



# Equitable™

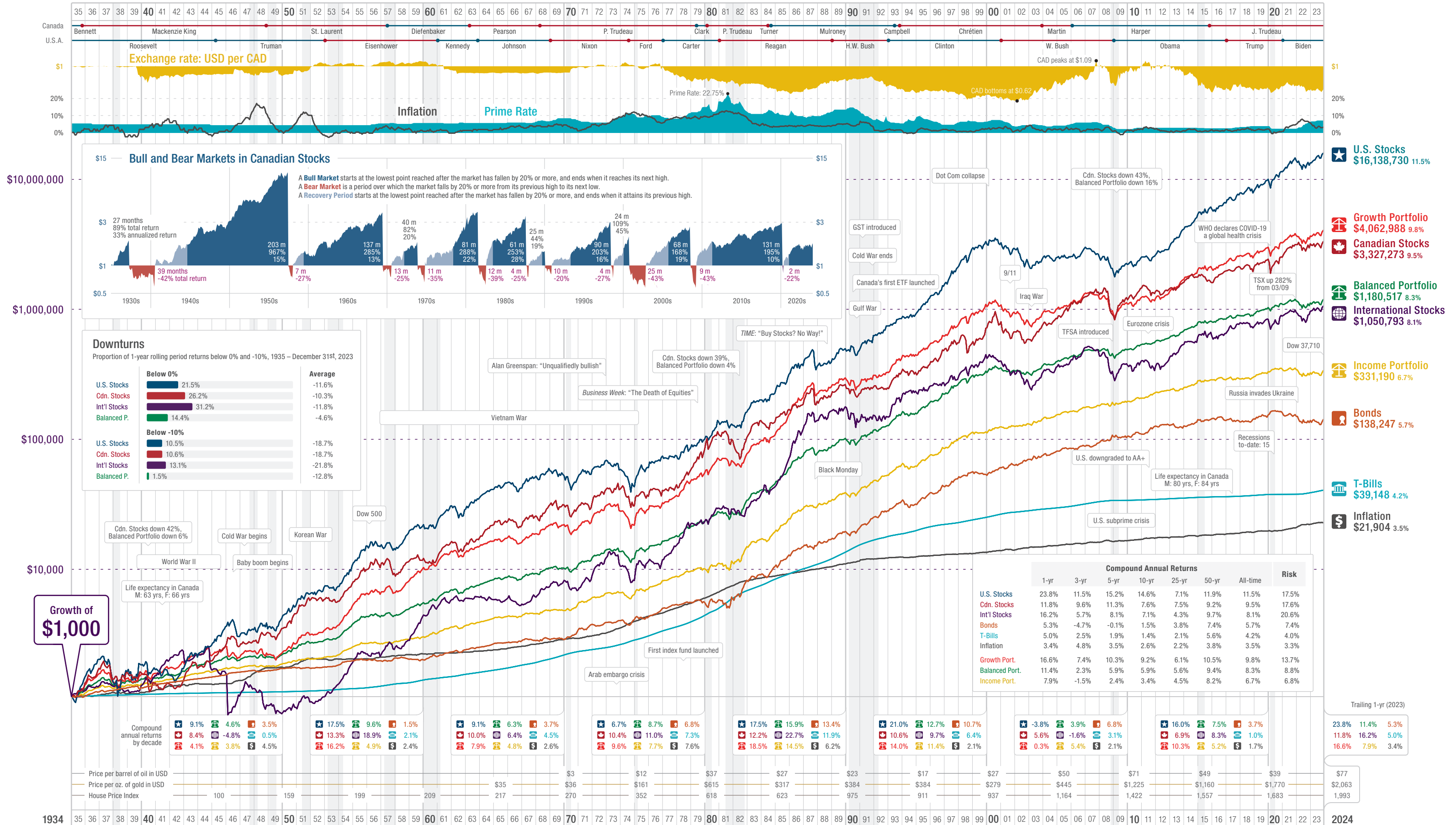
## 2024 <sup>the</sup> Big Picture®

### TOPICS

- The power of compounding and diversification
- The historical disparity between equity and fixed income returns
- How various investment strategies have stacked up over time
- How inflation has eroded real returns
- Historical context: political events, interest rates, and housing, gold, and oil prices
- Risk and return of major asset classes over different holding periods
- The importance of staying invested

# 2024 the Big Picture®

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Recessions are marked in grey. International Stocks exclude U.S. Stocks. The Growth Portfolio is composed as follows: 10% Bonds, 20% Canadian Stocks, 32% U.S. Stocks, 38% International Stocks. The Balanced Portfolio is composed as follows: 50% Bonds, 16% Canadian Stocks, 18% U.S. Stocks, 16% International Stocks. The Income Portfolio is composed as follows: 75% Bonds, 5% Canadian Stocks, 8% U.S. Stocks, 7% International Stocks, 5% T-Bills.

