

ST. FRANCIS XAVIER UNIVERSITY  
ENDOWMENT FUND

INVESTMENT COMMITTEE REPORT  
FOR THE QUARTER ENDED  
JUNE 30, 2025



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# Executive Summary – Capital Markets

## Market Overview

- Over the most recent quarter, The Bank of Canada held its policy interest rate at 2.75% throughout the quarter, signaling a cautious stance amid heightened global trade uncertainty.
- The FOMC held the target federal funds rate steady in the 4.25%–4.50% range throughout the quarter. The European Central Bank and Bank of England both cut rates during the quarter, by 50 bps and 25 bps, respectively.
- Global equities delivered strong positive returns recovering from early-quarter volatility driven by the sweeping US trade tariffs. Equity market leadership was concentrated in growth-oriented sectors, particularly Information Technology, which outperformed across most developed markets.
- In Q2 2025, global trade tensions eased followed a 90-day suspension of US-China Tariffs and emerging markets extended their gains due to the weakening US Dollar.

## Canadian Equities

- The S&P/TSX Composite Index returned 8.5% in the second quarter of 2025.
- All GICS sectors contributed positively during the quarter. The top performing sectors were Information Technology and Consumer Discretionary, returning 14.2% and 14%, respectively.
- The MSCI Canada Growth index modestly outperformed the MSCI Canada Value index over the quarter, however, over the 1-year trailing period the value index outperformed.
- The top 10 S&P/TSX Composite Index holdings accounted for 35.6% of the index; Royal Bank of Canada was the top holding at 6.6%, followed by Shopify at 5.0% and The Toronto-Dominion Bank at 4.5%.

# Executive Summary – Capital Markets

## Canadian Bond Market

- The FTSE Canada Universe Bond Index had a -0.6% during the second quarter, bringing its one-year return to 6.1%.
- In Canada, yields fell over the quarter with shorter term yields falling more than long term yields.

## Foreign Equities

- The S&P 500 returned 5.2%, in CAD terms, and 10.9%, in USD terms, in the second quarter of 2025. 5 of the 11 GICS sectors produced positive returns during the quarter. Information Technology, the index's largest sector, was the top performer, returning 17.3%. Growth stocks materially outperformed value stocks over both the quarter and 1-year trailing period, by 15.2% and 10.2% respectively, as large cap technology stocks rebounded from last quarter to dominate the US equity markets once again. The top 10 S&P 500 Index holdings accounted for 36.6% of the index; NVIDIA Corp was the top holding representing 7.3%, followed by Microsoft Corp at 7.0% and Apple at 5.8%
- The MSCI EAFE Index (\$CDN) returned 6.0% in the second quarter of 2025 and 17.4% over the 1-year trailing period. 9 of the 11 GICS sectors were positive over the quarter with Communication Services, Information Technology, and Industrials emerging as the top performing sectors. Japan, the highest weighted country in the index, generated a return of 5.5%; although the return was positive, it underperformed relative to the European markets.
- The MSCI EM Index (\$CDN) returned 6.2% in the second quarter of 2025 and 15.0% over the 1-year trailing period. 10 of the 11 GICS sectors were positive over the quarter. Information Technology and Industrials were the top performing sectors, returning 17.9% and 15.4%, respectively. China, which has the highest weighting in the index, posted a return of -3.2% for the quarter and was a notable detractor from index performance.

# Executive Summary – Return Information

*Outlined below is the summary of return information for the St. Francis Xavier University Endowment Fund measured against its policy index. Returns for the managers of the funds and key market indices are also provided. All information is for the period ended June 30, 2025.*

Performance Summary		Annualized Performance	
Total Portfolio	MRQ	1 Year	4 Year
St FX Endowment Fund	5.3	17.2	9.9
Benchmark Portfolio	5.3	16.9	8.8
Active Managers			
TDAM Canadian Equity	7.4	27.3	11.2
CI Canadian Equity	8.4	23.9	11.9
TD Greystone Mortgages	1.1	7.8	5.2
Crestpoint Core Plus Real Estate <sup>1</sup>	0.0	2.8	6.3
IFM Infrastructure	1.5	11.8	9.8
Xaverian Capital	6.5	15.3	9.1
Index			
S&P/TSX Composite	8.5	26.4	10.7
FTSE Canada Universe Bond	(0.6)	6.1	0.1
S&P 500 (C\$)	5.2	14.8	14.0
MSCI EAFE (C\$)	6.0	17.4	9.0
MSCI EM (C\$)	6.2	15.0	2.1

