



iShares®

ETF Implementation Guide – 2026 year ahead

Insights from BlackRock

Key takeaways

1. We expect 2026 to be characterized by above-trend growth in several major economies, alongside easing monetary policy and accelerating productivity – a backdrop we believe favours selective risk taking.
2. This market requires new portfolio construction tools. AI remains a high conviction theme, but we see improving fundamentals elsewhere as a way to build diversification.
3. The need for income will motivate allocation decisions. We believe in a portfolio approach, sourced across emerging markets debt, securitized assets, dividend stocks and options strategies.

What will drive markets in 2026?

The new year brings a market characterized by above-trend growth in several major economies, alongside easing monetary policy, and accelerating productivity. We believe this backdrop favours risk taking, but weakness in the U.S. labour market, rich valuations, and an uncertain forward path for U.S. interest rates remain risks, arguing for greater selectivity.

Artificial Intelligence (AI) remains the dominant theme for investors, as it catalyzes a capital-intensive expansion, boosting productivity and sustaining earnings strength. With over US\$500 billion spent on data centres in 2025 alone, and another US\$5 to 8 trillion in overall AI infrastructure spending expected through 2030, capital expenditures underpin not only corporate profit expectations, but indeed macroeconomic growth forecasts.¹ We continue to believe this buildout is only in its early stages and will continue to drive growth in the quarters and years to come.

Still, the prevalence of the AI theme within investor portfolios introduces risks of higher concentration and correlations. Powered in large part by AI-related returns, U.S. equity indices have advanced to new all-time highs and have become even more concentrated: the 10 largest companies in the S&P 500 now constitute over 40% of the index market cap.² We believe demand for tailored and targeted diversification will be a key focus for investors in 2026, and a key motivator of fund flows in the year ahead.

Easing policy rates in the U.S. should prove a boon to risk assets, but present new challenges for investors seeking reliable income sources. The reliable carry harvested from short-duration instruments appears set to diminish, making income generation a portfolio-level priority for many investors rather than a single-asset-class decision. This shift is amplified by the volume of capital still idling on the sidelines – nearly US\$9.1 trillion in money market funds that may need to be reallocated to achieve long-term income objectives.³

¹ International Energy Agency, as cited in the 2025 World Energy Outlook (WEO), published Nov. 12, 2025.

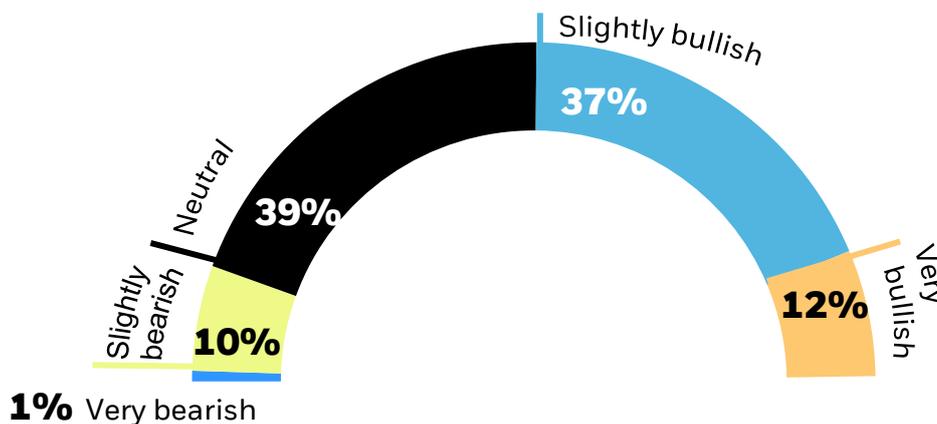
² BlackRock calculations based on Bloomberg data, as of Dec. 8, 2025.

³ EPFR, as of Dec. 8, 2025.

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Overall, investors are moving into 2026 with a higher-than-average optimism about markets (Figure 1). Most North American respondents in our latest client survey characterized themselves as bullish, and those who did were most likely to take risk in U.S. equities (48%) and emerging markets (24%).⁴ Investors identifying as bearish were more likely to look to developed markets abroad (24%) or consider Alts (24%).

Figure 1: Investors are feeling mostly bullish



Source: BlackRock webinar on Dec. 10, 2025, share of 2,004 unique respondents shown in response to the question “What is your current risk sentiment (1-5)?”

Fixed Income

Bonds resumed more of their traditional role as “ballast” in a portfolio in 2025, though the relationship between stocks and bonds remains less stable than in prior decades.

Even so, the improved hedge effectiveness was likely a motivating factor in greater allocations. Fixed income ETFs saw another record year in 2025, with total flows of over \$42 billion in Canada and over US\$407 billion in the U.S., with over one third of the total flow going into actively managed fixed income ETFs.⁵ We expect these trends to continue as investors increasingly seek active management to navigate a more complex market environment driven by the tug of war between yields across fixed income remaining attractive but spreads across many asset classes persisting at historical tight levels.⁶

With the Bank of Canada expected to keep policy rates largely stable in 2026, we see opportunity for Canadian investors to diversify globally to seek income across broader multi-sector bond sectors. A global fixed income approach can complement core Canadian bond exposures while providing greater portfolio diversification.

