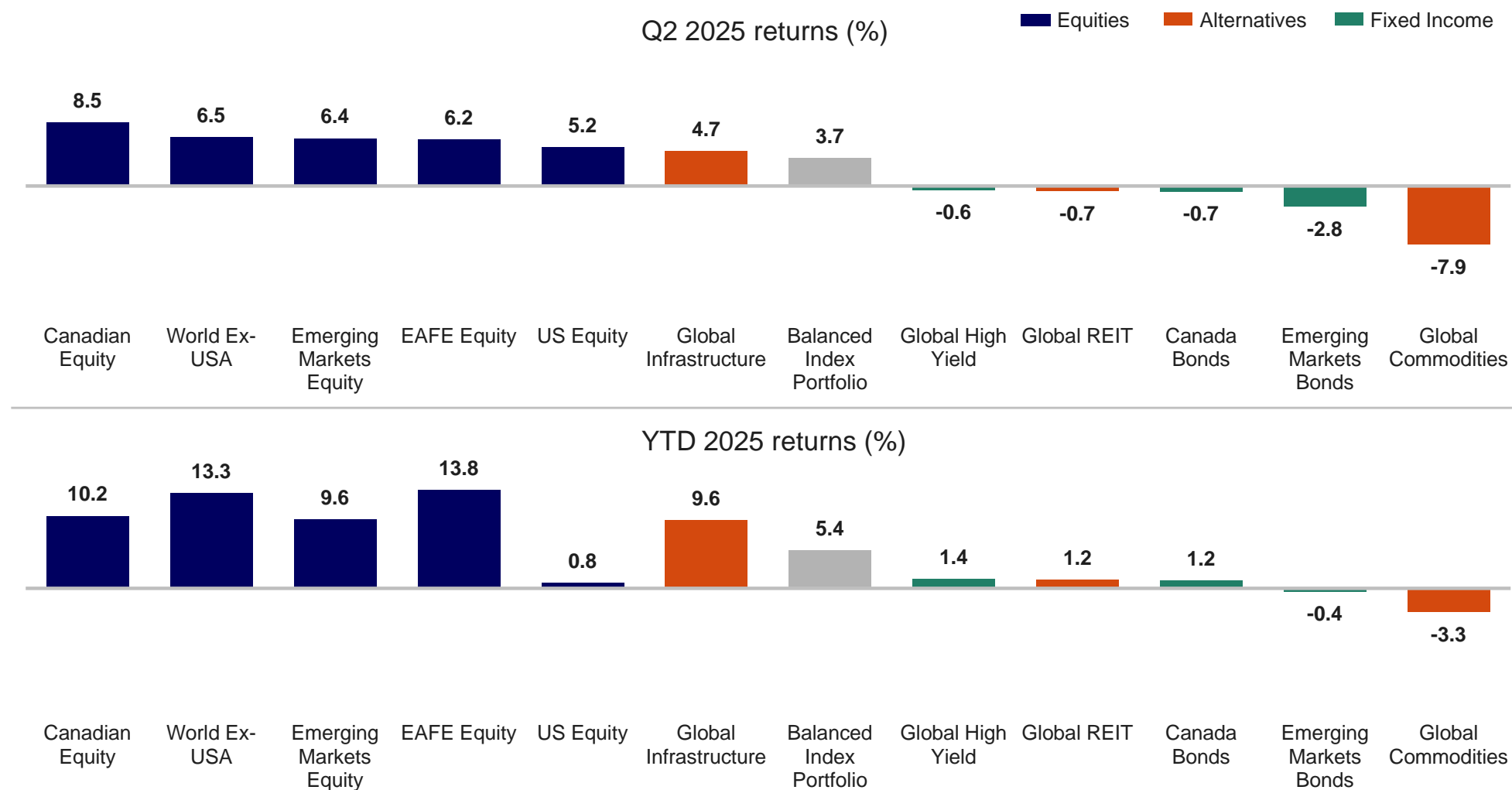
Capital market returns (%)
(Annualized for periods greater than 1 year)



Source: Russell Investments, Morningstar. In CAD. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly. Definitions: Canadian Equity = S&P/TSX Composite Index, US Equity = S&P 500 Index, EAFE Equity = MSCI EAFE Index, Emerging Markets Equity = MSCI Emerging Markets Index, Canada Bonds = Bloomberg Canada Aggregate Index, Global Infrastructure = S&P Global Infrastructure Index, Global Real Estate Investment Trusts (REITs) = FTSE EPRA NAREIT Developed Index. Returns are annualized except for periods less than one year. EAFE is an acronym referring to Europe, Australasia and the Far East.

What worked and what didn't

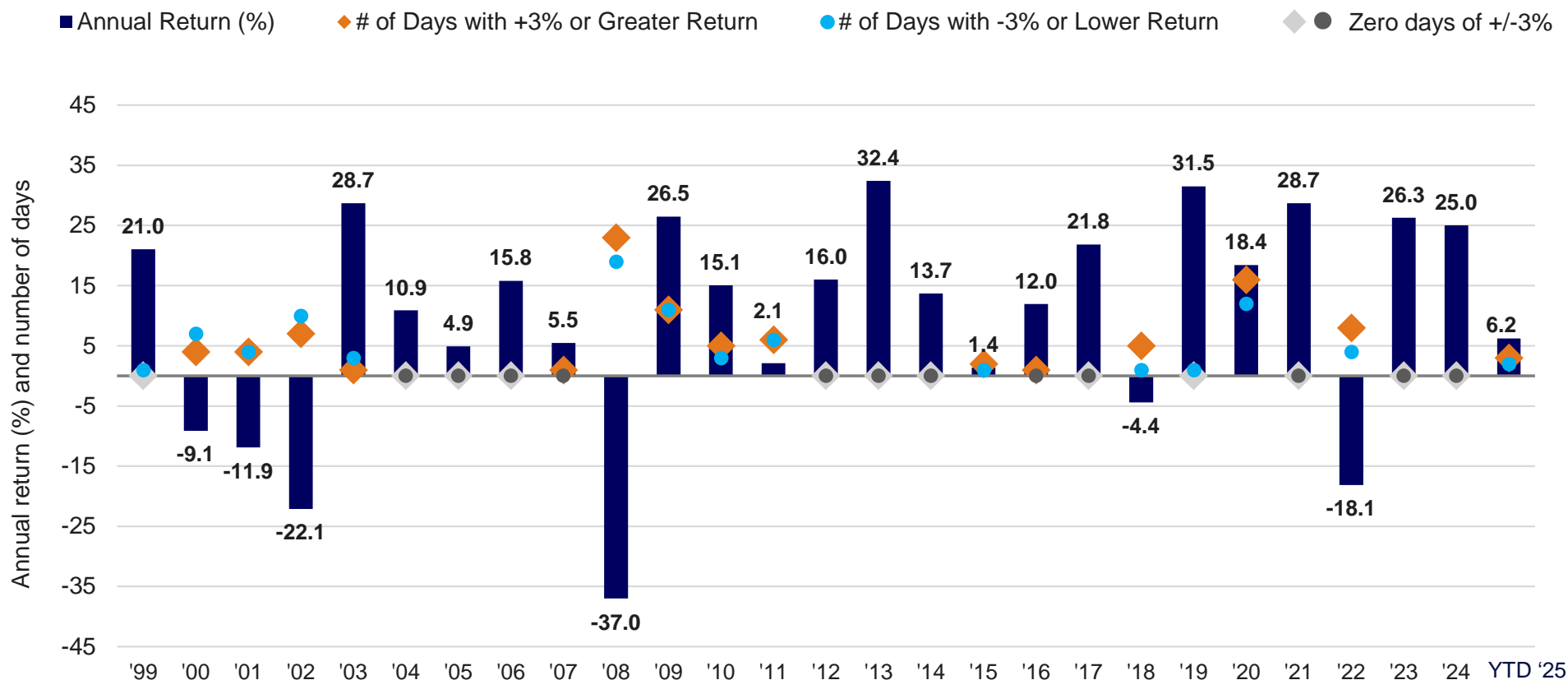
Q2 2025 and YTD 2025



Source: Russell Investments, Morningstar. In CAD. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly. Definitions: Canadian Equity = S&P/TSX Composite Index, US Equity = S&P 500 Index, Global High Yield= Bloomberg Global High Yield Bond Index, World ex-USA=MSCI AC World ex-USA Index, EAFE Equity = MSCI EAFE Index, Emerging Markets Equity = MSCI Emerging Markets Index, Canada Bonds = Bloomberg Canada Aggregate Index, Emerging Markets Bonds = Bloomberg EM USD Aggregate Index, Global Infrastructure = S&P Global Infrastructure Index, Global REIT = FTSE EPRA NAREIT Developed Index, Global Commodities=S&P Goldman Sachs Commodities Index. Balanced Index Portfolio: 20% Canadian Equity, 20% US Equity, 20% EAFE Equity and 40% Canada Bonds. Returns are annualized except for periods of less than one year.

