



SPRING 2026

## SUMMARY

- Prior to the surge in geopolitical stress stemming from developments in the Middle East, the economic outlook appeared to be highly constructive. Growth momentum was showing signs of broadening out not just across regions but sectors as well, with business investment in technology on a material upswing and public infrastructure spending looking to pick up in the coming months, supplementing the ongoing resiliency of the consumer sectors.
- The sharp increase in energy and other commodity prices in response to the war in Iran certainly has the potential to negatively impact growth and inflation that were otherwise trending in a positive direction — higher energy costs could filter broadly into the economy and put upward pressure on price levels; higher prices reduce purchasing power which, combined with increased general uncertainty, would result in demand destruction which constrains economic growth.
- The impact, however, depends on how much prices escalate and how long they stay at elevated levels. The situation remains fluid, but there is potential for a relatively swift resolution that could reopen the Strait of Hormuz and likely drive a sharp reversal in commodity prices that would limit the overall economic impact and increase the likelihood that policymakers would be willing to look through a short-lived rise in inflation.
- Of course, there is potential for the situation to persist and/or escalate — which would result in greater pressure on inflation and a bigger hit to growth. As it stands, however, this appears to be a lower-probability outcome given the limited appetite among other countries to get involved and the growing unpopularity of the incursion among American voters who will be heading to the polls for the midterms in November.
- Undoubtedly, policy uncertainty and geopolitical risk are likely to remain elevated for the coming months, which suggest that markets will remain vulnerable to bouts of volatility, but as long as the underlying drivers of growth remain broadly intact — as the available dataflow suggests they have so far — the most likely scenario appears to be one in which financial markets that are now more reasonably valued regain their footing and continue to climb the wall of worry.

## It's always something...

Looking back to the start of the year, there was a cautious optimism around the economic outlook.

While economically sub-optimal tariffs remained in place, the policy uncertainty that had been a constant over the past year was ebbing with more clarity on trade policy helping to ease tensions and boost general sentiment.

Growth momentum was broadening out across regions and sectors. Households were on solid footing globally, while businesses were ramping up investment in technology, and governments worldwide were rolling out sizable spending packages with a focus on infrastructure.

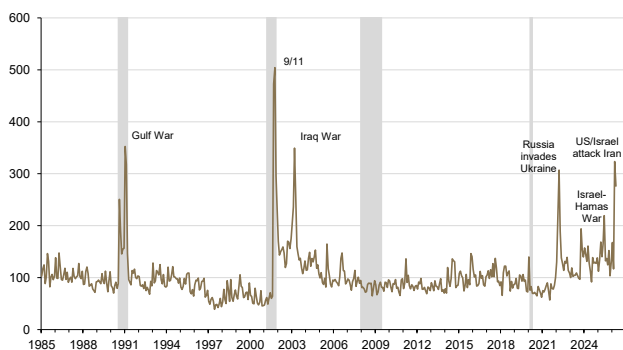
Inflation, while generally above central bank targets, was behaving well with underlying trends showing gradual moderation, easing pressure on central banks. Accordingly, lower was viewed as the path of least resistance for policy and market rates.

All of this appeared to be constructive for markets, though, with the caveat that there was plenty of potential for some sort of risk flare-up a result of a shift in the wind at the White House.

Obviously, that potential became reality and there has been a renewed surge in geopolitical risks that have again put more emphasis on “cautious” than “optimistic” over the outlook.

### CHART 1: RISK BACK ON

**Geopolitical Risk Index<sup>1</sup>, World**  
(index; pre-2019 average=100)



Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from PolicyUncertainty.com to April 24, 2026

The year started with the U.S. launching a military strike on Venezuela and capturing its president.

Shortly thereafter, the U.S. President threatened military force to annex Greenland, which sparked a showdown with members of the North Atlantic Treaty Organization (NATO) — only for the White House to reverse its position.

The U.S. President also hinted at an imminent attack on Iran in January, which was walked back at that time, only for the U.S. and Israel to strike Iran at the end of February and start a conflict that has now persisted for two months.

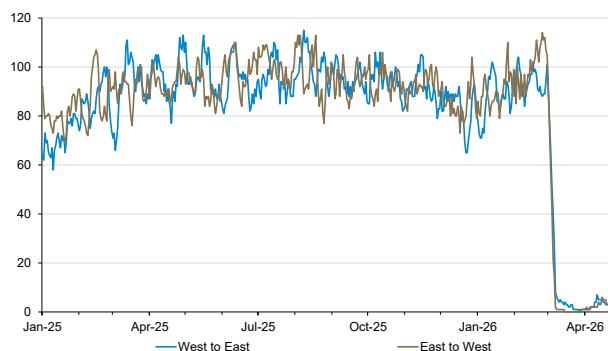
### Fog of war

Over and above the obvious negative human impact of war and the general fog of uncertainty it creates, the more direct market and economic impact has been tied to commodity markets.

The Strait of Hormuz — the chokepoint that provides sea passage from the Persian Gulf to the open ocean — has effectively been closed to commercial traffic since the conflict began, constraining access to key raw materials that typically flow through.

### CHART 2: SNOOZE THROUGH THE HORMUZ

**Crude oil tankers crossing the Strait of Hormuz**  
(number, seven-day moving average)

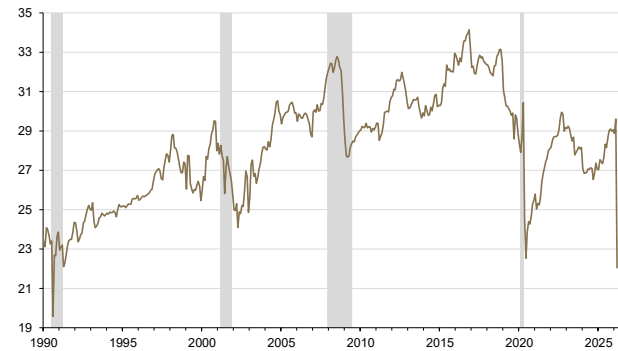


Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

Most notably, the inability to ship, as well as military threats in the region, have led to a sharp reduction in the output of energy commodities in the Middle East. The Organization of Petroleum Exporting Countries<sup>2</sup> (OPEC) saw a 26% plunge in crude oil in March, its largest one-month drop on record back to 1989.

### CHART 3: LOW ENERGY

**OPEC crude oil production**  
(millions of barrels per day)



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

The significant hit to global supply has led to a sharp increase in oil prices, with both the North American benchmark West Texas Intermediate (WTI) and overseas benchmark Brent prices breaching the US\$100 per barrel threshold for the first time since Russia invaded Ukraine in 2022.

