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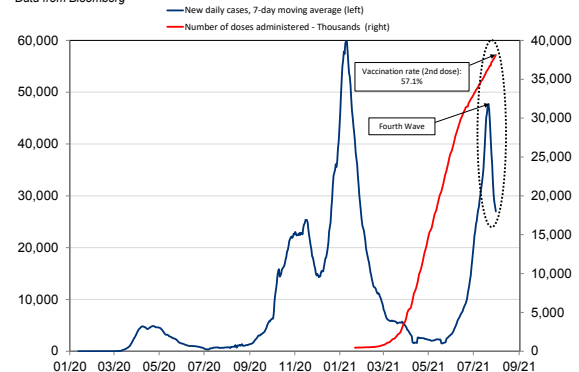
Commerce: inflationist pressure persists

World

The vaccination campaign continues around the world. Although the percentage of the population who have received their second dose has increased, some regions are seeing a significant increase in the number of daily new injections. This is the case in England, where a fourth wave is being felt. As shown in the graph, although England has a complete vaccination rate of 57.1% and is ranked fourth in the world in this regard, we can see an increase in cases similar to the biggest wave which occurred at the beginning of the year. The Delta variant, which is more contagious, would be the cause. Luckily, studies show that vaccines remain effective against the Delta variant, which, for the time being, are helping to maintain lower hospitalization rates. In the coming weeks, we will have to monitor how the situation with this variant evolves.

COVID-19: Delta variant causes a surge in U.K. cases

Data from Bloomberg

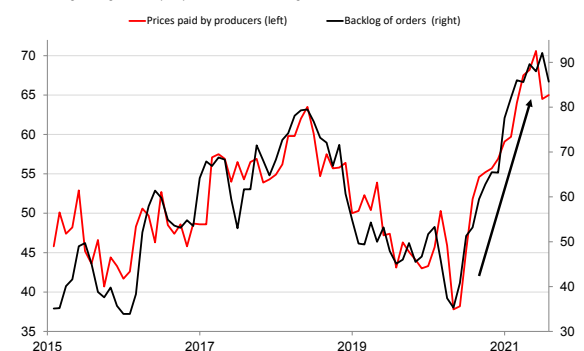


North America

The reopening of the economy has been marked by the renewed consumption of goods. In 2020, the global distribution chain was put on pause as demand was almost non-existent. However, over the last few months, demand for goods has exploded. Under normal circumstances, the distribution chain is designed to deal with seasonal demand, but not to stop and restart in an effective manner. The result? There has been a significant increase in the number of backlogged orders. At the same time, the prices paid by manufacturers have increased just as rapidly, a result of delivery costs, which have skyrocketed. As a result of this, several manufacturers are trying to raise these costs, which could continue to apply inflationist pressure in the short term.

North America: backlog orders are creating inflationist pressures

Purchasing manager index (ISM), data from Bloomberg

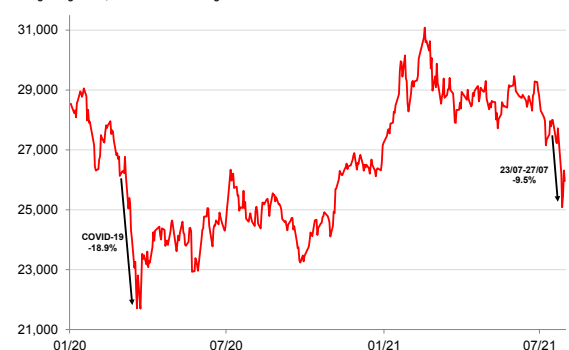


Financial markets

July was marked by a burst of volatility in the Asian markets. Rumours regarding the implementation of regulations limiting profits in the private education sector were released by Chinese authorities. This sector has seen the strongest growth, followed by the Internet, e-commerce and private healthcare. As the graph shows, Hong Kong's Hang Seng Index plummeted by 9.5% in the days following the government's announcement. The impact was also felt in a broader sense in several Asian countries, which pushed down the market index in emerging countries over the course of the month. The message behind the government's action is clear: controlling the country's socioeconomic issues remains a priority despite the turbulence it may cause in the markets.

