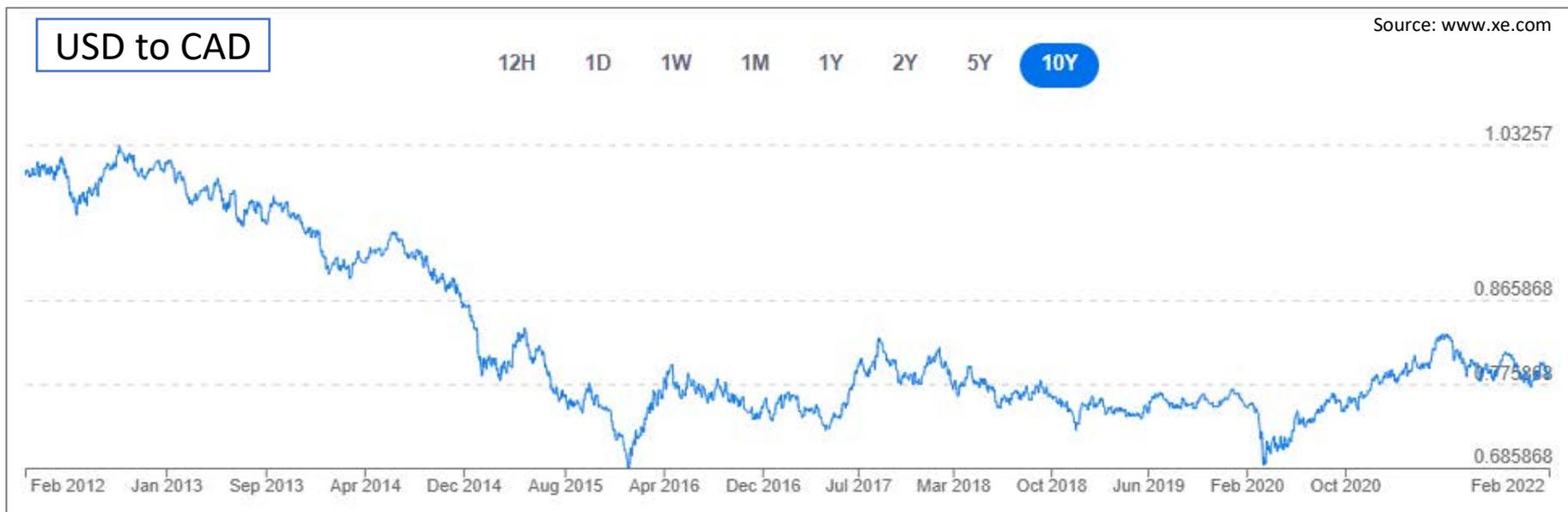


		<u>Jan 2022</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
U.S. Large Cap Equities	S&P 500	-5.17%	-5.17%	23.29%	20.71%	16.78%	15.43%
U.S. Small Cap Equities	Russell 2000	-9.63%	-9.63%	-1.21%	11.99%	9.69%	11.33%
Energy Infrastructure Equities	Alerian U.S. Midstream Energy	10.00%	10.00%	52.03%	6.30%	2.38%	-
U.S. Real Estate Equities	Dow Jones U.S. Select REIT	-6.46%	-6.46%	36.76%	10.23%	8.39%	9.28%
Global Equities	MSCI All Country World Index	-4.91%	-4.91%	13.23%	15.42%	12.64%	10.66%
International Developed Equities	MSCI EAFE	-4.83%	-4.83%	7.03%	9.34%	7.85%	6.94%
Emerging Market Equities	MSCI Emerging Markets	-1.89%	-1.89%	-7.23%	7.19%	8.30%	4.16%
U.S. Taxable Fixed Income	Bloomberg U.S. Aggregate	-2.15%	-2.15%	-2.97%	3.67%	3.08%	2.58%
U.S. Tax-Exempt Fixed Income	Bloomberg Municipal Aggregate	-2.74%	-2.74%	-1.89%	3.50%	3.46%	3.20%
High Yield Fixed Income	Bloomberg U.S. Corporate High Yield	-2.73%	-2.73%	2.06%	6.26%	5.40%	6.21%
Floating Rate Loans	S&P/LSTA Leveraged Loan	0.36%	0.36%	4.34%	4.88%	4.23%	4.50%
International Fixed Income	Bloomberg Global Aggregate Ex-U.S.	-1.96%	-1.96%	-7.92%	1.16%	2.28%	0.40%