U.S. market volatility isn't as high as you may think

Market volatility is a normal part of the investor experience

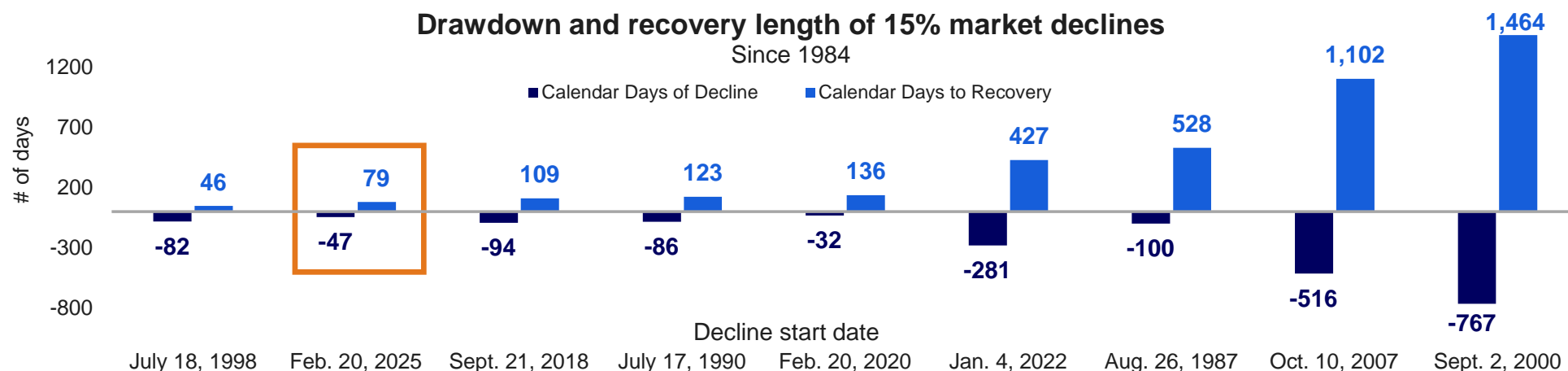


- Despite market volatility in April, the U.S. market finished the quarter up 10.9% and is up 6.2% YTD
- Volatile years have similar numbers of positive and negative swings
- Volatility doesn't necessarily predict a negative outcome for the quarter or for the year and staying invested means experiencing both negative and positive market movements

Source: Morningstar. U.S. Market: S&P 500. Annual Returns, 2025 YTD. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Stock drawdowns and recoveries

1H 2025 ranks among quickest drops – and recoveries – in U.S. history



Decline start date	Calendar days of decline	Total decline (%)	Calendar days to recovery	1-year return from recovery date (%)
8/26/1987	100	-32.7	528	14.0
7/17/1990	86	-19.7	123	18.5
7/18/1998	82	-19.9	46	20.0
9/2/2000	767	-48.1	1,464	17.1
10/10/2007	516	-55.4	1,102	14.1
9/21/2018	94	-19.7	109	-3.2
2/20/2020	32	-34.6	136	35.9
1/4/2022	281	-25.1	427	30.4
2/20/2025	47	-19.1	79	-
Average	223	-30.5	446	18.4

- After a steep decline through early April, markets recovered and made up for losses in less than 80 days
- Historically, after recovering from 15% declines stocks have gone on to average an additional 18% return over the next 12 months
- Staying invested through market drawdowns is key to benefiting from recoveries when they occur

Source: Morningstar. Represents Russell 1000 Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

It's only a market peak until the next one

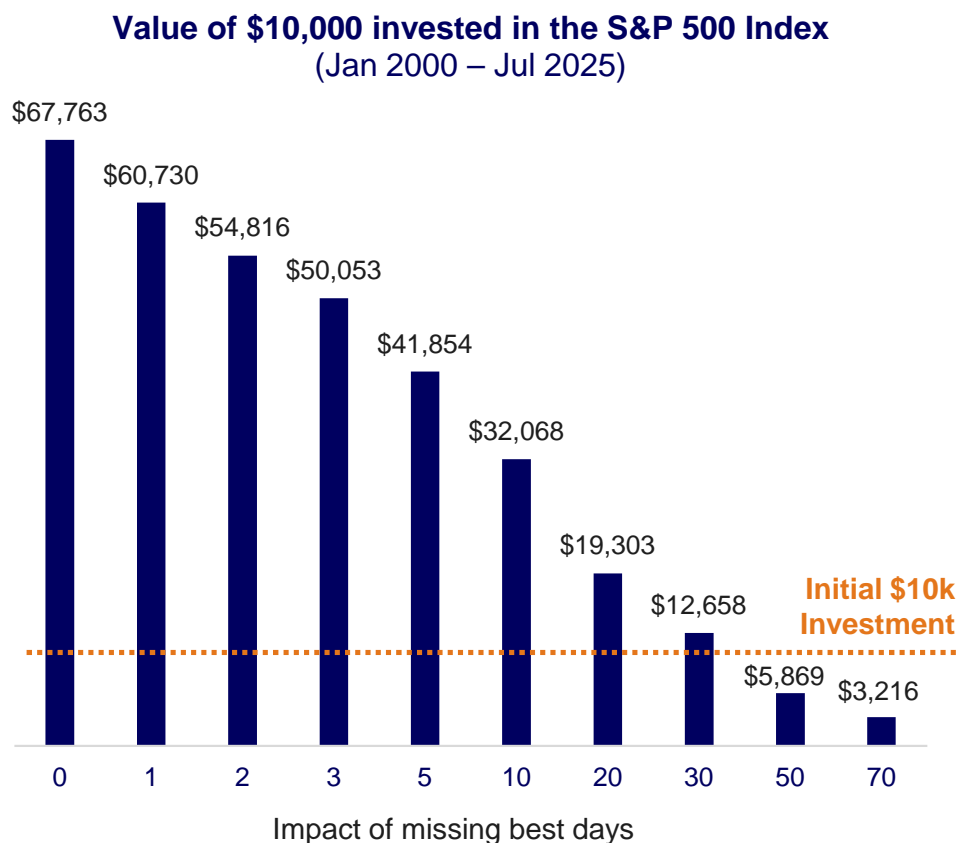
Market peaks have historically been followed by more “all-time highs”



- The S&P 500 Index hit an all-time high on June 30, 2025
 - The 5th new high of 2025
- Since 1995, the average year has produced 20+ new market highs
 - 626 new highs in 30 years
- Long-term investors get rewarded for investing during the highs and the lows
 - \$1 invested in June 1995 is now worth \$19.81

Source: Russell Investments. In USD. Based on daily returns. Indexes are unmanaged and cannot be invested in directly.
Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Keep calm, stay invested



When were the top daily returns (%) in the market?

