S&P Global
Ratings

RatingsDirect®

Caisse de depôt et placement du Québec

July 9, 2026

This report does not constitute a rating action.

Primary Contact

Amanpreet Kaur
Toronto
437-771-7950
Amanpreet.Kaur
@spglobal.com

Secondary Contact

Hector Cedano, CFA
Toronto
1-416-507-2536
hector.cedano
@spglobal.com

Research Contributor

Divy Rangan
CRISIL Global Analytical Center,
an S&P Global Ratings affiliate
Gurgaon Haryana

Outlook

The stable outlook reflects S&P Global Ratings' expectation that Caisse de depôt et placement du Québec (the fund or La Caisse) will continue to realize good medium-term investment returns and its liquidity levels will remain healthy. We expect leverage will remain low-to-moderate and risk management practices will remain sound in the next two years. In addition, we believe that La Caisse will remain independent of the provincial government. We do not anticipate any change to our assessment of a moderate likelihood that the Province of Québec would provide extraordinary support to the fund in the event of financial distress.

Downside scenario

We could lower the ratings if liabilities increased substantially, such that total liabilities exceeded 40% of total assets in the next two years. We could also lower the ratings if liquidity levels dropped significantly or if, in our view, the quality of management (including risk management) deteriorated materially. Although unlikely, we could also lower the ratings if we expected Québec to deviate from its hands-off approach through legislative changes that undermined La Caisse's operational or financial independence. In this instance, we could revise our assessment of the likelihood of extraordinary support of the fund, which could lead us to lower the ratings. In addition, because we limit our ratings on La Caisse to four notches above those on the related government, a downgrade on the province would lead to a similar action on the fund.

Rationale

The ratings on La Caisse, an investment manager that invests on behalf of pension plans and insurance funds, among other clients, in Québec, are based on the fund's 'aaa' stand-alone credit profile (SACP). The SACP reflects our assessment of the fund's independence from Québec, comprehensive risk management policies, high operational effectiveness, and low leverage. Offsetting some of these strengths, in our view, are the difficult demographic and economic trends--such as geopolitical conflicts, market volatility, high inflation, slower economic growth, and increasing longevity. Nevertheless, we believe the fund's medium-term investment returns will remain higher than its depositors' needs and that La Caisse has sufficient liquidity to meet near-term debt obligations. The ratings also reflect our opinion of a moderate likelihood that Québec would provide extraordinary support in the event of financial distress.

La Caisse is a well-established organization that we view as operationally and financially independent of Québec. While an agent of the province, the fund is a legally separate and autonomous entity with natural person powers, including legal ownership of its assets. It also possesses robust governance standards, including a largely independent board with a strong fiduciary spirit. We expect it would be financially resilient to political intervention, given the fund's ownership of assets, large net asset position, and ability to limit withdrawals to C$50 million per month per depositor if required. Moreover, Québec has long taken a hands-off approach in its dealings with the fund and has not been involved in investment strategy development or day-to-day operations.

We believe the fund has strong governance and very sound management. The board of directors, whose members are prominent professionals with complementary skill sets, is responsible for developing and reviewing La Caisse's guiding policies and strategic orientation. The senior management team, led by the president and CEO, implements the fund's investment strategies and runs the day-to-day operations.

Risk management policies and practices are comprehensive, and we expect the fund will continue enhancing its risk systems and procedures in tandem with its evolving market, credit, and liquidity exposures. The fund has an extremely strong risk management culture focused on integrating risk and investment functions throughout the organization, and a thorough understanding of its operational and investment risks. The risk organization is involved at multiple points during the investment process. At the heart of its risk framework is the integrated risk management policy, which defines La Caisse's risk governance and sets limits for risk tolerance, transaction authorizations, and overall concentrations.

