



# Monthly Market Snapshot

## Monthly Overview

May 2025

Canadian and U.S. equities ended the month lower, but well off the worst levels seen in the days following the April 2 “Liberation Day” tariff announcement. President Trump introduced his long-anticipated “reciprocal” tariffs, which included a 10% baseline tax on imports from all countries, a 34% tariff on Chinese goods, a 25% tariff on all car imports, and a 20% tariff on EU goods. In response, the S&P 500 suffered its most severe two-day decline since March 2020, as investors raised concerns about potential growth impacts. However, shortly thereafter, the president declared a 90-day suspension on the implementation of higher-level reciprocal tariffs to facilitate negotiations, resulting in the S&P 500 experiencing its most significant single-day gain since October 2008.

Canada’s benchmark index was 0.3% lower in April, as five of its underlying sectors were negative during the month. The loss was led by health care and energy, falling 7.0% and 6.3%, respectively. Consumer staples was the best-performing sector, with a 5.5% gain. Small-cap stocks, as measured by the S&P/TSX SmallCap Index, fell 2.0% for the month.

The U.S. dollar depreciated 4.1% versus the loonie in April, lowering returns of foreign markets from a Canadian investor’s standpoint. Note that all returns in this paragraph are in CAD terms. U.S.-based stocks, as measured by the S&P 500 Index, fell 4.7% in April. All of the benchmark’s underlying sectors were in the red during the month, with energy leading the decline with a 17.1% loss. International stocks, as measured by the FTSE Developed ex-US Index, was flat during the month, while emerging markets were down 3.5%.

The investment grade fixed income indices we follow were negative in April. Canadian investment grade bonds, as measured by the FTSE Canada Universe Bond Index, fell 0.7% during the month, while the key global investment grade bond benchmark lost 1.2%. Global high-yield issues fell 4.0%.

Turning to commodities, natural gas prices fell 19.3% during the month, while the price of a barrel of crude oil fell 18.6%. Copper and silver had a negative month, falling 9.4% and 6.0%, respectively, while gold gained 6.3%.

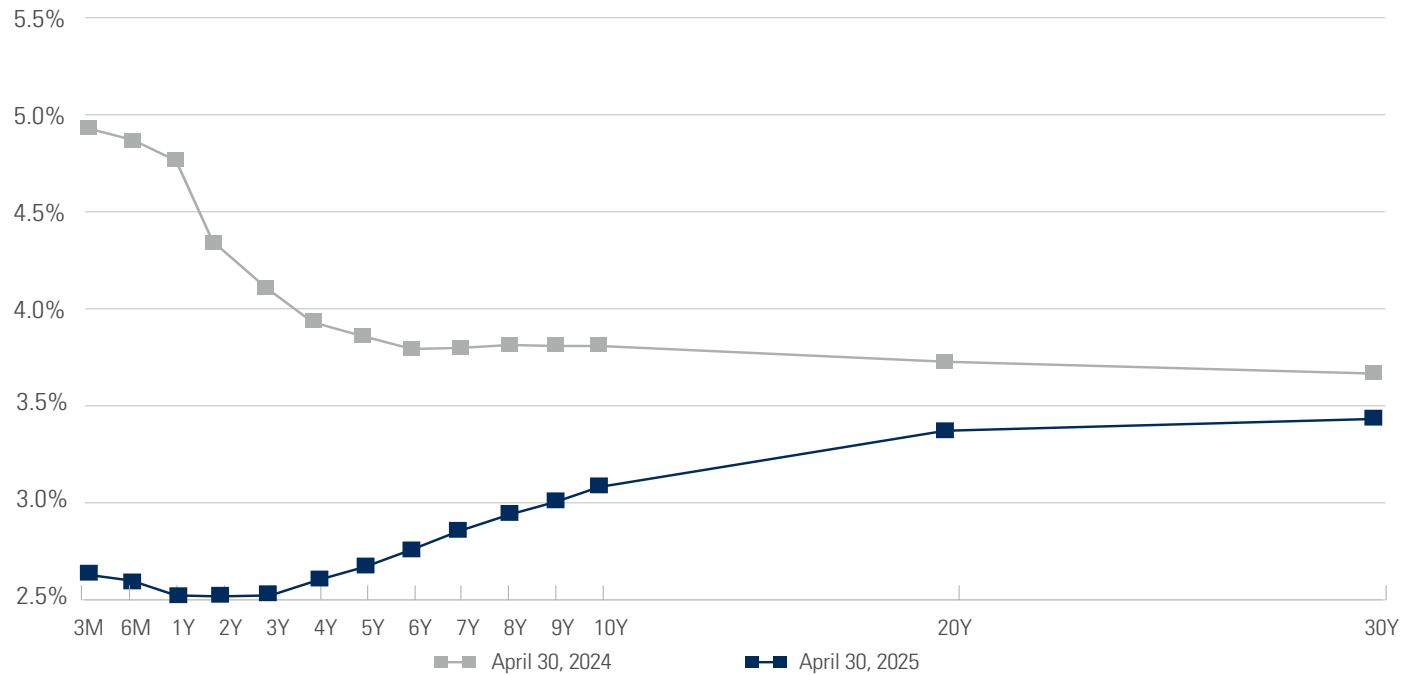
Inflation in Canada came in at 2.3% year-over-year in March. The deceleration was due to lower prices for gasoline and air travel. The Canadian economy lost 33,000 jobs in March, as the nation’s unemployment rate rose to 6.7%. The Bank of Canada held its policy rate at 2.75%, following seven straight cuts.

