September 2019

RBC WEALTH MANAGEMENT

Global Insight

Perspectives from the Global Portfolio Advisory Committee

A new phase

The activation of key recessionary tripwires portends a new phase for equities—and investment strategy.

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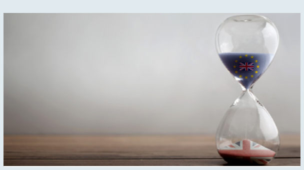

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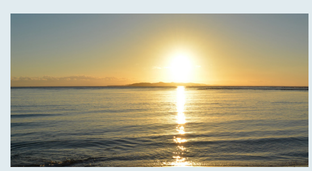

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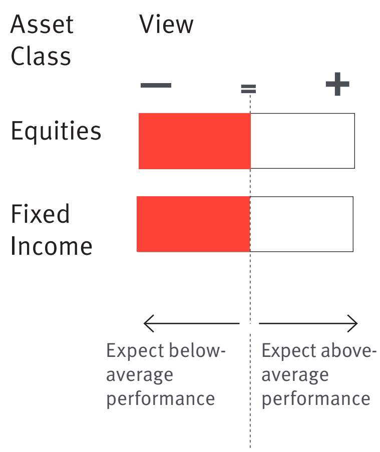

See “Views explanation” below for details

Source - RBC Wealth Management

Equities

- Equity markets have a full plate of issues to contend with, including developments in the U.S.-China trade dispute, potential shifts in global economic momentum and central bank policies, and movements in the sovereign bond market. The global economy has softened, and could weaken further if the trade dispute persists. The inversion of the Treasury yield curve is a signal to us that U.S. recession risks have risen, although four of five of our other indicators remain in expansion mode—for now.
- We’re cautiously constructive on global and U.S. equities and continue to recommend Market Weight (benchmark) exposure in portfolios. However, if more U.S. recession indicators start to flash caution signs, the risk-reward balance for equities would shift to less favorable terms. This would warrant more defensive adjustments to equity portfolios.

Fixed income

- Amidst the global uncertainties, September’s full slate of central bank meetings will be watched closely for signs of policy leanings toward renewed stimulus. Once again, the Federal Reserve will lead the way and, in our opinion, Fed Chair Jerome Powell’s pledge that policymakers will do what is necessary to keep the U.S. economic expansion intact tees up a 25 basis point cut at this month’s meeting of the Federal Open Market Committee. We continue to listen closely to yield curve messages on the U.S. economy, believing it’s not different this time.
- We maintain our Market Weight stance for global fixed income. Our view, given the late-cycle issues, is that investors are best served by a continued focus on quality. And with the likelihood of lower rates, reinvestment risk should remain a concern.

Views explanation

(+/=/–) represents the Global Portfolio Advisory Committee’s (GPAC) view over a 12-month investment time horizon.

\+ Overweight implies the potential for better-than-average performance for the asset class or for the region relative to other asset classes or regions.

= Market Weight implies the potential for average performance for the asset class or for the region relative to other asset classes or regions.

– Underweight implies the potential for below-average performance for the asset class or for the region relative to other asset classes or regions.

Focus article

A new phase

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Propelled by the record-long economic expansion, the 10-year equity bull market has pushed past one milestone after another. But the activation of two of our key recessionary tripwires portends a new phase for equities—and investment strategy. Investors may need to get more defensive in coming months, as the risk-reward balance for equities could become less favorable.

The global equity market is entering a new phase—one that requires more deliberate, careful consideration of portfolio positioning.

During the past 10 years of the U.S. economic expansion and equity bull market, none of our major U.S. recession tripwires were activated. The indicators remained in the green despite temporary slowdowns and through periods of overseas instability, signaling that the economic expansion would persist and, in turn, would provide a firm foundation not just for the U.S. equity market but for global stock markets as well.

Since the end of the Great Recession in 2009, tracking these persistent signals has enabled us to stay fully invested in equities for all but four of 122 months, and to avoid the distractions of normal pullbacks and corrections. We reasoned that, as long as the U.S. economy seemed set for continued expansion, we could take market volatility in stride and keep equity weightings at a benchmark level or higher in portfolios. The S&P 500 Index has almost tripled during this period.

But the economic terrain is shifting. One of our six recession indicators—the yield curve—is now flashing red for the first time in the current expansion cycle. Another indicator that tracks the manufacturing sector—ISM New Orders minus Inventories—just shifted to a yellow cautionary signal.

RBC Wealth Management U.S. economic recession scorecard

Indicator	Status		
	Expansion	Neutral	Recessionary
Yield Curve (12-month to 10-year)	–	–	✓
Unemployment Claims	✓	–	–
Unemployment Rate	✓	–	–
Conference Board Leading Index	✓	–	–
ISM New Orders Minus Inventories	–	✓	–
Fed Funds vs. Nominal GDP Growth	✓	–	–

Source - RBC Wealth Management, Bloomberg, FRED Economic Data St. Louis Fed

The yield curve indicator has shifted to red and another indicator to yellow, signaling to us that recession risks have risen. However, our other four are still signaling economic expansion—for now.

With short-term Treasury yields higher than the 10-year note yield, and the gap between the two widening, the yield curve inversion has become more pronounced. The 2-year to 10-year portion of the curve briefly inverted in August, and we think the gap could widen. Historically, these yield curve movements have been harbingers of a recession arriving a year or so in the future.

These changes come at a time when the U.S. economic expansion is, admittedly, long in the tooth. Weak trends in Europe and Asia, notably in Germany and in China, are weighing on global growth. So too is the trade dispute between the U.S. and China with both sides layering on additional tariffs and more aggressive rhetoric. The longer the trade battle persists, the greater the risk that more consumer confidence data could erode and business confidence could sink further, all to the detriment of not just the global economy but, potentially, the U.S. domestic economy as well.

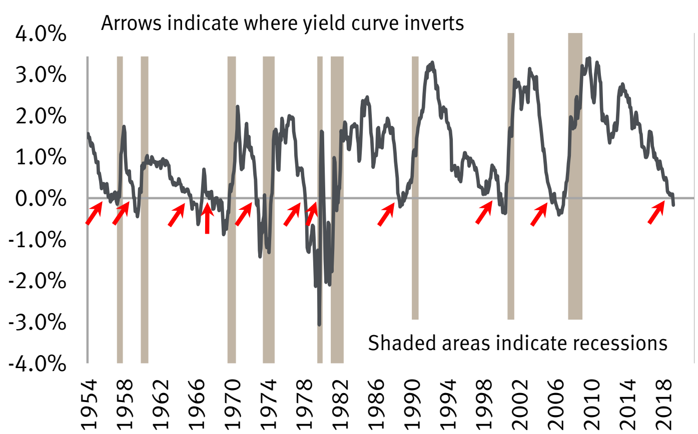
These developments have led us to become incrementally more cautious about equity positioning, with an eye toward recommending more defensive adjustments to portfolios in coming months.

Hazardous curve, or just a curveball?

Reasonable arguments can be made that the U.S. economic expansion and bull market can continue for some time. Our four other recession indicators are still in expansion mode, while the all-important consumer spending remains healthy, supported by steady wage growth and the confidence that comes with a tight labor market.

Importantly, households and businesses still have easy access to credit as banks remain willing to lend. The Fed's most recent Senior Loan Officer Opinion Survey revealed that banks continue to ease lending standards for most types of business and mortgage loans. The latest monthly survey of small and medium-sized businesses by the National Federation of Independent Business found that, as has been true for several years, only a very small percentage of respondents (3% in

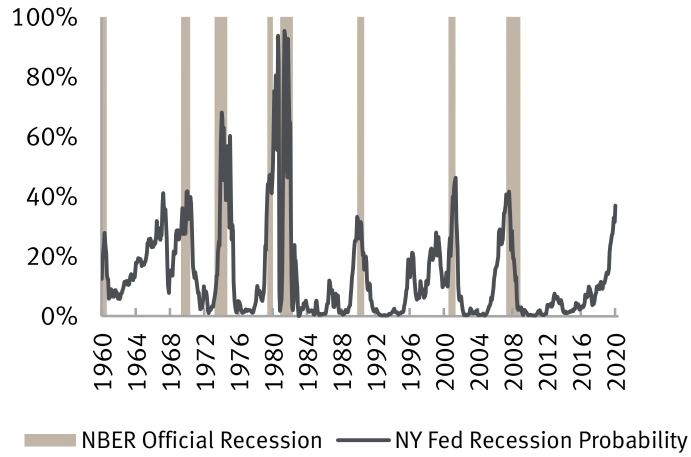
Yield differential between the U.S. 10-year and 1-year Treasury (%)



The yield curve has inverted for the first time this expansion cycle. This is a cautionary signal as all but one previous inversions preceded a recession.

Source - RBC Wealth Management, Bloomberg, U.S. Federal Reserve, National Bureau of Economic Research

New York Fed Recession Probability Index



Source - RBC Wealth Management, Bloomberg, New York Fed, National Bureau of Economic Research (NBER); data based on spread between 3-month Treasury bill and 10-year Treasury note yields

If we were to rely on one indicator, the yield curve (and we don't, we rely on six indicators), the New York Fed calculates a 37% probability of recession one year from now.