In the U.S., from a duration perspective, the “belly” of the curve remains our highest conviction fixed income preference. Equity-bond correlations have recently become less positive for longer stretches of time in intermediate parts of the curve than in much longer durations. While not a perfectly reliable hedge, this part of the curve has historically helped provide resiliency when growth slows. In periods of steadier rates – our base case for 2026 – fixed income returns have often been driven primarily by carry.⁷ We feel the 3- to 7-year sector offers the most consistent income profile given steep curves and still-positive real yields.

⁴ BlackRock client call on Nov. 11, 2025. The polling analysis includes results from over 1,500 registrants.

⁵ Canadian ETF flows sourced from Markit, with ETF grouping determined by BlackRock. Data as of Dec. 31, 2025. U.S. ETF flows sourced from Bloomberg, with ETF grouping determined by Bloomberg. Data as of Dec. 23, 2025.

⁶ Bloomberg, as of Nov. 30, 2025. For more, see BlackRock’s Flow & Tell, published Dec. , 2025.

⁷ Eugene F. Fama, “Term Premiums in Bond Returns,” *Journal of Financial Economics* 13, no. 4 (1984): 529–546

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Within corporate credit, we believe carry and income are likely to drive returns, as spreads begin 2026 at tight levels and supply rises.

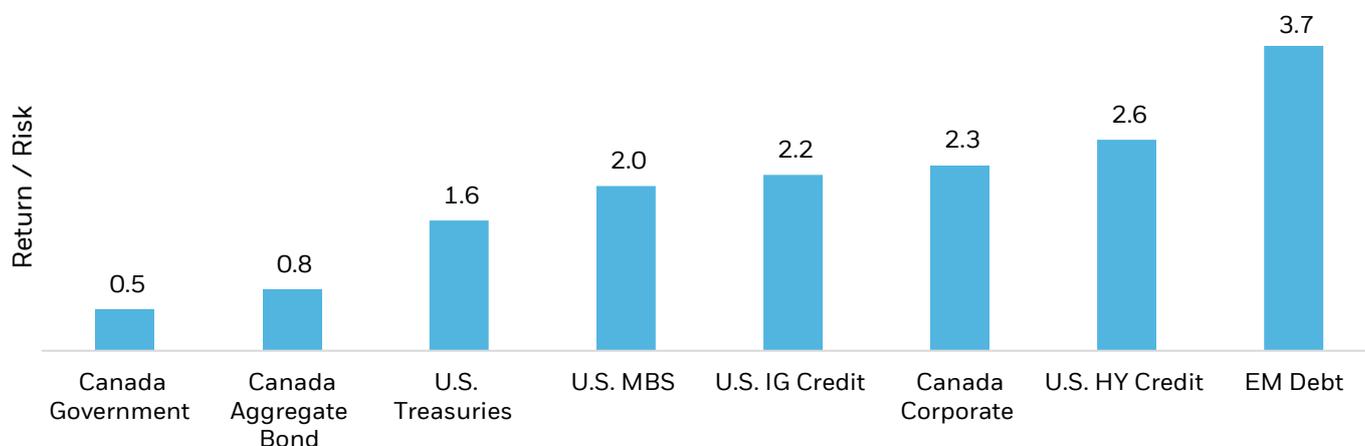
With U.S. Investment Grade spreads near historical tight, we believe investors may find more attractive valuations and diversification benefits in U.S. High Yield Credit, Agency Mortgage Backed Securities (MBS), and securitized products.⁸ High yield fundamentals have remained solid, but index spreads are below 300 basis points – something that has occurred only 5% of the time since January 2000.⁹ This means there may be little cushion for unexpected defaults. With the return to a normal credit cycle in the U.S. after a long period of financial repression, we anticipate more idiosyncratic dislocations within the high yield universe. Active management and systematic approaches can help identify relative opportunities within crowded credit markets.

Emerging markets remain a compelling source of income with constructive fundamentals and clean technical positioning even after a strong 2025.

We expect a weaker U.S. dollar, lower developed market (DM) rates, easier global financial conditions, improving sovereign balance sheets and prudent fiscal policies to support hard and local currency emerging markets (EM) debt. Further, we expect manageable new supply and modest inflows to contribute to a gradual tightening in spreads. In our view, EM debt could provide an attractive and less crowded alternative to U.S. spread products.

Over the past year, EM debt has enjoyed a higher risk-adjusted yield than Canadian and U.S. corporate credit (Figure 2).

Figure 2: Risk-adjusted returns for select fixed income sectors in the past year



Source: Bloomberg, Dec. 31, 2025. Return / Risk: 1-year total return divided by the 1-year standard deviation. For non-Canadian categories, 1.5% has been deducted from the return to account for currency hedging costs. Categories represented by the following indexes: Canada Government: Bloomberg Canada Aggregate - Government Index; Canada Aggregate Bond: Bloomberg Canada Aggregate Index; U.S. Treasuries: Bloomberg US Treasury Index; U.S. MBS: Bloomberg US MBS Index; U.S. IG Credit: Bloomberg US Corporate Index; Canada Corporate: Bloomberg Canada Aggregate - Corporate Index; U.S. HY Credit: Bloomberg US Corporate High Yield Index; EM Debt: Bloomberg EM USD Aggregate Index; Index performance is for illustrative purposes only. Index performance does not reflect any management fees or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

⁸ Bloomberg, ICE U.S. Corporate Index as of Dec., 2025.

