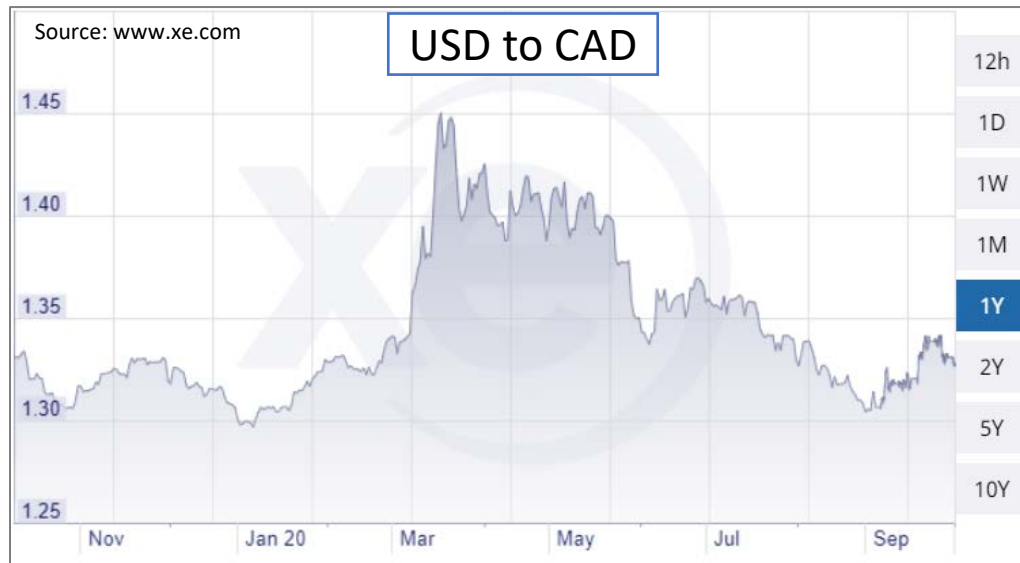


		<u>Sept 2020</u>	<u>Q3</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
U.S. Large Cap Equities	S&P 500	-3.80%	8.93%	5.57%	15.15%	12.28%	14.15%	13.74%
U.S. Small Cap Equities	Russell 2000	-3.34%	4.93%	-8.69%	0.39%	1.77%	8.00%	9.85%
Energy Infrastructure Equities	Alerian US Midstream Energy Index	-11.32%	-12.92%	-41.90%	-42.38%	-15.78%	-6.51%	-
U.S. Real Estate Equities	Dow Jones U.S. Select REIT Index	-3.10%	0.83%	-21.36%	-22.33%	-1.85%	1.99%	7.03%
Global Equities	MSCI All Country World Index	-3.22%	8.13%	1.37%	10.44%	7.12%	10.30%	8.55%
International Developed Equities	MSCI EAFE	-2.60%	4.80%	-7.09%	0.49%	0.62%	5.26%	4.62%
Emerging Market Equities	MSCI Emerging Markets	-1.60%	9.56%	-1.16%	10.54%	2.42%	8.97%	2.50%
U.S. Taxable Fixed Income	Barclay's U.S. Aggregate	-0.05%	0.62%	6.79%	6.98%	5.24%	4.18%	3.63%
U.S. Tax-Exempt Fixed Income	Barclay's Municipal Aggregate	0.02%	1.23%	3.33%	4.09%	4.28%	3.84%	3.99%
High Yield Fixed Income	Barclay's U.S. Corporate High Yield	-1.03%	4.60%	0.62%	3.25%	4.21%	6.79%	6.47%
Floating Rate Loans	S&P/LSTA Leveraged Loan	0.63%	4.14%	-0.66%	1.06%	3.10%	4.01%	4.26%
International Fixed Income	Barclay's Global Aggregate Ex-U.S.	-0.58%	4.14%	4.77%	5.48%	3.07%	3.60%	1.35%

- September was a generally weak month for global equity and fixed income indexes.
- U.S. equities were led lower by tech stocks, which entered a bear market during the month (>20% decline from peak).
- Value stocks, which offer better pricing and higher dividend income, outperformed growth stocks on a relative basis by 2.3% in September.
- Energy infrastructure equities were negatively affected by crude oil prices, which dropped as much as \$5.85 per barrel during the month.
- U.S. REITs declined in September, but retail rent collection was up 5%, with shopping centers improving to 81% (up from 49% in May).
- Foreign equities outperformed U.S. stock markets in September as reported Covid cases remained below the U.S.
- International developed equities lagged emerging markets equities as the prospect for a no deal Brexit increased.
- In fixed income markets, investment grade corporate bonds and municipal bonds were essentially flat as investors rotated out of risk.
- High yield bonds declined in September alongside U.S. equities, though defaults did not materially increase during the month.
- Leveraged loans notched 0.6% higher amid stabilizing conditions and increased investor demand for the higher yielding asset class.
- International bonds declined 0.6% despite a slightly stronger U.S. dollar.

Economic Update

- The U.S. dollar strengthened 2.2% against the Canadian dollar in September.
- Canada's economy grew by 4.8% in May, 6.5% in June, 3% in July and 1% in August.
- The 15.3% GDP growth recoups 75% of the losses sustained from inactivity during the first wave of the pandemic (March/April).
- The economic rebound has exceeded expectations, but it has been uneven, with certain segments of the economy performing better than others. Industries such as hotels, entertainment, retail, transport and restaurants are facing indefinite hardship.
- As winter approaches, analysts are advising that rising coronavirus cases could stall the economy as businesses retrench and unemployment increases.



