MONTHLY MARKET REVIEW – November 2025

	Nov 2025	YTD	1-Year	3-Years	5-Years	10-Years
U.S. Large Cap Equities S&P 500	0.25%	17.81%	15.00%	20.57%	15.28%	14.63%
U.S. Small Cap Equities Russell 2000	0.96%	13.47%	4.09%	11.43%	7.99%	9.12%
Energy Infrastructure Equities Alerian U.S. Midstream	5.99%	3.13%	-3.99%	20.49%	29.00%	12.56%
U.S. Real Estate Equities Dow Jones U.S. Select REIT	3.09%	6.30%	-1.29%	7.46%	7.87%	5.30%
Global Equities MSCI All Country World Index	-0.01%	21.07%	18.21%	18.64%	11.97%	11.41%
Int'l Developed Equities MSCI EAFE	0.62%	27.40%	24.50%	16.11%	9.27%	7.72%
Emerging Market Equities MSCI Emerging Markets	-2.39%	29.69%	29.51%	14.72%	5.06%	7.85%
U.S. Taxable Fixed Income Bloomberg U.S. Aggregate	0.62%	7.46%	5.70%	4.56%	-0.31%	1.99%
U.S. Tax-Exempt Fixed Income Bloomberg Municipal Aggregate	0.23%	4.15%	2.64%	3.94%	0.91%	2.41%
High Yield Fixed Income Bloomberg U.S. Corp High Yield	0.58%	8.01%	7.55%	9.63%	4.78%	6.20%
Floating Rate Loans Morningstar LSTA U.S. Loan	0.36%	5.23%	5.83%	9.27%	6.57%	5.65%
Collateralized Loan Obligations JP Morgan Collateralized Loan Index	0.38%	5.33%	5.93%	8.34%	5.44%	4.53%

- Global equity returns were softer in November, but remained positive in the U.S., despite disruptive factors including the U.S. government shutdown and incomplete economic data.
- In the U.S., the S&P 500 Index declined sharply through mid-month, prompting a risk-off environment amid concerns over high valuations and concentration risk.
    - Defensive sectors outperformed Cyclical sectors; value outperformed growth by 2.6%.
- Third quarter earnings data released following the reopening of the U.S. government was strong, with 81% of companies beating consensus estimates and year-over-year earnings growth of 13%.
    - Despite favorable earnings and revenue results, we observed a clear rotation within asset classes in November, with strong results and fundamentals failing to rally growth stocks.
- Fixed income returns were positive across the board for the fourth consecutive month, led again by U.S. investment grade bonds, with prices rising as yields declined.
    - The year-to-date U.S. government bond return increased by 55 basis points to 8.3% (10-year), while the spread between 2-year and 10-year U.S Treasuries widened 2 basis points to 0.55%.
    - Bonds continued to offer an attractive positive real yield with the nominal 10-year U.S. Treasuries yielding 4.1%, exceeding inflation by 1.1%.

Sources: eVestment, JP Morgan, xe.com, Trading Economics, StatisticsCanada, Federal Reserve Bank of Atlanta, U.S. Dept of Labor/Bureau of Labor Statistics, Bank of Canada, Bureau of Economic Analysis, Market Watch

Category	Comments
Growth	The U.S. economy grew 3.3% (annualized) in the second quarter: • This marks a 0.5% reduction from the previously reported growth rate. • The Federal Reserve Bank of Atlanta estimates a Q3 2025 real GDP growth rate of 3.9% (seasonally adjusted annual rate).
Profits	The 3Q 2025 earnings season is nearly complete with 96% of companies reporting: • Consensus estimates of year-over-year earnings growth of 13.0%. • Sales 7.7% • Margins 6.3% • Shares (1.0%)
Jobs	The September jobs report indicated mixed results; • Unemployment increased while payroll growth accelerated. • The unemployment rate increased to 4.4%; wages rose 3.8% year-over-year.
Inflation	Consumer Price Index (**CPI**) – September *PCE* data delayed until 12/5: • September Headline CPI ***increased*** 0.3% m/m and ***increased*** to 3.0% y/y. • September Core CPI ***increased*** 0.2% m/m and ***increased*** to 3.0%, y/y. • Core goods prices rose by 0.2% m/m; shelter inflation slowed 0.2% m/m.
Interest Rates	The FOMC policy rate decreased by 0.25% in October to a range of 3.75%-4.00%: • The Committee will reconvene on December 9th. • FOMC year-end estimate of 3.60%; market expectation is higher at 3.71%.

