

Winter 2026

# Round Table

From tightening  
to easing: positioning  
for lower rates.

## Content

- 2 Canadian Equity**  
RBC Vision Canadian Equity Fund
- 3 Global Equity**  
TD Global Equity Focused Fund
- 5 Fixed Income**  
RP Strategic Income Plus Fund



## Canadian Equity



**Ryan Grant, CFA**

Managing Director & Senior Portfolio Manager

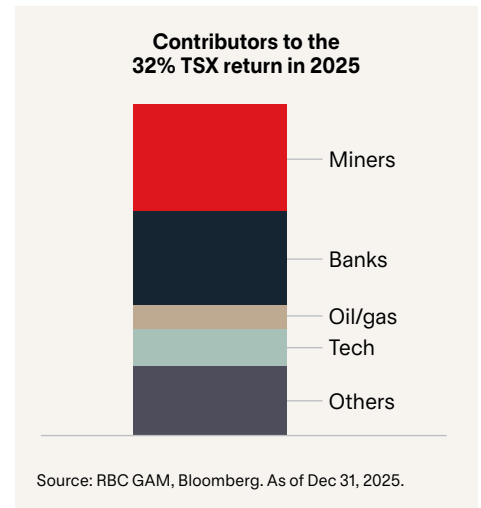
RBC Global Asset Management  
RBC Vision Canadian Equity Fund  
[Held within 11 Meritage Portfolios: [get more information](#)]

### Challenges

#### Current market challenges

Gold has been a significant contributor to index returns and now represents nearly 15% of the TSX. Traditionally, Canadian active managers have been underweighting the sector following years of undisciplined capital allocation. While some of this criticism remains valid, we think capital discipline has improved, high commodity prices are driving robust profitability, and our ability to predict the next move in gold prices is low; as such, we tactically manage our sector risk exposure.

AI represents both a challenge and an opportunity. We think AI could change workflows across many sectors and that some business models may be reshaped; however, we are uncertain whether the pace of capital expenditure (capex) growth can continue given the enormous revenue growth required to achieve a reasonable investment return. Any change in capex growth rates could create volatility; however, it could also create opportunities to invest in otherwise high-quality businesses caught up in that volatility.



### Opportunities

Consumer goods stocks have faced a number of questions related to tariff impacts and consumer spending headwinds; nonetheless, we continue to find idiosyncratic opportunities in areas like retail where Canadian companies with strong brands continue to meaningfully grow their North American store footprints.

Banks provided attractive returns and were a significant contributor to TSX performance over the past year as a combination of net interest margin expansion, robust trading activity and strong cost controls drove meaningful earnings growth and multiple expansion. While bank valuations are a risk, the continuation of the above trends plus the potential for a pickup in loan growth once trade negotiations are resolved could provide the next leg of earnings growth.

### Fund Positioning

The RBC Vision Canadian Equity Fund employs a strategy of growth at a reasonable price while following a socially responsible investing approach. We optimize position sizes based on an assessment of business quality, the return opportunity in each stock, and our level of conviction that the company can execute on its strategic plan to create shareholder value. We regularly adjust positioning based on which stocks present the most attractive risk/reward across the investment universe.

The views expressed regarding a company, a security, an industry, a market sector in particular, future events (such as market and economic conditions), a company's or a security's performance, upcoming product offerings or other forecasts are solely those of RBC Global Asset Management (RBC) and do not necessarily represent the views of National Bank of Canada and its subsidiaries (the "Bank"). These views are subject to change at any time based on market or other conditions and could cause actual results to differ materially from the ones anticipated by RBC. The Bank disclaims any responsibility to update such views. They do not constitute recommendations to buy or sell nor investment advice.

# TD Global Equity Focused Fund



## Global Equity



### **Damian Fernandes, CFA**

Managing Director,  
Portfolio Manager, TDAM



### **Benjamin Gossack, CFA**

Managing Director,  
Portfolio Manager



### **David Mau, CFA**

Vice President & Director,  
Portfolio Manager, TDAM

TD Asset Management

TD Global Equity Focused Fund

[Held within 16 Meritage Portfolios: [get more information](#)]

## Challenges

We continue to keep an eye on risks such as a reversal of narratives when it comes to data center spending (spending surpassed ~1% of U.S. GDP just from hyperscalers alone); any hints of a slowdown and financial markets would be impacted as this is the primary determinant of returns at the moment, particularly in the U.S. From a portfolio construction standpoint, our focus is to capitalize on the theme while minimizing compounded bets within the portfolio that are ultimately driven by the same correlated themes (AI and data centers). Besides market risk, geopolitical tensions are rising again. This remains a wild card but, in recent years, markets have also become effective at pricing this risk. By purely focusing on the dollars and cents, we are breaching all-time highs despite rising headline risk.