### CHART 4: ENERGY SURGE

**Crude oil spot price**  
(U.S. dollars per barrel)

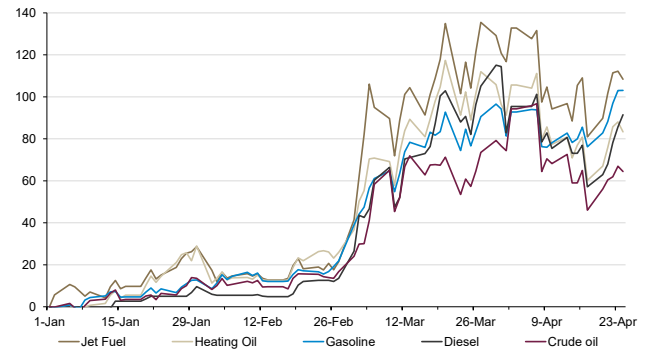


Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

The price spike has extended to refined energy products as well. The likes of diesel, heating oil, gasoline and jet fuel have seen upward pressure on prices that have created an upward cost spiral due to added transportation cost pressures tied to finding alternative transit routes, and resulted in comparably larger price moves.

### CHART 5: HIGHLY REFINED

**Refined energy product prices**  
(2026 year-to-date percent change; U.S. dollars basis)



Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

These price increases also filter through to other petrochemical products such as plastics and natural gas, as well as broader transportation costs, of which energy can account for roughly one-third. And while energy gets the most focus, other parts of the commodity complex are impacted by the closure of the Strait of Hormuz — it is a key passageway for many fertilizers and other materials such as helium.

#### A varied impact

Higher costs for key inputs to production have the potential to ripple throughout supply chains and exert upward pressure on broader prices throughout the global economy.

The magnitude of the inflationary impact and any resultant hit to growth is highly dependent on how long this crisis lasts and whether it expands into other regions. The longer it persists and the further it escalates, the more it will weigh on consumer and business sentiment, restrain growth, and put broader pressure on prices.

The situation remains fluid, and news on the progress of negotiations ebbs and flows daily, but there is limited indication of any appetite for escalation and potential remains for a resolution sooner rather than later.

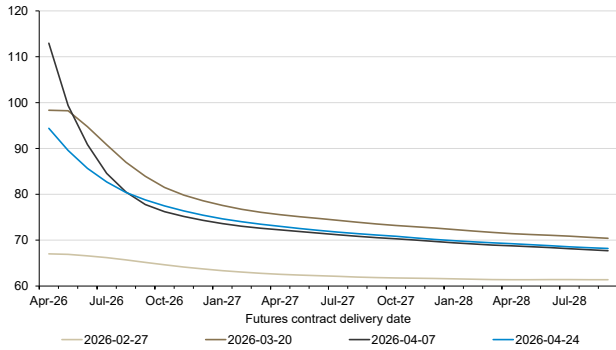
For their part, markets are assuming the worst has passed with crude oil prices off their peaks, and oil futures are in significant backwardation, suggesting that supply pressures are expected to subside in the coming months and result in lower prices versus

current levels.

The price of crude oil for delivery at the end of summer is 20% below the spot price.

**CHART 6: BENDING OVER BACKWARD**

**West Texas Intermediate crude oil price futures curve**  
(U.S. dollars per barrel)



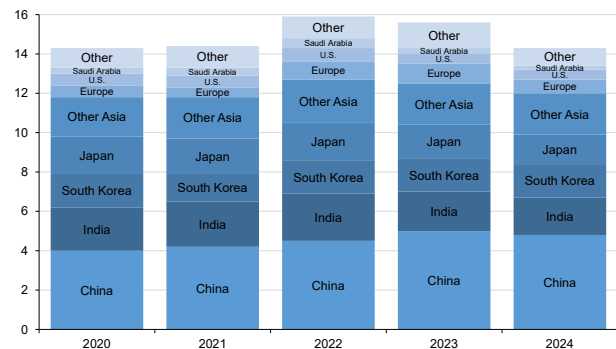
Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

That futures price, however, is still about 20% higher than in February, a premium likely reflecting a risk premium, as well as the likelihood that, even if a swift and permanent ceasefire is reached, it will take time to get production back online — and that assumes there is no damage to infrastructure.

There will also be a lag in restarting of the flow of goods through the Strait of Hormuz, which means that the supply pressures for those regions more dependent on Middle Eastern energy, predominantly in Europe and Asia, will take relatively longer to ebb.

**CHART 7: GOING EAST**

**Destination of crude transported through Strait of Hormuz**  
(millions of barrels per day)



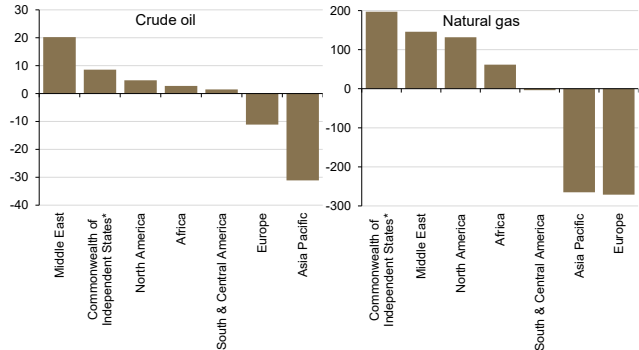
Source: Guardian Capital LP, using data from the U.S. Energy Administration for the 2024 calendar year

Add to that the fact that countries across Europe and Asia consume more energy commodities than they produce, and the net economic impact is

expected to be relatively larger overseas. In contrast, North American economies produce more than they consume, providing terms of trade benefits from higher prices and increased demand for their production.

**CHART 8: FEELING EXPOSED**

**Domestic production less consumption, 2024**  
(millions of barrels per day) (billions of cubic metres)

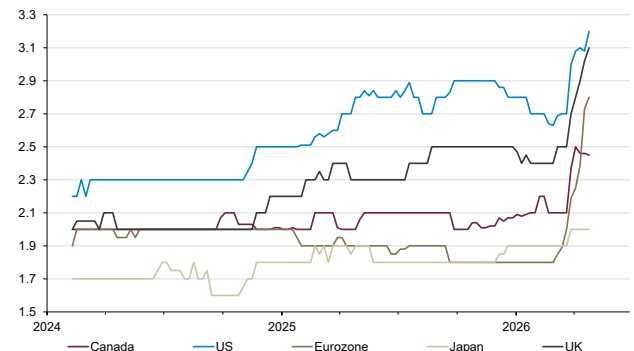


\*Commonwealth of Independent States includes Russia, Belarus, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, Armenia, Azerbaijan, and Moldova; source: Guardian Capital LP, using data from Energy Institute's 2025 Statistical Review of World Energy<sup>3</sup>

So, while inflation expectations have been marked up everywhere, the move has been especially sharp on the other side of the Atlantic, reflecting this increased exposure to the energy shock.

