

Description

The S&P/TSX Preferred Share Index (CAD) is designed to measure the performance of the Canadian preferred stock market. Preferred stocks pay dividends at a specified rate and receive preference over common stocks in terms of dividend payments and liquidation of assets.

Methodology Construction

- **Universe.** The S&P/TSX Preferred Share Index (CAD) consists of preferred shares listed and traded in Canadian dollars on the Toronto Stock Exchange.
- **Types of Issuance.** Preferred shares issued by a company to meet its capital or financing requirements are eligible, including floating and fixed-rate preferreds, cumulative and non-cumulative preferreds, preferred shares with a callable or conversion feature, and trust preferreds. Split preferreds, which are packaged securities linked to baskets of shares, are not included.
- **Maturity or Conversion Schedule.** Preferred shares that do not have a mandatory conversion or scheduled maturity within the next 12 months are eligible.
- **Eligibility Market Cap.** To be eligible, preferred shares must have a total market cap of more than CAD 100 million as of the monthly rebalancing reference date, based on the volume weighted average price (VWAP) over the last 10 trading days as of the month-end prior to the quarterly review.
- **Volume.** Preferred shares must have a minimum trailing three-month average daily value traded of CAD 200,000 as of the rebalancing reference date.
- **Ratings.** Preferred shares must have a minimum rating of P-3 or its equivalent as determined by Standard and Poor's Ratings Service, Dominion Bank Ratings Service or Moody's. If more than one of these ratings agencies issued a rating, the lowest rating is used.
- **Different Securities Issued by the Same Issuer.** The index does not limit the number of preferred stocks issued by a single company, but there is a maximum weight of 10% per issuer. All eligible securities for an issuer are included in the index, with the aggregate weight capped on a pro rata basis to a maximum of 10% of the index market cap.

Quick Facts

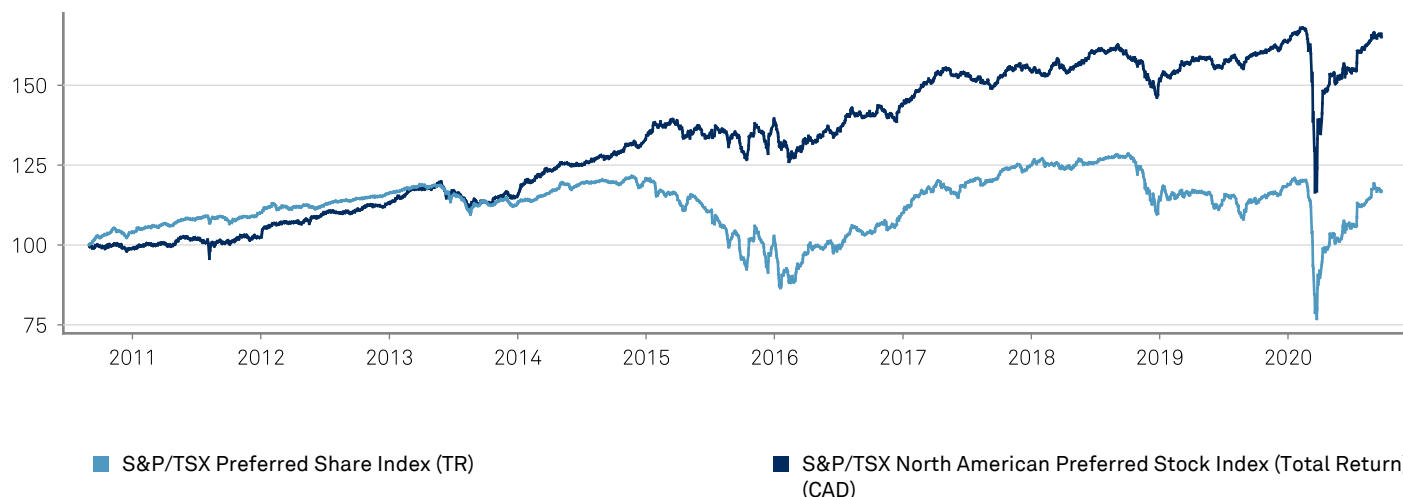
WEIGHTING METHOD	Capped
REBALANCING FREQUENCY	Quarterly in January, April, July, and October
CALCULATION FREQUENCY	Real time
CALCULATION CURRENCIES	CAD
LAUNCH DATE	June 12, 2007
FIRST VALUE DATE	July 22, 2002

For more information, including the complete methodology document, please visit:
<https://www.spglobal.com/spdji/en//indices/fixed-income/sp-tsx-preferred-share-index>

All information for an index prior to its Launch Date is back-tested, based on the methodology that was in effect on the Launch Date. Back-tested performance, which is hypothetical and not actual performance, is subject to inherent limitations because it reflects application of an Index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns.