Rank	Daily return	Date of return
1	11.6%	Oct 13, 2008
2	10.9%	Oct 28, 2008
3	9.5%	Apr 9, 2025
4	9.4%	Mar 24, 2020
5	9.3%	Mar 13, 2020
6	7.1%	Mar 23, 2009
7	7.0%	Apr 6, 2020
8	6.9%	Nov 13, 2008
9	6.5%	Nov 24, 2008
10	6.4%	Mar 10, 2009

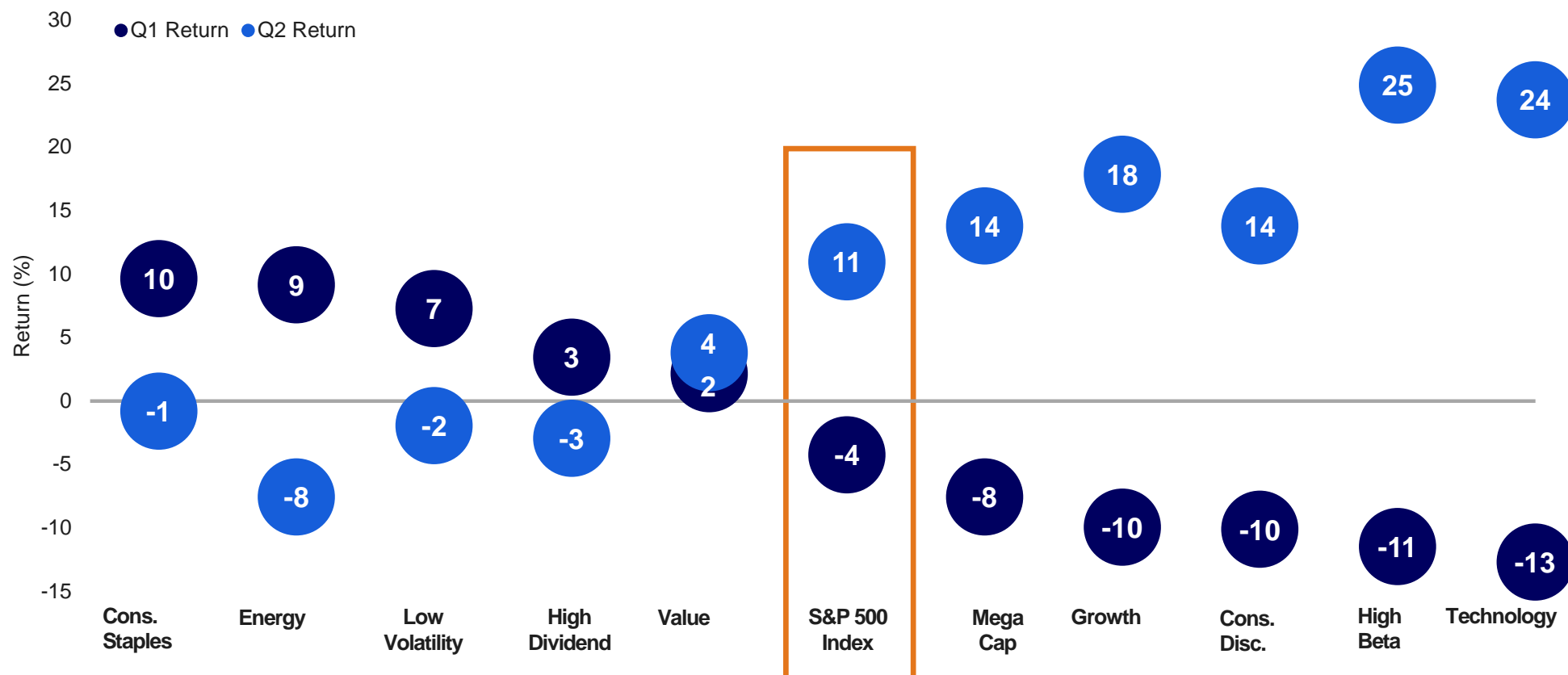
April 9th, 2025 saw the highest daily return since 2008. These highs were reached after a significant drawdown of approximately -19% in the days prior.

- Time in the market is more important than timing the market – missing just one day can reduce investors' overall return by 10.4%
- Days with top returns usually take place in bearish, volatile markets, immediately after the worst performing days (including the 2008 GFC, 2020 Pandemic, and 2025 Liberation Day)
- While tempting to go to cash during selloffs, rebalancing to longer-term asset allocations can create opportunities to capitalize on rebounds

Source: Russell Investments, Bloomberg. As of 6/30/2025. Data sourced from the S&P 500 Total Return Index Including Dividends (SPXT Index), and time series data is then used to calculate daily returns. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

U.S. stocks reverse leadership

Defensive positions outperformed in Q1 while riskier areas returned to favor in Q2

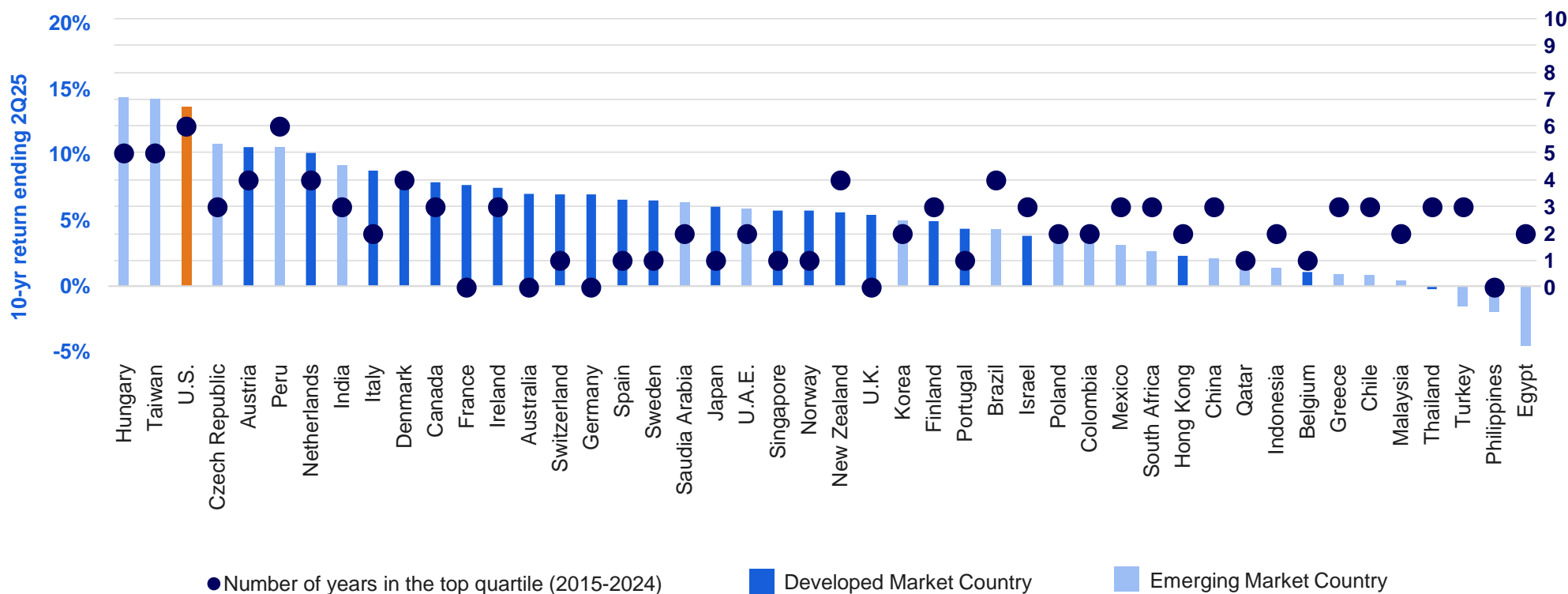


- Defensive and lower volatility segments of the market delivered positive returns in Q1 despite an overall decline in the S&P 500 Index
- As markets calmed in Q2, leadership reversed back to higher returns coming from some of the riskier and most volatile stocks

Source: Morningstar. Consumer Staples: Russell 1000 Consumer Staples; Energy: Russell 1000 Energy; Consumer Discretionary: Russell 1000 Consumer Discretionary; Technology: Russell 1000 Technology. Value: Russell 1000 Value; Growth: Russell 1000 Growth; Mega Cap: Russell Top 50 Mega Cap; Low Volatility: S&P 500 Low Volatility; High Dividend: S&P 500 High Dividend; High Beta: S&P 500 High Beta. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