**CHART 9: ON THE UP AND UP**

**Consensus consumer price inflation forecasts, 2026**  
(year-over-year percent change)

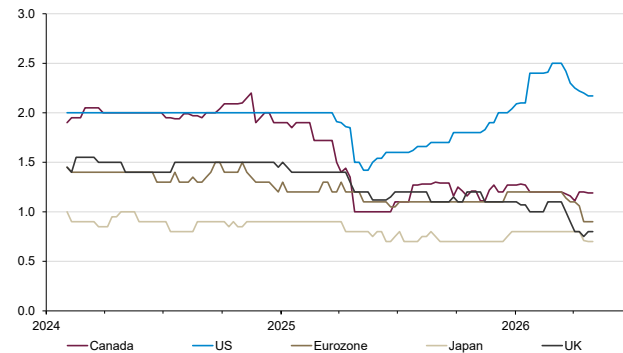


Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

Similarly, the relative hit to growth is expected to be larger across Europe and Asia, expanding the anticipated growth premium offered by the U.S. and, to a much lesser extent, Canada.

## CHART 10: DOWNSHIFTING

**Consensus real GDP forecasts, 2026**  
(year-over-year percent change)

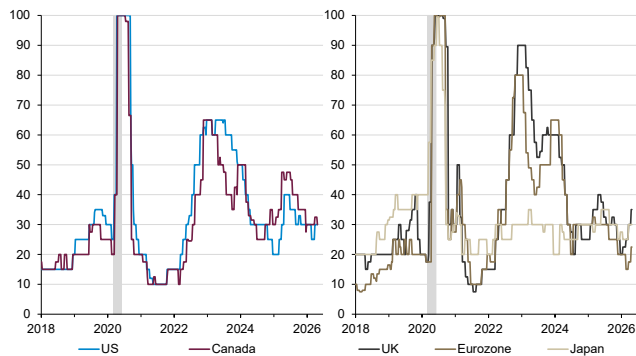


Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

That said, despite the resurgence of uncertainty and additional downside risks to growth — and the historical relationship between oil price shocks and economic downturns — markets continue to anticipate that a near-term recession is still a low probability event.

## CHART 11: LOWDOWN ON A DOWNTURN

**Consensus expected probability of recession in 12 months**  
(percent)

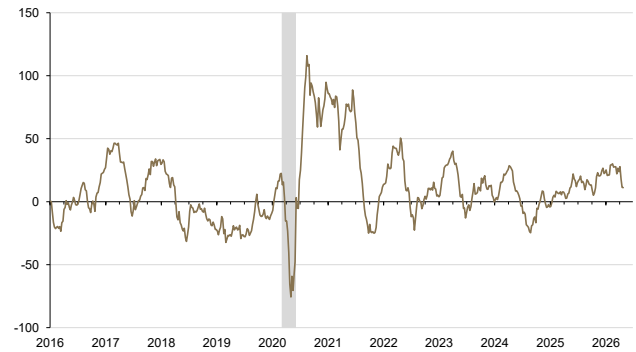


Shaded region represents a period of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

Instead, the base-case scenario is one in which the resiliency of the global economy that has defined the post-pandemic cycle appears likely to continue — a view that has so far been validated by the steady outperformance of the broad economic dataflow relative to consensus expectations.

## CHART 12: STILL CLEARING THE BAR

**Economic Surprise Index<sup>4</sup>, 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 April 24, 2026

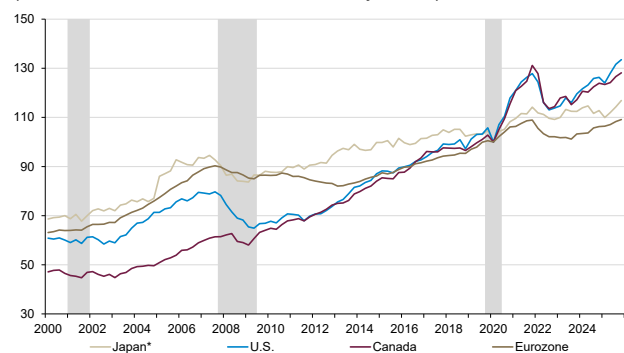
## Households' foundation

While the war in Iran's impact on oil prices and potential impact on the broader cost of living is clearly a negative, consumers globally were well-positioned to manage this shock. Barring some sort of escalation, it appears that this could represent something that temporarily slows otherwise positive growth momentum rather than completely derailing it.

For starters, the latest available data on household finances in aggregate show that net worth (total assets less liabilities) hit new all-time record highs at the end of 2025 — that is the case for the likes of the Eurozone, Canada, and Japan and even on an inflation-adjusted basis.

## CHART 13: FOR WHAT IT'S WORTH

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



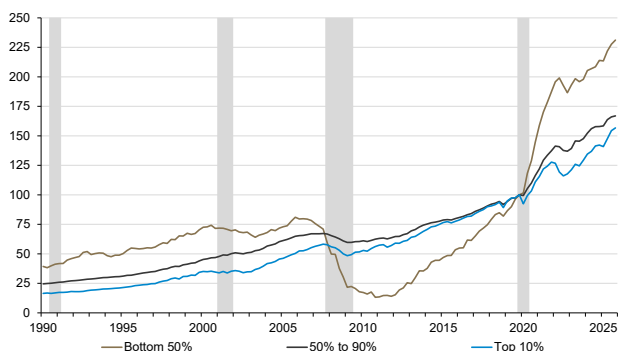
\*Based on financial assets only; shaded regions represent periods of U.S. recession; \*\*nominal values deflated by consumer price index; source: Guardian Capital LP, using data from Statistics Canada, U.S. Federal Reserve, European Central Bank, and Bank of Japan to Q4 2025

Moreover, the “resiliency” of consumers globally throughout this cycle has reflected the fact that those less well-off and typically more vulnerable households have fully participated in the wealth gains — the absolute gains pale in comparison to those wealthier cohorts, but the bottom 50% of the population by wealth have seen historic relative gains in net worth since 2020.

The data for the U.S. is plotted to illustrate this point; however, this holds true for Canada and the Eurozone too (though to a lesser extent).

#### CHART 14: SPREAD THE WEALTH

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



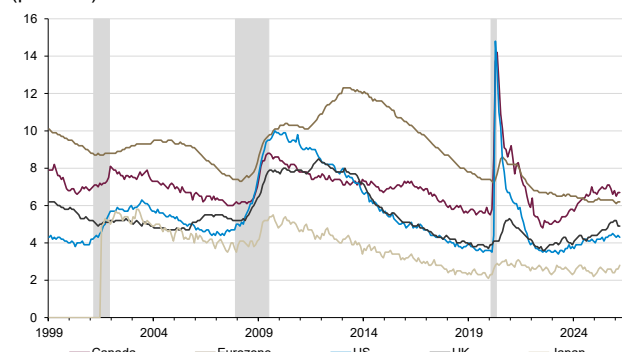
Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from the U.S. Federal Reserve Board to Q4 2025

Households with greater nest eggs are compelled to save less out of current income, freeing up more money for discretionary spending or to absorb the impact of higher inflation and higher interest rates.

Add in the continued signs of general firmness in labour markets — job gains may be slower than earlier in the cycle, but they are still positive with limited signs of broad-based job loss and unemployment rates remain low — and that points to a consumer that appears positioned to weather this latest storm and continue driving the global economy forward.