July) reported that not all their credit needs were met. Only 2% reported that their latest loan had been harder to get than the previous one.

Furthermore, there are circumstances in place that may make the Treasury yield curve a less valuable signal today. Some argue it is more reflective of global growth concerns than domestic U.S. risks, and that the present inversion is a technical anomaly reflecting a global stampede to the perceived safety of Treasuries, which offer relatively high yields compared to the $16T in negative-yielding sovereign bonds worldwide, especially in much of Europe and Japan.

As has often been the case during yield curve inversions, well-reasoned and compelling arguments like these are being offered in support of the thesis that yield curve inversion no longer matters—or, at least, that it doesn't matter this time. But when the U.S. economy begins to shift from expansion to contraction, there are almost always "unique" circumstances that can be cited to explain away the warning signals. Typically, recessions arrive nonetheless.

The yield curve has a track record as an economic indicator that is hard to ignore. It is usually the first of our indicators to flash a recession warning. But the "inversion signal" has always been hard for investors to get behind, precisely because it typically provides such a long early warning. An inversion is usually followed by several quarters of positive economic growth—the last such interval lasted almost two years.

On average, the yield curve has inverted 14 months before each of the last nine recessions since 1950. Only one false signal was given: in the mid-1960s, when the curve inverted but no recession materialized, although GDP growth slowed sharply to a standstill.

The S&P 500 has peaked about six months after each yield curve inversion, on average. But this is not a reliable market timing mechanism because the gap between inversion and market peak has varied widely, with the shortest occurring two months before inversion and the longest gap stretching to 21 months after inversion. On a number of occasions, the S&P 500 reached new highs *after* the yield curve inverted, and then shifted into a bear market before or during the ensuing recession.

A broader view of recession risks

Until just a few months ago, our other four recession indicators were unequivocally signaling no recession in sight. Today, while none of them have flipped, all of them are closer to doing so than they were months ago.

(For a look at all six of the U.S. recession indicators we follow, together with our assessment of what each is currently signaling, please see the appendix that follows this article.)

A cautionary tale?

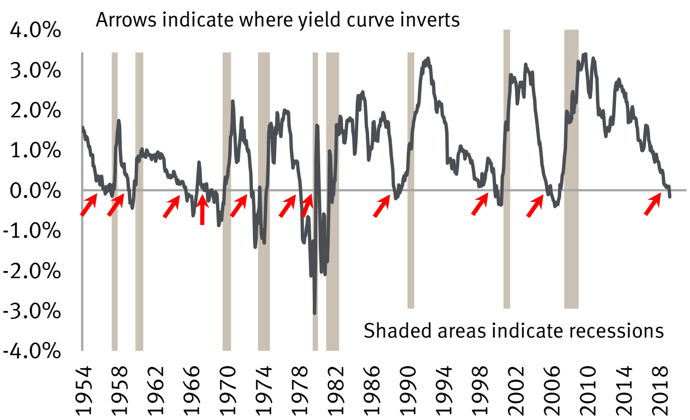
None of these six indicators has a perfect track record—although some come close. And even if one indicator had performed perfectly to date, there's a first time for everything. But looking at these indicators as a group, rather than individually, has given us a reliable picture of how the recession probabilities are shifting.

With the yield curve indicator now flashing red, the manufacturing reading at yellow, and some indicators showing the potential to shift in the months ahead, we think some additional caution is warranted.

While the S&P 500 could conceivably reach another all-time high, as it has after some of the previous yield curve inversions, we think the market has entered a new phase. In one important respect, and within the historical context, the inverting of the yield curve can be seen as opening the door to the arrival of a potential bull market peak for the first time in 10 years. We believe the risk-reward balance for global and U.S. equities will shift to less favorable terms as more recession indicators start to flash caution signs. Once the economy's path shifts decisively toward an eventual U.S. recession, a more cautious and defensive approach to U.S. and global equities will be called for.

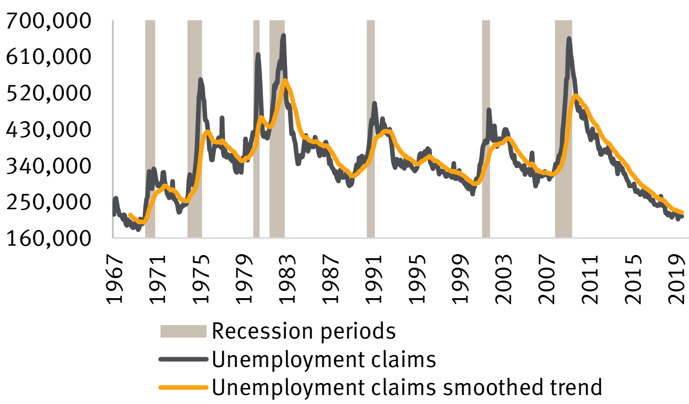
RBC Wealth Management's recession scorecard: The state of the indicators

Following are the six major economic indicators we use to gauge recession risks, along with explanations of what each is currently signaling.



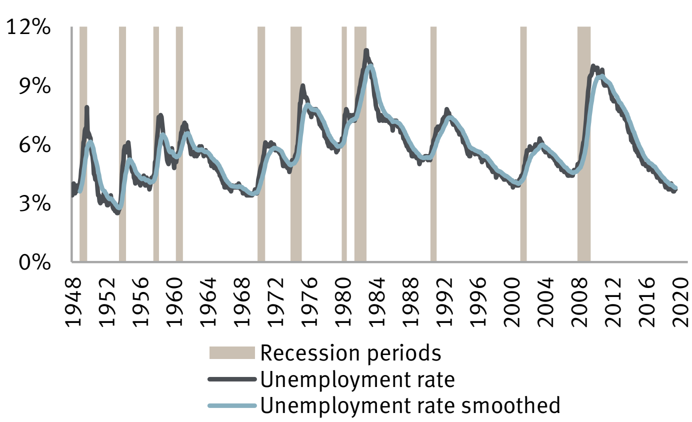
Source - RBC Wealth Management, Bloomberg, U.S. Federal Reserve, National Bureau of Economic Research

Yield curve: The gap between the 10-year and 1-year Treasury yields usually inverts several quarters before a U.S. recession begins. The monthly data inverted in August, suggesting a U.S. recession could get underway in the late summer or autumn of 2020. The yield curve usually inverts because the Fed is pushing short-term rates higher in an effort to cool down an overheating economy. This time, however, the inversion was caused by the 10-year Treasury yield plummeting as European and Japanese investors, dissatisfied with negative yields in their home debt markets, rushed into U.S. Treasuries, pushing the price of those bonds higher and the yields they offer sharply lower. There are few, if any, signs that credit conditions have tightened in the U.S. or elsewhere.



Source - RBC Wealth Management, U.S. Bureau of Labor Statistics

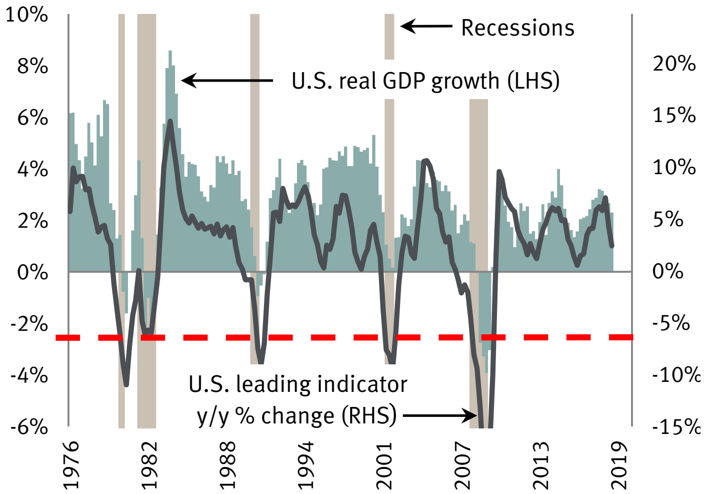
Unemployment Insurance claims: A bottoming of unemployment claims has reliably preceded the arrival of a U.S. recession, with the cycle low typically occurring several quarters before the recession's onset. Currently, the smoothed trend of weekly claims continues to move lower. The lowest weekly posting since 2007 was back in April, so if the trend were to turn higher from here without a new weekly low being set, then history suggests a recession would most likely materialize in the spring or summer of 2020.



