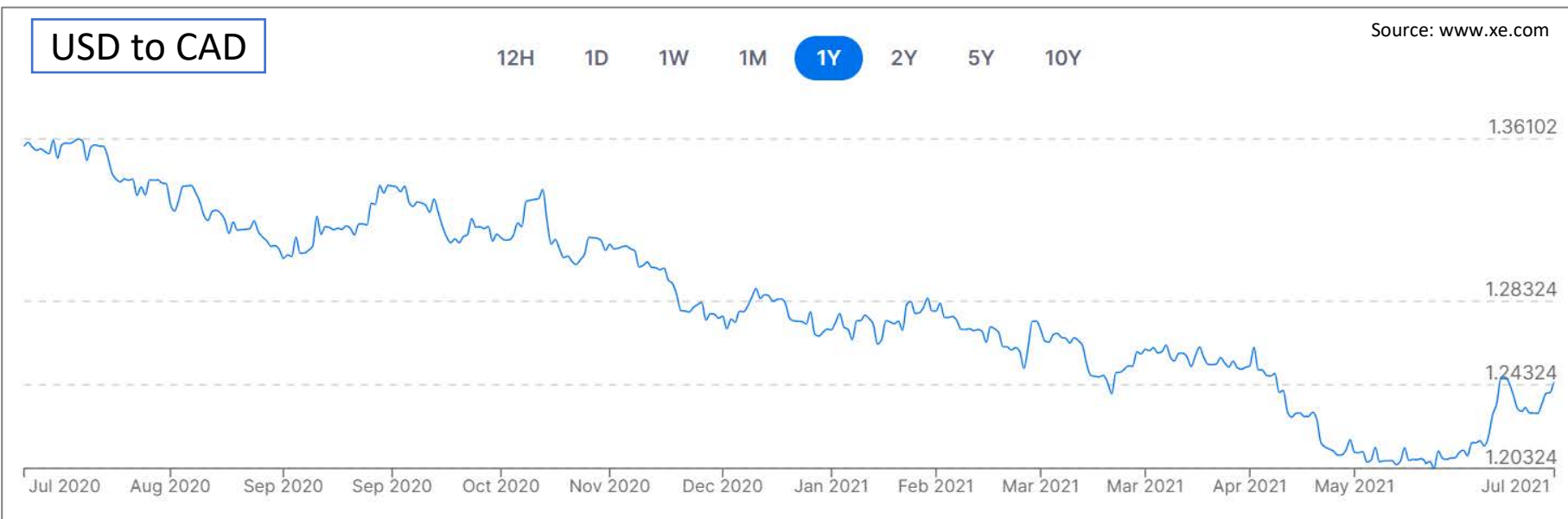


		<u>June 2021</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
U.S. Large Cap Equities	S&P 500	2.33%	15.25%	40.79%	18.67%	17.65%	14.84%
U.S. Small Cap Equities	S&P SmallCap	0.33%	23.56%	67.40%	12.20%	15.82%	13.49%
Energy Infrastructure Equities	Alerian MLP	6.16%	48.26%	63.25%	-1.79%	-2.58%	-0.09%
U.S. Real Estate Equities	Dow Jones U.S. Select REIT	2.66%	21.70%	37.82%	9.95%	6.13%	9.24%
Global Equities	MSCI All Country World Index	1.32%	12.30%	39.26%	14.57%	14.61%	9.90%
International Developed Equities	MSCI EAFE	-1.13%	8.83%	32.35%	8.27%	10.28%	5.89%
Emerging Market Equities	MSCI Emerging Markets	0.17%	7.45%	40.90%	11.27%	13.03%	4.28%
U.S. Taxable Fixed Income	Barclay's U.S. Aggregate	0.70%	-1.60%	-0.33%	5.34%	3.03%	3.39%
U.S. Tax-Exempt Fixed Income	Barclay's Municipal Aggregate	0.27%	1.06%	4.17%	5.10%	3.25%	4.28%
High Yield Fixed Income	Barclay's U.S. Corporate High Yield	1.34%	3.62%	15.37%	7.45%	7.48%	6.66%
Floating Rate Loans	S&P/LSTA Leveraged Loan	0.40%	3.27%	11.64%	4.39%	4.99%	4.39%
International Fixed Income	Barclay's Global Aggregate Ex-U.S.	-2.02%	-4.42%	4.60%	3.12%	1.63%	0.99%