## Opportunities

Global equities remain well-positioned to maintain momentum in 2026 with increasing market breadth. The durability of U.S. growth, supported by robust fiscal policy, is still underappreciated and should create fertile ground for opportunities in cyclicals as inflation fades and spending persists. Outside the U.S., continued global stimulus acts as a tailwind for international earnings, setting up positive surprise potential where consensus remains cautious. There remain areas of enduring strength in Financials and Industrials, both in European and Japanese equities. The AI narrative is moving from infrastructure to implementation; meanwhile, the efficiency phase of AI should reach beyond tech, enabling businesses to reduce operational costs and lift margins with productivity gains flowing to the bottom line. Idiosyncratic stock ideas within Discretionary, Industrials and Healthcare remain interesting spaces to look at.

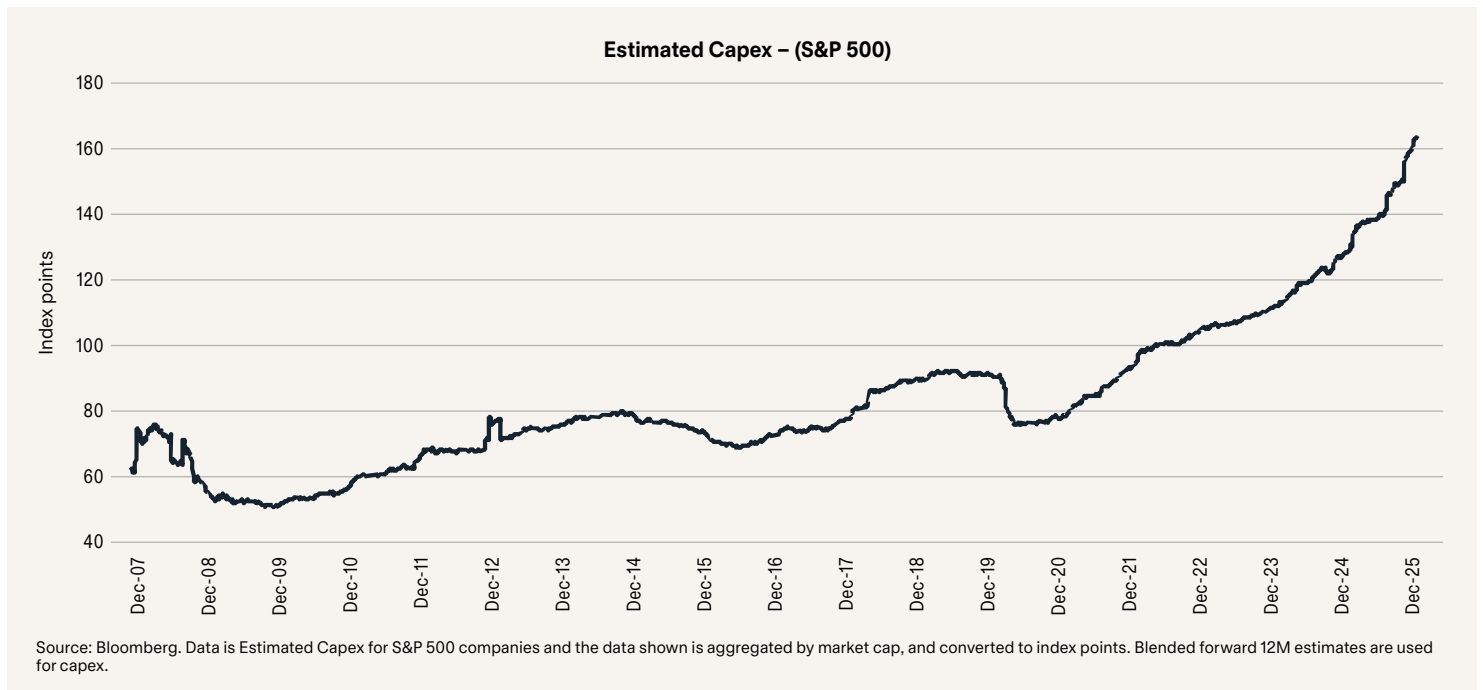
The views expressed regarding a company, a security, an industry, a market sector in particular, future events (such as market and economic conditions), a company's or a security's performance, upcoming product offerings or other forecasts are solely those of TD Asset Management (TD) and do not necessarily represent the views of National Bank of Canada and its subsidiaries (the "Bank"). These views are subject to change at any time based on market or other conditions and could cause actual results to differ materially from the ones anticipated by TD. The Bank disclaims any responsibility to update such views. They do not constitute recommendations to buy or sell nor investment advice.



