



Market Maps

December 2019

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All values in U.S. dollars and priced as of November 29, 2019, unless otherwise noted

For Disclosures, see slide 14

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**Wealth
Management**

Short-term market: S&P 500 – 11 years

\$SPX S&P 500 Large Cap Index INDX

29-Nov-2019

↑ \$SPX (Weekly) 3140.98

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Long-term market cycles 1925–2019

\$SPX S&P 500 Large Cap Index INDX
29-Nov-2019

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The long-term trend of the market continues to be in a bullish secular pattern that is similar to the beginnings of past long-term bullish moves. The long-term bull markets tend to begin when the fundamentals of the economy, business, and sentiment are at their lowest levels, and then the market gradually rises as these conditions improve over the course of years. The longer bull markets are at a higher risk of topping after economic and corporate earnings trends become clearly positive for a period of years and are accompanied by the increase in investor confidence that comes with it.

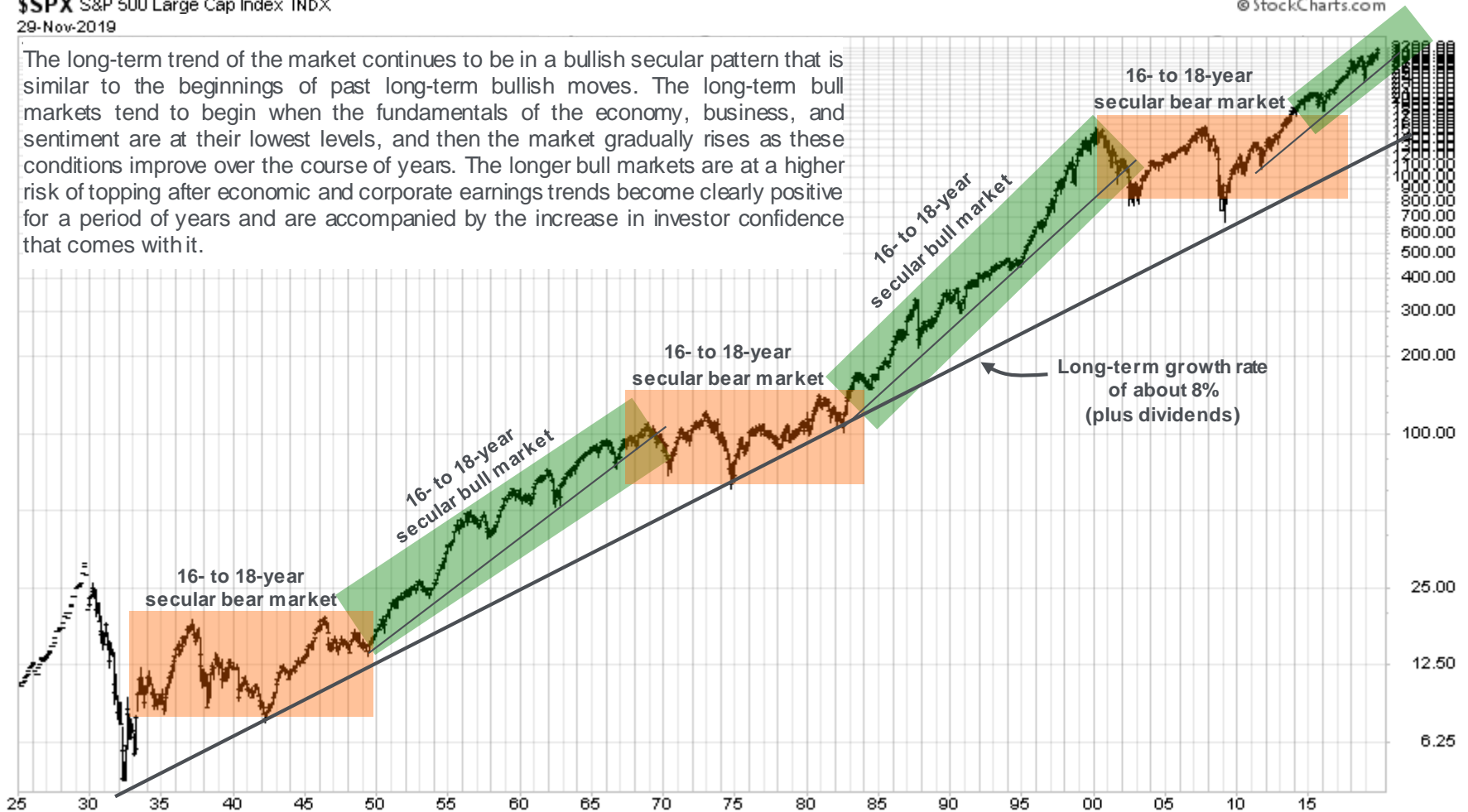


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results

DJIA with 4-month and 13-month moving averages

\$INDU Dow Jones Industrial Average INDEX
29-Nov-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-month moving average remains above the 13-month moving average with both averages in steep upward slopes. This is a bullish configuration, but there is also an extreme enough spread between the averages that we would expect a consolidation and pullback over the near term within the overall uptrend. The 4- and 13-month averages have been the most reliable time frames that we have tested but are still subject to occasional periods of lower volatility that can occur during neutral range periods as we saw in 2015–2016.

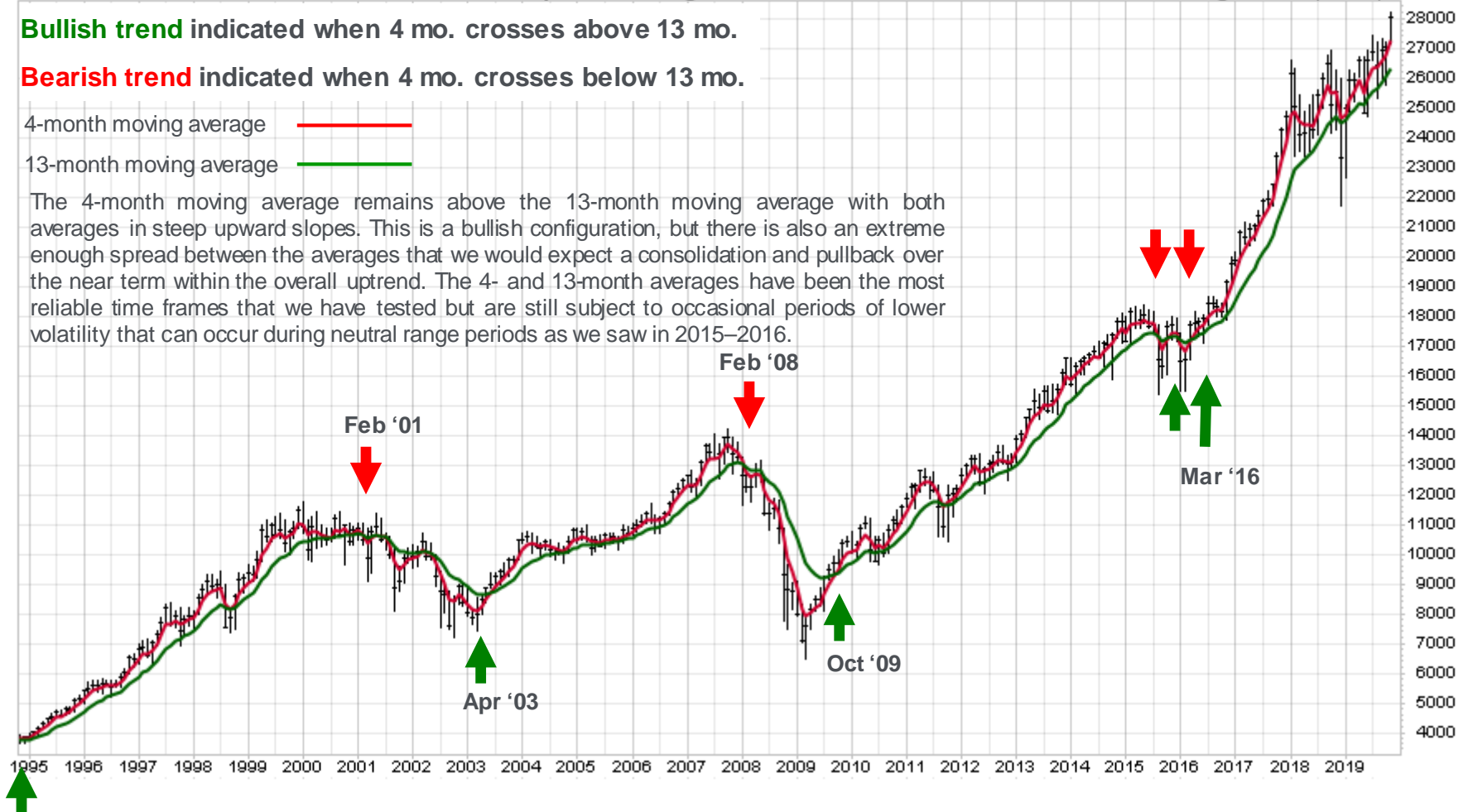


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results.