10-year returns have been broadly positive across markets

Developed and emerging market country returns



- Most countries have posted positive 10-year returns, with the U.S. ranking third among global markets
- The top 10 countries with the highest 10-year returns are split evenly between developed and emerging markets
- The U.S. has been top quartile for 6 of the 10 past years, tied with Peru for the most of any country
- Many countries in the lower half of return range finished in the upper half of top quartiles, hence the benefits of broad diversification

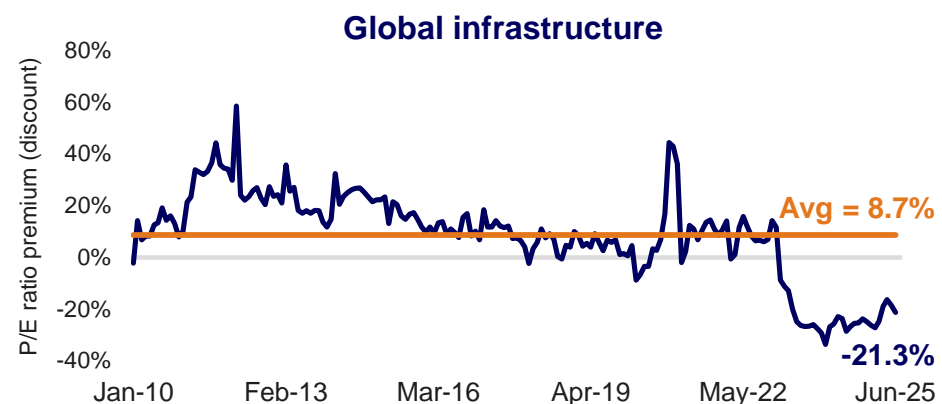
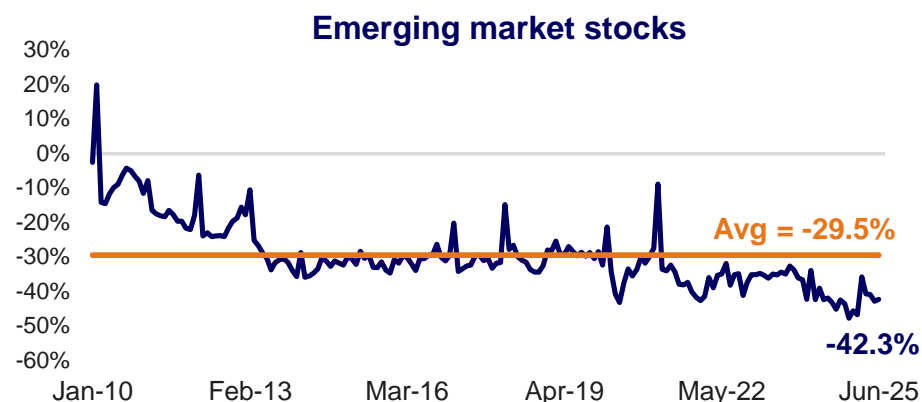
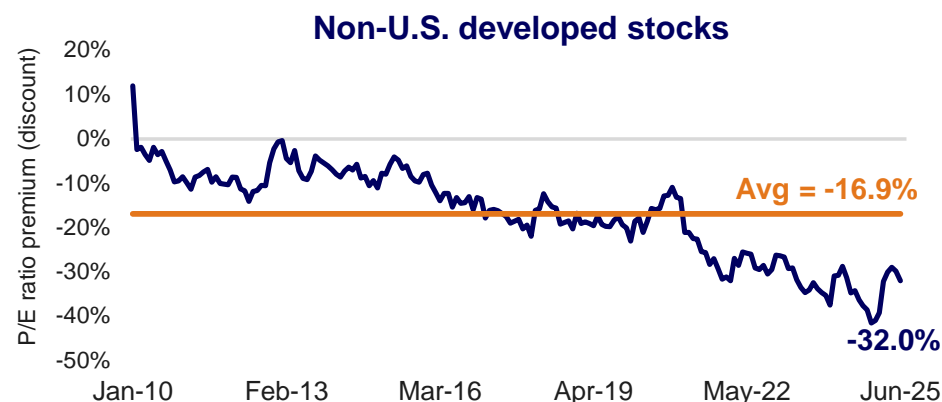
Source: Morningstar. U.S.: S&P 500. Developed Markets: MSCI EAFE eligible markets; Emerging Markets: MSCI EM eligible markets. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Valuations of non-U.S. markets remain attractive

Despite strong recent results, diversifiers still trading at discount to U.S. markets

Valuation relative to U.S. Stocks

Jan. 2010 – June 2025











- Many of the equity and real asset diversifiers produced strong recent returns
- Relative valuations remain discounted at, or near, historical levels as compared to the U.S. stock market

Source: Bloomberg. Price/Earnings for the S&P 500 Index (US Stocks), MSCI EAFE Index (Non-U.S. Stocks), MSCI EM Index (Emerging Market Stocks), S&P Global Infrastructure (Global Infrastructure) & FTSE EPRA Nareit Developed Index (Global Real Estate). Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

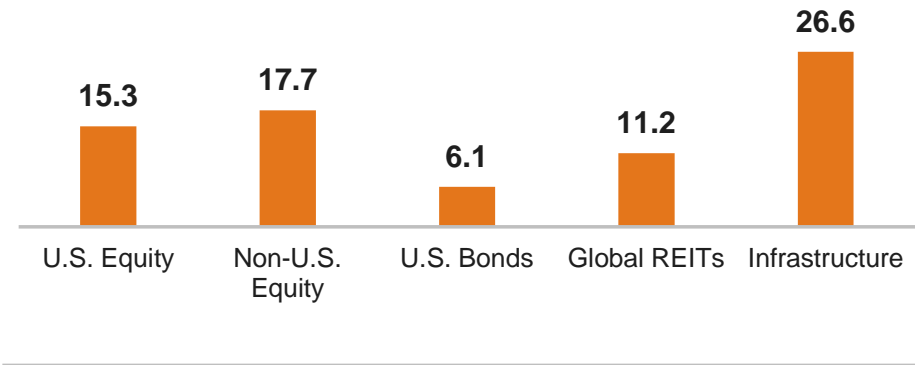
Infrastructure opportunities

Poor conditions driving infrastructure spending and capital markets are taking notice

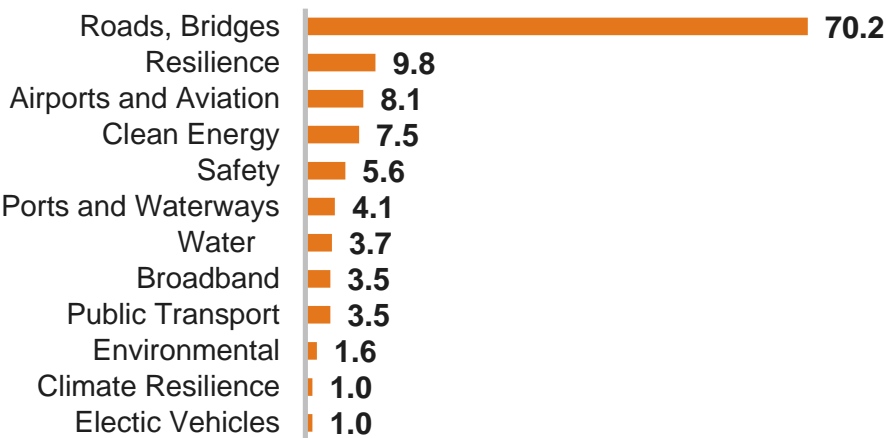
ASCE 2025 Report Card for America’s Infrastructure

		2021	2025
	OVERALL G.P.A.	C-	C
	AVIATION	D+	D+
	BRIDGES	C	C
	DRINKING WATER	C-	C-
	ENERGY	C-	D+
	PORTS	B-	B
	RAIL	B	B-
	ROADS	D	D+
	TRANSIT	D-	D

Capital market returns %
One-year ending June 2025



U.S. investment in Infrastructure
2021-2023 \$Billions



Source: American Society of Civil Engineers, Statista; U.S. Equity: Russell 3000 Index, Non-U.S. Equity: MSCI AC World x-US Index, U.S. Bonds: Bloomberg Barclays U.S. Aggregate Index; Global REITs: FTSE NAREIT EPRA Developed Index. All figures in USD. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Canadian bond yields are still somewhat high

Creating potential return opportunities if yields fall further



Source: Russell Investments, LSEG Datastream, S&P, June 2025. One-Year returns are calculated based on the yield as of June 30, 2025 of the S&P Canadian Aggregate Bond Index, and the effective duration of the same index as of the same date.

