

		<u>Nov. 2019</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
U.S. Large Cap Equities	S&P 500	3.63%	27.63%	16.11%	14.88%	10.98%	13.44%
U.S Mid Cap Equities	Russell Midcap	3.57%	27.61%	14.96%	11.63%	8.88%	13.56%
U.S. Small Cap Equities	Russell 2000	4.12%	22.01%	7.51%	8.57%	8.22%	12.38%
Master Limited Partnerships (MLP)	Alerian MLP	-5.75%	-1.82%	-11.00%	-5.68%	-9.56%	4.01%
U.S. Real Estate Equities	Dow Jones U.S. Select REIT Index	-1.35%	24.27%	13.59%	8.94%	6.98%	12.43%
Global Equities	MSCI All Country World Index	2.44%	22.29%	13.68%	11.95%	7.24%	8.63%
International Developed Equities	MSCI EAFE	1.13%	18.17%	12.44%	9.62%	4.26%	5.32%
Emerging Market Equities	MSCI Emerging Markets	-0.14%	10.21%	7.28%	9.01%	3.12%	3.33%
U.S. Taxable Fixed Income	Barclay's U.S. Aggregate	-0.05%	8.79%	10.79%	4.10%	3.08%	3.59%
U.S. Tax-Exempt Fixed Income	Barclay's Municipal Aggregate	0.25%	7.21%	8.49%	5.02%	3.57%	4.34%
High Yield Fixed Income	Barclay's U.S. Corporate High Yield	0.33%	12.08%	9.68%	6.31%	5.40%	7.71%
Floating Rate Loans	S&P/LSTA Leveraged Loan	0.59%	6.94%	4.21%	4.20%	3.85%	5.15%
International Fixed Income	Barclay's Global Aggregate Ex-U.S.	-1.36%	3.96%	6.26%	3.65%	1.16%	0.85%

- Global stocks advanced 2.4% in November, supported by the absence of new tariff announcements and minimal central bank activity.
- U.S. stocks gained 3.6% amid a pickup in manufacturing and services activity; S&P 500 companies reported broadly flat earnings (YoY).
- Despite guidance suggesting a slowdown in U.S. growth, third quarter U.S. GDP rose slightly; likely attributable to monetary easing.
- As of this writing, there is a 98% probability that the Fed will keep its interest rate target range steady on December 11th at 1.50-1.75%.
- Eurozone activity was better than expected in November, with a measurable rebound in manufacturing and higher consumer confidence.
- Third quarter GDP readings confirmed Germany narrowly avoided a nominal recession; however, this supportive result was mostly offset by weak manufacturing, industrial, retail and consumer data from China, attributable to Hong Kong protests and U.S. tariffs.
- In bond markets, taxable investment grade bonds were slightly negative in November; U.S. Treasuries and CMBS bonds declined.
- U.S. municipal bonds gained 0.3% during the month, with nearly equal participation across credit and maturity segments.
- The municipal bond tax-equivalent yield, or the pre-tax yield that a taxable bond must offer, is 1.8% (muni) versus 3.1% (taxable).
- Global bonds declined 1.4% in November as sovereign bond yields moved higher and the U.S. dollar strengthened 0.9%.



Economic Update

- The Canadian economy remains resilient despite global growth deceleration and geopolitical tensions.
- Inflation remains on target, according to deputy governor Timothy Lane, who also confirmed that Canada's job market is strong.
- Unlike many of its peers, Canada has not elected to ease its monetary policy (unchanged since October 2018).
- However, the Canadian economy slowed in the third quarter to an annual pace of 1.3%; this matched the BoC forecast.
- The Canadian Central Bank confirmed at its December meeting that it has no intention of moving in step with the U.S. Federal Reserve.
- Canada's perspective on the global economy is that global recession concerns are waning, but trade conflicts remain a primary risk.

Interest Rate Update

The Bank of Canada announced no change to its benchmark interest rate when it met in early December, holding steady at 1.75%. With this monetary policy decision, the Canadian central bank is positioning itself as an exception among other developed economies.