Investor sentiment – 30 years

IAAIBULL A, All Bulls INDX
29-Nov-2019

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TSX Composite – 11 years

\$TSX TSX Composite Index TSE

© StockCharts.com

29-Nov-2019

↑↓ \$TSX (Weekly) 17040.20



The long-term trend on the TSX continues to be positive with the short-term rally taking the index up to the higher end of the overall range of the past several years. We expect more of the same general strength with periodic pullbacks in the months ahead.



TSX relative performance to the S&P 500

Chart courtesy of StockCharts.com and RBC Wealth Management



Currencies – 5-year trends

\$USD US Dollar Index
29-Nov-2019

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\$CAD Canadian Dollar - Continuous Cont
29-Nov-2019

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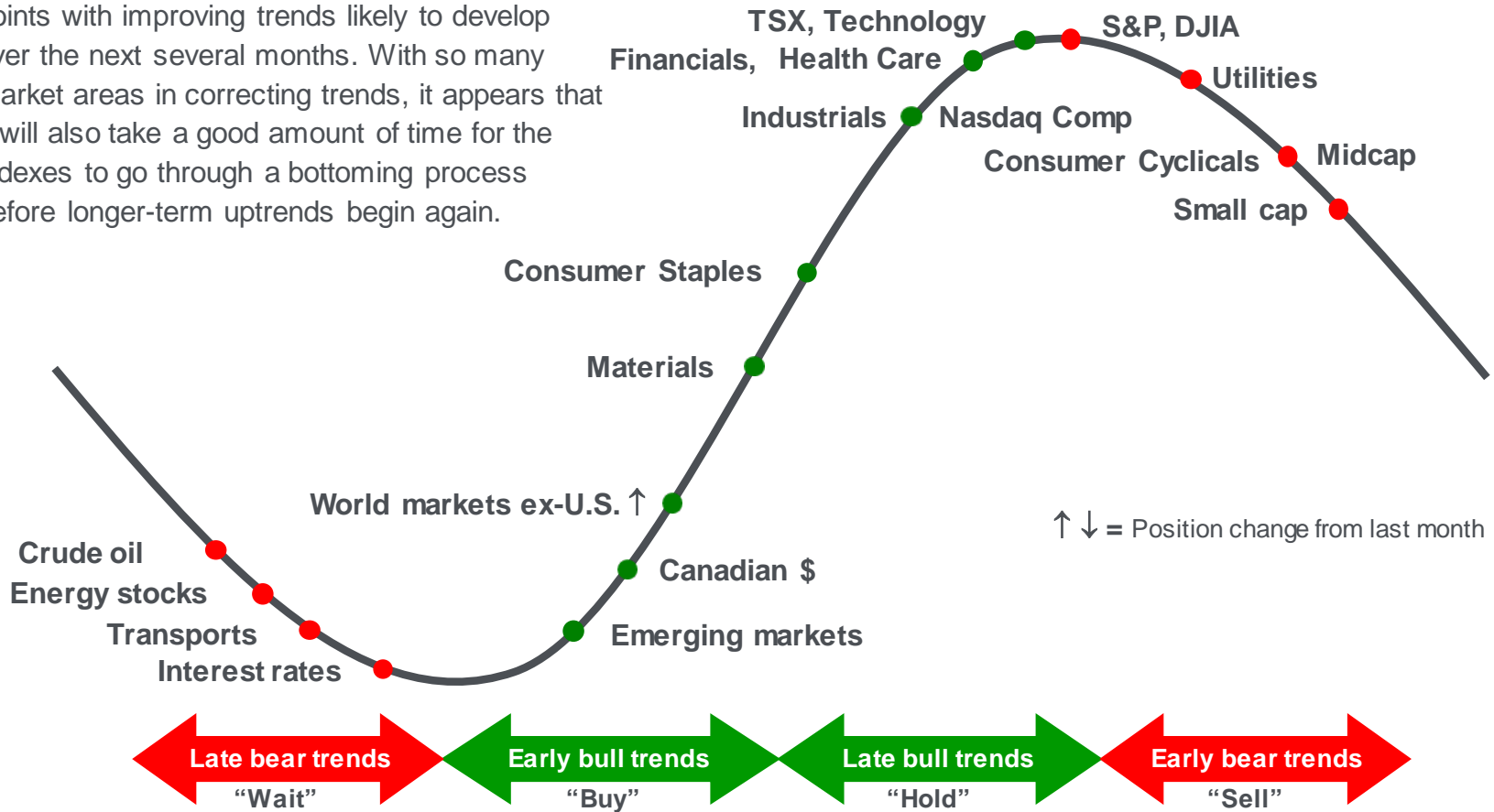


