



Achtung 2020

Monthly Perspectives // December 2019

15 minutes



Talking about the end of the world

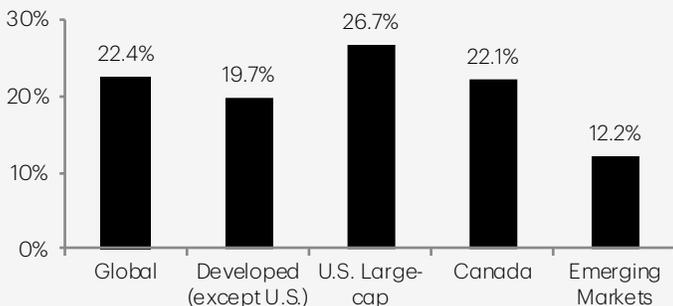
Brad Simpson, Chief Wealth Strategist and Head of PAIR

In November 1991, U2 released their seventh studio album, *Achtung Baby*. I think it's a rock masterpiece. Out were the morose Irishmen of the 1980s and in were the bold and brash new media global superstars of the 1990s. The album's release coincides with the start of my career in investment management and it's very much a part of the sound track of my life at the time. (For music lovers, incidentally, 1991 was an incredible year. It included the release of Nirvana's *Nevermind*, Pearl Jam's *Ten*, The Red Hot Chili Peppers' *Blood Sugar Sex Magik* and Metallica's groundbreaking eponymous album, to name a few.)

The release of *Achtung Baby*—comprising 12 tracks of glorious glam rock euphoria—was also, as it turns out, a sign of what was coming for the economy. It arrived seven months into one of the longest expansions in American history, one that wouldn't end for 120 months in March of 2000. The expansion of the 1990s, in fact, is second only to the one we are currently in, which just hit 131 months. The fourth track from that album, "Until the end of the world," feels fitting as we ride this aging market to new highs:

*We ate the food, we drank the wine
Everybody having a good time
Except you
You were talking about the end of the world*

Figure 1: Equities Performance – 2019 YTD



Source: Bloomberg Finance L.P.

Figure 2: Fixed Income Performance – 2019 YTD



From left to right: Global Aggregate (bond index), U.S. Aggregate, Euro Aggregate, Canada Universe, Global Treasuries, U.S. Treasury, Global IL (inflation-linked), Global Corporate, U.S. Corporate, Global HY (High-yield), U.S. HY (High-yield), EMD Hard (emerging market debt). Source: Bloomberg Finance L.P.

It's hard to forget the optimism of the mid-1990s. Remember Clinton and his saxophone? The birth of the new economy? With technology, and the burgeoning internet, anything seemed possible. The omnipotent Fed, easy credit and free trade were in the early stages of their global ascent, as was China, and central banks were in the early stages of becoming the stick that stirs the drink that is the financial market.

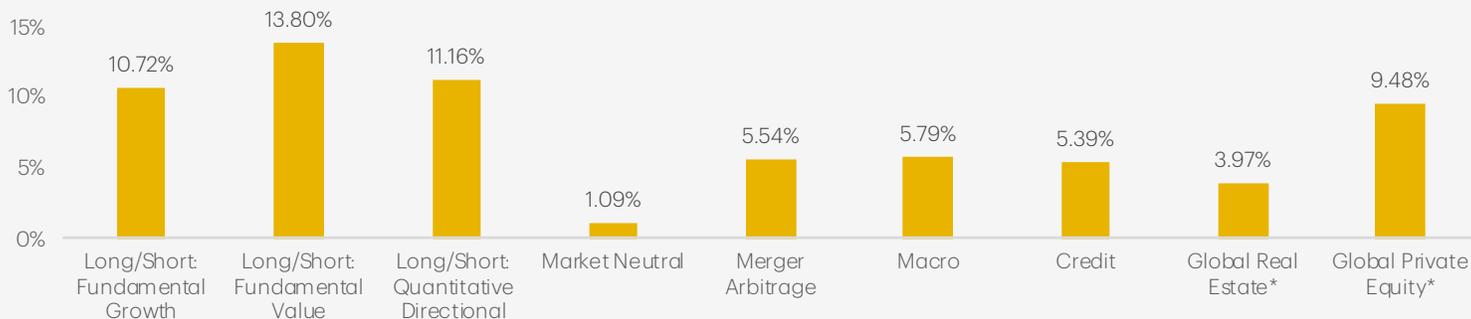
Back in the '90s, the correctness of free trade was undisputed orthodoxy. I remember, in 1997, being given three copies of Melvyn Krauss's *How Nations Grow Rich: The Case for Free Trade*—a record that was only broken in 2005 (in perhaps another omen) when I was gifted five copies of Thomas Friedman's *The World is Flat*.

This was peacetime, and the U.S. economy was humming. Halfway through the decade, in 1995, the S&P skyrocketed 38%. In 1996, President Clinton, still a couple of years away from impeachment, won a second term, prompting the Dow—in a Christmas miracle—to rise for 10 consecutive days. By year's end, the S&P was up another 23%. The euphoria was so intense it prompted Fed Chair Alan Greenspan to coin the phrase "irrational exuberance."

Now compare the festivities of the 1990s to what we're feeling today, the ambivalence and insecurity. If 1996 was a raging kegger, today feels like a sedate office holiday party—not particularly festive, but a party nonetheless. Figures 1 to 3 highlight the year-to-date returns for major equity markets, fixed income and a cross section of alternative asset classes. So what strikes you more? The fact that every single investment has produced a positive return? Or that the returns have been so high?

For investors whose confidence was shaken by the correction in late 2018, for those of us who dashed off a quick note to the bearded man in the North Pole and asked, please pretty please, for better returns this year ... Santa really delivered!

Figure 3: Alternatives Performance – YTD



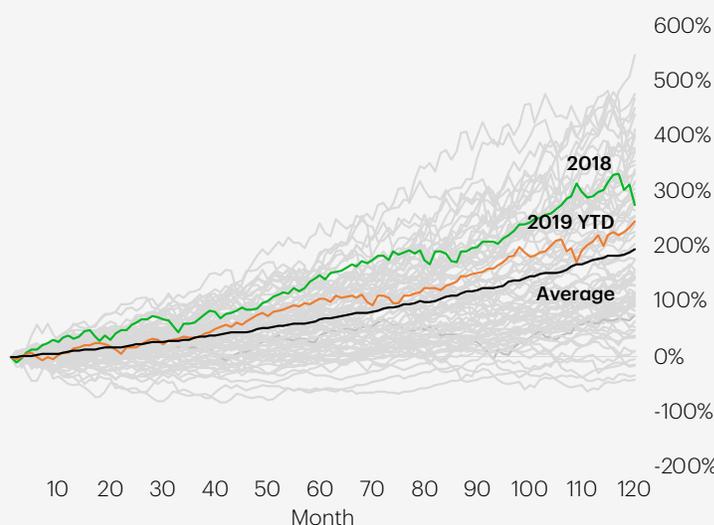
*Cambridge Associates as of November 2019. Source: HFRI, Cambridge Associates.

For broader context, compare the bull market of today to those of the past 100 years. As Figure 4 highlights, this has been the longest, and perhaps the steadiest, bull market in a century, and returns this year have been great.

But if the past 10 years feels like a once-in-a-lifetime opportunity that has now run its course, think again. If you compare the performance of every 10-year period since 1937 to the most recent (Figure 5), you find that the 2009-to-2019 (YTD) bull market is nowhere near the best decade of returns. This surely has been a long and steady bull market, but we'll see worse and we'll see better.

So, with all this good news, why does it feel so bad? Why does it seem like everybody's talking about the end of the world? I believe you can get a sense—and start to unwrap some of the market anxiety out there—by listening to the questions that investors are asking. In the past few weeks, I've presented at a number of client and advisor conferences across Canada and fielded numerous questions.

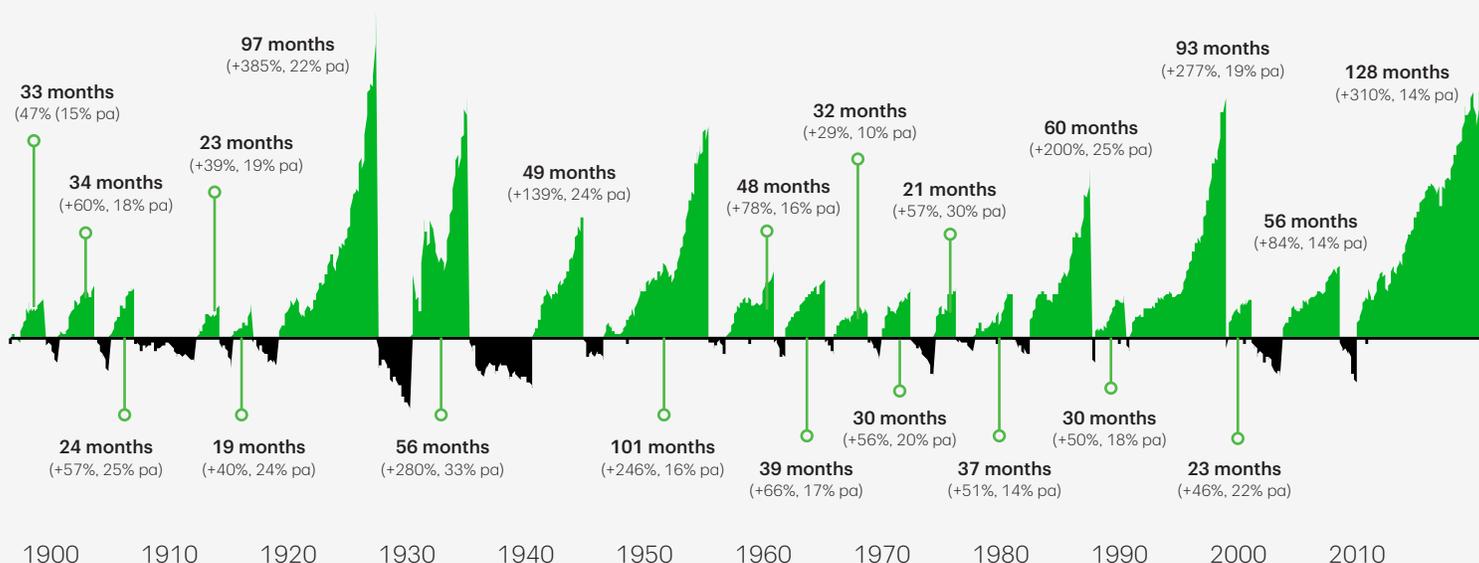
Figure 5: 10-year S&P 500 periods (1927 to 2019)



Source: Bloomberg Finance L.P.

