



Monthly Market Snapshot

Monthly Overview

May 2026

April marked a sharp reversal from March's risk-off environment, with equity markets posting a strong rebound despite a challenging geopolitical and macroeconomic backdrop. Oil prices remained volatile amid ongoing Middle East uncertainty, but did not derail the market rally. Corporate earnings results were supportive; of the 300+ companies in the S&P 500 Index that reported first-quarter results, more than 80% of them exceeded expectations. The S&P 500 staged a notable comeback from near-correction territory, delivering its strongest monthly gain since November 2020.

Canada's benchmark S&P/TSX Composite Index was 3.7% higher in April, as eight of its underlying sectors were positive during the month. The gain was led by health care, rising 13.0%. Small-cap stocks, as measured by the S&P/TSX SmallCap Index, gained 6.6% for the month.

The U.S. dollar depreciated 2.4% versus the loonie in April, dampening returns of foreign markets from a Canadian investor's standpoint. Note that all returns in this paragraph are in Canadian-dollar terms. U.S.-based stocks, as measured by the S&P 500, rose 7.9% in April. Eight of the benchmark's underlying sectors were in the green during the month, with communication services gaining 15.7%. International stocks, as measured by the FTSE Developed ex-US Index, gained 6.2% during the month, while emerging markets were up 7.2%.

The investment-grade fixed-income indices we follow were negative in April. Canadian investment-grade bonds, as measured by the FTSE Canada Universe Bond Index, eked out a gain of 0.1% during the month, while the key global investment-grade bond benchmark fell 1.3%. Global high-yield issues declined 0.8%.

Turning to commodities, natural gas prices fell 4.1% during the month, while the price for a barrel of crude oil rose 3.6%. Silver and gold had a negative month, losing 1.8% and 0.4%, respectively, while copper gained 5.6%.

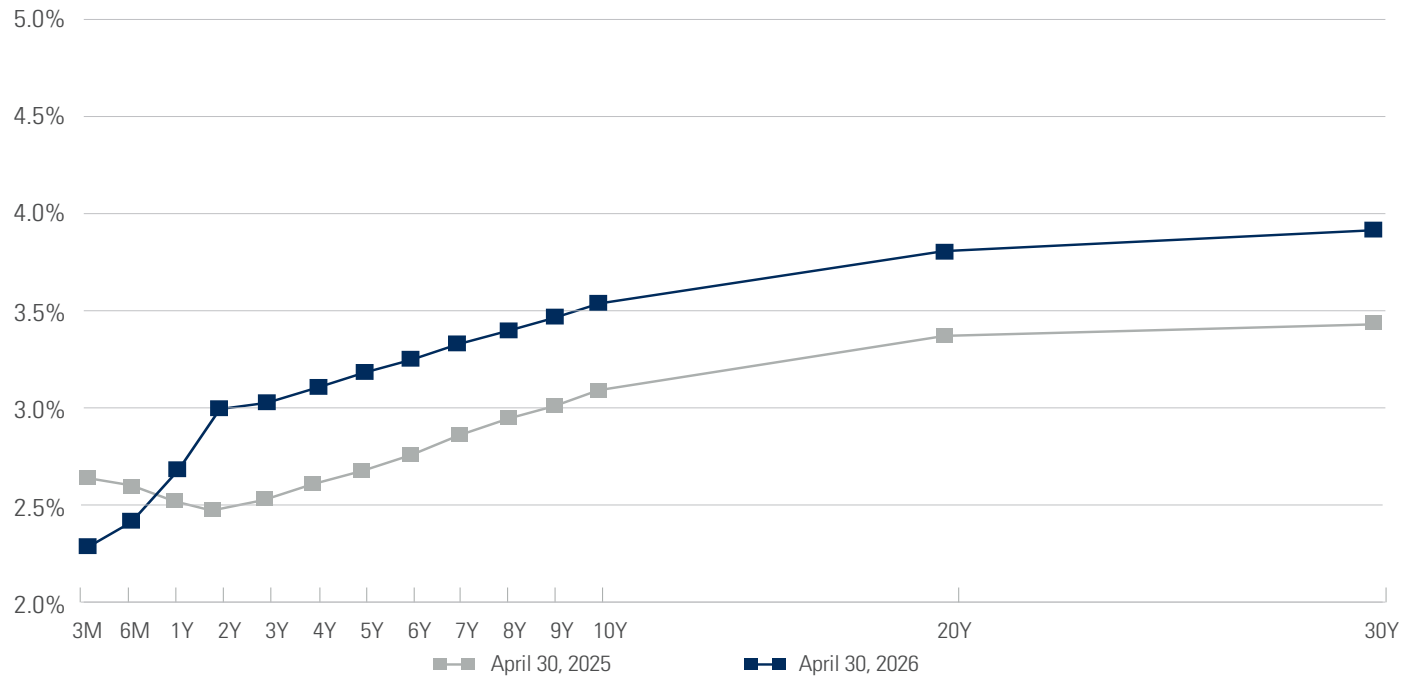
Inflation in Canada rose to 2.4% year-over-year in March. Prices at the pump were the biggest factor in March's inflation figure. The Canadian economy added 14,000 jobs in March, but the nation's unemployment rate was unchanged at 6.7%. The Bank of Canada held its policy rate at 2.25%, maintaining the level it has kept in place since October 2025.

