



What happened this week

April 24, 2026

In Canada, this week's data showed firmer inflation but mixed domestic demand signals. Headline inflation accelerated to 2.4% year over year in March, up from 1.8% in February. The pickup was driven primarily by a sharp surge in energy prices, notably gasoline, which recorded a record monthly increase amid global supply disruptions. New home prices declined 0.2% month over month, with price softness resuming after a brief uptick in February. Weakness was most pronounced in Ontario (-0.7%), partially offset by gains in Alberta and the Prairies. New housing prices remained down year over year, reflecting subdued demand and easing construction cost pressures. Lastly, an advanced estimate for retail sales suggested a 0.6% rise in March, marking a third consecutive monthly gain, with continued momentum in motor vehicle sales and resilient consumer spending, despite elevated interest rates.

In the United States, data pointed to resilient demand and improving business momentum. Retail sales jumped 1.7%-month over month in March, the strongest increase in over a year, significantly exceeding expectations. Broad-based gains were amplified by a sharp rise in gasoline station receipts, reflecting higher fuel prices. Importantly, core retail sales also posted a solid 0.7% gain. The S&P Global Flash U.S. Composite PMI improved to 52.0 in April, signalling a return to moderate expansion. The rebound was driven primarily by the Manufacturing PMI, which rose to 54.0, its strongest reading in nearly four years. Services activity returned to expansionary territory, but remained relatively subdued, reflecting softer demand momentum.

Canada: Total Inflation

Statistics Canada, % YoY, as at 3/2026



Bond market

Bond yields in the U.S. remained in the holding pattern they have been in, all month, awaiting clearer signs of a more concrete resolution in the Middle East and refusing to engage in the positive momentum exhibited by many risk assets. Kevin Warsh's

Highlights

- In Canada, retail sales edged higher despite rising inflation, while new home prices declined.
- In the U.S., business momentum improved and consumer demand accelerated.

On our radar

- Canada: BoC decision, preliminary GDP m/m growth for March and S&P Global Manufacturing PMI for April
- United States: Fed decision, Q1 GDP growth, core PCE price index and durable good orders

confirmation hearing as the next Fed Chair also failed to move the market, as nothing was said that investors were not already expecting. As a result, U.S. 10-year Treasuries continue to hover around 4.3%, while futures demonstrate receptivity to at least one 25-basis-point cut by the Fed this year. With economic data unable to sway yields to any great degree in the past month, next week we will see if central bank rate decisions in both Canada and the U.S. have any impact. Any meaningful shift in bond yields likely requires a resolution of some sort in the Middle East. Speaking of risk assets, U.S. IG and U.S. HY, like their equity brethren, do not care about the conflict in Iran anymore, as demand-supply disequilibrium keeps levels at the low end of the range after an ephemeral spike. The former now sits below 80 basis points and the latter is approaching 270 basis points, with the earnings season also proving uneventful for valuations.

Stock market

Markets retraced from recent highs this week as renewed geopolitical tensions in the Middle East prompted investors to reassess risk exposure. Amid this backdrop, oil prices jumped sharply as odds of supply disruptions increased.

On the earnings front, Intel delivered a standout quarter, highlighting meaningful traction in AI. The company's positioning has been strengthened in part by increased alignment with the U.S. government and by a broader shift in AI demand beyond Nvidia-centric workloads. Unlike peers such as Nvidia and AMD, which rely on third-party foundries, Intel both designs and manufactures its chips. In contrast, Tesla disappointed on several fronts. Vehicle deliveries came in below expectations, and timelines were once again pushed out for key initiatives, including the Cybercab—its proposed two-passenger autonomous vehicle—and Optimus, its general-purpose humanoid robot.

Elsewhere, D.R. Horton pointed to steady housing demand, even amid geopolitical uncertainty such as tensions involving Iran. Meanwhile, Procter & Gamble reported solid sales growth, suggesting resilience in consumer spending.

Markets

(Total returns, in CAD)

As of April 23, 2026	WTD %	MTD %	YTD %	1Y %	3Y %	5Y %
Equities						
S&P 500	-0.16	6.77	3.99	32.22	21.89	14.87
S&P/TSX	-1.21	3.62	7.70	42.10	21.40	15.48
NASDAQ	0.49	10.57	5.85	41.52	27.68	16.01
MSCI ACWI	-0.69	6.28	4.33	30.46	19.89	13.02
MSCI EAFE	-2.25	5.09	5.66	26.11	15.65	10.58
MSCI EM	0.26	12.36	14.28	47.93	21.55	8.37
Commodities (USD)						
Gold	-2.82	0.56	8.68	42.75	33.27	21.44
CRB	0.00	0.00	4.71	3.31	0.87	1.51
WTI	14.31	-5.45	66.93	53.93	7.17	9.05
Fixed income						
FTSE TMX Canada Universe	-0.19	0.43	0.66	3.05	3.58	0.79
FTSE TMX Canada Long	-0.18	0.82	0.79	2.36	1.83	-1.40
FTSE TMX Canada Corporate Overall	-0.10	0.65	0.80	4.99	5.67	2.37
Currencies (USD)						
DXY	0.69	-1.19	0.46	-1.08	-1.01	1.68
USDCAD	0.07	-1.54	-0.17	-1.30	0.40	1.89
USDEUR	0.69	-1.12	0.53	-3.15	-2.03	0.70
USDJPY	0.67	0.62	1.91	11.33	5.98	8.16
USDGBP	0.36	-1.77	0.07	-1.58	-2.63	0.60

	CA	U.S.
Bond yields		
2Y	2.85	3.83
5Y	3.11	3.96
10Y	3.48	4.32
30Y	3.89	4.91

Source: iA Global Asset Management, Bloomberg

A magnet for top investment talent, iA Global Asset Management is one of Canada's largest asset managers, with over \$100 billion under management across institutional and retail mandates. We help investors achieve their long-term wealth creation goals through innovative investment solutions designed for today's complex markets. We are building upon our historic success, supporting the growth of our core strengths, and exploring innovative ways to meet investor needs. We are rooted in history and innovating for the future. Our experienced portfolio managers use a proprietary investment methodology, rooted in iAGAM's unifying commitment to strong risk management, analytical rigour, and a disciplined, process-driven approach to asset allocation and security selection.

General Disclosures The information and opinions contained in this report were prepared by iA Global Asset Management ("iAGAM"). The opinions, estimates and projections contained in this report are those of iAGAM as of the date of this report and are subject to change without notice. iAGAM endeavours to ensure that the contents have been compiled or derived from sources that we believe to be reliable and contain information and opinions that are accurate and complete. However, iAGAM makes no representations or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. There is no representation, warranty, or other assurance that any projections contained in this report will be realized. There is no representation, warranty, or other assurance that any projections contained in this report will be realized. The pro forma and estimated financial information contained in this report, if any, is based on certain assumptions and analysis of information available at the time that this information was prepared, which assumptions and analysis may or may not be correct. This report is not to be construed as an offer or solicitation to buy or sell any security. The reader should not rely solely on this report in evaluating whether or not to buy or sell securities of the subject company. The reader should consider whether it is suitable for your particular circumstances and talk to your financial advisor. iA Global Asset Management, iAGAM and the iA Global Asset Management logo are trademarks of Industrial Alliance Insurance and Financial Services Inc. and are used under license. iA Global Asset Management and iAGAM are tradenames under which Industrial Alliance Investment Management Inc. and its subsidiary iA Global Asset Management Inc. operate.