



# Market Maps

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All values in U.S. dollars and priced as of January 31, 2019, unless otherwise noted

**For Disclosures, see slide 14**



**Wealth  
Management**

# DJIA with 4-month and 13-month moving averages

\$INDU Dow Jones Industrial Average INDEX  
31-Jan-2019

**Bullish trend** indicated when 4 mo. crosses above 13 mo.

**Bearish trend** indicated when 4 mo. crosses below 13 mo.

4-month moving average ————

13-month moving average ————

The 4- and 13-month moving average lines are close together but still positive in a manner that has been seen many times in the past and is a normal part of the longer-term rising trend. If the index were to go flat for several more months as we suspect, the 4-x13-month moving averages may go through another period of false signals as happened in 2015–2016 so we will monitor other indicators as well to help determine the validity of any signal. For now the trend remains long-term bullish.

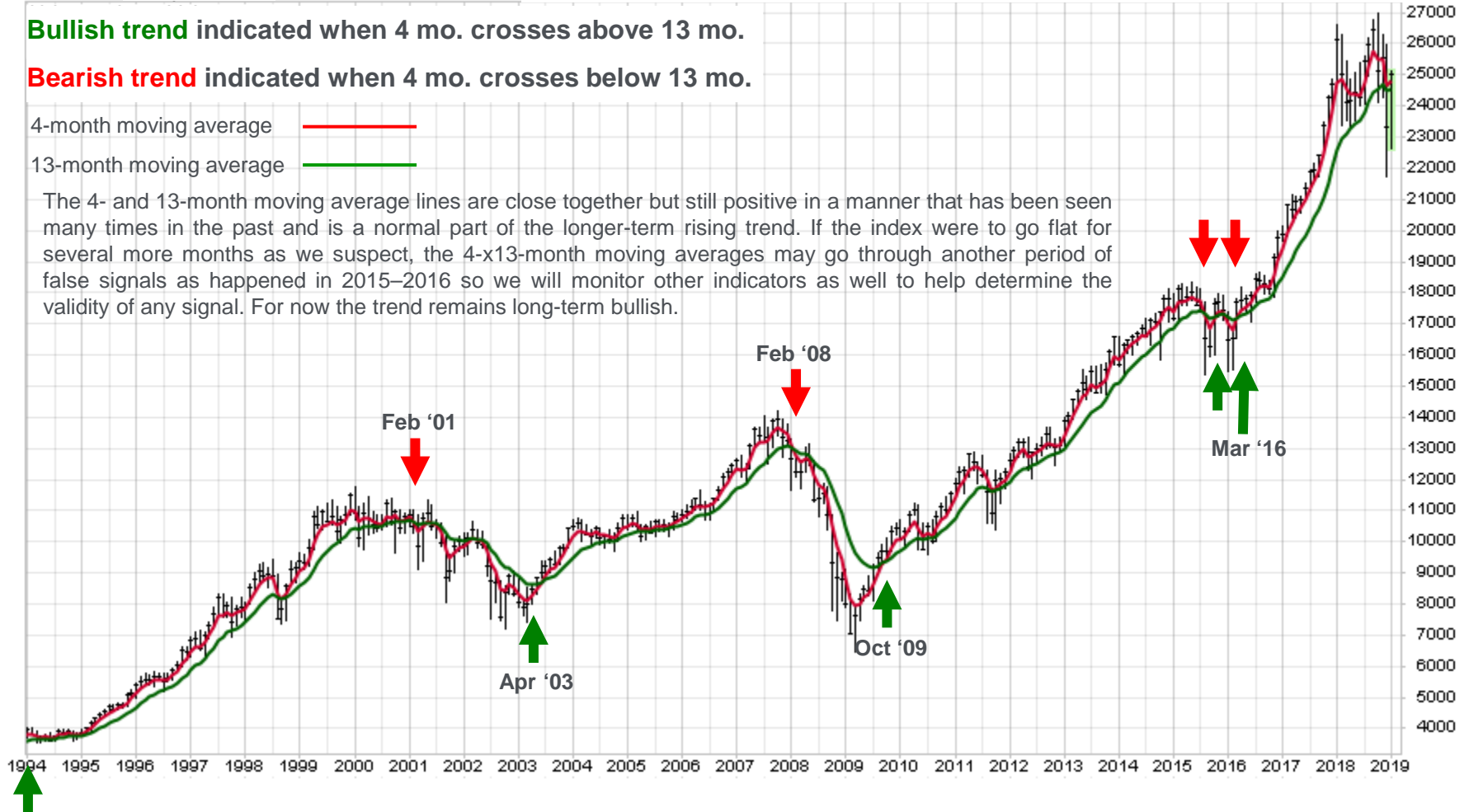


Chart courtesy of StockCharts.com and RBC Wealth Management



# Long-term market cycles 1925–2018

**\$SPX** S&P 500 Large Cap Index: INDX  
31-Jan-2019

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The long-term secular bull market remains intact after the most recent market pullback and bounce which is a much smaller event when viewed within the long-term cycle. These long-term bull markets tend to move up in a choppy fashion until the economy and earnings show much stronger numbers that cause the sentiment to reach highly optimistic levels. At this time, we see most measures as being near average for this general time period within the overall uptrend with plenty of room for improvement in the years ahead.