#### CHART 15: LESS TIGHT, NOT LOOSE

Unemployment rates (percent)



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

#### Technological advancements

Importantly, however, if the energy cost pressures do begin to crimp consumer spending — which is not yet evident in the most recent data — other areas of the economy appear to have the capacity to fill any gaps.

Capital investment is on a clear upward trajectory as businesses look through the uncertainty and make needed upgrades to position themselves to compete in an increasingly technology-driven economy.

It is estimated that just 20% of American companies currently use some form of artificial intelligence (AI) models, platforms or tools in any of their business functions. That share is likely to continue to increase.

#### CHART 16: EARLY ADOPTERS

AI adoption rate<sup>5</sup>, U.S. (percent of total businesses)



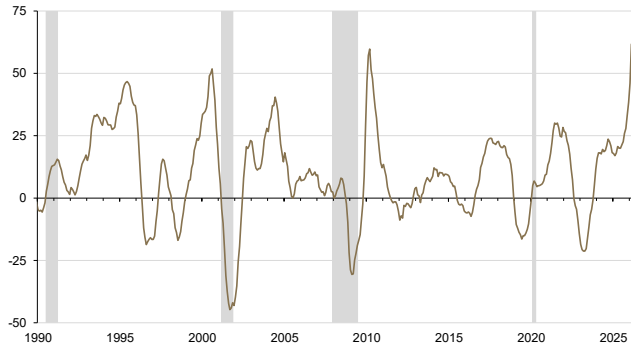
Source: Guardian Capital LP, using data from the U.S. Census Bureau's Business Trends and Outlook Survey<sup>6</sup> to April 12, 2026

Accordingly, demand for high technology-related equipment has surged with the rush toward integrating AI advancements.

Sales of semiconductors, which are integral to the hardware that drives AI capabilities, have surged worldwide over the last year, and there are limited expectations of trends turning in the near-term.

### CHART 17: SURGING SEMICONDUCTORS

**Semiconductor sales, World**  
(year-over-year percent change of 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 February 2026

Mirroring this, investment in information processing equipment and software has made a significant contribution to overall economic growth over the last year, while construction of data centers in the U.S. has tripled since 2023.

### CHART 18: ADDING CAPACITY

**Data center construction spending, U.S.**  
(billions of U.S. dollars)

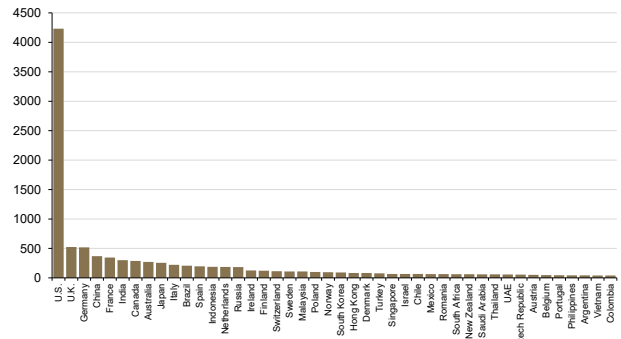


Shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from the U.S. Census Bureau to January 2026

There are growing indications of increased investments throughout Europe and Asia, as countries look to narrow the infrastructure gap with the U.S. and position themselves to reap the potential benefits of the new technologies.

### CHART 19: STORAGE SPACE

**Data centers by country**  
(number)



Source: Guardian Capital LP, using data from Data Center Map as at April 2026

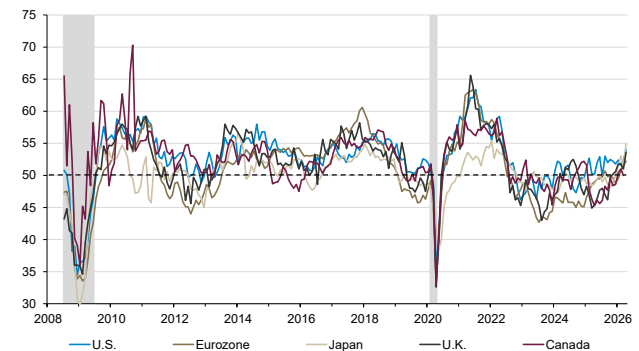
While early indications of technology-driven productivity gains have been positive, there is a clear risk that the return on investment in AI could disappoint expectations and trigger a reassessment of capital expenditure plans.

Any downgrade would have implications for expectations for economic and earnings growth and markets. The prospect of this risk materializing, however, is likely to occur more over the medium-term.

For now, the rise in demand for business investment more broadly is spurring strong growth in industrial production globally, and forward-looking indicators such as the manufacturing purchasing managers' indexes<sup>7</sup> (PMI) suggest these trends are likely to persist.

### CHART 20: PRODUCING THE GOODS

**Manufacturing purchasing managers' index**  
(diffusion index; >50 denotes expansion)

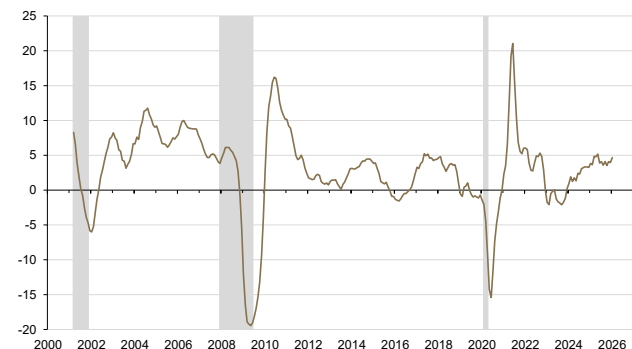


Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from Bloomberg to April 2026

The shipments of productive assets consequently have served to underpin robust global trade volumes in the face of punitive trade policies — even if it has involved taking more circuitous routes through supply chains to avoid the harshest tariffs.

### CHART 21: TRADING PLACES

**International trade volumes<sup>8</sup>, World**  
(year-over-year percent change in three-month moving average)

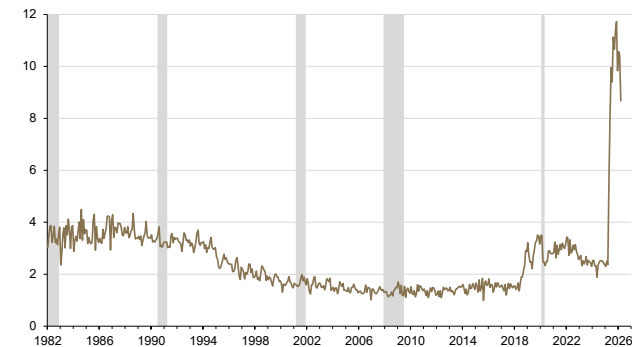


Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from CPB Netherlands Bureau for Economic Policy Analysis to January 2026

On the topic of tariffs, the U.S. Supreme Court's ruling striking down the President's "emergency" levies on imports in February forced the President to replace the measures with lower and temporary duties and has so far resulted in lower effective tariff rates, which represents a marginal support for trade.

