The Queen's Pension Plan (QPP) returned 2.5% net of fees in July, bringing the cumulative net return for the 2019-20 plan year to 5.4%.

Equity markets had a strong start of the quarter. The S&P/TSX Composite Index advanced 4.5% in July. All 11 sectors posted positive returns with Materials (+13.1%), Consumer Staples (+6.2%) and Information Technology (+6.1%) the top performers. Financials (+0.1%), Energy (+1.0%) and Health Care (+1.1%) were the worst performers. In the U.S., the S&P 500 returned 5.6% (+3.9% in Canadian dollar terms) and 10 out of 11 sectors posted positive returns. The best performing sectors were Consumer Discretionary (+9.0%) and Consumer Staples (+6.8%). Energy was the only sector to post a negative return (-5.4%). Outside North America, the MSCI Emerging Markets Index climbed 8.2%, the MSCI World Index gained 3.4% and the MSCI EAFE Index lost 1.8% in local currency terms (+7.2%, +3.1% and +0.7% in Canadian dollar terms, respectively).

The FTSE Canada Universe Bond Index returned 1.3% as bond yields continued to fall. Two-year yields lost 2 basis points to 0.26% and ten-year yields fell 6 basis points to 0.46%. The Corporate sector of the Index gained 1.9%, the Provincial sector advanced 1.5% and the Federal sector rose 0.5%. The Canadian dollar appreciated 1.7% against the U.S. dollar, closing the month at 74.6 cents U.S.

The Queen's Pension Plan Returns by Plan Year

Plan Year is from September 1st to August 31st