Date Range	USD to CAD	+/-
YTD	1.2962-1.3323	+2.8%
1-Year	1.3242-1.3323	+0.6%
3-Years	1.2468-1.3323	+6.9%

\$USD 1,000,000
 =
\$CAD 1,332,330
 @ 1.33233
 (09/30/2020)

CAD Profile	
Inflation Rate	1.60% (0.10% Down MOM)
Interest Rate	0.25%
Information	http://www.bankofcanada.ca

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 chart embedded in the bottom right hand corner provides a zoomed-in image of the 2020 YTD copper price movement.

The price of copper as of September 30th was \$3.03 per pound. Copper began the year priced at \$2.80 per pound, before falling 25%, or \$0.70 per pound, to \$2.10 on March 23, 2020. The commodity has fully recovered from the March low.



Copper Price Outlook

Analyst guidance suggests a slight increase in the 2020 copper price forecast, and the commodity is expected to trade sideways for the remainder of the year.

Fitch Solutions, a macro intelligence company, believes demand for copper will continue to be supported by Chinese monetary support and a continuation of the broad global economic recovery.

For the year 2021, Fitch “expects prices to come down slightly from the current levels as increased mining output feeds through to higher refined output next year.”

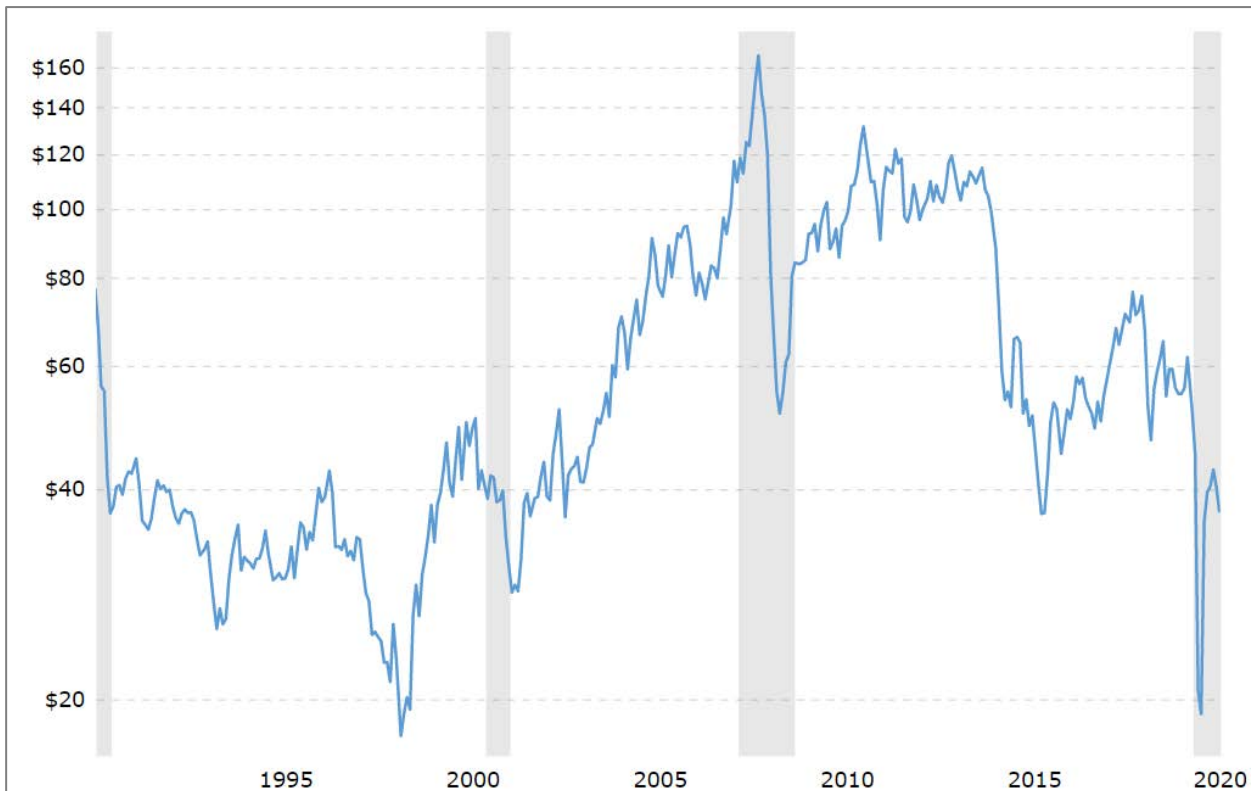
Over the long term, the source “expects prices to remain elevated due to persistent deficits in the copper market driven by increased demand from the power, construction and autos industries.”



The chart below shows the historical daily West Texas Intermediate (WTI or NYMEX) crude oil prices per barrel, which is displayed in U.S. dollars. The chart provides 30 years of price history and includes shaded columns to reflect past U.S. economic recessions.

Oil began 2020 priced at \$61.14 per barrel before falling to \$11.26 on April 21, 2020. From the January 7th peak to the April 21st trough, oil prices declined 69%. Oil prices have since recovered, adding \$28.96 per barrel.

The current price of oil, as of September 30, 2020, is \$40.22 per barrel.



Sources: Macrotrends, Forbes, WSJ.com

Oil Price Outlook

According to a recent CNBC analysis, oil prices are likely to continue to struggle in the fourth quarter amid lower demand.

The key takeaways include:

- 1) Oil prices are expected to rise just a few dollars per barrel in the fourth quarter, and OPEC and its partners may have no alternative but to extend deep production cuts to support the market.
- 2) The fall off in air travel and a warm winter may keep pressure on distillate fuels, an important source of oil demand.
- 3) The oil market is taking the Covid-19 recession the hardest of all commodities due to demand shock and a slowing recovery.

The article summarizes that consensus analyst guidance tells us that oil prices should rise to the low to mid-\$40s but are also vulnerable to falling to the low \$30s.

We expect oil to remain in a trading range around \$40.