Wall Street: Chinese government interventionism causes a selloff on various Asian exchanges

Hang Seng Index, data from Bloomberg

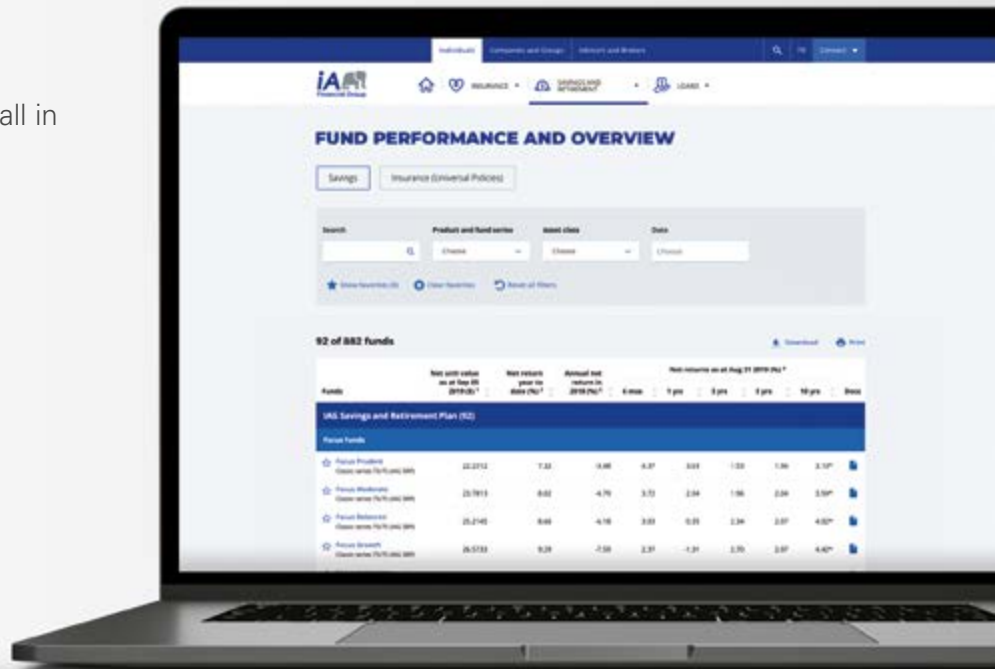


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Economic and Financial Statistics as at July 31, 2021

	As at 2021-07-31 ¹	As at 2020-12-31
Canada - Unemployment rate	7.5%	8.6%
Canada - CPI (year/year variation)	3.1%	1.0%
Canada - GDP (year/year variation)	14.6%	-3.5%
U.S. - Unemployment rate	5.4%	6.7%
U.S. - CPI (year/year variation)	5.4%	1.2%
U.S. - GDP (year/year variation)	12.2%	-2.8%
2-year Canada Bonds	0.45%	0.20%
10-year Canada Bonds	1.20%	0.68%
Oil (West Texas) (US \$)	66.32	48.52
Gold (US \$)	1,823.2	1,897.8
CRB Commodities Index (US \$)	218.1	167.8
Exchange rate Can. \$/US \$	1.2484	1.2740

¹ Most recent data available at such date.