CANADA:

- The U.S. dollar index (DXY) ***decreased*** 0.3% in November (see chart below). The U.S. dollar ***weakened*** 2.7% (YTD) against the Canadian dollar to end the month with an exchange rate of **1.40**.

- The Bank of Canada's policy interest rate ***decreased*** by 0.25% to 2.25% at the October meeting.
- Inflation ***increased***, with the **CPI** higher by 0.3% to end the month at 2.2%.
  - ***Core CPI***, referred to as "CPI-trim," ***decreased*** by 0.1% to end the month at 3.0%.
  - Canada's economy topped expectations, rebounding with 2.6% growth in the third quarter.
  - The unexpected result was attributable to a stronger trade balance, following a tariff-driven contraction of 1.8% in the second quarter.
  - Government spending, notably on weapons systems, further supported third quarter growth.

Sources: eVestment, JP Morgan, xe.com, Trading Economics, StatisticsCanada, Federal Reserve Bank of Atlanta, U.S. Dept of Labor/Bureau of Labor Statistics, Bank of Canada, Bureau of Economic Analysis, Market Watch

OIL:

- **The price of crude oil was $58.55 per barrel (WTI).**
- Oil prices **decreased** $2.43 per barrel, or 4.0%, in November.
- Crude prices fell in November as investors weighed geopolitical developments in Venezuela and Ukraine. While a potential end to the Russia/Ukraine war remains uncertain, OPEC+ has reaffirmed its intention to sustain output in 1Q26.
- **Oil is forecasted to trade between $50 and $65 per barrel over the next 12 months.**

Year	Ave. Price	High	Low	% Change
2025	$65.25	$78.71	$57.13	-18%
2024	$75.83	$87.01	$66.37	1%
2023	$77.64	$93.84	$66.74	-11%
2022	$94.53	$123.70	$71.59	7%
2021	$68.17	$84.65	$47.62	55%
2020	$39.68	$63.27	$11.26	-21%
2019	$56.99	$66.24	$46.31	35%
2018	$65.23	$77.41	$44.48	-25%
2017	$50.80	$60.46	$42.48	12%
2016	$43.29	$54.01	$26.19	45%
2015	$48.66	$61.36	$34.55	-31%
2014	$93.17	$107.95	$53.45	-46%

COPPER:

- **The price of copper was $5.27 USD per pound.**
- Copper prices **increased** $0.18 per pound, or 3.6%, in November.
- Copper prices were volatile but overall positive in November, achieving a new all time high at month-end. The price volatility was attributable to a weaker U.S. dollar, lower Chilean output and Chinese smelting cuts.
- **Copper is forecasted to trade between $4.95 and $5.30 per pound over the next 12 months.**

Year	Ave. Price	High	Low	% Change
2025	$4.80	$5.82	$4.03	31%
2024	$4.23	$5.10	$3.68	3%
2023	$3.86	$4.28	$3.57	2%
2022	$4.00	$4.94	$3.23	-14%
2021	$4.24	$4.76	$3.52	27%
2020	$2.80	$3.63	$2.10	26%
2019	$2.72	$2.97	$2.53	6%
2018	$2.93	$3.30	$2.56	-20%
2017	$2.81	$3.30	$2.49	32%
2016	$2.20	$2.69	$1.94	17%
2015	$2.49	$2.94	$2.02	-25%
2014	$3.11	$3.38	$2.83	-17%

ALUMINUM:

