



# Market Maps

February 2020

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All values in U.S. dollars and priced as of January 31, 2020, unless otherwise noted

**For Disclosures, see slide 14**

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# Short-term market: S&P 500 – 12 years



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

# Long-term market cycles 1925–2020

**\$SPX** S&P 500 Large Cap Index INDEX  
31-Jan-2020

The long-term secular bull market continues to make progress despite mixed readings from many market and economic indicators and the wide variety of opinions of where the market may be headed. This is a similar backdrop to past secular bull periods where wider acceptance of the bull market strength did not come until much later in the cycle. If the current secular bull trend develops in a similar way to previous cycles we believe it would imply there could be several more years of upside progress until the market reaches the kind of excessive readings it has seen in the past.

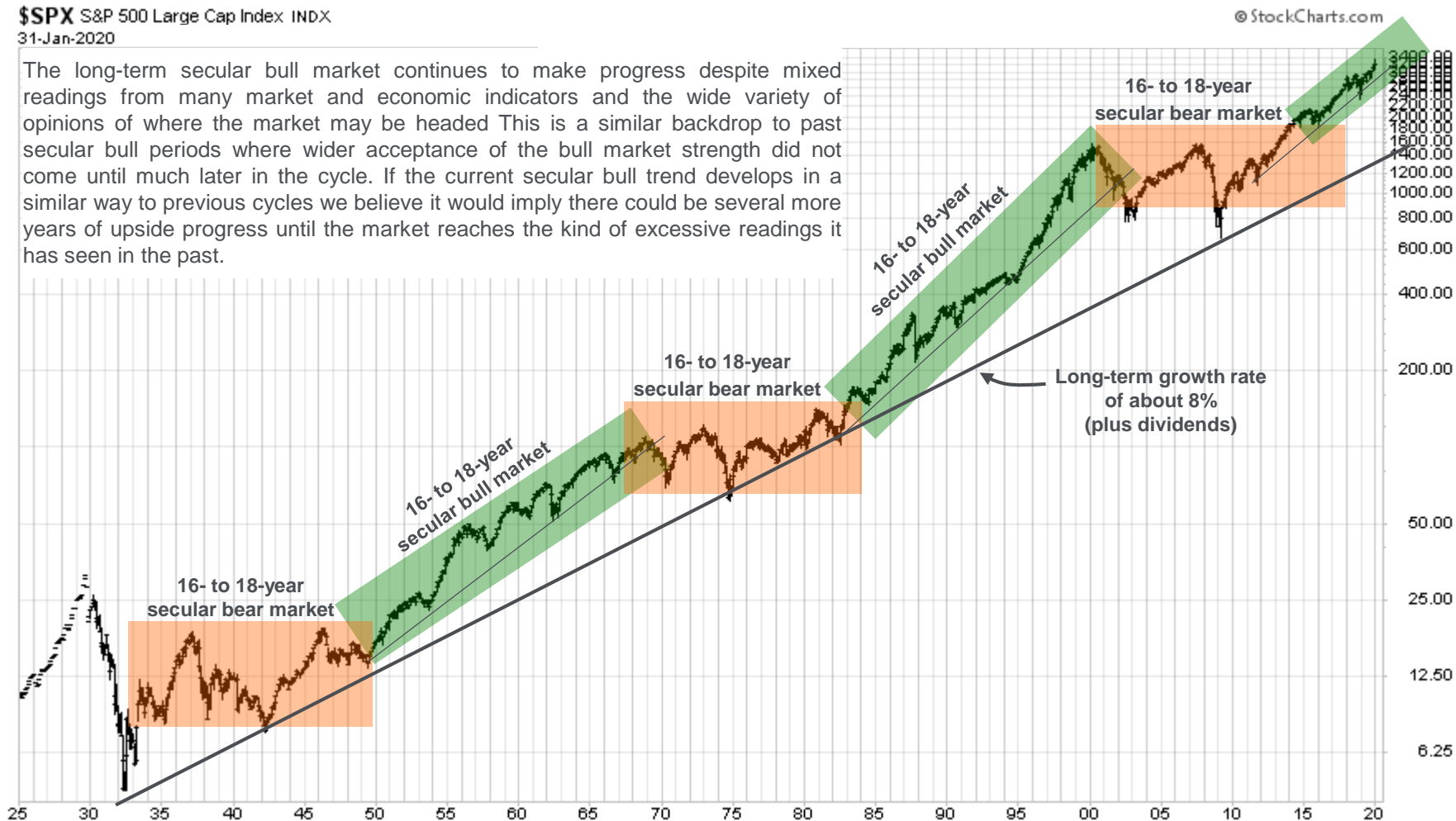


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results



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

\$INDU Dow Jones Industrial Average INDEX  
31-Jan-2020

**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 continuing to move in steep upward slopes. Since this is a monthly indicator the daily and weekly changes in the market are of little effect to the averages, and it takes several months for a strong bullish trend to change on this longer-term view. The short-term trend is extended and this could allow for some consolidation and even a pullback while still maintaining the bullish pattern of the moving averages.

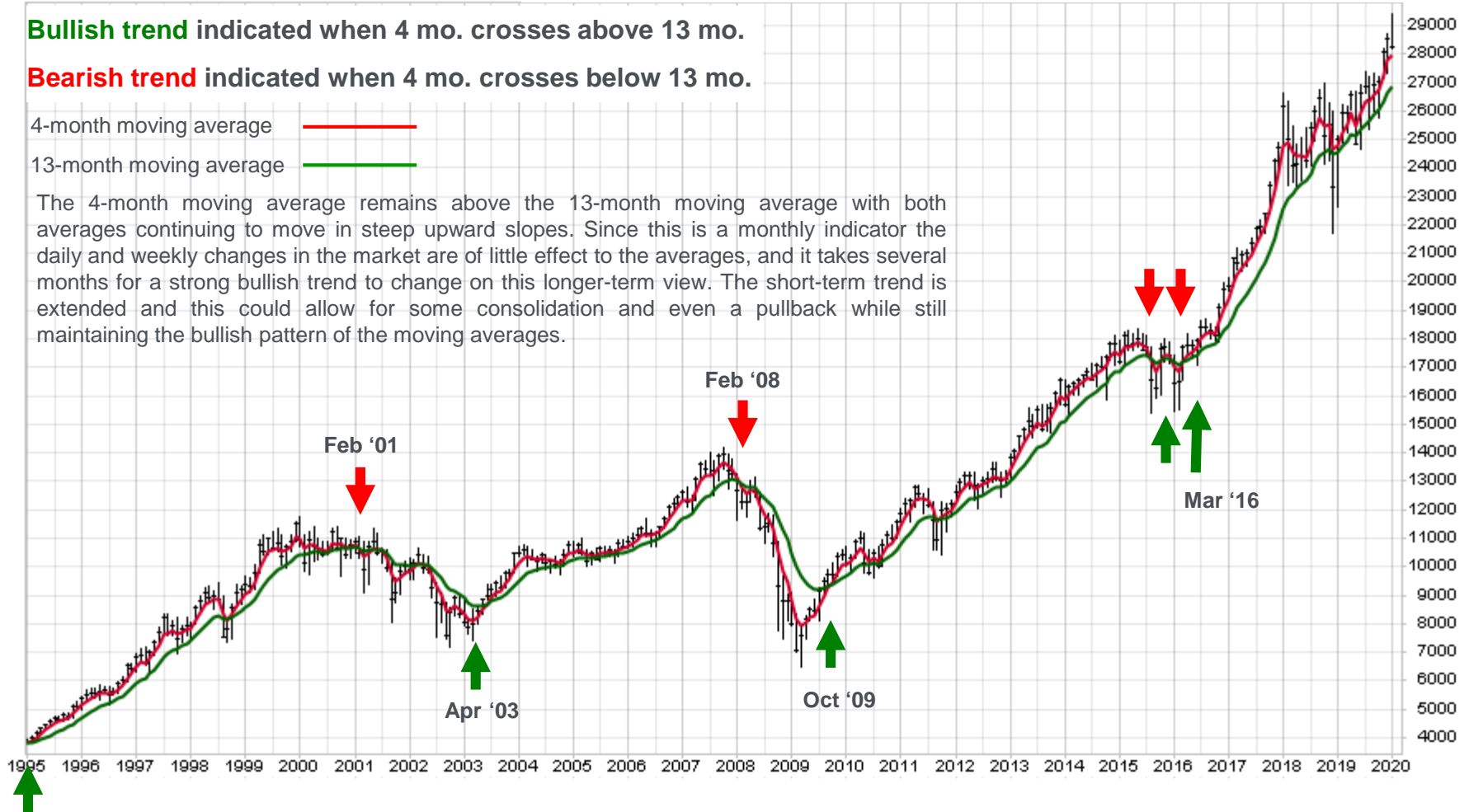


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results.