Table of net returns as at July 31, 2021

Classic Series 75/75

	Unit Value \$	Net assets ¹ in millions \$	Simple returns ²			Compound annual returns				MER ³ %	Investment Advisor
			1 month %	3 months %	YTD %	1 year %	3 years %	5 years %	10 years %		
Focus Funds											
Focus Prudent	19.28	266.2	0.5	2.2	1.0	4.4	4.1	2.6	3.1	2.60	Various Managers
Focus Moderate	21.19	327.2	0.6	2.6	2.8	7.9	4.7	3.6	3.8	2.64	Various Managers
Focus Balanced	23.01	484.4	0.6	3.0	4.8	11.8	5.3	4.5	4.5	2.68	Various Managers
Focus Growth	24.87	166.8	0.6	3.3	6.6	15.3	5.8	5.4	5.2	2.72	Various Managers
Focus Aggressive	26.81	54.5	0.7	3.8	8.4	18.7	6.2	6.3	5.8	2.77	Various Managers
Selection Funds											
Selection Prudent	12.58	101.4	0.6	2.4	0.9	3.4	2.8	2.2	-	2.56	Various Managers
Selection Moderate	12.88	190.3	0.5	2.4	2.0	5.9	2.9	2.6	-	2.62	Various Managers
Selection Balanced	13.59	253.2	0.5	2.8	4.0	9.8	3.3	3.6	-	2.70	Various Managers
Selection Growth	14.41	106.9	0.6	3.3	6.3	14.4	4.2	4.7	-	2.79	Various Managers
Selection Aggressive	14.75	27.8	0.7	3.1	6.3	16.6	4.3	5.1	-	2.85	Various Managers
Income Funds											
Money Market	17.42	783.1	-	-	-	0.1	0.5	0.4	0.3	1.41	Industrial Alliance
Short Term Bond	15.96	158.2	0.1	(0.2)	(1.3)	(1.2)	1.5	0.4	0.5	2.20	Industrial Alliance
Bond	31.25	3,361.1	0.7	2.0	(3.3)	(4.1)	2.9	1.0	2.0	2.19	Industrial Alliance
Canadian Corporate Bond	11.25	1,574.3	0.7	1.6	(2.5)	(2.1)	3.3	1.5	2.2*	2.17	Industrial Alliance
Core Plus Bond (Wellington Square)	11.91	48.2	0.6	1.6	1.2	4.6	2.3	1.4	1.5*	2.23	Wellington Square
Funds Speciality											
Floating Rate Income (Wellington Square)	10.04	40.0	(0.1)	0.5	0.9	5.5	1.8*	2.0*	-	2.23	Wellington Square
Strategic Corporate Bond	14.54	75.2	0.3	1.3	3.7	10.1	2.7	3.6	-	2.18	iA Clarington
Fidelity American High Yield Currency Neutral	11.89	56.4	0.1	2.1	4.9	9.6	3.2	3.6	3.7*	2.64	Fidelity
Diversified Funds											
Diversified Security	24.45	681.0	0.5	2.3	1.9	4.4	3.5	2.2	3.5	2.62	Industrial Alliance
Diversified	51.80	2,281.7	0.5	3.5	6.8	12.9	5.5	4.3	5.2	2.64	Industrial Alliance
Diversified Opportunity	34.06	503.0	0.5	4.3	9.9	18.4	6.6	5.4	5.7	2.65	Industrial Alliance
SRI Moderate (Inhance)	10.66	49.7	1.2	3.1	2.5	8.9*	6.1*	4.4*	4.6*	2.79	Vancity
SRI Balanced (Inhance)	18.83	193.3	1.3	3.5	3.9	14.1	8.2	6.5	5.9	2.81	Vancity
SRI Growth (Inhance)	11.16	40.2	1.4	3.8	4.8	17.0*	9.5*	7.9*	7.0*	2.89	Vancity
Diversified Income	33.72	321.0	0.6	4.2	9.4	17.4	5.9	5.1	5.7	2.67	Industrial Alliance
Strategic Income	17.31	265.8	1.6	4.6	11.7	20.6	6.0*	5.8*	-	2.52	Industrial Alliance
Global Diversified (Loomis Sayles)	20.17	931.7	2.1	4.9	7.7	12.4	10.3	10.2	7.0	2.65	Loomis Sayles
Fidelity Global Monthly Income	12.36	251.7	1.5	3.8	3.6	7.5	6.1*	-	-	2.89	Fidelity
Global Asset Allocation Security (iAIM)	11.38	103.2	0.5	2.2	1.5	5.7	-	-	-	2.66	Industrial Alliance
Global Asset Allocation (iAIM)	12.00	172.0	0.7	2.9	4.2	10.7	-	-	-	2.71	Industrial Alliance
Global Asset Allocation Opportunity (iAIM)	12.50	49.0	0.6	3.2	6.5	15.3	-	-	-	2.77	Industrial Alliance
Canadian Equity Funds											
Strategic Equity Income	21.22	199.6	2.4	6.8	18.2	29.0	7.3	6.7	7.0	2.55	iA Clarington
Dividend Growth	25.30	1,139.8	0.3	5.1	14.9	26.3	6.3	7.1	6.7	2.57	Industrial Alliance
Canadian Equity Index	30.26	727.6	0.6	6.8	17.7	26.0	8.2	8.0	5.6	2.65	Industrial Alliance
Fidelity True North®	50.71	302.6	1.5	6.3	16.1	26.3	10.7	8.2	8.0	2.86	Fidelity
Canadian Equity Growth	41.40	881.4	0.6	5.7	17.3	30.2	8.7	8.6	6.6	2.71	Industrial Alliance
Fidelity Canadian Opportunities	71.32	511.1	2.8	7.6	16.9	35.7	20.1	13.3	10.1	2.84	Fidelity
Canadian Equity Small Cap (QV)	36.34	150.1	0.1	2.5	20.5	39.1	6.1	6.5	8.7	3.05	QV Investors Inc.
North American Equity	61.84	129.7	1.1	5.4	14.1	28.2	8.2	7.7	5.2	2.73	Industrial Alliance