Source - RBC Wealth Management, U.S. Bureau of Labor Statistics

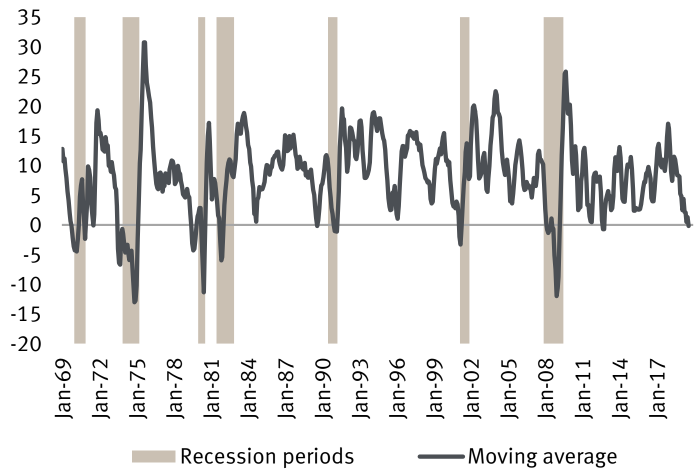
Unemployment rate: Once the unemployment rate turns the corner and begins trending higher, the start of a recession is typically two to six months away. While recent data puts the unemployment rate only one tick above its most recent low of 3.6%, which was the lowest posting in almost 50 years, we note that unemployment has been sitting below 4% for almost a year. It would take only a couple of monthly readings at 3.9% or higher to shift this indicator out of expansionary territory. However, given Labor Department estimates of 7.3 million unfilled jobs in the U.S. versus six million unemployed, it seems quite possible the unemployment rate is not yet ready to turn higher. In our view, further declines in the unemployment rate can't be ruled out—stay tuned.

A new phase: Appendix



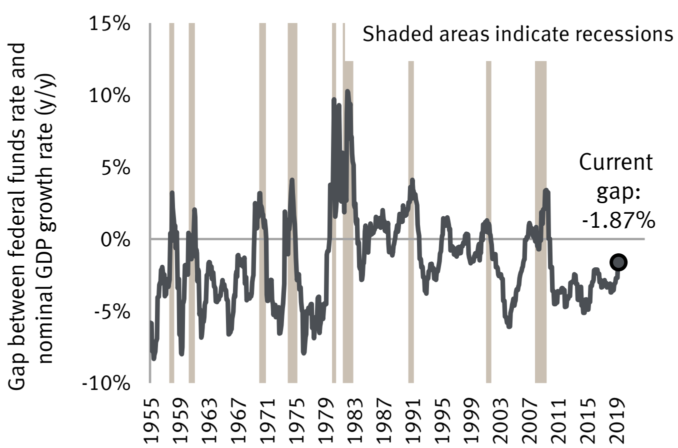
Source - RBC Wealth Management, Conference Board, Department of Commerce

Conference Board Leading Economic Index (LEI): This indicator is something of a hybrid; it is put together by the Conference Board using 10 monthly economic variables. Three of these (Unemployment Insurance claims, the yield curve, and ISM New Orders) figure in the calculation of our "Recession scorecard," so there is a bit of double counting here; we don't know exactly how much, because the Conference Board's method of dynamically weighting the 10 variables is proprietary. Whenever the LEI has fallen below where it was a year earlier (shown as negative values on the chart), a recession has always followed—typically, about six months later. Currently, the LEI sits about 1.6% above where it was a year ago. We think it would take two to three months of weakening data from here to push the year-over-year change into negative territory. Were this scenario to unfold, we think a recession would be likely to start in the summer of 2020.



Source - RBC Wealth Management, Bloomberg, Institute for Supply Management

ISM New Orders minus Inventories: The ISM Manufacturing Index is often referred to as a leading indicator, but, in our view, it has not been very useful—having missed some important turns in the economy by wide margins. But two components of the index, taken together, have a good track record of signaling recessions as they begin or shortly before they begin. The difference between the New Orders component and the Inventories component has fallen below zero near the start of most U.S. recessions. But it has also occasionally registered a false positive, signaling that a recession was imminent when none occurred. Therefore, we view this as a corroborative indicator—one to pay attention to if other, longer-term indicators are saying a recession is on the way. It has just fallen fractionally below zero and bears watching.



Source - RBC Wealth Management, Federal Reserve, Bureau of Economic Analysis

Fed funds rate vs. nominal GDP growth: Since the federal funds rate came on the scene in the early 1950s, there has never been a U.S. recession that was not preceded by the fed funds rate rising above the year-over-year nominal growth rate of the economy (the growth rate before adjusting for inflation). In Q2 2019, the nominal GDP growth rate was about 4%. The fed funds rate is sitting at 2.25%—that's 1.75% below the run rate of the economy, or seven 25 basis point Fed rate hikes from here. This indicator is saying borrowing rates are just not high enough to choke off growth in the U.S. economy. And in our view, they don't look likely to get there anytime soon.

Brexit: U.K., are you OK?

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Markets have come to grips with the idea that U.K. Prime Minister Boris Johnson's threat to pull the U.K. out of the EU deal or no deal is more than just a negotiating tactic. As the country plunges into the unknown, investors need to be nimble as the reality of Brexit evolves.

The new game plan

After taking power, U.K. Prime Minister Boris Johnson took little time making his Brexit intentions clear with a sweeping purge of the cabinet and filling it with many prominent Brexiters. His government has been laser-focused on delivering Brexit by October 31.

Johnson's stated preferred option is to negotiate the terms of a Withdrawal Agreement by which the U.K. would leave the EU. But should he fail in this endeavor, he would countenance a "no-deal" Brexit, i.e., let the U.K. walk out of the EU on October 31 with no transition period and shift trade to World Trade Organization terms. To convince the EU and U.K. voters that he was serious about pursuing this option, he not only ratcheted up the no-deal rhetoric, but also had the Treasury earmark £8.3B to prepare for exiting the EU.

Gloves off

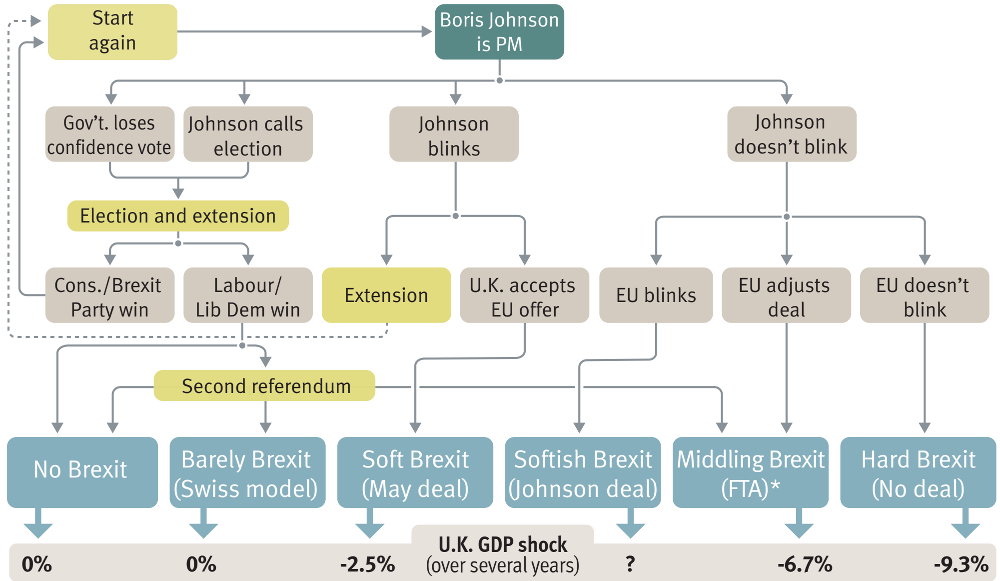
But his plan soon faced difficulties. Parliamentary arithmetic has worsened. Following a recent by-election, the defection of a Conservative Member of Parliament (MP) to the Liberal Democrats, and the expulsion of 21 rebel Conservative MPs, Johnson now heads an inherently unstable minority government. Moreover, a majority of the House of Commons opposes a no-deal Brexit, as does a majority of the public, according to opinion polls.

The House of Commons recently wrestled control of parliamentary business from the government by voting to force Johnson to request an extension from the EU to delay Brexit until January 31, 2020, unless a deal on the terms of the exit is approved by Parliament. This, in effect, would avoid a no-deal Brexit in the autumn.

Given the unfavorable parliamentary arithmetic, the likelihood of a general election has now increased. Its result, given how divided the country is and the "first-past-the-post" (or winner-take-all) system, remains as opaque as ever. At one end of the spectrum, a Conservative government could return and implement a no-deal Brexit. At the other end, a Labour/Liberal Democrat coalition could pursue a second referendum.

No clarity on how Brexit will unfold

How various scenarios would impact the U.K. economy over several years



*Free trade agreement; Source - RBC Global Asset Management

Fiscal stimulus anyone?

In a gambit which suggests positioning for an upcoming election, over the past few weeks Johnson announced a flurry of spending commitments and proposed tax changes at an unprecedented rate for a Conservative prime minister. He clearly intends to support the economy, which contracted by 0.2% q/q in Q2.

Fiscal measures helpful but unlikely to offset Brexit impact completely

Estimated cost of announced spending and tax initiatives

Fiscal spending	Cost
Employing an additional 20,000 police officers	£1.1B/year
Raising spending per school pupil	£4.6B/year
Towns' fund for disadvantaged areas	£3.6B/year
National Health Service	£1.8B/year
New prison beds	£2.5B
New railways	£39.0B

Taxation	Cost
Raising higher tax threshold to £80,000 from £50,000	£9.0B/year
Increasing starting point for National Insurance contributions to £12,500	£11.0B/year
Exempting houses under £500,000 from stamp duty	£4.0B/year
Cuts to corporate income tax*	TBD

*This measure was discussed during the Conservative leadership debates

Source - Bloomberg, Reuters, IFS, ukonwards.com, RBC Capital Markets, RBC Wealth Management

But some perspective is needed. Some of this spending had already been promised by the previous administration, such as the funds earmarked for the National Health Service and the poorest cities and towns. Other proposals, such as infrastructure spending, would take years to plan and would require legislative approval, which could be problematic given the parliamentary arithmetic.