# Investor sentiment – 30 years



Chart courtesy of StockCharts.com and RBC Wealth Management

# TSX Composite – 12 years

\$TSX TSX Composite Index TSE

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↑↓ \$TSX (Weekly) 17318.49



Chart courtesy of StockCharts.com and RBC Wealth Management

# Currencies – 5-year trends

**\$USD** US Dollar Index  
31-Jan-2020

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**\$CAD** Canadian Dollar - Continuous Cont  
31-Jan-2020

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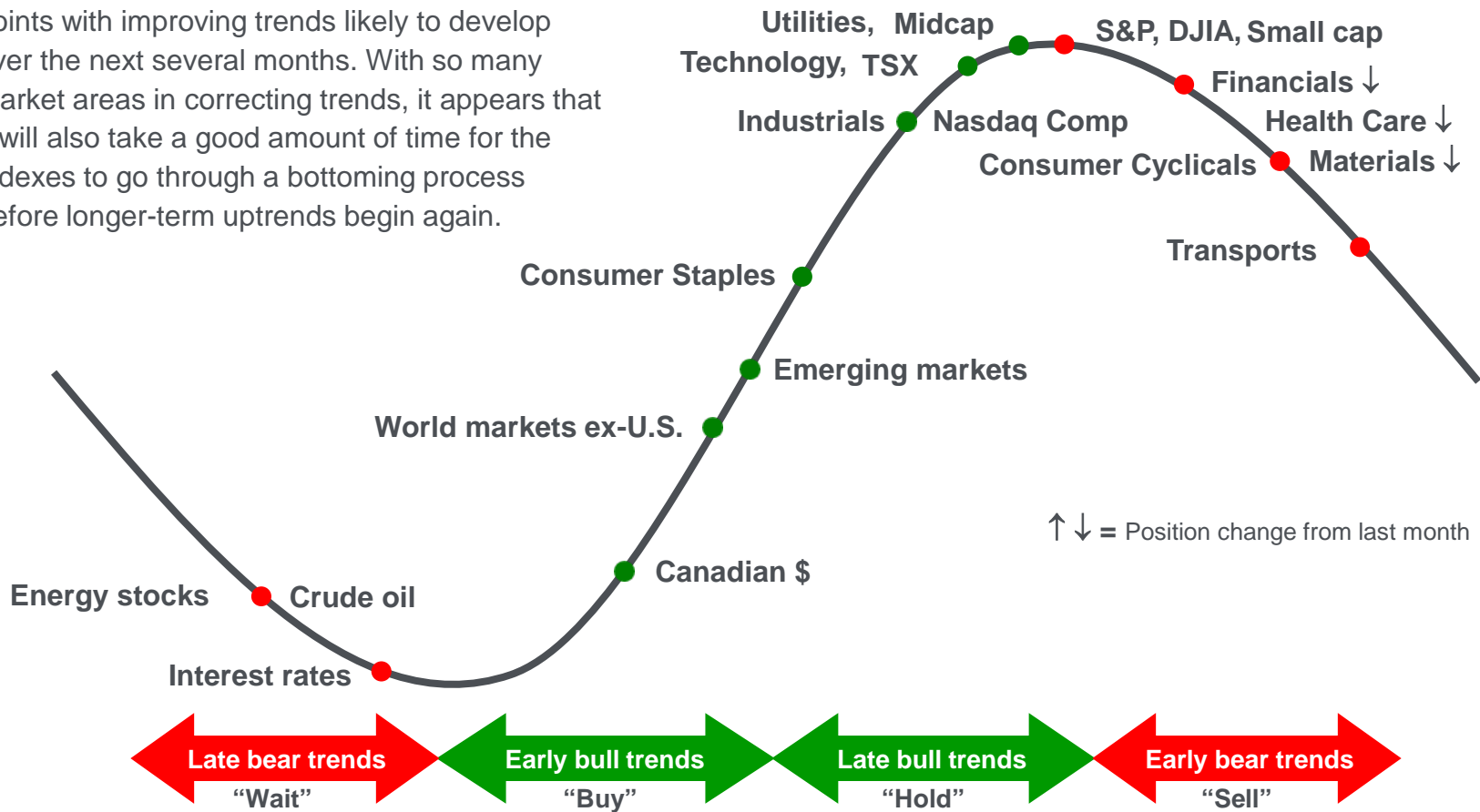
Charts courtesy of StockCharts.com and RBC Wealth Management



