

Quarterly Commentary

April 30, 2026



Staying grounded through a volatile start to the year

The first quarter of 2026 was shaped largely by geopolitics rather than traditional economic forces. An escalation in the conflict involving Iran disrupted global energy supply, pushing oil prices sharply higher and driving increased market volatility. These developments added short-term inflation pressure at a time when global growth was already subdued.

While headlines were unsettling, periods like this are a normal part of investing. History shows that markets often move through short-term shocks, especially those driven by geopolitical events, and patience is often rewarded.

Economic and market snapshot

Economic data pointed to a soft but uneven global backdrop. In Canada, inflation remained relatively contained and growth modest, while labour markets showed limited momentum once population growth was considered. The U.S. economy proved more resilient, continuing to expand despite higher energy prices.

Internationally, Europe experienced slowing momentum as higher energy costs weighed on confidence, while Japan benefited from improved political stability following a decisive election. Importantly, longer-term inflation expectations have remained well anchored, reinforcing our view that recent price pressures are likely temporary.

Bonds and equities: diverging outcomes

Bond markets were volatile, particularly in Canada, where yields moved within a wide range and the yield curve flattened. Despite this, high-quality bonds delivered modestly positive returns and now offer more attractive income levels than in recent years.

Equity market performance varied widely. Canada stood out as a relative bright spot due to its higher exposure to the Energy sector. U.S. and international equities were more mixed, with weakness concentrated in growth-oriented and consumer-facing sectors. Energy was the clear standout globally, while higher fuel costs weighed on consumer-sensitive areas of the market.

Looking Ahead

Central banks remain cautious. Both the Bank of Canada and the U.S. Federal Reserve held rates steady, signaling that any interest rate cuts are likely to be delayed unless economic conditions deteriorate more meaningfully. Additional uncertainty remains around upcoming USMCA negotiations, which could influence growth and markets in the months ahead.

Despite near-term uncertainty, we remain focused on what we can control: maintaining diversified portfolios and emphasizing high-quality companies with strong competitive advantages. Market volatility can create opportunities for long-term investors, and our discipline remains centered on helping clients stay aligned with their long-term goals.

As always, we are here to discuss any questions or concerns. A thoughtful plan and long-term perspective remain the most reliable tools for navigating uncertain markets.

What's New at Johnstone Wealth?

We're excited to share a few updates from our team.

We've launched a new website at www.johnstonewealth.ca. It's designed to clearly explain what we do, show how we think, and reflect how we help clients make confident, long term decisions. We encourage you to bookmark the site—your online account access is also available directly from the website.

You may have noticed our refreshed brand and new logo, which mark an exciting next chapter. We're also sharing new videos across our website, Instagram, and LinkedIn—introducing our team and our philosophy, and offering engaging, informative content and practical insights.

Stay connected:

- **Website:** johnstonewealth.ca
- **Instagram:** [@johnstonewealth](https://www.instagram.com/johnstonewealth)
- **LinkedIn:** Search "Johnstone Wealth" or go to [linkedin.com/company/johnstone-wealth](https://www.linkedin.com/company/johnstone-wealth)

We've built this brand and platform for clients like you who value planning, and we look forward to continuing to share helpful insights and updates with you.

Jeffrey Johnstone
Senior Wealth Advisor
416-507-9137
jeffrey.johnstone@nbc.ca
[Jeffrey Johnstone](#)

Kimberly Wood, CFP®, CIM®
Wealth Advisor
416-869-8210
kimberly.wood@nbc.ca
[Kimberly Wood](#)

Graham Ross, MBA
Wealth Advisor
905-568-3322
graham.ross@nbc.ca
[Graham Ross](#)

Hayleigh Blaikie
Senior Wealth Associate
416-869-7686
hayleigh.blaikie@nbc.ca

Kevin Diep
Wealth Associate
416-869-8092
kevin.diep@nbc.ca



National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). • We have prepared this commentary to give you our thoughts on various investment alternatives and considerations which may be relevant to your portfolio. This commentary reflects our opinions alone and may not reflect the views of National Bank Financial Group. In expressing these opinions, we bring our best judgment and professional experience from the perspective of someone who surveys a broad range of investments. Therefore, this report should be viewed as a reflection of our informed opinions rather than analyses produced by the Research Department of National Bank Financial. The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete.