



Monthly Market Snapshot

Monthly Overview

June 2026

Overall, Canadian and U.S. equities were strong in May, helped by solid corporate earnings and improved investor sentiment as geopolitical tensions began to ease. First-quarter earnings came in well above expectations, helping to reinforce confidence in future growth. This strength was driven by continued investment in artificial intelligence and digital infrastructure, which remain key themes across the information technology and communication services sectors. The S&P 500 Index closed the month with nine straight weeks of gains, something that has only happened four other times in the past 40 years.

Canada's benchmark S&P/TSX Composite Index was 2.4% higher in May, as eight of its underlying sectors were positive during the month. The gain was led by communication services and materials, rising 6.8% and 6.1%, respectively. Small-cap stocks, as measured by the S&P/TSX SmallCap Index, gained 3.2% for the month.

The U.S. dollar appreciated 1.6% versus the loonie in May, slightly boosting 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 6.6% in May. Eight of the benchmark's underlying sectors were in the green during the month, with information technology gaining 17.5%. International stocks, as measured by the FTSE Developed ex-US Index, gained 6.2% during the month, while emerging markets were up 4.5%.

The investment-grade fixed-income indices we follow were positive in May. Canadian investment-grade bonds, as measured by the FTSE Canada Universe Bond Index, gained 1.4% during the month, while the key global investment-grade bond benchmark moved higher by 1.5%. Global high-yield issues rose 1.8%.

Turning to commodities, natural gas prices rose 18.9% during the month, while the price of a barrel of crude oil declined by 16.9%. Copper and silver prices had a positive month, gaining 7.8% and 3.2% respectively, while gold fell 1.5%.

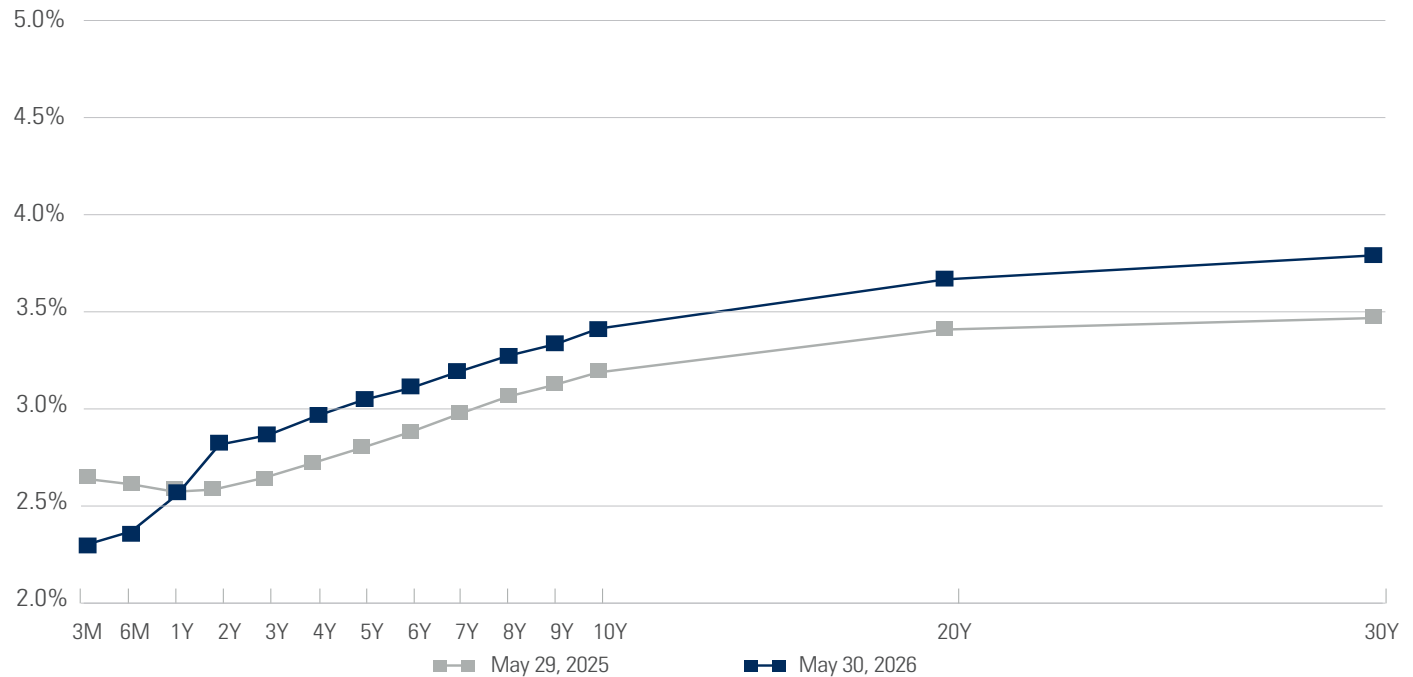
Inflation in Canada rose to 2.8% year-over-year in April. The higher cost of gasoline was a big part of the story as prices at the pump were up 28.6% year-over-year in April. The Canadian economy lost 18,000 jobs in April, and the nation's unemployment rate increased to 6.9%. Canada's real gross domestic product contracted by 0.1% on an annualized basis in the first quarter of 2026, marking a second straight quarter of negative growth and resulting in a "technical recession," a pattern not seen since 2020.