## Fund Positioning

Over the last few months, we have added some cyclical to the portfolio to capitalize on evolving global dynamics, secular themes and emerging opportunities, especially as we may be on the cusp of a cyclical inflection in some major global economies. AI remains a critical driver of the economy and equity markets, and the challenge for active managers will be tactically adjusting allocation to the theme. We adjusted exposure to data center capex beneficiaries and generally pursued idiosyncratic ideas not tied to AI, such as Healthcare. As such, during the last few months, we've added to Healthcare, Financials and Industrials, and made some rotations within Tech, Communication Services and Consumer Discretionary. We continue to believe in global equities as valuations remain attractive and earnings momentum remains strong, with opportunities across various global markets. Our portfolio continues to target industry leaders and quality cashflow compounders with secular growth drivers.

**Macro Exhibit:** The U.S. is on a generational wave of capex spending due to the data center buildout and OBBBA rules that come into play this year. When this much real building activity is happening in the economy, it's hard to envision a slowdown until this trend itself reverses course, which may not be in the immediate future.



The views expressed regarding a company, a security, an industry, a market sector in particular, future events (such as market and economic conditions), a company's or a security's performance, upcoming product offerings or other forecasts are solely those of TD Asset Management (TD) and do not necessarily represent the views of National Bank of Canada and its subsidiaries (the "Bank"). These views are subject to change at any time based on market or other conditions and could cause actual results to differ materially from the ones anticipated by TD. The Bank disclaims any responsibility to update such views. They do not constitute recommendations to buy or sell nor investment advice.

# RP Strategic Income Plus Fund



## Fixed Income



**David Matheson, MBA, LLM, CFA**

Principal, Co-Chief Investment Officer

RPIA

RP Strategic Income Plus Fund

[Held within 12 Meritage Portfolios: [get more information](#)]

### Challenges

Several years of restrictive monetary policy have provided investors with attractive all-in yields. This fuelled robust demand for bonds, including credit. Consequently, credit spreads, a measure of additional compensation to buy corporates instead of governments, enter 2026 at historically low levels. Lower risk-free yields, driven by central bank easing or deteriorating economic conditions, could reduce this tailwind.

Simultaneously, a significant increase in bond supply, driven by AI-related capital expenditures and accelerating M&A activity, could further pressure the supply/demand balance. In other words, macroeconomic conditions remain broadly constructive, but starting valuations leave little room for disappointment should growth slow or volatility re-emerge.

