



# Monthly Market Snapshot

## Monthly Overview

April 2025

Canada's main stock index fell in March as investors turned away from risky assets in light of the looming impact of U.S. President Donald Trump's global tariffs. This sentiment was echoed in the major U.S. indices, with the S&P 500 experiencing its worst quarterly performance since Q3 2022. The combination of slowing economic data, escalating global tensions, and heightened policy uncertainties led to the unraveling of the "Trump trade," resulting in heightened market volatility.

The S&P/TSX Composite Index was down 1.9% in March but rose 0.8% in the first quarter of the year. Four of the benchmark's underlying sectors were positive in Q1. Leading the way was the materials sector, which posted a gain of 19.9%. Small-cap stocks, as measured by the S&P/TSX SmallCap Index, eked out 0.3% for the quarter.

The U.S. dollar remained relatively flat against the loonie in Q1, gaining 0.1% and slightly boosting the 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 6.2% in March and finished the quarter lower by 4.7%. Consumer discretionary and information technology led the losses, with respective declines of 14.1% and 12.9%. International stocks, as measured by the FTSE Developed ex-U.S. Index, rose 5.1% during the quarter, while emerging markets gained 1.7%.

Canadian investment grade bonds, as measured by the FTSE Canada Universe Bond Index, were up 2.0% during the quarter. The key global investment grade bond benchmark we follow rose 2.7% in Q1 and global high-yield issues were up 0.9% in the same period.

Turning to commodities, natural gas prices rose 7.4% in March and 13.4% in Q1. The price of a barrel of crude oil also rose in March, gaining 2.5%, but fell 0.3% in Q1. Gold, silver, and copper all rose in March, gaining 9.6%, 10.9%, and 11.5%, respectively. They also rose in Q1, gaining 18.2%, 18.4%, and 25.0%, respectively.

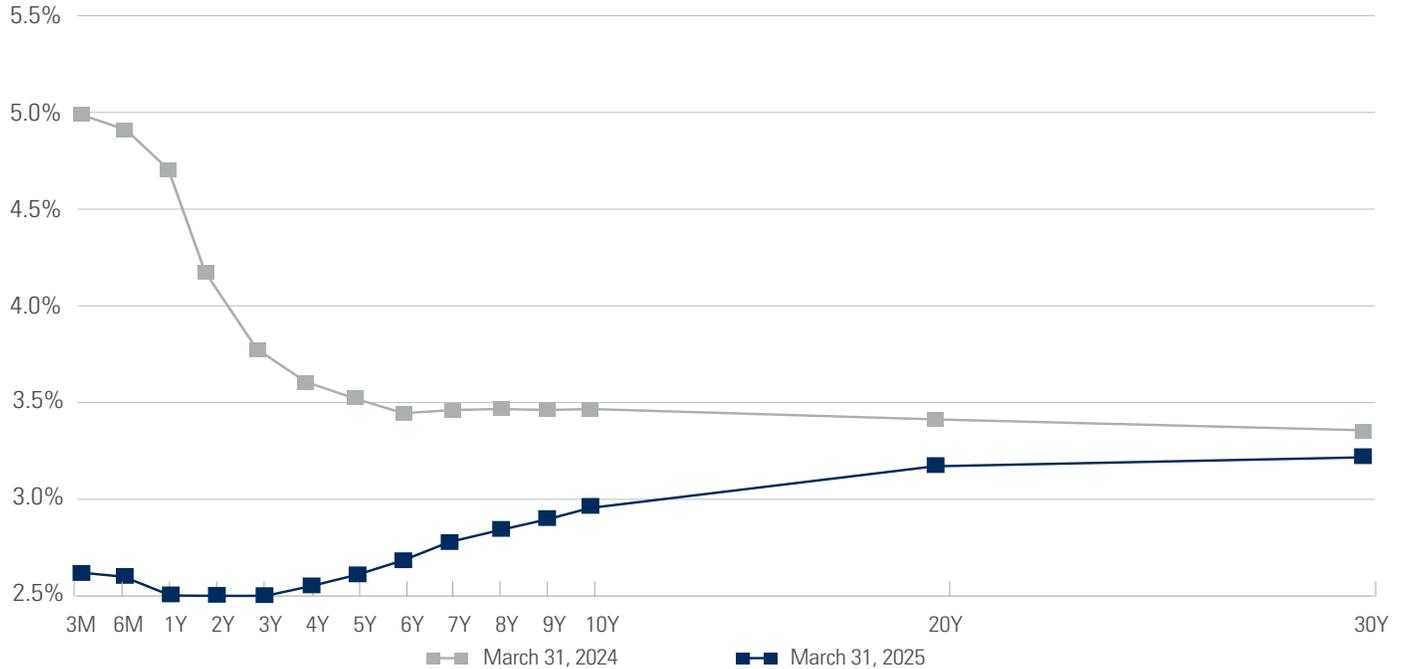
Inflation in Canada rose to 2.6% year-over-year in February, above expectations and up from 1.9% in January. The GST/HST holiday that ended on February 15 played a key role in pushing inflation higher. The Canadian economy created 1,100 jobs in February, as the nation's unemployment rate held steady at 6.6%. The Bank of Canada cut its lending rate by 25 basis points in March, bringing it down to 2.75%. This is the second lending rate cut by the central bank for 2025.

U.S. nonfarm payrolls increased by 151,000 in February, as the unemployment rate ticked up to 4.1%. The consumer price index rose to 2.8% year-over-year in February, as food prices continued to edge higher. The Federal Open Market Committee kept its key borrowing rate at a target range of 4.25%-4.5%, where it has been since December. Along with this decision, the FOMC downgraded its outlook for economic growth and gave a bump higher to its inflation projection. Officials now see the economy accelerating at just a 1.7% pace this year, down 0.4 of a percentage point from the last projection in December.

Content sourced from Bloomberg; data as at March 31, 2025.



### Canadian Sovereign Yield Curve



Source: Bloomberg.

### Monthly Market Statistics

Data to March 31, 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	-1.9	0.8	3.8	0.8	12.4	4.4	13.2	13.3
S&P/TSX 60	-2.3	1.0	4.0	1.0	12.2	4.2	12.8	13.2
S&P/TSX Small Cap	2.2	0.3	0.4	0.3	8.5	-0.8	17.5	18.1
S&P 500	-6.2	-4.7	3.7	-4.7	13.4	12.6	17.1	16.7
FTSE Developed ex US	-1.4	5.1	2.9	5.1	7.6	7.3	9.4	15.8
FTSE Developed	-4.9	-1.9	3.6	-1.9	11.8	10.8	14.4	15.7
FTSE Developed Small Cap	-5.2	-4.5	-0.7	-4.5	3.1	5.1	12.5	19.0
FTSE Developed Europe	-1.1	9.6	5.4	9.6	11.0	9.6	10.9	18.1
FTSE Emerging	0.3	1.7	1.1	1.7	16.1	4.9	6.9	15.0
FTSE All World Asia Pacific	-0.9	0.1	-1.0	0.1	8.9	5.2	6.7	15.4

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	-0.3	2.0	2.0	2.0	7.7	2.5	0.9	6.9
Barclays Global Agg	0.5	2.7	3.8	2.7	9.6	3.1	-1.2	6.6
Barclays High Yield Very Liquid Index	-1.2	0.9	7.4	0.9	14.0	9.6	6.7	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	71.48	2.5	-14.1	-0.3
Natural Gas/mmBTU	4.12	7.4	133.6	13.4
Copper/pound	5.03	11.5	25.6	25.0
Silver/oz	34.61	10.9	38.9	18.4
Gold/oz	3122.80	9.6	40.8	18.2

Source: Bloomberg.

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

Sector	S&P/TSX returns	S&P 500 returns
Consumer Discretionary	-2.7	-9.4
Consumer Staples	2.3	-3.2
Energy	3.3	3.3
Financials	-3.9	-4.7
Health Care	-4.7	-2.3
Industrials	-4.8	-4.1
Info Tech	-12.7	-9.3
Materials	7.0	-3.3
Real Estate	-1.8	-3.4
Telecom Services	-3.4	-8.8
Utilites	1.5	-0.4

Source: Bloomberg.

**Table 4: Economic Data**

Canada	
Real GDP- Q4 (q/q ann. % change)	2.6
Consumer Prices, 02/2025 (y/y % change)	2.6
Unemployment Rate, 02/2025	6.6
United States	
Real GDP- Q4 (q/q ann. % change)	2.4
Consumer Prices, 02/2025 (y/y % change)	2.8
Unemployment Rate, 02/2025	4.1

Source: Bloomberg, Stats Canada.

**Table 6: Exchange Rates**

Cross	03/31/2025	6 Mos Ago	1 Yr Ago
USD/CAD	1.44	1.44	1.35
EUR/CAD	1.56	1.51	1.46
GBP/CAD	1.86	1.81	1.71
CAD/JPY	104.23	106.20	111.77

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.