Figure 4: Bull markets without a 20% drawdown (S&P 500, 1900 to 2019)

We are in the longest bull market in over a century



Source: Goldman Sachs, Yale University Department of Economics

At my presentations, I use something called Slido, which is a web tool that, according to the company's website, allows presenters like me to "crowdsource the best questions from your audience." Basically, attendees can ask anonymous questions by texting on their phone and beaming it to me up on the screen. It also gives them an excuse to check their email, portfolio, home security system and order presents from Amazon at the same time, offering some relief from my droning on about investment principles and decision-making in uncertain environments.

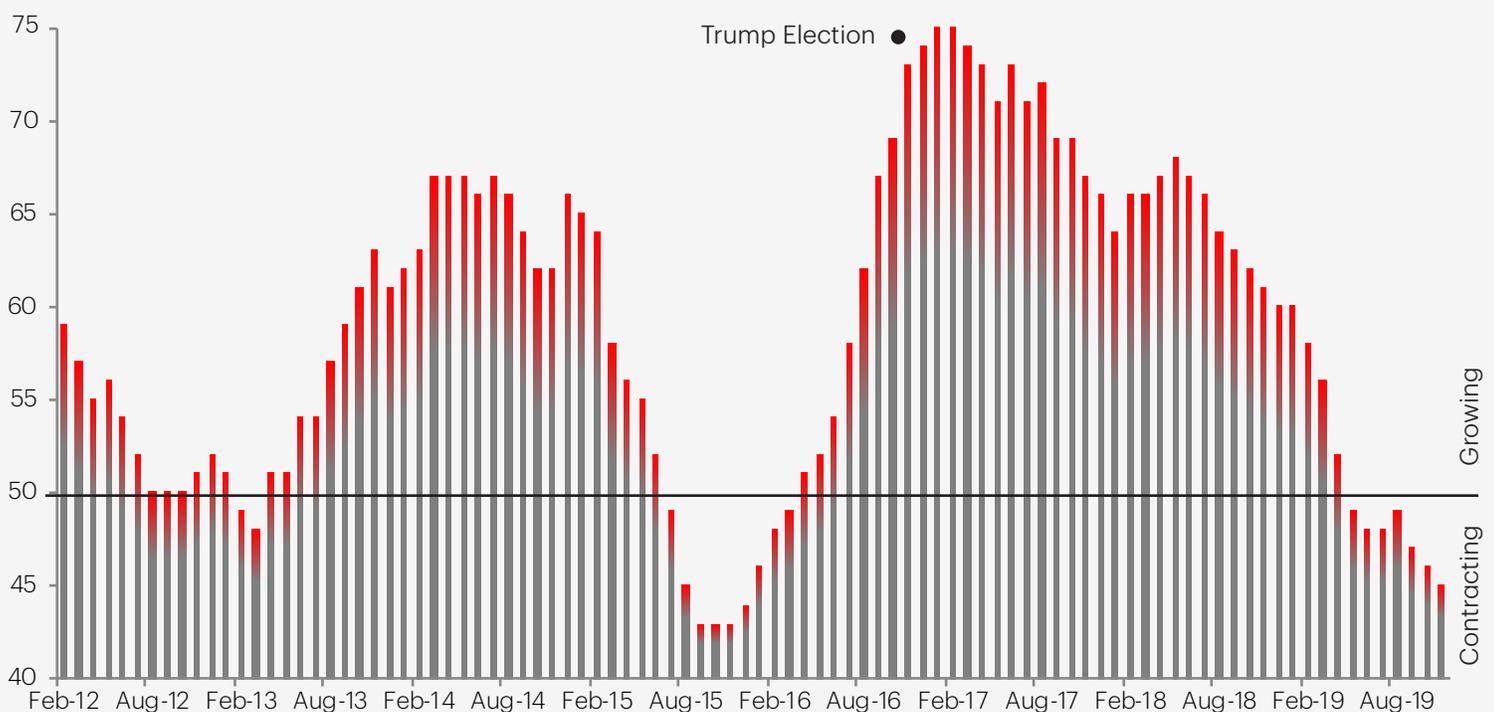
Below you'll find the questions I'm asked most frequently as we roll into 2020, along with my responses, based on the current views of TD's Wealth Asset Allocation Committee. While the answers below may be informative, the questions themselves offer some important insight into what's worrying investors.

No. 1

Will there be a recession?

The U.S. and Canadian economies have returned to slower growth, but should avoid recession in 2020. Compared to six months ago, the global economy has picked up a bit, or at minimum has stopped getting worse. Labour markets and consumption have remained strong, even though the opposite is true for manufacturing. Even the weaker parts of the global economy, such as the industrial sectors in Europe and China, are showing signs of stabilizing, albeit at low levels. Lastly, there are fewer asset bubbles and other excesses in this economic cycle.

Figure 6: DHL Global Trade Barometer



Source: Bloomberg Finance L.P.

No. 2

Will Donald Trump be impeached and/or win the election?

(There are usually a bunch of Trump questions, so I'm batching together the top two.)