### CHART 22: TAXING POLICY

**Effective\* tariff rate, U.S.**  
(percent)

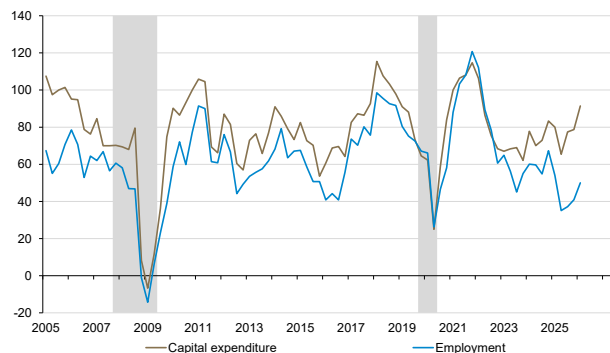


\*Customs duties collected as a share of goods imports; shaded regions represent periods of US recession; source: Guardian Capital LP, using data from the U.S. Treasury to March 2026

Lower costs of imports are welcome, given that business surveys are suggesting plans are in place for greater capital expenditure in the pipeline, which could keep factories abroad and their workers busy.

### CHART 23: THE BEST LAID PLANS

**CEO Economic Outlook<sup>9</sup> hiring & capex plans, U.S.**  
(index)



Shaded regions represent periods of US recession; source: Guardian Capital LP, using data from Business Roundtable and Bloomberg to Q1 2026

### Fiscal exertion

Public sector investment also looks to play a greater role in supporting growth for the foreseeable future.

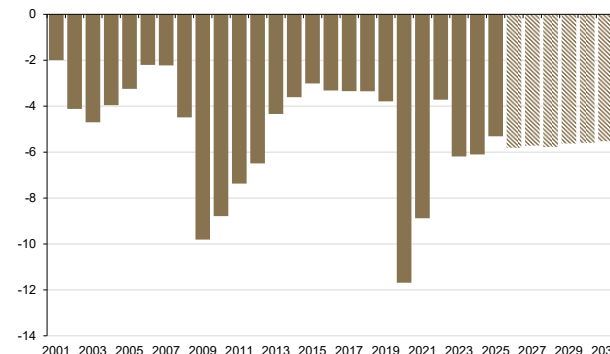
Governments worldwide — most notably the U.S., Germany, Japan and Canada — have introduced large-scale infrastructure and national defence investment plans in response to geopolitical shifts.

The execution of the plans remains to be seen, but such public investments are welcome with respect to supporting longer-term economic growth.

The absence of a revenue offset, however, means governments are going to continue to run gaping deficits, which result in growing debt burdens that may put upward pressure on market interest rates, and which could tighten broader financial conditions and generate some headwinds for the private sectors.

### CHART 24: DIGGING A DEEPER FISCAL HOLE

**General government primary fiscal balance, G7**  
(percent of gross domestic product)

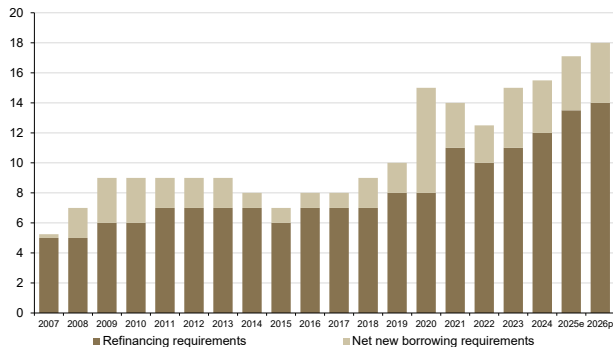


Forecasts are from the International Monetary Fund's April 2026 World Economic Outlook<sup>10</sup>; source: Guardian Capital LP, using data from the IMF

The Organisation for Economic Co-operation and Development (OECD)<sup>11</sup> estimates that US\$4 trillion of new debt will be issued this year by governments, over and above the US\$14 trillion needed to meet refinancing requirements on existing burdens.

### CHART 25: GIVE THEM SOME CREDIT

Net sovereign borrowing requirements, OECD countries (trillions of US dollars)



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

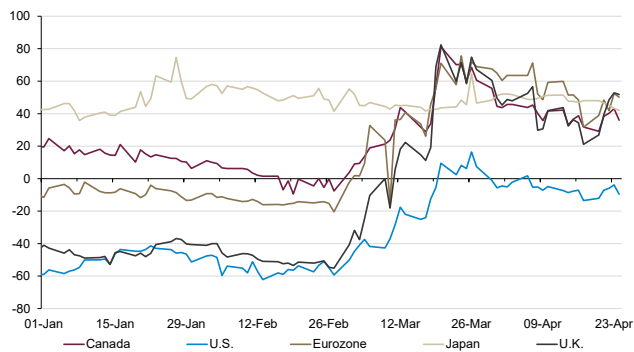
### Rerating the policy path

The prospect of sustained growth against an energy-induced rise in inflation has driven a significant shift in views on the path for policy rates.

Since the end of February, market focus has returned to the inflation side of central banks' duelling mandates, with the assumption being that oil-induced increases in cost pressures and inflation expectations will drive policymakers to reverse course and hike rates in the coming months.

### CHART 26: SHIFTING COURSE

Overnight index swap-implied change in policy rate, 2026 (basis points)



Source: Guardian Capital LP, based on data from Bloomberg to April 24, 2026

While policy tightening is possible — central bankers have flagged the risks to inflation posed by higher oil prices in recent communications — the rising expectations of such action from monetary policymakers appear to be misplaced right now.

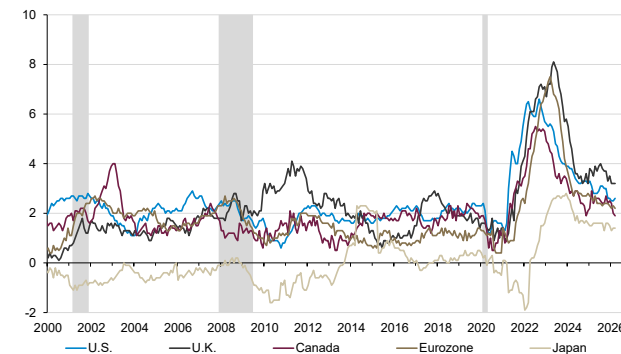
For sure, prices for energy commodities have spiked against the latest geopolitical developments, but the situation is highly fluid, and there is no guarantee that prices will persist at this level. The speed of headlines and contradictory headlines has been rapid, but a relatively swift resolution that would open up the Strait of Hormuz and lead to an attendant reversal in prices is certainly feasible.

There has been a similar magnitude of increase in crude prices as was seen in 2022; however, that surge came against broader price pressures bubbling up, compelling central banks to react.

The absence of a similar underlying inflationary thrust right now suggests that a temporary rise and reversal in energy prices could have only a transitory impact on inflation that policymakers would be willing to look through.

### CHART 27: EVERYTHING ELSE IN MODERATION

Consumer Price Index excluding food & energy (year-over-year percent change)



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

Further, while there continues to be cautious optimism over the outlook, concerns persist about potential downside risks to economic momentum and job markets. These are likely to be exacerbated by any energy-price-induced cost-of-living increases that reduce the capacity for discretionary spending.

