Economic Outlook

GUARDIAN CAPITAL

FALL 2026

SUMMARY

- Global growth remains surprisingly resilient, supported by healthy household finances, stable labour markets, and continued business investment.
- Consumers remain the foundation of the expansion, with household wealth at or near record highs across most developed markets and spending holding up despite elevated prices and borrowing costs.
- Investment in artificial intelligence (AI), digital infrastructure, and supply-chain capacity continues be a key driver of economic growth, though questions are growing around the sustainability of current spending trajectories.
- Inflation risks have shifted higher again, reflecting persistent demand, energy-market disruptions, and renewed supply-chain pressures.
- Central banks are maintaining a hawkish stance, with policymakers focused on containing inflation even as higher rates increasingly weigh on financing conditions.
- Market leadership is broadening, with investor attention expanding beyond a narrow group of technology companies toward a wider range of sectors, regions, and opportunities.
- The outlook remains constructive but not without challenges, favouring active, selective investors as the global economy navigates a balance between resilience and rising constraints.

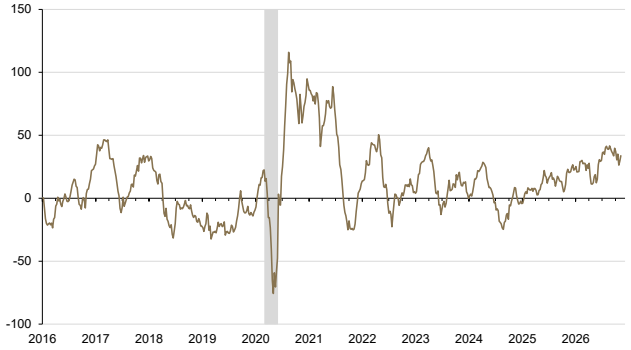
No pain, no gain

As has been the refrain over much of the last two years, the dataflow continues to be broadly upbeat despite the ongoing challenges and uncertainties. Economic surprises globally continue to be of the positive variety more often than not as hard and soft indicators beat increasingly sanguine expectations.

CHART 1: CLEARING THE BAR

Economic Surprise Index[1], World

(percent; >0 denotes better than consensus expectations)



The shaded region represents a period of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

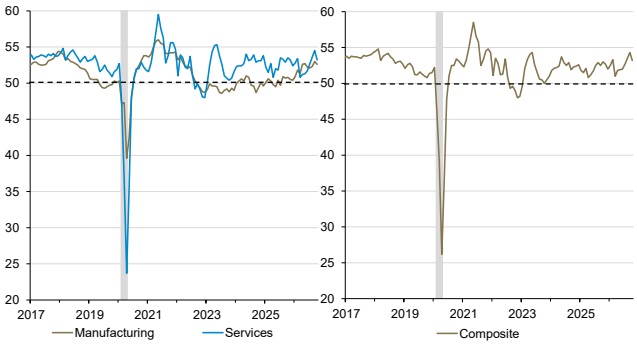
Moreover, there are increasing indications of a broadening of growth across sectors and regions supported by ongoing consumer resiliency, the upswing in business investments tied to information technologies and significant government spending plans worldwide.

Economic bellwethers such as the purchasing managers' indexes2 (PMI) have hit their best levels since 2022 globally and with their best breadth since that post-pandemic reopening boom.

CHART 2: MAINTAINING MOMENTUM

Purchasing managers' indexes, World

(diffusion index; >50 denotes expansion)



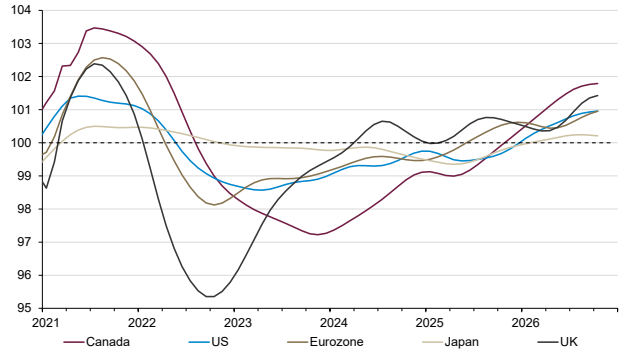
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to October 2026

A broader slate of leading indicators also echoes this sentiment and points to widespread momentum being sustained globally as the new year nears.

CHART 3: FOLLOW THE LEADER

Composite leading indicator[3]

(index; trend-growth = 100)



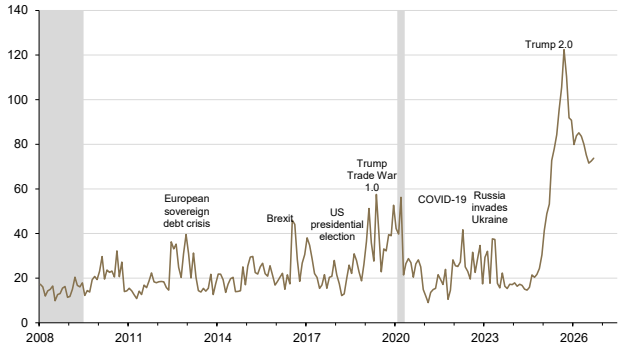
Shaded region represents a period of US recession; source: Guardian Capital LP, based on data from the OECD and Bloomberg to October 2026

Of course, the uncertainties that have plagued the outlook remain in place as well. As such, the days ahead are likely to see more bricks added to the proverbial "wall of worry4" that markets must climb. Gauges of uncertainty globally remain historically elevated and are unlikely to abate soon.

CHART 4: HIGHLY UNPREDICTABLE

Uncertainty index[5], World

(index)



Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from WorldUncertaintyIndex.com to September 2026

Domestic politics in the U.S. are returning to the forefront of discussions, with the midterm elections carrying significant implications for the remainder of the President's term.

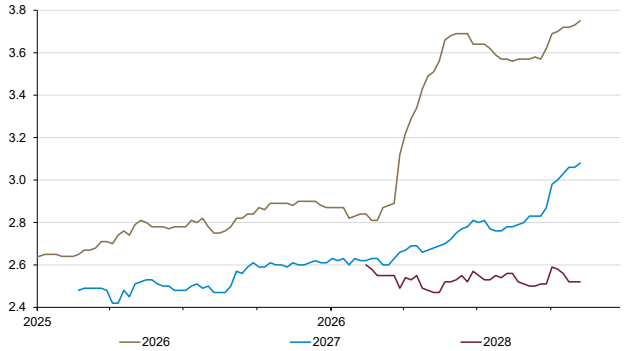
The "blue wave" that saw the President's opposition gain control of both chambers of Congress will likely create political gridlock in the U.S.

There are also growing internal political challenges within Europe and Emerging Markets that raise the potential for added instability at a time when fiscal sustainability is gaining increasing focus.

Geopolitical tensions remain high. Conflicts in Iran and Ukraine continue with no imminent resolutions. The related sustained upward pressure on commodity prices, particularly for energy products, is filtering into prices for other goods and services. Combined with still-solid demand aggregate, this is tilting the balance of risks for inflation upward.

CHART 5: UNCOMFORTABLY HIGH (AND HIGHER)

Consensus inflation forecasts, Developed Markets
(year-over-year percent change)



Source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

As a result, central banks globally are unlikely to drop their recently adopted hawkish biases, which, at a minimum, suggests policy rates staying at their current levels for longer.