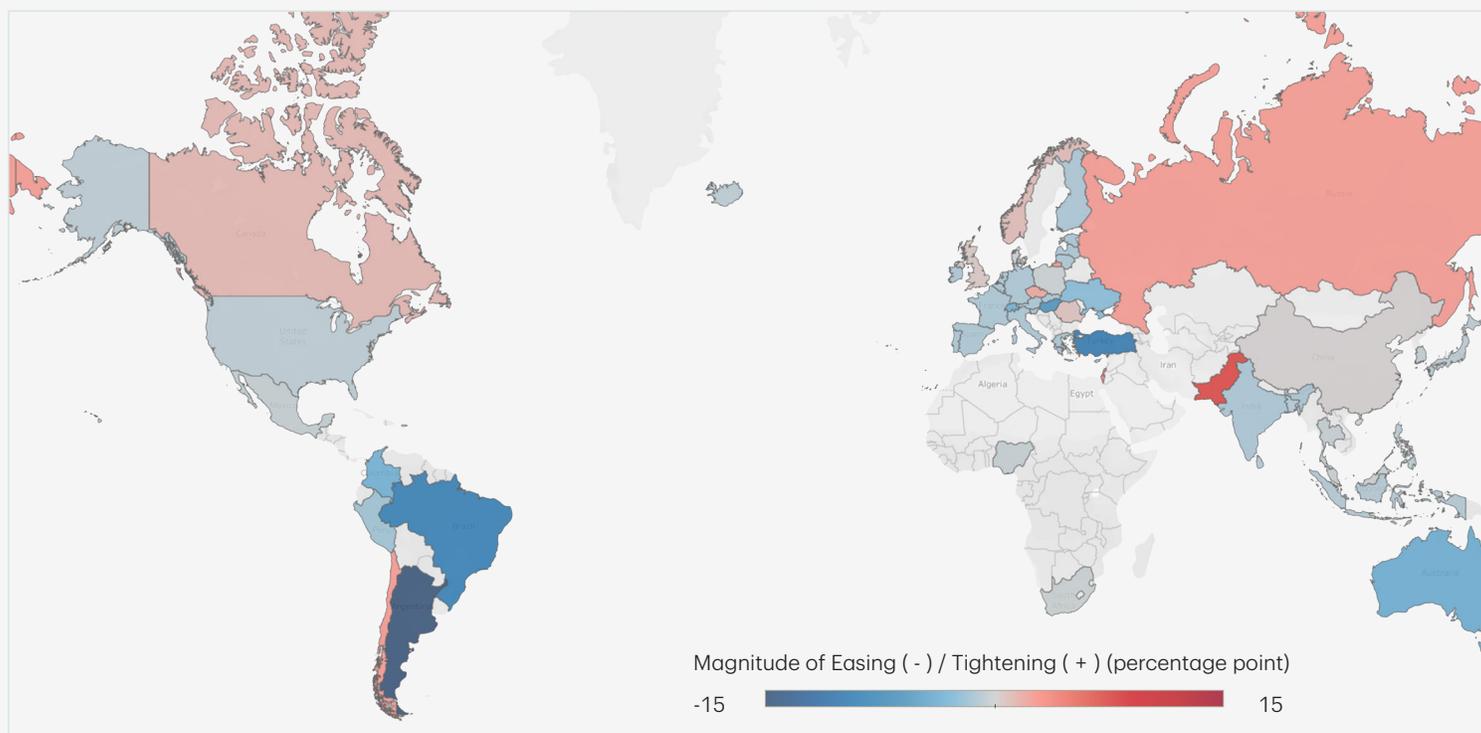
Nobody knows, which is great news for the media networks that keep rolling out experts to talk about outcomes that have low predictability. Let's just say this: Market volatility could be higher in an election year, and the impeachment process has the potential to add some fuel. Investors will need to be well diversified and should avoid letting how they feel about politics govern how they think about investing (which is always good advice).

No. 3

What will happen with the U.S. China trade dispute?

Unfortunately for businesses, trade tensions continue to fester. This has been a consistent trend since the election of a protectionist administration in the U.S. (Figure 6). Most recently, in the first week of December, the White House announced it will reimpose steel and aluminum tariffs on Argentina and Brazil. The prospects for a "phase-one" trade deal with China before the end of the year, meanwhile, have ebbed and flowed, with President Trump recently announcing that the U.S. has reached a "phase-one" agreement with China (although key details remain unclear) that includes partial rollback of some tariffs. All in all, recent developments suggest that trade policy will remain a source of uncertainty in the months ahead and continue to weigh on business sentiment in both services and manufacturing sectors.

Figure 7: CFR Global Monetary Policy Tracker



Source: Mapbox, OpenStreetMap, CFR Global Monetary Policy Tracker.

No. 4

What will happen with interest rates?

The Fed may leave rates unchanged in 2020, but many international central banks are still in easing mode (Figure 7). The first week of December, the Bank of Canada elected to leave its policy rate unchanged, and Deputy Governor Tim Lane, in an accompanying speech, set a high bar for easing, citing the resilient Canadian labour market. Data today suggests cracks may be appearing in that narrative, with recent job losses across the board. The Bank also remains concerned about the high levels of household debt. October's credit data showed an increase that was driven almost entirely by mortgages.

Without persistent weakness in the labour market or a further escalation in trade conflicts, though, the Bank may still find it comfortable to remain on the sidelines for the time being. We expect bond yields to remain in a range near current low levels, as global growth expectations continue to be subdued. Central banks across the globe have become increasingly "data-dependent" and are utilizing policy accommodation to sustain the economic expansion.

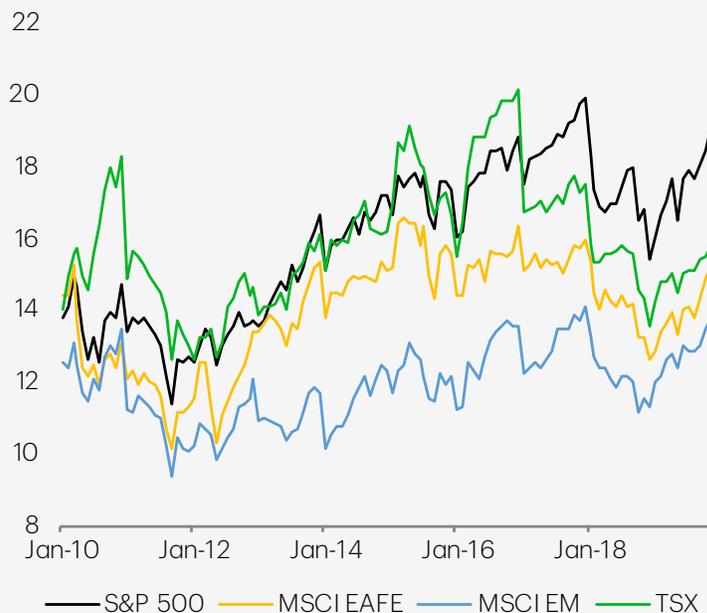
No. 5

What will happen with stock markets? Are they not too expensive?

Modest U.S. equity gains should be built on somewhat higher earnings rather than multiple expansion, but we wouldn't rule out some gains from that source as well.

In September, we upgraded our view on Canadian equities from neutral to modest overweight. Our stance is underpinned by a combination of reasonable valuations (Figure 8) and positive earnings growth expectations for established names. Overall, Canadian equities continue to trade at a forward price-to-earnings multiple discount relative to U.S. stocks.

Figure 8: Global Equity Valuations (1-year forward P/E)



Source: Bloomberg Finance L.P.

We continue to view U.S. equity valuations as reasonable in light of historically low fixed-income yields and strong corporate health. U.S. companies continue to generate substantial free cash flow, while increasing dividends and share buybacks. The U.S. economy has shown signs of slowing; however, labour markets remain strong, consumer spending healthy, and we do not anticipate a near-term recession.

We maintain a modest overweight view of emerging markets, with possible upside for the Chinese equity market over the long term. China's continued fiscal stimulus measures and its drive to elevate its position in the global value chain could support higher levels of growth. A combination of further easing by global central banks and a temporary truce in the Sino-U.S. trade war has also contributed to improved investor sentiment. Developed international equities, meanwhile, should outperform in the long run, but will be challenged for as long as trade tensions persist.

No. 6

Where do you see oil prices going?

We are cautiously optimistic about oil prices for 2020 and believe the market may be underestimating the imbalances that the global market may see in 2020, which should be supportive of oil prices. The Organization of Petroleum Exporting Countries and its allies (OPEC+) recently announced additional production cuts, bringing total cuts to 1.7 million barrels per day, with the cartel planning to evaluate whether further actions are necessary by the end of Q1/20. At the same time, U.S. production growth is slowing, especially in the Permian basin as assets mature and access to capital becomes more challenging. Oil prices have been weighed down recently by fears about demand in the face of global economic weakness. With some stabilization in the global outlook, crude demand could surprise to the upside if economic growth begins to improve. Accommodative central banks, strong labour markets and confident consumers could lead to stronger economic growth and an improvement in the outlook for oil demand. With the supply side supported by OPEC+ and a stable demand profile, oil prices should find support.

No. 7

What about so-called alternative investments, like real estate and infrastructure?

With low interest rates, investors may seek long-term alternative investments with contracted cash flows, and inflation protection that can generate consistent returns. Following higher volatility levels in late 2018 and early 2019, the commercial mortgage spread premium over corporate bonds has stabilized near long-term averages and remains attractive. Pairing short-term floating-rate mortgages with high-quality term mortgages can add value in today's flat yield curve environment.

Commercial real estate continues to post positive returns amid the backdrop of strong fundamentals. Robust population growth is further tightening supply-demand metrics, while e-commerce is transforming retail and the importance of logistics in the industrial space. Core infrastructure assets are attracting increased investor attention given the predictability of cash flow, which is primarily driven by the long-term contracts of these assets.

No. 8

What about currency? How will the Canadian dollar do against the U.S. dollar?