- Volatility returned in January amid a confluence of concerns that sent global markets almost universally lower.
 - Rising oil and gas prices led to significant outperformance in the energy sector, with midstream equities gaining 10%.
- U.S. inflation jumped to 7% year-on-year in December and uncertainty about the pace and scale of central bank tightening were the primary catalysts for equity volatility followed by the rapidly escalating tensions between Russia, Ukraine and NATO.
- Higher U.S. Treasury yields aided financials and resulted in the largest monthly outperformance by value stocks over growth stocks in more than 20 years -- a good reminder not to chase returns!
 - Despite increased selling pressure on growth stocks in January, they still trade at a step premium to value stocks.
- Foreign equity markets performed relatively better, as December and January economic data came in better than expected against a backdrop of the Omicron variant and intensifying geopolitical developments in eastern Europe.
- In fixed income markets, returns were negative in January as yields moved higher and prices moved lower – Floating Rate loans were positive.
 - The 10-year U.S. Treasury yield increased 0.27%, while the yield offered by U.S. corporate high yield bonds rose by 1.1%.

- The U.S. dollar strengthened 0.3% against the Canadian dollar in January, ending the month with an exchange rate of 1.2696.
- According to Reuters, Canada's economy climbed to above the pre-pandemic level for the first time in November.
- While growth appeared to be flat in December, according to Statistics Canada, annualized GDP in the fourth quarter was likely up 6.3%.
- The above consensus result should be enough, according to Doug Porter, the chief economist at BMO Capital Markets, for the Bank of Canada to begin raising interest rates at its next meeting on March 2nd.
- The market is currently pricing in a first rate increase in March, with a total of six rate hikes for the year.



Date Range	USD to CAD	+/-
YTD	1.2655-1.2696	+0.3%
1-Year	1.2778-1.2696	(0.6%)
3-Years	1.3142-1.2696	(3.4%)

\$USD 1,000,000
=
\$CAD 1,269,616

@ 1.2696
(1/31/2022)

CAD Profile	
*Inflation Rate	4.8% (Dec 2021)
Interest Rate	0.25% (Jan 2021)
Information	http://www.bankofcanada.ca

*Total CPI Inflation

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

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 6-month copper price movement.

Copper prices were up \$0.04 per pound year-to-date¹, or 0.9%.

Since the \$2.10 low point on March 23, 2020, prices have risen \$2.40 per pound, or 114%.

The price of copper was \$4.32 per pound as of January 31, 2022.



Copper Price Outlook

The price of copper fluctuated throughout the month of January, moving by as much as \$0.27, or 5.9%, and finally ending \$0.14 lower, or negative 3.1%. The modest price decline came amid forecasts for a slowdown in global economic growth across the world's top copper consuming countries.

Looking ahead, copper prices are expected to be negatively affected by an anticipated recovery in copper production to pre-pandemic levels, and rising interest rates in the U.S. and other developed countries.

According to the Chilean Copper Commission, Cochilco, copper production is forecasted to increase by 4.1% in 2022 and 5.5% in 2023, by which time the copper market supply will have returned to a surplus. The commission also restated its projection for copper prices to trend lower in 2022 to an average of \$3.95 per pound. The Commission's longer-term projection is for copper prices to average \$3.80 per pound in 2023.

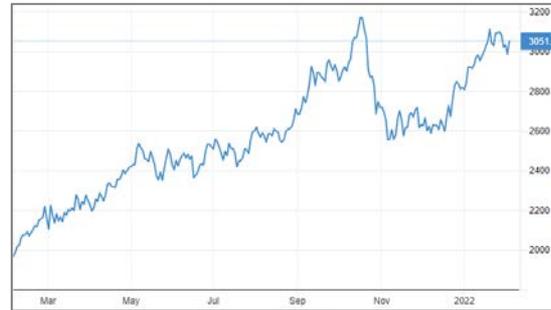
¹ Year-to-date as of 2/2/2022

Sources: Macrotrends, Fitch Solutions, Cochilco

The primary chart below shows the historical monthly price of aluminum for the past 25 years. The secondary chart shows the daily price movement over the past 12 months. Prices are in USD per ton (London Metal Exchange).

Aluminum prices were up \$208 per ton year-to-date², or 8.8%. Since the \$1,472 low point on April 6, 2020, prices have risen \$1,582, or 108%

The all-time record price of aluminum was \$3,271.25 per ton, which occurred in July of 2008.



Aluminum Price Outlook

Aluminum prices ended January up \$214 per ton, or 7.6%, despite falling \$90 per ton, or 2.9%, during the final week of trading. Prices remained elevated amid strong demand, tight supply and persistently high energy prices.

A number of smelters in Europe, including Norsk Hydro, Aluminum Dunkerque and Alcoa, were forced to cut production in January as energy costs remained prohibitively high. As a result, aluminum stockpiles in warehouses approved by LME fell to their lowest level in 14 years (per FactSet).

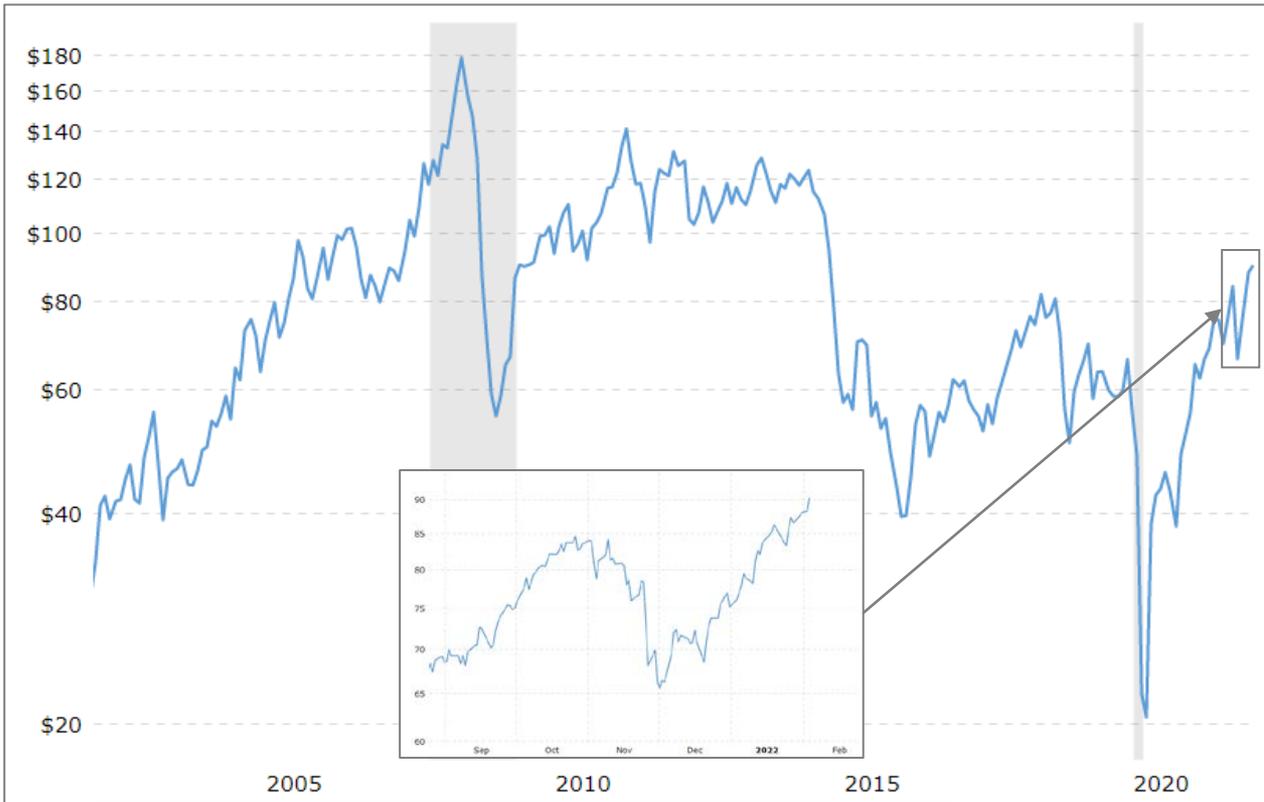
Looking ahead, the price of aluminum is expected to remain elevated due to a combination of factors, including energy costs and rising geopolitical tensions, which are both expected to extend the supply shortfall. According to Trading Economics, aluminum is forecasted to trade at \$2,980 per ton by the end of the first quarter, and \$2,799 by the end of 2022.

² Year-to-date as of 2/2/2022
Sources: TradingEconomics, Investing.com, FactSet

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 \$15.06 per barrel year-to-date³, or 20%. Since the \$11.26 low point on April 21, 2020, prices have risen \$76.89 per barrel, or 683%.

The price of crude oil was \$88.15 per barrel as of January 31, 2022.



Oil Price Outlook

A growing disparity between supply and demand, combined with mounting geopolitical tensions, sent crude oil prices \$12.94 per barrel higher in January, or 17%. The January price surge pushed gasoline prices in the U.S. to nearly \$3.40 per gallon on average, or about one dollar higher than a year ago.

While the pandemic depressed energy prices in 2020, they have snapped back, and it seems likely the trend will continue. Looking ahead, most energy analysts are predicting crude oil will eclipse \$100 per barrel, despite the proliferation of electric cars and green energy initiatives. While supply and demand will continue to impact oil prices, the most immediate and critical factor keeping the oil market on edge is the potential invasion of Ukraine.

Russia produces 10 million barrels a day, or about 1-in-10 of every barrel consumed globally. Should an invasion occur, it seems likely crude prices will push past \$100 per barrel.

³ Year-to-date as of 2/3/2022
Sources: Macrotrends, Bloomberg