As for tax changes, their impact doesn't tend to be immediate. For one, they would mostly take effect in a new tax year, or not until April 2020 in this case. The value added tax (VAT), a sales tax, is an exception. The government lowered the VAT during the financial crisis, as it judged that this was the quickest and most direct way to put money in the pockets of households. Moreover, RBC Capital Markets points out that it has been common for major tax changes in the U.K. to be phased in over a number of fiscal tax years, rather than in one go—for example, the cut in the main corporate income tax rate from 28% to 17% occurred over a 10-year period.

For now, the prime minister expects this fiscal largesse will be paid by the country's fiscal headroom, the equivalent of spending one's overdraft limit. With the economy slowing, this headroom is expected to decline, so more borrowing is likely, eventually.

What of the BoE?

As the government's stated policy has been to continue to work towards a smooth Brexit, and as the fiscal plan has not yet made it into the budget officially, the Bank of England (BoE) has maintained its guidance for "increases in interest rates at a gradual pace and to a limited extent." But if the economy slows further, the BoE is likely to adopt a dovish stance. Indeed, RBC Capital Markets expects a 25 basis point (bps) cut at the BoE's November meeting.

Should the Conservatives win a majority enabling them to pursue a no-deal Brexit, we believe the economy would need immediate support. This would be more readily effected by monetary policy rather than fiscal policy. In this situation, RBC Capital Markets projects there would be as much as a 50 bps cut and a resumption of quantitative easing.

Sterling: Pounded

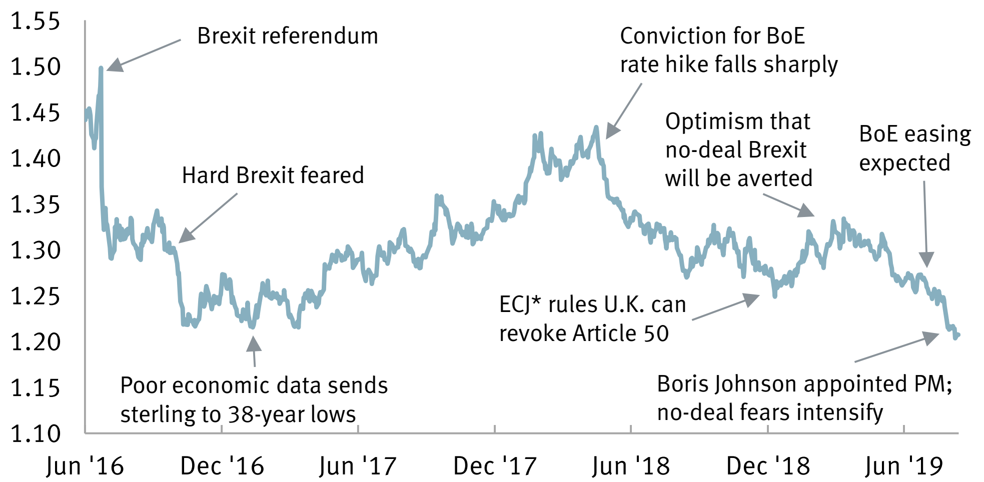
The pound was one of the worst-performing G10 currencies this summer, piercing through its post-Brexit referendum low against the U.S. dollar, as Johnson ratcheted up the no-deal Brexit rhetoric. But should a change of government (Labour/Liberal Democrat coalition) herald the possibility of an exit with a deal in place or a second referendum, a substantial relief rally in the currency cannot be ruled out, given how deeply undervalued it has become. Conversely, a Conservative victory could lead to further underperformance.

Fixed income: Safety first

We anticipate continuing demand for the perceived safety of government bonds given heightened political uncertainty and therefore maintain our Market Weight view on government bonds with short-duration positioning. Our base case is that the BoE will become more accommodative.

Timeline of key Brexit events driving the pound

GBP/USD through its post-referendum low



*ECJ = European Court of Justice. Source - FactSet, RBC Wealth Management; closing prices through 8/13/19

Fiscal stimulus is not presently being priced into the market and this is likely to remain the case as it is unclear that the current minority government has the power to deliver it.

For now, we would not expect U.K. 10-year government bond yields, which have currently fallen to 0.48%, to follow the upward move of U.S. Treasuries that occurred in the aftermath of President Trump's election in November 2016. The effect of Brexit dampening growth prospects and heightening demand for safe-haven assets currently outweighs the risk yields may rise due to fiscal stimulus.

Sterling-denominated corporate credit provides relatively attractive valuations, though we would be prudent and avoid issues from companies exposed to the domestic economy.

Equities: A bargain bin?

We reiterate our Market Weight stance on U.K. equities given the low valuations, with the MSCI United Kingdom Index trading at a price-to-earnings multiple of below 12x 2020 consensus earnings estimates, and having an overall dividend yield of 5%. Moreover, at some 22%, the discount of the MSCI United Kingdom Index to the MSCI World Index is as deep as it has been in close to 10 years.

In the current uncertain environment, we believe it makes sense to continue to focus on companies which generate revenues abroad despite their recent run of outperformance and often fuller valuations. Their repatriated earnings benefit from a weaker currency and feel less impact from the U.K.'s weak domestic outlook. In a no-deal scenario, we would expect the shares of these companies to continue to outperform, but we would be alert to opportunities in domestic-centric companies, which may become even more deeply discounted in any further selloff.

However, should a change of government increase the possibility of a second referendum or an exit from the EU with a deal, we would expect the pound to strengthen, which would crimp the upside potential of companies that generate a substantial percentage of revenues from international sources. And with better visibility on the economic outlook, we would expect some rotation into attractively valued domestic stocks.

Necessary to be nimble

It is not an overstatement to say that the uncertainty in the U.K., given what is at stake, is unprecedented. September has already been a momentous month for headlines as Parliament has returned and the Brexit debate restarted in earnest. Investors should be alert and flexible as the reality of Brexit evolves.

Regional equity

The inverted yield curve in the U.S. Treasury market suggests that the risk of a U.S. recession arriving in the next 12 months has risen from "negligible" a few months ago to somewhere between 30% and 40% today. It should be said that other reliable leading indicators of recession are not (yet) corroborating the yield curve's message.

We view global equity markets as having entered a new phase—one in which the possibility of a U.S.-recession-induced bear market getting underway will increasingly need to be factored into decisions about equity market exposure.

We maintain our Market Weight stance toward global equities and believe the way remains open to new highs in the months ahead for most developed-economy stock markets. However, should some of the other recession indicators we follow turn negative or were any new highs in the market not accompanied by some renewed strengthening in the global economy or by greater confidence in next year's earnings estimates, then we would expect our recommended global equity exposure to become progressively more defensive.

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Regional highlights

United States

- U.S. equity volatility picked up as the Treasury yield curve inverted further and the trade dispute with China escalated, raising concerns about economic momentum. The S&P 500 moved more than 1% on an intraday basis in 73% of the trading days in August. We expect volatility to persist for at least a couple of months.

- Tariff angst overshadowed solid consumer and services data as well as better-than-feared Q2 earnings. S&P 500 earnings grew 3.2% y/y, eclipsing the slightly negative consensus forecast at the start of reporting season. The full-year consensus estimate held steady at $165 per share.

- S&P 500 fundamentals are relatively stable and we believe earnings can grow modestly for the balance of the year. The outlook for next year is murkier, particularly if the trade dispute drags on and negatively impacts business sentiment and spending, and if European and Asian weakness spreads to the U.S.

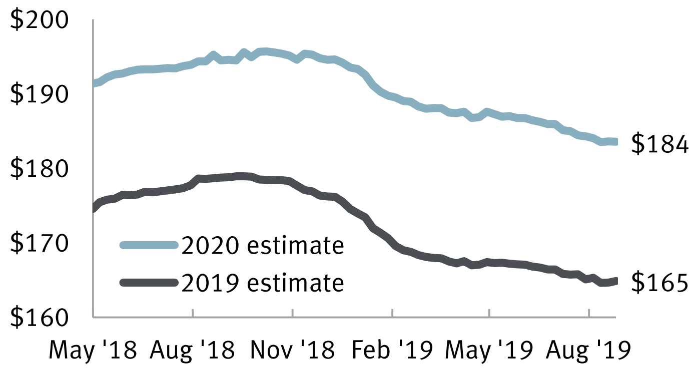
- The latest ratcheting up of tariffs by the U.S. and China doesn't shave much off of our economists' GDP forecasts. However, the ongoing tit-for-tat dispute and the broader geopolitical struggle that underlies it reinforce our view that both sides are unlikely to forge an enduring, comprehensive trade pact. A cosmetic, modest deal is likely the best-case scenario. We continue to recommend Market Weight (benchmark) exposure to U.S. equities, but would prepare to lighten that exposure if key economic indicators were to deteriorate further.