- **The price of aluminum was $2,873 USD per tonne.**
- Aluminum prices **decreased** $18.95 per tonne, or 0.7%, in November.
- Aluminum prices fell in November after setting a record high in October. However, supply constraints in China have pushed Aluminum futures 10% higher over the next 12 months, amid a reaffirmation of slower output to curb overcapacity in metal production.
- **Aluminum is forecasted to trade between $2,860 USD/tonne and $3,160 over the next 12 months.**

Year	Ave. Price	High	Low	% Change
2025	$2,619	$2,913	$2,340	13%
2024	$2,458	$2,768	$2,159	7%
2023	$2,288	$2,662	$2,122	0%
2022	$2,711	$3,966	$2,103	-15%
2021	$2,486	$3,198	$1,954	42%
2020	$1,732	$2,068	$1,427	9%
2019	$1,811	$1,936	$1,706	-2%
2018	$2,115	$2,556	$1,817	-19%
2017	$1,979	$2,272	$1,686	34%
2016	$1,610	$1,784	$1,450	12%
2015	$1,679	$1,978	$1,436	-18%
2014	$1,984	$2,107	$1,840	0%

Sources: eVestment, JP Morgan, xe.com, Trading Economics, StatisticsCanada, Federal Reserve Bank of Atlanta, U.S. Dept of Labor/Bureau of Labor Statistics, Bank of Canada, Bureau of Economic Analysis, Market Watch

Disclosures:
The views, opinions, and content presented are for informational purposes only. They are not intended to reflect a current or past recommendation; investment, legal, tax, or accounting advice of any kind; or a solicitation of an offer to buy or sell any securities or investment services. The advisor does not provide tax, accounting, or legal advice. Nothing presented should be considered to be an offer to provide any product or service in any jurisdiction that would be unlawful under the securities laws of that jurisdiction. The charts and/or graphs contained herein are for educational purposes only and should not be used to predict security prices or market levels.

The advisor has made every attempt to ensure the accuracy and reliability of the information provided, but it cannot be guaranteed. The information contained herein may be subject to change at any time without notice.

Sources: eVestment, JP Morgan, xe.com, Trading Economics, StatisticsCanada, Federal Reserve Bank of Atlanta, U.S. Dept of Labor/Bureau of Labor Statistics, Bank of Canada, Bureau of Economic Analysis, Market Watch

MARKET UPDATE

November 30, 2025

By Thomas Grugan, Director & Senior Investment Strategist

High Level Summary

Markets were modestly positive in November, and volatile, with steep negative returns during the first half of the month followed by a recovery that corresponded with the expiration of the U.S. government shutdown.

U.S. Economy

- The 43-day U.S. government shutdown, the longest on record, returned non-essentials workers to paid employment and resulted in the release of partial U.S. economic data.
- The September jobs report was mixed, with nonfarm payrolls surging by nearly 200,000, a favorable increase over the 50,000 consensus estimate, while unemployment edged 0.1% higher to 4.4%.
- Core PCE, the Fed's preferred gauge of inflation, increased 0.2% month-over-month bringing the annual rate to 2.8%. Personal income increased 0.4% m/m and consumer spending rose 0.3% m/m (below forecast).

U.S. Equities

- The S&P 500 managed a 0.3% monthly gain after recovering from a 4.3% intra-month decline.
- The equal-weighted S&P 500 gained a solid 1.9%, with value outperforming growth by 2.6%.
- Fundamentals remained strong, with 3Q25 earning growth of 13.4% and revenue growth of 8.4%.
- Sentiment was affected by elevated valuations and "Mag-7" stocks declined 1.4%.

International Markets

- The MSCI EAFE index, which represents non-U.S. developed markets, gained 0.6% in November, supported by currency tailwinds and expectations for accommodative monetary policy in Japan.
- Global tech-market volatility negatively affected Chinese markets, resulting in a 2.4% MSCI EM Index decline.

Fixed Income

- The primary fixed income indexes were positive in November, the result of lower yields and higher prices.
- Treasury yields ended the month lower, with mixed (and delayed) economic data and the uncertainty of a potential December rate cut leading to higher levels of volatility.

