

Periodic Table of Asset Class Returns

BMO Private Wealth

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 2011 to 2020 (in CDN\$).

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Best ↑	Canadian Bonds 9.7	Emerging Markets Equities 16.0	U.S. Small-Cap 48.1	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
	Global Bonds 8.3	International Equities 15.3	U.S. Large-Cap 41.3	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
	U.S. Large-Cap 4.6	U.S. Small-Cap 13.8	International Equities 31.6	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
	U.S. Small-Cap -1.8	U.S. Large-Cap 13.4	Canadian Large-Cap 13.0	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
	Canadian Large-Cap -8.7	Canadian Large-Cap 7.2	Canadian Small-Cap 7.6	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 -9.5	Canadian Bonds 3.6	Emerging Markets Equities 4.3	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
	Emerging Markets Equities -16.1	Global Bonds 2.0	Global Bonds 3.9	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
Worst ↓	Canadian Small-Cap -16.4	Canadian Small-Cap -2.2	Canadian Bonds -1.2	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

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¹The 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: Barclays Global Aggregate Bond Index

International Equities: MSCI EAFE Index

Emerging Markets Equities: MSCI Emerging Markets Index



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