Equity views

Region	Current
Global	=
United States	=
Canada	=
Continental Europe	–
United Kingdom	=
Asia (ex-Japan)	=
Japan	+

+ Overweight = Market Weight – Underweight
Source - RBC Wealth Management

S&P 500 consensus forecasts for annual earnings-per-share growth over time



The 2020 consensus forecast of $184 seems too high barring an acceleration in GDP growth. RBC Capital Markets is at $175.

Source - RBC Wealth Management, Refinitiv I/B/E/S; weekly data from 5/1/18 through 8/26/19

Canada

- The Canadian Energy sector continues to lag the S&P/TSX Composite, only outpacing the Canadian Health Care sector year to date. While crude oil prices have fallen from their highs, WTI and Western Canada Select (i.e. Canadian heavy oil) prices are up 15% and 57%, respectively, year to date. A lack of energy transportation capacity remains the key overhang for Canadian producers, with political opposition to the existing Line 5 pipeline emerging as a fresh source of uncertainty.
- Crude oil producers hope to see signs of tangible progress on the Trans Mountain Expansion Project in the near future, after the crown corporation responsible for the pipeline issued a Notice to Proceed to contractors. This call to action should see construction on certain segments of the pipeline's route commence this summer, with other segments still subject to local permitting and approvals. The crown corporation believes it could have the expanded pipeline in service by mid-2022, should approvals be received as anticipated. In addition to red tape, we caution that court challenges and civil disobedience could inhibit the pipeline's progress.
- We continue to approach life insurance equities with a certain amount of caution. Asia has been a key growth platform for Canadian insurers, but we see potential headwinds in the form of trade tensions, slowing economic growth, and political unrest. As these factors are coupled with the perception (if not the reality) of earnings sensitivity to lower interest rates, we prefer to Underweight the industry in total-return-oriented mandates.

Continental Europe & U.K.

- We remain Underweight European equities following our downgrade in June from Market Weight. Two key reasons for our downgrade, a weakening outlook for European economic growth and political tensions, were apparent in August.
- The IHS Markit Flash Eurozone Composite Purchasing Managers' Index continued to display a wide divergence in performance between the eurozone's manufacturing and services sectors in August. While services activity appears to be

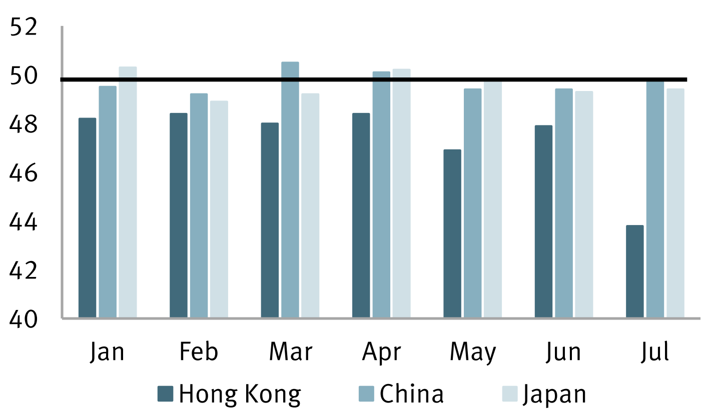
resilient and is increasing at a solid pace, the manufacturing sector's woes persist, with output down for the seventh consecutive month as the U.S.-China trade dispute and the slowdown in global economic growth continue to weigh on the region's exports. Ongoing manufacturing weakness has yet to spill over to the broader eurozone economy by negatively impacting services activity and the labour market, but this risk lingers and bears watching.

- With respect to political tensions in the region, while the imminent risk of a snap election in Italy has receded with the appointment of a new coalition government, the risk of a "no-deal" Brexit has edged up further.
- Despite the challenges facing the region, we maintain there is room in portfolios for an allocation to well-managed European companies with strong business models and leading market positions in attractive subsectors. We find these opportunities in consumer areas, segments of Industrials, and Health Care. We recommend Underweight exposure to European banks as we believe the pressure on net interest incomes will persist across the space due to dovish central bank policies (see the fixed income section, pages 19–22).

Asia

- We have become more cautious on the Hong Kong market as ongoing protests dim economic prospects. The Markit Hong Kong whole economy Purchasing Managers' Index contracted meaningfully to 43.8 in July from 47.9 in June. The property sector has been under considerable pressure as investment sentiment sours. In response to shifting fundamentals, major developers have postponed planned sales of high-end units. Retail stocks will also likely continue their losing streaks, in our view, as consumers shy away from purchases and tourist flow dwindles. At present, more than 20 countries have issued either travel advisories or warnings about the city's unrest. Another group of stocks warranting attention are banks with substantial revenue exposure to the city, as they have underperformed the Hang Seng Index since the protests began in June.

Asian PMI data



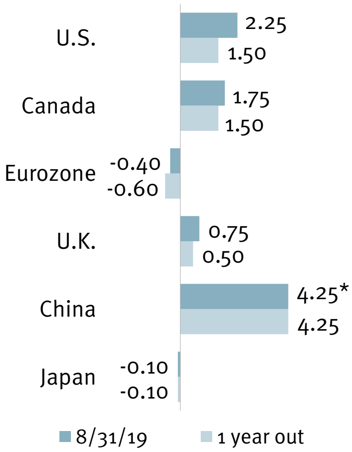
Due in part to the disruptions from protests and civil unrest, Hong Kong's whole economy was much weaker than the manufacturing sectors in China and Japan in July.

Note: Hong Kong is Whole Economy PMI, China is Government Manuf. PMI, Japan is BoJ Manuf. PMI
Source - RBC Wealth Management, Bloomberg; monthly data through July 2019

- Separately, we maintain a neutral view on Chinese stocks. Recent economic figures for industrial production, imports, and retail sales have fallen below consensus expectations. While U.S. President Donald Trump announced a deferral on the duty on certain Chinese goods until December to accommodate the U.S. holiday shopping season, he subsequently raised the duty on goods with existing tariffs and on those that have yet to be implemented. Meanwhile, Trump claimed China has lost some three million manufacturing jobs since the dawning of the trade war last September. That said, the People's Bank of China still possesses ample firepower and it may support the Chinese economy by trimming the reserve requirement ratio and/or interest rates. So, for now, the situation appears to be hanging in the balance.

Prepare for the central bank-*palooza*

Central bank rate (%)



*1-yr base lending rate for working capital, PBoC

Source - RBC Investment Strategy Committee, RBC Capital Markets, Global Portfolio Advisory Committee, RBC Global Asset Management

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The international success of the annual multigenre music festival "Lollapalooza" has spawned many knock-off festivals and retail sales events with "-palooza" attached to signify something extraordinary or outsized. We suggest the full slate of central bank meetings and the potential outcomes justify using this suffix. Central bank activity plays a major role in shaping market activity and sentiment, and with ongoing challenges posed by trade, Brexit, low inflation, and geopolitics, this should continue to be the case. We look at the upcoming meetings in chronological order.

Bank of Canada; September 4: In July, the BoC held policy steady, and its statement noted that while the Canadian economy was returning to potential growth, ongoing trade headwinds could act as a drag on the future outlook. Even though trade issues are lingering, no changes in policy are expected at this meeting, but with the Federal Reserve already on easy street, we believe the BoC will ultimately follow suit later this year.

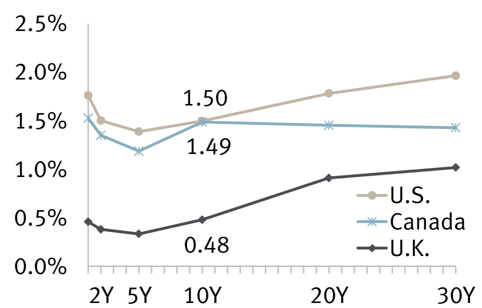
European Central Bank; September 12: ECB President Mario Draghi is known for his big policy announcements at past meetings, and with his tenure at the ECB winding down, this meeting could produce another. Draghi, in fact, has already set the stage to deliver another round of stimulus at this confab, commenting in late July that "this [economic] outlook is getting worse and worse." This view has been reinforced recently by weak

Fixed income views

Region	Gov't Bonds	Corp. Credit	Duration
Global	=	+	5–7 yr
United States	=	+	7–10 yr
Canada	=	=	3–5 yr
Continental Europe	=	+	5–7 yr
United Kingdom	=	=	3–5 yr

+ Overweight = Market Weight – Underweight
Source - RBC Wealth Management

Sovereign yield curves

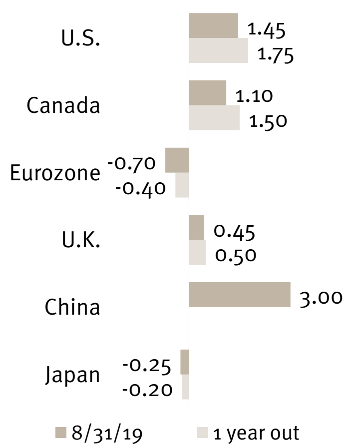


Source - Bloomberg

German economic data, and as such policymakers are expected to consider a number of options, including rate cuts and renewed quantitative easing.