Real Assets

- Real estate, infrastructure and midstream energy indexes collectively gained in November, with the latter rallying nearly 6%.

U.S. real estate, a sector of the market that has been pressured for several years, appears to be a compelling value play in 2026. In this memo, we focus on this under-allocated asset class, including public REITs and private real estate, which appear to offer an attractive entry point for investors.

U.S. Real Estate

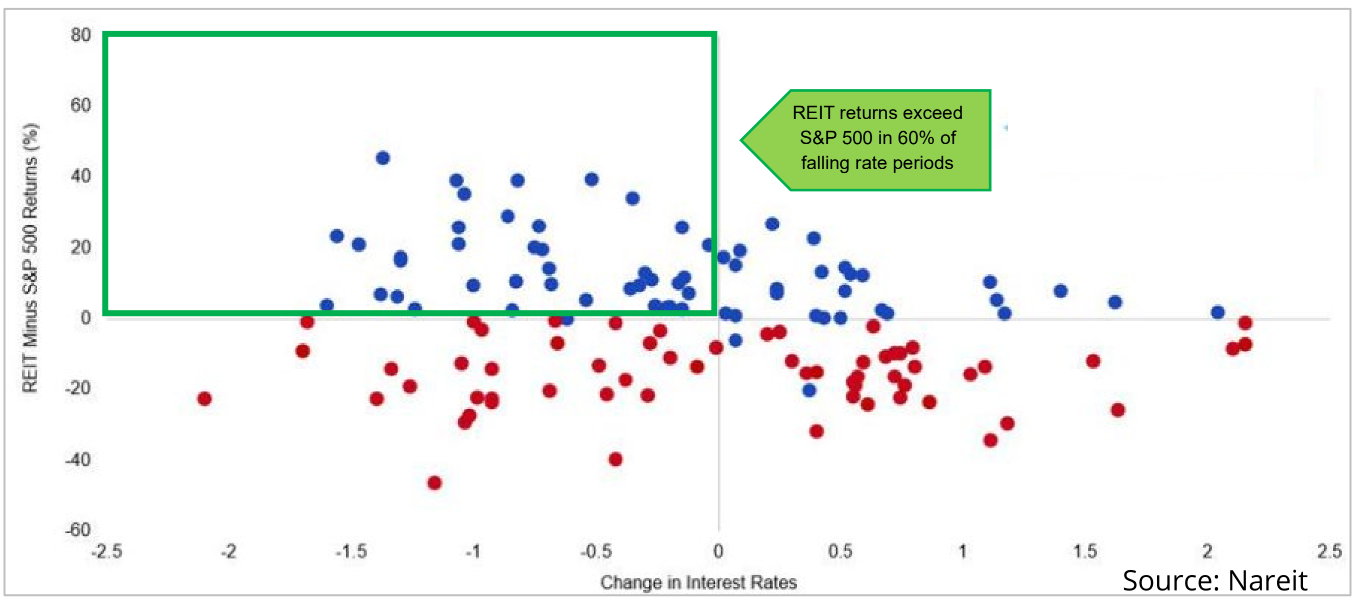
According to Macquaire, “commercial property fundamentals are healthy, valuations have stabilized, and credit is becoming easier, which can support an ongoing recovery.”

The U.S. real estate sector has remained out-of-favor with investors following the rapid increase of U.S. interest rates between March 2022 and June 2023. As prices fell yields expand sharply. When combined with underlying supply-demand imbalances, it may create an attractive entry point for investors heading into 2026.

Real estate as an asset class has historically been highly sensitive to changes in interest rates, making it one of the sectors that could benefit most if U.S. interest rates fall to the projected rate of 3.0% by December 2026. The asset class has also demonstrated a high correlation to U.S. economic growth, which is projected to experience a boost from significant fiscal stimulus coming out of the new tax bill. Morgan Stanley forecasts U.S GDP to grow at an annual rate of 3.2% in the coming year, as recession risks have been reduced by every bank and investment firm we follow.

In Figure 1 below, we show historical public REIT returns versus the S&P 500 Index, plotted against changes in interest rates. In periods of monetary easing, REIT returns have exceeded the S&P 500 Index 60% of the time between 1992 and 2Q25.

Figure 1: REITs vs. S&P 500 & Interest Rates

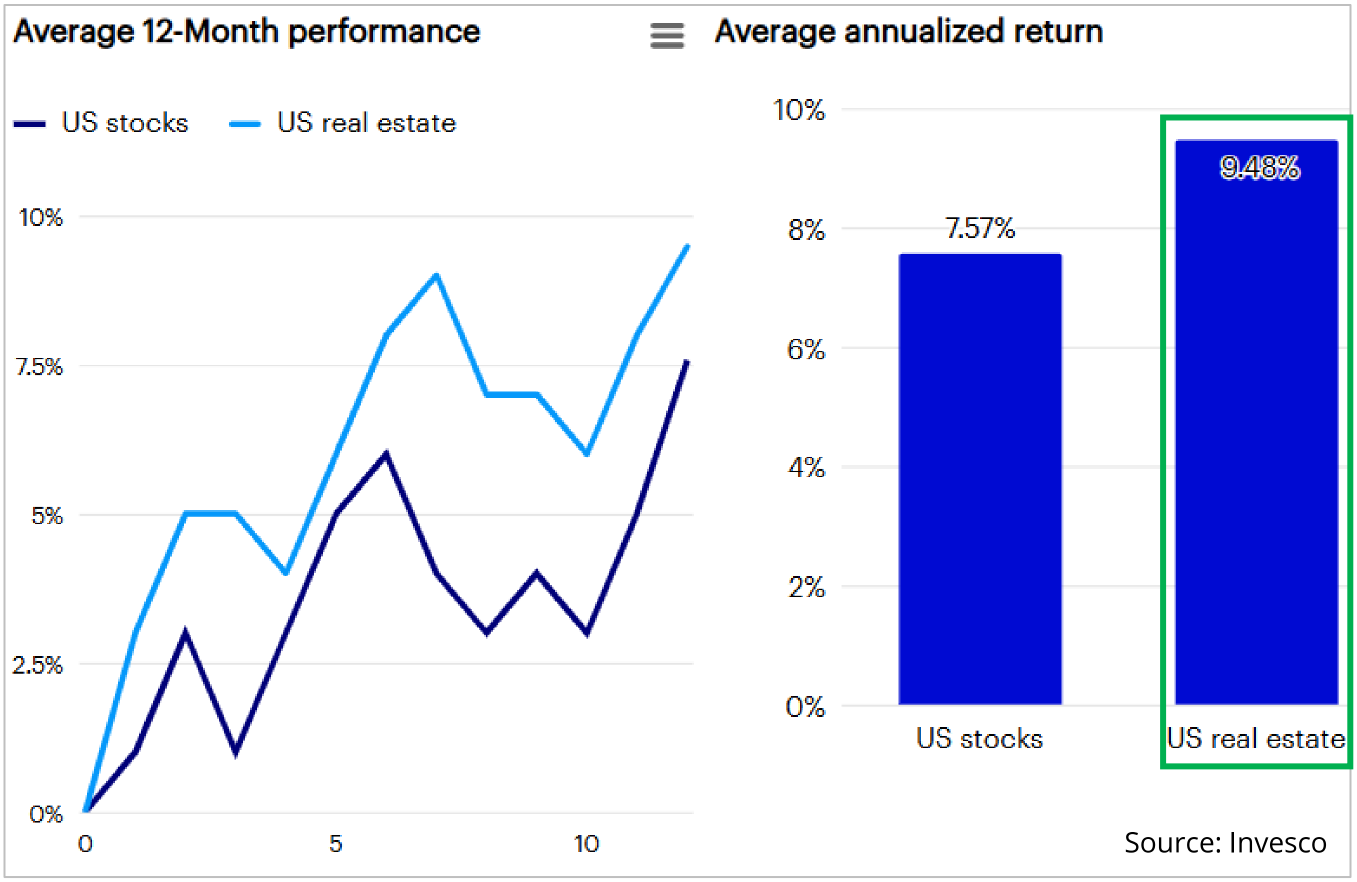


Lower interest rates reduce borrowing costs, enhance property values and strengthen dividend growth.

Over the past five decades, REITs have consistently outperformed the broader U.S. stock market following the inception of Fed easing cycles.

In the 12 months after the first rate cut, U.S. REITs have delivered an average annualized return of 9.5%, compared to 7.6% for U.S. stocks (see Figure 2).

Figure 2: REIT Returns After Rate Cuts



Lower interest rates reduce the cost of capital on new investments, which makes it easier for REITs to refinance debt, finance projects and make acquisitions. Additionally, a lower rate environment reduces returns on cash and bonds that makes the dividend distributions of REITs more appealing to investors. But not all REITs react the same way, and while the overall asset class tends to perform well in easier monetary conditions, sub-sectors including data centers, telecommunication and health care REITs, tend to perform the best. Other, more cyclical sectors, such as lodging, malls, logistics and apartments, tend to produce more muted returns.

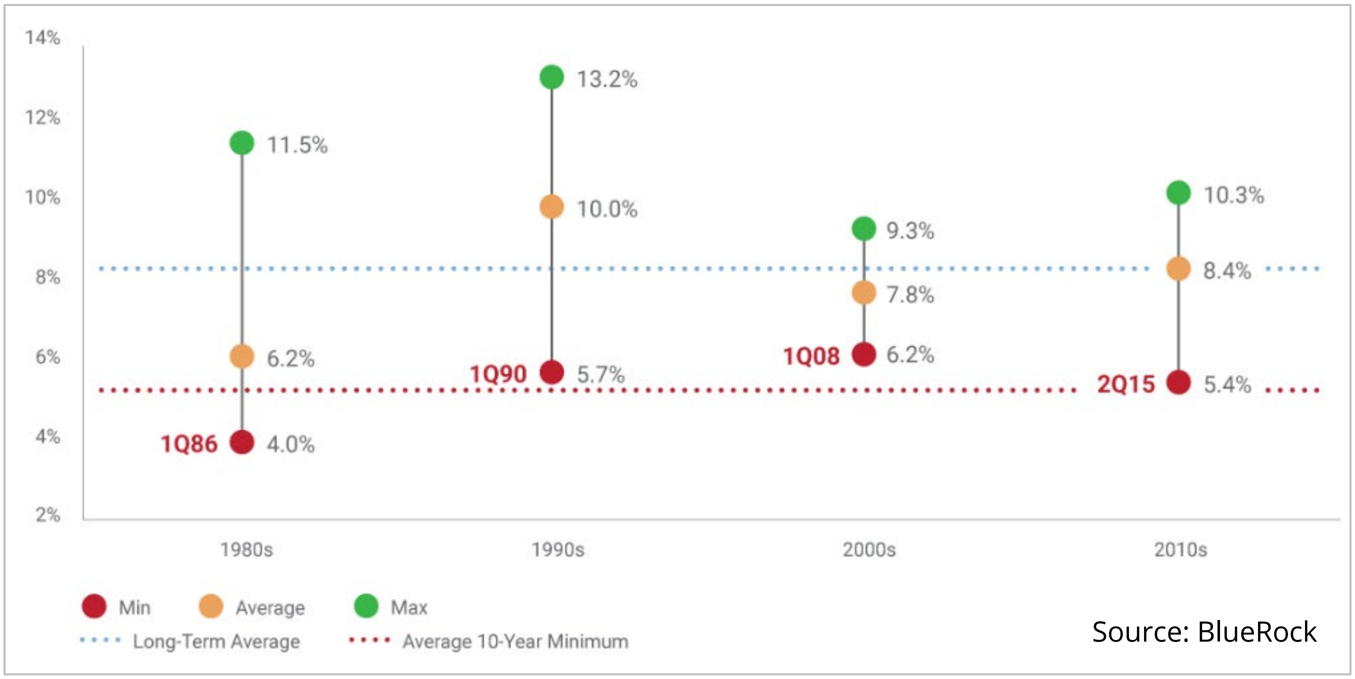
Private Real Estate

While historical returns for public REITs have proven favorable in lower rate environments, private real estate has generated a more consistent return profile regardless of macroeconomic factors.

