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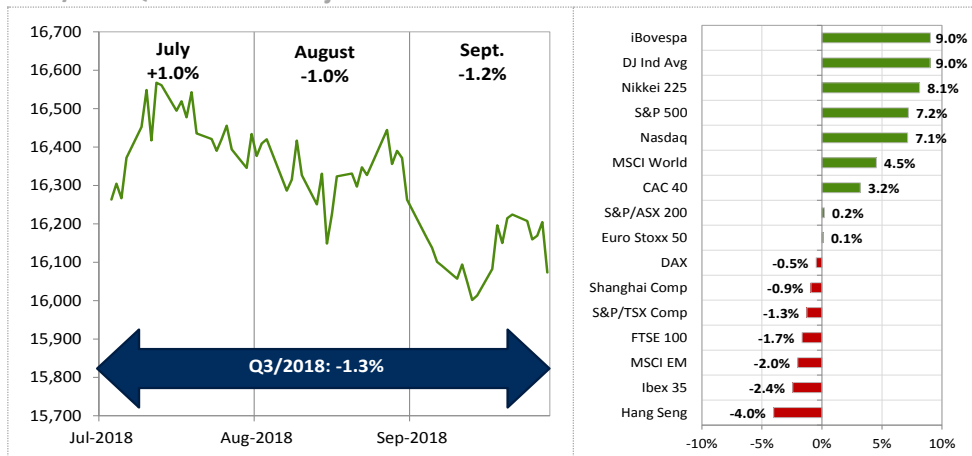
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Onward and Upward

The S&P/TSX struggled during the third quarter amid a selloff in base metals, such as copper, which weighed on our commodity sensitive index. Copper slipped 23% from its peak to trough due to concerns China was not doing enough to combat its economic slowdown. The risks to the global outlook also intensified with emerging market economies experiencing additional strain from the strong US dollar and uncertainty from trade protectionist measures. On the trade front, the Trump administration followed through with slapping tariffs on an additional US\$200 billion of Chinese imports. China responded with its own duties on US\$60 billion of US imports. The cumulative impacts of the tariffs still represent a small direct drag on GDP growth, but the back-and-forth nonetheless did little to support risk appetite.

Meanwhile, crude oil prices swung 14%, peak to trough, during the quarter but averaged US\$69.68/bbl, a level which allows many producers to be profitable. However, for Canadian E&Ps, the reality facing the sector was not as rosy. In late August, the appeal court ruled that the Trans Mountain expansion project needed further review by the National Energy Board (NEB). In turn, the federal government has given the NEB a 22-week deadline to reconsider the proposed project in order to take into account the increased marine traffic. The delay further depressed sentiment amid an environment where Canadian heavy crude traded at more than a US\$30/bbl discount to WTI and Brent, meaning Canadians are realizing only half the value of our nation’s resources. Edmonton Par blend – a benchmark for lighter crude – was selling at just a few dollars less than WTI last year but that differential widened to US\$17/bbl. The widening differentials, global growth concerns and ongoing uncertainty over NAFTA weighed on the S&P/TSX Index which slipped 1.3%, vastly underperforming other developed markets.

S&P/TSX Q3 Return & Major Indices



Source: Bloomberg

Please read domestic and foreign disclosure/risk information beginning on page 12.

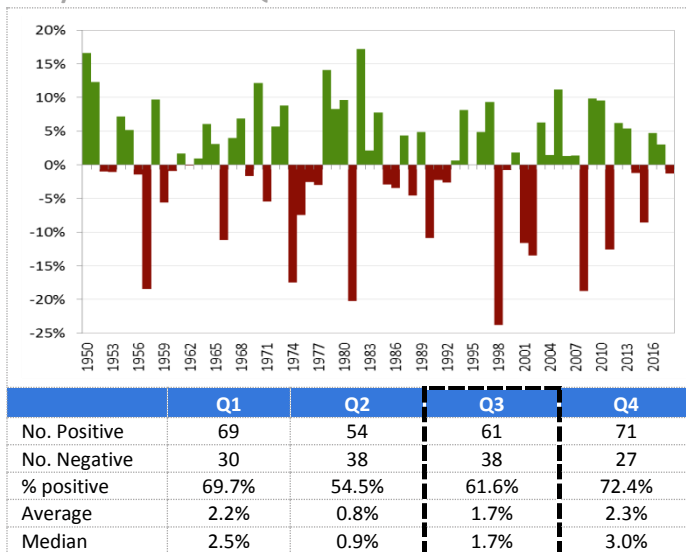
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Historical Performance

From a historical perspective, the Q3 return was below average at -1.3% versus a historical return of +1.7%. The negative quarter detracted from a strong Q2 (+5.9%) during which the S&P/TSX traded at a record high. The third quarter has historically been a volatile three months, experiencing a total of 10 drawdowns of more than 10% since 1950. Additionally, September has a reputation for being the worst month of the year, although that was not the case this year as the S&P/TSX experienced larger monthly drawdowns earlier this year. Following a negative Q3, the probability of a positive fourth quarter is 73%, which is slightly better than the average for all Q4s. Interestingly, while the probability of a positive return improves, the average Q4 return following a negative Q3 is +1.9%, which is slightly lower than the average for all Q4s.

S&P/TSX Historical Q3 Returns Since 1950

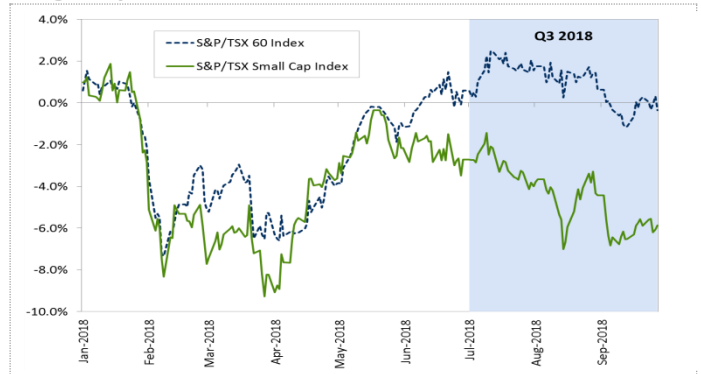


Source: Bloomberg, Raymond James Ltd.

Large Cap & Small Caps

Canadian small caps struggled during Q3 and significantly underperformed large caps amid a general risk-off environment. Given the composition of the small cap index – almost 50% of the index allocated to energy and material stocks – it’s easy to understand what drove the underperformance. Energy and materials were two of the worst performing sectors, slipping 6.6% and 13.2%, respectively. As well, a lack of any meaningful progress on NAFTA led investors to gravitate towards the safety of large caps. Year-to-date, the S&P/TSX 60 index widened its outperformance relative to the S&P/TSX small cap index by 587 bps.