Table of net returns as at July 31, 2021 (continued)

Classic Series 75/75

	Unit Value \$	Net assets ¹ in millions \$	Simple returns ²			Compound annual returns				MER ³ %	Investment Advisor
			1 month %	3 months %	YTD %	1 year %	3 years %	5 years %	10 years %		
U.S. & International Equity Funds											
Global Equity Index ACWI (BlackRock)	31.33	96.9	1.4	4.2	9.1	20.2	8.8*	9.7*	10.2*	2.72	BlackRock
Global Dividend (Dynamic)	30.27	1,371.5	4.6	7.6	4.4	9.9	10.8	12.9	11.5	2.98	Dynamic
Global Equity	29.16	127.9	2.3	4.4	10.3	19.4	7.7	8.7	9.8	2.80	Industrial Alliance
Global Opportunities (Loomis Sayles)	11.58	55.2	2.8	6.7	12.1	19.4*	14.2*	14.7*	13.3*	2.70	Loomis Sayles
Fidelity Global Concentrated Equity	13.89	68.4	(0.9)	0.8	9.5	33.7	10.0*	-	-	3.13	Fidelity
Fidelity NorthStar®	25.51	150.3	(0.3)	2.8	7.5	24.7	8.2	5.6	9.9	3.04	Fidelity
International Equity Index (BlackRock)	12.12	208.0	1.3	3.7	5.9	18.3	3.5	5.7	6.3	2.73	BlackRock
International Equity	23.19	549.5	1.3	2.1	2.3	12.4	3.3	5.7	6.2	2.80	Industrial Alliance
Fidelity European Equity	14.99	44.1	0.9	2.7	5.6	14.0	1.2	4.6	5.8	2.93	Fidelity
U.S. Equity Index (BlackRock)	29.02	432.3	3.0	6.3	13.7	23.5	13.1	12.9	15.0	2.70	BlackRock
Fidelity Insights	14.90	219.0	3.1	7.8	10.4	17.9	15.3*	-	-	2.95	Fidelity
Thematic Innovation	24.05	781.5	1.8	5.1	11.4	25.9	16.7*	16.1*	-	2.61	Industrial Alliance
American (Dynamic)	11.97	88.9	4.0	3.3	0.7	4.8	11.6*	13.9*	11.5*	2.77	Dynamic
U.S. Equity	26.65	117.5	2.8	5.5	14.5	23.0	9.5	9.5	12.6	2.83	Industrial Alliance
U.S. Dividend Growth	24.95	211.0	2.7	5.2	11.0	18.2	6.7	7.8	11.1	2.64	Industrial Alliance
Specialty funds											
Asian Pacific (Dynamic)	5.63	255.7	(9.2)	(1.7)	(5.3)	15.3	15.2*	12.4*	8.1*	3.08	Dynamic
Emerging Markets (Jarislowsky Fraser)	11.87	60.0	(8.2)	(4.7)	(3.9)	12.0	5.6*	6.8*	-	3.18	Jarislowsky Fraser
Global Health Care (Renaissance)	62.88	321.5	2.4	8.0	6.1	7.3	8.1*	6.2*	14.2*	3.43	Renaissance
Global Infrastructure (Dynamic)	10.34	92.3	2.7	2.1	2.4	9.1	6.1*	5.3*	8.6*	3.05	Dynamic
Real Instate Income	50.42	119.1	4.0	9.7	22.3	33.5	7.6*	6.1*	7.0*	2.85	Industrial Alliance
U.S. DAQ Index	39.02	850.5	3.4	8.8	12.1	24.6	21.9*	21.5*	20.7*	2.95	Industrial Alliance
Indexia Funds											
Indexia Prudent	11.68	176.8	0.9	3.1	1.0	3.4	4.7*	3.4*	-	1.98	Industrial Alliance
Indexia Moderate	12.08	121.2	1.0	3.5	3.3	7.3	5.6*	4.7*	-	1.96	Industrial Alliance
Indexia Balanced	12.49	165.3	1.0	4.0	5.6	11.4	6.5*	6.0*	-	1.95	Industrial Alliance
Indexia Growth	12.93	71.6	1.1	4.4	8.0	15.6	7.4*	7.4*	-	1.96	Industrial Alliance
Indexia Aggressive	13.30	31.5	1.1	4.9	10.3	19.7	8.2*	8.6*	-	1.97	Industrial Alliance