U.S. nonfarm payrolls grew by 228,000 in March, but the unemployment rate ticked up to 4.2%. The consumer price index declined 0.1% in March, putting the 12-month inflation rate at 2.4%. Energy prices fell 2.4% m/m, thanks to a 6.3% m/m pullback in gasoline prices. The U.S. economy contracted for the first time in three years to start 2025 as a surge in imports dragged down GDP and prices increased more than forecast.

Content sourced from Bloomberg; data as at April 30.



## Canadian Sovereign Yield Curve



Source: Bloomberg.

## Monthly Market Statistics

Data to April 30, 2025, unless otherwise indicated

Table 1: Equity Index Returns (% in CAD)

Index	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	3 Yr Std Dev
S&P/TSX Composite	-0.3	-2.7	2.8	0.5	14.4	6.2	10.9	13.9
S&P/TSX 60	-0.1	-3.0	3.4	0.8	14.8	6.0	10.9	13.7
S&P/TSX Small Cap	-2.0	-2.2	-2.8	-1.7	6.3	0.8	11.9	19.2
S&P 500	-4.7	-11.6	-3.2	-9.1	11.0	13.2	13.6	17.6
FTSE Developed ex US	0.0	0.1	5.3	5.1	9.3	8.8	8.3	16.0
FTSE Developed	-3.1	-8.3	-0.4	-4.9	10.9	11.9	11.8	16.3
FTSE Developed Small Cap	-3.6	-11.5	-4.9	-8.0	3.5	5.9	9.1	19.6
FTSE Developed Europe	-0.2	2.3	8.4	9.3	11.8	11.0	9.9	17.5
FTSE Emerging	-3.5	-2.7	-1.1	-1.9	8.9	4.7	4.7	15.0
FTSE All World Asia Pacific	-1.4	-2.5	-0.6	-1.3	7.2	6.1	5.1	15.5

Source: Bloomberg.

Table 2: Fixed-Income Returns (%)

Index	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	3 Yr Std Dev
FTSE TMX Canada Universe Bond	-0.7	0.2	2.4	1.4	9.1	3.5	0.0	6.5
Barclays Global Agg	-1.2	0.2	2.8	1.5	9.4	3.9	-1.3	6.6
Barclays High Yield Very Liquid Index	-4.0	-5.1	0.6	-3.2	8.8	8.7	5.5	6.5

Source: Bloomberg.