Since the establishment of private real estate in the 1970s, through many economic cycles, the asset class has never experienced a 10-year annualized return below 4%. Even investing at the worst possible time of each decade (market peak, pre-downturn), the 10-year annualized return would still have ranged from 4% to 6.2%. This historical average return has been 6.2% to 10%, while the strongest returns of each decade have ranged from 9.3 to 13.2%.

In Figure 3, we demonstrate the consistency of the private real estate market over previous rolling 10-year periods.

Figure 3: Private Real Estate 10-Year Rolling Return Ranges



Private real estate focuses on commercial, income-generating properties across a myriad of sectors, including cell towers, data centers, warehouses & logistics, multi-family housing, self-storage, offices, hotel and retail. In the private market, investors may choose between real estate equity and real estate credit, or a combination of the two.

On the equity side, our institutional partners are predicting elevated returns on a risk-adjusted basis against other asset classes following a reset in valuations amid constrained development activity, due to higher construction costs which is expected to create supply shortages over the next decade. According to Macquarie, "the strongest opportunities lie in asset types supported by underlying demand-supply imbalances, such as living, logistics and data centers," noting that "developers building into this supply-constrained environment are well positioned for strong returns.

On the credit side, Brookfield asserts that private real estate credit is offering a premium to other fixed income products, supported by underlying property values and a positive outlook for transaction activity as financing has become less constrained. In addition, compared to real estate equity, real estate debt has exhibited an even more consistent return profile across cycles, with lenders' positions being largely insulated from loss by an equity cushion in the capital structure.

In today's volatile market environment, and with potential tailwinds of lower projected interest rates and sustained U.S. economic growth, we see a compelling opportunity for investors to reallocate to real estate. While public REITs offer a liquidity advantage, the progression of private markets have compensated investors that do not require liquidity. A combination of public REITs, private core real estate equity and real estate debt may offer investors an opportunity to enhance risk-adjusted returns and lower volatility in the decade ahead.

Tactical Positioning

We continue to advocate caution about market concentration and overvaluation of many large-cap U.S. growth stocks. We continue to emphasize implementing a balanced approach to U.S. equity management, owning both growth and value stocks with a focus on higher quality businesses with strong balance sheets.

Adding stabilizing portfolio diversifiers, like middle-market private equity, high quality private credit, and real assets like real estate and infrastructure, has helped to protect portfolios in past cycles.

Overall Position	UW	N	OW	Change	Notes
Equity		●	●		Neutral or Overweight
Fixed Income & Credit		●			
Alternatives			●		
Cash		●			
U.S. Equity		●	●		Neutral or Overweight
Value		●			Balanced; Growth and Value
Growth		●			
Size			●		Overweight Large Cap
▪ Quality			●		
▪ Momentum		●			Gained through Large Cap
International Equity	●	●			Underweight or Neutral
Private Equity			●		
Duration	●				Barbell; Buyer on 10-Year over 4.8%
IG Fixed Income (AGG)		●			Short Duration
▪ USD	●				
▪ Global			●		
High Yield Credit		●			Short Duration; Buyer on Spread Widening
Private Credit		●			Up in Quality
Public Real Estate (REITS)	●				
Private Core Real Estate			●		
Infrastructure			●		
Transportation			●		
Hedge Funds			●		

Public fixed income may offer some value to investors, as fixed income returns are typically positive when interest rates decline, but we expect fixed income returns to be driven by income with limited total return up-side.

Sources: eVestment, Morgan Stanley, JP Morgan, CNBC, Bloomberg, Federal Reserve Board, FactSet, BlueRock, Invesco, Nareit, Brookfield

Disclosure: