



AUGUST 16, 2023

HALF YEAR RESULTS OF THE CAISSE DE DÉPÔT (CDPQ) FOR THE MANAGEMENT PERSONNEL PENSION PLAN (PPMP)

Dear members,

As you know all too well, the first half of 2023 was marked by a more resilient economy than expected, which followed a year 2022 marked by a historic tightening of monetary policies by central banks, and by the deterioration of the economic and geopolitical environment, particularly with the war in Ukraine combined with the severe COVID-related lockdown in China contributing to inflationary pressures globally.

The resilience of the economy in 2023 has enabled most of the stock markets to rise. However, even though long-term interest rates ended the semester at a level similar to that of the beginning of the year, fears related to persistent inflation and increasing instability in the global banking system have generated a lot of volatility in the bond markets.

Even so, returns for the PPMP fund are positive at 3.8% for the first half of 2023, with a value of 5.5% over a 5-year period and 7.6% over a 10-year period.

The rate obtained for the PPMP index is 3.6%, which means that the PPMP fund has a better return than its benchmark index.

Investors are faced in 2023 with several contradictory signals from various sources, such as inflation, interest rates, employment and financial markets. This complexity highlights the importance of the diversification we have with the PPMP portfolio, as well as a prudent investment approach based on the long term.

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