# 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.

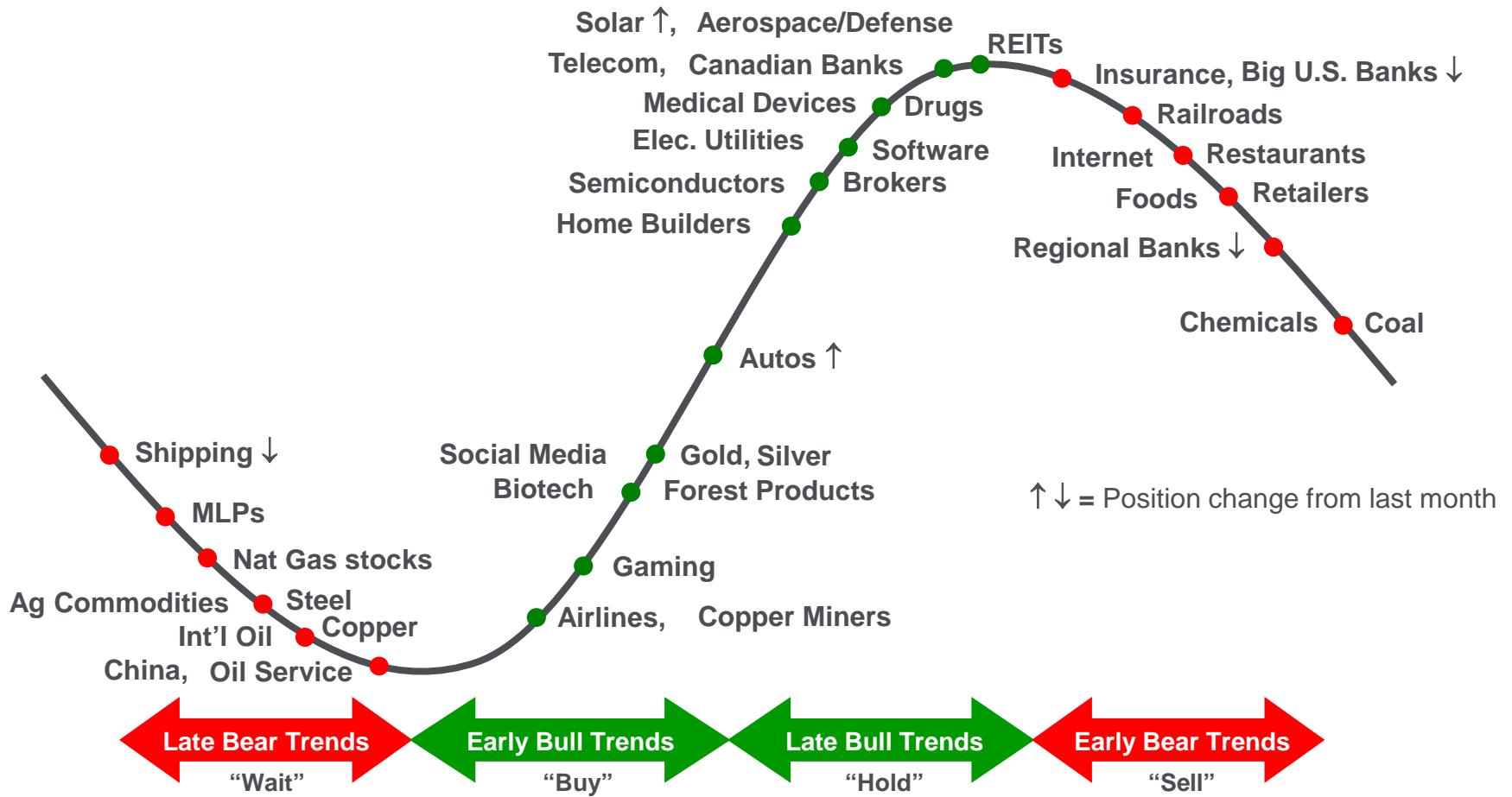


Source - RBC Wealth Management



# Select groups cycle positions

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



