

Calgary



2025 Annual Investment Report AC2026-0094

Audit Committee

2026 April 23

Recommendation

That the Audit Committee recommends that Council approve The City of Calgary 2025 Annual Investment Report.



Headline Results



**Assets under
management**

**\$7,285
million**



**Net
assets**

**\$6,887
million**



**Net
return**

5.18%



**Income
available for
distribution**

**\$452.9
million**

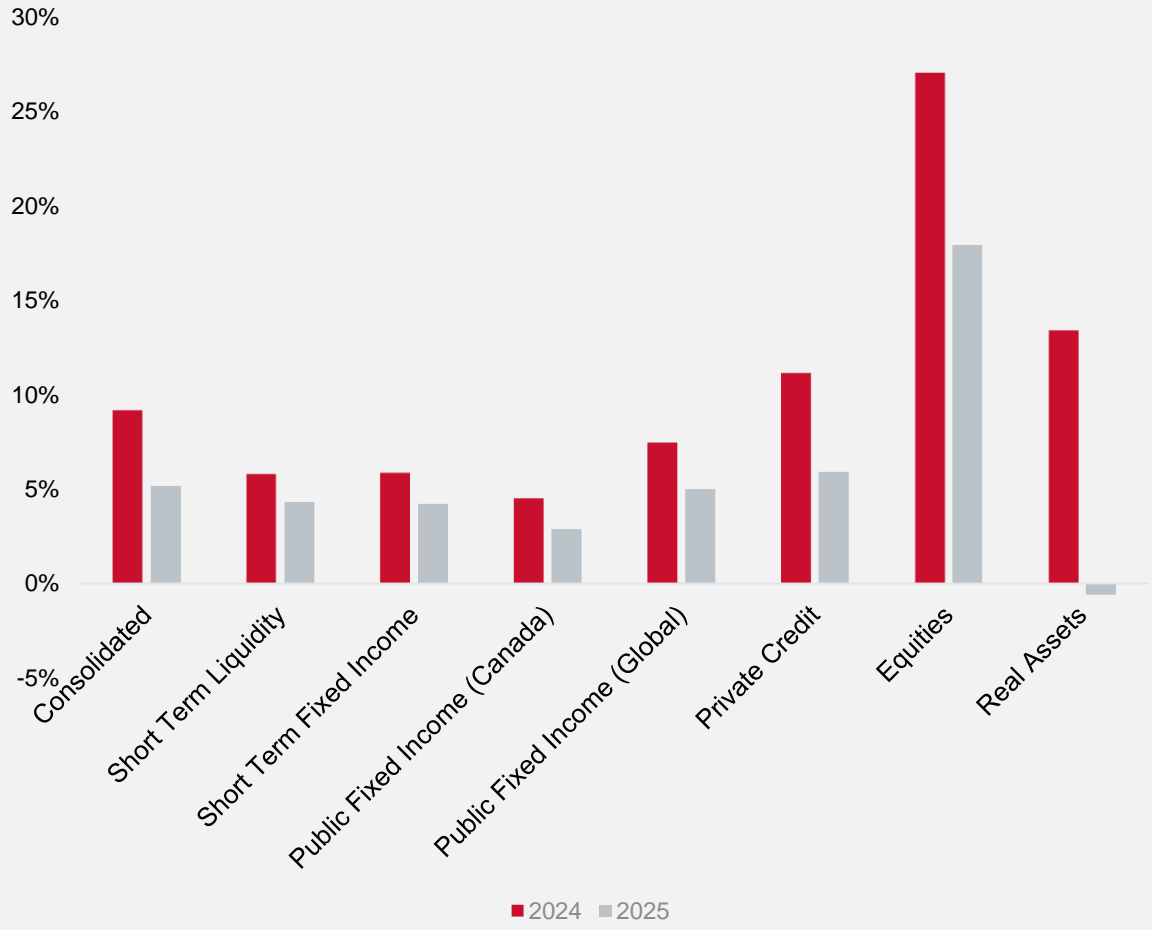
The investment portfolio grew and delivered above-budget returns



Year-Over-Year Performance Comparison

- Overall portfolio return decreased by 401 bps from 2024's exceptional 9.19% to 2025's solid 5.18%, aligning with more normalized market conditions
- Equities remained strong contributor despite declining from 27.04% to 17.94%, maintaining double-digit gains supported by AI buildout momentum
- Private Credit returns moderated significantly from 11.16% to 5.92% due to investment-grade strategy underperformance and isolated realized losses
- Real Assets experienced dramatic reversal from 13.41% gain to 0.58% loss, driven by BlackRock GRP energy transition valuation declines

Annual Returns Comparison 2025 vs. 2024





Sources of Funds

The City of Calgary invests funds that stem from the following sources:

Reserves: operating, capital and sustainment

Capital Deposits: off-site levies and government grants

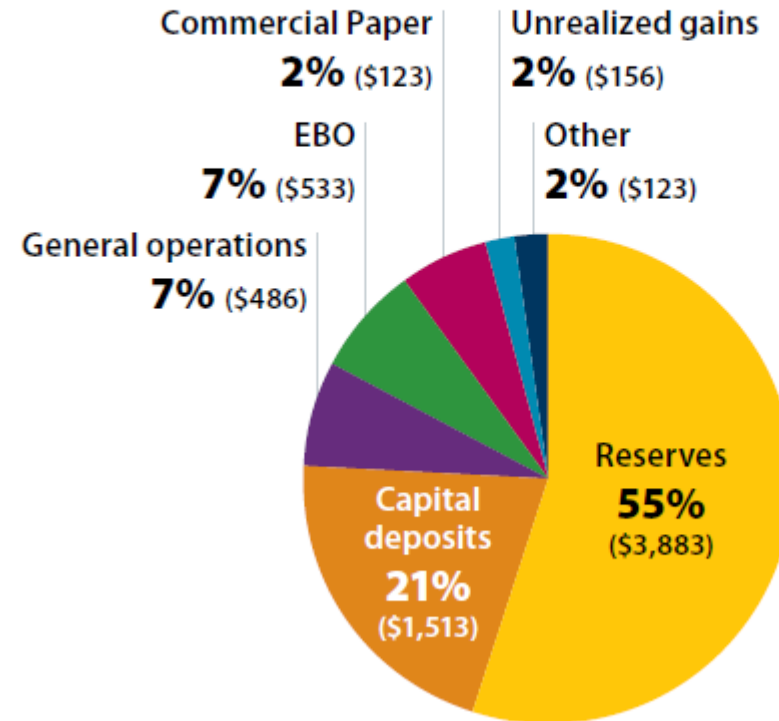
General Operations: includes working capital

Funded Employee Benefit Obligations (EBO)

Other: trusts and affiliated entities

Investment funds by source

As at December 31, 2025
(\$ millions)