Historical Performance

* Data has been re-based at 100



Performance

INDEX LEVEL	RETURNS			ANNUALIZED RETURNS			
	1 MO	3 MOS	YTD	1 YR	3 YRS	5 YRS	10 YRS
Total Return							
1,519.02	4.55%	15.58%	-1.23%	6.04%	-0.67%	2.91%	1.63%
Price Return							
583.9	4.13%	13.85%	-5.24%	-0.04%	-5.81%	-2.41%	-3.48%
BENCHMARK* Total Return							
1,885.09	1.88%	7.65%	0.83%	4.88%	2.85%	4.22%	5.12%
BENCHMARK* Price Return							
676.42	1.39%	6.03%	-3.21%	-1.2%	-2.91%	-1.64%	-0.84%

* The index benchmark is the S&P/TSX North American Preferred Stock Index (Price Return) (CAD)

Calendar Year Performance

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Return	3.48%	-7.93%	13.62%	6.98%	-14.95%	6.82%	-2.64%	5.51%	5.76%	7.73%
Price Return	-2.02%	-12.21%	8.34%	1.25%	-19.31%	1.72%	-7.16%	0.39%	0.44%	2.04%
BENCHMARK* Total Return	7.64%	-1.8%	7.73%	2.89%	4.77%	15.43%	1.81%	10.65%	3.54%	8%
BENCHMARK* Price Return	1.59%	-7.14%	1.97%	-2.98%	-1.19%	8.99%	-3.91%	4.31%	-2.61%	1.13%

* The index benchmark is the S&P/TSX North American Preferred Stock Index (Price Return) (CAD)

Risk

	ANNUALIZED RISK			ANNUALIZED RISK-ADJUSTED RETURNS		
	3 YRS	5 YRS	10 YRS	3 YRS	5 YRS	10 YRS
Total Return	16.2%	15.06%	11.12%	-0.04	0.19	0.15
Price Return	16.07%	14.93%	11.03%	-0.36	-0.16	-0.32
BENCHMARK* Total Return	11.39%	10.07%	7.71%	0.25	0.42	0.66
BENCHMARK* Price Return	11.39%	10.05%	7.73%	-0.26	-0.16	-0.11

Risk is defined as standard deviation calculated based on total returns using monthly values.

* The index benchmark is the S&P/TSX North American Preferred Stock Index (Price Return) (CAD)

Fundamentals

P/E (TRAILING)	P/E (PROJECTED)	P/B	INDICATED DIV YIELD	P/SALES	P/CASH FLOW
0.08	N/A	0.01	5.29%	0.01	0.04

As of August 31, 2020. Fundamentals are updated on approximately the fifth business day of each month.

Index Characteristics

NUMBER OF CONSTITUENTS	233
CONSTITUENT MARKET [CAD MILLION]	
MEAN TOTAL MARKET CAP	236.95
LARGEST TOTAL MARKET CAP	1,009.6
SMALLEST TOTAL MARKET CAP	93.95
MEDIAN TOTAL MARKET CAP	198.08
WEIGHT LARGEST CONSTITUENT [%]	1.8
WEIGHT TOP 10 CONSTITUENTS [%]	13.2

ESG Carbon Characteristics

CARBON TO VALUE INVESTED (METRIC TONS CO ₂ e/\$1M INVESTED)*	121.91
CARBON TO REVENUE (METRIC TONS CO ₂ e/\$1M REVENUES)*	460.88
WEIGHTED AVERAGE CARBON INTENSITY (METRIC TONS CO ₂ e/\$1M REVENUES)*	687.28
FOSSIL FUEL RESERVE EMISSIONS (METRIC TONS CO ₂ /\$1M INVESTED)	1,868.41