Returns after deduction of MER (Management expense ratio). Past performance is not a guarantee of future returns.

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¹ Total net assets of the fund including individual and group contracts.

² The rates for the period are non-annualized.

³ Management expense ratio (GST and HST included). These fees may vary at any time.

* Simulation of past returns as if the Fund or Series had been in effect for these periods.

Index funds: Simulation of past returns from the return of the index that the fund aims to reproduce.

Table of net returns as at July 31, 2021 (continued)

Guaranteed Surrender Series

	Unit Value \$	Net assets ¹ in millions \$	Simple returns ²			Compound annual returns				Fee ³ %	Investment Advisor
			1 month %	3 months %	YTD %	1 year %	3 years %	5 years %	10 years %		
Disciplined Funds											
Disciplined Prudent (iAIM)	10.27	87.1	1.0	2.9	0.6	-	-	-	-	3.38	Various Managers
Disciplined Moderate (iAIM)	10.63	204.5	1.1	3.3	2.9	-	-	-	-	3.69	Various Managers
Disciplined Balanced (iAIM)	11.01	396.1	1.3	3.9	5.4	-	-	-	-	3.69	Various Managers
Disciplined Growth (iAIM)	11.41	224.5	1.4	4.5	8.0	-	-	-	-	3.90	Various Managers
Income Funds											
Money Market	17.37	783.1	-	-	-	0.1	0.5	0.4	0.3	2.28	Industrial Alliance
Short Term Bond	15.71	158.2	0.1	(0.3)	(1.4)	(1.4)	1.3	0.1	0.4	3.01	Industrial Alliance
Disciplined Bond (iAIM)	9.63	659.6	0.8	2.0	(3.6)	-	-	-	-	2.99	Industrial Alliance
Canadian Equity Funds											
Canadian Disciplined Equity (iAIM)	12.79	586.1	0.4	6.8	18.1	-	-	-	-	4.00	Industrial Alliance
Canadian Equity Index	29.58	727.6	0.6	6.8	17.7	26.0	7.9	7.7	5.3	3.98	Industrial Alliance
U.S. & International Equity Funds											
Global Disciplined Equity (iAIM)	11.85	167.0	2.4	4.8	11.0	-	-	-	-	4.44	Industrial Alliance
International Disciplined Equity (iAIM)	11.35	210.7	1.6	3.3	3.1	-	-	-	-	4.49	Industrial Alliance
International Equity Index (BlackRock)	11.86	208.0	1.3	3.6	5.7	18.0	3.3	5.4	6.1	4.29	BlackRock
U.S. Disciplined Equity (iAIM)	12.06	399.6	2.8	5.5	14.7	-	-	-	-	4.22	Industrial Alliance
U.S. Equity Index (BlackRock)	28.44	432.3	2.9	6.2	13.6	23.3	12.9	12.6	14.7	4.18	BlackRock