This chart shows the inferred growth of one thousand dollars invested on January 1, 1935. This chart is for illustrative purposes only; it does not constitute investment advice and must not be relied on as such. It assumes reinvestment of all income and no transaction costs or taxes. The portfolios shown are neither real, nor recommended, and were rebalanced each January. Risk is measured by the standard deviation (volatility) of annual returns. All returns are compound annual returns unless otherwise indicated. All values are expressed in Canadian dollar terms, except oil and gold prices, which are in U.S. dollars. Sources: U.S. Stocks: S&P 500 Total Return Index—Center for Research in Security Prices (CRSP). International Stocks: ex-U.S.A. Total Return Index, Bonds: Canada 10-year Total Return Government Bond Index, Canadian Stocks: S&P/TSX Composite Total Return Index, T-Bills: 3-Month Treasury Bill Total Return Index, Inflation: Consumer Price Index, exchange rates—Global Financial Data, Inc. Recessions—Statistics Canada. Prime Interest Rate—Bank of Canada. House Price Index: 1985-2023—Statistics Canada; all other years—U.S. Case/Shiller index used as proxy for trends in Canadian market. Gold prices—Kitco. Oil prices—InflationData.com. The reproduction of part or all of this publication without prior written consent from Investments Illustrated, Inc. is prohibited. The Big Picture, and the Investments Illustrated name and logo, are registered trademarks. © 2024 Investments Illustrated, Inc. All Rights Reserved.



# Time and Risk

An analysis of rolling periods (January 1, 1935 – December 31, 2023)

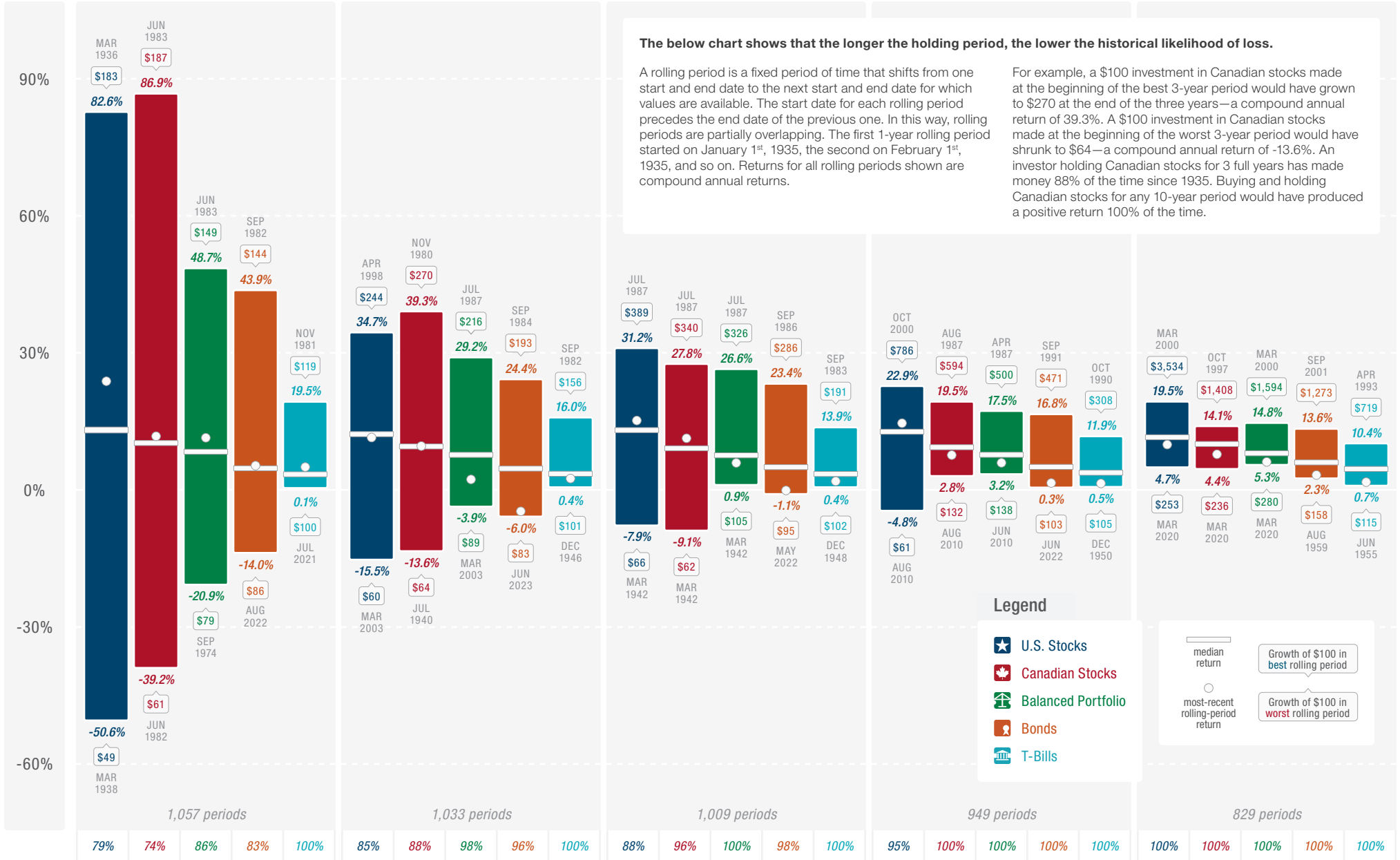
1-year rolling periods

3-year rolling periods

5-year rolling periods

10-year rolling periods

20-year rolling periods



percentage of periods with positive returns

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