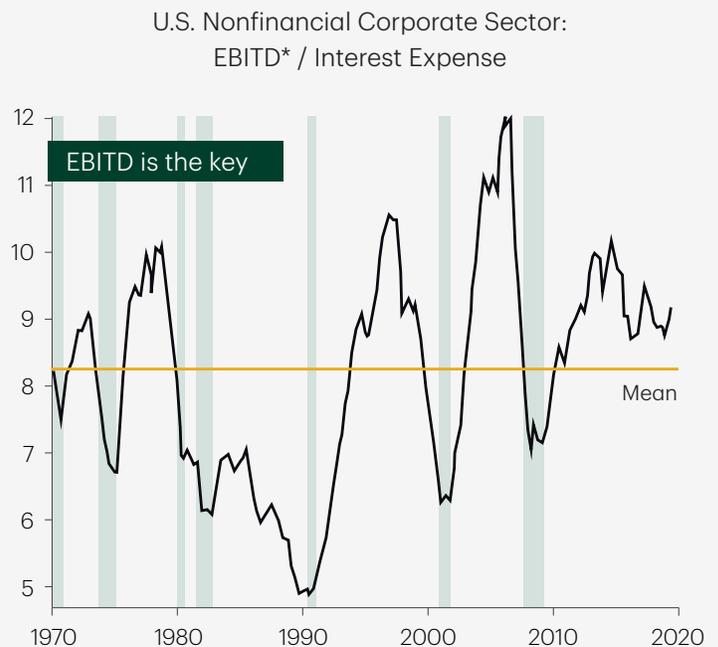
We are modestly underweight the U.S. dollar. The potential for slowing U.S. economic growth, coupled with a highly accommodative Federal Reserve, could put downward pressure on the USD versus a trade-weighted basket of currencies. We remain modestly overweight the Canadian dollar vs. the U.S. dollar. Growth differentials between the U.S. and rest of the world, including Canada, are narrowing and we expect this to continue. And finally, we retain a modest underweight view on cash. As overnight interest rates continue to plumb historic lows around the globe, the real return on cash and the optionality it provides portfolios remains diminished.

No. 9

Corporate debt and leverage are at record highs. How worried should we be?

(Okay, I made this one up. But the truth is, I never get asked anything about fixed income, and this is the question you should really be asking.)

Figure 9: Debt servicing strains are not evident yet



*Earnings before interest, taxes and depreciation. Source: Bureau of Economic Analysis. Note: Shaded for NBER-designated U.S. recessions

Over the past few years, investors have become increasingly aware of the rising levels of corporate debt and leverage, and worries are starting to emerge about an impending credit blow-up. But if we take a look under the hood, fundamentals like debt serviceability has remained solid. Granted, there have been areas of deterioration in low-quality segments like sub-investment or speculative grade. In the end, however, a broad-based blow-up in credit will only develop once the economic cycle ends, when a sustained profit contraction, along with the higher rates, makes debt-servicing costlier. Therefore, we remain constructive and more selective on credit, and are comfortable with our modest overweight stance on high-yield and investment-grade corporate bonds, as they continue to offer a yield advantage over government bonds.

Not the end of the world?

All in all, not so bad—certainly nothing to spoil a good party. On the other hand, all of the predictions above are only based on what we know today. And when it comes to financial markets, what we know is almost always eclipsed by what we don't.

Allow me to elaborate. Predictions may work well in “closed” systems with limited variables, such as the application of error analysis in engineering and manufacturing. However, in “open” systems—and particularly those involving human activity—understanding uncertainty is much more challenging.

Why? Because human beings learn and adapt as they go along; they change the nature of the game as the game is played. Systems like these, including financial markets, can be better thought of as complex, adaptive systems. If you're going to make predictions within this kind of open system, it makes more sense to make predictions that are “life-sized.” In other words, instead of trying to predict what the market might do in a month or a year, why not base your predictions on your own long-term plans and how you see your life playing out?

If this sounds familiar, it's because I wrote about it in last year's December *Perspectives*. But what was true then will be just as true tomorrow. Life-sized predictions are going to be far more accurate because they're based on you, and because you've already set many of these plans in motion, dramatically increasing the likelihood that they will come to fruition.

We think a good starting point might be to lay the foundation—or let's say the building blocks—of your plan. While it's hard to be definitive, most investors share four common objectives: (1) growing and protecting their wealth; (2) minimizing taxes paid; (3) making sure that what they hold dear is covered if something goes wrong; and (4) leaving some sort of footprint that will make a difference when they are no longer inhabiting this planet.

Current Investment Themes

At TD our Wealth Asset Allocation Committee keeps a running watch list of themes that guide our decision-making. Current themes include:

■ Second Wind

Remain overweight equities and underweight fixed income.

■ Yearning for yield

Expect lower for longer rate environment to continue with inflation low and central banks accommodative.

■ Due credit

Corporate credit and private debt continue to offer an incremental yield advantage versus government bonds.

■ Estranged

Expect a protracted conflict between China and the U.S. on issues of trade and technology leadership.

■ Bad moon rising

Volatility will continue primarily driven by growth versus slowdown expectations and U.S./China trade war.