Date Range	CAD to USD	+/-
November	0.7611 – 0.7530	-1.1%
Year-to-Date	0.7329 – 0.7530	+2.7%
1-Year	0.7527 – 0.7530	0.0%

\$USD 1,000,000 = \$CAD 1,318,496 (12/5/19)

CAD Profile

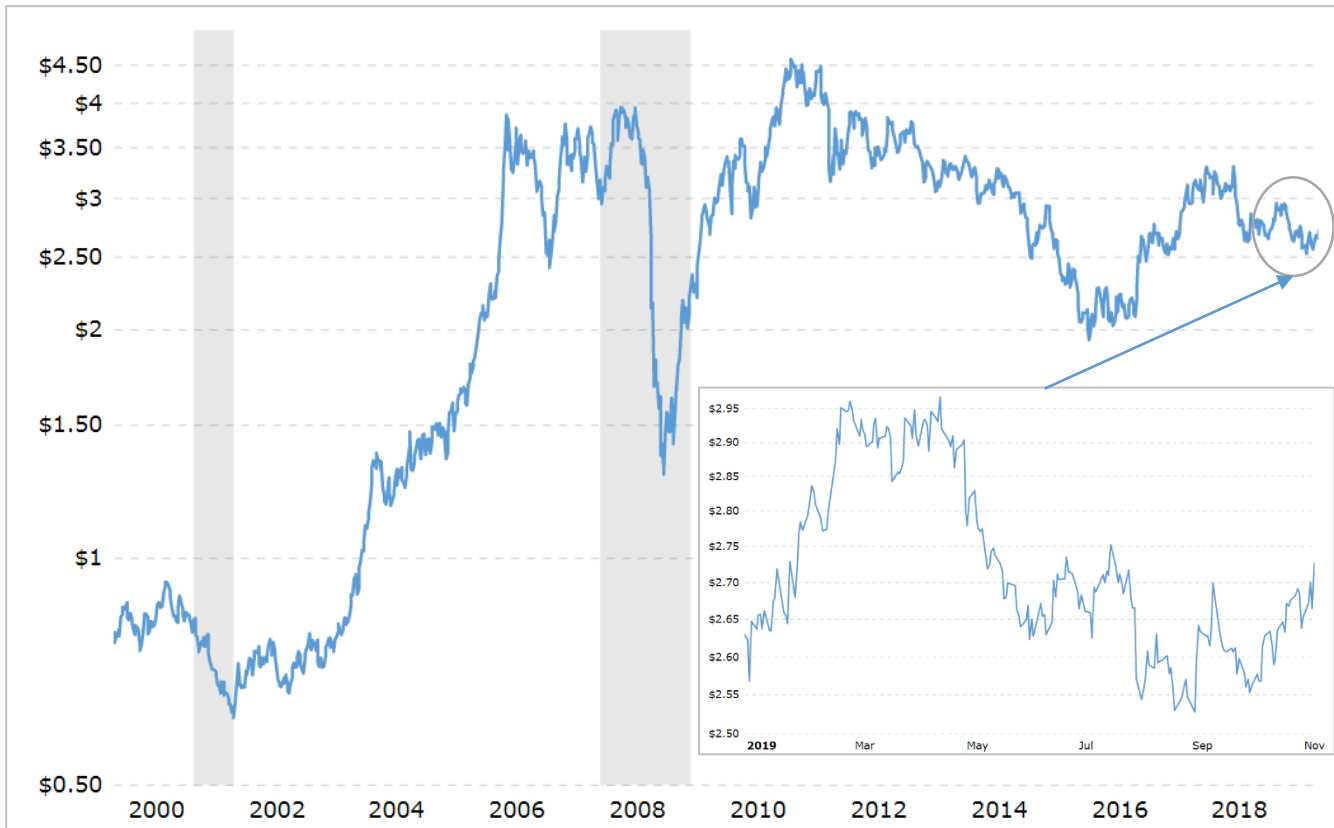
Inflation Rate	1.60%
Interest Rate	1.75%
Information	http://www.bankofcanada.ca



Source: www.xe.com

The larger chart below shows the historical daily COMEX copper price, which is displayed in U.S. dollars per pound. The chart provides twenty years of price history, and also includes shaded columns that reflect past U.S. economic recessions.

The chart embedded in the bottom right hand corner provides a zoomed-in image of the year-to-date price movement of the commodity. The current price of copper, as of December 5, 2019, is \$2.65 per pound. Copper opened the year priced at \$2.62 per pound and hit a high/low of \$2.97/\$2.53 on April 17th and August 23rd, respectively. **Copper has gained 1.1% year-to-date.**



Copper Price Outlook

Copper prices were volatile in November, but the currency price ended the month only \$0.01 away from where it started; moving from \$2.64 to \$2.65.

Copper price volatility in November, and throughout the year, appears predominately attributable to trade tensions and tariffs.

Speculation regarding the U.S. – China trade resolution has directly impacted the copper industry. In early November reports of progress toward a trade deal sent copper prices 3.4% higher to \$2.73. However, news that “phase one” discussions had stalled then sent copper prices tumbling 4.0% to \$2.62.

The near-term outlook for copper remains difficult to predict, but it seems clear that commodity’s price is following trade speculation, and copper in particular also remains highly correlated with the U.S. stock market.