Charts courtesy of StockCharts.com and RBC Wealth Management

S&P sectors & market indexes cycle positions

Relative positioning of major sectors within their individual cycles

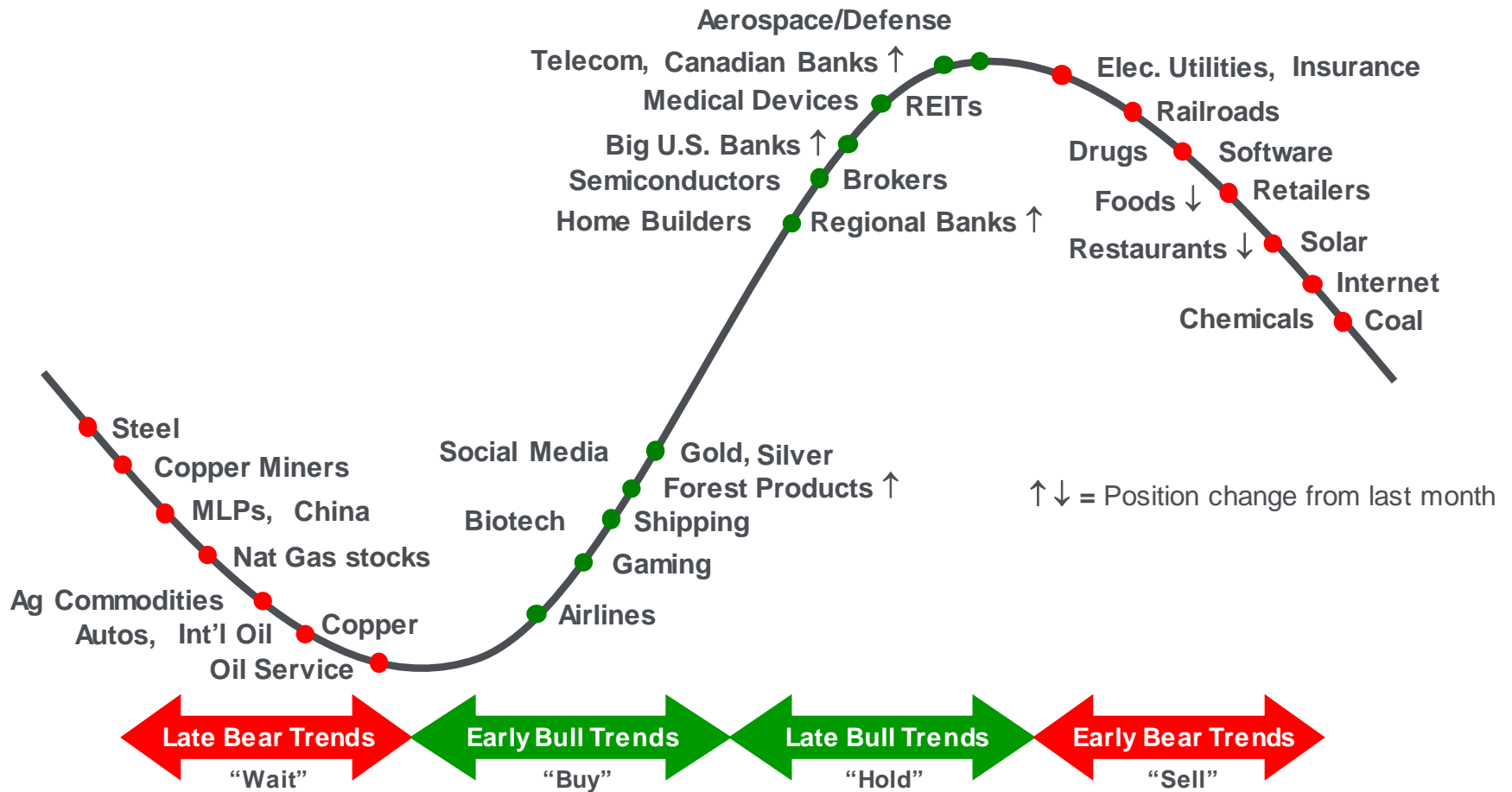
Most market sectors are in correcting trends of some sort, with some nearing potential bottoming points with improving trends likely to develop over the next several months. With so many market areas in correcting trends, it appears that it will also take a good amount of time for the indexes to go through 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 – 11 years