Russell Investments' global market outlook

ECONOMIC VIEWS



U.S. AND CANADIAN ECONOMIES

- U.S. recession risks have come down to 30% over the next 12 months, but are still above average
- Canada may be more prone to an economic slowdown than the U.S.
- U.S. labor markets have been resilient; Canadian unemployment rate has risen more sharply
- Inflation has come sharply down from peaks in both countries



EUROPE

- Encouraging green shoots emerging amid a pick-up in credit activity, but U.S. tariffs could weigh on growth
- Shift to fiscal stimulus an important positive for the region
- If Chinese consumer confidence stabilizes, that could help European export activity



PACIFIC BASIN

- Wage growth and inflation expectations have moved towards Bank of Japan's inflation targets
- Chinese fiscal policy a key continued watchpoint into 2025



CENTRAL BANKS

- Fed likely to cut rates twice this year
- Bank of Canada will likely cut rates into accommodative territory to stimulate economy

ASSET CLASSES



GLOBAL EQUITIES

- Investor sentiment roughly neutral, despite U.S. equity markets hitting all-time highs
- Equity market valuations more attractive outside of the U.S., but offset by higher cyclical risks
- U.S. earnings growth has been decent to date, but tariffs could weigh on earnings



FIXED INCOME

- Government bonds continue to be a key diversifier
- Credit spreads are exceptionally tight, but corporate fundamentals are also generally strong



REAL ASSETS

- Listed REITs and infrastructure have better valuations than traditional equities



CURRENCIES

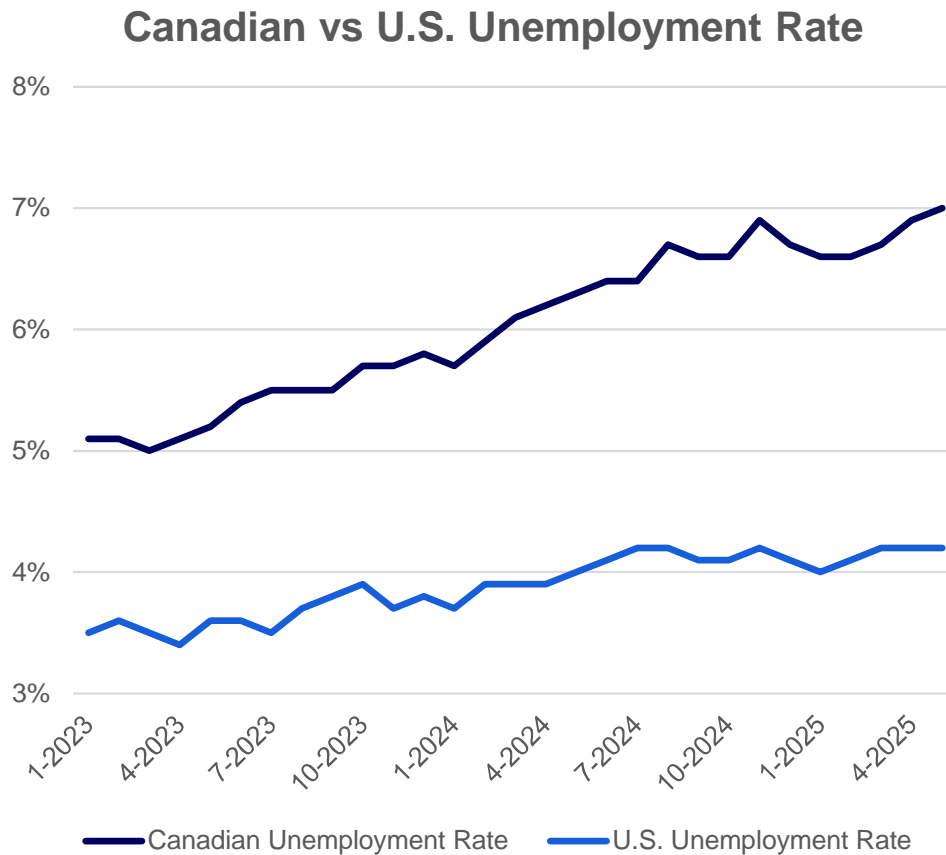
- USD appears expensive on a purchasing-power parity basis
- Near-term path is more uncertain

There is no guarantee the stated expectations will be met.

As of July 2025. Forecasting represents predictions of market prices and/or volume patterns utilizing varying analytical data. It is not representative of a projection of the stock market, or of any specific investment.

U.S - Canada Macro Data Comparison

Canadian economy still showing more fragility compared to the U.S. economy



Source: LSEG Datastream. BoC Preferred Inflation Gauge refers to the Bank of Canada's preferred approach to computing core inflation: the average of the CPI-trim, CPI-median, and CPI-common core inflation rates. Fed Preferred Inflation Gauge refers to the Personal Consumption Expenditure (Less Food and Energy) Price index. Data for both unemployment rate and inflation is through May 2025.

U.S. recession risks have eased

But not fully dissipated

MEDIUM-TERM RISK INDICATORS	JUL 2024	APR 2025	JUL 2025
Slope of the curve (10y-2y)	Red	Yellow	Yellow
Labor market slack	Yellow	Green	Green
Stance of Fed policy	Red	Yellow	Yellow
Output Gap	Yellow	Yellow	Yellow
Corporate financing gap	Green	Green	Green
Household debt levels	Green	Green	Green
Household debt services	Green	Green	Green
Corporate debt levels	Red	Red	Red
Corporate debt service	Yellow	Yellow	Green

SHORT-TERM INDICATORS	JUL 2024	APR 2025	JUL 2025
Business Cycle Index	Green	Green	Green
Yield Curve (10y – 3m)	Red	Red	Yellow
Employment Growth	Green	Green	Green
Consumption Growth	Yellow	Yellow	Yellow
SOFR Spread	Green	Yellow	Green
Credit Spread	Green	Yellow	Green
Temporary help employment	Red	Red	Yellow
Consumer spending decomposition	Yellow	Yellow	Yellow
Architectural billings	Red	Red	Red
Financial Conditions Index	Yellow	Yellow	Green
Banking lending standards	Red	Yellow	Red
ISM Manufacturing	Yellow	Yellow	Red
ISM non-manufacturing	Yellow	Yellow	Yellow
Initial jobless claims	Green	Green	Yellow
Bank loan demand	Yellow	Green	Yellow

- Temporary help employment appears to have stabilized; an encouraging sign for labor markets
- Bank lending standards are tight amid elevated policy uncertainty
- Corporate debt service has improved

Source: Russell Investments, as of the dates indicated. Red represents areas of high risk. Yellow and orange represent areas of intermediate risk. Green represents areas of low risk.

The TSX reached all time-highs

But its forward P/E ratio is still close to the longer-term average



- Even as the S&P/TSX Composite Index breaks through all-time highs, its valuation is still roughly in-line with the 30-year average
- More attractive valuations relative to U.S. equities provides an offset to higher cyclical risks

Source: Russell Investments, LSEG Datastream, data through July 8, 2025

Canadian publicly listed companies...