Market interest rates are, therefore, likely to remain higher for longer, continuing to weigh on activity in real estate markets and adding further scrutiny to corporate capital expenditure plans that are facing growing skepticism over their ability to generate sufficient returns on investment.

So, while it appears that the global economy is on firm enough footing to continue to trudge ahead through the headwinds — which would continue to provide a fundamental support for risk assets — the ongoing obstacles along the path have the potential to create setbacks and spur market volatility.

The biggest cog in the economic machine

It remains the case that the average person across the world is not paying all that close attention to the intricacies of global geopolitical developments.

Instead, they are focused on keeping a roof over their head, food on their table, and gas in their car, while hopefully also being able to enjoy the small luxuries of life. That means their personal financial situation matters above all else.

The cumulative impact of a half-decade of above-target inflation and elevated borrowing rates is a cause for complaints, and has factored into incumbents across the political spectrum being ousted in recent elections. Still, households generally find themselves on solid financial footing, with the ability to keep spending to meet their needs and wants.

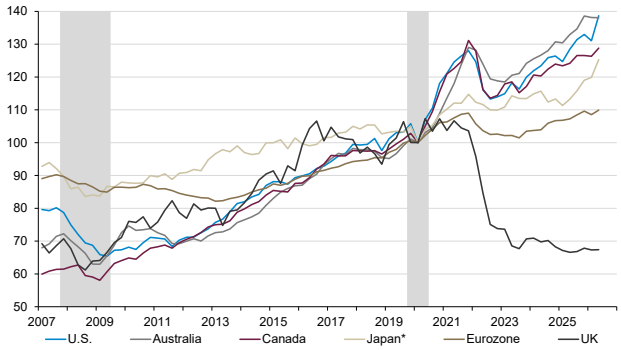
Aggregate household net worth (total assets less liabilities) hit new record highs at the mid-point of this year thanks to an increase in the value of financial assets — and while housing markets have stagnated, home values have generally been stable.

Importantly, the balance sheet strength is evident across most Developed Markets (DM). It is not just the U.S.[6], but the likes of Canada[7], Japan[8], Australia[9] and the Eurozone[10] as well — the U.K. is an outlier.

Moreover, wealth is at all-time highs adjusting for inflation, making it a “real” purchasing power story, which matters in an era of persistently elevated price pressures.

CHART 6: FOR WHAT IT'S WORTH

Inflation-adjusted household net worth**
(index, Q1 2020 = 100; local currency basis)



**Based on financial assets only; **nominal values deflated by national consumer price index; shaded regions represent periods of U.S. recession; source: Guardian Capital LP,, using data from Statistics Canada, Australian Bureau of Statistics, U.S. Federal Reserve, U.K. Office of National Statistics, European Central Bank and Bank of Japan to Q2 2026*

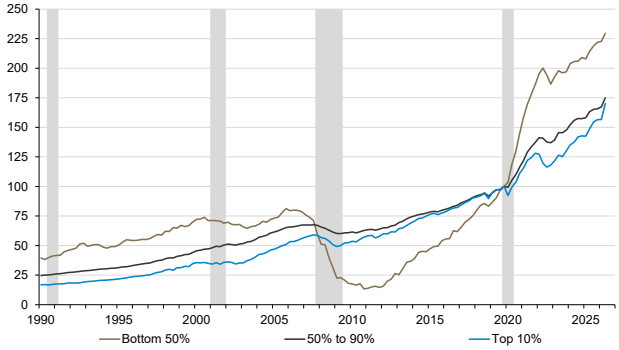
Furthermore, it continues to be the case that it is not strictly true that wealthier households have been amassing even greater wealth through this cycle.

All households have registered sizable gains, with the less well-off and more financially vulnerable half of the population recording the strongest relative gains (in absolute terms, the "dollar" gains of the wealthier cohorts are substantially larger).

For example, the bottom 50% of households in the U.S. by wealth have seen their net worth increase by 129% since 2020, which outpaces the gains seen by those in the "upper-middle class" (+75%) and the top 10% (+70%) — there have been similar trends seen in the (less timely) data for Canada[11] and the Eurozone[12] as well through this cycle.

CHART 7: SPREAD THE WEALTH

Household net worth by wealth percentile, U.S.
(index; Q1 2020 = 100)



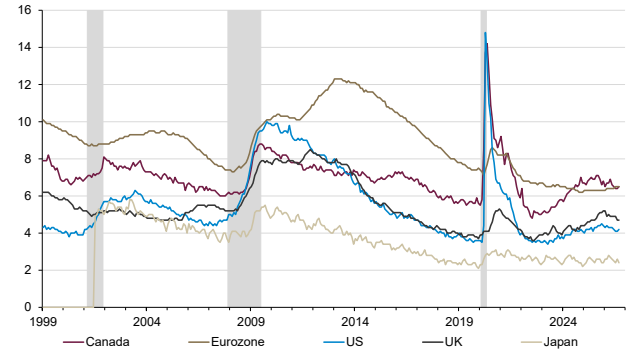
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from the U.S. Federal Reserve Board to Q2 2026

That magnitude of increase means that there is a notably larger "rainy day" fund for the bulk of households at a time when global job markets remain firm. Employment gains may be slower than earlier in the cycle, but they remain positive, with negligible signs of broad-based job loss, and unemployment rates remain historically benign.

CHART 8: JOB MARKET STABILITY

Unemployment rates

(percent)



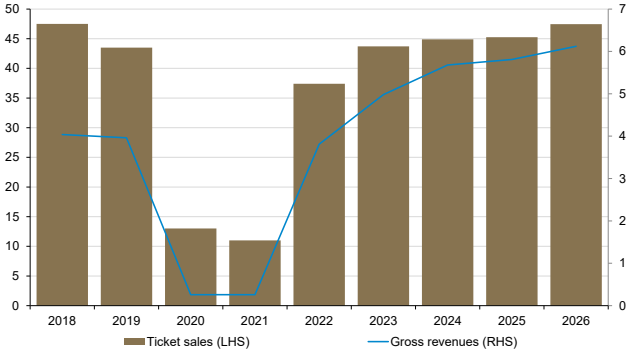
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to September 2026

Accordingly, these added funds and scant indications of excessive leverage mean there is less need for households to save out of current income, which frees up more money to absorb the impact of higher inflation and higher interest rates, as well as for discretionary spending — and on this latter point, it is notable that global concert[13] ticket sales and gross revenues are breaking records through 2026.

CHART 9: THE SHOW GOES ON

Top 100 global tour ticket sales, year-to-September

(millions of tickets sold) (billions of U.S. dollars)



Source: Guardian Capital LP, using data from Pollstar to September 2026

Looking forward, the continued strength of household finances points to consumers who appear positioned to keep the global economy moving forward despite persistent headwinds, barring a material shock to the system.

Building capacity

While households represent the biggest piece of the overall economic pie, it has increasingly been the case that businesses are the biggest driver of economic growth — and they are going full throttle.

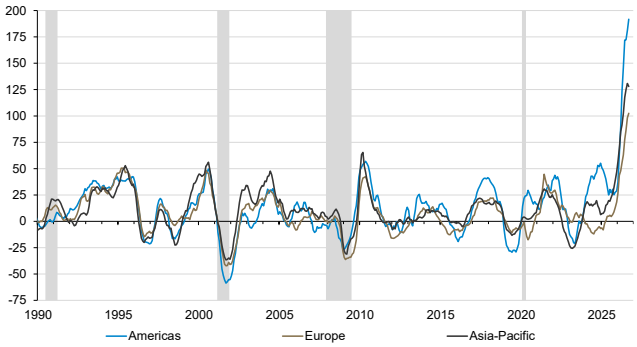
Capital investment has accelerated notably over the last year as businesses ramp up their spending on the infrastructure needed to support an increasingly technology-driven economy.