Large Cap Lead Widens in Q3

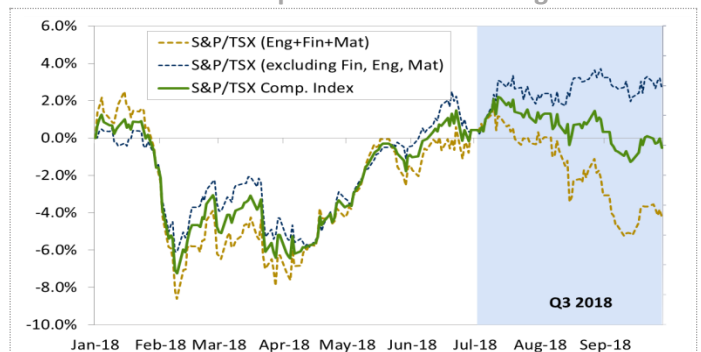


Source: Bloomberg, Raymond James Ltd.

Sectors

The S&P/TSX was clearly dragged down by the usual suspects -- energy and materials, which make up approximately 30% of the index. Outside of these two sectors, it was a relatively good quarter. Strength was exhibited by industrials and financials, which together now represent 45% of the index, and were the primary positive contributors to the overall index.

TSX Performance – top three and remaining sectors

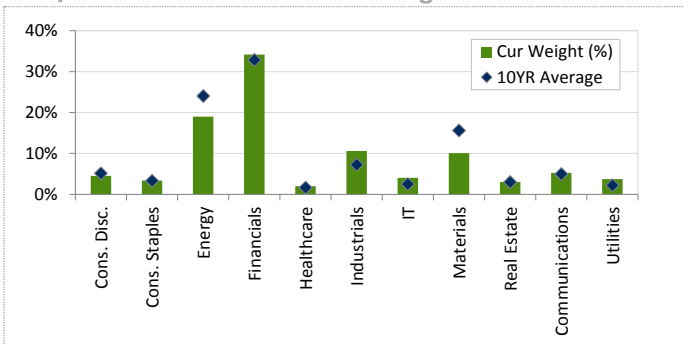


Sector	Index Weight	Q2 2018	1-yr
Consumer Disc.	4.4%	-8.4%	-2.2%
Consumer Staples	3.4%	-1.3%	0.7%
Energy	19.1%	-6.6%	-4.3%
Financial	34.3%	3.0%	4.8%
Health	2.0%	31.2%	93.1%
Industrial	10.6%	5.2%	15.8%
Information Tech.	4.1%	2.9%	31.4%
Material	10.1%	-13.2%	-7.5%
Real Estate	3.1%	2.6%	10.4%
Communications	5.3%	1.2%	-3.0%
Utilities	3.7%	-2.9%	-9.4%

Source: Bloomberg, Raymond James Ltd. As at Sept. 28, 2018.

To gain an appreciation of how the S&P/TSX Index has changed over the years, in the chart below, we show the sector's current weight and the 10-year average weighting for each. Compared to their historical weight, energy and materials are significantly underrepresented, while financials, industrials, information technology and utilities are slightly above their historical averages (weights shown below are prior to the GICS change*). *Securities with a market value of roughly \$2.8 trillion were reclassified within the Global Industry Classification System (GICS) on September 21. The changes happened across three sectors and 26 stocks, representing 10% of the market cap of the S&P 500® Index.

S&P/TSX Current & Historical Weights



Source: Bloomberg, Raymond James Ltd. As at September 30, 2018.

Style

Canadian value relative to growth finished the quarter flat. Value underperformed in July, but slowly retraced its losses over August and September. We see value stocks' troubles largely tied to the slide in commodity prices; as prices stabilized, value attempted a recovery. Year to date, growth stocks have performed slightly better than value stocks, advancing 0.1% versus -1.4%.

Value vs Growth –Q3 a Toss Up

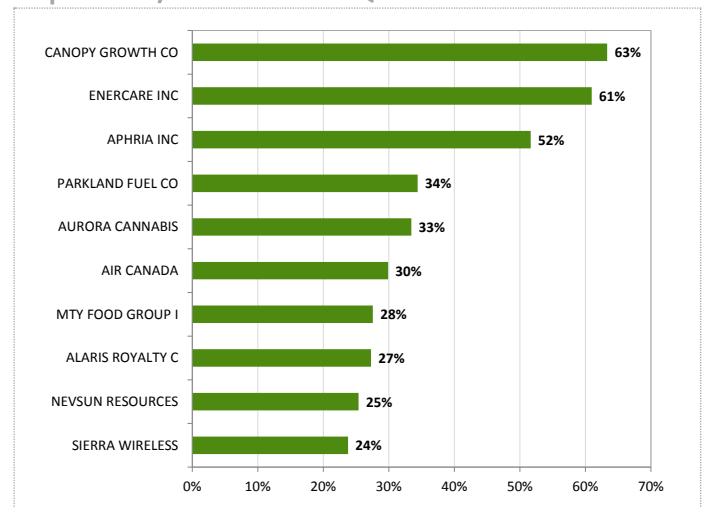


Source: Bloomberg, Raymond James Ltd.

Top Canadian Equity Performers

Two of the top three performers for the TSX this quarter were cannabis producers, **Canopy Growth (WEED-T)** and **Aphria Inc. (APH-T)**. Cannabis continues to be a headline grabber and money maker in the Canadian markets. In Q2, we saw a major new catalyst as US liquor giant **Constellation Brands (STZ-US)** acquired its second tranche of stock in WEED, which is the largest player in the Canadian cannabis space and one of the largest producers in the world. The purchase was market-moving both for its size (\$5 billion) and price (\$48.60, a 38% premium to the previous 5-day average). The announcement propelled WEED to new all-time highs through the quarter and dragged along many of its peers, like Aphria, the third largest Canadian producer by volume. The Constellation investment was followed by reports of other large international companies sniffing around the space for investment and/or partnerships. Multinationals like **Diageo (DEO-US)** and **Coca Cola (KO-US)**, were two of the most significant names to make their way in to the rumour mill, adding further fuel to the mania around the stocks.

Top 10 S&P/TSX Members: Q3-2018



Source: Bloomberg, Raymond James Ltd.

Although hard data on the fundamentals for the industry are hard to find and valuations remain in stratospheric territory, catalysts for cannabis producers remain firmly in the bull camp as licensing, financings and IPO's continue at a rapid pace leading up to the legalization of recreational use in Canada on October 17. The cannabis stocks are most likely in a valuation bubble but momentum remains firmly on their side for the time being.