As part of its risk management practices, La Caisse diversifies its investment portfolio by geography, credit quality (fixed income), sector, and single-name concentration. Because the fund is domiciled in Québec, it has significant exposure to Québec-based investments in several sectors, given its extensive knowledge of the local market and dual mandate to contribute to Québec’s economy while generating optimal returns. At year-end 2025, the fund's Québec-based assets totaled C$100.1 billion, or 16% of its total investments, achieving its target of raising assets in Québec to C$100 billion a year ahead of schedule. However, about C$19.4 billion, or 3.1% of total investments, of that exposure is to provincial and agency bonds, which are held as part of liquidity risk management. As well, significant investments in certain large Québec companies with extensive global operations mitigate the exposure somewhat.

La Caisse has a record of high operational effectiveness, and we expect its medium-term investment returns will remain higher than depositors' needs. The fund generated a net nominal return of 9.3% in 2025. This was lower than its benchmark of 10.9% and slightly lower than the 9.4% return recorded a year earlier. Nevertheless, the strong performance was underpinned in particular by the strength of public markets. The growth markets mandate and growth mandate, within the equity portfolio, led the annual return with returns of 28.9% and 16.8%, respectively. Although all asset classes posted positive net returns this year, two remained under pressure: private equity investments, after a track record of strong performance, had a tough year, with a 2.3% net return due to the market slowdown; and the real estate portfolio remained under pressure due to the high interest rate environment and high exposure to the U.S. office sector. That said, the real estate portfolio achieved a one-year return of 0.2% and a five-year annualized return of 1.2%, signaling somewhat stabilized property values. To mitigate exposure to the office sector, La Caisse has increased its exposure to the logistics and residential sectors. As part of its goal to make efficiencies, in 2024, La Caisse started to integrate its real estate subsidiaries, Ivanhoé Cambridge and Otéra Capital, making them investment groups within the fund. Management expects the process to conclude in 2026 and we don't expect it to hamper business continuity.

The five-year annualized net nominal rate of return was 6.5%, which exceeded the fund's benchmark of 6.2% and is in line with depositors' needs. Net investment income was C$13.4 billion, higher than C$8.1 billion in the previous year. Net assets increased by 9% to C$517.3 billion in 2025 from C$473.3 billion in 2024.

The fund's low-to-moderate financial leverage is manageable, in our view. At year-end 2025, total liabilities represented 17.2% of total assets, slightly lower than 17.5% the year before. Debt (commercial paper [CP], loans, and term debt) totaled C$49.9 billion, or about 9.7% of net assets in 2025. CP outstanding was C$11.2 billion (C$8.8 billion in 2024) and term debt was C$36.1 billion (C$32.3 billion in 2024). We do not expect any significant increase in debt and we expect total liabilities relative to total assets will remain less than 20% in the next two years.

Caisse de depôt et placement du Québec--Leverage

(%)	2025	2024	2023	2022	2021
Total liabilities/total assets	17.2	17.5	15.1	15.2	11.1
Secured funding*/total assets	8.1	9.1	6.4	7.1	4.6
Unsecured debt/net assets	9.7	8.8	8.7	8.7	6.1

*Secured funding includes repos, short selling of securities, and amounts related to derivatives positions.

We view the likelihood of La Caisse receiving extraordinary government support as moderate based on our assessment of the fund's important role and limited link with Québec. The fund manages the assets of most public-sector pension and insurance plans in the province, including those covering the government's own employees. Contributing to Québec's economic development is part of La Caisse's legislated mandate. Our assessment of a limited link reflects Québec's long track record of non-interference in the fund's operations and independent governance.

We continue to rate La Caisse above the province, based on our view that its SACP is stronger than that of the province. We think the fund has solid governance standards, sizable net assets, low-to-moderate debt, and strong liquidity. Also, in our view, Quebéc's willingness and ability to materially impair La Caisse's credit standing in periods of stress are limited, and, ultimately, if the province were to default, it's likely that the fund would not.