Might be more global than you think

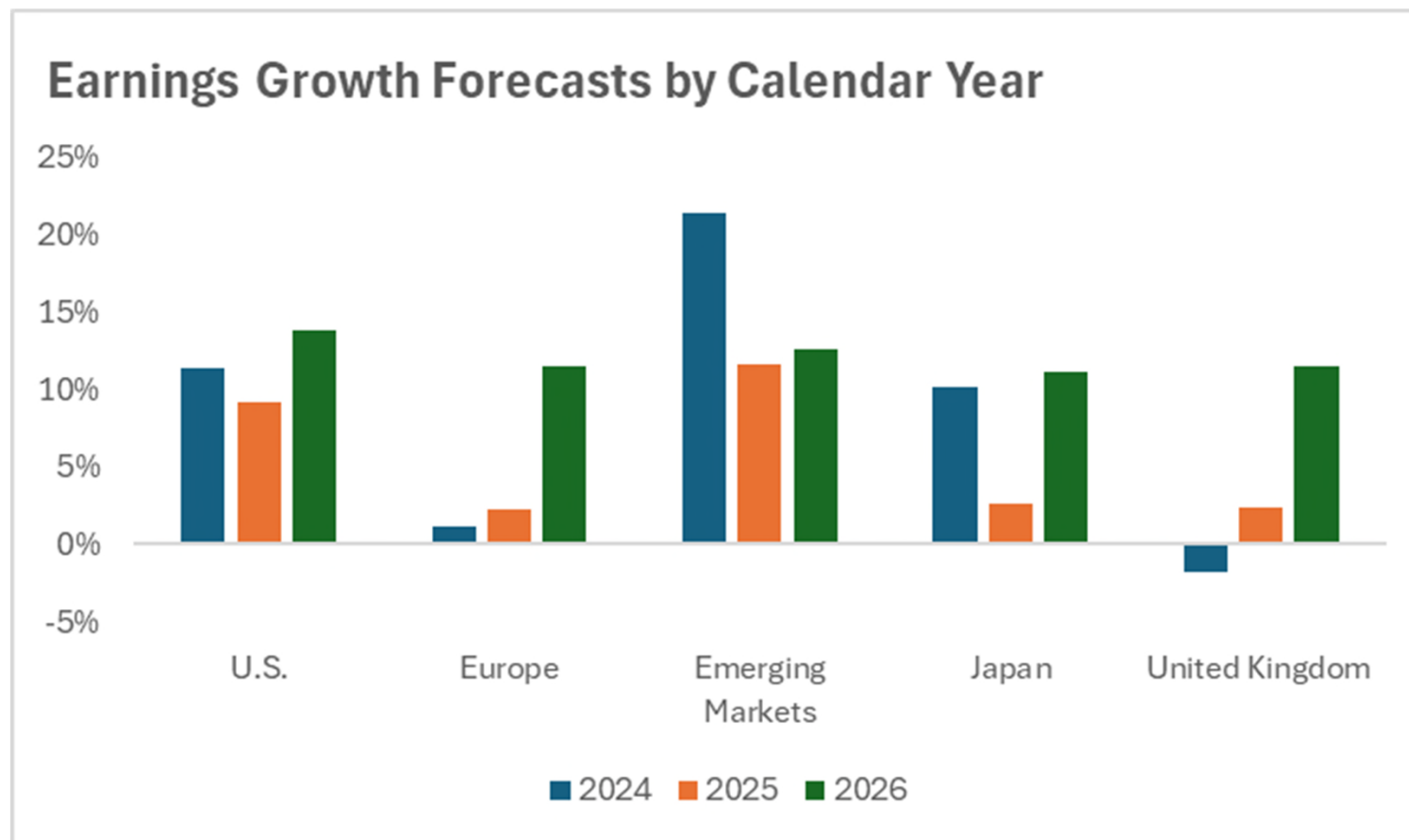
Company Name	Revenue from outside of Canada
Shopify	95%
Constellation Software	91%
Brookfield	70%
Enbridge	59%
Canadian Pacific Kansas City Limited	52%
Bank of Montreal	51%
Bank of Nova Scotia	48%
Toronto Dominion Bank	45%
Royal Bank of Canada	37%
Canadian Imperial Bank of Commerce	32%

- Six of the 10 largest companies in the S&P/TSX Composite Index derive the majority of their revenues from outside of Canada
- All of the top 10 largest companies in the S&P/TSX Composite Index derive at least 30% of their revenues from outside of Canada
- The global nature of these companies can mitigate the hit to earnings from a slowdown in the Canadian economy

Source: Russell Investments, S&P, 2024 annual financial statements from each of the above listed companies.

Global earnings growth might “even out” in 2026

Narrowing spread in earnings growth across regions supports the case for diversification

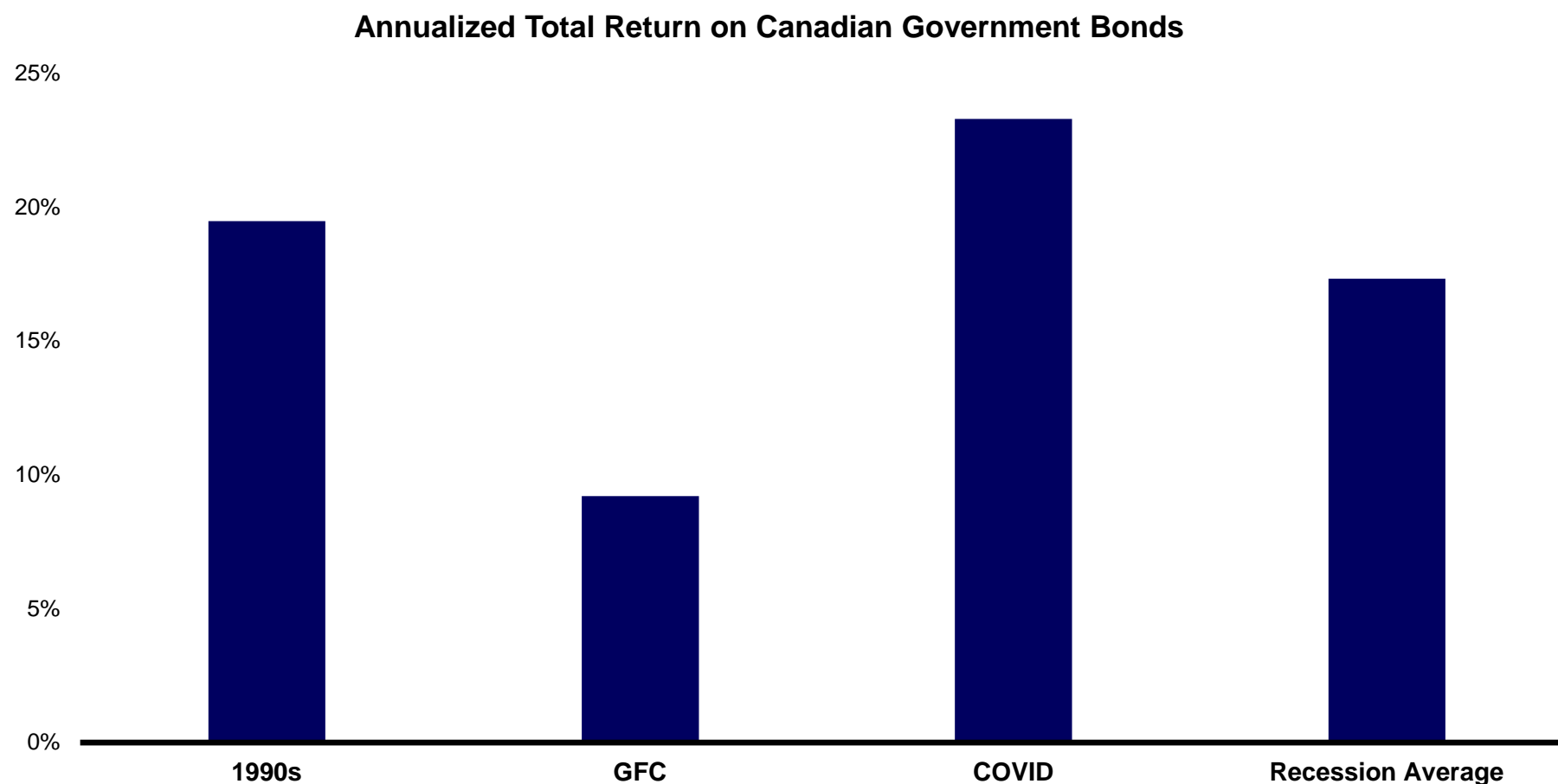


- U.S. and Emerging Markets expected to lead earnings growth in 2025
- But the spread in earnings growth rates by region may narrow in 2026
- Ultimately, we continue to believe in the benefit of diversifying equity portfolios across countries/regions

Source: LSEG I/B/E/S, estimates obtained as of June 27, 2025. Note that earnings for Japan reflect the fiscal year ended March 31 of the year after the calendar year indicated. For example, earnings for Japan for 2025 would refer to the year-over-year earnings growth expected for the twelve months ended March 31, 2026.