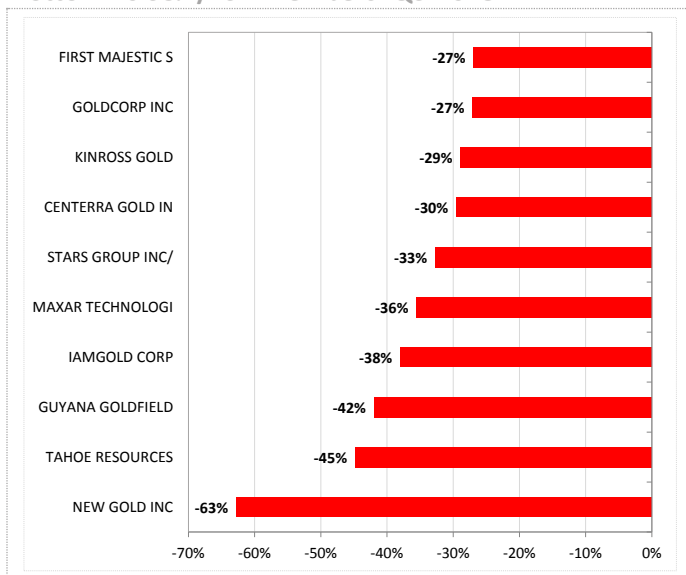
The third big winner for the quarter was home services provider **Enercare (ECI-T)**, which was the subject of a takeover bid by **Brookfield Infrastructure (BIP.UN-T)**.

Enercare agreed to a friendly deal with the Canadian asset manager for \$4.3 billion at a hefty premium of 64%. The deal closed in September.

Worst Canadian Equity Performers

Decliners for the quarter were dominated by gold and precious metals mining companies, taking seven of ten spots and all of the bottom three. The TSX materials index fell 12% in Q3 and the gold sub-index dropped a whopping 21%. We believe the poor performance was a spill-over affect from Q2, as gold dropped 5.5% on Q2 to US\$1,201/oz (-6.8% in CAD\$). The drop in gold matches an appreciation in the US dollar against a number of currencies but most significantly against the Chinese renminbi. The renminbi has dropped 11% against the greenback from April to August of this year and shown a high correlation with gold (0.96) year to date.

Bottom 10 S&P/TSX Members: Q3-2018



Source: Bloomberg, Raymond James Ltd.

In our estimation, the general bearish sentiment against gold producers seems overdone. Stocks have dropped much more steeply than the commodity and many factors that typically would be supportive of gold, (higher inflation, trade wars and geopolitical tension) are in-play. We think the current environment is overly correlated to currency and if we were to see a resolution in the trade between the US and China, then we could see a bounce-back in the commodity and (hopefully) the equities as well.

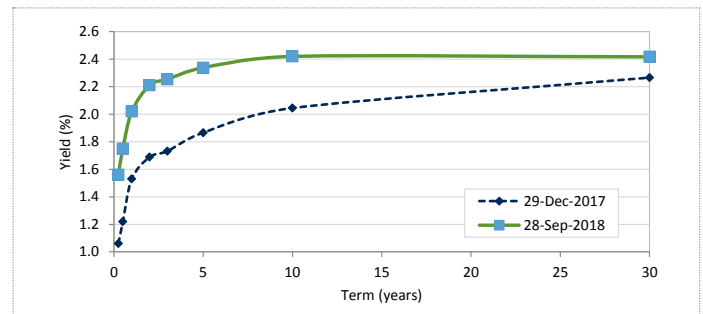
Jason Castelli, CFA & Robert Mark, CFA

Fixed Income Quarterly Update

At the beginning of the year, consensus expectations were for the Bank of Canada to hike rates 1-2 times through the calendar year. This has thus far played out exactly as predicted with the overnight lending rate shifting from 1.0% at the start of the year to the current 1.50%. This has sent Canadian benchmark bond yields higher across the entire curve. Looking toward the remainder of the year, markets currently have a 90% probability of one more hike priced in.

Markets predicted higher rates this year and, as such, we recommended at the beginning of the year to stay shorter-term by utilizing a 1-year Guaranteed Investment Certificate (GIC). For those seeking a more diversified approach, we also suggested investing in our Moderate Guided Portfolio. This portfolio has held its own over the course of the year with a positive performance while also outperforming its benchmark (FTSE TMX Canada Universe Bond Index) by staying the course with its relatively shorter duration. For example, to accomplish this in March we sold a position of a 2022 maturity bond in order to lower our overall portfolio duration even further.

Canadian Yield Curve



Source: Bloomberg, Raymond James Ltd.

For the remainder of the year, we believe the Bank of Canada will hike its overnight lending rate once more. In this type of market (i.e., rising interest rates), we believe investors should keep their bond portfolios tilted to shorter-term bonds, specifically 1-2 years. This is particularly prudent given the fairly flat yield curve we currently have, meaning that the risk-reward tradeoff for investing in longer-term instruments relative to shorter-term is not attractive. With respect to specific products to utilize, GIC's with 1 and 2-year terms appear attractive for the buy and hold investor; whereas, straight 1-2 year bank bonds will fit the bill for the investor who requires liquidity.

Harvey Libby
Fixed Income

Managed Money & Flows

We reviewed Q3/18 asset flows by combining both ETFs and Mutual Funds (funds) to get a holistic view of where assets are moving.

Funds vs. ETFs

In Q3/18, managed money products saw a net inflow of new assets topping just over \$3.9 billion. However, the distribution of new funds was not shared equally across product types. On a net basis, ETFs accounted for \$4.65 billion in new asset flows while funds were in net redemptions of -\$718 million. When we drilled deeper into the data, it revealed that ETF asset growth wasn't strong across the board (see table below). Meanwhile, traditional fund growth did show strength in categories where we believe minor structural differences relative to ETFs provide them with an edge, so we are not surprised by this result. Take Global equities, for example, which enjoyed the largest inflows for funds. The intra-day liquidity offered by ETFs means that when market-makers need to create new units, many of the underlying stocks may not be trading at a given time (i.e., trading after hours on an overseas exchange). Market makers typically hedge this added risk by providing a wider spread between the bid and the ask prices, (i.e., you are charged more by the market maker for the transaction). Compare this to a fund where deploying an injection of new cash in the underlying portfolio is at the discretion of the manager, and a fund's net asset value (NAV) is struck only once, at the end of the day, with all orders being filled at that price. These key differences between ETFs and funds is particularly crucial when looking at smaller cap focused mandates, which may have lower levels of liquidity and funds focused on markets with lower informational efficiency.

Top Mutual Fund Flows vs Comparable ETF Flows QTD

Name	Funds (\$M)	ETFs (\$M)
Global Equity	\$1,759	\$91
Global Equity Balanced	\$791	\$124
Global Corporate Fixed Income	\$410	(\$17)

*Source: Morningstar, Raymond James Ltd.

Geographic Trends

Canadian investors continued to diversify beyond our geographic border seeking more investment opportunities abroad. This quarter alone, Canadian-based strategies saw a net outflow of assets to the tune of over \$2 billion. What was interesting, however, was the split of these outflows between ETFs and funds, as seen in the following table. Canadian-based ETF strategies saw a net inflow of approximately \$2 billion while funds saw a net outflow of roughly \$4 billion. Again, we do not believe those fund assets were simply

transferred to their respective ETF peers, but certainly an argument could be made that relatively lower cost Beta products are winning over investors' hearts and minds.