U.S. nonfarm payrolls grew by 178,000 in March, lowering the unemployment rate to 4.3%. The consumer price index rose 0.9% in March, putting the 12-month inflation rate at 3.3%, which was nearly a two-year high. A surge in energy costs accounted for more than three-quarters of the monthly gain in headline inflation, led by a 21.2% month-on-month surge in gasoline prices. In the first quarter, the U.S. economy expanded by 2.0% quarter-on-quarter (annualized). The Federal Open Market Committee held the policy rate steady at the target range of 3.50%-3.75% for a third consecutive meeting.

Content sourced from Bloomberg.



Canadian Sovereign Yield Curve



Monthly Market Statistics

Data to April 30, 2026, unless otherwise indicated

Table 1: Equity Index Returns (% in CAD)

Index	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	3 Yr Std Dev
S&P/TSX Composite	3.7	6.4	12.2	7.1	36.7	18.1	12.2	12.3
S&P/TSX 60	4.1	7.0	11.3	6.6	32.7	16.8	11.7	11.9
S&P/TSX Small Cap	6.6	8.9	26.9	18.3	76.8	26.1	13.7	17.7
S&P 500	7.9	4.1	2.3	4.5	27.6	20.2	13.8	14.3
FTSE Developed ex US	6.2	3.2	9.8	7.9	28.2	14.9	9.2	14.1
FTSE Developed	7.4	3.5	4.1	5.2	27.3	18.5	12.0	13.3
FTSE Developed Small Cap	6.4	4.5	8.8	9.1	30.8	15.2	7.1	16.2
FTSE Developed Europe	4.2	-1.2	5.4	2.2	17.8	11.9	8.8	15.3
FTSE Emerging	7.2	1.3	3.3	6.0	26.7	14.7	4.7	13.7
FTSE All World Asia Pacific	10.0	4.6	8.7	11.2	34.4	16.9	6.8	14.6

Source: Bloomberg.

Table 2: Fixed-Income Returns (%)

Index	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	3 Yr Std Dev
FTSE Canada Universe Bond	0.1	-0.2	-0.7	0.4	1.6	3.2	0.7	5.2
Barclays Global Agg	-1.3	-0.3	-2.2	-0.5	1.0	3.0	0.5	6.6
Barclays High Yield Very Liquid Index	-0.8	1.2	-0.4	0.5	7.6	8.9	6.2	6.5

Source: Bloomberg.



Table 3: Commodity Prices (Prices and Returns in USD)

Commodity	Price (\$)	MoM Change (%)	YoY Change (%)	3 Mo (%)
WTI Crude Oil/BBL	105.07	3.6	80.5	61.1
Natural Gas/mmBTU	2.77	-4.1	-16.8	-36.4
Copper/pound	5.93	5.6	30.0	0.0
Silver/oz	73.53	-1.8	126.0	-6.4
Gold/oz	4629.60	-0.4	39.5	-1.8

Source: Bloomberg.

Table 5: One-Month Sector Returns (% in CAD)

Sector	S&P/TSX returns	S&P 500 returns
Consumer Discretionary	6.1	9.1
Consumer Staples	-0.9	0.6
Energy	1.9	-5.7
Financials	10.1	3.0
Health Care	13.0	-2.9
Industrials	6.3	5.4
Info Tech	5.4	14.7
Materials	-5.3	0.3
Real Estate	4.3	6.1
Telecom Services	-6.6	15.7
Utilities	0.0	-0.3

Source: Bloomberg.

Table 4: Economic Data

Canada	
Real GDP- Q4 (q/q ann. % change)	-0.6
Consumer Prices, 03/2026 (y/y % change)	2.4
Unemployment Rate, 03/2026	6.7
United States	
Real GDP- Q1 (q/q ann. % change)	2.0
Consumer Prices, 03/2026 (y/y % change)	3.3
Unemployment Rate, 03/2026	4.3

Source: Bloomberg, Stats Canada.

Table 6: Exchange Rates

Cross	04/30/2026	6 Mos Ago	1 Yr Ago
USD/CAD	1.36	1.36	1.38
EUR/CAD	1.59	1.62	1.56
GBP/CAD	1.85	1.84	1.84
CAD/JPY	115.34	109.93	103.69

Source: Bloomberg.

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