Nevertheless, under our government-related entities criteria, we have capped La Caisse's maximum upward rating potential at four notches above our rating on Québec. This reflects our view of the inherent connection between the fund and the province, the latter of which created La Caisse through legislation. The cap is higher than the three-notch rating cap we apply to pension funds above their sponsoring governments. Our decision to apply a higher cap reflects our opinion that the fund's relationship with Québec is clearly less direct than what exists between pension funds and their related sponsors. Unlike pension funds, La Caisse does not administer, nor is it liable for, its depositors' diverse pension benefit obligations.

Because La Caisse unconditionally and irrevocably guarantees CDP Financial's senior unsecured debt and CP programs, our ratings on the debt and the programs are at the same level as the ratings on La Caisse. In 2025, CDP Financial issued six new senior unsecured notes of combined amounts of US$2.0 billion, C$1.0 billion, A$1.75 billion, and €2.5 billion.

We apply a ratings to principles approach, using our "Principles Of Credit Ratings," in conjunction with "U.S. Public Finance: Public Pension Funds" and "Rating Government-Related Entities: Methodology And Assumptions," as our criteria foundation for our analysis of La Caisse's creditworthiness. We also use our "Methodology For Linking Long-Term And Short-Term Ratings" criteria as a basis to assign short-term ratings, as well as our "Guarantee Criteria" as the basis for the rating on the debt of the fund's issuing trust. In our view, the fund's qualitative credit factors, such as management (including operational effectiveness and financial risk management) and independence, are similar to those of rated pension funds and pension fund investment boards.

Liquidity

In our view, La Caisse has a considerable liquidity cushion under a variety of stress scenarios. Cash investment income usually exceeds net withdrawals by depositors, operating expenses, and annual debt service costs (including full repayment of loans and CP).

Furthermore, the fund has a liquidity risk management policy that requires it to hold highly liquid securities that can be sold very quickly to meet cash calls rapidly. In keeping with the policy, La Caisse held highly liquid and highly rated government bonds totaling close to C$76 billion at the end of 2025 (C$56 billion as of 2024), as well as a committed credit facility totaling US$4 billion to meet its contractual commitments and financial obligations. These holdings are the debt of the federal governments of Canada and the U.S., provincial governments and their agencies, and a minor amount of cash and other liquid assets.

In addition, the fund held C$30.1 billion of less-liquid government and corporate bonds and C$174.5 billion of publicly traded domestic and international equities, compared with capital market debt of C$49.9 billion. The fund can also resort to CP issuance. It monitors its liquidity position daily.

La Caisse's depositor funding profile is very predictable. Depositors generally have long-term investment horizons and legislative requirements to invest their money with the fund that would preclude them from withdrawing even for poor investment performance.

The fund also has procedures that we believe mitigate the potential effect of unexpected depositor withdrawals on its liquidity and investment strategies. It generally permits depositors to withdraw or deposit funds once per month, with longer lock-up periods for its less-liquid investment portfolios, such as real estate. It has the ability, if required, to limit withdrawals to C$50 million per month.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- Criteria | Governments | U.S. Public Finance: Public Pension Funds, June 27, 2007

Related Research

- Province of Quebec Issuer Credit Rating Affirmed At 'A+'; Outlook Stable, June 2, 2026
- Credit Conditions North America Q2 2026: War Compounds Pressures, March 26, 2026
- S&P Global Ratings Definitions, Dec. 16, 2025

Ratings Detail (as of July 09, 2026)*

Caisse de depot et placement du Quebec		
Issuer Credit Rating		AAA/Stable/A-1+
Issuer Credit Ratings History		
30-Jul-2009	*Foreign Currency*	AAA/Stable/A-1+
26-Feb-2009		AAA/Watch Neg/A-1+
29-Jul-2002		AAA/Stable/A-1+
30-Jul-2009	*Local Currency*	AAA/Stable/A-1+
26-Feb-2009		AAA/Watch Neg/A-1+
14-May-2002		AAA/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.