Canadian Based Asset Flows

Canadian Specific Category	Net Flows (\$M)		
	ETFs	Funds	Total
Equity	\$866	\$ (780)	\$86
Short Term Fixed Income	\$564	\$147	\$711
Fixed Income	\$180	\$ (3)	\$177
Dividend & Income Equity	\$167	\$ (759)	\$ (592)
Money Market	\$78	\$ -	\$78
Long Term Fixed Income	\$60	\$ (107)	\$ (46)
Corporate Fixed Income	\$52	\$ (12)	\$40
Inflation-Protected Fixed Inc	\$15	\$2	\$17
Equity Balanced	\$12	\$ (720)	\$ (708)
Neutral Balanced	\$ (0)	\$ (1,288)	\$ (1,289)
Focused Small/Mid Cap Equity	\$ (1)	\$59	\$59
Small/Mid Cap Equity	\$ (2)	\$ (138)	\$ (140)
Fixed Income Balanced	\$ (6)	\$ (97)	\$ (102)
Focused Equity	\$ -	\$ (299)	\$ (299)
Total	\$1,985	\$ (3,994)	\$ (2,009)

*Source: Morningstar, Raymond James Ltd.

With a strong home country bias in many Canadian investors' portfolios, this flow of assets abroad could likely be attributed to continued global diversification. However, it could also signal investor angst regarding trade uncertainties. In light of a new trade deal with Mexico and the United States, it will be interesting to see if assets flow back into Canada.

Top 3 and Bottom Three Categories by Flows QTD

	Net Flows (\$M)		
	Total	ETFs	Funds
Inflows			
Global Equity	\$1,850	\$91	\$1,759
Global Fixed Income	\$1,109	\$471	\$637
Global Equity Balanced	\$915	\$124	\$791
Outflows	Total	ETFs	Funds
Canadian Neutral Balanced	\$(1,289)	\$0	\$(1,288)
Canadian Equity Balanced	\$(708)	\$12	\$(720)
Canadian Div & Income Equity	\$(592)	\$167	\$(759)

*Source: Morningstar, Raymond James Ltd.

The Bottom Line

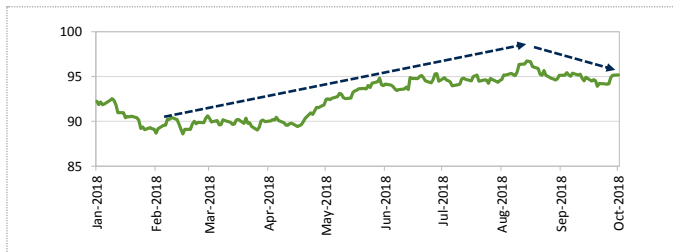
Investor appetite for global diversification continues to grow despite global trade and geo-political tensions. Ultimately, we see the continued shift to global strategies as a positive for the Canada investor. Although Canadian economic fundamentals remain positive, the typical Canadian investor benefits from reducing their home country bias, introducing global assets, which help to diversify away the systematic risk inherent in the Canadian economy.

Spencer Barnes, M.Sc
Mutual Funds & ETFs

Last-Minute USMCA Deal Helps Loonie

While it is no surprise that the DXY (i.e., an index of the value of the USD relative to a basket of six foreign currencies) continued to benefit from a continuous flow of safe-haven bids due to escalating trade tensions and turmoil in the EM space, this was in-line with our expectation that the USD would remain relatively elevated versus its G10 peers in H1/2018.

DXY



Source: Bloomberg, Raymond James Ltd.

The greenback was clearly in the driver seat through the first half of the year as it pushed the USDCAD pair to levels not seen since June 2017 (USDCAD 1.33) and closed the H1/2018 period up nearly 7%. Since that time, the USDCAD pair has found itself on a downward trend and is down nearly 4% at the time of writing. This push lower was primarily due to a last-minute NAFTA deal being reached (the deal will now be formally known as USMCA: United States-Mexico-Canada Agreement); the EM space beginning to stabilize, which is pulling some safe-haven flows out of the USD; and moderate tightening of spreads between US and CDN yields.

This summer was surely driven by trade headlines, as NAFTA risks continuously kept investors on edge. Trump's hard-line negotiations tactics appeared to do the trick as both sides ironed out a deal minutes before the September month-end deadline was set to expire. The agreement will allow more market access to US dairy farmers, while Canada will effectively cap its automobile exports to the US. All three countries are expected to sign the agreement after the US mid-term elections in November, which would then be sent to Congress for a vote. In the wake of this breakthrough deal, BoC rate hike probabilities have also jumped higher across the board, with an October hike pretty much locked in at this point. The debate now is whether we will see one final hike in December.

On the other end, the ongoing China and US trade conflict has not shown any clear signs of slowing down as Trump followed through with his threat to impose a 10% tariff on \$200bn of Chinese imports, which will increase to 25% at the end of the year. While the USD continued to gain momentum

on the back of escalating trade tensions, we did not witness any material USD-selling interest; however, we did point out that we anticipated some profit-taking interest to appear in the 1.33 range.

As seen in the following graph, 1.33 proved to be a key resistance level as investors began to layer off some profit. In the end, we continue to hold firm that these trade disputes are largely temporary in nature and will subside once trade agreements are formed and focus shifts back to global central banks and monetary policy normalization.

USDCAD



Source: Bloomberg, Raymond James Ltd.

As Trump continues to promote his "America First" agenda while rejecting globalism in favour of protectionism, the US has been running record deficits while the Fed continues to raise interest rates. The primary concern is that, should the need arise, the US would have little room to increase spending in order to mitigate an economic downturn. The Fed recently raised interest rates for a third time this year by another 25bps to 2.25%, with the Fed's updated dot plot calling for one more rate hike in 2018, to bring the total up to four, and an additional three rate hikes in 2019. However, the Fed's accompanying statement did omit its long-standing description of monetary policy as being "accommodative," acknowledging that rates have indeed moved closer to the Fed's neutral level and suggesting that the Fed's tightening cycle may very well be coming to an end. As a result, we believe that the USD will continue to gradually grind lower as we head into the US mid-term elections in November.

Our initial call for H2/2018 was for the USDCAD pair to eventually retrace back into the familiar 1.25-1.30 range and, at the time of writing, we do appear to be back in that range. As the pair continued to test the 1.29 handle on numerous occasions without making any clean break, the conclusion of this lingering NAFTA dispute coupled with higher oil prices and expectations of at least one more BoC rate hike before year end added just enough fuel to break through to the downside and open the pair up to the low 1.28's.