Sales of semiconductors, which are integral to the hardware that runs AI models, have continued to skyrocket as demand for technology-related equipment has surged — more than doubling from year-ago levels worldwide.

CHART 10: ALL THAT AND A BAG OF CHIPS

Semiconductor sales

(year-over-year percent change in three-month moving average)



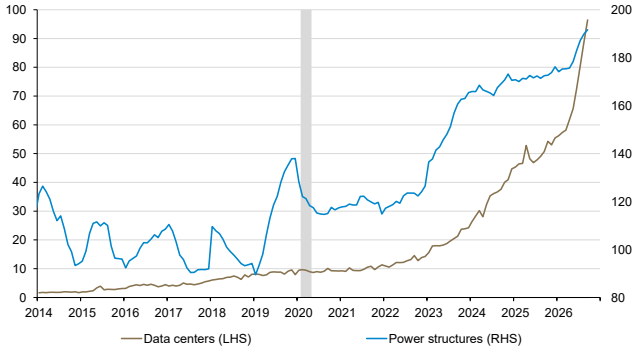
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from World Semiconductor Trade Statistics and Bloomberg to September 2026

Spending on data centers needed to store, process and share digital information upon which AI models rely in the U.S. has now more than tripled over the last three years. Investment into improving the power grid required to run these technologies has surged higher as well. These areas are accelerating abroad as other economies look to narrow the infrastructure gap.

CHART 11: BUILDING CAPACITY

Construction spending, U.S.

(billions of U.S. dollars)



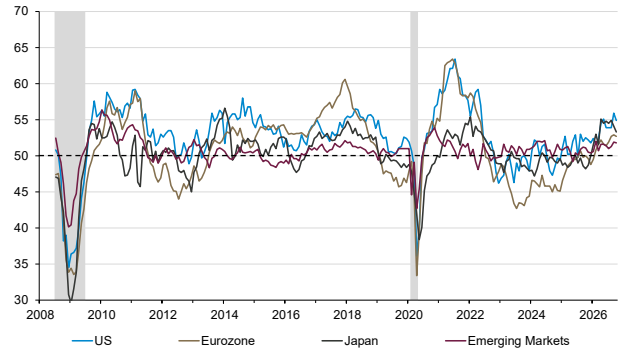
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from the U.S. Census Bureau to September 2026

And while the “high tech” industries have been the biggest growth areas, capital expenditure more broadly is experiencing a renewed upswing as businesses look to bolster their supply chains and productivity capabilities in a less globalized world, and governments worldwide roll out substantial infrastructure investment programs.

The result has been an upswing in industrial production that forward-looking factory indicators suggest could be sustained in the months ahead.

CHART 12: MANUFACTURING MOMENTUM

Manufacturing purchasing managers' index[14]
(diffusion index; >50 denotes expansion)



Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from Bloomberg to October 2026

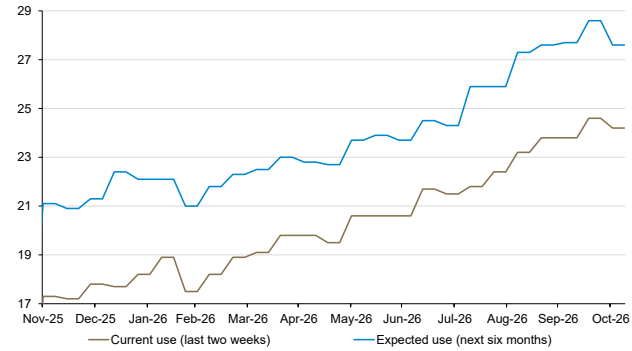
Capital concerns

There appears to be plenty of runway for AI-related capital spending to grow as more businesses integrate technologies into their operations.

For example, just 24% of American businesses currently use AI in their business functions, while 28% anticipate doing so over the next six months.

CHART 13: STILL EARLY DAYS

Super intelligence adoption rate[15], U.S.
(percent of businesses)



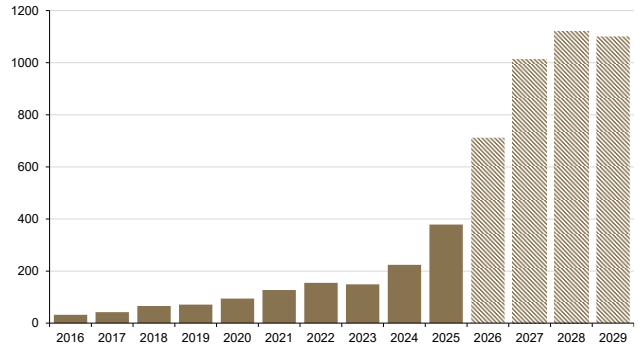
Source: Guardian Capital LP, using data from the U.S. Census Bureau's Business Trends and Outlook Survey[16] to November 1, 2026

With that said, there is rising concern about the growth trajectory for AI investments.

"Hyperscalers", the huge cloud computing and data storage companies, have been spending substantial amounts of cash and are now issuing significant amounts of debt to finance their massive capital spending plans that are currently projected to exceed US$1 trillion in each of the next two years.

CHART 14: EXPENSIVE AMBITION

Hyperscaler* capital expenditure
(billions of U.S. dollars)

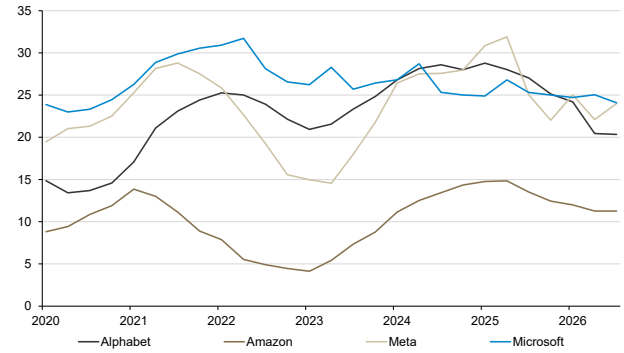


**Hyperscalers=Alphabet, Amazon, Meta, Microsoft and Oracle; 2026 to 2029 are Bloomberg consensus forecasts; source: Guardian Capital LP, using data from Bloomberg as at November 6, 2026*

These plans, however, are coming under some scrutiny as these companies are showing persistently diminishing returns on invested capital.

CHART 15: DIMINISHING RETURNS

Corporate return on invested capital
(percent)



Source: Guardian Capital LP, using data from Bloomberg to Q3 2026

Declining returns combined with elevated costs of capital create a growing probability that hyperscalers may face pressure to scale back investment plans.

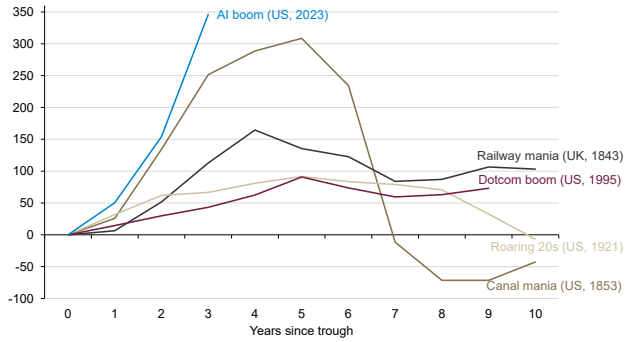
That would, in turn, carry implications for growth momentum for the broader economy and earnings.