Source - RBC Wealth Management

# Gold – 12 years

\$GOLD Gold - Continuous Contract (EOD) CME

31-Jan-2020

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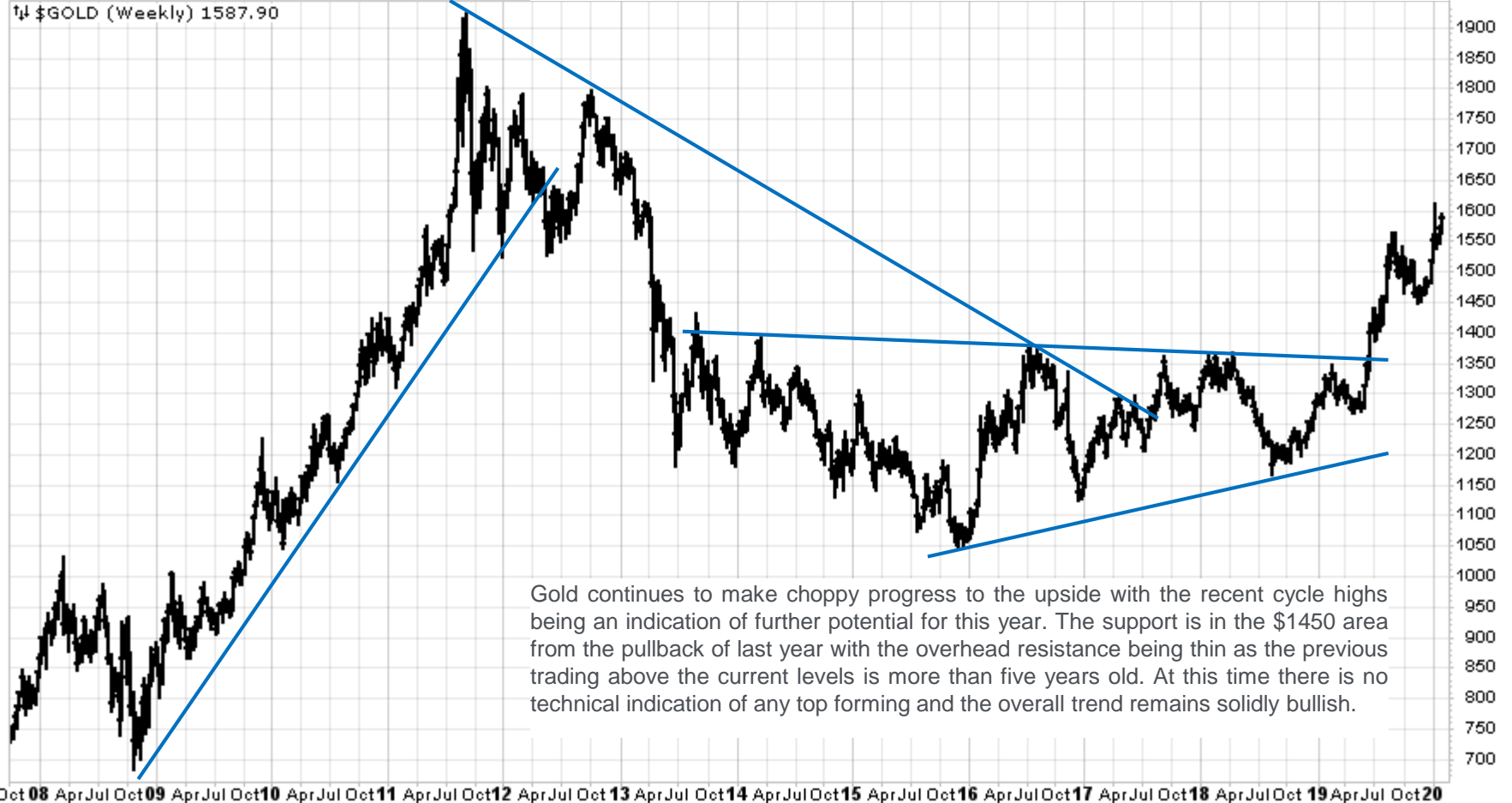