<sup>1</sup> Q2 statement not yet available

# Executive Summary – St FX Endowment Fund Assets

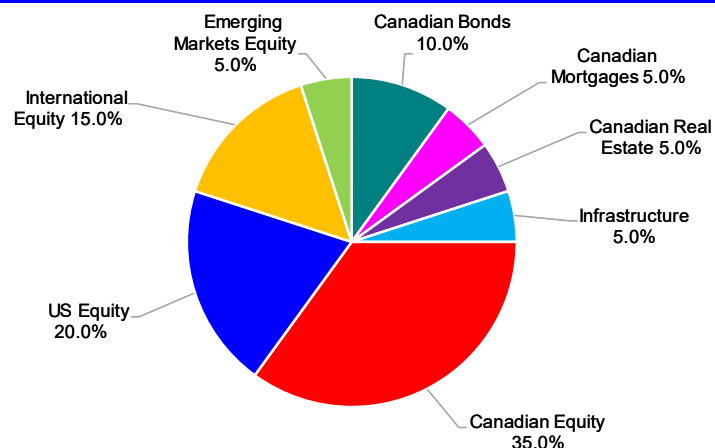
	As of June 30th, 2024	As of June 30, 2025
Assets Under Admin - Beginning	\$ 207,529,006	\$ 227,681,299
Contributions		
Donations	\$ 336,165	\$ 1,806,136
Reinvested/Unedowed (Capital Funds)	\$ 98,361	\$ 1,493
	\$ 430,506	\$ 1,807,629
Earned Income		
Dividends	\$ 123,190	\$ 109,111
Interest	\$ 249,986	\$ 256,500
Realized Gains/Losses	\$ 481,881	\$ 3,499,308
Other	\$ 1,217,038	\$ 1,146,652
	\$ 2,072,094	\$ 5,011,571
Unrealized Gains/Loss	\$ 2,069,563	\$ 7,067,433
Withdrawals		
Annual Payout	\$ (1,850,000)	\$ (2,000,000)
Advancment Allocation(0.75% Levy)	\$ -	
Comp. Fundraising Campaign	\$ (164,957)	\$ (263,983)
	\$ (2,014,957)	\$ (2,263,983)
Expenses		
Custodia/Performance Mgmt	\$ (124,471.00)	\$ (54,847.93)
Investment Management	\$ (92,768.00)	\$ (100,454.04)
Ellement Fees & Other fees-pd by StFX		\$ (142,081.69)
	\$ (217,239.00)	(297,383.66)
Assest Under Admin- Ending	\$ 209,868,972	\$ 239,006,565

# Executive Summary - Administration

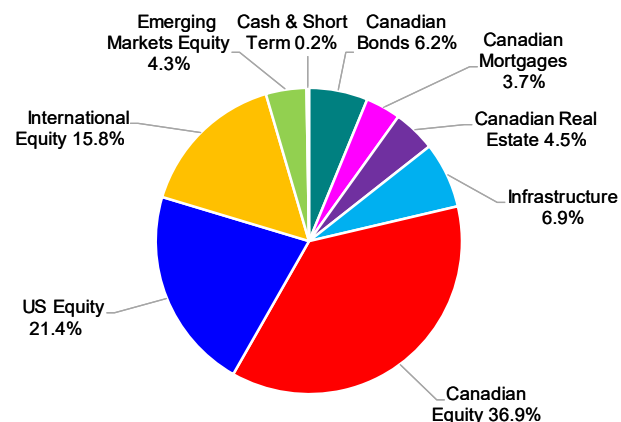
- Total Endowment balance as of June 30, 2025 was \$239.0 million. This is approximately \$ 1.3 million less than the amount in the Ellement Report.
- The difference is mostly timing differences with entries.
- Investment returns for the quarter were up by 5.3% which equaled the custom benchmark. For the full year, the fund return was up 7.3% which is 0.7% greater than the custom benchmark.
- The overperformance was largely driven by Canadian Equity and Canadian Mortgages.
- There are no compliance issues within the Endowment Fund investments.
- The current asset mix is in-line with the targets set in the Board approved Statement of Investment Policies and Procedures.

