The Queen’s Pension Plan (QPP) returned 1.2% net of fees in November, bringing the cumulative net return for the 2016-17 plan year to 1.9%.

The S&P/TSX was led higher by Financials (+5.1%) and Energy (+4.6%). In aggregate, the QPP’s Canadian equity managers returned 4.5%, outperforming the S&P/TSX by 2.3%.

Following the U.S. election, equity markets rallied and credit spreads tightened amid expectations of significant infrastructure spending and corporate tax cuts. However, bond yields and inflation expectations also increased. The FTSE/TMX Canada Universe Bond Index shed 2.1% on a total return basis in November. In aggregate, the QPP’s fixed income managers returned -1.7%, outperforming the benchmark by 0.4%.

The Bank of Canada left the overnight rate unchanged at 0.5% while the Canadian dollar depreciated 0.1% against the U.S. dollar to close the month at 74.5 cents U.S.