Chart courtesy of StockCharts.com and RBC Wealth Management

# Oil – 10 years

\$WTIC Light Crude Oil ·  
31-Jan-2020

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# Stocks vs. commodities – 60 years

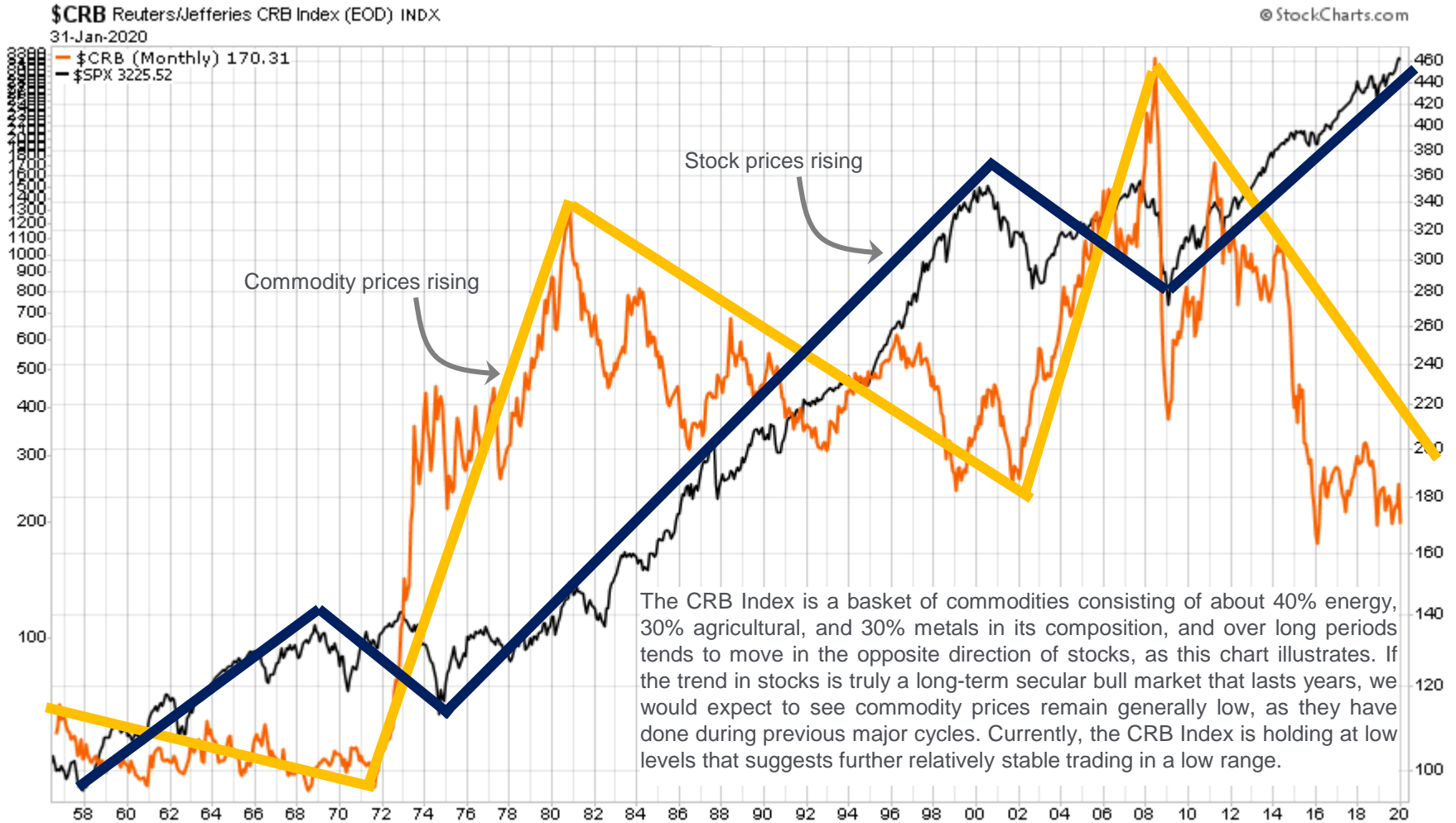


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# 10-year Treasury note yield for 150 years