Canadian government bonds are a crucial diversifier

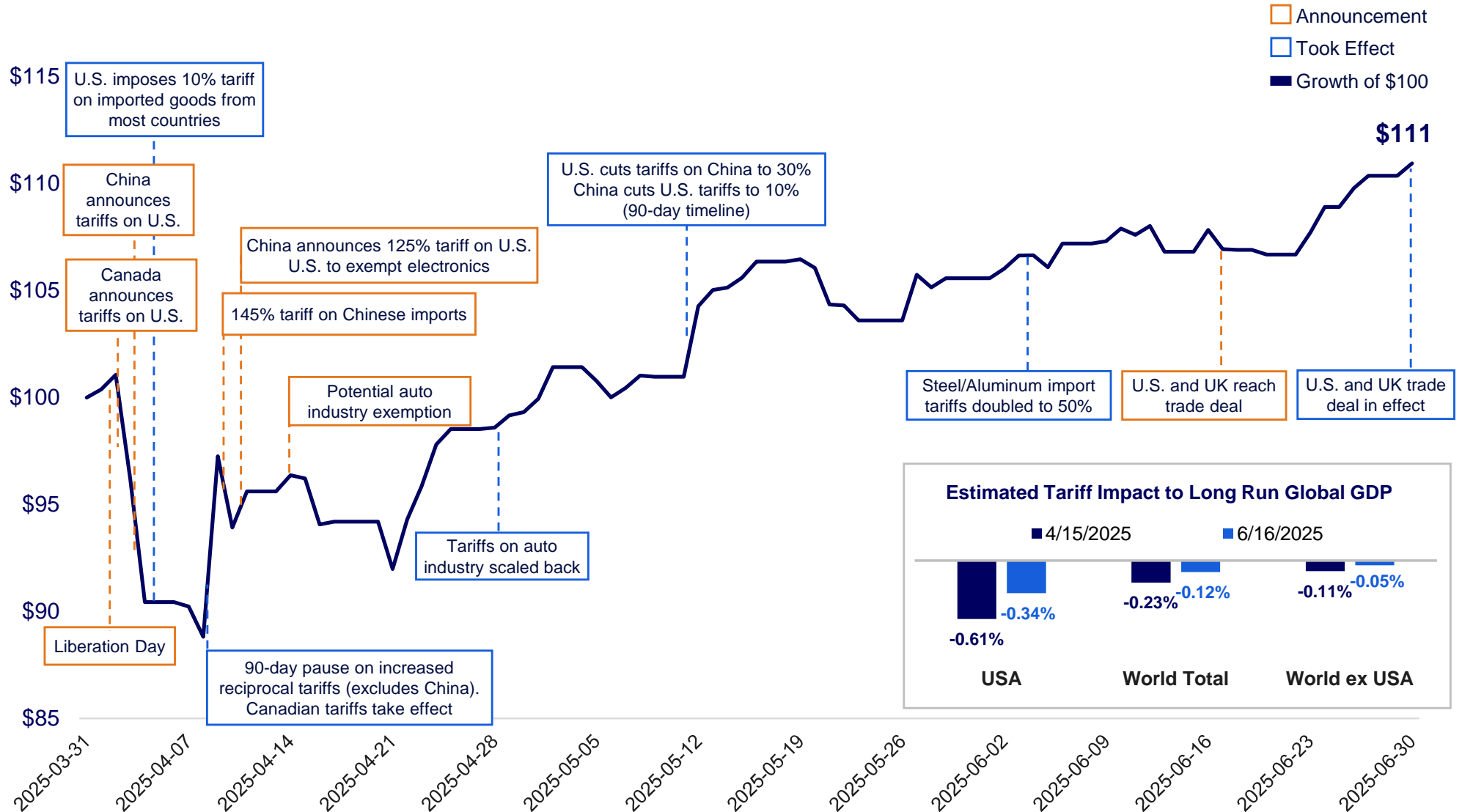
Potential to outperform should the economy slow significantly



Source: LSEG Datastream. C.D. Howe Institute. Bars indicate annualized returns during Canada's three most recent recessionary periods: April 1990 to May 1992, Global Financial Crisis (Canadian recession during this period was from October 2008 to May 2009), and COVID pandemic (Canadian recession period from March 2020 to April 2020). Annualized returns reflect total returns (yield plus price appreciation on the Canadian 10-Year Government Bond). Recession average reflects average annualized returns during the aforementioned three Canadian recessionary periods. Past performance is no guarantee of future results.

Tariff timeline

2Q market returns and tariff headlines



Source: Morningstar; S&P 500. The Budget Lab at Yale; GTAP v7. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Headline and economic risks don't foretell bad markets

The last five years have produced above-average diversified returns despite 2020 start

2020 first half included:

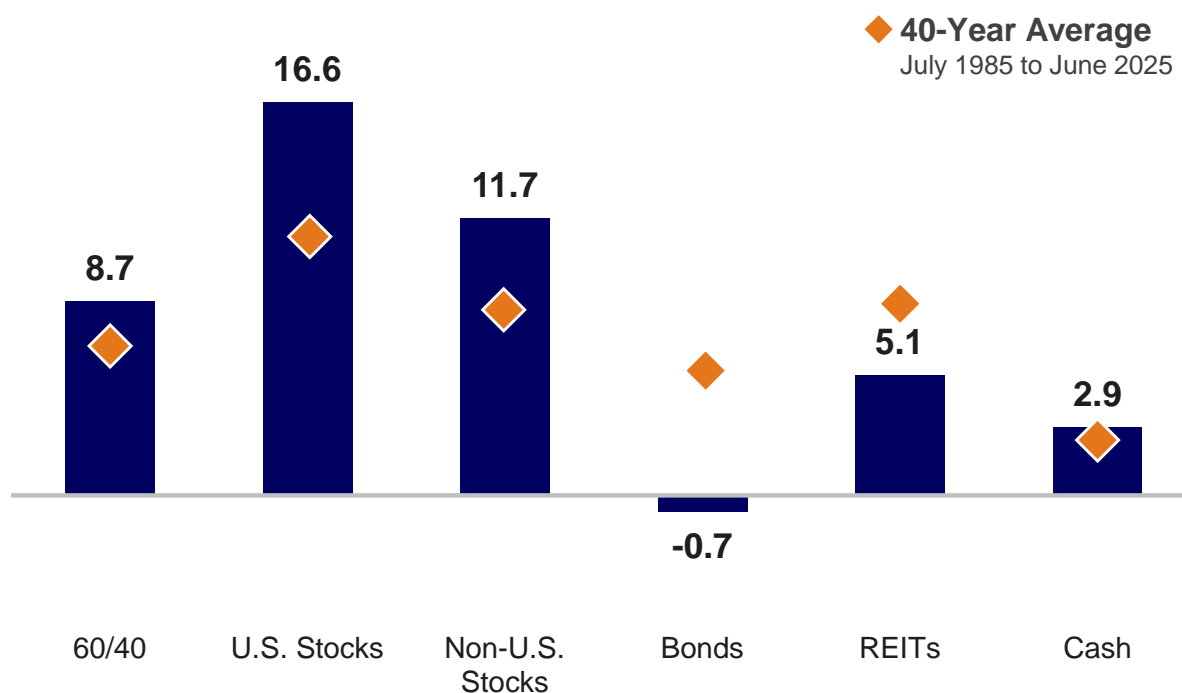
1. Global pandemic
Worst in 100 years
2. Deep economic recession
One of the fastest in history
3. 20%+ equity drop
Impacted all markets

Ramifications lead to:

- Historic inflation levels
- Historic stock and bond pullback in 2022

Five-Year Index Portfolio Total Returns %

Ending June 2025



Stay invested and stick to your plan to navigate through difficult environments

Sources: 60/40 portfolio – 40% S&P 500 Index, 20% MSCI EAFE Index, 40% Bloomberg U.S. Aggregate Bond Index; Cash: Citigroup Treasury 3Month T-bill Index, U.S. Stocks: S&P 500 Index, Non-U.S. Stocks: MSCI EAFE Index; Bonds: Barclays U.S. Aggregate Bond Index, Cash: Citigroup Treasury 3Month T-Bill Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

Index definitions

FTSE EPRA/NAREIT Developed Index: A global market capitalization weighted index composed of listed real estate securities in the North American, European and Asian real estate markets.