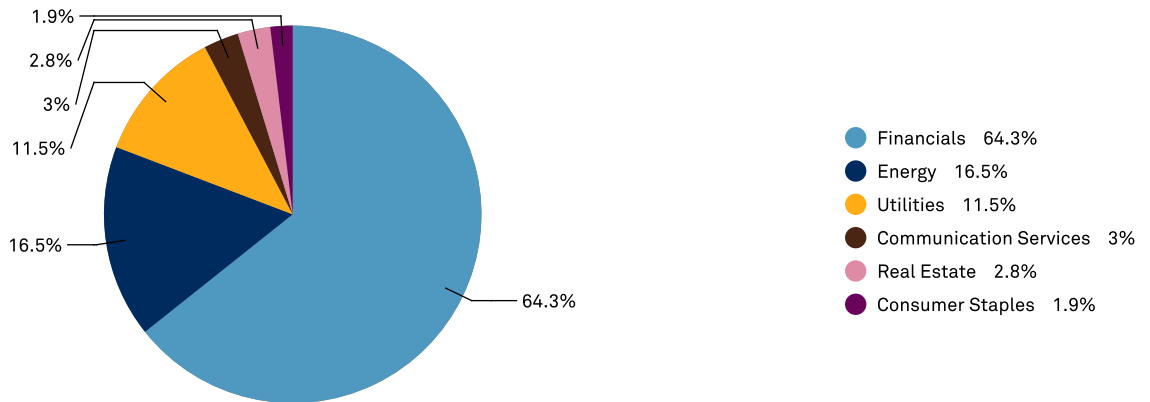
*Operational and first-tier supply chain greenhouse gas emissions.
For more information, please visit: www.spdji.com/esg-carbon-metrics.

Top 10 Constituents By Index Weight

CONSTITUENT	SYMBOL	SECTOR*
Toronto-Dominion Bank 4.85% Non-Cumulative NVCC Preferred Series 14	TD.PF.H	Financials
TC Energy First Preferred Series 15	TRP.PR.K	Energy
Royal Bank of Canada 5.50% Non-Cumulative 5-Year Rate Reset First Preferred Series BM	RY.PR.R	Financials
CIBC 4.40% Non-Cumulative Rate Reset Class A Preferred Series 45	CM.PR.R	Financials
Royal Bank of Canada 5.50% Non-Cumulative 5-Year Rate Reset Preferred Series BK	RY.PR.Q	Financials
Enbridge Inc. Cumulative Preferred Series 17	ENB.PF.I	Energy
Toronto-Dominion Bank 5.50% Non-Cumulative 5-Year Rate Reset Preferred Series 12	TD.PF.G	Financials
Bank of Montreal 4.85% Non-Cumulative Class B Preferred Series 38	BMO.PR.B	Financials
Bank of Nova Scotia 5.50% Non-Cumulative 5-Year Rate Reset Preferred Series 36	BNS.PR.G	Financials
Bank of Nova Scotia 4.85% Non-Cumulative NVCC Preferred Series 38	BNS.PR.H	Financials

*Based on GICS® sectors

Sector* Breakdown



*Based on GICS® sectors

The weightings for each sector of the index are rounded to the nearest tenth of a percent; therefore, the aggregate weights for the index may not equal 100%.

Country Breakdown

COUNTRY	NUMBER OF CONSTITUENTS	TOTAL MARKET CAP [CAD MILLION]	INDEX WEIGHT [%]
Canada	233	55,209.55	100

Based on index constituents' country of domicile.

Tickers

	TICKER	REUTERS
Total Return	TXPRT	N/A
Price Return	TXPR	.GSPTXPR

Related Products

This list includes investable products traded on certain exchanges currently linked to this selection of indices. While we have tried to include all such products, we do not guarantee the completeness or accuracy of such lists. Please refer to the disclaimers at the end of this document or [here](#) for more information about S&P Dow Jones Indices' relationship to such third party product offerings.

PRODUCT NAME	PRODUCT TYPE	EXCHANGE	TICKER
iShares S&P/TSX Cdn Prefr Shr ETF Comm	ETF	TORONTO STOCK EXCHANGE	CPD

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971 (0)4 371 7131

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91-22-2272-5312

Beijing

86.10.6569.2770

Hong Kong

852 2532 8000

Tokyo

81 3 4550 8564

Sydney

61 2 9255 9802

DISCLAIMER

Source: S&P Dow Jones Indices LLC.

The launch date of the S&P/TSX Preferred Share Index was June 12, 2007. The launch date of the S&P/TSX North American Preferred Stock Index (Price Return) (CAD) was August 16, 2010.

All information presented prior to the index launch date is back-tested. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. Past performance is not an indication or guarantee of future results. Please see the Performance Disclosure at <http://www.spindices.com/regulatory-affairs-disclaimers/> for more information regarding the inherent limitations associated with back-tested performance.

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