Ajay Virk, CFA
Foreign Exchange

Quarterly Chart Package

Long-Term Market Returns

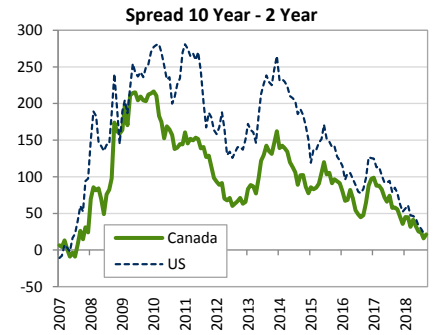
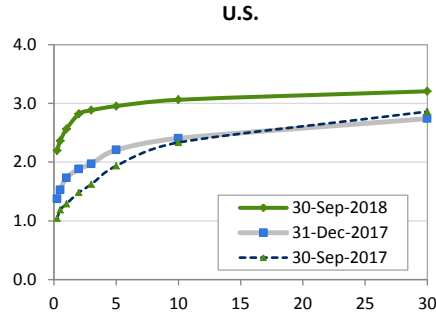
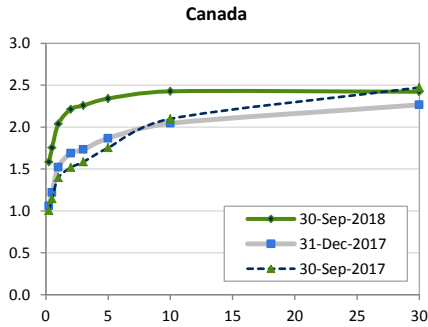
	Currency	Level	1 Mo	3 Mo	6 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr
Canada												
S&P/TSX Comp	CAD	16,073	-1.2%	-1.3%	4.6%	-0.8%	2.8%	4.5%	6.5%	1.8%	4.7%	3.2%
S&P/TSX Comp TR	CAD	54,739	-0.9%	-0.6%	6.2%	1.4%	5.9%	7.5%	9.7%	4.9%	7.8%	6.3%
S&P/TSX 60 Comp	CAD	952	-1.4%	-1.4%	4.8%	-0.8%	3.3%	5.3%	6.7%	2.5%	5.4%	3.0%
S&P/TSX Small Cap	CAD	621	-1.7%	-3.4%	2.4%	-6.0%	-2.1%	-1.7%	8.5%	-0.7%	1.5%	2.0%
United States												
S&P 500 Comp	USD	2,914	0.4%	7.2%	10.3%	9.0%	15.7%	15.9%	14.9%	10.3%	11.6%	9.6%
S&P 500 Comp TR	USD	5,763	0.6%	7.7%	11.4%	10.6%	17.9%	18.3%	17.3%	12.5%	13.9%	12.0%
Dow Jones Ind Avg	USD	26,458	1.9%	9.0%	9.8%	7.0%	18.1%	20.2%	17.6%	11.6%	11.8%	9.3%
NASDAQ Comp	USD	8,046	-0.8%	7.1%	13.9%	16.6%	23.9%	23.1%	20.3%	15.7%	16.4%	14.4%
S&P 600 Small Cap	USD	1,062	-3.3%	4.4%	13.2%	13.4%	17.5%	18.4%	17.8%	13.7%	11.8%	11.4%
International												
DJ Euro Stoxx 50	EUR	3,399	0.2%	0.1%	1.1%	-3.0%	-5.4%	6.4%	3.1%	1.3%	3.3%	1.1%
FTSE 100 (UK)	GBP	7,510	1.0%	-1.7%	6.4%	-2.3%	1.9%	4.3%	7.4%	3.2%	3.1%	4.4%
CAC 40 (France)	EUR	5,493	1.6%	3.2%	6.3%	3.4%	3.1%	11.1%	7.2%	5.6%	5.8%	3.1%
DAX (Germany)	EUR	12,247	-0.9%	-0.5%	1.2%	-5.2%	-4.5%	7.9%	8.2%	6.6%	7.3%	7.7%
IBEX 35 (Spain)	EUR	9,389	-0.1%	-2.4%	-2.2%	-6.5%	-9.6%	3.4%	-0.6%	-3.5%	0.4%	-1.6%
CSI 300 (China)	CNY	3,439	3.1%	-2.1%	-11.8%	-14.7%	-10.4%	2.8%	2.4%	8.8%	7.4%	4.4%
HANG SENG (Hong Kong)	HKD	27,789	-0.4%	-4.0%	-7.7%	-7.1%	0.9%	9.2%	10.1%	4.9%	4.0%	4.4%
NIKKEI 225 (Japan)	JPY	24,120	5.5%	8.1%	12.4%	6.0%	18.5%	21.1%	11.5%	10.5%	10.8%	7.9%
TOPIX (Tokyo)	JPY	1,817	4.7%	5.0%	5.9%	0.0%	8.5%	17.2%	8.8%	8.2%	8.8%	5.3%
KOSPI (S. Korea)	KRW	2,343	0.9%	0.7%	-4.2%	-5.0%	-2.1%	7.1%	6.1%	3.8%	3.2%	4.9%
S&P/ASX 200 (Australia)	AUD	6,208	-1.8%	0.2%	7.8%	2.3%	9.3%	6.9%	7.3%	4.1%	3.5%	3.0%
BOVESPA (Brazil)	BRL	79,342	3.5%	9.0%	-7.1%	3.8%	6.8%	16.6%	20.8%	10.0%	8.7%	4.8%
BOLSA (Mexico)	MXN	49,504	-0.1%	3.9%	7.3%	0.3%	-1.7%	2.4%	5.1%	2.4%	4.3%	7.1%
S&P BSE Sensex (India)	INR	36,227	-6.3%	2.3%	9.9%	6.4%	15.8%	14.0%	11.5%	8.0%	13.3%	10.9%
Other												
MSCI World	USD	2,184	0.4%	4.5%	5.7%	3.8%	9.2%	12.5%	11.3%	6.5%	7.2%	6.3%
MSCI EAFE	USD	1,974	0.6%	0.8%	-1.6%	-3.8%	0.0%	7.7%	6.3%	1.7%	1.7%	2.4%
MSCI Emerging Markets	USD	1,048	-0.8%	-2.0%	-10.5%	-9.5%	-3.1%	7.7%	9.8%	1.0%	1.2%	2.9%
MSCI Far East	USD	3,630	1.9%	2.2%	-1.1%	-1.2%	6.9%	9.5%	9.8%	5.8%	4.5%	4.2%
MSCI Europe	USD	1,709	0.3%	0.4%	-2.4%	-4.9%	-3.1%	7.4%	4.7%	0.3%	0.9%	1.8%
C\$ Indices												
S&P 500 Comp	CAD		-0.6%	5.4%	10.4%	11.9%	19.7%	15.0%	13.7%	14.2%	16.8%	11.7%
S&P 500 Comp TR	CAD		-0.4%	5.9%	11.5%	13.5%	22.0%	17.3%	16.1%	16.6%	19.2%	14.1%
Dow Jones Ind Avg	CAD		0.9%	7.1%	9.8%	9.9%	22.2%	19.2%	16.4%	15.7%	17.0%	11.5%
MSCI World	CAD		-0.6%	2.7%	5.7%	6.6%	13.0%	11.6%	10.2%	10.3%	12.1%	8.4%
MSCI EAFE	CAD		-0.4%	-1.0%	-1.5%	-1.2%	3.5%	6.8%	5.2%	5.4%	6.3%	4.4%
MSCI Emerging Markets	CAD		-1.8%	-3.7%	-10.4%	-7.1%	0.3%	6.8%	8.7%	4.7%	5.8%	4.9%
MSCI Far East	CAD		0.9%	0.5%	-1.0%	1.5%	10.6%	8.6%	8.7%	9.7%	9.3%	6.2%
MSCI Europe	CAD		-0.7%	-1.3%	-2.3%	-2.3%	0.3%	6.5%	3.6%	4.0%	5.5%	3.8%
Canadian Dollar	USD/CAD	\$1.29	-1.0%	-1.7%	0.1%	2.7%	3.5%	-0.8%	-1.0%	3.6%	4.6%	1.9%