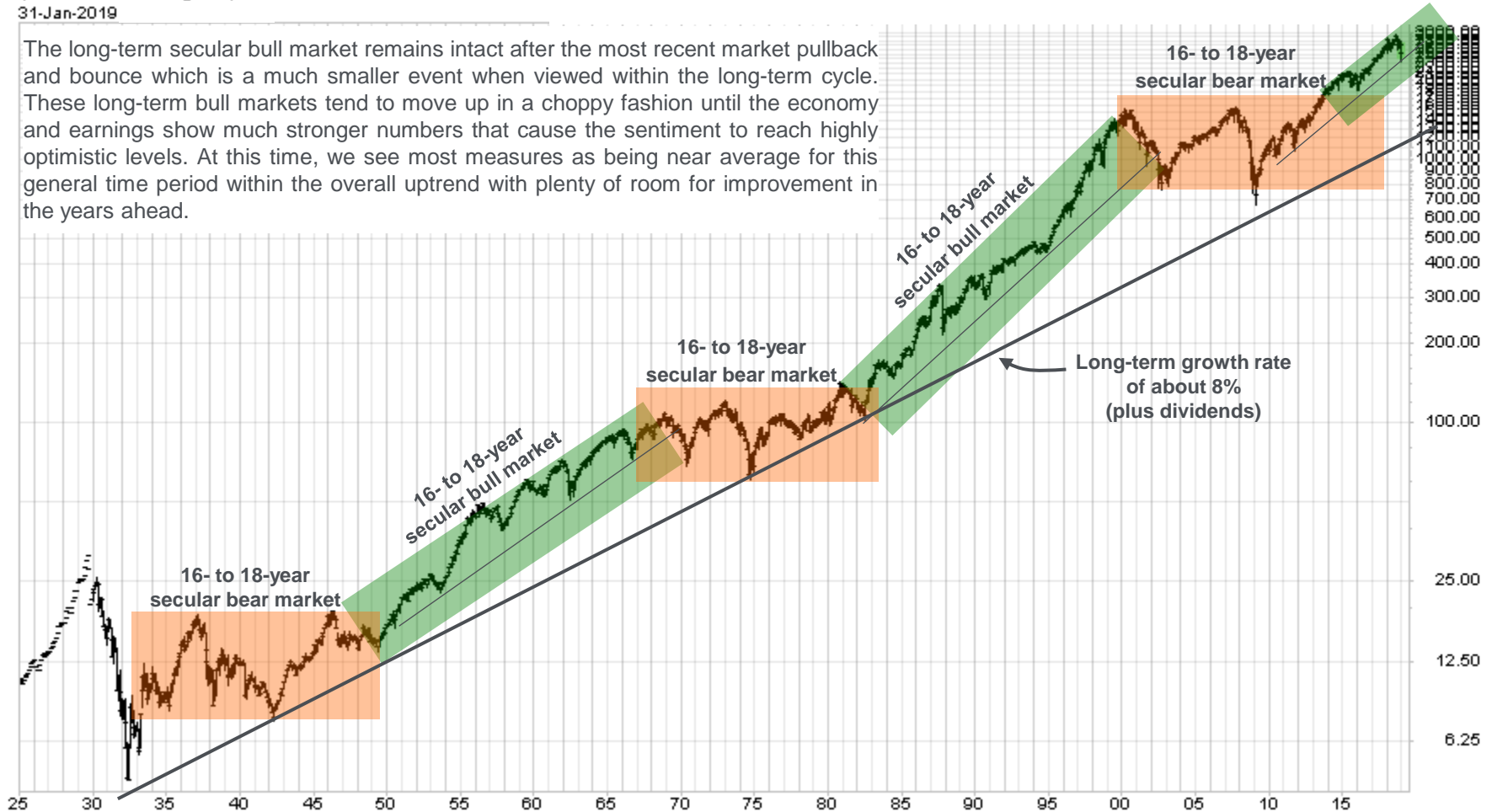


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results



# Short-term market: S&P 500 – 10 years

\$SPX S&P 500 Large Cap Index: INDX  
31-Jan-2019

© StockCharts.com

The pullback and bounce in the S&P over the past two months fits within the overall consolidating trend that the index has now been in for over a year. The bull market of the past 10 years has largely followed the earnings growth trends and the more recent volatility is also at least somewhat related to the general easing of earnings expectations for the coming year. The low end of the rising channel has been tested and may be again during this consolidation process that we expect to eventually lead to a resumption of the overall bull market.