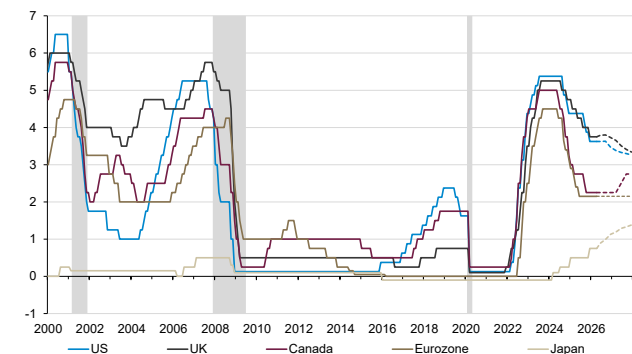
The possible demand destruction could create some offsetting disinflationary pressures even among the regions that produce more energy than they consume (net energy importers like Europe and Asia would stand to feel a greater negative impact). Higher rates could compound this and create greater risks to growth.

This is all to say that markets may be getting ahead of themselves in anticipating knee-jerk reactions to higher oil prices by global central banks.

Standing pat and evaluating developments seems like a reasonable near-term path of least resistance, with focus likely to be more on the negative knock-on effects of higher prices on demand than a potentially short-term pickup in inflation.

### CHART 28: SITTING ON THE SIDELINES

Central bank policy interest rates (percent)



Dashed lines represent consensus forecasts as at April 24, 2026; shaded regions represent periods of U.S. recession; source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

The longer the Middle East conflict goes without a resolution, however, creates a clear upside risk to inflation and rates with it — especially if economic momentum remains resilient, which, combined with the looming wave of supply, suggests the balance of risks is tilted toward modestly higher rates and a flatter yield curve.

Such a backdrop would suggest that fixed income securities, which are generally less sensitive to rates and offer a higher relative coupon payment (such as corporate credit, which also stands to benefit from the baseline outlook), may well offer better risk/reward trade-offs.

### Equity stakes

After touching new all-time highs in January and February, stock markets sold off fairly sharply through March in response to the developments in the Middle East, with those in markets Europe, Australasia & the Far East (EAFE) underperforming the global benchmark MSCI World Index<sup>12</sup> 9% drop.

Interestingly, though, while economic forecasts were revised down, earnings expectations were revised higher — a trend that continued through April and provided a fundamental support to markets.

### CHART 29: OUTPACING THE PRICE

MSCI World Index price and forward earnings (index; January 1, 2021 = 100)

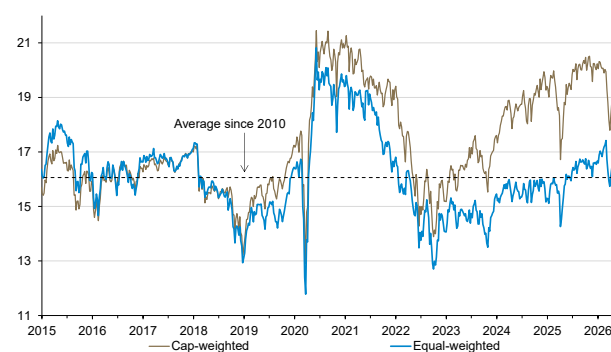


Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

The net result was that forward price-to-earnings ratios compressed to levels more consistent with longer-term norms — and remain below those peaks even as markets followed the typically geopolitical risk event playbook and recovered their losses in April.

### CHART 30: MIND THE GAP

Forward price-to-earnings ratio, MSCI World Index (ratio)

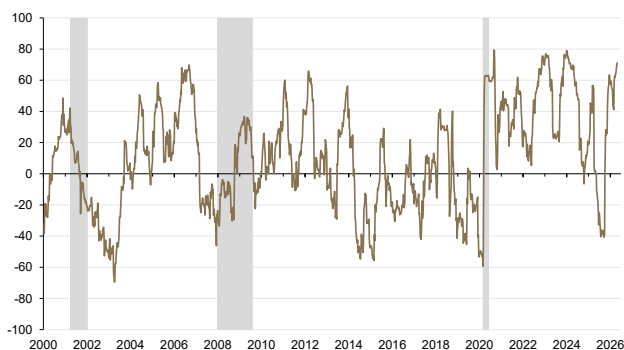


Source: Guardian Capital LP, using data from Bloomberg to April 24, 2026

Notably, the selloff in equity markets through March was effectively matched by a softening in bond markets that are supposed to serve as a ballast in multi-asset portfolios in times of market turmoil, as the concerns about the inflationary impulse of the oil price shock shifted the expected policy rate path and pushed yields higher. The correlation of performance between stocks and bonds rose sharply, eroding diversification benefits.

### CHART 31: MOVING IN LOCKSTEP

**Stock\* and bond\*\* correlation, World**  
(rolling 26-week correlation of returns)

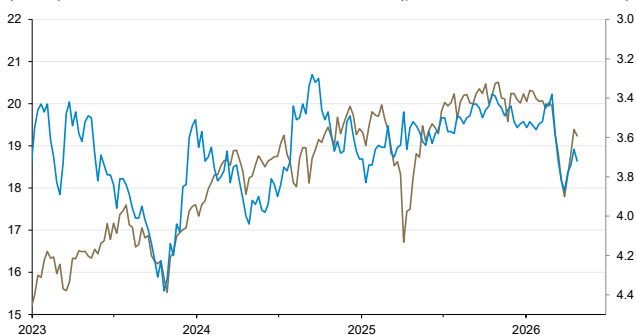


\*Stocks=MSCI World Index; \*\*bonds=Bloomberg Global Aggregate Index<sup>13</sup>; shaded regions represent periods of US recession; source: Guardian Capital LP, based on data from Bloomberg to April 24, 2026

That these asset classes moved in lock-step suggested that the equity valuation adjustment was just a function of the move in rates — something further supported as markets rallied as rates came off their peaks.

### CHART 32: RATE REACTION

**Stock\* forward P/E ratio and bond\*\* yields, World**  
(ratio) (percent; inverted scale)



— MSCI World Index forward P/E ratio (LHS) — Bloomberg Global Aggregate Bond Index Yield (RHS)  
\*Stocks=MSCI World Index; \*\*bonds=Bloomberg Global Aggregate Index; source: Guardian Capital LP, based on data from Bloomberg to April 24, 2026

The implication of this is that should inflation expectations move higher in response to concerns

of a prolonged, or larger, oil price shock and drive a further shift in the expected path for policy rates, that could lead to a renewed multiple compression that maintains relative valuations, all else the same.

The negative impact of lower valuations could be compounded by downgrades to the economic outlook in a market that may not be fully appreciating downside risks to earnings growth (likely due to hopes for a near-term resolution).

With that said, should some kind of sustained resolution to the war be reached in short order, such that there is ultimately minimal impact on growth and inflation, a reassessment of the outlook for policy rates and improvements in investor sentiment could provide scope for multiple expansion that could clearly be a boon for investors.

