



Market Maps

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All values in U.S. dollars and priced as of April 30, 2020, unless otherwise noted

For Disclosures, see slide 14

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Long-term market cycles 1925–2020

\$SPX S&P 500 Large Cap Index INDEX
30-Apr-2020

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The recent market pullback takes on a different perspective when viewed on a long-term basis with a shape that is more similar to the decline of 1987 than the declines of the 2000s. As with 1987, a sharper decline may lead to a quicker recovery as the recent pullback appears to be more of the “correction” variety than the multiyear bear markets and recessions that are common during secular bear market periods. This longer-term view of the market puts the short-term move into perspective in that market pullbacks have occurred frequently even in longer-term bull trends.

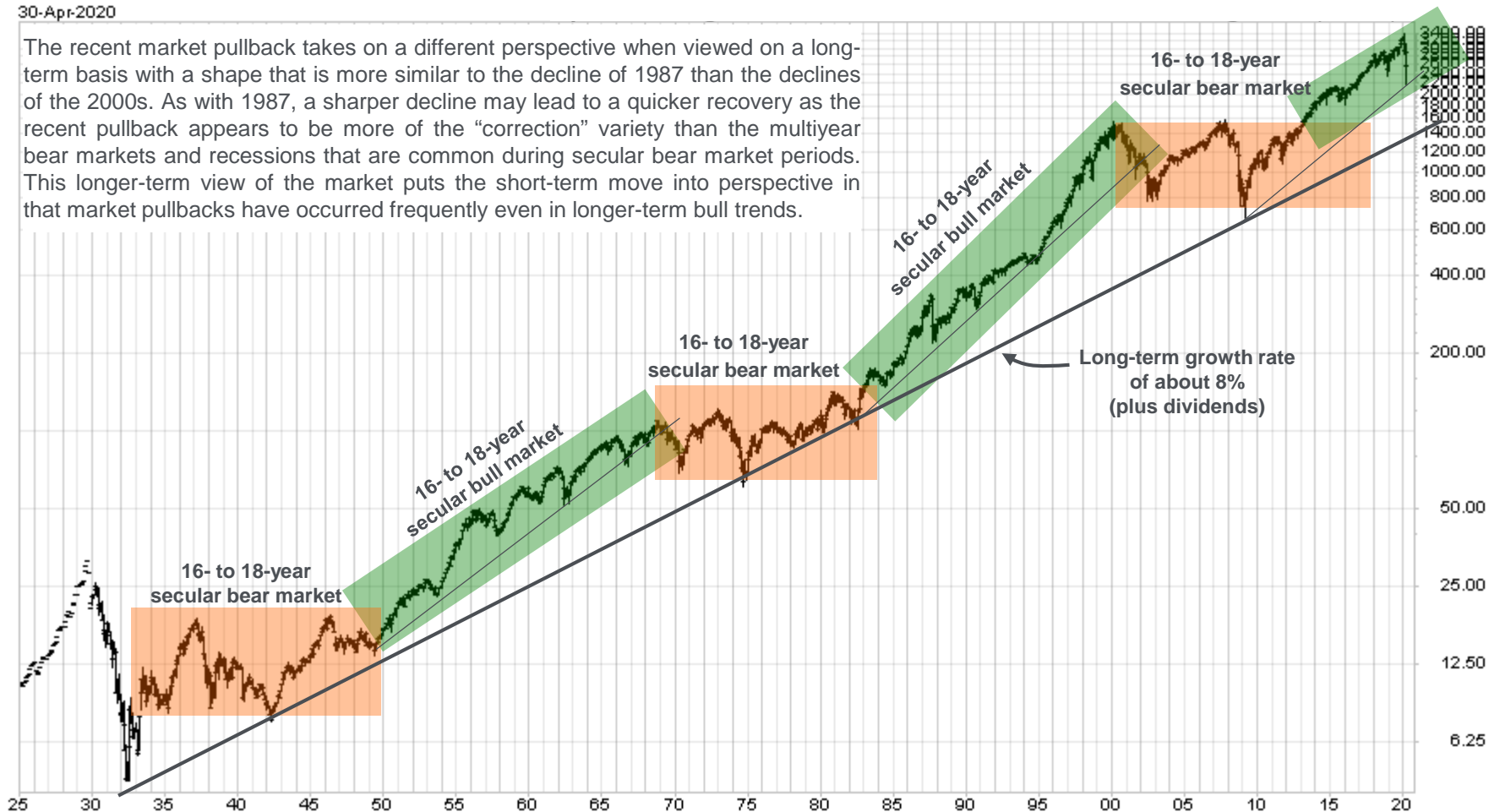


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results



DJIA with 4-month and 13-month moving averages

\$INDU Dow Jones Industrial Average INDEX
30-Apr-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 4X13 month moving averages continue to be positioned in a bearish configuration, but the speed of the drop and the so-far quick recovery suggest to us that the signal may not be long-term in nature. However, in order to turn the indicator back to bullish, we think it would take two or more months of the Dow Industrials trading above the 26,000 to accomplish.

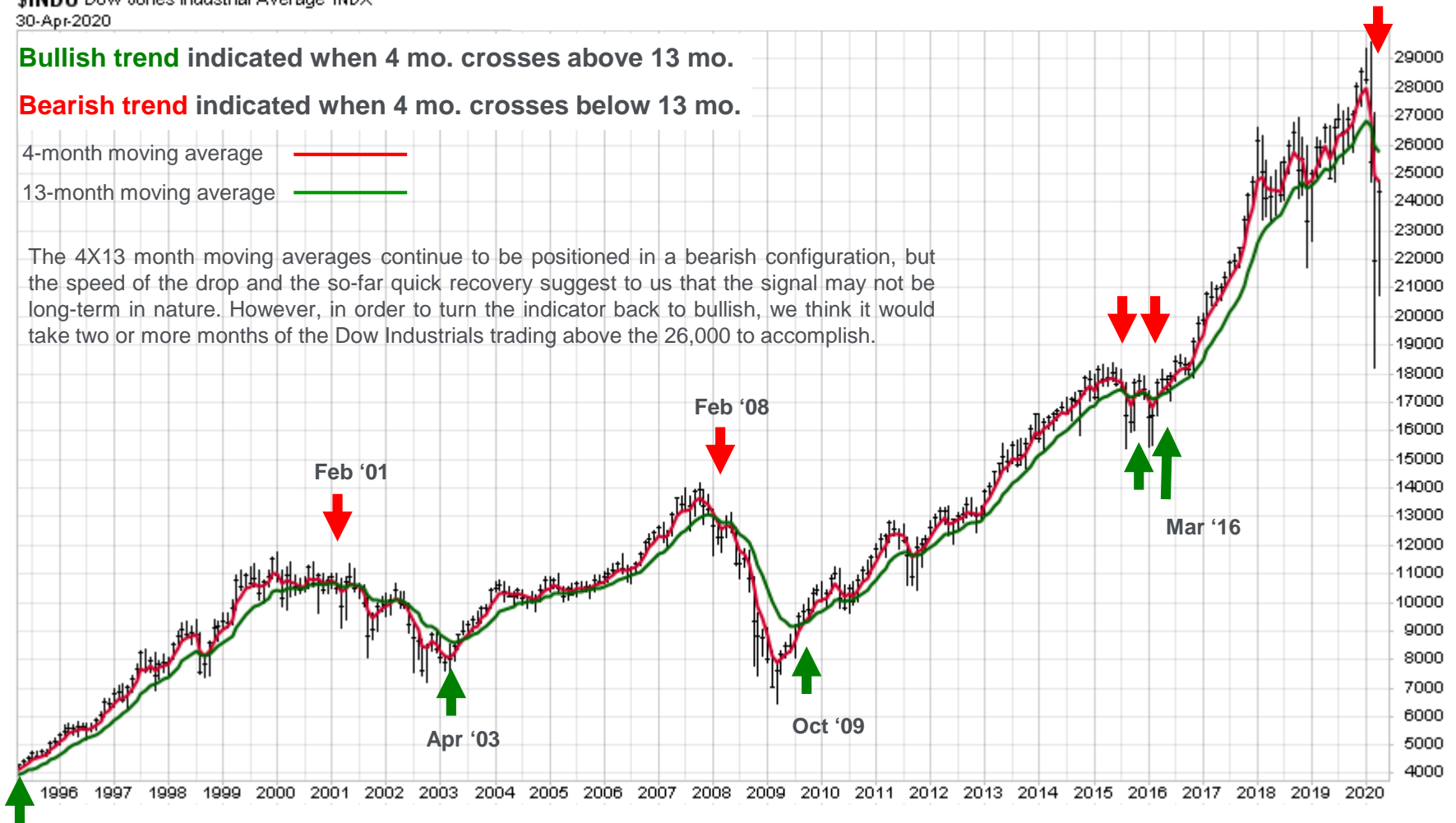


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results.