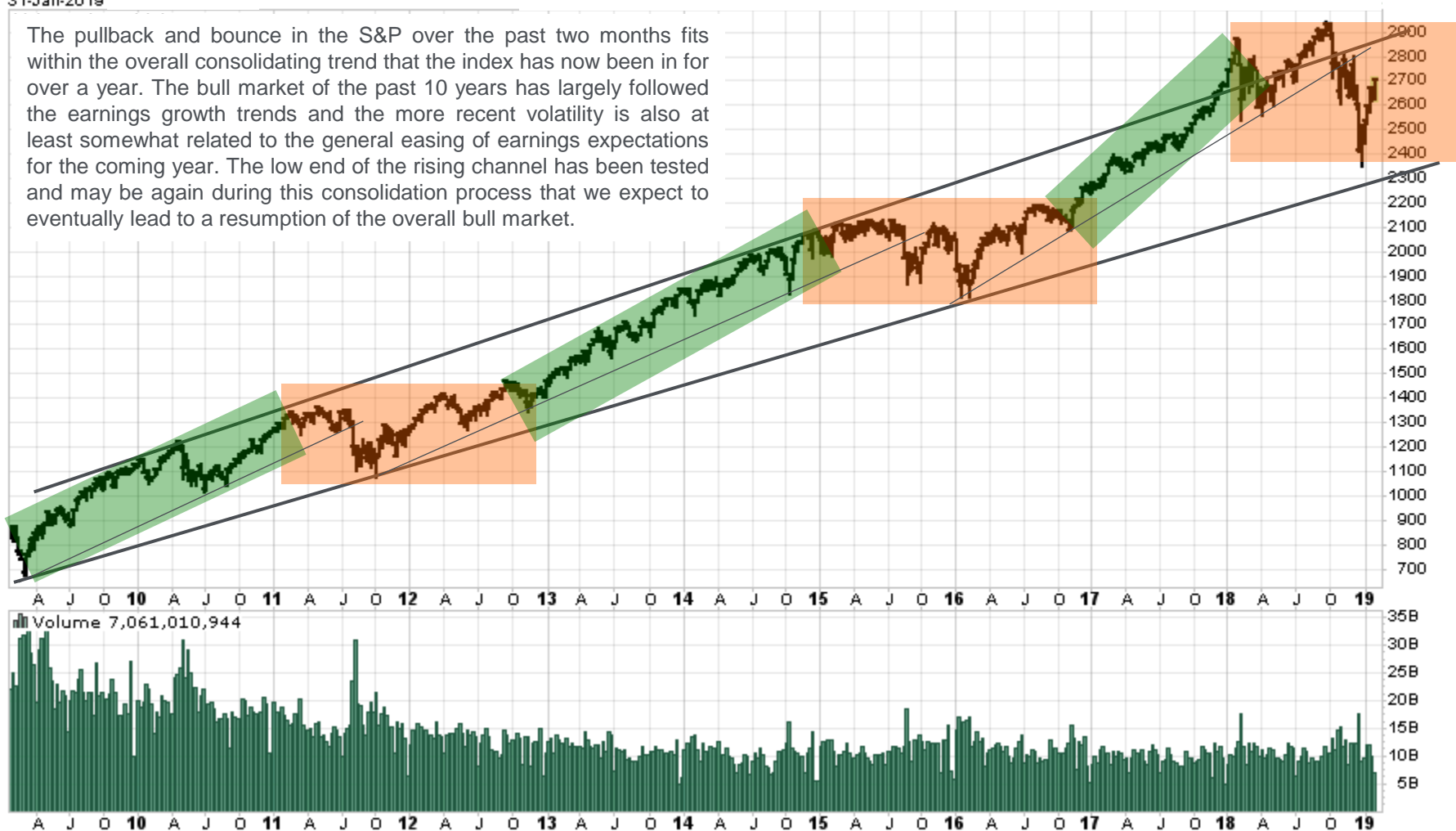


Chart courtesy of StockCharts.com and RBC Wealth Management

# Investor sentiment – 30 years



Chart courtesy of StockCharts.com and RBC Wealth Management

# TSX Composite – 10 years

**\$TSX** TSX Composite Index TSE

31-Jan-2019

Open 15289.07 High 15564.61 Low 15276.91 Close 15540.60 Volume 979.6M Chg +174.55 (+1.14%)▲