\$GOLD Gold - Continuous Contract (EOD) CME

29-Nov-2019

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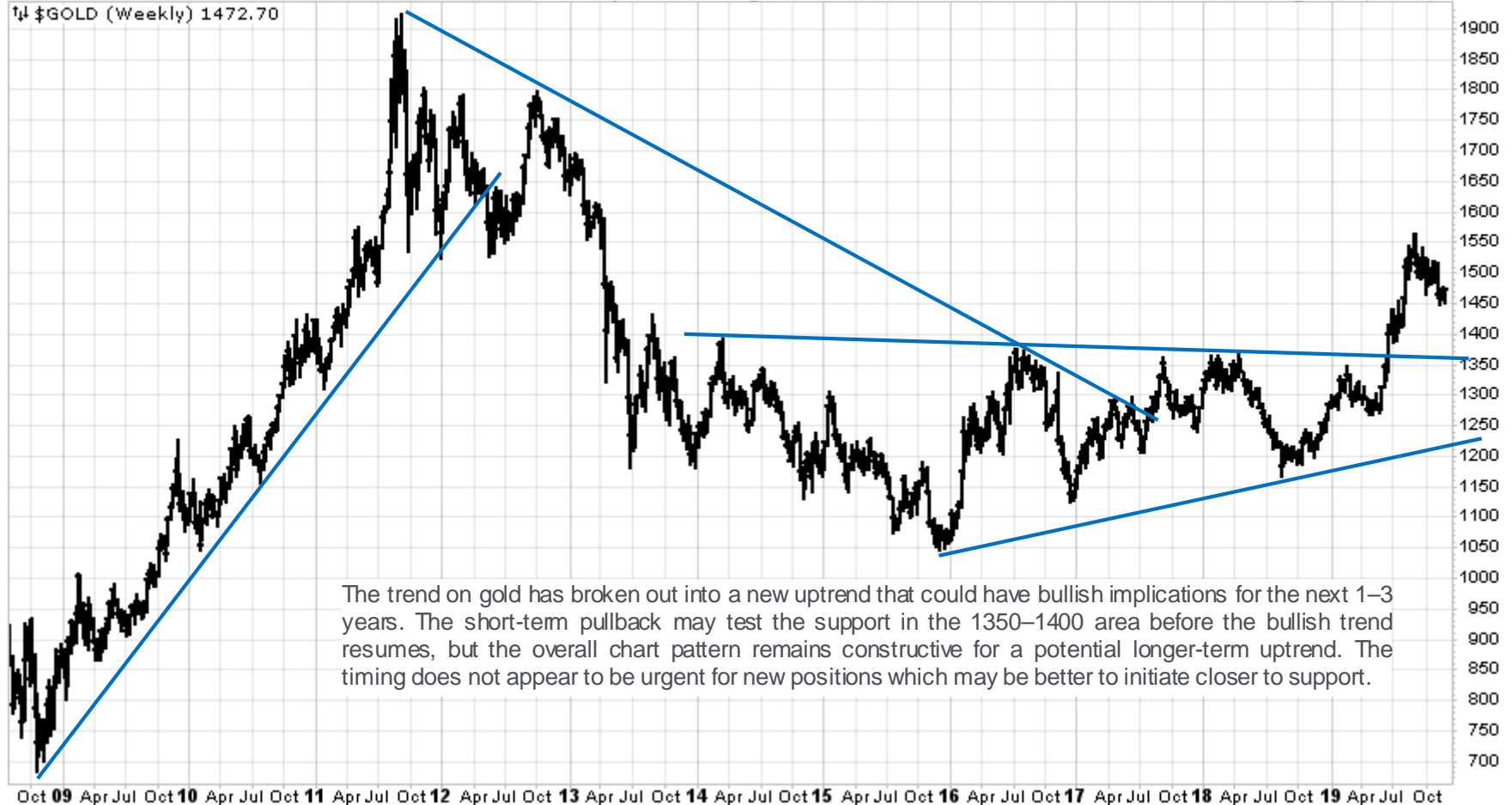