Federal Reserve; September 18: Despite what seems to be a mini-rebellion from regional Fed bank presidents who don't see rate cuts as necessary, the Federal Open Market Committee's policymakers appear poised to deliver another 25 basis point (bps) rate cut in September. The message from Fed Chair Jerome Powell is that the Fed will attempt to

10-year rate (%)



Note: Eurozone utilizes German Bunds.

Source - RBC Investment Strategy Committee, RBC Capital Markets, Global Portfolio Advisory Committee, RBC Global Asset Management

do what is necessary to ensure the economic expansion continues. Market expectations continue to project additional rate cuts into 2020, and we share these sentiments.

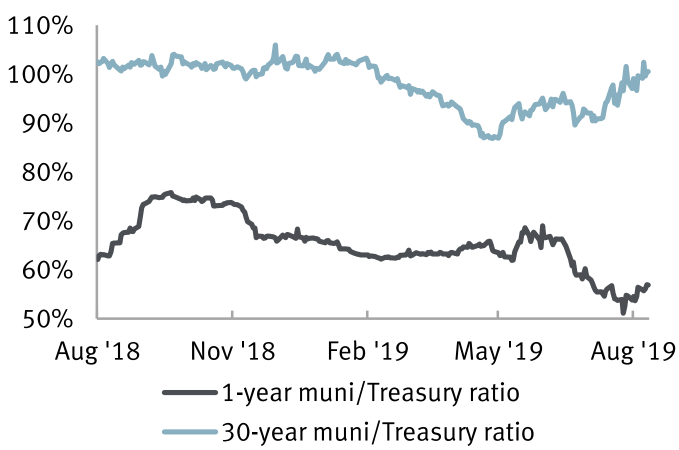
Bank of England; September 19: Whither Brexit, so goes BoE policy, and for now it appears the BoE is maintaining a patient stance as Governor Mark Carney has stated Britain's financial system is strong enough to withstand any Brexit turbulence. Since Parliament returned from its summer recess, the probability of either an extension to the current October 31 Brexit deadline or a snap general election in the U.K. has substantially increased. If either of these come to pass, we would expect the BoE's Monetary Policy Committee to deliver a 25 bps cut in November.

Regional highlights

United States

- Federal Reserve Chair Jerome Powell, speaking at the Fed's annual late-August confab in Jackson Hole, Wyoming, said policymakers "will act as appropriate to sustain the economic expansion." Even though the U.S. economy is in a "favorable place," Powell referred to "significant risks," which in our opinion all but cements another 25 basis point rate cut this month. Furthermore, we suggest the absence of the "mid-cycle adjustment" language in Powell's speech—the comment that made markets so uncomfortable during his July FOMC press conference—means additional rate cuts, after September, should be expected.
- While some economic indicators are pointing to heightened recession risks, one corner of the market that remains sanguine about the economic outlook is speculative-grade corporates. Credit spreads, or the yield compensation over Treasuries for credit risks, typically widen ahead of economic downturns on default fears, but no such widening has occurred yet. One pocket of stress, however, can be seen in energy sector debt where low commodity prices amid soft global demand have raised the prospect that more firms may face financial difficulties.
- Shorter-dated municipal bonds have reached the most expensive levels in almost 20 years, and now trade at yields so low that the tax-exempt status of municipal bonds doesn't

Shorter maturing municipal bonds are the most expensive in almost 20 years



We recommend investors swap out of shorter maturing municipals bonds, further out in maturity where valuations remain more attractive.

Source - RBC Wealth Management, Bloomberg; data through 8/30/19 make sense for most investors. A key valuation metric in this sector is the ratio of the yield on municipal bonds to the yield on taxable Treasury debt of the same maturity. With the 1-year muni/Treasury ratio at 54%, it is so expensive that we think it may make more sense for investors to buy federally taxable Treasury debt. Another alternative, despite the ever-lower yields, is for municipal bond investors to swap out of short-maturities and into longer-dated securities where valuations are more attractive.

Canada

- Government of Canada (GoC) bonds have been fairly volatile of late, the start of September means another month went by with lower yields. Negative-yielding bonds haven't yet arrived in North America, but conversations and debates have started over that possibility in the not-too-distant future. While nothing appears impossible today, a GoC curve with negative yields would likely require a number of things to occur beforehand, in our view.
- First, it would require a material slowing of economic growth from its current pace. A recession in the U.S. remains the biggest threat to Canada's economy. Second, we believe it would also require the Bank of Canada to initially underestimate the economy's slowdown. This could cause the ensuing interest rate easing cycle to be deeper and more prolonged than initially expected. Finally, the federal government would need to be slow to engage in fiscal stimulus.
- Right now it seems a challenge to align all of these, especially when the federal government has shown a willingness to run a budget deficit and has ample room to do so at a time when developed country central banks and governments are on heightened watch with respect to the global slowdown. However, we have long advocated that Canadian investors should improve the quality of their holdings. This includes ensuring that portfolios have a suitable allocation to government bonds, such that if GoC yields head towards zero or lower, investors are able to participate in this move.

Continental Europe & U.K.

- The minutes from the European Central Bank's August meeting have set the stage for President Mario Draghi to deliver a raft of measures at this month's confab. We continue to expect that the central bank will deliver a 10 basis point cut at that time, as well as provide a framework for potentially resuming quantitative easing at least by the end of the year. This would play into the likelihood of the central bank extending its forward guidance for interest rates to potentially trend lower into the latter half of 2020.
- While there has been discussion of possibly tiering the deposit rate as well as raising limits on asset purchases, these additional developments could be delayed until a later meeting. We would view such announcements as supportive for valuations and maintain a Market Weight stance in government bonds and a modestly Overweight position in corporate credit.
- In the U.K., there continues to be divergence between the Bank of England (BoE) and other central banks, with BoE guidance still pointing towards a "gradual and limited" tightening of monetary policy. This is based on government policy continuing to target a smooth

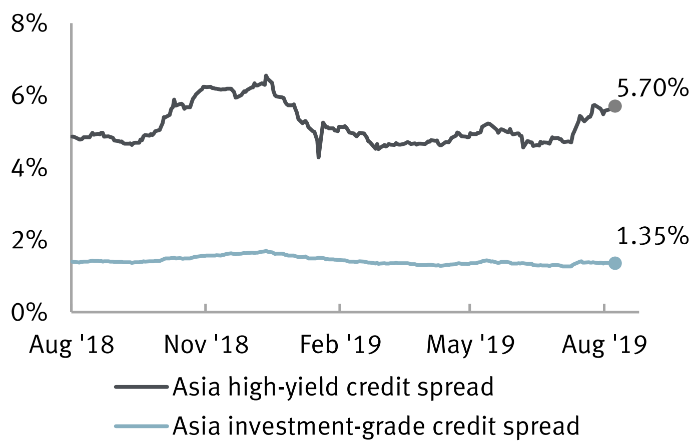
Brexit scenario, which is looking less likely, in our opinion.

- We see the probability of an extension to the current Brexit deadline or a general election currently more likely than a smooth exit, and expect a change in guidance to come from Governor Carney in due course. With U.K. government bond yields remaining at low levels, and likely to continue to do so, we maintain a Market Weight view on U.K. government bonds with a bias towards short-duration positioning. We also see the yield pickup in U.K. corporate credit as attractive and retain a Market Weight allocation, but would adopt a selective approach.

Asia

- U.S. President Donald Trump rocked the Asia fixed income market with his surprise announcement of an additional 10% tariff on the remaining $300B of Chinese goods starting this month. While the tariff on the majority of those goods has been pushed back to December to accommodate the Christmas shopping season, market sentiment had already been dented on the weaker economic growth outlook in Asia. We continue to expect central banks to ease monetary policy to support economic growth, which in turn should support the credit market. For example, the market is anticipating the Bank of Indonesia to cut rates further to 5.5%, and the People's Bank of China is also expected to cut benchmark rates as early as September.
- Despite the risk-off sentiment from the ongoing trade dispute, the return of the Bloomberg Barclays Asia Ex-Japan USD Credit Corporate Index managed to wrap up August 0.5% higher. This was largely a result of a positive return in the investment-grade space helped by lower U.S. Treasury yields, which was offset by volatility in the high-yield space.
- Given the potential for policy stimulus measures in Asia during the rest of the year, we continue to believe that Asia high yield remains attractive, offering a credit risk premium of around 570 basis points over the U.S. risk-free rate. This, in our view, adequately compensates investors for credit risk, with the caveat that we favor better quality high-yield bonds, as we remain cautious about potential volatility from trade dispute rhetoric.

Asia high yield remains attractive with the potential for policy stimulus measures



A credit risk premium of around 570 bps over the U.S. risk-free rate adequately compensates investors for the risk.