↑↓ \$TSX (Weekly) 15540.60

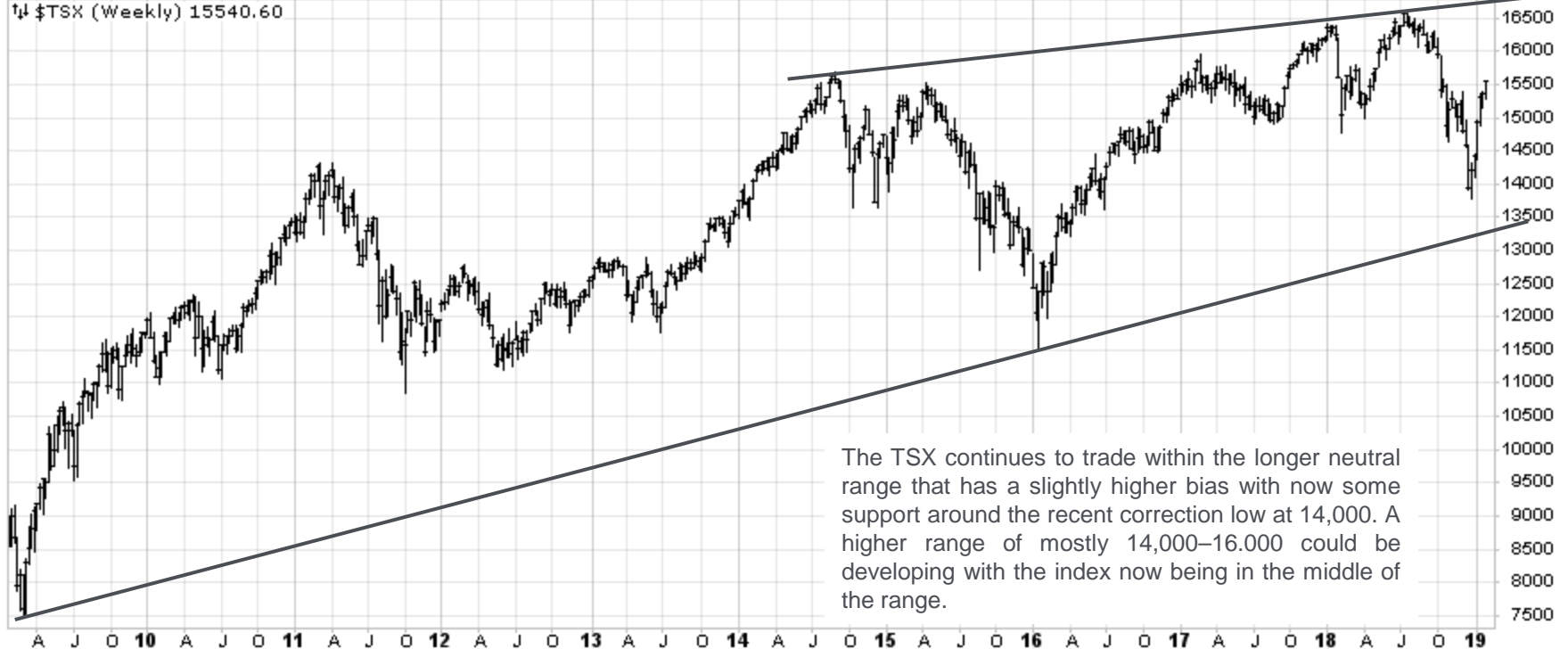


Chart courtesy of StockCharts.com and RBC Wealth Management

# Currencies – 5-year trends

**\$USD** US Dollar Index  
31-Jan-2019

© StockCharts.com



**\$CAD** Canadian Dollar - Continuous Contr  
31-Jan-2019

© StockCharts.com

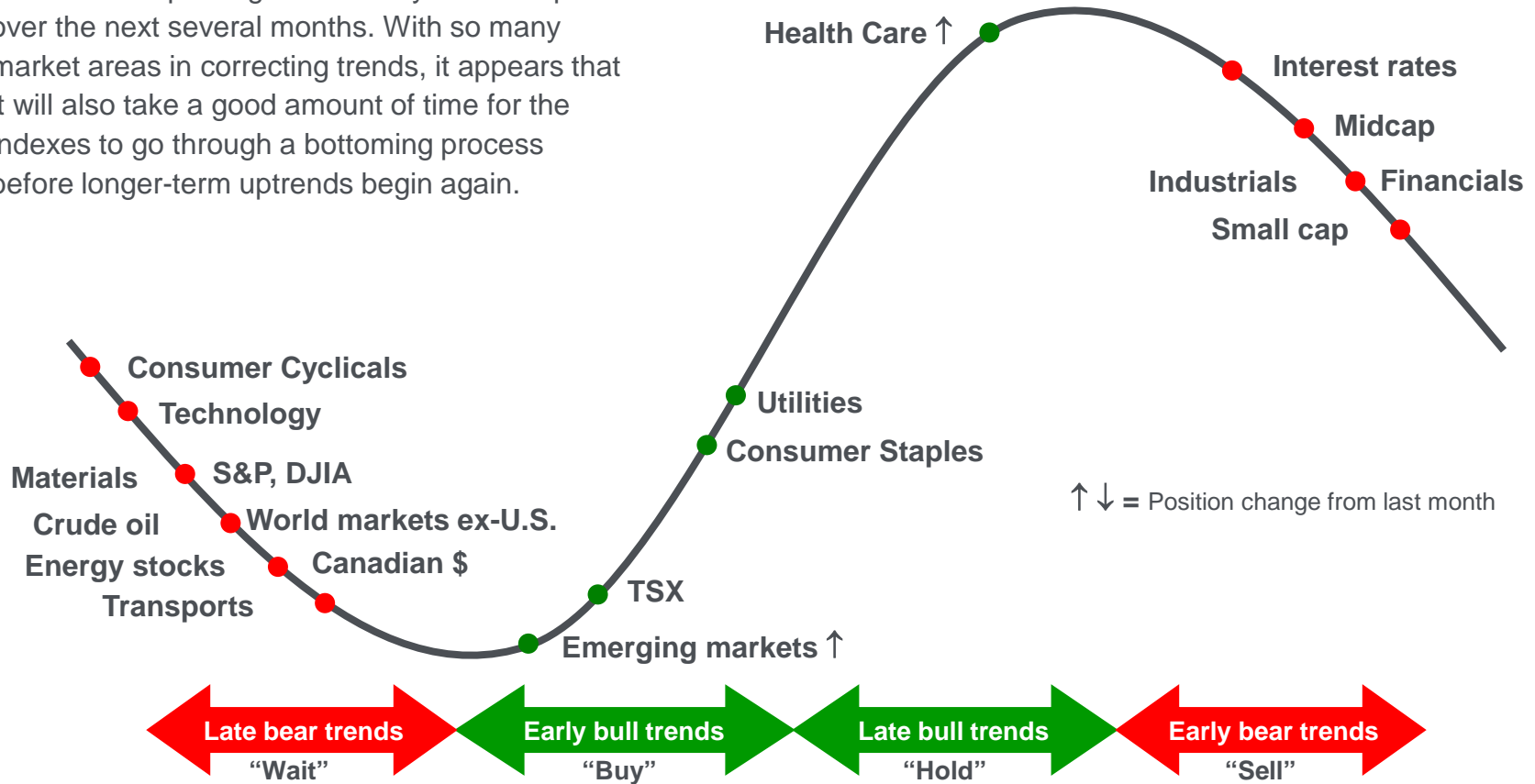


Charts courtesy of StockCharts.com and RBC Wealth Management

# S&P sectors & market indices cycle positions

## Relative positioning of major sectors within their individual cycles

Most market sectors are in correcting trends of some sort, with some nearing potential bottoming points with improving trends likely to develop over the next several months. With so many market areas in correcting trends, it appears that it will also take a good amount of time for the indexes to go through a bottoming process before longer-term uptrends begin again.