Investor sentiment – 30 years



Chart courtesy of StockCharts.com and RBC Wealth Management

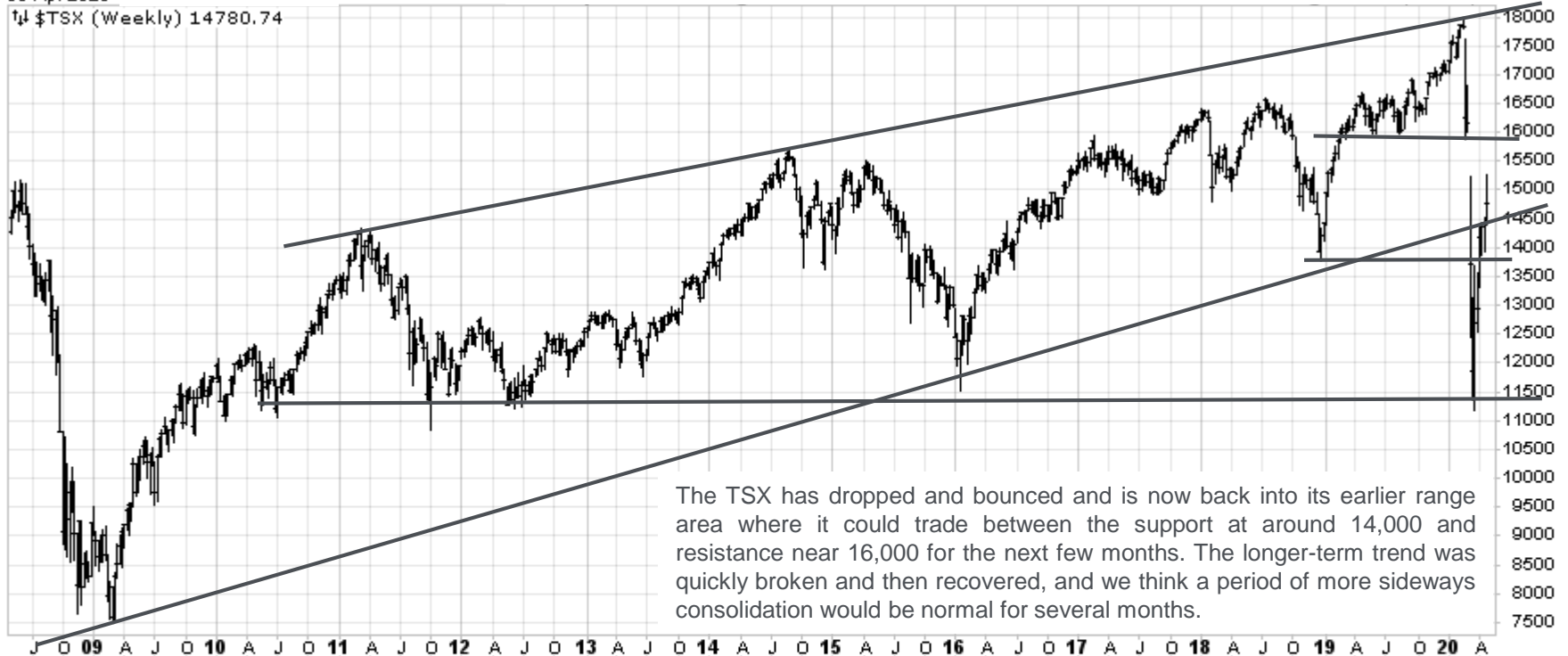
TSX Composite – 12 years

\$TSX TSX Composite Index TSE

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30-Apr-2020

↑↓ \$TSX (Weekly) 14780.74



The TSX has dropped and bounced and is now back into its earlier range area where it could trade between the support at around 14,000 and resistance near 16,000 for the next few months. The longer-term trend was quickly broken and then recovered, and we think a period of more sideways consolidation would be normal for several months.