### Moving forward

The sharp increase in energy and other commodity prices in response to the war in Iran certainly has the potential to negatively affect growth and inflation that were otherwise trending in a positive direction.

The impact, however, depends on how much prices escalate and how long they stay at elevated levels.

The situation remains fluid, but there is scope for a relatively swift resolution that could reopen the Strait of Hormuz and likely drive a sharp reversal in commodity prices that would limit the overall economic impact and increase the likelihood that policymakers would be willing to look through a short-lived rise in inflation.

Of course, there is potential for the situation to persist and/or escalate, which would result in greater pressure on inflation and a bigger hit to growth. As it stands, this appears to be a lower-probability outcome given the limited appetite among other countries to get involved and the growing unpopularity of the incursion among American voters who will be heading to the polls for the midterms in November.

Undoubtedly, policy uncertainty and geopolitical risk are likely to remain elevated for the coming months

which suggest that markets will remain vulnerable to bouts of volatility, but as long as the underlying drivers of growth remain broadly intact — as the available dataflow suggests they have so far — the most likely scenario appears to be one in which financial markets that are now more reasonably valued regain their footing and continue to climb the wall of worry.

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**David Onyett-Jeffries**

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## Market Returns as of March 31, 2026

All returns in CAD

### CANADIAN EQUITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
S&P/TSX Composite	-4.3	3.9	3.9	34.8	15.2	12.6
S&P/TSX 60	-3.1	3.1	3.1	30.8	14.8	12.7
S&P/TSX Completion	-8.7	7.4	7.4	52.2	17.0	12.6
S&P/TSX SmallCap	-9.0	11.4	11.4	65.8	15.7	12.3
S&P/TSX Composite High Dividend	2.2	14.1	14.1	40.0	16.4	12.4
S&P/TSX Composite Dividend	-3.6	6.2	6.2	32.9	16.0	12.6

### S&P/TSX SECTOR RETURNS (%)

SECTOR RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
Communication Services	-0.7	5.8	5.8	14.9	0.2	3.3
Consumer Discretionary	-8.2	-3.9	-3.9	26.0	9.1	10.0
Consumer Staples	-2.5	3.1	3.1	16.9	15.3	10.6
Energy	8.2	30.1	30.1	51.0	26.9	12.8
Financials	-3.0	-1.9	-1.9	34.4	16.4	13.9
Health Care	-8.2	-4.5	-4.5	5.3	-22.8	-15.1
Industrials	-6.5	-0.2	-0.2	4.9	6.9	11.7
Information Technology	0.4	-22.5	-22.5	3.1	5.0	18.0
Materials	-16.4	10.7	10.7	84.6	24.8	17.1
Real Estate	-5.6	-4.3	-4.3	1.4	2.0	4.8
Utilities	0.4	11.2	11.2	26.9	7.9	10.0

### INTERNATIONAL EQUITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
MSCI World Index (Net, C\$)	-4.2	-1.8	-1.8	15.3	12.6	12.6
MSCI EAFE Index (Net, C\$)	-8.2	0.5	0.5	17.6	10.2	9.2
MSCI ACWI (Net, C\$)	-5.0	-1.5	-1.5	16.4	11.8	12.2
MSCI France (C\$)	-9.0	-3.7	-3.7	6.9	9.0	9.1
MSCI Germany (C\$)	-10.4	-6.8	-6.8	4.7	8.1	7.7
MSCI Japan (C\$)	-10.4	3.2	3.2	22.1	8.8	9.3
MSCI U.K. (C\$)	-5.6	3.9	3.9	21.8	14.8	9.1
S&P/IFC Investable (Emerging Markets)	0.0	0.0	0.0	0.0	6.7	0.0
MSCI EAFE Growth (Gross, C\$)	-9.7	-2.9	-2.9	9.6	6.1	8.3
MSCI EAFE Value (Gross, C\$)	-6.7	4.0	4.0	27.0	15.3	10.9

### CANADIAN FIXED INCOME

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
FTSE Canada 91 Day TBill	0.2	0.5	0.5	2.5	3.0	2.0
FTSE Canada Short Term Overall Bond	-0.9	0.3	0.3	2.4	2.0	2.0
FTSE Canada Mid Term Overall Bond	-2.0	0.4	0.4	1.7	1.2	2.0
FTSE Canada Long Term Overall Bond	-3.6	0.0	0.0	-2.5	-1.6	1.1
FTSE Canada Universe Bond	-2.0	0.2	0.2	0.8	0.7	1.8
FTSE Canada High Yield Overall Bond	-0.8	0.6	0.6	6.9	5.4	7.2
FTSE Canada Real Return Bond Overall	-2.2	1.3	1.3	-1.2	0.3	1.6

### US EQUITIES

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
S&P 500	-2.8	-2.6	-2.6	14.2	14.4	15.0
Dow Jones Industrial Average	-3.0	-1.4	-1.4	8.8	11.4	13.3
NASDAQ	-2.5	-5.4	-5.4	21.0	12.6	16.9
Russell 1000	-2.8	-2.4	-2.4	14.2	13.7	14.8
Russell 2000	-2.8	2.7	2.7	21.9	6.0	10.7
Russell 3000	-2.8	-2.2	-2.2	14.5	13.2	14.6
Russell 1000 Growth	-3.0	-8.1	-8.1	15.2	15.1	17.7
Russell 1000 Value	-2.6	3.9	3.9	12.3	11.7	11.4

### S&P 500 SECTOR RETURNS (%)

SECTOR RETURNS (%)	1M	3M	YTD*	1Y*	5Y*	10Y*
Communication Services	-5.1	-5.3	-5.3	28.5	15.3	12.3
Consumer Discretionary	-3.4	-7.5	-7.5	8.3	8.5	12.8
Consumer Staples	-5.2	9.6	9.6	3.1	10.8	9.2
Energy	13.0	40.7	40.7	32.2	27.8	12.3
Financials	-1.3	-7.7	-7.7	-2.4	12.0	13.5
Health Care	-6.0	-3.2	-3.2	-0.8	8.7	10.8
Industrials	-6.3	6.5	6.5	21.4	14.6	13.8
Information Technology	-1.6	-7.5	-7.5	25.1	20.7	23.7
Materials	-4.7	11.7	11.7	14.4	9.2	11.4
Real Estate	-3.9	4.6	4.6	-0.8	6.6	0.0
Utilities	-1.0	10.2	10.2	16.1	13.2	10.7