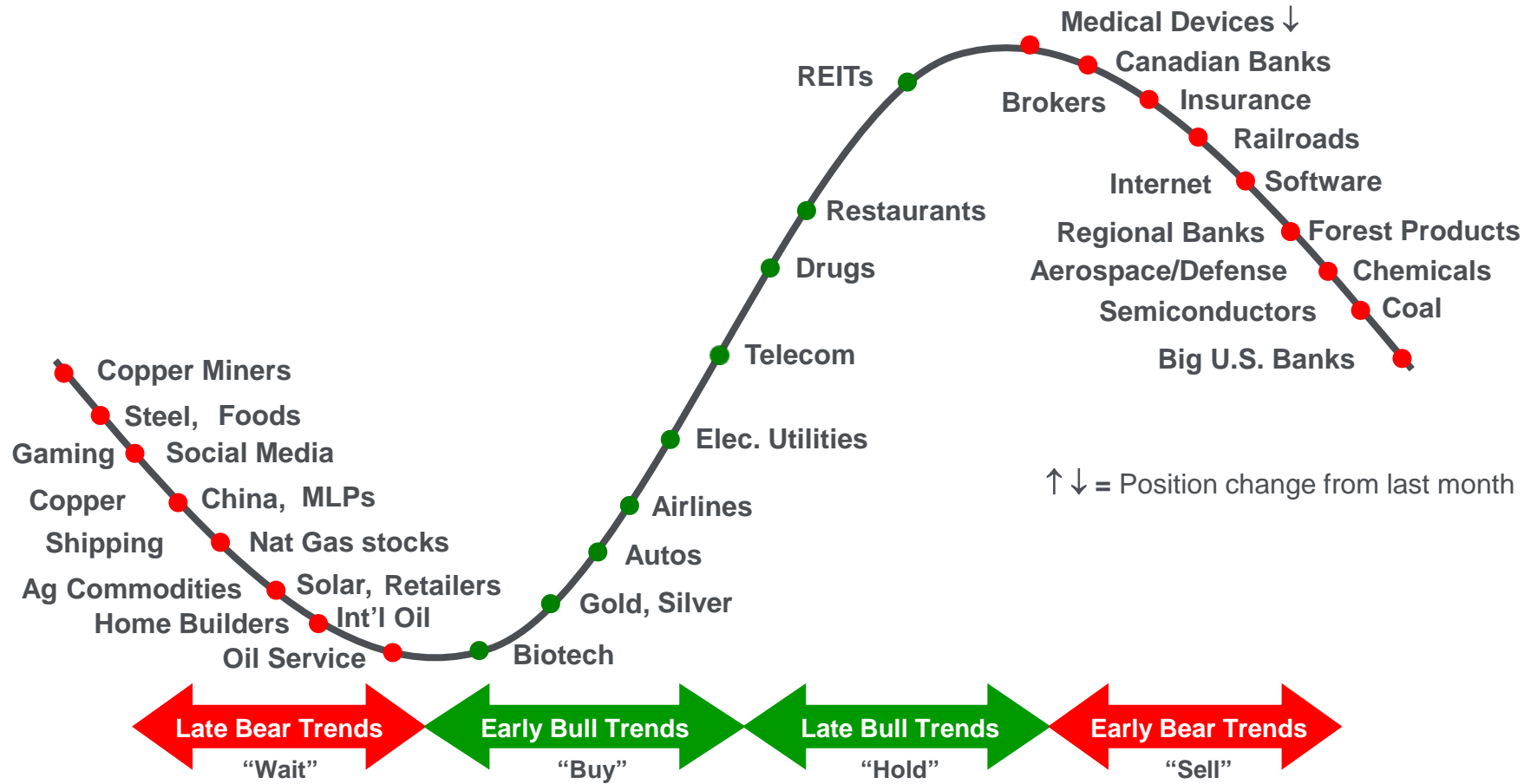


Source - RBC Wealth Management



# Select groups cycle positions

Our relative positioning of groups of interest within their individual bull and bear cycles



Source - RBC Wealth Management

# Gold – 10 years

**\$GOLD** Gold - Continuous Contract (EOD) CME  
31-Jan-2019

© StockCharts.com



The trend on gold has been edging higher toward the long-term resistance that it has at the 1360 level. A breakout would be bullish for a move of an amount that is about equal to the size of the previous range of about \$300, and possibly more. The resistance in the 1350–1360 area is rather heavy after several peaks in that area and will likely take time to work through, but the overall pattern of a major low being completed is good.