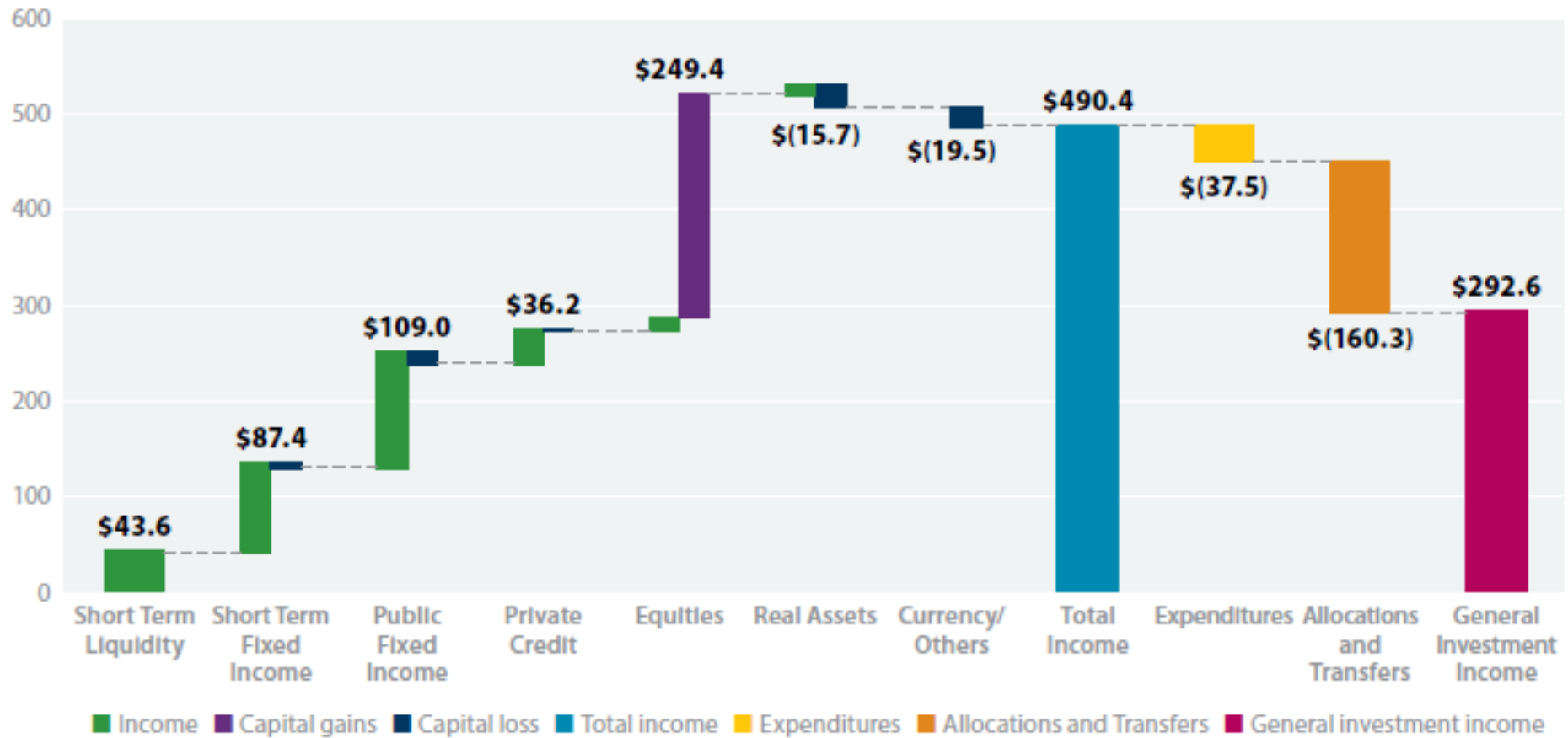
Reserves remained the largest source of investment capital



Investment Income

Investment income breakdown

(\$ millions)



Total Investment Income generated in 2025 was \$490.4 million: the highest single year income generated.



Portfolio Market Value and Cost

Period-end Asset Under Management (AUM)

(\$ millions)



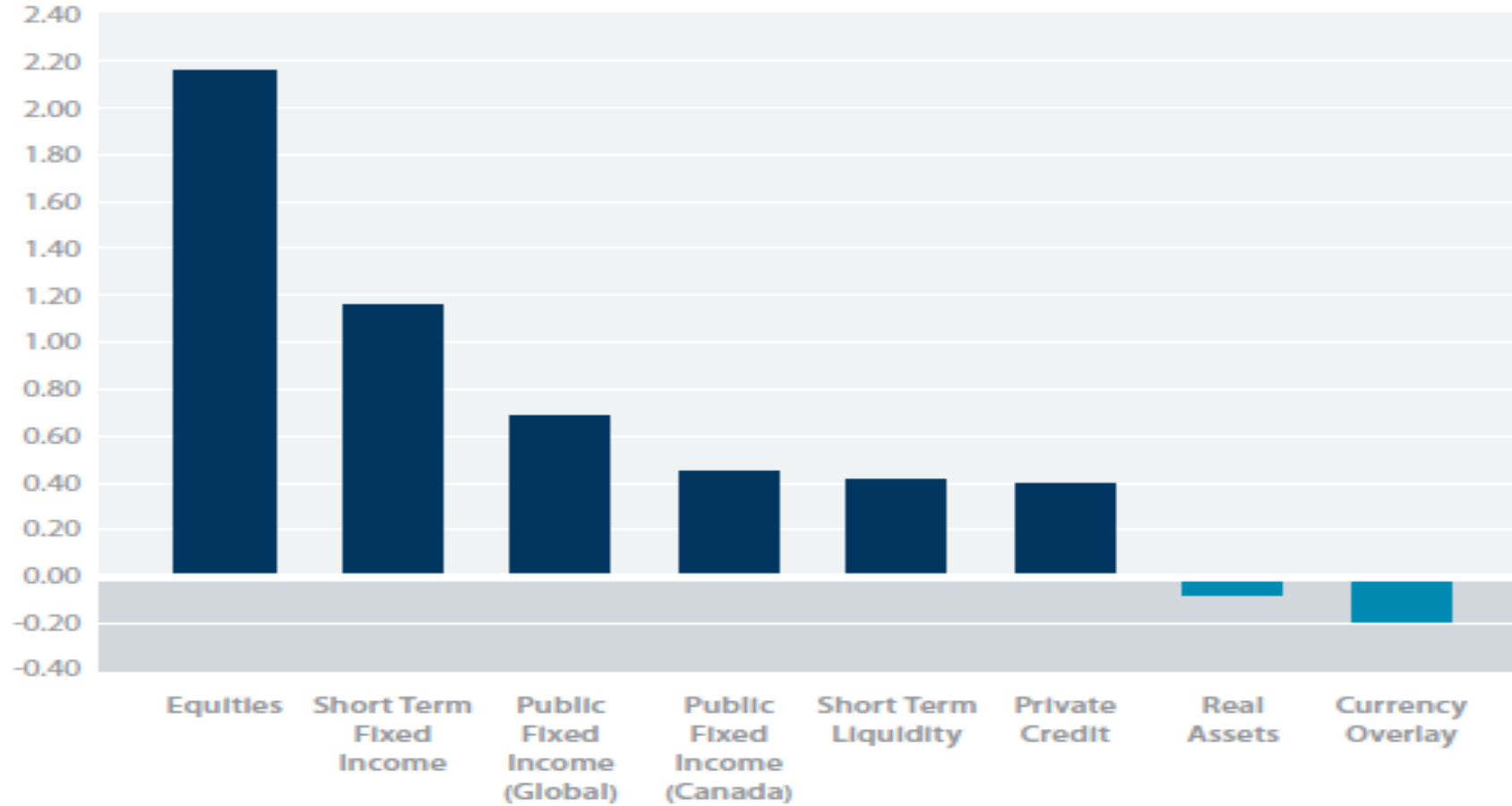
The Consolidated Investment Portfolio grew by \$193 million over the course of 2025, primarily driven by natural growth



Contribution to Return

Portfolio contribution to return

(per cent)



Equities and Short Term Fixed Income were responsible for more than half of 2025's returns.



Portfolio Performance

Historical performance

(per cent net of fees)

Portfolio Manager/mandate	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2025	2024	2023	2022	2021
The City of Calgary Consolidated	5.17	7.40	3.49	3.46	5.17	9.19	7.61	(6.14)	2.06
Benchmark	5.58	7.27	3.17	3.14	5.58	8.50	7.35	(6.46)	1.28
Value Added	(0.41)	0.13	0.32	0.32	(0.41)	0.69	0.26	0.32	0.79
Short Term Liquidity	4.33	5.15	3.75	2.46	4.33	5.82	5.19	2.54	0.85
Benchmark	2.84	4.15	2.88	1.73	2.84	4.92	4.71	1.82	0.17
Value Added	1.49	1.00	0.87	0.73	1.49	0.90	0.48	0.73	0.68
Short Term Fixed Income	4.23	5.25	2.32	2.62	4.23	5.89	5.63	(3.78)	0.00
Benchmark	3.88	4.86	1.85	2.22	3.88	5.70	5.02	(4.05)	(0.93)
Value Added	0.35	0.39	0.47	0.40	0.35	0.19	0.61	0.26	0.94
Public Fixed Income (Canada)	2.89	4.75	(0.08)	2.59	2.89	4.53	6.88	(11.34)	(2.27)
Benchmark	2.64	4.51	(0.35)	2.27	2.64	4.23	6.69	(11.69)	(2.54)
Value Added	0.25	0.24	0.27	0.32	0.25	0.30	0.19	0.34	0.27
Public Fixed Income (Global)	5.00	6.39	1.99	3.98	5.00	7.49	6.69	(8.06)	(0.34)
Benchmark	3.09	4.70	0.00	2.36	3.09	7.23	3.82	(9.61)	(3.62)
Value Added	1.91	1.69	1.99	1.62	1.91	0.26	2.87	1.54	3.27
Private Credit	5.92	8.28	5.40	5.84	5.92	11.16	7.83	(0.77)	3.26
Benchmark	6.45	9.95	4.97	5.63	6.45	12.60	10.92	(4.14)	0.08
Value Added	(0.53)	(1.67)	0.43	0.21	(0.53)	(1.44)	(3.09)	3.36	3.18
Equities	17.94	20.66	10.56	9.88	17.94	27.04	17.23	(16.09)	12.07
Benchmark	16.60	21.12	12.83	11.29	16.60	28.15	18.92	(12.43)	17.53
Value Added	1.34	(0.46)	(2.27)	(1.41)	1.34	(1.11)	(1.69)	(3.66)	(5.46)
Real Assets	(0.58)	6.75	8.49	8.06	(0.58)	13.41	7.90	12.41	9.92
Benchmark	6.54	5.85	7.18	6.89	6.54	5.96	5.05	8.37	10.43
Value Added	(7.12)	0.90	1.31	1.17	(7.12)	7.45	2.85	4.04	(0.51)



Portfolio Performance

Historical performance

(per cent net of fees)

Portfolio Manager/mandate	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2025	2024	2023	2022	2021
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Value Added	(0.41)	0.13	0.32	0.32	(0.41)	0.69	0.26	0.32	0.79
Short Term Liquidity	4.33	5.15	3.75	2.46	5.82	5.19	2.54	0.85	
Benchmark	2.84	4.15	2.88	1.73	4.92	4.71	1.82	0.17	
Value Added	1.49	1.00	0.87	0.73	0.90	0.48	0.73	0.68	
Value Added	0.35	0.39	0.47	0.40	5.89	5.63	(3.78)	0.00	
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Benchmark	2.64	4.51	(0.35)	2.27	0.35	0.19	0.61	0.26	0.94
Value Added	0.25	0.24	0.27	0.32	2.89	4.53	6.88	(11.34)	(2.27)
Public Fixed Income (Global)	5.00	6.39	1.99	3.98	2.64	4.23	6.69	(11.69)	(2.54)
Benchmark	3.09	4.70	0.00	2.36	0.25	0.30	0.19	0.34	0.27
Value Added	1.91	1.69	1.99	1.62	5.00	7.49	6.69	(8.06)	(0.34)
Private Credit	5.92	8.28	5.40	5.84	3.09	7.23	3.82	(9.61)	(3.62)
Benchmark	6.45	9.95	4.97	5.63	1.91	0.26	2.87	1.54	3.27
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Benchmark	16.60	21.12	12.83	11.29	(0.53)	(1.44)	(3.09)	3.36	3.18
Value Added	1.34	(0.46)	(2.27)	(1.41)	17.94	27.04	17.23	(16.09)	12.07
Real Assets	(0.58)	6.75	8.49	8.06	16.60	28.15	18.92	(12.43)	17.53
Benchmark	6.54	5.85	7.18	6.89	1.34	(1.11)	(1.69)	(3.66)	(5.46)
Value Added	(7.12)	0.90	1.31	1.17	6.54	5.96	5.05	8.37	10.43
					(0.58)	13.41	7.90	12.41	9.92
					(7.12)	7.45	2.85	4.04	(0.51)



Portfolio Performance

Historical performance

(per cent net of fees)

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Value Added	(0.41)	0.13	0.32	0.32	(0.41)	0.69	0.26	0.32	0.79
Short Term Liquidity	4.33	5.15	3.75	2.46	4.33	5.82	5.19	2.54	0.85
Short Term Fixed Income	4.23	5.25	2.32	1.73	2.84	4.92	4.71	1.82	0.17
Benchmark	3.88	4.86	1.85	0.73	1.49	0.90	0.48	0.73	0.68
Value Added	0.35	0.39	0.47	2.22	3.88	5.70	5.02	(4.05)	(0.93)
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Benchmark	2.64	4.51	(0.35)	2.59	2.89	4.53	6.88	(11.34)	(2.27)
Value Added	0.25	0.24	0.27	2.27	2.64	4.23	6.69	(11.69)	(2.54)
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Private Credit	5.92	8.28	5.40	2.36	3.09	7.23	3.82	(9.61)	(3.62)
Benchmark	6.45	9.95	4.97	1.62	1.91	0.26	2.87	1.54	3.27
Value Added	(0.53)	(1.67)	0.43	5.84	5.92	11.16	7.83	(0.77)	3.26
Equities	17.94	20.66	10.56	5.63	6.45	12.60	10.92	(4.14)	0.08
Benchmark	16.60	21.12	12.83	0.21	(0.53)	(1.44)	(3.09)	3.36	3.18
Value Added	1.34	(0.46)	(2.27)	9.88	17.94	27.04	17.23	(16.09)	12.07
Real Assets	(0.58)	6.75	8.49	11.29	16.60	28.15	18.92	(12.43)	17.53
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Recommendation

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