# Asset Allocation and Compliance – St FX Endowment Funds

**Benchmark Portfolio**



**Actual Asset Mix**



Asset Class	Range	Actual	Target	Compliant
Cash & Short Term	0 - 15%	0.2%	0.0%	Yes
Canadian Bonds	5 - 20%	6.2%	10.0%	Yes
Canadian Mortgages	0 - 10%	3.7%	5.0%	Yes
Canadian Real Estate	0 - 10%	4.5%	5.0%	Yes
Infrastructure	0 - 10%	6.9%	5.0%	Yes
Canadian Equity	25 - 45%	36.9%	35.0%	Yes
Foreign Equity	30 - 50%	41.5%	40.0%	Yes
US Equity	10 - 30%	21.4%	20.0%	Yes
International Equity	10 - 30%	15.8%	15.0%	Yes
Emerging Markets Equity	0 - 15%	4.3%	5.0%	Yes



# Performance Measurement – St FX Endowment Fund

The following performance objectives have been established for the benchmark portfolio:

- to achieve, with a high degree of consistency, a rate of return at least equal to the rate of inflation over both short-term and long-time periods;
- to achieve, with reasonable consistency, a real rate of return at least 2.75% after expenses and a nominal return of 5.0% after expenses, as calculated on an annualized basis and over moving four-year time periods.

Performance Summary						Annualized Performance			
	Market Value	MRQ	Rk	YTD	Rk	1 Year	Rk	4 Year	Rk
<b>Total Fund<sup>1</sup></b>	<b>\$240,305,554</b>	5.3	47	7.3	24	17.2	31	9.9	8
Custom Benchmark <sup>2</sup>		5.3	47	6.6	39	16.9	39	8.8	24
Value Added <sup>3</sup>		<b>(0.0)</b>		<b>0.6</b>		<b>0.3</b>		<b>1.1</b>	
Canadian CPI <sup>4</sup>		0.7		0.7		1.7		3.9	
Median		4.8		5.6		16.1		8.2	

<sup>1</sup> Total Fund Market Value includes Cash & Short Term

<sup>2</sup> Custom Benchmark: 35% S&P/TSX Composite Index, 15% FTSE Canada Universe Bonds, 5% Realpac/IPD Property Fund Index (lag), 5% CPI + 5%, 20% S&P 500 (C\$) Index, 15% MSCI EAFE (C\$) Index and 5% MSCI EM (C\$) Index

Custom Benchmark up to April 1, 2020: 40% S&P/TSX Composite Index, 15% FTSE Canada Universe Bond, 5% Realpac/IPD Property Fund Index (lag) and 40% MSCI World (C\$) Index.

Custom Benchmark up to December 31, 2019: 40% S&P/TSX Composite Index, 20% FTSE Canada Universe Bond and 40% MSCI World (C\$)

Custom Benchmark up to August 31, 2019: 40% S&P/TSX Composite Index, 15% FTSE Canada Universe Bond and 45% MSCI World (C\$)

Custom Benchmark up to November 30, 2018: 70% S&P/TSX Composite Index, 15% FTSE Canada Universe Bond and 15% MSCI World (C\$)

Custom Benchmark up to June 30, 2015: 100% S&P/TSX Composite Index

<sup>3</sup> All calculations are performed on unrounded figures. Rounding issues may arise.

<sup>4</sup> Canadian CPI is lagged one month.

- The Total Fund return for Q2 2025 was 5.3%, equaling its custom benchmark and ranking second quartile within the peer universe.

