



finances **Confidence** growing satisfaction resources *balance* investor  
*value* activities holidays **breathing room** growing satisfaction resources growth SUCCESS retirement **working**  
 comfort help future **years of saving** freedom  
**Trust** *stepping stone* invest costs reliability savings relax save security **Low fees**

May 2015

## Investment update (as at March 31, 2015)

The first quarter of 2015 delivered solid returns to balanced investors across all asset classes. Canadian equities managed to post a gain during the quarter despite weak performance from oil & gas and bank stocks. Stocks that benefit from a lower Canadian dollar and an improving U.S. economy ultimately helped push the S&P/TSX Composite higher.

During the quarter, the S&P/TSX Composite Index gained 2.6 per cent, driven by the Health Care sector which returned 45.1%. The two worst performing sectors were Energy and Financials which together comprise over 55 per cent of the Index. Growth stocks outperformed value stocks in the quarter and for the third quarter in a row, large cap stocks significantly outperformed small cap stocks.

The S&P 500 Index (CAD) returned 10.4 per cent in the quarter. All sectors had positive returns with the top performing sectors being Health Care, Consumer Discretionary and Telecommunication Services. The weakest performing sectors were Utilities, Energy and Financials. Small cap growth stocks generated the highest returns in the quarter and overall growth stocks outperformed value stocks. Large cap stocks underperformed both medium and small cap stocks.

The MSCI EAFE (CAD) Index gained 14.7 per cent in the quarter with Health Care and Consumer Discretionary being the best performing sectors. The worst performing sectors were Utilities, Energy and Telecommunication Services.

## Top 10 Balanced Fund (BF) holdings

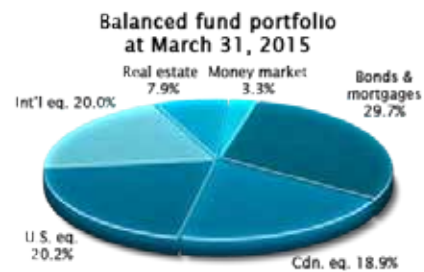
	Canadian Equities	% of Portfolio	U.S. Equities	% of Portfolio	Non-North American Equities	% of Portfolio
1	TD Bank	7.3	Wells Fargo & Co.	4.5	Novartis	3.2
2	Royal Bank of Canada	7.0	Markel	4.0	BMW	2.3
3	Canadian National Rwy.	5.6	Apple	3.1	Cash	2.1
4	Bank of Nova Scotia	4.7	Gannett	2.8	Lloyds Banking	1.9
5	Manulife Financial	4.0	Pfizer	2.2	Barratt Dev.	1.8
6	Open Text	3.0	Procter & Gamble	2.2	Sumitomo Mitsui	1.7
7	Saputo	3.0	Berkshire Hathaway	2.1	AXA	1.7
8	Valeant Pharm.	2.9	Apache	2.1	Smurfit Kappa	1.7
9	Canadian Nat. Res.	2.8	Carnival	2.0	Nitori	1.7
10	Canadian Tire	2.5	Johnson & Johnson	1.9	Legal & General	1.6

The Canadian Bond market, as measured by the FTSE TMX Universe Bond Index, gained 4.2 per cent in the quarter and market returns were positive across all sectors. Provincial bonds had the best return while the money market index continues its pattern of low returns. The Bank of Canada reduced the Bank Rate by 0.25 per cent to 0.75 per cent.

SPP's balanced fund returned 6.73 per cent after administration costs while the short-term fund return, after administration costs, was 0.12 per cent. The top ten holdings, portfolio composition and returns are summarized in the tables and charts accompanying this article.

SPP portfolio year-to-date return at March 31, 2015			
	Balanced fund return*	Benchmark	Short-term fund return*
Short-term	0.3%	0.2%	0.3%
Bonds & mortgages	3.7%	4.2%	n/a
Cdn. equities	3.3%	2.6%	n/a
U.S. equities	11.2%	10.4%	n/a
Non-North American equities	15.1%	14.7%	n/a
Real estate	0.9%	1.5%	n/a

\*Gross return before administration expenses



SPP acknowledges the assistance of Greystone Managed Investments, Leith Wheeler Investment Counsel and Aon Hewitt Inc. in the preparation of this Quarterly Update.

YOUR  
RETIREMENT  
GROWS HERE

P.O. Box 5555 608 Main Street Kindersley, SK CANADA S0L 1S0  
 PHONE (306) 463-5410 FAX (306) 463-3500  
 1-800-667-7153 TTY: 1-888-213-1311 info@saskpension.com  
 saskpension.com