### INTERNATIONAL EQUITIES

MSCI EAFE SECTOR RETURNS (%)	1M	3M	YTD*	1Y*	5Y*	10Y*
Communication Services	-13.2	-10.7	-10.7	-3.1	3.2	3.2
Consumer Discretionary	-20.7	-21.0	-21.0	-14.4	-0.5	4.5
Consumer Staples	-18.4	-10.2	-10.2	-5.4	1.6	2.9
Energy	10.1	29.5	29.5	35.6	20.6	11.3
Financials	-16.2	-10.9	-10.9	12.6	16.7	11.3
Health Care	-15.8	-10.2	-10.2	-2.8	4.4	5.9
Industrials	-19.3	-7.7	-7.7	12.8	10.6	10.5
Information Technology	-19.5	-8.9	-8.9	10.7	6.9	12.0
Materials	-16.6	-1.1	-1.1	15.3	5.8	10.4
Real Estate	-7.9	6.1	6.1	23.9	3.9	0.0
Utilities	-11.9	2.6	2.6	27.3	10.5	9.2

### CANADIAN FIXED INCOME

SECTOR RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
FTSE Canada Federal Bond	-1.7	0.4	0.4	0.3	0.4	1.1
FTSE Canada Provincial Bond	-2.5	0.1	0.1	0.1	0.0	1.6
FTSE Canada All Corporate Bond	-1.7	0.1	0.1	2.8	2.2	3.1

### GLOBAL FIXED INCOME

INDEX RETURNS (%)	1M	3M	YTD	1Y	5Y	10Y
FTSE World Government Bond	-0.9	0.7	0.7	0.6	-0.5	0.5

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

# Market Returns as of March 31, 2026

All returns in CAD

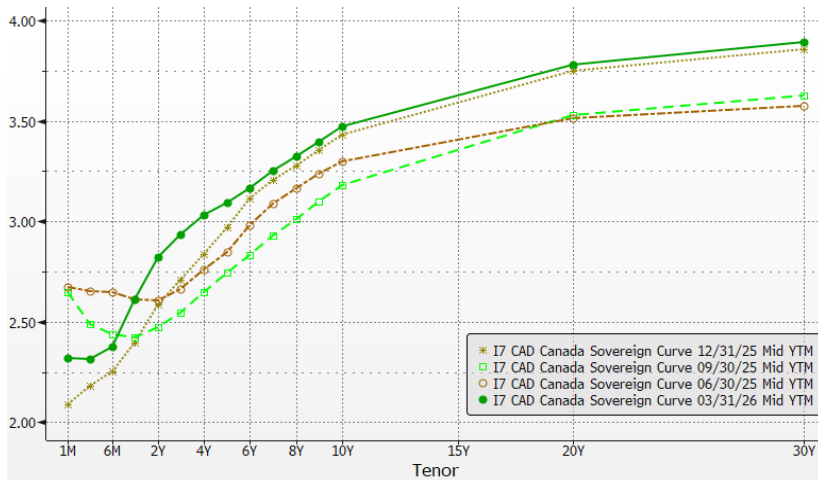
## COMMODITIES

INDEX RETURNS (%)	1M	3M	YTD*	1Y*	5Y*	10Y*
Bloomberg WTI Cushing Crude Oil Spot Price	53.9	79.8	79.8	37.5	13.7	11.0
Bloomberg European Dated Brent BFOE Price	83.4	107.0	107.0	59.5	17.7	13.4
Edmonton Crude Oil Syncrude Sweet Blend FOB Spot	43.0	69.5	69.5	24.1	10.6	9.1
S&P GSCI Nat Gas Index Spot	3.2	-20.3	-20.3	-32.1	4.2	4.7
S&P GSCI Copper Index Spot	-5.5	0.6	0.6	23.1	9.2	10.5
S&P GSCI Gold Index Spot	-8.8	9.7	9.7	44.0	24.8	15.1

## CURRENCY

% CHANGE	1M	3M	YTD	1Y	5Y	10Y
CAD/USD	2.3	1.8	1.8	-3.0	2.1	0.7
CAD/Yen	0.4	0.3	0.3	-8.9	-5.1	-2.7
CAD/GBP	0.4	-0.2	-0.2	-0.9	1.2	-0.1
CAD/Euro	-0.1	-0.1	-0.1	3.4	1.7	0.8

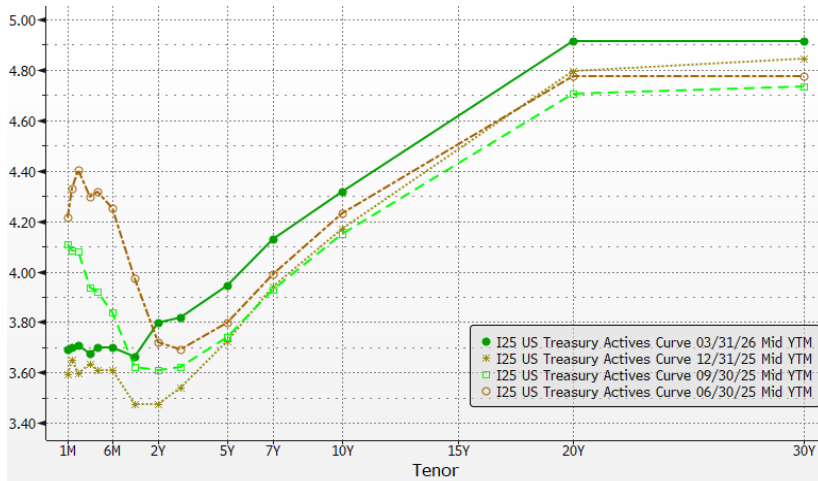
## GOVERNMENT OF CANADA YIELD CURVE



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## U.S. TREASURY YIELD CURVE



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

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<sup>1</sup> [The Geopolitical Risk Index](#), created by Dario Caldara and Matteo Iacoviello, is a measure of adverse geopolitical events and associated risks based on a tally of newspaper articles covering geopolitical tensions. The index reflects automated text-search results of the electronic archives of 10 newspapers related to adverse geopolitical events in each newspaper for each month (as a share of the total number of news articles).

<sup>2</sup> 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.

<sup>3</sup> [Home | Statistical Review of World Energy](#)

<sup>4</sup> 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.

<sup>5</sup> Respondents were asked about business use of AI in “producing goods or services” or “any of its business functions” within the past 2 weeks.

<sup>6</sup> 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 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.

<sup>7</sup> 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.

<sup>8</sup> Aggregate volume of merchandise trade leaving a country (exports) and entering a country (imports) on a volumes for 81 countries worldwide covering approximately 99% of world trade.

<sup>9</sup> The [Business Roundtable CEO Economic Outlook Index](#) is based on a survey — conducted quarterly since the fourth quarter of 2002 — of our member CEOs’ plans for hiring and capital spending, and their expectations for sales, over the next six months. Taking these factors together, the survey signals the direction of the U.S. economy.

<sup>10</sup> International Monetary Fund, World Economic Outlook: global economy in flux, prospects remain dim; October 14, 2025, [World Economic Outlook, October 2025: Global Economy in Flux, Prospects Remain Dim](#)

<sup>11</sup> 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](#)

<sup>12</sup> The MSCI World Index captures mid- and large-cap representation across 23 developed market countries.

<sup>13</sup> The Bloomberg Barclays Global Aggregate Bond Index is a flagship measure of global investment grade debt from twenty-four local currency markets.

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