Chart courtesy of StockCharts.com and RBC Wealth Management



# Oil – Eight years

\$WTIC Light Crude Oil

© StockCharts.com

31-Jan-2019

WTIC (Daily) 53.79 (31 Jan)



Chart courtesy of StockCharts.com and RBC Wealth Management



# Stocks vs. commodities – 60 years

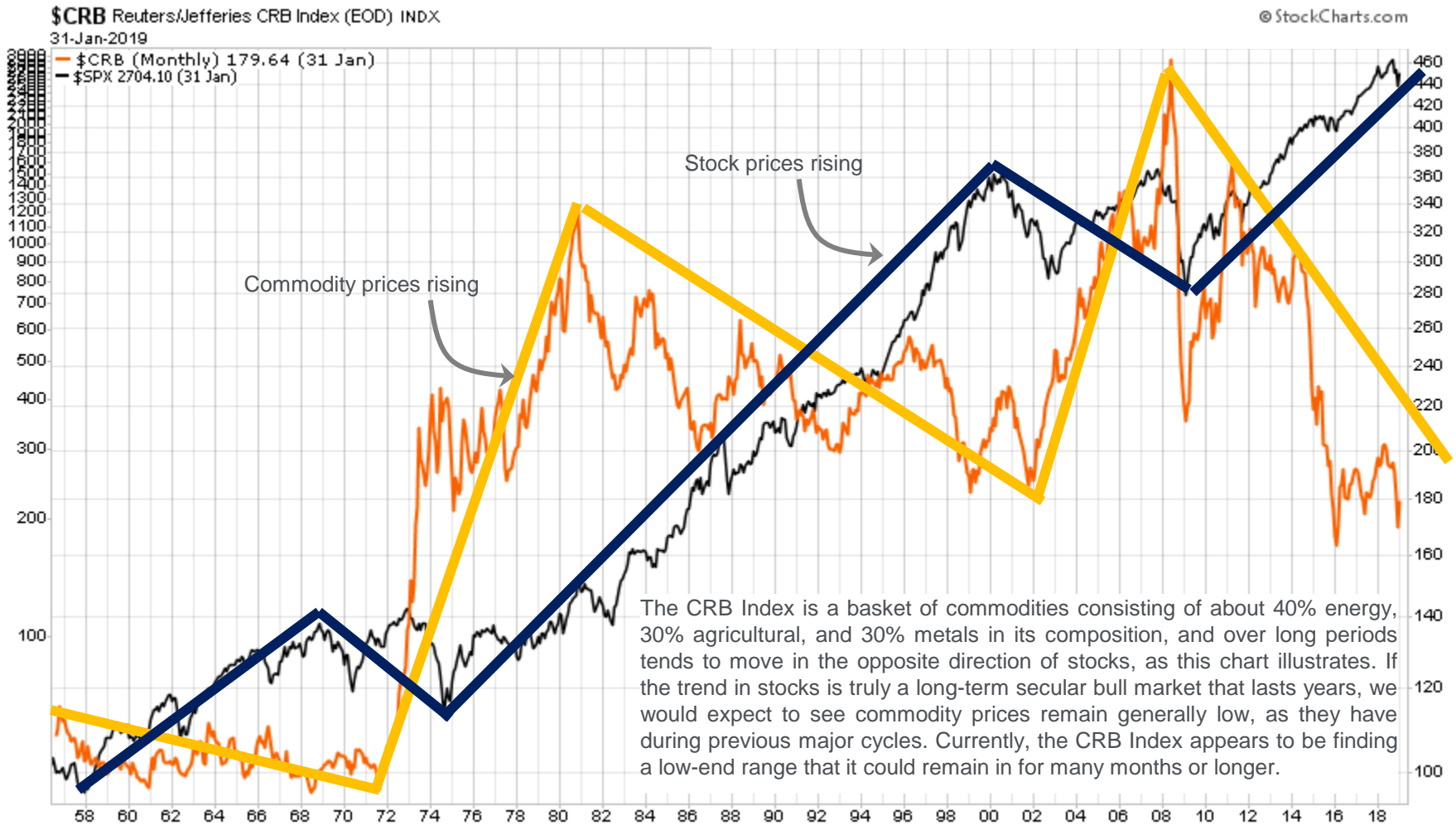


