

# FINANCIAL MARKETS AT A GLANCE

**MARCH 31, 2021**

Canadian and U.S. equity sectors were generally positive this month. Short-term and global bonds outperformed, amongst a backdrop of rising yields. Here are the financial markets at a glance.

## CANADIAN EQUITIES

### Sector

9 of the 11 Canadian equity sectors ended the month in positive territory.

|  |  |  |
|--|--|--|
|   |   |   |
| <b>Consumer Staples</b>  | <b>Financials</b>  | <b>Communication Services</b>  |
| 10.1% ↑  | 9.8% ↑   | 6.7% ↑   |
|  |  |  |
| <b>Materials</b>   | <b>Healthcare</b>  | <b>Information Technology</b>  |
| 1.0% ↓   | -2.2% ↓  | -2.7% ↓  |

### Company size

Small and medium-sized companies outperformed large corporations.

|   |   |
|---|---|
|  |  |
| <b>Small &amp; Medium Businesses</b>  | <b>Large Corporations</b>   |





### What's working/What's not working

- From a style perspective, dividends, value and low volatility outperformed the broader S&P/TSX Composite Index.
- Growth and momentum were the weakest performing factors.

## US EQUITIES

### Sector

Each of the 11 U.S. equity sectors ended the month in positive territory.

|   |  |
|---|--|
|   |   |
| <b>Utilities</b>  | <b>Industrials</b>   |
| 10.5% ↑   | 8.9% ↑   |
|  |  |
| <b>Energy</b>   | <b>Information Technology</b>  |
| 2.8% ↓  | 1.7% ↓   |

### Company size

Small and medium-sized companies outperformed large corporations.

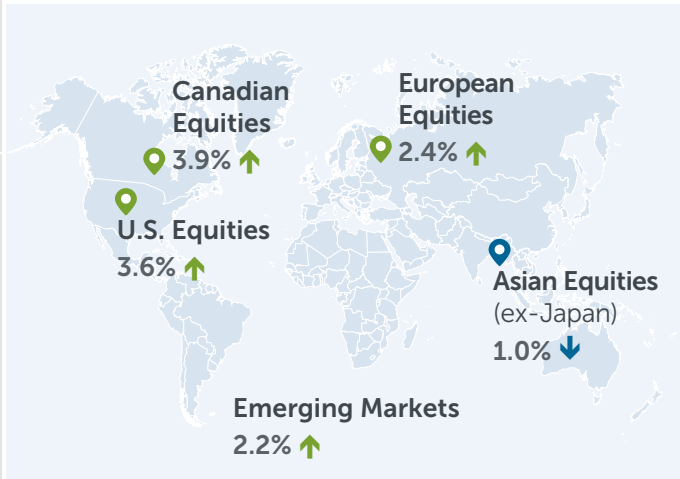
|  |   |
|--|---|
|  |  |
| <b>Small &amp; Medium Businesses</b>   | <b>Large Corporations</b>   |

### What's working/What's not working

- High dividends, value and low volatility were the best performing styles/factors, outperforming the S&P 500 index.
- Growth and momentum were the weakest performing factors.

## GLOBAL EQUITIES

### Regional



### Company size

Global small companies outperformed large corporations.



Small Businesses



Large Corporations

### What's working/What's not working

- High dividend, value and low volatility outperformed the MSCI World Index.
- Momentum, Growth and small/mid were positive, but trailed the broader equity market.

## FIXED INCOME

Short-term and global active bonds were the strongest relative performers.



Short-term and Global Active Bonds

Short-term bonds outperformed long-term bonds and corporates outpaced governments.



Short-term Bonds



Long-term Bonds



Corporate



Government



Bond yields continued to move higher in the month.

Yield on the Canada 3-year rose from **0.40% to 0.49%**,  
 Canada 5-year rose from **0.88% to 0.99%**,  
 Canada 10-year rose from **1.35% to 1.55%**,  
 Canada long bond rose from **1.76% to 1.97%**

Source: Morningstar Direct, as of March 31, 2021

Segregated Fund contracts are issued by The Empire Life Insurance Company ("Empire Life"). A description of the key features of the individual variable insurance contract is contained in the Information Folder for the product being considered. **Any amount that is allocated to a Segregated Fund is invested at the risk of the contract owner and may increase or decrease in value.** Past performance is no guarantee of future results. Please read the information folder, contract and fund facts before investing.

This document includes forward-looking information that is based on the opinions and views of Empire Life as of the date stated and is subject to change without notice. The information contained herein is for general purposes only and is not intended to be comprehensive investment advice. We strongly recommend that investors seek professional advice prior to making any investment decisions. Empire Life and its affiliates assume no responsibility for any reliance on or misuse or omissions of the information contained herein.

® Registered trademark of **The Empire Life Insurance Company**. Policies are issued by The Empire Life Insurance Company.

**The Empire Life Insurance Company**

259 King Street East, Kingston, ON K7L 3A8 • 1 877 548-1881 • info@empire.ca • empire.ca

**Insurance & Investments – Simple. Fast. Easy.®**

INV-3005-EN-04/21