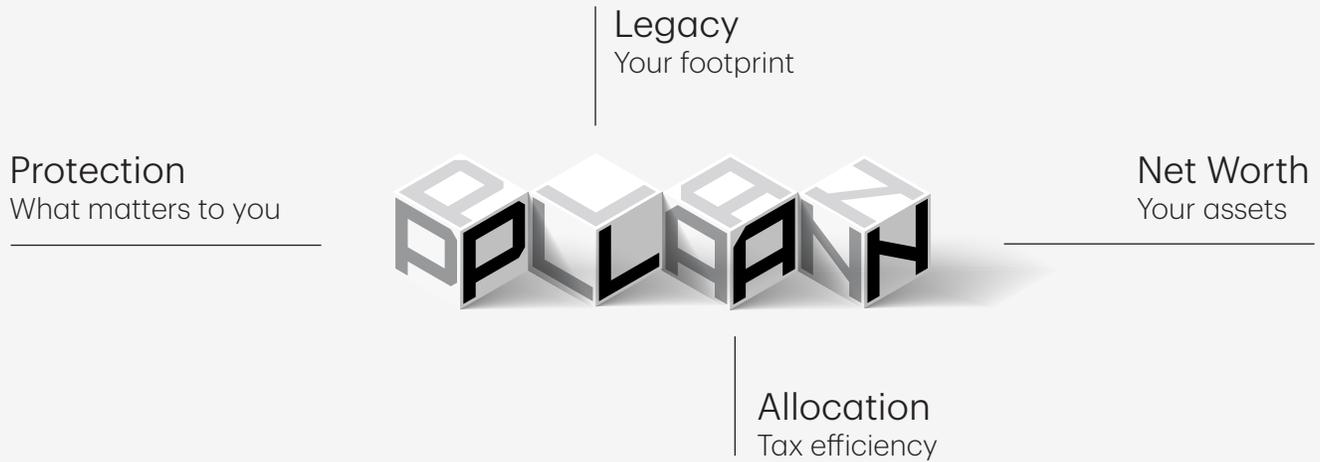
■ Steady streams

Demand for urban living and global infrastructure supports stable and growing income for real assets.

However the environment unfolds, we will adapt, consistent with the principles underpinning Risk Priority Management.

Principle No. 2: Invest like an owner

The era of big data, low trading costs and massive product proliferation has created an environment where, far too often, client investment portfolios have more in common with casino-like statistical strategies than they do with a well-constructed foundation for wealth. A banker's methodology towards credit, a prudent stance to fiscal policy and a visionary approach to products and services — these elements comprise the foundation of why, how, and with whom, we deploy capital.



While many of us share these common goals, there are also goals that are more immediate and more personal. Let's imagine a fictional family, the Rileys—John and Paula and their two children, Ringo and George. They have a handful of goals: to retire; to pay for George and Ringo's education via RESPs; to buy a sailboat; and to make sure they expect the best and plan for the worst.

Figure 10 outlines the number of years required to fund each goal and the required annualized returns based on the current amount of capital. The Rileys also have an emergency fund invested short-term based on two years of income equaling \$250,000. Furthermore, the Rileys have set up credit facilities in case they have to make an immediate purchase, or if an unforeseen opportunity or crisis arises. (Sometimes the best insurance is a simple line of credit for short-term borrowing.)

It's important to note here that nowhere in the common building blocks, or in the Rileys' very personal goals, has the stated objective ever been to maximize earnings by making short-term predictions. Of course, the Rileys would like to earn as much as they can, but not at the risk of failing to achieve their objectives: retirement, education, big sailboat, cash for opportunities, and the assurance that their income will be covered if something really bad happens

To achieve these objectives, a good strategy might be to take the Rileys' financial assets, break them down into component parts, and create a portfolio based on each goal. The magic of structuring financial assets this way is it dramatically reduces the fears that arise when life takes you by surprise or when markets fluctuate. So let's look at some of the life-sized predictions, both good and bad, that can happen over the next 20 or 30 years:

Figure 10: Goal-based planning



Objective	Current amount allocated to objective	Future amount or annual income required	No. of years to funding	Required annualized returns
Ringo's RESP	\$59,000	\$ 70 000	3	5.86%
George's RESP	\$55,000	\$ 70 000	6	4.1%
Sailboat	\$215,000	\$ 350 000	7	7.21%
John and Paula's Retirement	\$2.225 M	\$ 5 M	12	6.98%

Life-sized predictions

Ten personal things bound to happen over time:

- Death

- Divorce

- Marriage

- Personal injury or illness

- New career

- Retirement

- Serious change in health of family member

- Birth of a child

- Education/advancement

- Large purchase

Here's the point of all this: If you are going to make predictions about the vagaries of human interaction, you better be excellent at it. The financial markets are immensely complex, so making predictions is a low-odds proposition, unless you're talking about the kinds of life-size predictions that you're determined to make happen.

Boiled down to its essence, investment is about the process of decision-making, not the decisions themselves. You can make one or two bad decisions and still end up with a good result, but you can't make a series of bad decisions over the long term and not have it end badly. Unfortunately, investors are often put in a position of making these decisions without any formal process.

Our solution: Follow an investment philosophy, a guiding set of principles that will work in a world that is in a state of constant change, often with dramatic impact on financial markets. At TD Wealth, we call that philosophy "Risk Priority Management," and it provides the foundation for how we make decisions. More importantly, it provides our clients with the knowledge, and the comfort, of knowing how we are going to make decisions with certainty, particularly when uncertain things occur.

This article, for example, is based on our seventh principle:

Provide for lifetimes over market cycles

Rarely are goals only about maximizing the value of investments over a single period of time. A goal might be to maintain the same standard of living or save for retirement or, in the case of entrepreneurs, to prepare for the sale of their business. Another goal may be the purchase of personal-use

Ten market things bound to happen over time:

- Central bank policy error

- Geopolitical challenges

- Big deficits leading to onerous debt

- Bull market

- Bear market

- Recession

- Goldilocks economy

- Innovation

- Free trade

- Renaissance

real estate or the funding of a child's education. Passing on a proportion of wealth, setting up a philanthropic foundation and being able to cover unexpected financial needs may all be goals, and each will likely make up a specific portfolio and require a strategy based on an asset balanced and risk-factor-diversified portfolio approach.

