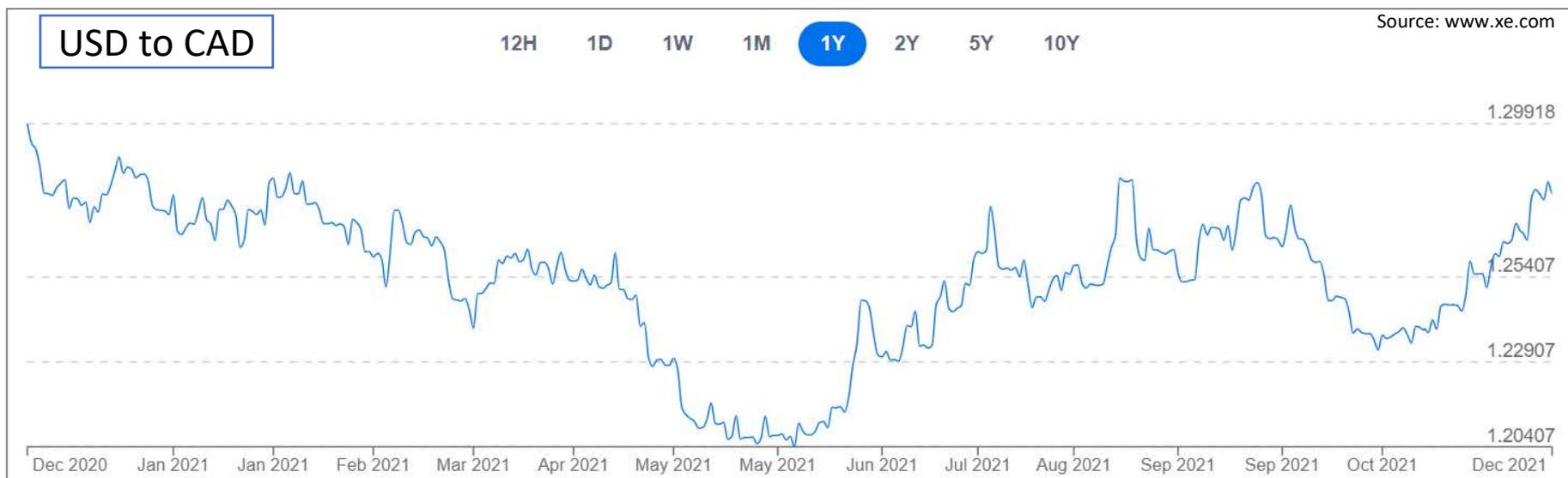


		<u>Nov 2021</u>	<u>YTD</u>	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
U.S. Large Cap Equities	S&P 500	-0.69%	23.18%	27.92%	20.38%	17.90%	16.16%
U.S. Small Cap Equities	Russell 2000	-4.17%	12.31%	22.02%	14.22%	12.14%	13.06%
Energy Infrastructure Equities	Alerian U.S. Midstream Energy	-5.58%	43.93%	47.76%	4.23%	1.50%	--
U.S. Real Estate Equities	Dow Jones U.S. Select REIT	-0.60%	33.85%	38.19%	10.18%	8.77%	10.26%
Global Equities	MSCI All Country World Index	-2.41%	13.98%	19.27%	15.96%	13.99%	11.39%
International Developed Equities	MSCI EAFE	-4.65%	5.84%	10.76%	9.83%	9.19%	7.39%
Emerging Market Equities	MSCI Emerging Markets	-4.08%	-4.34%	2.70%	9.27%	9.52%	5.16%
U.S. Taxable Fixed Income	Bloomberg U.S. Aggregate	0.30%	-1.29%	-1.15%	5.52%	3.65%	3.04%
U.S. Tax-Exempt Fixed Income	Bloomberg Municipal Aggregate	0.85%	1.35%	1.97%	5.09%	4.38%	3.90%
High Yield Fixed Income	Bloomberg U.S. Corporate High Yield	-0.97%	3.34%	5.29%	7.39%	6.29%	6.91%
Floating Rate Loans	S&P/LSTA Leveraged Loan	-0.15%	4.54%	5.94%	4.51%	4.38%	4.68%
International Fixed Income	Bloomberg Global Aggregate Ex-U.S.	-0.72%	-6.98%	-4.96%	3.23%	2.88%	0.86%

- Global equities were positive through mid-November, but ended the month down 2.4%, as a confluence of headwinds pressured the market.
- The three factors that negatively impacted markets in November were the appearance and spread of a new COVID-19 variant, Omicron, which led to new travel restrictions and a precipitous drop in crude oil prices, followed by the Fed's new hawkish tone.
- Within the U.S., equities ended mostly lower, with the exception of large cap growth stocks, which gained 1.4%.
- Smaller capitalized equity indexes were hit harder by news of the Omicron variant, with small business owners fearing new restrictions.
- On the policy front, Jerome Powell was reappointed as Fed Chairman, and bond purchases were planned to move to zero by June 2022.
- Outside of the U.S., developed international and emerging markets equity indexes were hit the hardest, down more than 4%.
- Non-U.S. macroeconomic data for October was overwhelmingly positive, with exports and retail sales up better than expected.
- In bond markets, investment grade taxable and municipal indexes gained slightly, while government bonds rallied.
- Lower quality bond and loan indexes declined, as yields moved slightly higher and pricing improved modestly.
- International bonds fell 0.7% in November amid modestly higher yields and a stronger U.S. dollar.

- The U.S. dollar strengthened 3.4% against the Canadian dollar in November, ending the month with an exchange rate of 1.2808.
- According to researchers at Morgan Stanley:
  - GDP is expected to grow by 3.4% in 2022 and 3.5% in 2023, which would be on track to reach the pre-COVID-19 (4Q19) level in 4Q21 and its pre-COVID-19 trend GDP in 2Q23.
  - The unemployment rate is expected to fall to 5.9% at the end of 2022, and to its pre-COVID-19 rate of 5.7% by the end of 2023.
  - Inflation is expected to peak at 4.3% on a year-over-year basis in 4Q21, and average 2.9% and 2.2% in 2022 and 2023, respectively.
  - Morgan Stanley is calling for four rate hikes in 2022 and another four in 2023, bringing the policy rate up to 2.25%.



Date Range	USD to CAD	+/-
YTD	1.2754-1.2808	+0.4%
1-Year	1.2978-1.2808	(1.3%)
3-Years	1.3285-1.2808	(3.6%)

**\$USD 1,000,000**  
 =  
**\$CAD 1,280,873**  
 @ 1.2808  
 (11/30/2021)

CAD Profile	
*Inflation Rate	4.7% (Oct 2021)
Interest Rate	0.25% (Oct 2021)
Information	<a href="http://www.bankofcanada.ca">http://www.bankofcanada.ca</a>

\*Total CPI Inflation

Sources: xe.com, Statistics Canada, bankofcanada.com, Morgan Stanley

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 \$0.76 per pound year-to-date, or 22%.

Since the \$2.10 low point on March 23, 2020, prices have risen \$2.18 per pound, or 104%.

**The price of copper was \$4.28 per pound as of November 30, 2021.**



## Copper Price Outlook

The price of copper remained steady in November, relative to prior months, and ended just 2% lower, or \$0.09 per pound.

However, the price of copper did fall to a two-week low on the final trading day of the month amid concerns about the damage to demand and economic growth from the Omicron variant of the coronavirus, as well as the potential implications from accelerated monetary policy tightening by the Fed.

In China, factory output picked up for the first time in three months as power rationing eased somewhat and regional operations resumed after some COVID-19 restrictions were lifted. The resulting supply resumption cooled the prices of most crucial production metals in November, including copper.

According to Shanghai Metals Market, copper prices are likely to remain somewhat weak in December, amid a strengthening U.S. dollar, crude oil market uncertainty, falling coal prices and the Omicron variant.

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 \$17.66 per barrel year-to-date, or 36%.  
Since the \$11.26 low point on April 21, 2020, prices have risen \$54.92 per barrel, or 488%.

**The price of crude oil was \$66.18 per barrel as of November 30, 2021.**



## Oil Price Outlook

Oil prices moved sharply lower in November, falling 21%, or \$17.39 per barrel. This marked the steepest monthly price decline since the March 2020 selloff.

The price decline was predicated by announcements from OPEC+ that there could be an oil surplus of 2 million barrels per day (BPD) in January, 3.4 million bpd in February, and 3.8 million bpd in March of next year.

The price decline steepened at month-end after the chief executive of Moderna Inc. cautioned that existing vaccines were likely to be less effective against the Omicron variant of the coronavirus.

Looking ahead, all eyes will be on OPEC+, as it deliberates pausing plans to add 400,000 bpd of supply in January. OPEC+ has stated publicly its intention to maintain prices around \$70 per barrel.