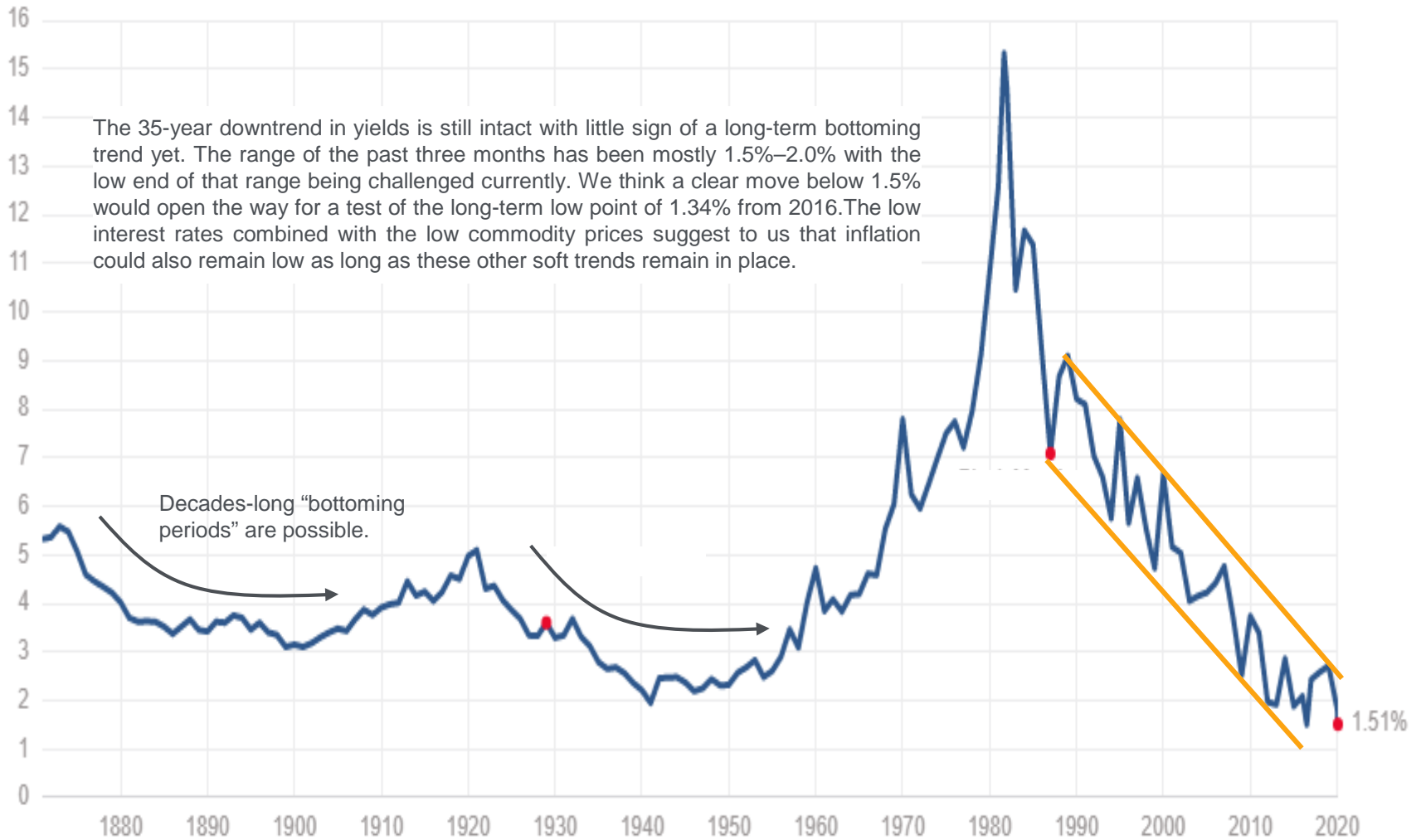


Chart courtesy of MultPL.com and RBC Wealth Management



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