- Global equity market returns were mixed in June, with U.S. indexes broadly positive and foreign equity indexes either muted or negative.
- China, the UK and the U.S. ended June with the highest portion of vaccinated citizens (50-80%); India, Japan, Brazil & South Korea were at only 15-30%.
- U.S. large cap stocks gained 2.3%, improving the 12-month return to 40.8%, almost 4x the average 12-month return of 10.3%.
 - Inflation remained elevated in May at 5% year-over-year, the highest rate since 2008, but employment numbers remained lackluster.
- Growth stocks outperformed value stocks by 7.4% in June, while the 12-month index returns were nearly equal at approximately 43%.
- At month-end, the weight of the top ten stocks in the S&P 500 Index was 29%, with an average P/E of 30.1 (153% of the average).
 - Value stocks, by comparison, remained relative cheap with a current P/E of 16.9, or 124% of the 20-year average P/E.
- Outside of the U.S., international developed equities pulled back in June while emerging markets equities managed to stay slightly positive.
 - The price-to-earnings discount for international equities versus U.S. equities was 26.9% at month-end.
- Investment grade bonds were positive in June but yields remained low; nominal 10-Year Treasury yield was 1.5% with a real yield of -2.3%.
- High yield bonds remained highly correlated to U.S. equities and gained 1.3% in June; the default rate dropped to 2.0% versus the 3.5% average.
- Floating rate loans underperformed high yield bonds in June, but offered slightly better pricing and a 0.2% yield advantage.
- International fixed income declined in June amid a 3% strengthening of the U.S. dollar.

Economic Update

- The U.S. dollar strengthened 2.7% against the Canadian dollar in June, ending the month with an exchange rate of 1.2404.
- Canada's economy sputtered in April and May as the country was forced into lockdown to slow the third wave of COVID-19.
- Canada's real GDP declined 0.3% in April from March, which was not as bad as the -0.8% expected; preliminary May GDP is negative 0.3%.
- The economic slowdown in April and May was directly attributable to the retail, accommodation and food services industries.
- Real estate fell in April for the first time since October 2020 and is expected to continue to decline in May.
- Looking ahead, analysts expect growth to pick up as the lockdown is lifted and business reopen, resulting in a "summer bump."



Date Range	USD to CAD	+/-
YTD	1.2751-1.2404	-2.7%
1-Year	1.3657-1.2404	-9.2%
3-Years	1.3137-1.2404	-5.6%

\$USD 1,000,000
=
\$CAD 1,240,402

@ 1.2404
(6/30/2021)

CAD Profile	
*Inflation Rate	3.6% (May 2021)
Interest Rate	0.25% (6/9/2021)
Information	http://www.bankofcanada.ca

*Total CPI Inflation

Sources: xe.com, Statistics Canada, bankofcanada.com, Reuters

¹ Organization for Economic Co-operation and Development

The larger chart below shows the historical daily COMEX copper price, which is displayed in U.S. dollars per pound. The chart provides 20 years of price history as well as past recessions. The embedded chart provides a zoomed-in image of the 2021 calendar year copper price movement.

Copper prices were up \$0.77 per pound year-to-date, or 22.0%.
Since the \$2.10 low point on March 23, 2020, prices have risen \$2.19 per pound, or 104%.

The price of copper was \$4.29 per pound as of June 30, 2021.



Copper Price Outlook

Copper prices retreated from the all-time high set in May and turned negative in June, ending the month down \$0.39 per pound, or 8%.

Prices moved lower as May data showed that surging raw material prices had squeezed margins, which weighed on factory activity and resulted in weaker Chinese industrial profit growth. Copper prices were also negatively affected by investor concerns over rising inflation in the U.S., and the fear of accelerated policy tightening.

Looking ahead, most analysts expect copper prices will move gradually higher amid supply worries and a promising demand outlook.

However, commodities broker Marex Spectron expects prices will remain "stuck in place" in the near-term, citing that "Demand is still good in China, but the extra demand that would push spot premiums higher and cause the arbitrage to open is not there."

The chart below shows the historical daily West Texas Intermediate (WTI or NYMEX) crude oil prices per barrel, displayed in U.S. dollars. The chart provides 20 years of price history and includes shaded columns to reflect past U.S. economic recessions.

Oil prices were up \$24.95 per barrel year-to-date, or 51%.
 Since the \$11.26 low point on April 21, 2020, prices have risen \$62.21 per barrel, or 552%.

The price of crude oil was \$73.47 per barrel as of June 30, 2021.



Oil Price Outlook

Oil prices continued to move higher in June as recreational and business travel accelerated. During the month, the cost of a barrel of crude oil increased 11%, or \$7.15.

The higher price of crude oil translated to higher prices at the pump, with gas prices averaging around \$3.15 per gallon nationally at month-end.

Gas prices have helped to fuel the recent concerns over higher inflation, as consumers are reminded of the change in price as they drive past filling stations.

Whether the recent spike in headline inflation turns out to be transitory or the beginning of a trend is yet to be determined, but the outlook for crude oil and gasoline prices is unanimously higher. According to Bank of America, the outlook for crude oil is \$100 per barrel in 2022, which would translate to gas prices at close to \$4 per gallon.