Chart courtesy of StockCharts.com and RBC Wealth Management

Oil – Nine years

\$WTIC Light Crude Oil
29-Nov-2019

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Chart courtesy of StockCharts.com and RBC Wealth Management

Stocks vs. commodities – 60 years

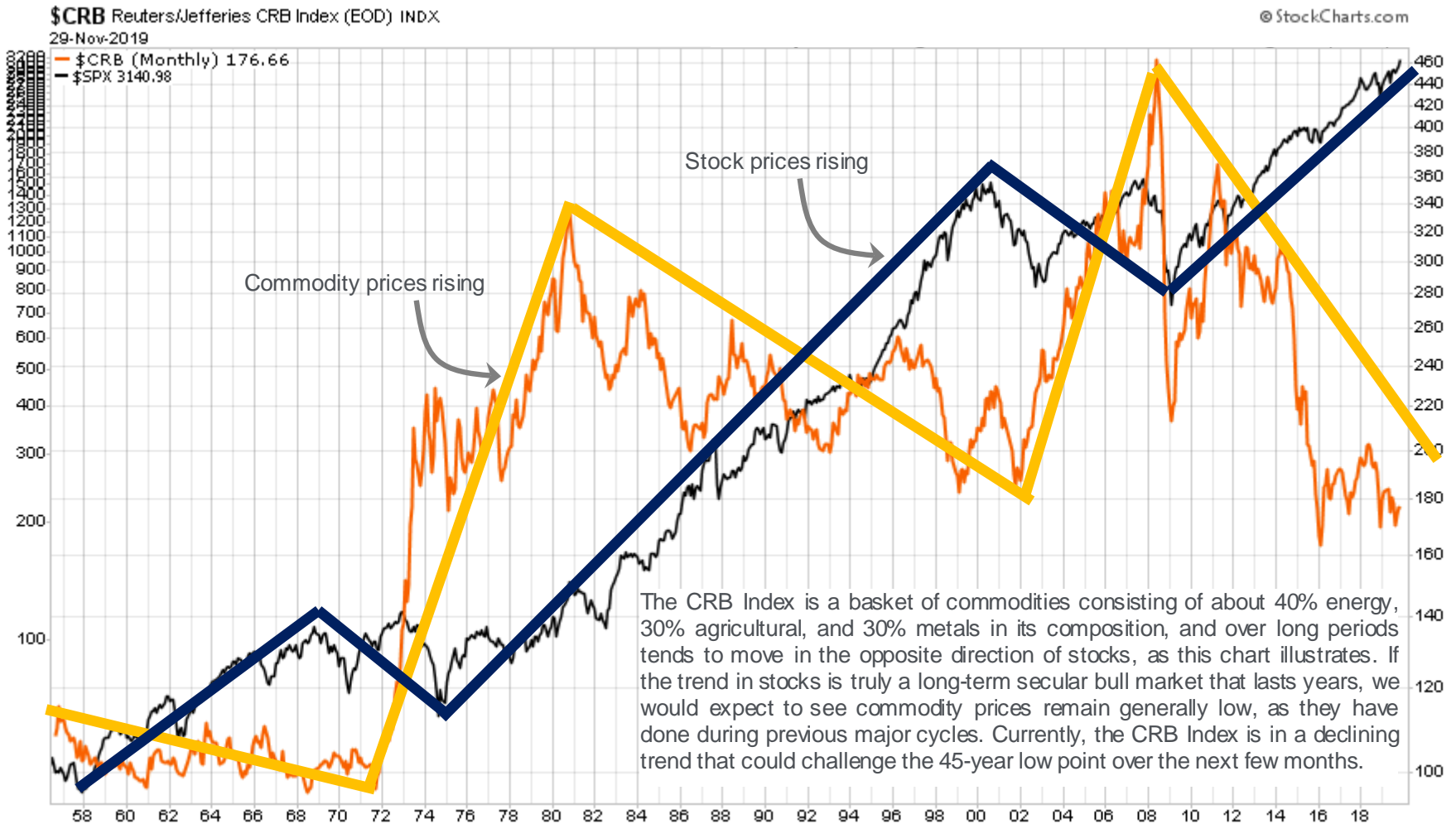


Chart courtesy of StockCharts.com and RBC Wealth Management

10-year Treasury note yield for 140 years



Chart courtesy of MultPL.com and RBC Wealth Management

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