At the same time, some restraint in adding digital infrastructure capacity may well end up being healthier for the economic cycle.

After all, history is littered with examples of excessive enthusiasm over technological breakthroughs — such as the railway boom of the 1840s, canal mania of the 1850s, the electrification of the 1920s and the dotcom bubble of the late 1990s — that attracted undue amounts of capital, only to see returns disappoint and trigger divestment that induced economy-wide recessions.

CHART 16: HISTORY LESSONS

Investment during selected economic booms*
(percent change from pre-boom trough)



**Episodes refer to the following series and pre-boom troughs refer to the following years: Canal mania = U.S. canal construction spending, 1835; railway mania = UK real investment, 1843; roaring 20s = US private fixed asset investment, 1921; dotcom boom = US private fixed investment in information processing equipment & software, 1995; AI boom = AI hyperscalers' capital expenditure, 2023; source: Guardian Capital LP, based on data from the Bank for International Settlements[17]*

These episodes, however, did not invalidate the underlying technological innovation — which in all cases paid substantial dividends over time. Instead, they emphasize that even transformative technologies can result in subpar returns when capital deployment becomes excessive.

As such, more discriminating investment can limit burgeoning financial excesses — which appear to remain fairly limited — before they get too onerous.

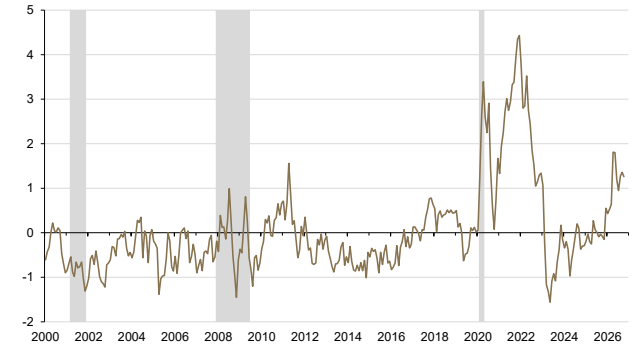
Furthermore, some slowing in AI-related spending would ease pressures on the computing power supply chain that have driven surges in component prices, as well as costs for things like labour and raw materials, that have factored into companies raising prices for tech products and services.

An inflated sense of importance

The “cost push” pressures extend beyond backlogs and shortages in the technology value chains, however, as indicators point to broader global supply chains becoming increasingly taxed.

CHART 17: SUPPLY CHAIN SNAGS

Supply chain pressure index[18], World
(standard deviations from average)



Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from New York Federal Reserve Bank to October 2026

A big part of this is related to commodities, particularly energy products.

While there have been improvements in recent months, oil production in the Middle East remains 20% below the levels seen before the conflict in Iran began earlier this year.

CHART 18: LOW ENERGY

Crude oil production, OPEC[19]

(millions of barrels per day)



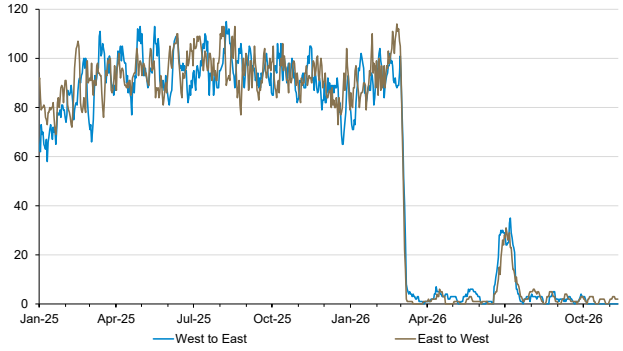
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to October 2026

The continued effective closure of the Strait of Hormuz, a key chokepoint for the global energy trade, has meant that exporters in the region have had to rely on alternative, and more costly, modes of transportation to get their product to market.

CHART 19: CLOSED FOR BUSINESS

Crude oil tankers crossing the Strait of Hormuz

(number, seven-day moving average)



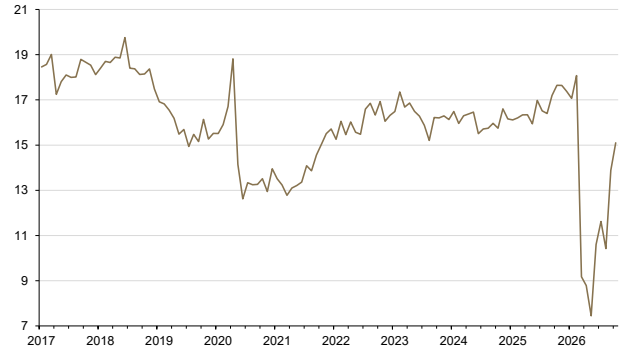
Source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

The relative success of these efforts, however, has mitigated what were assumed to be more significant supply constraints. Oil exports among the Persian Gulf states are back to 90% of their pre-war levels.

CHART 20: ALTERNATIVE OUTLETS

OPEC Persian Gulf crude oil exports

(millions of barrels per day)



Source: Guardian Capital LP, using data from Bloomberg to October 2026

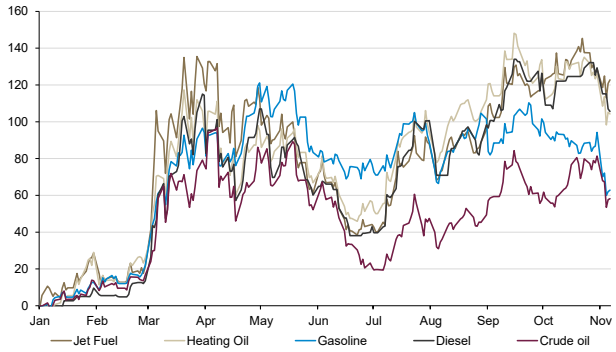
Accordingly, crude prices have not increased as much as feared to this point — and have come off their highs in recent weeks.

That said, oil prices remain elevated and the increases recorded in refined products — such as diesel, heating oil and jet fuel that have a more direct impact on consumers and businesses — have been comparatively larger.

CHART 21: HIGHLY REFINED

Energy product prices

(2026 year-to-date percent change; U.S. dollar basis)



Source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

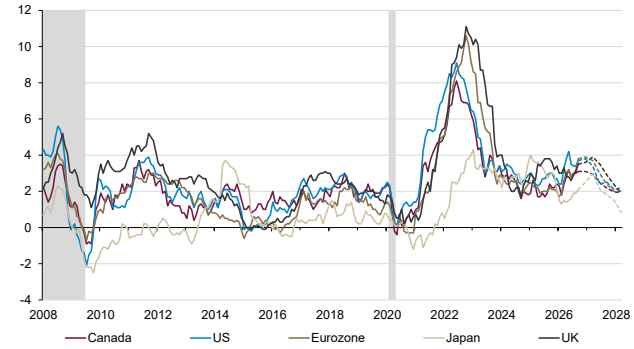
There are growing indications that these upward cost pressures are filtering more broadly into prices of goods and services across the global economy.

The continued absence of a resolution to the conflict in Iran, one that would reopen the Strait of Hormuz and a full resumption of production, points to energy prices remaining high. Combined with the sustained growth momentum, this is skewing inflation expectations higher globally for the year ahead.