⁹ JPMorgan, as of Dec., 2025. A basis point is one hundredth of 1 percentage point.

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Related ETFs

XSMB

iShares Core Canadian Short-Mid Term Universe Bond Index ETF

XSB

iShares Core Canadian Short Term Bond Index ETF

RCOR

RBC Core Bond Pool

XFLX

iShares Flexible Monthly Income ETF (CAD-Hedged)

XEB

iShares J.P. Morgan USD Emerging Markets Bond Index ETF (CAD-Hedged)

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“In rates, after a dismal 2022–early 2025, duration has some better hedge effectiveness going forward as we are now in more ‘normal times’ with a new ‘industrial backbone’—making some interest rate risk now reasonable for a portfolio today, even further out the yield curve.”

Rick Rieder, BlackRock’s Chief Investment Officer of Global Fixed Income, Head of Global Allocation Team

Canadian Equities

Overall, we remain neutral on Canadian equities, favouring regions where AI adoption and earnings momentum are advancing more quickly.

The Canadian economy enters 2026 with modest growth expectations, following a period of slowing momentum as labour market conditions begin to ease. The Bank of Canada has lowered its policy rate to 2.25% and continues to emphasize a cautious, data-dependent approach, which market pricing and economist consensus suggest may keep policy rates broadly stable through much of 2026.¹⁰

Labour market conditions have moderated from earlier strength, as employment growth has slowed amid rapid population expansion. The unemployment rate has moved higher over the past year and sits in the mid-6% range, indicating potential easing in labour market tightness.¹¹ This trend should help contain wage pressures and support policy stability, but it also potentially points to a more restrained backdrop for domestically oriented economic activity.¹²

Against this backdrop, earnings growth for Canadian equities is expected to be moderate relative to more growth-oriented global markets. The Canadian equity market remains heavily concentrated in financials, energy and materials, which together account for roughly 60% of total index market capitalization, leaving it more sensitive to interest rates, commodity prices and global trade dynamics than to global AI-driven growth.¹³ Energy and materials benefited from resilient demand and supply discipline in 2025, though the outlook are likely to be more balanced in 2026 if commodity prices stabilize.¹⁴ Financials may see some support from easier monetary policy and improved capital markets activity, while elevated household leverage remains an important consideration.¹⁵

¹⁰ Bank of Canada, policy rate decision and Monetary Policy Report, December 11, 2025; Overnight Index Swap market pricing, December 13, 2025.

¹¹ Statistics Canada, Labour Force Survey as of November 2025, released December 6, 2025.

¹² Bank of Canada, Business Outlook Survey and Monetary Policy Report, December 2025.

¹³ MSCI Canada Index; S&P Dow Jones Indices, sector weight data, December 31, 2025.

¹⁴ International Energy Agency, Oil Market Report, November 2025.

¹⁵ Bank of Canada, Financial System Review, December 2025.

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U.S. Equities

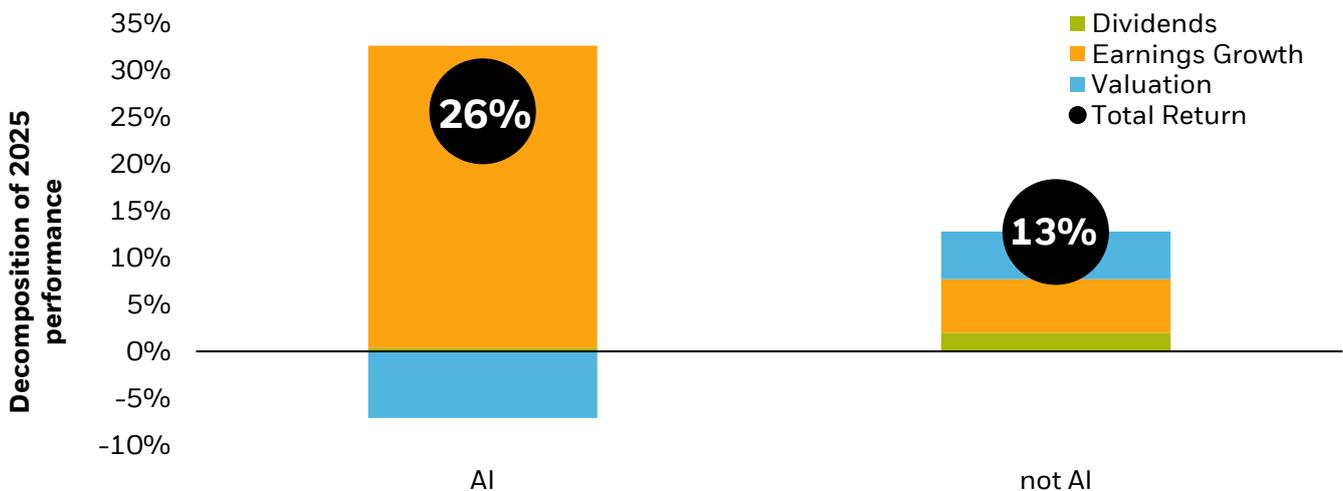
We remain highly convicted on AI in U.S. equities, but we’re also finding more to like in select non-AI pockets as fundamentals improve.