Chart courtesy of StockCharts.com and RBC Wealth Management

# 10-year Treasury bond yield for 140 years

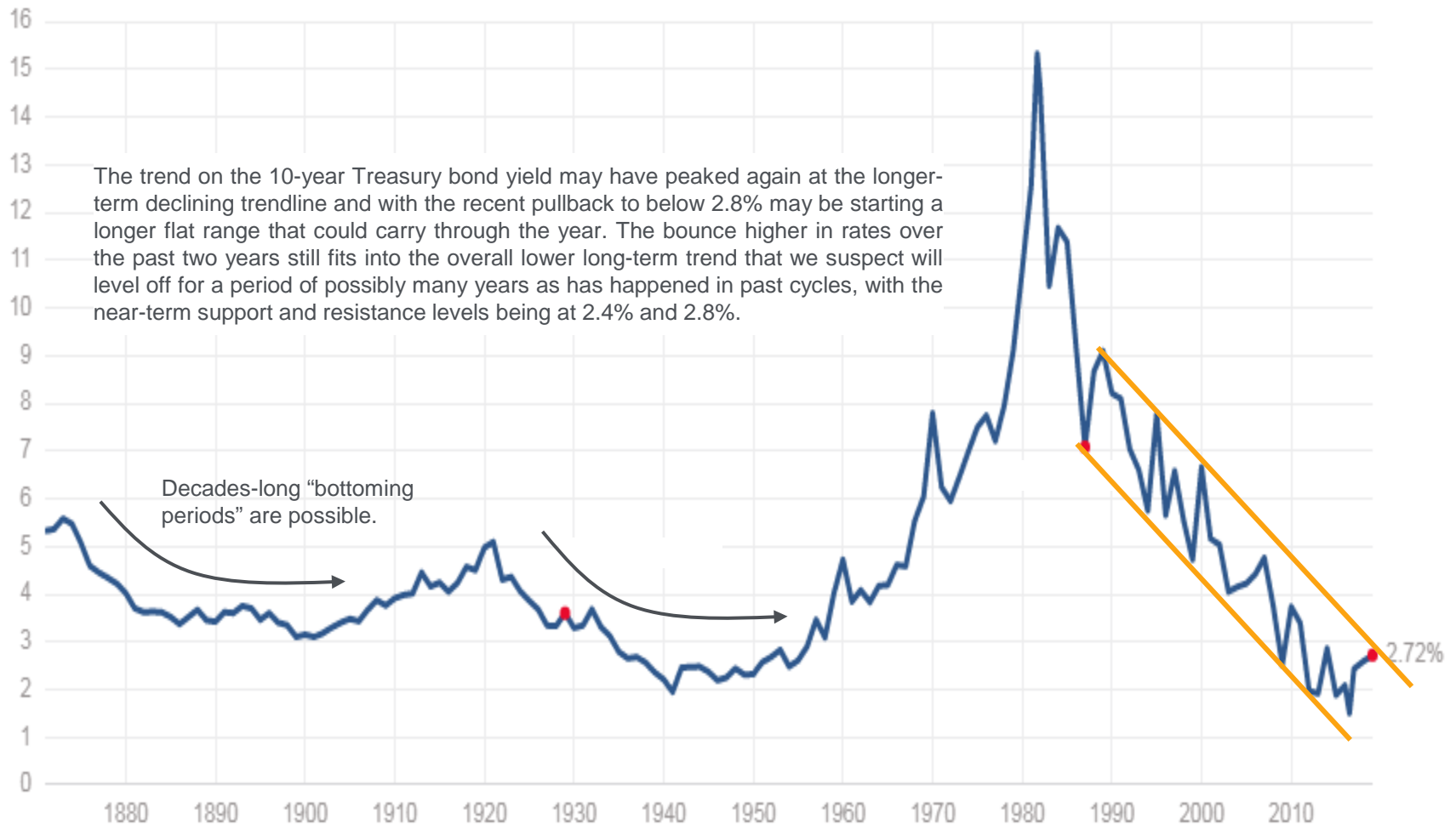


Chart courtesy of MultPL.com and RBC Wealth Management



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