CHART 22: PLENTY OF PERSISTENT PRESSURES

Consumer Price Index[20]

(year-over-year percent change)



Dashed lines represent Bloomberg consensus forecasts as at November 6, 2026; shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to September 2026

A focus on price stability

The upward shift in the assumed balance of risks for inflation, at a time when underlying inflation remains persistently above target, has forced the hand of central banks tasked with maintaining price stability.

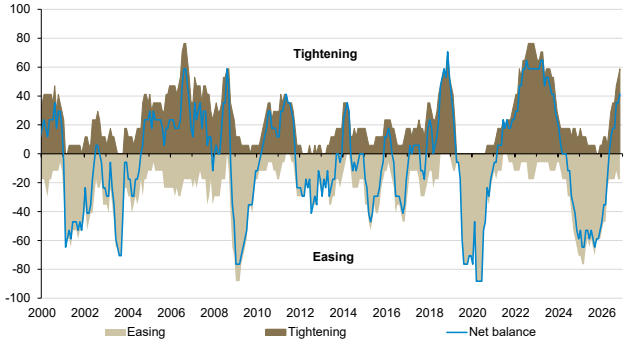
Effectively, every central bank across Developed Markets — including those for the U.S., Canada, the U.K., the Eurozone, Australia, New Zealand, Korea, Japan, Norway, Sweden and Denmark — has raised its policy rate over the last three months.

Moves have been scarcer in Emerging Markets where economies face other issues — only the central banks of India, Indonesia, South Africa and Saudi Arabia have moved so far, while Brazil, Mexico and Turkey have continued to cut.

CHART 23: CENTRAL BANK TIDE IS TURNING

Central banks tightening v. easing monetary policy, G20[21]

(percent of total)

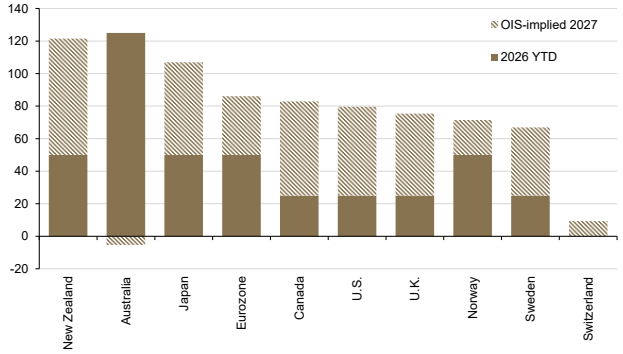


Source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

Apart from Australia, where policy rates have already increased by 125 basis points this year to more than reverse 2025's easing, markets are anticipating tightening cycles to continue through the coming year in efforts to combat inflation.

CHART 24: MARKETS EXPECT MORE HIKES

Actual and OIS*-implied change in central bank policy rates
(basis points)



**OIS=overnight index swap; shaded bars represent OIS-implied changes in policy rates as at November 6, 2026; source: Guardian Capital LP, using data from Bloomberg to November 6, 2026*

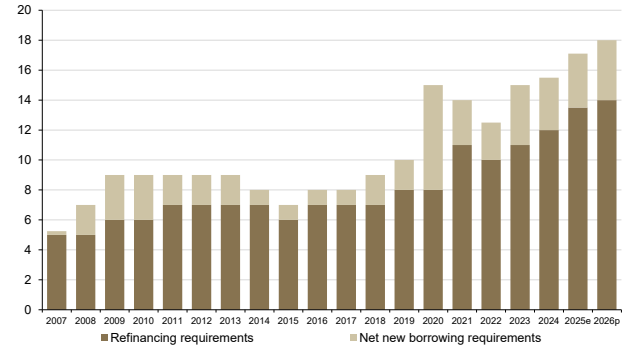
Higher for longer?

The upward pressure on the front-end of the yield curve from policy rate expectations has recently been met with a sizable upward move further out.

Governments worldwide are rolling out massive deficit-financed infrastructure and defence investment plans that necessitate large-scale debt issuance over and above what is needed to finance existing maturing liabilities.

CHART 25: GIVE THEM SOME CREDIT

Net sovereign borrowing requirements, OECD[22]
(trillions of U.S. dollars)

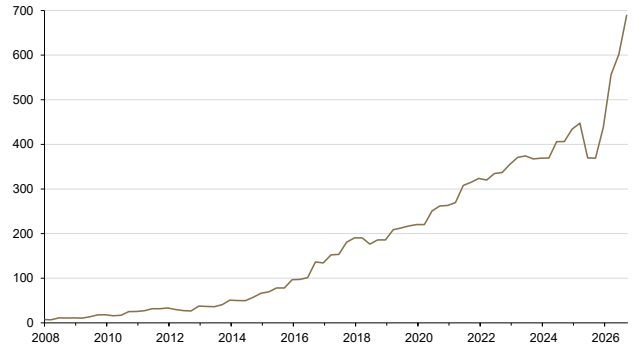


e="estimate"; p="projection"; source: Guardian Capital LP, using data from the OECD's Global Debt Report 2026[23]

Unlike the era of quantitative easing, where there was a big and price-insensitive appetite for these bonds, governments are now forced to compete with the hyperscalers that are increasingly tapping debt markets to finance their own investment plans.

CHART 26: BUILDING CREDIT

Hyperscalers*' long-term debt outstanding
(billions of U.S. dollars)

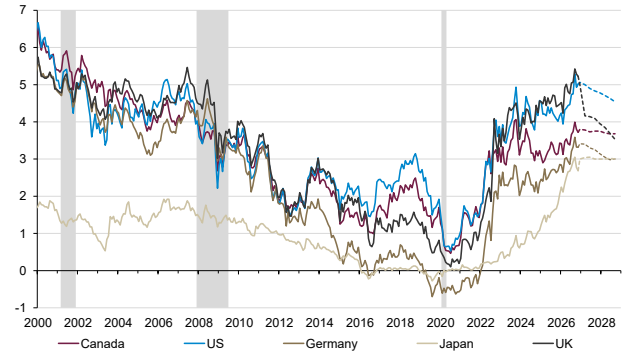


**Hyperscalers=Alphabet, Amazon, Meta, Microsoft and Oracle; source: Guardian Capital LP, using data from Bloomberg to Q3 2026*

The resulting increase in market-mandated term premia has pushed market yields notably higher. Benchmark 10-year sovereign bond yields have touched their highest levels in nearly two decades, and market expectations are that they will remain around these levels for the foreseeable future.

CHART 27: HIGHER FOR LONGER

10-year sovereign bond yields
(percent)



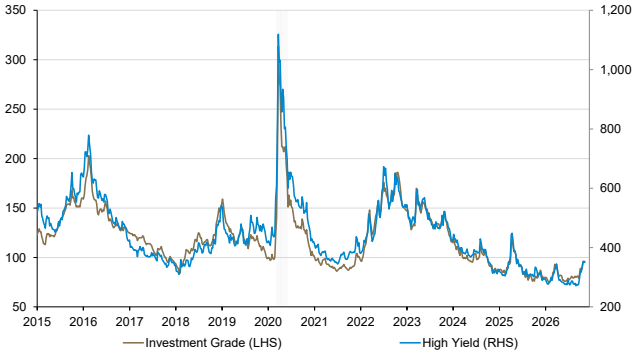
Dashed lines represent consensus forecasts as at November 6, 2026; shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

While odds appear to favour rates staying higher for longer, there are arguments for potential declines.