Source: Bloomberg, Raymond James Ltd. All return numbers greater than one year are annualized. Performance as at September 30, 2018.

	Level	1 Mo	3 Mo	6 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr
S&P/TSX Sectors											
Communication Services	1,433	-1.7%	1.2%	1.8%	-6.1%	-3.1%	-0.4%	3.3%	5.3%	5.6%	5.5%
Consumer Discretionary	2,218	-4.6%	-8.4%	-2.9%	-6.2%	-2.4%	6.8%	4.8%	7.5%	9.9%	9.1%
Consumer Staples	4,507	-0.4%	-1.3%	1.8%	-4.6%	1.0%	-0.2%	2.7%	9.4%	12.7%	12.3%
Energy	2,263	-3.6%	-6.6%	7.1%	-4.0%	-4.2%	-4.2%	3.4%	-8.5%	-4.0%	-2.6%
Financials	2,821	-0.2%	3.0%	4.0%	-0.4%	4.4%	9.8%	9.4%	5.6%	8.0%	5.6%
Health Care	624	12.1%	31.2%	49.6%	29.1%	88.9%	10.5%	-38.7%	-22.8%	-14.5%	8.0%
Industrials	3,343	-0.1%	5.2%	14.8%	11.3%	15.7%	17.3%	15.9%	8.3%	14.0%	11.8%
Information Technology	338	0.1%	2.9%	14.1%	25.6%	29.8%	20.4%	18.9%	19.2%	20.2%	3.1%
Materials	2,009	-1.5%	-13.2%	-6.7%	-11.0%	-6.9%	-5.9%	10.7%	-1.6%	-1.1%	-2.5%
Real Estate	3,360	-0.9%	2.6%	6.2%	5.5%	10.5%	5.0%	5.4%	6.2%	8.0%	6.5%
Utilities	1,926	-2.1%	-2.9%	-4.4%	-11.1%	-9.7%	-3.5%	1.2%	0.5%	2.1%	1.6%
S&P 500 Sectors											
Communication Services	161	4.3%	8.4%	5.9%	-3.3%	-1.1%	-3.0%	4.4%	-0.1%	1.5%	3.4%
Consumer Discretionary	938	1.0%	7.8%	16.3%	19.5%	30.8%	21.5%	16.8%	15.4%	14.3%	15.5%
Consumer Staples	555	0.6%	4.9%	2.4%	-5.5%	-0.1%	0.8%	4.6%	4.5%	6.2%	6.9%
Energy	561	2.4%	-0.1%	12.6%	5.2%	10.7%	3.8%	7.5%	-4.0%	-1.5%	1.4%
Financials	458	-2.4%	3.9%	0.1%	-1.2%	6.8%	19.5%	14.5%	10.1%	11.3%	5.4%
Health Care	1,101	2.8%	14.0%	17.1%	15.2%	16.4%	14.9%	12.9%	10.5%	13.4%	12.0%
Industrials	659	2.1%	9.5%	5.5%	3.3%	9.0%	14.3%	15.1%	9.5%	10.5%	9.1%
Information Technology	1,322	-0.4%	8.5%	15.8%	19.5%	29.9%	28.4%	25.8%	19.0%	20.6%	15.5%
Materials	363	-2.3%	-0.1%	1.9%	-4.2%	2.0%	10.0%	13.1%	3.8%	6.5%	6.1%
Real Estate	202	-3.2%	0.0%	5.1%	-1.0%	1.3%	0.3%	4.5%	4.9%	6.1%	4.0%
Utilities	267	-0.9%	1.5%	4.3%	0.0%	-0.6%	3.6%	6.7%	5.7%	7.1%	4.8%
Commodities											
Energy											
Crude Oil - WTI (US\$/bbl)	\$73.25	4.9%	-1.2%	12.8%	21.2%	41.8%	23.2%	17.6%	-5.3%	-6.5%	-3.1%
Brent Crude (US\$/bbl)	\$82.72	6.8%	4.1%	17.7%	23.7%	43.8%	29.8%	19.6%	-3.3%	-5.3%	-1.7%
Natural Gas (US\$/MMBtu)	\$3.01	3.2%	2.9%	10.1%	1.9%	0.0%	1.7%	6.0%	-7.6%	-3.3%	-8.7%
Heating Oil (US\$/gal)	\$2.35	4.9%	6.5%	15.9%	13.3%	29.8%	24.1%	15.8%	-2.9%	-4.6%	-1.9%
Gasoline (US\$/gal)	\$2.10	-2.0%	-3.6%	4.1%	16.8%	30.8%	18.9%	14.8%	-5.1%	-4.4%	-1.7%
Metals											
Gold (US\$/oz.)	\$1,192	-0.8%	-5.0%	-9.9%	-9.0%	-7.0%	-4.7%	2.2%	-0.4%	-2.1%	3.1%
Silver (US\$/oz.)	\$14.71	1.9%	-8.6%	-9.6%	-14.2%	-11.8%	-12.5%	0.4%	-3.6%	-7.5%	1.8%
Aluminum AA (US\$/lb.)	\$0.94	-3.0%	-3.3%	2.9%	-9.1%	-1.9%	11.0%	9.4%	1.3%	2.2%	-1.6%
Copper (US\$/lb.)	\$2.79	4.7%	-5.6%	-6.8%	-13.6%	-3.4%	13.4%	6.6%	-1.6%	-3.0%	-0.2%
Nickel (US\$/lb.)	\$5.62	-1.6%	-15.4%	-5.3%	-1.3%	20.0%	9.2%	6.6%	-6.2%	-2.0%	-2.3%
Zinc (US\$/lb.)	\$1.17	6.3%	-8.5%	-20.2%	-21.3%	-17.4%	4.8%	15.7%	3.4%	6.4%	4.5%
Soft											
Wheat (US\$/bushel)	\$5.09	-1.8%	2.3%	12.9%	19.2%	13.6%	12.5%	-0.2%	1.6%	-5.6%	-2.9%
Corn (US\$/bushel)	\$3.56	1.5%	1.7%	-8.1%	1.6%	0.3%	2.9%	-2.8%	2.7%	-4.2%	-3.1%
Sugar (US\$/lb.)	\$0.10	-1.7%	-12.1%	-15.6%	-31.3%	-23.0%	-32.0%	-5.0%	-9.4%	-9.8%	-1.7%
Currencies											
Canadian Dollar (CAD/USD)	\$0.77	1.0%	1.7%	-0.1%	-2.6%	-3.4%	0.8%	1.0%	-3.5%	-4.4%	-1.9%
Canadian Dollar (USD/CAD)	\$1.29	-1.0%	-1.7%	0.1%	2.7%	3.5%	-0.8%	-1.0%	3.6%	4.6%	1.9%
Euro (EUR/USD)	\$1.16	0.0%	-0.7%	-5.8%	-3.3%	-1.8%	1.6%	1.3%	-2.1%	-3.0%	-1.9%
Yen (USD/YEN)	113.70	2.4%	2.7%	7.0%	0.9%	1.1%	5.9%	-1.7%	0.9%	3.0%	0.7%
Pound Sterling (GBP/USD)	\$1.30	0.5%	-1.3%	-7.0%	-3.6%	-2.7%	0.2%	-4.9%	-5.3%	-4.2%	-3.1%
U.S. Dollar Index	95.13	0.0%	0.7%	5.7%	3.3%	2.2%	-0.2%	-0.4%	2.6%	3.5%	1.8%