Chart courtesy of StockCharts.com and RBC Wealth Management

Currencies – 5-year trends

\$USD US Dollar Index

30-Apr-2020

↑↓ \$USD (Weekly) 99.03

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\$CAD Canadian Dollar - Continuous Cont

30-Apr-2020

↑↓ \$CAD (Weekly) 0.718

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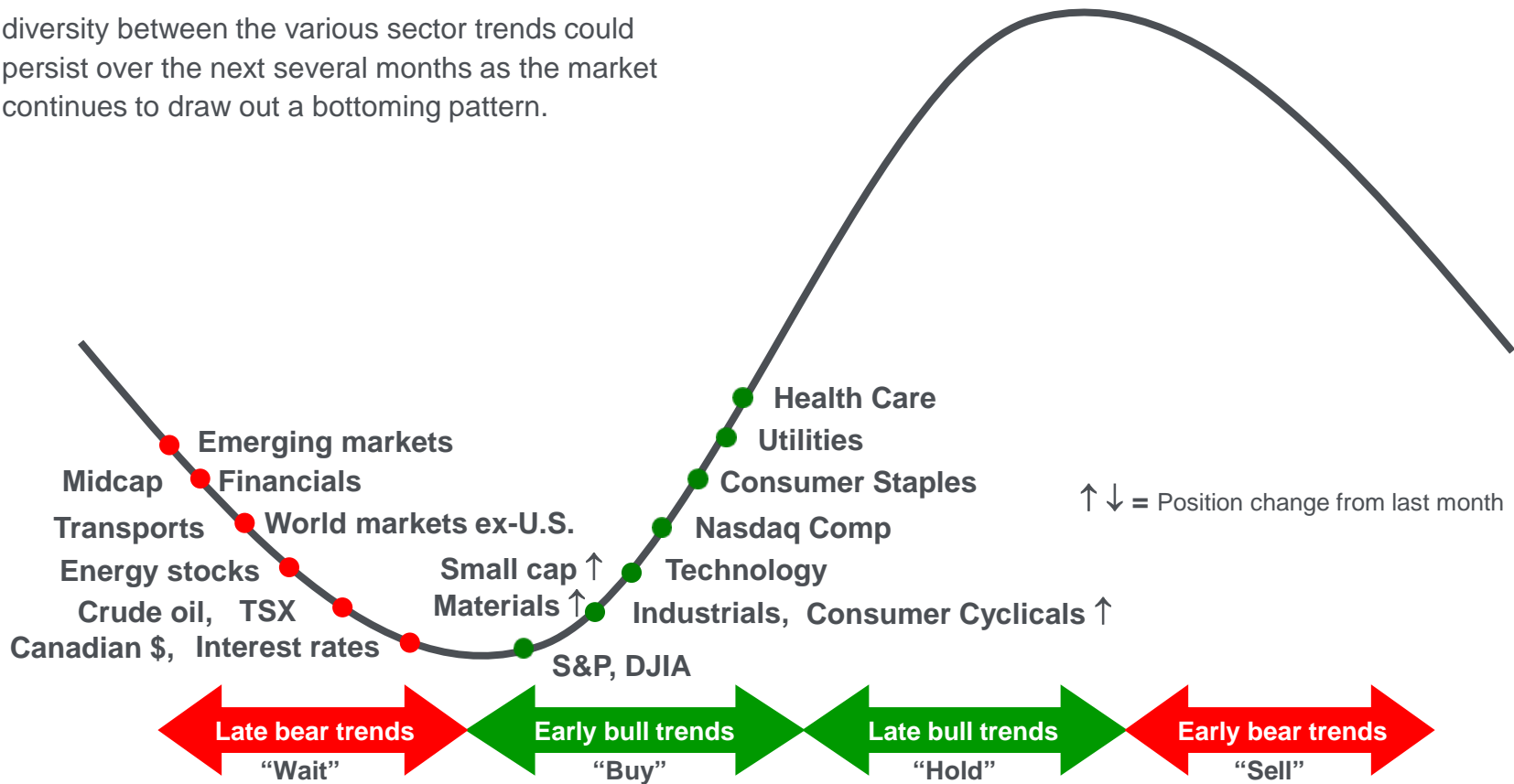