Source - RBC Wealth Management, Bloomberg; data through 8/30/19

Currencies

Currency forecasts

Currency pair	Current rate	Forecast Sep 2020	Change*
Major currencies			
USD Index	98.91	96.75	-2%
CAD/USD	0.75	0.76	1%
USD/CAD	1.33	1.32	-1%
EUR/USD	1.09	1.14	5%
GBP/USD	1.21	1.23	2%
USD/CHF	0.99	1.00	1%
USD/JPY	106.2	110.0	4%
AUD/USD	0.67	0.66	-2%
NZD/USD	0.63	0.62	-2%
EUR/JPY	116.8	125.0	7%
EUR/GBP	0.90	0.93	3%
EUR/CHF	1.08	1.14	6%
Emerging currencies**			
USD/CNY	7.15	6.80	-5%
USD/INR	71.40	70.00	-2%
USD/SGD	1.38	1.37	-1%

* Defined as the implied appreciation or depreciation of the first currency in the pair quote. Examples of how to interpret data found in the Market Scorecard.

Source - RBC Capital Markets, Bloomberg

U.S. dollar: Trade tensions trump

A ratcheting up in trade tensions and concerns of slowing global growth spurred safe-haven demand for the U.S. dollar in August, driving the currency to two-year highs. The risk-off sentiment overcame the effects of the Fed's late-July rate cut. With ongoing pressure from the White House to lower the policy rate, some see the Fed cutting by a further 0.75%, which could act to contain dollar strength through early 2020.

Euro: Imminent easing

The euro sank to fresh two-year lows against the U.S. dollar in August as safe-haven demand for the U.S. dollar dominated the pair. In contrast, the euro hit five-year highs against sterling as Brexit uncertainty undercut the pound. A sharp slowing in Q2 economic growth reinforces our view that the ECB could ease policy this month to stimulate the economy. The challenging growth outlook underpins a continued neutral outlook.

British pound: Battered by Brexit

The British pound remains one of the worst-performing G10 currencies this summer, falling below post-referendum lows against the U.S. dollar as new Prime Minister Boris Johnson has increased "no-deal" rhetoric. Although we maintain a base case that a "hard Brexit" outcome will be avoided, we acknowledge further downside risk with the October 31 deadline looming, and could see greater volatility for sterling in the coming months.

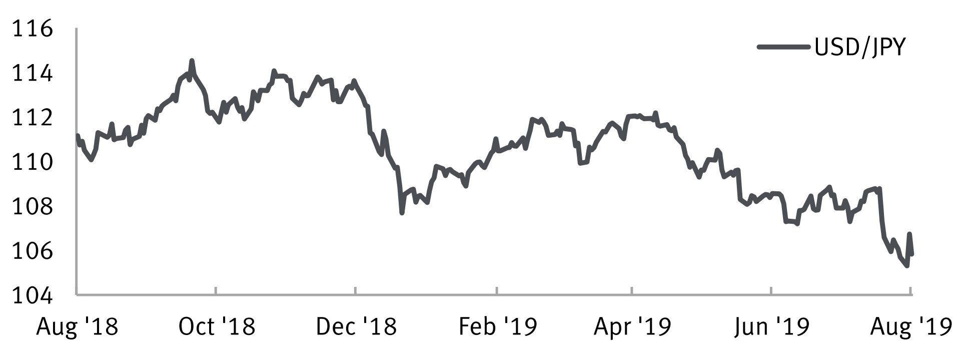
Canadian dollar: Pulling back

The Canadian dollar slipped lower in August, in part due to widespread U.S. dollar strength and market risk-off sentiment. However, it remains one of the top performing G10 currencies year to date, up over 2% against the U.S. dollar. Despite firmer growth projections, heightened global trade tensions could fuel a more cautious tone from the BoC at its September meeting. Accordingly, we could see Canadian dollar outperformance fade through the end of 2019.

Japanese yen: Play it safe

Increased demand for safe-haven assets amid heightened global trade tensions underpinned a sharp advance for the yen in August. The currency climbed to 16-month highs against the U.S. dollar, continuing its rally seen since April. Although further bouts of volatility could bring additional gains to the yen, expected easing from the Bank of Japan in order to stimulate the struggling economy could instill some downward pressure. The balance of risks points to a neutral outlook.

Global risk-off sentiment drove demand for the safety of the yen



Source - RBC Wealth Management, Bloomberg; data through 8/14/19

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Commodities

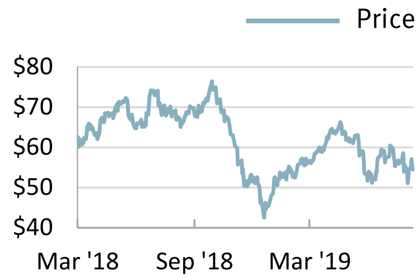
Commodity forecasts

	2019E	2020E
Oil (WTI $/bbl)	$60.20	$61.76
Natural Gas ($/mmBtu)	$2.63	$2.63
Gold ($/oz)	$1,326	$1,350
Copper ($/lb)	$2.78	$3.00
Soybean ($/bu)	$9.00	$9.13
Wheat ($/bu)	$5.00	$4.87

Source - RBC Capital Markets forecasts (oil, natural gas, gold, and copper), Bloomberg consensus forecasts (soybean and wheat)

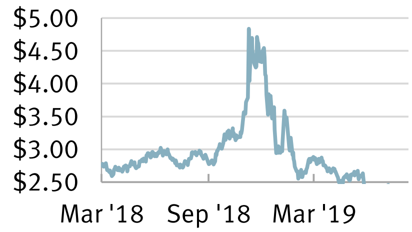
WTI – Tapping the reserves

Marginal barrels are clearing at a soft pace, particularly during a seasonal period that has historically resulted in peak demand. During H1 2019, China imported a record amount of crude and, as a result, is sitting with healthy inventory levels. Given the recent devaluation of the yuan, it will be more expensive for China to purchase more crude, thus RBC Capital Markets' commodity strategists believe China may tap into its existing inventories.



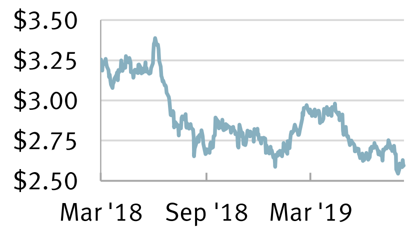
Natural gas – Growing pains

Record-high dry gas production in the U.S. along with mild summer weather have caused a further approximately 5% m/m decline in prices. The U.S. has become the world's third-largest exporter of liquid natural gas; however, exports to China have declined sharply due to the U.S.-China trade war. The current pace of U.S. injections into storage is set to exceed 3.7 Tcf by the end of October (+16% y/y) according to the Energy Information Agency.



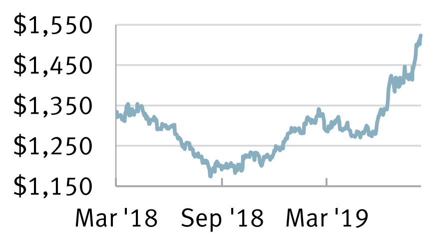
Copper – Christmas shopping

Copper prices are trading at the low end of their two-year range and are down approximately 4% m/m. The U.S. and China remain on shaky ground; however, technology-related items (e.g., cell phones, laptops, consoles, etc.) will be exempt from the 10% tariff until mid-December to assist Americans ahead of the Christmas shopping season. This may provide a short-term catalyst for copper given that it is generally used in the manufacturing of those products.



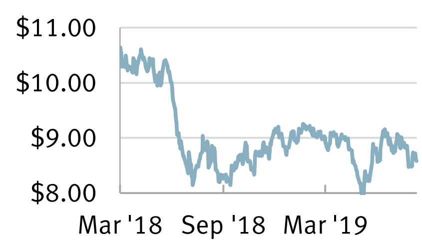
Gold – Up, up, and away

Gold continues to experience strong momentum, breaching $1,500/oz. and up roughly 7% m/m. In H1 2019, demand from central banks reached its highest level since the banks became net buyers at the turn of the decade. Determining incremental upside potential is difficult at this juncture, but the easing of monetary policies and increased recessionary risks should support gold prices in the near term, in our view.



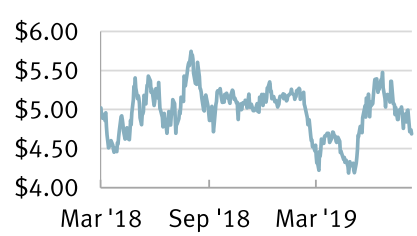
Soybeans – Tough love

In response to the new U.S. tariffs on Chinese products, China halted purchases of U.S. agricultural products and imposed a retaliatory tariff on U.S. soybeans. American soybean farmers are looking for a trade resolution because China represents the largest end market. Trade talks are anticipated to resume this month; however, even if a positive discussion occurs, Chinese demand could wane due to the swine fever outbreak. Prices fell approximately 3% m/m.



Wheat – Rising inventories

Wheat prices tumbled in August, down approximately 7% m/m, following increased U.S. production and the expectation for a rise in ending inventories. While lower prices and warmer climate conditions impeded production across major exporters such as Russia and the EU, global ending stocks came in above expectations at 285.4 million tonnes.