**Table 3: Commodity Prices (Prices and Returns in USD)**

Commodity	Price (\$)	MoM Change (%)	YoY Change (%)	3 Mo (%)
WTI Crude Oil/BBL	58.21	-18.6	-29.0	-19.7
Natural Gas/mmBTU	3.33	-19.3	67.1	9.3
Copper/pound	4.56	-9.4	-0.1	6.6
Silver/oz	32.53	-6.0	23.3	0.8
Gold/oz	3319.10	6.3	44.1	18.0

Source: Bloomberg.

**Table 5: One-Month Sector Returns (% in CAD)**

Sector	S&P/TSX returns	S&P 500 returns
Consumer Discretionary	1.7	-4.3
Consumer Staples	5.5	-2.9
Energy	-6.3	-17.1
Financials	1.0	-6.1
Health Care	-7.0	-7.6
Industrials	-1.0	-3.8
Info Tech	0.8	-2.4
Materials	1.7	-6.1
Real Estate	-1.2	-5.2
Telecom Services	-2.5	-3.4
Utilities	2.6	-3.9

Source: Bloomberg.

**Table 4: Economic Data**

Canada	
Real GDP- Q1 (q/q ann. % change)	2.6
Consumer Prices, 03/2025 (y/y % change)	2.3
Unemployment Rate, 03/2025	6.7
United States	
Real GDP- Q1 (q/q ann. % change)	-0.3
Consumer Prices, 03/2025 (y/y % change)	2.4
Unemployment Rate, 03/2025	4.2

Source: Bloomberg, Stats Canada.

**Table 6: Exchange Rates**

Cross	04/30/2025	6 Mos Ago	1 Yr Ago
USD/CAD	1.38	1.45	1.38
EUR/CAD	1.56	1.52	1.47
GBP/CAD	1.84	1.80	1.72
CAD/JPY	103.69	109.13	114.54

Source: Bloomberg.

## INVESTED IN YOU.

[iaprivatewealth.ca](http://iaprivatewealth.ca)

This document was prepared by the Investment Products & Platforms Team. The opinions expressed in this document do not necessarily reflect the opinions of iA Private Wealth Inc.

Although the information contained in this document comes from sources, we believe to be reliable, we cannot guarantee its accuracy or completeness. The opinions expressed herein are based on an analysis and interpretation dating from the date of publication and are subject to change without notice. Nothing contained herein constitutes an offer or solicitation to buy or sell any of the securities mentioned. Specific securities discussed are for illustrative purposes only. The information contained herein does not apply to all types of investors. The information provided herein does not constitute financial, tax or legal advice. Always consult with a qualified advisor prior to making any investment decisions.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. The indicated rates of return include changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Returns for time periods of more than one year are historical annual compounded returns while returns for time periods of one year or less are cumulative figures and are not annualized. Where applicable, compound growth charts are used only to illustrate the effects of a compound growth rate and are not intended to reflect future values or returns of a fund. A mutual fund's "yield" refers to income generated by securities held in the fund's portfolio and does not represent the return of or level of income paid out by the fund. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated. The information presented herein may not encompass all risks associated with mutual funds. Important information regarding mutual funds may be found in the simplified prospectus. Please read the simplified prospectus for a more detailed discussion on specific risks of investing in mutual funds. To obtain a copy, please contact your Investment Advisor.

iA Clarington Funds are managed by iA Clarington Investments Inc. a wholly owned subsidiary of Industrial Alliance Insurance and Financial Services Inc., a life and health insurance company which operates under the trade name iA Financial Group. iA Private Wealth Inc. is also a wholly owned subsidiary of Industrial Alliance Insurance and Financial Services Inc. iA Private Wealth Inc. is a member of the Canadian Investor Protection Fund and the Canadian Investment Regulatory Organization. iA Private Wealth is a trademark and business name under which iA Private Wealth Inc. operates.