Earnings growth across the S&P 500 strengthened meaningfully in 2025 – presenting broad opportunities for investors across the spectrum of U.S. equities. We are grounded in two views:

1. AI: still in early years of the data centre buildout

AI remains our top equity investment theme, as we believe the market continues to underappreciate the opportunity of the AI data centre buildout. Overall, we believe AI-related names have the potential to lead again this year. AI stocks grew earnings markedly faster than their non-AI counterparts since the AI chatbot ChatGPT was released: the 46 stocks in the S&P 500 index that we identify as AI stocks grew their aggregate net income by 30% per year from 2023-2025, versus just 3% for the non-AI cohort.¹⁶ We believe the above-average earnings growth can carry its momentum into 2026 as the AI infrastructure buildout is still in its early stages. Even with strong fundamentals, AI related stocks saw wide swings in stock performance and high dispersion. Of the 46 AI stocks, 44 had a drawdown of at least 20% in 2025. Yet, 19 managed to post a total return of over 20% for the year. But at the same time, 12 AI stocks in the S&P 500 had negative performance in 2025. We expect volatility and dispersion to remain a persistent feature in 2026, as winners and losers within the AI theme continue to emerge.¹⁷

Figure 3: Even with strong returns in 2025, AI stocks got cheaper



Source: Bloomberg data, as of Dec. 31, 2025. AI and non-AI companies comprised by a custom basket by GPS Investment strategy. AI companies comprised of 46 companies within the S&P 500. Non-AI companies are S&P 500 ex AI basket companies. Past performance does not guarantee future results.

¹⁶ BlackRock, Bloomberg. AI and non-AI companies comprised by a custom basket by GPS Investment strategy. AI companies comprised of 46 companies within the S&P 500. Non-AI companies are S&P 500 ex AI basket companies. Past performance does not guarantee future results. As of Dec. 22, 2025.

¹⁷ Bloomberg, as of Dec. 23, 2025.

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Based on recent data, we expect over US\$700 billion to be spent on AI infrastructure in 2026 as hyperscalers, sovereign entities, enterprises, neoclouds, and AI labs build increasingly large AI data centres that can manufacture “AI tokens,” or units of data used for AI models to generate intelligence.¹⁸

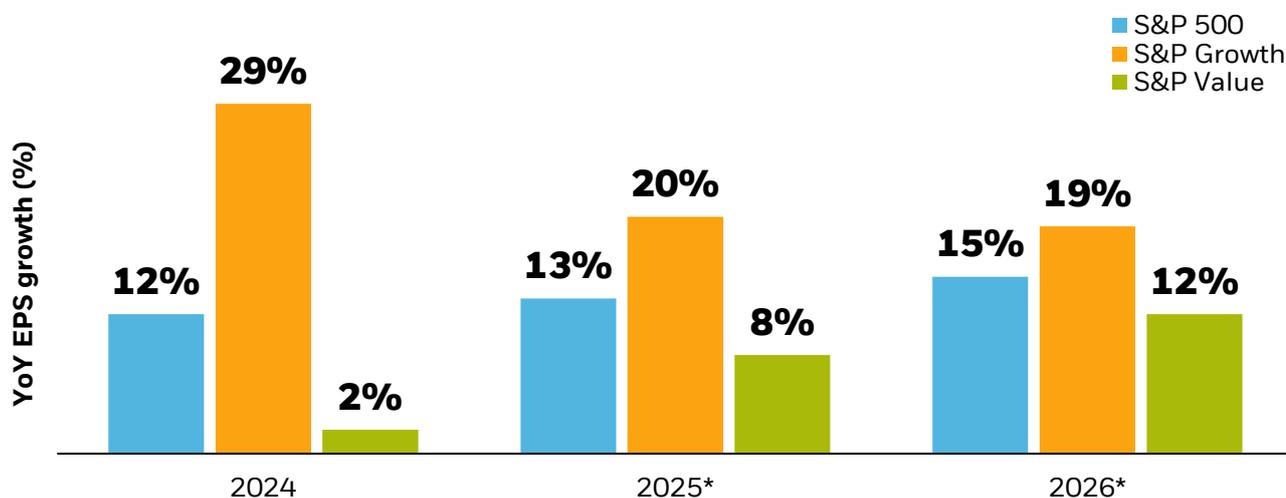
The scale and complexity of the intelligence being generated is expanding exponentially as agentic AI and systems that process multiple types of data become more capable. So far, most people that have used AI have interacted with text-to-text chatbots, which utilize little computing power when compared with other uses of AI, such as image/video generation, agentic systems, and robotics. These more complex use cases (such as self-driving taxis) are in their infancy but expanding fast.¹⁹ In our view, 2026 will bring more technological progress, with new capabilities and productivity gains unlocked by larger AI models trained on today’s most advanced chips.

2. Beyond AI: Improving fundamentals stretch across U.S. equities

The second half of 2025 delivered evidence of broadening out, in both returns and earnings growth. All 11 sectors of the S&P 500 posted annual gains – a rarity in recent years.²⁰ The top five weights in the S&P 500 contributed 29% of the index’s 11% gain in the second half of 2025.²¹ Since 2020, the top five names have been responsible for 45% of annual returns.²²

Earnings growth outside of the AI theme strengthened meaningfully in Q3. Ten of the 11 sectors beat Q3 preseason forecasts, and the median S&P 500 stock delivered its strongest earnings per share (EPS) growth in four years. Using the S&P 500 excluding technology and comms as a proxy, year-over-year EPS growth accelerated to 12% in Q3 from just 3% in Q2.²³

Figure 4: Gap closes between growth and value



Source: BlackRock, Bloomberg, Refinitiv. S&P Growth represented by S&P 500 Growth Index, S&P Value represented by S&P 500 Value Index. As of Dec. 9, 2025. Asterisks represent forecasts (as of Dec. 9, 2025). Forward looking estimates may not come to pass. Past performance does not guarantee future results.

¹⁸ BlackRock Fundamental Equities, as of December 2025.

¹⁹ Bloomberg News, “Waymo Expansion Seeks to Make Robotaxis Relevant.” Dec. 26, 2025.

²⁰ Bloomberg, BlackRock. Sectors as defined by Global Industry Classification Standard (GICS), as of Dec. 23, 2025.

²¹ Bloomberg, BlackRock. Top five weights as determined by market cap, contribution to return as determined by Bloomberg’s Contribution to Return screen. ‘Second half of the year’ represents returns from July 1 to Dec. 8, 2025.

²² Bloomberg, BlackRock. Top five weights as determined by market cap, contribution to return as determined by Bloomberg’s Contribution to Return screen. Figure represents average number across 2020, 2021, 2022, 2023, and 2024, as of Dec. 8, 2025. Index returns are for illustrative purposes only and do not represent actual fund performance. Index performance does not reflect management fees or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

²³ Bloomberg, BlackRock. Ex-tech and comms groupings as defined by Bloomberg Intelligence, as of Dec. 8, 2025.

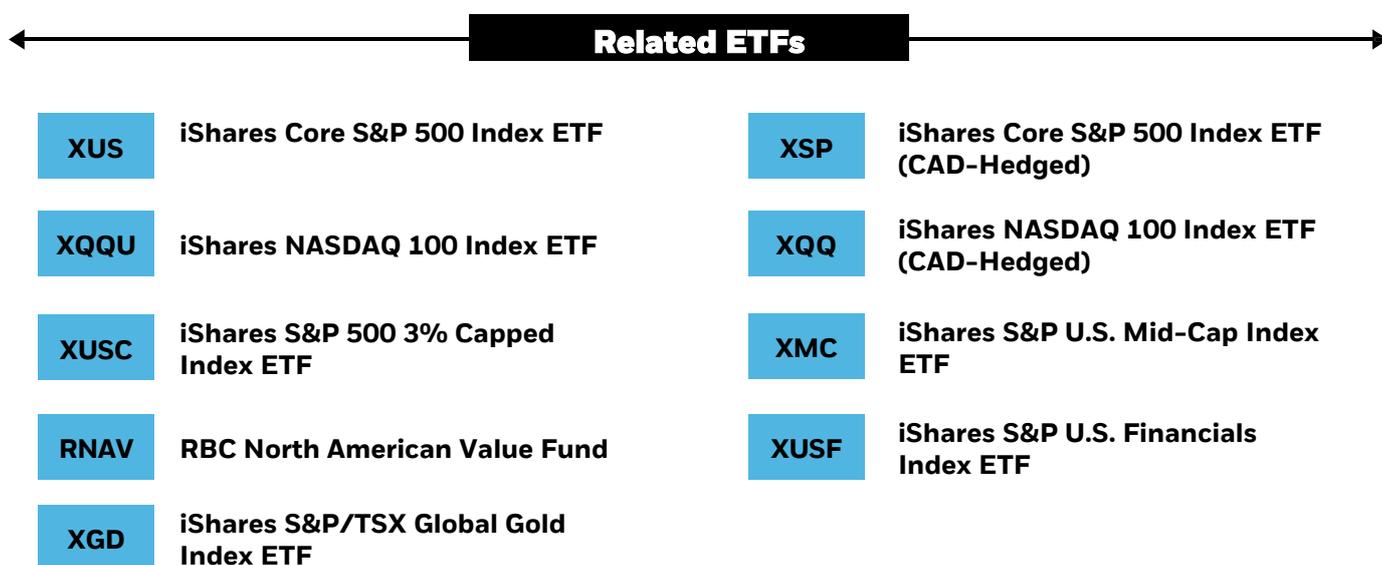
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While that level still trails technology and communications services growth (24%), the rate of change underpins a positive inflection in fundamentals beyond AI, in our view. Importantly, market performance rarely mirrors the level of earnings growth – returns are often more sensitive to changes in expectations. Consider last year: the S&P 500’s median weekly return was positive in weeks with net upgrades to forward EPS forecasts, and negative in weeks with net downgrades.²⁴

This backdrop supports our broader U.S. equity market outlook: we remain most highly convicted on AI, but turn more constructive elsewhere, too.

First, we see opportunity in broad value exposures to provide diversification within U.S. equities as fundamentals improve beyond the AI-led growth complex. Forward estimates point to momentum ahead: growth equities continue to lead, but the gap with value narrows meaningfully through 2026 as value equities are forecasted to deliver their first double-digit earnings growth in recent years (Figure 5). North American value and broader U.S. equities offer a straightforward way to participate in the continued broadening of earnings growth beyond mega-cap leaders.

Second, we see opportunity in select tactical pockets: we expect gold miners to benefit from stable gold prices and lower U.S. real rates, in line with our outlook for a more accommodative Fed path in the first half of 2026. We also like financials amid a steeper yield curve and further M&A and bond issuance, alongside a supportive earnings backdrop, with every industry in the sector forecast to post EPS growth over the next year.²⁵



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“We believe the earnings of many AI-leveraged companies today justify their higher prices, and in fact, it is earnings growth (not multiple expansion) that has been driving their returns.”

Carrie King, Global CIO, BlackRock Fundamental Equities

²⁴ Bloomberg, BlackRock. EPS forecasts as determined by Bloomberg, and net revision momentum as defined by (positive revisions – negative revisions) / total revisions. Lookback period captures Jan. 1, 2025-Dec. 17, 2025. As of Dec. 17, 2025.

²⁵ Bloomberg, BlackRock. EPS forecasts as determined by Bloomberg Intelligence. As of Dec. 17, 2025.

International Equities

The backdrop for global investing is shifting after a strong run for international markets in 2025.

Giving up U.S. exposure could be costly, so we believe investors are focused on international markets with credible earnings growth, improving macro fundamentals, and diversification benefits relative to portfolios that have become heavily concentrated in U.S. growth and AI-centric equities.

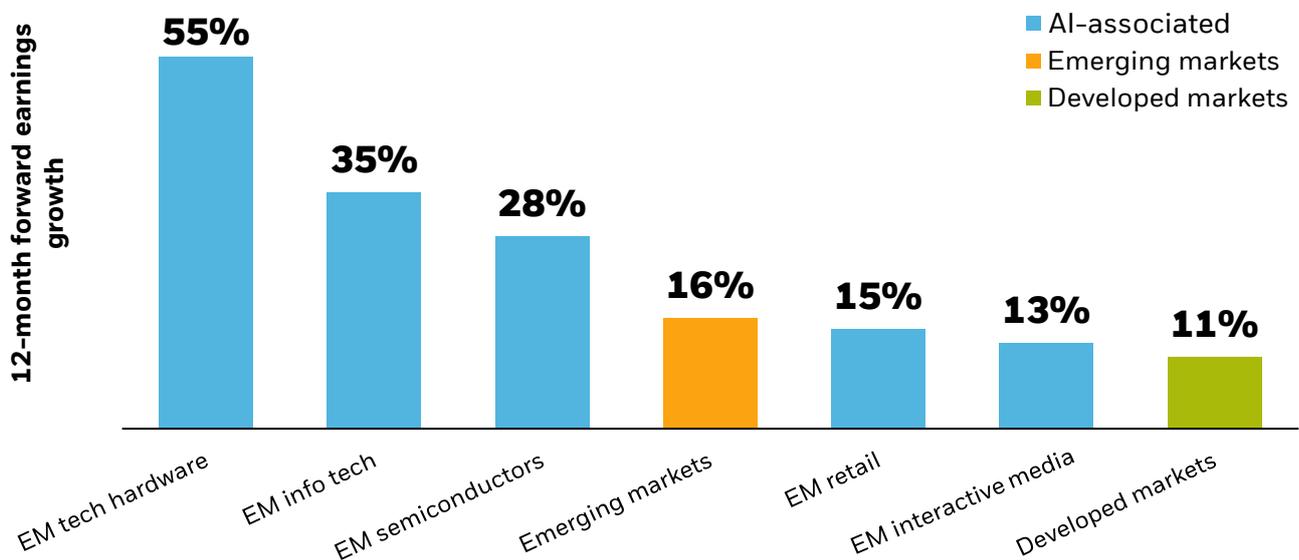
We see two opportunity sets for international equities in the year ahead.

1. Diversify within the AI trade

We believe Asian emerging markets may offer a key source of earnings growth and AI differentiation. Emerging markets have entered a cyclical upswing in activity, now accounting for about 41% of global nominal GDP, supported by easing financial conditions and recovering exports.²⁶ We see the strongest opportunities in Asian emerging markets, which offer direct exposure to the global AI buildout and the highest earnings growth expectations alongside attractive fundamentals.

- South Korea is our highest conviction equity market exposure, supported by positive sentiment, earnings momentum, and upward EPS revisions, while trading at a roughly 7% discount to its 10-year average P/E.²⁷
- Screening well on forward earnings growth are Taiwan, with 12-month EPS expectations of 20%, and China at 11%.²⁸

Figure 5: Select EM earnings growth boosted by AI-associated industries



Source: LSEG Refinitiv, as of Dec. 8, 2025. EM industries categorized by IBES, developed markets represented by MSCI EAFE Index, Emerging markets represented by MSCI Emerging Markets Index. AI-associated industries selected if major constituents either develop AI tools and systems or leverages AI to transform its operations, services, and efficiency. Forward looking estimates may not come to pass.

²⁶ Bloomberg, as of Dec. 8, 2025.

²⁷ Bloomberg, as of Dec. 23, 2025. South Korea represented by the MSCI Korea Index. Past performance does not guarantee future results. Forward looking estimates may not come to pass.

²⁸ Bloomberg, as of Dec. 8, 2025. Taiwan represented by the MSCI Taiwan Index. China represented by the MSCI China index. Past performance does not guarantee future results. Forward looking estimates may not come to pass.

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EMs in Asia complement U.S. mega-cap leaders with earlier-stage, capacity-driven beneficiaries.

U.S. leadership is anchored in model development, chip design, cloud platforms, and enterprise software. Asia’s leadership is tied to semiconductor manufacturing, energy infrastructure and cost-efficient model deployment. The data highlight this distinction:

- China, the largest market in EM Asia, has been more applications-led: platform and internet companies drove about 50% of 2025 market return. Recent model innovation reinforces this divergence. In December, the Chinese AI company, DeepSeek unveiled two upgraded open-source models reportedly trained at roughly 25x lower cost than GPT-5 alternatives, illustrating China’s progress in efficient model development.³⁰
- Semiconductors represent some 65% of Taiwan’s equity market (responsible for 77% of 2025 performance) and nearly 50% of Korea’s market (responsible for 55% of 2025 performance), the next largest regional exposures in EM Asia.³¹

2. Diversify outside the AI trade

While growth in developed markets has lagged EMs, many DM equity markets carry higher weights to value-oriented sectors, offering potential diversification from AI-led concentration. The policy backdrop supports selectivity: we do not expect fiscal or monetary easing to lift all DM sectors equally.

Dividend-paying equities can also serve as potential hedges in an AI-led equity sell-off. Their tilts toward value and lower earnings volatility can help counterbalance long-duration AI exposures. International dividend payers, in particular, can offer income stability and sector diversification at a time when recent U.S. equity returns have largely been tied to a relatively narrow group of AI beneficiaries.

Figure 6: Top 3 industries per market by weight

○ AI-related

○ Non-AI related

Market	Industry	Industry weight
Emerging markets	Banks	17%
	Semiconductors	16%
	Tech hardware	6%
Developed markets	Banks	15%
	Pharmaceuticals	8%
	Insurance	6%
Asia ex-Japan	Semiconductors	18%
	Banks	13%
	Tech hardware	7%
Taiwan	Semiconductors	65%
	Electronic equipment	11%
	Tech hardware	6%
South Korea	Tech hardware	31%
	Semiconductors	16%
	Banks	7%

Source: Bloomberg, as of Dec. 8, 2025. Regions represented by respective MSCI index, industry groups represented by S&P GICS industries.

³⁰ Bloomberg, as of Dec. 8, 2025.

³¹ Bloomberg, as of Dec. 8, 2025. South Korea represented by the MSCI Korea Index. Taiwan represented by the MSCI Taiwan Index. Index performance is for illustrative purposes only. Index performance does not reflect any management fees or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

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Recent polling shows that our clients are increasingly looking internationally for portfolio diversification (38%), alongside traditional asset classes like alternatives and private markets.³²

Related ETFs

XEC

iShares Core MSCI Emerging Markets IMI Index ETF

XCH

iShares China Index ETF

XEF

iShares Core MSCI EAFE IMI Index ETF

RID

RBC Quant EAFE Dividend Leaders ETF

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“International outperformance was an underappreciated story of 2025. Of course strong performance doesn’t guarantee what comes next, but we see many reasons why international equities could thrive again in 2026.”

Helen Jewell, International CIO, BlackRock Fundamental Equities

Portfolio insights

We anticipate the most pressing portfolio challenges in 2026 will be sourcing reliable income and finding targeted diversification. Income may be challenged as declining cash yields, while diversification takes on new urgency due to the increasing role that the AI theme plays in portfolios. We outline approaches to consider for these key challenges.

Income: Seeking portfolio income in a lower-rate world

Investors face a structurally different income regime in 2026 as markets transition toward a lower-rate environment, and central banks such as U.S. likely to continue the rate-cut cycle.³³

Elevated yields in money market funds and other cash-like instruments are dropping as policy rates fall. With an unprecedented amount of capital still concentrated in cash, income generations increasingly becoming a portfolio-level priority.

Dividend-paying equities may provide inflation-aware cash flows and higher exposures to defensive sectors, potentially helping balance growth-led AI exposures in portfolios.

Options income strategies can help investors with a differentiated source of return by seeking to capture volatility risk premium through covered call writing, generating income while maintaining some exposure to the equity market’s long-term growth potential.

³³ Bloomberg, policy rate cuts as represented by Fed Funds Futures from Bloomberg. As of Dec. 19, 2025.

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Related ETFs

XDIV

iShares Core MSCI Canadian Quality Dividend Index ETF

RCD

RBC Quant Canadian Dividend Leaders ETF

RCDC

RBC Canadian Dividend Covered Call ETF

RUDC

RBC U.S. Dividend Covered Call ETF

Diversification: Seeking diversification in a more concentrated, AI-powered market

Many investors are considering the role of AI in their portfolios, whether they've intentionally allocated to the theme or not.³⁴ A handful of mega-cap technology and AI-adjacent companies are responsible for an outsized portion of the S&P 500's performance in recent years, and these firms now represent 38% of companies in the index.³⁵ That shift has left many investors, even those without explicit AI allocations, more exposed to the same underlying growth and innovation drivers than they may realize.

Manage U.S. equity concentration: for investors seeking to maintain exposure to leading U.S. companies while managing mega-cap concentration, the iShares S&P 500 3% Capped Index ETF (XUSC) invests in all of the S&P 500 companies while limits individual stock weight to 3%. This allows investors to maintain U.S. large cap allocation while mitigating potential concerns about stock concentration and sector dominance.

Diversify beyond equities: Investors may enhance portfolio diversification by incorporating assets with lower correlation to traditional equities, such as **fixed income instruments** and **alternative assets like gold**, as complementary sources of return. **Infrastructure**, with its value-oriented profile and inflation-linked cash flows, may also add diversification benefits.

Gold jumped 65% in 2025, benefiting from persistent central bank demand, and tactical buying from retail.³⁶ Although retail demand is volatile, we continue to see structural support behind prices amid shifting central bank reserves and U.S. fiscal sustainability.

Related ETFs

XUSC

iShares S&P 500 3% Capped Index ETF

XSPC

iShares S&P 500 3% Capped Index ETF (CAD-Hedged)

CIF

iShares Global Infrastructure Index ETF

XBB

iShares Core Canadian Universe Bond Index ETF

CGL.C

iShares Gold Bullion ETF

CGL

iShares Gold Bullion ETF (CAD-Hedged)

³⁴ "Major equity benchmarks" refers to widely followed U.S. large-cap indices, including the S&P 500, Nasdaq-100, and Russell 1000 Growth, which collectively capture the performance of the dominant companies in the U.S. equity market.

³⁵ Bloomberg, as of Dec. 9, 2025. Weight is calculated as market share of top 10 technology focused companies in the S&P 500 index.

³⁶ Bloomberg, gold represented by Bloomberg Gold Spot, as of Dec. 31, 2025.

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ETF implementation ideas summary

Canadian equities		
Core and income	XIC	iShares Core S&P/TSX Capped Composite Index ETF
	XDIV	iShares Core MSCI Canadian Quality Dividend Index ETF
	RCD	RBC Quant Canadian Dividend Leaders ETF
U.S. equities		
Large-cap	XUS	iShares Core S&P 500 Index ETF
	XSP	iShares Core S&P 500 Index ETF (CAD-Hedged)
	XQQU	iShares NASDAQ 100 Index ETF
	XQQ	iShares NASDAQ 100 Index ETF (CAD-Hedged)
Beyond large-cap	XUSC	iShares S&P 500 3% Capped Index ETF
	XSPC	iShares S&P 500 3% Capped Index ETF (CAD-Hedged)
	XMC	iShares S&P U.S. Mid-Cap Index ETF
International equities		
Emerging markets	XEC	iShares Core MSCI Emerging Markets IMI Index ETF
	XCH	iShares China Index ETF
International developed markets	XEF	iShares Core MSCI EAFE IMI Index ETF
	RID	RBC Quant EAFE Dividend Leaders ETF
Style and sector equities		
Style and sectors	RNAV	RBC North American Value Fund
	XUSF	iShares S&P U.S. Financials Index ETF
	XGD	iShares S&P/TSX Global Gold Index ETF
	CIF	iShares Global Infrastructure Index ETF
Fixed Income		
Core bonds	XSMB	iShares Core Canadian Short-Mid Term Universe Bond Index ETF
	XSB	iShares Core Canadian Short Term Bond Index ETF
	XBB	iShares Core Canadian Universe Bond Index ETF
	RCOR	RBC Core Bond Pool
Income	XFLX	iShares Flexible Monthly Income ETF (CAD-Hedged)
	XEB	iShares J.P. Morgan USD Emerging Markets Bond Index ETF (CAD-Hedged)
Alternatives		
Options-based income	RCDC	RBC Canadian Dividend Covered Call ETF
	RUDC	RBC U.S. Dividend Covered Call ETF
Physical gold	CGL.C	iShares Gold Bullion ETF
	CGL	iShares Gold Bullion ETF (CAD-Hedged)

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