

Multi-Asset Market Monitor

November 2017 Commentary

Equities	Private Markets	Fixed Income
Global equity markets continued their ascent in November while Emerging markets took a pause from a strong year-to-date. U.S. Equities lead the charge, gaining 3% ¹ and reaching another all-time high. The move in U.S equities was supported by an increased chance of tax reform. Canadian and International equities returned 0.5% and 1.0% ² , respectively. The modest gain pushed Canadian equities to an all-time high.	With little appraisal activity in Real Estate and Infrastructure, performance was muted yet still positive. Private commercial mortgage debt trailed bond markets due to higher short-term interest rates.	Canadian bonds returned 0.79% ³ and continued their recent outperformance over treasuries. Yield curves continue to flatten, as is customary in later stages of economic cycles, with 2-year yields rising 4 basis points ³ (“bps”) and 30 year yields dropping 8 bps. ³ Return differentials for the month across corporate, provincial and federal bonds were minor given stable spreads.

2012	2013	2014	2015	2016	YTD	1-month	Benchmarks
EM Eq 15.6	Glo. Eq 35.2	Long Bonds 17.5	Glo. Eq 18.9	Cdn. Eq 21.1	EM Eq 27.3	Glo. Eq 2.1	S&P/TSX
Real Estate 14.0	Cdn. Eq 13.0	Glo. Eq 14.4	Infrastructure 11.5	Infrastructure 8.6	Glo. Eq 16.0	Long Bonds 1.8	MSCI World (Net) ⁴
Glo. Eq 13.3	Infrastructure 12.8	Infrastructure 10.6	Real Estate 7.8	EM Eq 7.3	Real Estate 8.8	Bonds 0.8	MSCI Emerging Markets (Net) ⁴
Infrastructure 8.7	Real Estate 10.6	Cdn. Eq 10.6	Mortgages 4.0	Real Estate 6.1	Cdn. Eq 7.8	Real Estate 0.6	Infrastructure ⁵
Cdn. Eq 7.2	EM Eq 3.9	Bonds 8.8	Long Bonds 3.8	Glo. Eq 3.8	Long Bonds 7.0	Cdn. Eq 0.5	IPD All Property ⁶
Long Bonds 5.2	Mortgages 1.3	Real Estate 7.0	Bonds 3.5	Long Bonds 2.5	Infrastructure 4.9	Mortgages 0.4	Custom Mortgage Benchmark ⁷
Bonds 3.6	Cash 1.0	EM Eq 6.6	EM Eq 2.0	Mortgages 1.8	Bonds 2.9	Infrastructure 0.3	FTSE TMX Cda 91 day T-bill
Mortgages 3.6	Bonds -1.2	Mortgages 6.0	Cash 0.6	Bonds 1.7	Mortgages 1.5	EM Eq 0.1	FTSE TMX Cda Universe
Cash 1.0	Long Bonds -6.2	Cash 0.9	Cdn. Eq -8.3	Cash 0.5	Cash 0.5	Cash 0.1	FTSE TMX Cda LT Overall

Source: FactSet, Preqin, Greystone. As at November 30, 2017.

Returns in C\$, excluding Infrastructure (US\$). Gross of investment management fees. May be subject to rounding. Past performance is not necessarily a guide to future results.

¹ S&P 500.

² MSCI EAFE.

³ Bloomberg.

⁴ MSCI, net of foreign dividend withholding taxes.

⁵ Infrastructure returns are the Preqin Infrastructure Quarterly Index up to its most recent publication, Q1 2017 and are Greystone Infrastructure Fund (Canada) LP returns thereafter.

⁶ Real estate returns are the IPD All Property Index up to its most recent publication, Q3 2017 and are Greystone Real Estate Fund Inc. returns thereafter.

⁷ Custom Mortgage Benchmark: FTSE TMX Cda Short Term Overall 60%, FTSE TMX Cda Mid Term Overall 40% + 0.5% per annum.

Greystone Managed Investments Inc.

With over \$32 billion in assets under management¹, we proudly serve universities, pension funds, multi-employer groups, endowments & foundations, insurance companies, and non-profit organizations.

We are a private company, majority-owned by our employees — over 95% of eligible employees are shareholders.²

Greystone has in-house expertise in the following areas:

MULTI-ASSET

- Balanced
- Balanced Plus
- Target Date Plus
- Alternative Suite

FIXED INCOME

- Short-Term, Universe, Long-Term
- Corporate, High Yield
- Bond Plus
- Liability-driven Investing

REAL ASSETS

- Real Estate
- Infrastructure

PRIVATE DEBT

- Mortgages

PUBLIC EQUITIES

- Income & Growth
- Canadian, U.S., Global, International, China
- Canadian Small Cap



FOR FURTHER INFORMATION PLEASE CONTACT:

Toll Free: 1.800.213.4286

Email: inquiries@greystone.ca

REGINA (HEAD OFFICE)

300 Park Centre
1230 Blackfoot Drive
Regina, Saskatchewan S4S 7G4
Canada

TORONTO

77 King Street West
Suite 4510, TD North Tower
Toronto, Ontario M5K 1J3
Canada

WINNIPEG

201 Portage Avenue
Suite 1907
Winnipeg, Manitoba R3B 3K6
Canada

HONG KONG

Suite 1, 12/F
International Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

Greystone.ca

¹ As at Sep 30, 2017.

² An eligible employee is defined as contributing one or more years of service to Greystone.

This report is for informational purposes only, is not meant as investment advice and should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any predictions or projections will actually occur. Past performance is not necessarily indicative of future results. Commentary reflects the opinions of Greystone Managed Investments Inc. at the date of this report. It was developed from sources Greystone believes to be reliable. Greystone does not guarantee the accuracy or completeness of such information.

Greystone claims compliance with the Global Investment Performance Standards (GIPS®). A GIPS® compliant presentation is available upon request. Greystone has been independently verified for the period January 1, 2000 to December 31, 2016. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. Verification does not ensure the accuracy of any specific composite.

Greystone is a registered portfolio manager, exempt market dealer and investment fund manager.

© Greystone Managed Investments Inc. All rights reserved.