There is currently a lot priced into markets, while the backup in yields and widening in credit spreads have done some of the heavy lifting for central banks in terms of tightening financial conditions.

CHART 28: CREDIT CHECK

Global corporate bond index* option-adjusted spreads
(basis points)



**Investment Grade=Bloomberg Global Aggregate Corporate Bond Index[24]; High Yield=Bloomberg Global Aggregate High Yield Bond Index[25]; shaded region represents the period of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to November 6, 2026*

While growth momentum would not suggest that conditions can be construed as "restrictive", the lagged impact of these moves will likely become more evident in the months ahead.

Any resulting headwinds for demand would help ease inflationary pressures, which could, in turn, temper the pressure on central banks to act. That could mean a slower pace of hikes or a lower terminal rate than markets currently price, which suggests scope for market rates to move lower.

That said, the level of yields on offer means that bonds may stand to provide attractive total return potential for investors not seen for decades, even in the absence of declining yields.

Taking stock of the situation

While headwinds from inflation, rates and geopolitics loom large, the global economy remains resilient and continues to trudge forward. The solid, and broadening, economic foundation appears supportive of a continuation of the improving market breadth seen in recent months.

Moreover, even the potential lower rates would be beneficial to the broader "real" economy, which, in turn, would provide a relative lift to rate-sensitive and other cyclical sectors that are gaining more traction.

As such, there would seemingly be scope for a further broadening out of equity performance.

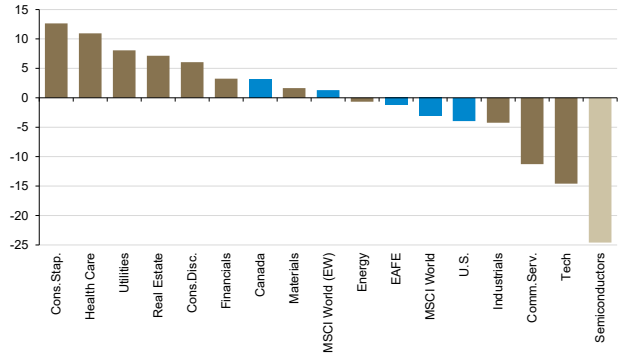
With that in mind, the last few months have seen the dominance of a small group of mega-cap technology companies wane — the loss of investor enthusiasm has weighed on overall market performance.

The weakness in the technology sector has been a significant contributor to the declines seen in the MSCI World Index[26] since the beginning of October; however, seven of 11 industrial sectors are up over that span, and the equal-weighted version of the global equity benchmark[27] is also in positive territory.

CHART 29: A ROTATION, NOT A PANIC

Equity market* performance since October 1, 2026

(precent; U.S. dollar basis)



**performance based on MSCI World Index and components; source: Guardian Capital LP, based on the author's calculations using data from Bloomberg from October 1 to November 6, 2026*

The implication here is that rather than a broad selloff spurred by significant concerns about macroeconomic fundamentals, there has been a selective rotation playing out as investors have shown a greater willingness to look beyond U.S. technology names for opportunities.

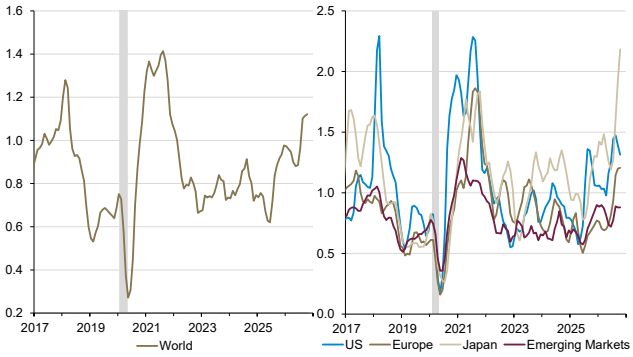
Improving market breadth matters. Markets built on a narrow foundation can be fragile, while those supported by improving earnings across regions and sectors tend to be more durable.

Importantly, corporate profit expectations have maintained their upward trajectory. Analysts continue to revise their expectations for growth higher in the months to come.

CHART 30: ON THE UP AND UP

Three-month earnings per share revision ratios

(ratio of analyst upgrades to downgrades)



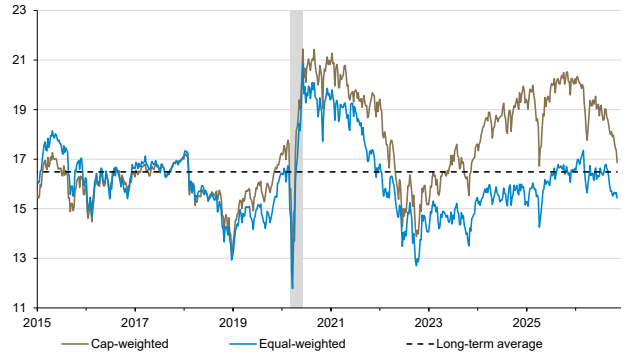
Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from Bank of America to October 2026

That fundamental support is complemented by the fact that recent market volatility centred around the frothier areas has seen price-to-earnings multiples return to much more reasonable levels.

CHART 31: MIND THE GAP

Forward price-to-earnings ratio, MSCI World Index

(ratio)



Shaded region represents period of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to November 6, 2026

Indeed, the average stock as per the equal-weighted MSCI World Index is trading on the cheaper side of its history and, therefore, offers a cushion should earnings take a turn for the worse — while offering upside should sentiment turn for the better. There are opportunities for active and selective investors.

Ever onwards

The global economy continued to be more resilient than many anticipated, and growth momentum is entering 2027 with more verve than seemed likely just a year ago.

Households continue to benefit from strong balance sheets and still firm labour markets. Businesses remain willing to invest in expanding productive capacity and integrating and enhancing AI capabilities

At the same time, risks continue to loom large over the outlook. Inflation pressures have re-emerged and resultant higher borrowing costs are increasingly challenging governments, businesses and investors alike, while geopolitical tensions remain elevated.

The net result is an environment where progress comes only through trudging over a persistent and growing list of obstacles.

That tension helps explain what has been playing out in the marketplace. The recent rotation away from a narrow group of technology leaders and toward a broader set of sectors and regions reflects an investment landscape that is becoming less dependent on a single theme and more closely linked to underlying economic fundamentals.

Improving market breadth, solid earnings expectations and more reasonable valuations provide a constructive foundation, even if volatility remains a constant.

Ultimately, the outlook is best characterized not by extremes, but by some semblance of balance.

Growth remains intact, but the path forward is unlikely to be smooth. For investors, success will increasingly depend on remaining selective, disciplined and focused on fundamentals as the global economy continues its steady, if occasionally uneven, advance.

David Onyett-Jeffries

David Onyett-Jeffries is Vice President, Economics & Multi-Asset Solutions, at Guardian Capital LP (GCLP). He provides macroeconomic guidance to GCLP and its affiliates. Additionally, he is a portfolio manager of GCLP's multi-asset portfolios and funds and works closely with GCLP's Directed Outcomes team.

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1 The Citi Economic Surprise Index measures the pace at which economic indicators are coming in ahead of or below consensus forecasts. When the index is negative, it means that the majority of reports are coming in below expectations, while a positive reading indicates that most data is coming in ahead of expectations.

2 The Purchasing Managers Index (PMI) is a measure of the prevailing direction of economic trends in manufacturing and services sectors; based on a monthly survey of companies to determine whether business conditions are improving, unchanged, or deteriorating compared to the previous survey, seasonally adjusted.