Returns after deduction of MER (Management expense ratio). Past performance is not a guarantee of future returns.

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¹ Total net assets of the fund including individual and group contracts.

² The rates for the period are non-annualized.

³ Fees indicated are subject to change at any time. To see management expense ratios and guarantee fees, see the Fund Facts document (F14-10A).

* Simulation of past returns as if the Fund or Series had been in effect for these periods.

Index Funds: Simulation of past returns from the return of the index that the fund aims to reproduce.

Total Return Reference indexes²

Returns as at July 31, 2021

	Simple returns ¹			Compound annual returns			
	1 month %	3 months %	YTD %	1 year %	3 years %	5 years %	10 years %
Indexes related to Income Funds							
FTSE Canada 91 Day T-Bill Index	-	-	0.1	0.1	1.1	0.9	0.9
FTSE Canada Short Term Bond Index	0.4	0.3	(0.2)	0.6	3.2	2.0	2.2
FTSE Canada Universe Bond Index	1.0	2.6	(2.5)	(2.7)	4.8	2.7	3.8
SB - World Government Bonds (Can. \$)	2.5	2.9	(5.2)	(7.9)	2.8	1.0	4.1
Indexes related to Canadian Equity Funds							
S&P/TSX 60	0.8	7.6	19.6	29.5	11.1	10.9	8.5
S&P/TSX Completion Index	0.7	4.3	13.4	27.9	9.4	7.6	5.8
S&P/TSX Composite Index	0.8	6.9	18.2	29.1	10.7	10.1	7.8
S&P/TSX Capped Composite Index	0.8	6.9	18.2	29.1	10.7	10.1	7.8
S&P/TSX SmallCap Index	(2.7)	2.0	16.6	43.0	8.6	5.6	3.2
Indexes related to U.S. & International Equity Funds							
S&P 500 (Can. \$) (Reuters)	3.2	7.1	15.6	27.2	16.5	16.3	18.5
MSCI - World (Can. \$)	2.6	6.3	12.8	25.9	12.9	13.3	14.1
MSCI - World Small Cap. (Can. \$)	0.1	1.9	12.0	36.7	10.4	12.5	14.2
MSCI - EAFE (Can. \$)	1.6	4.4	7.4	21.4	6.2	8.4	9.0
MSCI - EAFE (Can. \$) (Reuters)	1.6	4.4	7.4	21.4	6.2	8.4	9.0
MSCI - Europe (Can. \$)	2.7	6.4	12.1	24.1	7.2	9.5	9.7
	Variation			Compound annual variation			
	1 month %	3 months %	YTD %	1 year %	3 years %	5 years %	10 years %
Exchange Rate (Can. \$ / US \$)							
As at July 31, 2021: 1.2484	0.8	1.5	(2.0)	(6.8)	(1.4)	(0.6)	2.8
Exchange Rate (US \$ / Can. \$)							
As at July 31, 2021: 0.8011	(0.8)	(1.5)	2.1	7.3	1.4	0.9	(2.7)

¹ The rates for the period are non-annualized.

² Please refer to the Legal Notices on page 8 for more information about these indexes.

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EcoStrategist

In brief

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