As we move into 2020, let's make some life-sized predictions. We know that some things will go wrong, and many others will go right. The same is true for the financial markets in which we invest. Let's also make some life-sized resolutions. Let's expect the best and plan for the worst. Let's have a well-thought-out wealth plan and a portfolio with true diversification, balancing assets and risk-factor diversification with our financial behaviour, which can have an incredible impact on our investment success. By doing this, we will considerably increase the likelihood that we will have a prosperous 2020 and beyond.

So cheer up, folks. Things may not be as dire as they seem, and whatever happens next year, it isn't going to be big enough to put a dent in predictions that are life-sized. This is not, in other words, the end of the world—but I'll let Bono do the talking, from his parting shot off the 11th track, "Acrobat."

*You can stash and you can seize
In dreams begin responsibilities
And I can love, and I can love
And I know that the tide is turning 'round
So don't let the bastards grind you down.*

Happy Holidays!

Market performance

		(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Canadian Indices (\$CA) Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
S&P/TSX Composite (TR)	60,187	3.59	4.43	22.32	15.71	7.32	6.09	7.76	7.16	6.83
S&P/TSX Composite (PR)	17,040	3.38	3.64	18.97	12.12	4.15	2.94	4.58	4.06	4.17
S&P/TSX 60 (TR)	2,916	3.48	4.51	22.00	15.23	7.95	6.60	8.47	7.25	6.85
S&P/TSX SmallCap (TR)	931	2.73	-2.01	9.92	6.04	-1.35	2.04	1.67	3.20	-
U.S. Indices (\$US) Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
S&P 500 (TR)	6,362	3.63	7.86	27.63	16.11	14.88	10.98	14.62	13.44	6.20
S&P 500 (PR)	3,141	3.40	7.33	25.30	13.80	12.62	8.72	12.26	11.11	4.16
Dow Jones Industrial (PR)	28,051	3.72	6.24	20.25	9.84	13.62	9.49	11.07	10.49	4.85
NASDAQ Composite (PR)	8,665	4.50	8.82	30.60	18.21	17.63	12.58	16.39	14.99	4.89
Russell 2000 (TR)	8,201	4.12	9.08	22.01	7.51	8.57	8.22	11.96	12.38	8.02
U.S. Indices (\$CA) Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
S&P 500 (TR)	8,454	4.65	7.81	24.33	16.00	14.49	14.38	18.57	16.06	5.66
S&P 500 (PR)	4,174	4.42	7.29	22.05	13.69	12.24	12.06	16.12	13.67	3.63
Dow Jones Industrial (PR)	37,278	4.74	6.20	17.13	9.74	13.23	12.84	14.89	13.04	4.31
NASDAQ Composite (PR)	11,516	5.53	8.78	27.21	18.10	17.23	16.03	20.40	17.64	4.35
Russell 2000 (TR)	10,899	5.14	9.04	18.85	7.41	8.19	11.54	15.81	14.97	7.46
MSCI Indices (\$US) Total Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
World	9,685	2.83	7.77	24.62	15.19	12.98	8.36	11.55	9.95	5.29
EAFE (Europe, Australasia, Far East)	8,371	1.14	7.84	18.78	13.04	10.17	4.77	7.82	5.81	4.04
EM (Emerging Markets)	2,391	-0.13	6.11	10.57	7.70	9.42	3.51	4.50	3.69	7.29
MSCI Indices (\$CA) Total Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
World	12,871	3.84	7.73	21.39	15.09	12.59	11.68	15.39	12.49	4.75
EAFE (Europe, Australasia, Far East)	11,125	2.14	7.80	15.70	12.93	9.79	7.98	11.53	8.25	3.51
EM (Emerging Markets)	3,178	0.85	6.07	7.71	7.60	9.04	6.68	8.10	6.09	6.74
Currency	Level	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
Canadian Dollar (\$US/\$CA)	75.25	-0.97	0.04	2.66	0.09	0.34	-2.97	-	-2.26	0.52
Regional Indices (Native Currency) Price Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	20 Yrs
London FTSE 100 (UK)	7,347	1.35	1.93	9.19	5.25	2.69	1.79	4.73	3.53	0.01
Hang Seng (Hong Kong)	26,346	-2.08	2.42	1.94	-0.60	4.95	1.89	8.06	1.90	2.73
Nikkei 225 (Japan)	23,294	1.60	12.51	16.38	4.22	8.36	5.94	18.17	9.56	1.14
Benchmark Bond Yields		3 Month		5 Yr		10 Yr		30 Yr		
Government of Canada Yields		1.66		1.49		1.46		1.56		
U.S. Treasury Yields		1.58		1.63		1.78		2.21		
Canadian Bond Indices (\$CA) Total Return	Index	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	Since 1/1/2012	10 Yrs	
FTSE TMX Canada Universe Bond Index	1,137	0.52	-0.50	8.16	9.62	3.81	3.54	3.55	4.28	
FTSE TMX Canadian Short Term Bond Index (1-5 Yrs)	733	0.07	-0.09	3.25	4.15	1.72	1.80	1.98	2.30	
FTSE TMX Canadian Mid Term Bond Index (5-10 Yrs)	1,220	0.11	-1.06	6.90	8.61	3.11	3.33	3.67	4.54	
FTSE TMX Long Term Bond Index (10+ Yrs)	1,977	1.34	-0.64	15.65	17.81	7.03	5.97	5.53	7.12	

Sources: TD Securities Inc., Bloomberg Finance L.P. TR: total return, PR: price return, as of November 29, 2019.

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