3 The composite leading indicator (CLI) is designed to provide early signals of turning points in business cycles showing fluctuation of the economic activity around its long-term potential level. CLIs show short-term economic movements in qualitative rather than quantitative terms.

4 The 'wall of worry' is the financial markets' periodic tendency to surmount a host of negative factors and keep ascending.

5 The World Uncertainty Index is computed by counting the percent of the word "uncertain" (or its variant) in the Economist Intelligence Unit country reports. The WUI is then rescaled by multiplying by 1,000,000. A higher number means higher uncertainty and vice versa.

6 Board of Governors of the Federal Reserve System, *Financial Accounts of the United States - Z.1*, November 15, 2026, https://www.federalreserve.gov/releases/z1/

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9 Australian Bureau of Statistics, Statistics Economy National accounts *Australian National Accounts: Finance and Wealth*, September 24, 2026, https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-finance-and-wealth/latest-release

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11 Government of Canada, Data, *Distributions of household economic accounts, wealth, by characteristic, Canada, quarterly (x 1,000,000)*, April 13, 2026, https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610066001

12 European Central Bank, Eurosystem, Distributional Wealth Accounts, *Net wealth of households, share of bottom 50 percent, Euro area 21, Quarterly*, 24 August 2026, https://data.ecb.europa.eu/search-results?searchTerm=Distributional%20Wealth%20Accounts&layerType=KL&sort=relevance&pageSize=10&filterType=basic&showDatasetModal=false&filtersReset=false&resetAll=false&reference_area_name%5B%5D=Euro%20area%2021%20(fixed%20composition)%20as%20of%201%20January%202026

13 Pollstar, Strength In Numbers: A Record-Setting Q3 Surpasses $6B; BTS, Bad Bunny, The Weeknd Top Charts (Analysis), September 22, 2026, https://news.pollstar.com/2026/09/22/strength-in-numbers-a-record-setting-q3-surpasses-6b-bts-bad-bunny-the-weeknd-top-charts-q3-analysis/

14 The Purchasing Managers' Index (PMI) is a measure of the prevailing direction of economic trends in manufacturing sectors; based on a monthly survey of companies to determine whether business conditions are improving, unchanged, or deteriorating compared to the previous survey, seasonally adjusted.

15 Respondents were asked about business use of super intelligence in "producing goods or services" or "any of its business functions" within the past 2 weeks. The Census Bureau changed from Artificial Intelligence (AI) to Super Intelligence (SI) starting October 19, 2026, to comply with Executive Order 14434

16 The Census Bureau's Business Trends and Outlook Survey (BTOS) is a continuous fielded survey that provides high-frequency, nationally representative data on U.S. employer businesses every 2 weeks. The survey provides local, state, and federal officials with near-real-time data for policy and decision-making, including after natural disasters or during economic crises. The BTOS also provides insights into recovery after these events.

17 Bank for International Settlements Annual Report 2026, Section I: Progress and Peril; Annual Economic Report 2026

18 The Global Supply Chain Pressure Index tracks the state of global supply chains using data from the transportation and manufacturing sectors. The index integrates a number of commonly used metrics with the aim of providing a comprehensive summary of potential supply chain disruptions.

19 The Organization of Petroleum Exporting Countries (OPEC) is an intergovernmental organization created to coordinate and unify petroleum policies among its member nations, which include Iran, Iraq, Kuwait, Saudi Arabia and United Arab Emirates among others.

20 Inflation, measured by consumer price index (CPI) is defined as the change in the prices of a basket of goods and services that are typically purchased by specific groups of households.

21 The G20 is an intergovernmental forum comprising 19 countries and the European Union. It works to address major issues related to the global economy, such as international financial stability, climate change mitigation, and sustainable development.

22 OECD+ is an aggregate including the 38 OECD economies and six major non-member economies (Brazil, China, India, Indonesia, Russia and South Africa).

23 Organisation for Economic Co-operation and Development, Global Debt Report 2025: Sustaining Debt Market Resilience Under Growing Pressure; March 4, 2026, Global Debt Report 2026 | OECD

24 The Bloomberg Global Aggregate Corporate Bond Index is a global benchmark that measures the performance of investment-grade, fixed-rate corporate debt from both developed and emerging markets.

25 The Bloomberg Global High Yield Index is a multi-currency flagship measure of the global high yield debt market.

26 The MSCI World Index captures mid- and large-cap representation across 23 developed market countries.

27 The MSCI World Equal Weighted Index represents an alternative weighting scheme to its market cap weighted parent index, the MSCI World Index. The index includes the same constituents as its parent (large and mid cap securities from 23 Developed Markets countries). However, at each quarterly rebalance date, all index constituents are weighted equally, effectively removing the influence of each constituent's current price (high or low).

Market Returns as of September 30, 2026

All returns in CAD

CANADIAN EQUITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
S&P/TSX Composite	-2.6	1.6	13.0	20.0	15.2	12.4
S&P/TSX 60	-2.4	1.6	13.4	19.8	14.9	12.6
S&P/TSX Completion	-3.3	1.7	11.4	20.6	16.3	11.7
S&P/TSX SmallCap	-1.8	2.4	20.8	33.2	16.1	10.8
S&P/TSX Composite High Dividend	-2.3	0.2	23.3	29.6	15.8	12.1
S&P/TSX Composite Dividend	-3.1	0.3	14.0	20.4	15.7	12.3

US EQUITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
S&P 500	2.1	2.4	16.8	18.1	16.4	16.2
Dow Jones Industrial Average	-1.8	-2.3	11.0	13.8	13.1	14.0
NASDAQ	4.3	2.5	19.7	21.0	15.8	18.5
Russell 1000	1.7	1.9	16.3	17.4	15.6	16.0
Russell 2000	-3.0	-7.2	17.8	18.6	8.8	10.7
Russell 3000	1.6	1.5	16.4	17.5	15.2	15.6
Russell 1000 Growth	4.6	1.0	10.1	9.7	16.3	19.1
Russell 1000 Value	-0.8	2.7	23.5	26.3	14.5	12.3

S&P/TSX SECTOR RETURNS (%)

SECTOR RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
Communication Services	-9.8	-9.3	-13.6	-15.1	-5.8	0.6
Consumer Discretionary	-2.1	-5.1	-0.7	10.2	10.3	9.8
Consumer Staples	-1.6	-7.0	1.3	8.1	12.6	10.2
Energy	-3.7	3.3	27.7	29.9	22.5	10.9
Financials	-1.1	-3.0	19.5	32.0	18.9	15.4
Health Care	-0.6	-5.4	3.0	4.4	-16.1	-13.8
Industrials	-1.2	-3.2	6.8	5.3	7.5	11.2
Information Technology	3.5	17.9	-2.8	0.0	5.7	20.0
Materials	-7.4	12.9	10.5	23.7	24.5	14.5
Real Estate	-3.3	-7.3	-3.9	-9.8	-0.6	4.5
Utilities	-2.5	-7.2	9.3	11.3	7.0	9.0

S&P 500 SECTOR RETURNS (%)

