

# IA Clarington Money Market Fund

## Manager commentary – Q2 2024

Following a rather flat first quarter of 2024, Canadian fixed income posted gains in the second quarter as the Bank of Canada (BoC) delivered a first interest rate reduction. Both the BoC and the European Central Bank (ECB) have initiated monetary policy easing cycles, with Canada potentially facing as many as four interest rate cuts in 2024. The ECB's stance has been less clear following a “hawkish” rate cut, while the Bank of Japan raised interest rates for the first time since 2007. These shifts in monetary policies are expected to influence regional and global economic dynamics.

The Fund has a clear focus on capital preservation. It invests primarily in money market instruments that mature in less than 365 days. At the end of the quarter, the Fund was invested essentially in Treasury bills. We continue to focus on high-quality issuers and maintaining a high degree of liquidity in the Fund. Our goal is to avoid taking any unnecessary credit risk in the selection of securities, as the main investment objective of the Fund is capital preservation and liquidity.

For definitions of technical terms in this piece, please visit [iaclarington.com/glossary](https://iaclarington.com/glossary) and speak with your investment advisor.

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