MSCI country indices: Indices which include securities that are classified in that country according to the MSCI Global Investable Market Index Methodology, together with companies that are headquartered or listed in that country and carry out the majority of their operations in that country.

MSCI EAFE (Europe, Australasia, Far East) Index: A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada.

MSCI Emerging Markets Index: A float-adjusted market capitalization index that consists of indices in 24 emerging economies.

MSCI World Ex-US Index: A broad global equity index that represents large and mid-cap equity performance across 23 developed market countries.

Russell 1000® Index: Measures the performance of U.S. large-capitalization equity universe.

Russell 1000® Growth Index: Measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Value Index: Measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000® Index: measures the performance of the 2,000 smallest companies in the Russell 3000 index.

Russell 3000® Index: Measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

FTSE Canada Long Term Overall Bond Index - a market capitalization index designed as a broad measure of the Canadian long-term fixed income market.

FTSE Canada Universe Bond Index measures the performance of marketable government and corporate bonds outstanding in the Canadian market.

S&P/TSX Composite Index: The benchmark Canadian index, representing roughly 70% of the total market capitalization on the Toronto Stock Exchange.

S&P 500® Index: A free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500® are those of large publicly held companies that trade on either of the two largest American stock market exchanges: the New York Stock Exchange and the NASDAQ.

S&P Goldman Sachs Commodities Index: A composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

The **S&P Global Infrastructure Index:** Provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. To create diversified exposure across the global listed infrastructure market, the index has balanced weights across three distinct infrastructure clusters: Utilities, Transportation, and Energy.

Citigroup 1-3 Month T-Bill Index: An unmanaged index that tracks short-term U.S. government debt instruments.

Index definitions continued

Bloomberg U.S. Aggregate Bond Index: An index, with income reinvested, generally representative of intermediate-term government bonds, investment grade corporate debt securities, and mortgage-backed securities. (specifically: the Government/Corporate Bond Index, the Asset-Backed Securities Index, and the Mortgage-Backed Securities Index).

Bloomberg Global High Yield Index: An index which provides a broad-based measure of the global high-yield fixed income markets. The Global High-Yield Index represents the union of the U.S. High-Yield, Pan-European High-Yield, U.S. Emerging Markets High-Yield, CMBS High-Yield, and Pan-European Emerging Markets High-Yield Indices.

The **Bloomberg US Government/Credit Bond Index** is a broad-based flagship benchmark that measures the non-securitized component of the U.S. Aggregate Index. It includes investment grade, US dollar-denominated, fixed-rate Treasuries, government related and corporate securities.

The **Bloomberg Canada Aggregate Bond Index** measures the Canadian investment grade fixed income market and is comprised of government, government-related and corporate securities.

Economic Indicators Dashboard definitions - Canada

LSEG DataStream source for all data.

Market Indicators

HOME PRICES – Teranet - National Bank House Price: Composite 11, Index. The index is estimated by tracking the observed or registered home prices over time.

MARKET VOLATILITY(VIX) – CBOE VIX (Chicago Board Options Exchange Volatility Index) measures annualized implied volatility as conveyed by S&P 500 stock index option prices and is quoted in percentage points per annum. For instance, a VIX value of 15 represents an annualized implied volatility of 15% over the next 30 day period. The VIX measures implied volatility, which is a barometer of investor sentiment and market risk.

10 YR. CANADATREASURY YIELD – The yield on the 10 year Canadian Treasury note issued by the Canadian Government. It is important because it is seen as a benchmark for interest rate movements and borrowing costs in the economy.

YIELD SPREAD – The spread between 3 month Treasury bill yields and 10 year Treasury note yields measures the market outlook for future interest rates. A normal or upward-sloping yield curve, can imply that investors expect the economy to grow and inflation to eat into asset returns. They thus demand a higher yield for long-term Treasuries. An inverted yield curve has often been an indicator of coming recessions, but not always. For example, reduced inflation expectations could cause the yield curve to flatten.

Economic Indicators

CONSUMER SENTIMENT – The Thomson Reuters/Ipsos Consumer Sentiment Index (CSI) is based on a monthly random sample of consumer citizens in chosen countries who answer 11 standard quantitative questions. The eleven tracked questions are then used to create a series of Indexes.

ECONOMIC EXPANSION (GDP) – GDP (Gross Domestic Product) measures the total market value of a nation's output of goods and services during a specific time period. It is usually measured on a quarterly basis. Calculating Real GDP growth allows economists to determine if production increased or decreased, regardless of changes in the purchasing power of the currency.

INFLATION – The Consumer Price Index (CPI) is a measure of the average change in prices over time of goods and services purchased by households. This indicator value represents the trailing year over year % change in the CPI index as of last month-end.

UNEMPLOYMENT – Number of unemployed persons expressed as a percentage of the labour force. The unemployment rate for a particular group (age, sex, marital status, etc.) is the number unemployed in that group expressed as a percentage of the labour force for that group.

HOUSEHOLD DEBT TO GDP – Canada, Household Sector, Debt to Gross Domestic Product

Economic Indicators Dashboard definitions - U.S.

Market Indicators

HOME PRICES – The S&P/Case-Shiller Home Price Index is a measurement of U.S. residential real estate prices, tracking changes in top 20 metropolitan regions. This indicator value represents the trailing year over year % change in the home prices index as of last month-end. Residential real estate represents a large portion of the U.S. economy, and the Home Price index helps us monitor the value of real estate.

MARKET VOLATILITY(VIX) – CBOE VIX (Chicago Board Options Exchange Volatility Index) measures annualized implied volatility as conveyed by S&P 500 stock index option prices and is quoted in percentage points per annum. For instance, a VIX value of 15 represents an annualized implied volatility of 15% over the next 30-day period. The VIX measures implied volatility, which is a barometer of investor sentiment and market risk.

10 YR. U.S. TREASURY YIELD – The yield on the 10-year U.S. Treasury note issued by the U.S. Government. It is important because it is seen as a benchmark for interest rate movements and borrowing costs in the economy.

YIELD SPREAD – The spread between 3-month Treasury bill yields and 10-year Treasury note yields measures the market outlook for future interest rates. A normal or upward-sloping yield curve, can imply that investors expect the economy to grow and inflation to eat into asset returns. They thus demand a higher yield for long-term Treasuries. An inverted yield curve has often been an indicator of coming recessions, but not always. For example, reduced inflation expectations could cause the yield curve to flatten.

Economic Indicators

CONSUMER SENTIMENT – The University of Michigan Survey of Consumer Sentiment Index is an economic indicator which measures the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation.

ECONOMIC EXPANSION (GDP) – GDP (Gross Domestic Product) measures the total market value of a nation's output of goods and services during a specific time period. It is usually measured on a quarterly basis. Current GDP is based on the current prices of the period being measured. Nominal GDP growth refers to GDP growth in nominal prices (unadjusted for price changes). Real GDP growth refers to GDP growth adjusted for price changes. Calculating Real GDP growth allows economists to determine if production increased or decreased, regardless of changes in the purchasing power of the currency.

INFLATION – The Consumer Price Index (CPI) NSA (non-seasonally adjusted) measures changes in the price level of a market basket of consumer goods and services purchased by households. This indicator value represents the trailing year over year % change in the CPI index as of last month-end.

UNEMPLOYMENT – The Bureau of Labor Statistics measures employment and unemployment of all persons over the age of 15 using two different labor force surveys conducted by the United States Census Bureau (within the United States Department of Commerce) and the Bureau of Labor Statistics (within the United States Department of Labor) that gather employment statistics monthly. The data reported here is seasonally adjusted (SA) to account for seasonal gains in employment leading up to Christmas.