SECTOR RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
Communication Services	6.8	3.7	8.2	14.3	15.5	13.6
Consumer Discretionary	-3.5	-5.0	-2.5	-3.2	8.1	13.0
Consumer Staples	-0.9	-1.8	9.8	8.2	9.9	8.9
Energy	-0.4	17.3	45.3	45.3	26.1	11.0
Financials	-4.9	0.0	2.2	2.7	11.7	13.8
Health Care	1.5	6.5	14.1	25.5	10.0	11.7
Industrials	-2.1	-9.6	12.4	11.7	15.7	13.7
Information Technology	7.0	7.3	33.0	32.8	26.4	27.0
Materials	-4.5	-2.7	12.7	12.3	8.9	10.5
Real Estate	-3.9	-5.5	9.1	4.4	4.6	7.0
Utilities	-3.6	-12.3	-2.3	-5.1	10.1	9.2

INTERNATIONAL EQUITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
MSCI World Index (Net, C$)	1.2	1.9	15.7	17.6	14.5	13.7
MSCI EAFE Index (Net, C$)	-0.7	0.9	14.3	18.1	11.8	9.9
MSCI ACWI (Net, C$)	-4.1	-5.5	0.6	2.4	8.3	9.3
MSCI France (C$)	-3.9	0.8	3.2	4.2	10.1	8.3
MSCI Germany (C$)	3.9	6.0	27.1	29.2	12.3	10.4
MSCI Japan (C$)	-1.6	2.0	12.1	18.2	15.1	9.5
MSCI U.K. (C$)						
S&P/IFC Investable (Emerging Markets)	0.0	0.0	0.0	0.0	0.0	0.0
MSCI EAFE Growth (Gross, C$)	0.0	0.0	11.5	0.0	0.0	0.0
MSCI EAFE Value (Gross, C$)						

MSCI EAFE SECTOR RETURNS (%)

SECTOR RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
Communication Services	0.7	7.2	5.7	-3.5	7.4	4.9
Consumer Discretionary	-4.5	-1.2	-5.5	-5.7	2.6	6.1
Energy	4.7	19.6	43.6	49.4	20.3	11.3
Financials	-1.1	6.1	20.6	27.8	22.6	14.3
Health Care	-1.7	-2.8	0.2	8.3	4.6	6.7
Industrials	-1.2	0.8	13.3	15.1	13.9	11.9
Information Technology	6.3	-8.3	44.9	48.7	14.1	15.9
Materials	-4.3	2.2	20.4	27.2	10.1	10.7
Real Estate	-2.6	-4.0	-1.6	-2.0	1.8	1.8
Utilities	-1.3	-4.5	10.8	20.3	13.4	9.7

CANADIAN FIXED INCOME

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
FTSE Canada 91 Day T-Bill	0.2	0.6	1.7	2.3	3.2	2.1
FTSE Canada Short Term Overall Bond	-0.7	-0.9	0.5	0.9	2.0	2.0
FTSE Canada Mid Term Overall Bond	-1.4	-3.0	-0.7	-1.1	0.6	1.5
FTSE Canada Long Term Overall Bond	-1.9	-6.3	-3.1	-4.4	-2.6	0.0
FTSE Canada Universe Bond	-1.2	-3.0	-0.8	-1.1	0.3	1.3
FTSE Canada High Yield Overall Bond	-0.1	0.4	3.4	4.9	5.2	6.3
FTSE Canada Real Return Bond Overall	-0.3	-2.0	3.0	1.0	0.0	1.2

CANADIAN FIXED INCOME

SECTOR RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
FTSE Canada Federal Bond	-1.2	-2.6	-0.8	-1.3	0.1	0.7
FTSE Canada Provincial Bond	-1.6	-4.1	-1.4	-2.0	-0.7	0.9
FTSE Canada All Corporate Bond	-0.8	-2.1	0.0	0.4	2.0	2.7

GLOBAL FIXED INCOME

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
FTSE World Government Bond	0.1	-2.4	0.7	-0.7	-0.7	0.0

Sources: Bloomberg Finance L.P., FTSE Bond Analytics, TD Securities, Thomson Financial

Market Returns as of September 30, 2026

All returns in CAD

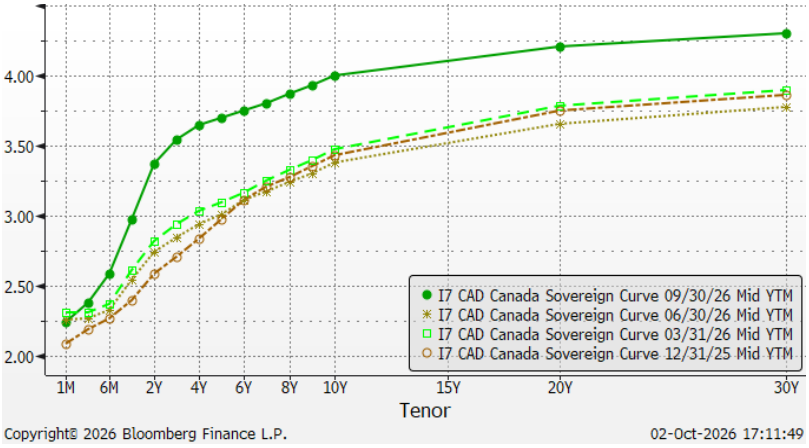
COMMODITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
Bloomberg WTI Cushing Crude Oil Spot Price	8.0	30.2	63.1	47.9	6.2	7.3
Bloomberg European Dated Brent BFOE Price	37.2	68.1	99.3	80.6	11.3	10.5
Edmonton Crude Oil Syncrude Sweet Blend FOB Spot	6.7	21.5	96.4	77.3	9.9	8.9
S&P GSCI Nat Gas Index Spot	5.6	-7.5	-15.0	-6.5	-10.4	1.2
S&P GSCI Copper Index Spot	3.0	8.1	20.2	43.7	12.6	12.4
S&P GSCI Gold Index Spot	-4.3	3.7	-0.1	10.3	21.7	13.2

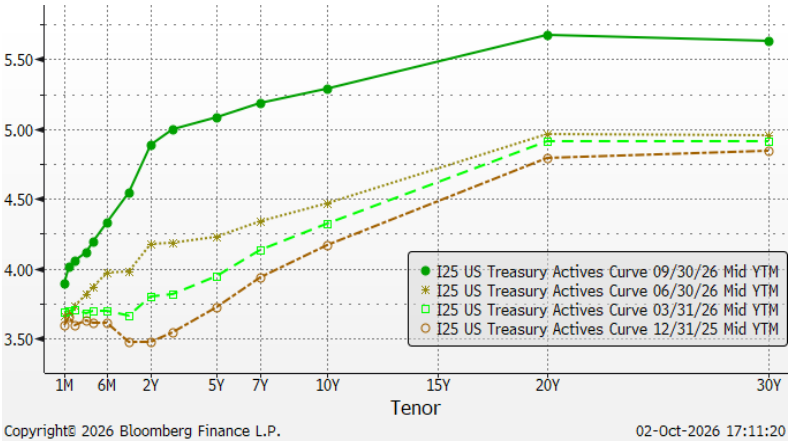
CURRENCY

% CHANGE	1M	3M	YTD	1Y	5Y	10Y
CAD/USD	2.4	0.1	3.6	2.0	2.3	0.8
CAD/Yen	4.1	3.5	3.3	-4.1	-4.5	-3.6
CAD/GBP	0.3	0.2	2.3	0.7	2.0	1.0
CAD/Euro	0.1	-0.6	0.2	-1.4	1.9	0.9

GOVERNMENT OF CANADA YIELD CURVE



U.S. TREASURY YIELD CURVE



Sources: Bloomberg Finance L.P., FTSE Bond Analytics, TD Securities, Thomson Financial

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