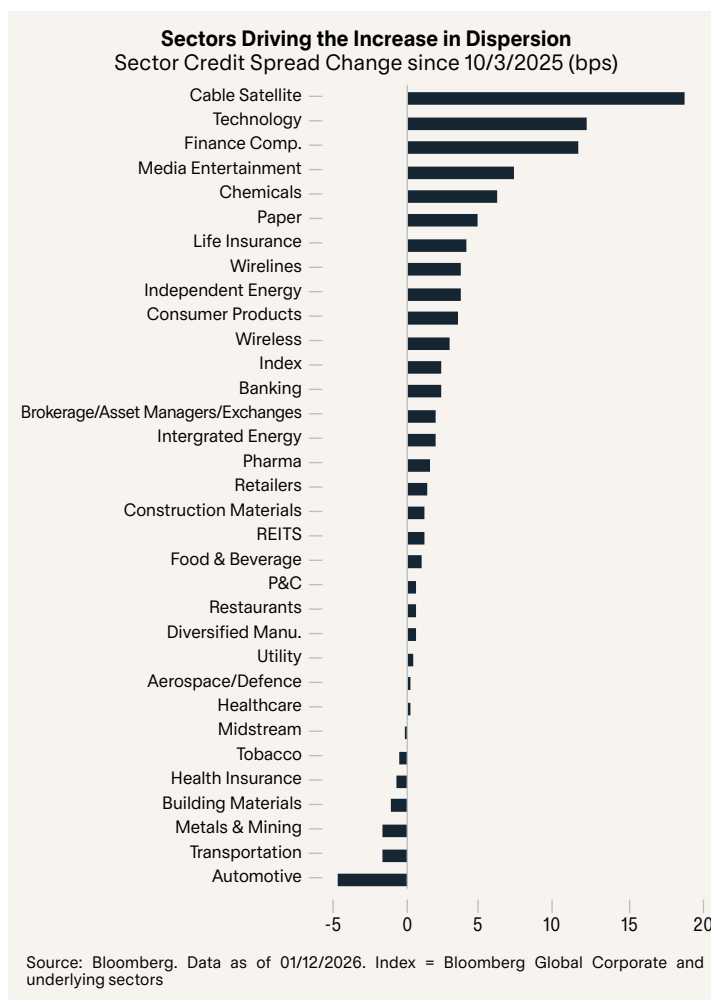
### Opportunities

These challenges are creating attractive opportunities for active managers. Dispersion across and between both rate and credit markets is increasing, as is dispersion within credit sectors themselves. A disciplined but highly tactical strategy should have ample opportunity to avoid the potential downside risk of owning broad credit exposure while pinpointing rate opportunities more surgically.

For example, elevated issuance tied to AI investment and strategic M&A is likely to generate dislocations that can be exploited. In addition, selective interest rate exposure remains compelling, and given the interplay of yield curves, we currently believe the front- and intermediate-maturity segments are where risk-adjusted returns appear most attractive.

### Fund Positioning

Against this backdrop, the fund maintains a conservative stance toward credit beta while prioritizing flexibility and selectivity. The portfolio's interest rate exposure is positioned toward the upper end of its target range, while remaining focused on the front and intermediate portions of the curve. Geographically, we think Canadian rates could surprise to the downside relative to market pricing and are managing the fund exposure accordingly. We are positioned to capitalize on periods of volatility, maintaining dry powder to deploy into attractive new-issue and secondary-market opportunities as valuations adjust throughout the new year.



The views expressed regarding a company, a security, an industry, a market sector in particular, future events (such as market and economic conditions), a company's or a security's performance, upcoming product offerings or other forecasts are solely those of RP Investment Advisors LP (RPIA) and do not necessarily represent the views of National Bank of Canada and its subsidiaries (the "Bank"). These views are subject to change at any time based on market or other conditions and could cause actual results to differ materially from the ones anticipated by RPIA. The Bank disclaims any responsibility to update such views. They do not constitute recommendations to buy or sell nor investment advice.

The information and the data supplied in the present document, including those supplied by third parties, are considered accurate at the time of their printing and were obtained from sources which we considered reliable. We reserve the right to modify them without advance notice. This information and data are supplied as informative content only. No representation or guarantee, explicit or implicit, is made as for the exactness, the quality and the complete character of this information and these data. The opinions expressed are not to be construed as solicitation or offer to buy or sell shares mentioned herein and should not be considered as recommendations.

Views expressed regarding a particular company, security, industry, market sector, future events (such as market and economic conditions), company or security performance, upcoming product offerings or other projections are the views of only the portfolio managers, as of the time expressed and do not necessarily represent the views of National Bank of Canada and its subsidiaries (the "Bank"). Any such views are subject to change at any time based upon markets and other conditions, which could cause actual results to differ materially from what the portfolio managers presently anticipate or project. The Bank disclaims any responsibility to update such views. These views are not a recommendation to buy or sell and may not be relied on as investment advice.

Meritage Portfolios® (the "Portfolios") are managed by National Bank Investments Inc., an indirect wholly owned subsidiary of National Bank of Canada and sold by authorized dealers. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus of the Portfolios before investing. The indicated rates of returns are based on the historical annual compounded total returns including changes in securities value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. The Portfolios' securities are not insured by the Canada Deposit Insurance Corporation or by any other government deposit insurer. The Portfolios are not guaranteed, their values change frequently, and past performance may not be repeated.

© MERITAGE PORTFOLIOS and the Meritage Portfolios logo are registered trademarks of National Bank of Canada, used under licence by National Bank Investments Inc.

© NATIONAL BANK INVESTMENTS is a registered trademark of National Bank of Canada, used under licence by National Bank Investments Inc.

© National Bank Investments Inc., 2026. All rights reserved. Any reproduction, in whole or in part, is strictly prohibited without the prior written consent of National Bank Investments Inc. National Bank Investments is a signatory of the United Nations-supported Principles for Responsible Investment, a member of Canada's Responsible Investment Association, and a founding participant in the Climate Engagement Canada initiative.