U.S. nonfarm payrolls grew by 115,000 in April, leaving the unemployment rate unchanged at 4.3%. The U.S. consumer price index rose 0.6% in April, putting the 12-month inflation rate at 3.8%. Another surge in energy costs accounted for roughly half the monthly increase in headline inflation. The U.S. economy expanded by 1.6% quarter-over-quarter (annualized) in the first three months of 2026.

Content sourced from Bloomberg.



Canadian Sovereign Yield Curve



Source: Bloomberg.

Monthly Market Statistics

Data to May 29, 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	2.4	1.2	10.8	9.6	32.8	21.1	12.0	12.3
S&P/TSX 60	2.0	2.6	9.8	8.7	28.9	19.8	11.4	12.0
S&P/TSX Small Cap	3.2	-0.1	24.7	22.1	70.6	29.3	13.5	17.7
S&P 500	6.6	11.6	9.3	11.4	28.6	22.5	15.5	14.3
FTSE Developed ex US	6.2	2.6	16.4	14.5	30.8	18.8	10.2	14.2
FTSE Developed	6.6	8.7	11.2	12.2	29.0	21.4	13.5	13.4
FTSE Developed Small Cap	3.7	4.5	11.7	13.2	28.9	17.6	8.1	16.2
FTSE Developed Europe	3.3	-1.4	7.8	5.6	17.6	15.5	9.1	15.4
FTSE Emerging	4.5	3.1	10.2	10.8	28.1	17.2	5.5	14.0
FTSE All World Asia Pacific	9.3	6.7	21.6	21.5	41.2	20.7	8.8	14.9

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	1.4	-0.5	0.4	1.7	3.0	4.3	0.9	5.1
Barclays Global Agg	1.5	-0.5	-0.4	1.0	3.5	4.1	1.0	6.6
Barclays High Yield Very Liquid Index	1.8	2.1	1.3	2.3	8.1	9.8	6.9	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	87.36	-16.9	43.7	30.3
Natural Gas/mmBTU	3.29	18.9	-4.6	15.1
Copper/pound	6.39	7.8	36.6	6.4
Silver/oz	75.88	3.2	129.7	-18.1
Gold/oz	4560.50	-1.5	38.7	-13.1

Source: Bloomberg.

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

Sector	S&P/TSX returns	S&P 500 returns
Consumer Discretionary	0.1	4.0
Consumer Staples	-1.4	-2.0
Energy	-3.1	-4.8
Financials	4.2	0.2
Health Care	-5.2	3.7
Industrials	0.8	0.4
Info Tech	2.5	17.5
Materials	6.1	0.5
Real Estate	0.3	0.2
Telecom Services	6.8	0.4
Utilities	2.9	-4.2

Source: Bloomberg.

Table 4: Economic Data

Canada	
Real GDP- Q1 (q/q ann. % change)	-0.1
Consumer Prices, 04/2026 (y/y % change)	2.8
Unemployment Rate, 04/2026	6.9
United States	
Real GDP- Q1 (q/q ann. % change)	1.6
Consumer Prices, 04/2026 (y/y % change)	3.8
Unemployment Rate, 04/2026	4.3

Source: Bloomberg, Stats Canada.

Table 6: Exchange Rates

Cross	05/29/2026	6 Mos Ago	1 Yr Ago
USD/CAD	1.38	1.36	1.37
EUR/CAD	1.61	1.62	1.56
GBP/CAD	1.85	1.85	1.85
CAD/JPY	115.45	111.59	104.94

Source: Bloomberg.

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