

Periodic Table of Asset Class Returns

The Importance of Portfolio Diversification

Canadian investors, similar to investors around the world, tend to have a “home bias,” and generally invest a large portion of their portfolio in our domestic markets. However, diversifying investments globally can help reduce the overall risk of your portfolio and provide access to opportunities not available in Canada.

The **Periodic Table of Asset Class Returns** shows the annual returns of various asset classes, as measured by its appropriate global market index,¹ and ranks them in order of performance – from best to worst – from 2014 to 2023 (in CDN\$).

To discuss the value of diversification, please contact your BMO Private Wealth financial professional who has access to a range of investment opportunities across global asset classes.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Best	U.S. Large-Cap 23.9	U.S. Large-Cap 21.6	Canadian Small-Cap 38.5	Emerging Markets Equities 28.7	Global Bonds 7.7	U.S. Large-Cap 24.8	U.S. Small-Cap 17.9	U.S. Large-Cap 27.6	Canadian Large-Cap -5.8	U.S. Large-Cap 22.9
	U.S. Small-Cap 14.3	International Equities 19.5	Canadian Large-Cap 21.1	International Equities 17.4	U.S. Large-Cap 4.2	Canadian Large-Cap 22.9	Emerging Markets Equities 16.6	Canadian Large-Cap 25.1	International Equities -8.1	International Equities 15.7
	Canadian Large-Cap 10.6	Global Bonds 16.2	U.S. Small-Cap 17.1	U.S. Large-Cap 13.8	Canadian Bonds 1.4	U.S. Small-Cap 19.2	U.S. Large-Cap 16.3	Canadian Small-Cap 20.3	Canadian Small-Cap -9.3	U.S. Small-Cap 13.8
	Global Bonds 9.7	U.S. Small-Cap 14.6	U.S. Large-Cap 8.1	Canadian Large-Cap 9.1	U.S. Small-Cap -3.0	International Equities 16.5	Canadian Small-Cap 12.9	U.S. Small-Cap 13.8	Global Bonds -10.2	Canadian Large-Cap 11.8
	Canadian Bonds 8.8	Canadian Bonds 3.5	Emerging Markets Equities 7.7	U.S. Small-Cap 7.1	International Equities -5.6	Canadian Small-Cap 15.8	Canadian Bonds 8.7	International Equities 10.8	Canadian Bonds -11.7	Emerging Markets Equities 7.3
	Emerging Markets Equities 7.0	Emerging Markets Equities 2.4	Canadian Bonds 1.6	Canadian Small-Cap 2.8	Emerging Markets Equities -6.5	Emerging Markets Equities 12.9	Global Bonds 7.3	Canadian Bonds -2.5	U.S. Large-Cap -12.5	Canadian Bonds 6.7
	International Equities 4.1	Canadian Large-Cap -8.3	International Equities -2.0	Canadian Bonds 2.5	Canadian Large-Cap -8.9	Canadian Bonds 6.9	International Equities 6.4	Emerging Markets Equities -3.1	Emerging Markets Equities -14.3	Canadian Small-Cap 4.8
Worst	Canadian Small-Cap -2.3	Canadian Small-Cap -13.3	Global Bonds -1.4	Global Bonds 0.3	Canadian Small-Cap -18.2	Global Bonds 1.4	Canadian Large-Cap 5.6	Global Bonds -5.5	U.S. Small-Cap -15.0	Global Bonds 2.9

¹ The following indices were used to represent asset class performance.

Canadian Bonds: FTSE TMX Universe Bond Index

Canadian Large-Cap: S&P/TSX Composite Index

Canadian Small-Cap: S&P/TSX Small-Cap Index

U.S Large-Cap: S&P 500 Index

U.S. Small-Cap: Russell 2000 Index

Global Bonds: Bloomberg Global Aggregate Index

International Equities: MSCI EAFE Index

Emerging Markets Equities: MSCI Emerging Markets Index



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