# Performance Measurement – Fund Managers

## Performance Summary

						Annualized Performance			
Total Portfolio	Market Value*	MRQ	Rk	YTD	Rk	1 Year	Rk	4 Year	Rk
<b>Canadian Bonds</b>	<b>\$ 14,981,239</b>	<b>(0.6)</b>	<b>83</b>	<b>1.5</b>	<b>88</b>	<b>6.1</b>	<b>85</b>	<b>0.2</b>	<b>100</b>
TDAM Bonds	\$ 14,981,239	(0.6)	83	1.5	88	6.1	85	0.2	100
FTSE Canada Universe Bond		(0.6)	83	1.4	88	6.1	85	0.1	100
<b>Canadian Mortgages</b>	<b>\$ 8,872,037</b>	<b>1.1</b>	<b>25</b>	<b>3.5</b>	<b>13</b>	<b>7.8</b>	<b>13</b>	<b>5.2</b>	<b>25</b>
TD Greystone Mortgages	\$ 8,872,037	1.1	25	3.5	13	7.8	13	5.2	25
FTSE Canada Universe Bond		(0.6)	100	1.4	100	6.1	100	0.1	100
<b>Canadian Real Estate</b>	<b>\$ 10,796,995</b>	<b>0.0</b>	<b>100</b>	<b>0.7</b>	<b>67</b>	<b>2.8</b>	<b>34</b>	<b>6.3</b>	<b>1</b>
Crestpoint Core Plus Real Estate <sup>1</sup>	\$ 10,796,995	0.0	100	0.0	67	2.8	34	6.3	1
IPD Property Index		0.6	67	0.7	67	2.5	34	3.1	84
<b>Infrastructure</b>	<b>\$ 16,632,093</b>	<b>1.5</b>		<b>4.4</b>		<b>11.8</b>		<b>9.8</b>	
IFM Investors	\$ 16,632,093	1.5		4.4		11.8		9.8	
CPI + 5.0%		2.0		4.0		6.8		9.1	
<b>Canadian Equity</b>	<b>\$ 88,683,838</b>	<b>7.9</b>	<b>63</b>	<b>11.6</b>	<b>23</b>	<b>25.5</b>	<b>43</b>	<b>11.6</b>	<b>52</b>
CI Canadian Equity	\$ 44,259,501	8.4	55	9.1	56	23.9	51	11.9	42
TDAM Canadian Equity	\$ 43,629,442	7.4	74	14.4	6	27.3	24	11.2	60
Xaverian Capital	\$ 794,867	6.5	83	3.3	100	15.3	98	9.1	94
S&P/TSX Composite		8.5	50	10.2	44	26.4	30	10.7	76
<b>US Equity*</b>	<b>\$ 51,378,371</b>	<b>5.2</b>	<b>25</b>	<b>0.7</b>	<b>35</b>	<b>14.8</b>	<b>32</b>	<b>14.0</b>	<b>19</b>
BlackRock US Equity	\$ 51,356,524	5.2	25	0.8	35	14.8	32	14.0	19
S&P 500 (C\$)		5.2	25	0.8	32	14.8	29	14.0	19
<b>International Equity</b>	<b>\$ 38,066,602</b>	<b>6.1</b>	<b>35</b>	<b>13.8</b>	<b>52</b>	<b>17.5</b>	<b>52</b>	<b>9.2</b>	<b>40</b>
BlackRock International Equity	\$ 38,066,602	6.1	35	13.8	52	17.5	52	9.2	40
MSCI EAFE (C\$)		6.0	42	13.3	52	17.4	52	9.0	40
<b>Emerging Markets Equity</b>	<b>\$ 10,300,556</b>	<b>6.1</b>	<b>74</b>	<b>9.5</b>	<b>52</b>	<b>15.1</b>	<b>52</b>	<b>1.9</b>	<b>68</b>
BlackRock Emerging Markets Equity	\$ 10,300,556	6.1	74	9.5	52	15.1	52	1.9	68
MSCI EM (C\$)		6.2	69	9.4	56	15.0	54	2.1	63

\*May not sum due to securities being held in custodial cash account

<sup>1</sup> Q2 statement not yet available

# Performance Measurement – Fund Managers

- During the 2nd quarter of 2025, Canadian yields increased across all maturities with long run yields increasing more than short run yields. Rising yields led to a slightly negative return in Canadian Bonds; however, Canadian Mortgages returned 1.1% during the quarter, outperforming the FTSE CA Bond Universe by 1.7%. TDAM Canadian Mortgages continues to add value during the 1- and 4-year trailing periods and TDAM has been a top quartile performer.
- The Fund's Canadian Equity allocation returned 7.9% during the quarter, slightly underperforming the S&P/TSX by 0.6% and ranking in the third quartile. Canadian Equity continues to add value year to date and during the 4-year trailing period.
  - CI Investments returned 8.4%, which slightly underperformed their benchmark by 0.2%. The Fund continued to add value over the 4-year trailing period and is a top quartile performer over the 7-year trailing period.
  - TD's Low Volatility Canadian Equity Fund returned 7.4% during the quarter, underperforming the benchmark by 1.1% and ranking in the third quartile. An underweighting to Information Technology and stock selection within the sector has the main source of underperformance. Year to date, the Fund has returned over 14.0% ranking in the top quartile. The Fund continues to rank ahead of its benchmark during the 1- and 4-year trailing periods.
- The Blackrock US Equity, International Equity and Emerging Market Equity returned 5.2%, 6.1% and 6.1%, respectively. All three funds are passively managed by Blackrock.
- IFM produced a 1.5% return during the second quarter of 2025. Over the 4-year trailing period the Fund continues to produce high single digit returns. At the time that this report was prepared, the Crestpoint Q2 statement was not available. Crestpoint ranks ahead of its peers over the 1-year trailing period and is the top performer in the Canadian real estate universe over the 4-year trailing period.