Source - RBC Wealth Management, Bloomberg; date range: 3/6/18–8/15/19

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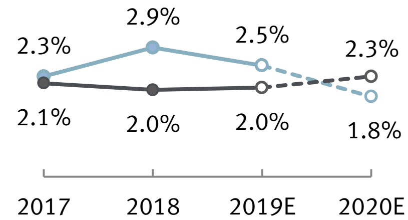
Key forecasts

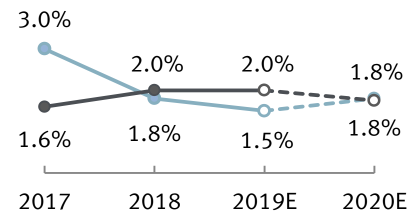
United States – Mortgage jump

Consumer confidence has come off its peaks in response to trade and policy rhetoric. Labor market remains tight, wage rates rising. Mortgage applications skyrocketed almost 21% after the Fed cut interest rates by 25 basis points in July. Credit remains accessible and affordable. Markets are expecting at least two more cuts in 2019. Business looking for more certainty on the trade front.



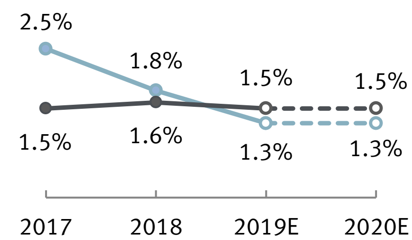
Canada – Strong GDP growth

The unemployment rate rose to 5.7% as private-sector hiring weakened modestly. Manufacturing sales volumes declined 2%, while retail and wholesale sales were stronger. Q2 GDP growth came in at 3.7% annualized, much stronger than Q1's 0.4%. The currency has weakened as speculation grows that the BoC, at its policy meeting, will signal rate cuts are ahead.



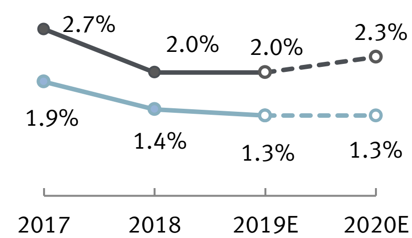
Eurozone – Weaker

Political turbulence in the eurozone (Brexit and Italy) and a weakening German economy (weak exports to China) have driven the euro lower versus the dollar. Fear is building that the low interest rate environment may stick around longer than expected as positive interest rates have been virtually ruled out. ECB President Mario Draghi stated he expects borrowing costs to remain at current levels or decline, opening the door for a rate cut in September.



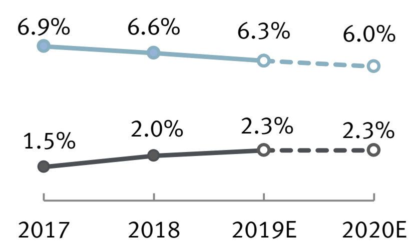
United Kingdom – Nervous

Prime Minister Boris Johnson has British companies biting their nails as he has taken several steps closer to forcing a departure from the European Union on October 31. Fear of a hard, no-deal Brexit has left the pound tumbling. Business investment dropped by 1.6% y/y in Q2, and the BoE announced it expects investment to fall by an additional 2% going into 2020.



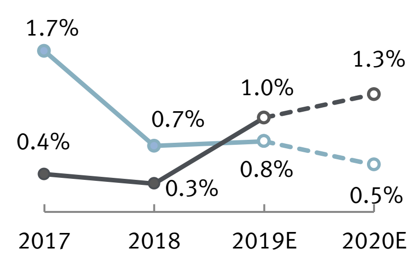
China – Oil imports up

After allowing the yuan to plummet, the PBoC is affirming the currency will "stay stable as a rock". Crude oil imports are up 13.9% y/y as the government has stockpiled Iranian crude against the risk of a more draconian U.S. embargo. Exports rose moderately in July defying expectations for a drop. The economy will remain the object of much scrutiny against a backdrop of heightened U.S. trade uncertainty and Hong Kong protests.



Japan – Rate cuts expected

The BoJ will almost certainly cut rates at its upcoming meeting as yields post record lows. Exports and imports remain negative y/y; the net result was a significant drop in the trade balance. Industrial production is struggling, but vehicle sales saw a 6.7% increase, probably stimulated by an impending sales tax increase.



Source - RBC Investment Strategy Committee, RBC Capital Markets, Global Portfolio Advisory Committee, RBC Global Asset Management

Market scorecard

Index (local currency)	Level	1 month	YTD	12 month
S&P 500	2,926.46	-1.8%	16.7%	0.9%
Dow Industrials (DJIA)	26,403.28	-1.7%	13.2%	1.7%
NASDAQ	7,962.88	-2.6%	20.0%	-1.8%
Russell 2000	1,494.84	-5.1%	10.8%	-14.1%
S&P/TSX Comp	16,442.07	0.2%	14.8%	1.1%
FTSE All-Share	3,953.02	-4.4%	7.6%	-3.7%
STOXX Europe 600	379.48	-1.6%	12.4%	-0.7%
EURO STOXX 50	3,426.76	-1.2%	14.2%	1.0%
Hang Seng	25,724.73	-7.4%	-0.5%	-7.8%
Shanghai Comp	2,886.24	-1.6%	15.7%	5.9%
Nikkei 225	20,704.37	-3.8%	3.4%	-9.5%
India Sensex	37,332.79	-0.4%	3.5%	-3.4%
Singapore Straits Times	3,106.52	-5.9%	1.2%	-3.3%
Brazil Ibovespa	101,134.60	-0.7%	15.1%	31.9%
Mexican Bolsa IPC	42,622.50	4.3%	2.4%	-14.0%
Bond yields	**8/30/19**	**7/31/19**	**8/31/18**	**12 mo. chg**
US 2-Yr Tsy	1.504%	1.872%	2.627%	-1.12%
US 10-Yr Tsy	1.496%	2.014%	2.860%	-1.36%
Canada 2-Yr	1.354%	1.545%	2.070%	-0.72%
Canada 10-Yr	1.164%	1.477%	2.228%	-1.06%
UK 2-Yr	0.401%	0.437%	0.731%	-0.33%
UK 10-Yr	0.479%	0.611%	1.427%	-0.95%
Germany 2-Yr	-0.927%	-0.778%	-0.605%	-0.32%
Germany 10-Yr	-0.700%	-0.440%	0.326%	-1.03%
Commodities (USD)	**Price**	**1 month**	**YTD**	**12 month**
Gold (spot $/oz)	1,520.30	7.5%	18.5%	26.5%
Silver (spot $/oz)	18.38	13.0%	18.6%	26.4%
Copper ($/metric ton)	6,486.50	-4.2%	-4.9%	-5.2%
Uranium ($/lb)	20.90	-0.5%	-12.6%	-7.7%
Oil (WTI spot/bbl)	55.10	-5.9%	21.3%	-21.1%
Oil (Brent spot/bbl)	60.43	-7.3%	12.3%	-21.9%
Natural Gas ($/mmBtu)	2.29	2.3%	-22.3%	-21.6%
Agriculture Index	273.20	-5.7%	-6.6%	-7.3%
Currencies	**Rate**	**1 month**	**YTD**	**12 month**
US Dollar Index	98.9160	0.4%	2.9%	4.0%
CAD/USD	0.7513	-0.9%	2.5%	-2.0%
USD/CAD	1.3311	0.9%	-2.4%	2.1%
EUR/USD	1.0982	-0.8%	-4.2%	-5.3%
GBP/USD	1.2156	0.0%	-4.7%	-6.2%
AUD/USD	0.6733	-1.6%	-4.5%	-6.3%
USD/JPY	106.2800	-2.3%	-3.1%	-4.3%
EUR/JPY	116.8300	-3.0%	-7.2%	-9.3%
EUR/GBP	0.9042	-0.8%	0.6%	1.0%
EUR/CHF	1.0888	-1.1%	-3.3%	-3.2%
USD/SGD	1.3872	0.9%	1.8%	1.1%
USD/CNY	7.1560	3.9%	4.0%	4.8%
USD/MXN	20.0630	4.8%	2.1%	5.1%
USD/BRL	4.1453	8.7%	7.0%	2.3%

Global equities turned lower in August amid a ratcheting up of trade war rhetoric.

Global yield curves have inverted, where short-term yields are higher than longer-term yields, amid slowing global growth and a dovish pivot by central banks.

Despite U.S. crude inventories that declined by 10 million barrels, crude prices fell in August as markets remain concerned about a global oversupply.

The Brazilian real's sharp depreciation against the dollar in August sparked central bank intervention.

Equity returns do not include dividends, except for the Brazilian Ibovespa. Equity performance and bond yields in local currencies. U.S. Dollar Index measures USD vs. six major currencies. Currency rates reflect market convention (CAD/USD is the exception). Currency returns quoted in terms of the first currency in each pairing. Examples of how to interpret currency data: CAD/USD 0.75 means 1 Canadian dollar will buy 0.75 U.S. dollar. CAD/USD -2.0% return means the Canadian dollar has fallen 2.0% vs. the U.S. dollar during the past 12 months. USD/JPY 106.28 means 1 U.S. dollar will buy 106.28 yen. USD/JPY -4.3% return means the U.S. dollar has fallen 4.3% vs. the yen during the past 12 months.

Source - RBC Wealth Management, RBC Capital Markets, Bloomberg; data through 8/31/19.

Research resources

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