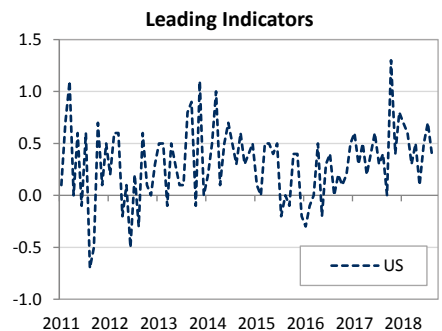
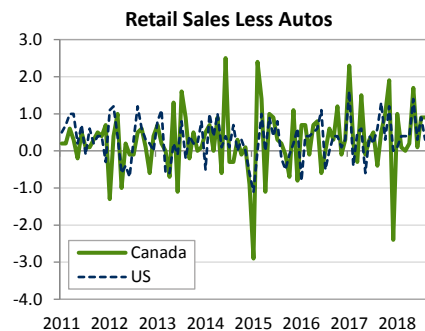
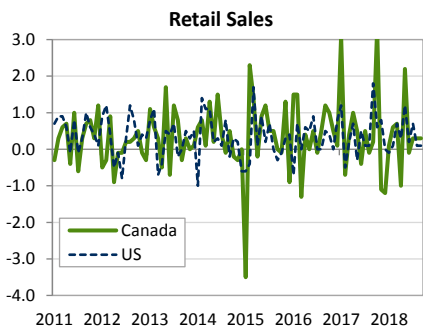
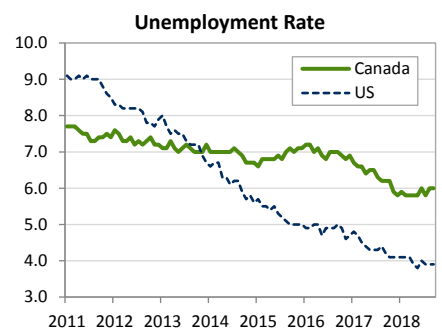
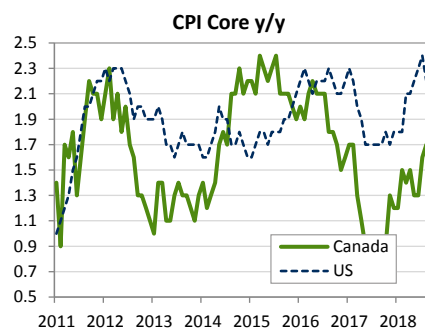
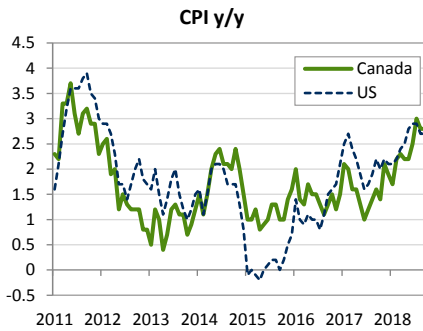
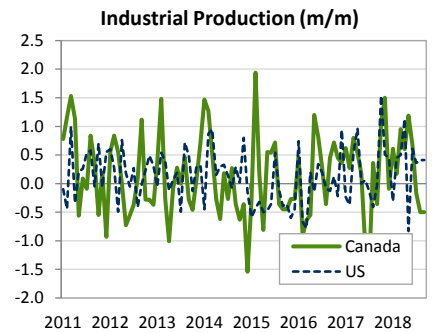
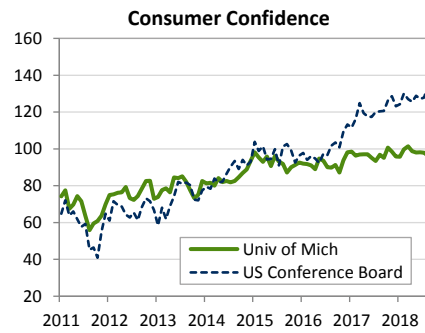
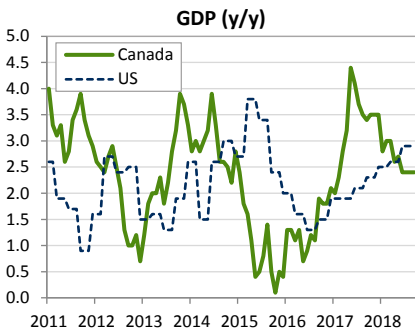
Source: Bloomberg, Raymond James Ltd. All return numbers greater than one year are annualized. Performance as at September 30, 2018.

Yield Curve



Source: Bloomberg, Raymond James Ltd. Performance as at September 30, 2018.

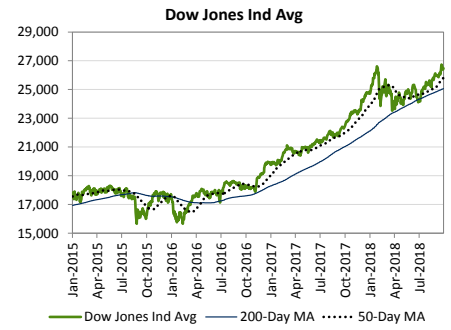
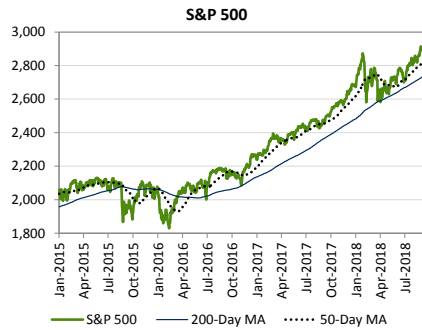
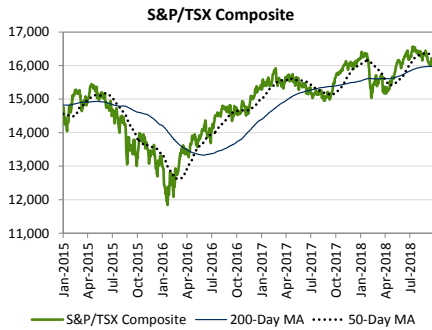
Economic Data



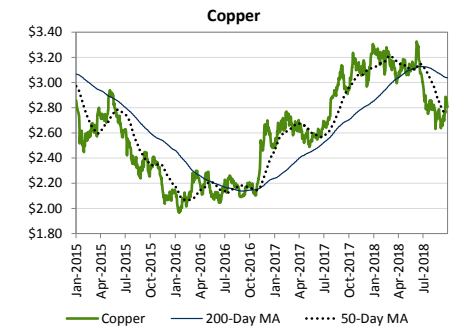
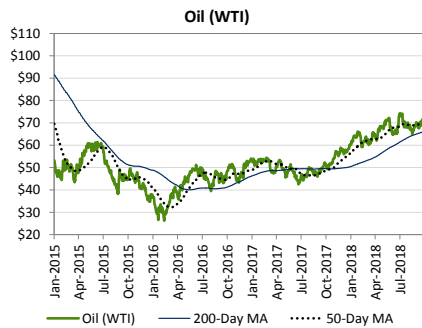
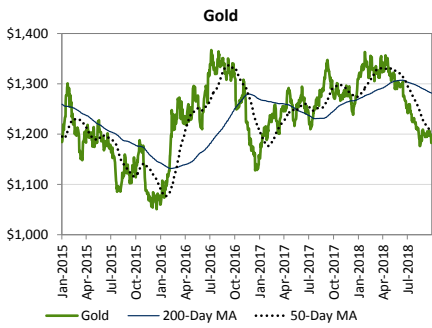
Source: Bloomberg, Raymond James Ltd. Performance as at September 30, 2018.

Charts of Interest

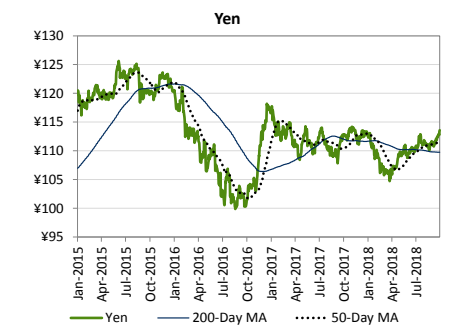
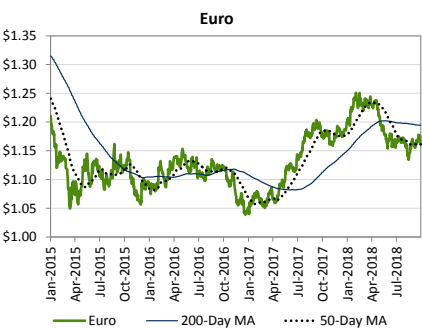
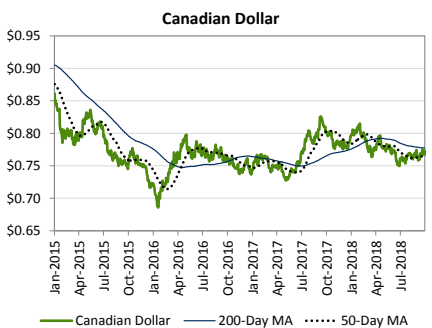
Markets



Commodities



Currencies



Source: Bloomberg, Raymond James Ltd. Performance as at September 30, 2018.

Investor Profiles and Asset Class Weightings

Recommended Asset Allocation					
Capital Preservation	Conservative	Moderate	Growth	Aggressive Growth	
Cash	5%	5%	5%	5%	5%
Bonds	72%	62%	37%	17%	2%
Can Equities	20%	23%	23%	23%	28%
US Equities	3%	10%	20%	33%	35%
Intl Equities	0%	0%	15%	22%	30%
Tactical Asset Mix (Bonds include cash)					
Bonds Equities	77 23	67 33	42 58	22 78	7 93
Strategic Asset Mix (Bonds include cash)					
Bonds Equities	80 20	70 30	50 50	30 70	10 90
Asset Ranges					
Cash	0-20	0-20	0-20	0-20	0-20
Bonds	60-100	50-90	20-70	10-50	0-30
Equities	0-30	10-50	30-75	50-90	70-100
Description					
May be appropriate for investors with long-term income distribution needs who are sensitive to short-term losses. The equity portion of this portfolio generates capital appreciation, which is appropriate for investors who are sensitive to the effects of market fluctuation but need to sustain purchasing power. This portfolio, which invests primarily in fixed-income securities, seeks to keep investors ahead of the effects of inflation with an eye toward maintaining principal stability.	May be appropriate for investors with intermediate-term time horizons who are sensitive to short-term losses yet want to participate in the long-term growth of financial markets. The portfolio, which fixed-income securities tend to make up the largest proportion of holdings, seeks to keep investors well ahead of the effects of inflation with an eye toward maintaining principal stability. The portfolio has characteristics that may deliver returns lower than that of the broader market with lower levels of risk and volatility.	May be appropriate for investors seeking a balance between capital preservation and capital growth. This portfolio, which is a split between fixed-income securities and equities, seeks to keep investors well ahead of the effects of inflation with an eye toward maintaining principal stability. With roughly half of the portfolio invested in a diversified mix of Canadian and international equities, investors should be comfortable with moderate fluctuations in the portfolios.	May be appropriate for investors with long-term time horizons who are not sensitive to short-term losses and want to participate in the long-term growth of the financial markets. This portfolio, which has a higher weighting in equities, seeks to keep investors well ahead of the effects of inflation with principal stability as a secondary consideration.	May be appropriate for investors with long-term time horizons who are not sensitive to short-term losses and want to participate in the long-term growth of the financial markets. This portfolio, which is primarily invested in equities, seeks to keep investors well ahead of the effects of inflation with little regard for maintaining principal stability. The portfolio may deliver returns comparable to those of the broader equity market with similar levels of risk and volatility.	

Important Investor Disclosures

Complete disclosures for companies covered by Raymond James can be viewed at: <https://www.rjcapitalmarkets.com/Disclosures/Index>

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