

GLC Asset Management Group's Mid-Year Outlook Report: Investors should take neutral stance with a tilt to favour Canadian equities

London, ON, July 16, 2019. . .GLC Asset Management Group Ltd. (GLC) released its Mid-Year 2019 Capital Market Outlook which examines the market opportunities and expectations for the back-half of the year.

The report highlights the latest economic insights and market forecasts, including regional forecasts for Canadian, U.S. and international equities, as well as sector forecasts for Government, investment grade corporate and high-yield bonds within the Canadian fixed income market.

In the report, GLC recommends that investors should take action to get back to neutral equity and fixed-income positions that address today's risks, while adjusting weightings within those asset classes to capture relative opportunities to enhance returns.

"We believe the global economy has enough positive momentum to exit the current global slowdown within the next two to four quarters," said Brent Joyce, Chief Investment Strategist, GLC. "What's causing us concern are the sharp advances in equities, commodities and bonds – it is tough to justify a 'bull market' in everything. We see a balanced and diversified asset mix that includes both equities and fixed income as most appropriate to navigate through our forecast horizon."

Highlights from the report include:

Fixed income: Bond yields have declined to such an extent that incremental returns moving forward will be modest. Fixed income remains attractive as a risk-mitigation tool. GLC recommends a neutral weight. GLC's base-case scenario calls for small enough increases in bond yields that they forecast a further total bond market return of 0.5 per cent for the remainder of 2019.

Equity: GLC recommends broad and diversified geographic and sector allocations, with a slight equity overweight toward Canada. They recommend neutral exposure to U.S. and EAFE equities and recommend a low-to-neutral weight in Emerging Markets.

To view the full report, visit glc-amgroup.com.

About GLC Asset Management Group Ltd.

[GLC Asset Management Group Ltd.](http://GLC Asset Management Group Ltd) (GLC) is a leading investment management firm with distinct investment divisions. GLC manages more than \$50 billion in assets across a broad range of fixed income, domestic and global equity, balanced and asset allocation mandates. Each division has a dedicated team of experienced portfolio managers, as well as its own investment philosophy and strategy. Across each investment division, GLC has fostered a culture of excellence in portfolio management. GLC is a Canadian portfolio management subsidiary of The Great-West Life Assurance Company and is a subsidiary of Great-West Lifeco Inc. and a member of the Power Financial Corporation group of companies.

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