Charts courtesy of StockCharts.com and RBC Wealth Management

S&P sectors & market indexes cycle positions

Relative positioning of major sectors within their individual cycles

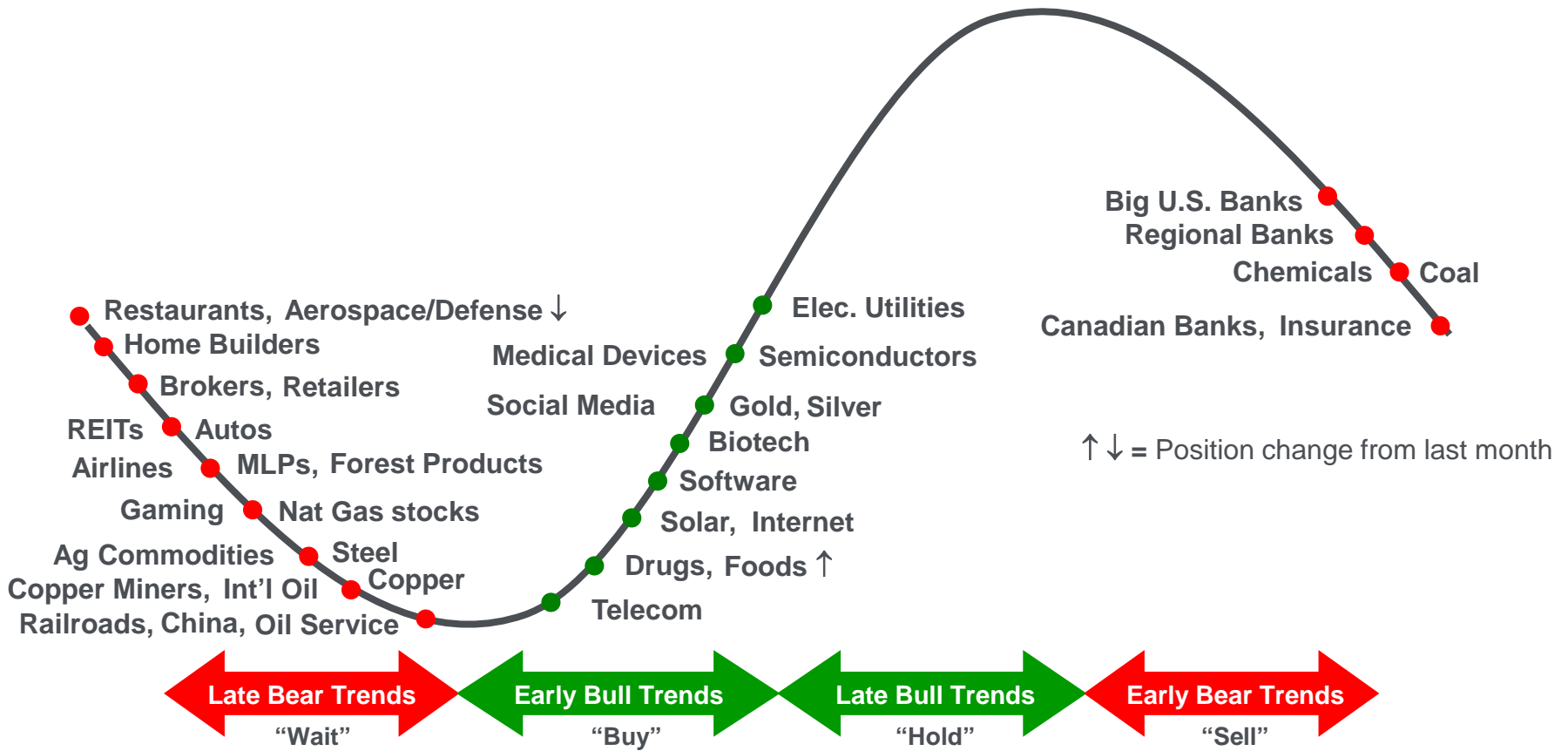
Some positive trends are starting to emerge from the bear market with varying degrees of recovery in an overall trend that remains mixed and selective. This diversity between the various sector trends could persist over the next several months as the market continues to draw out a bottoming pattern.



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

30-Apr-2020

↑↓ \$GOLD (Weekly) 1713.40 (29 Apr)

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Oil – 9 years

\$WTIC Light Crude Oil

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30-Apr-2020

WTIC (Daily) 15.06 (29 Apr)



Chart courtesy of StockCharts.com and RBC Wealth Management



Stocks vs. commodities – 60 years

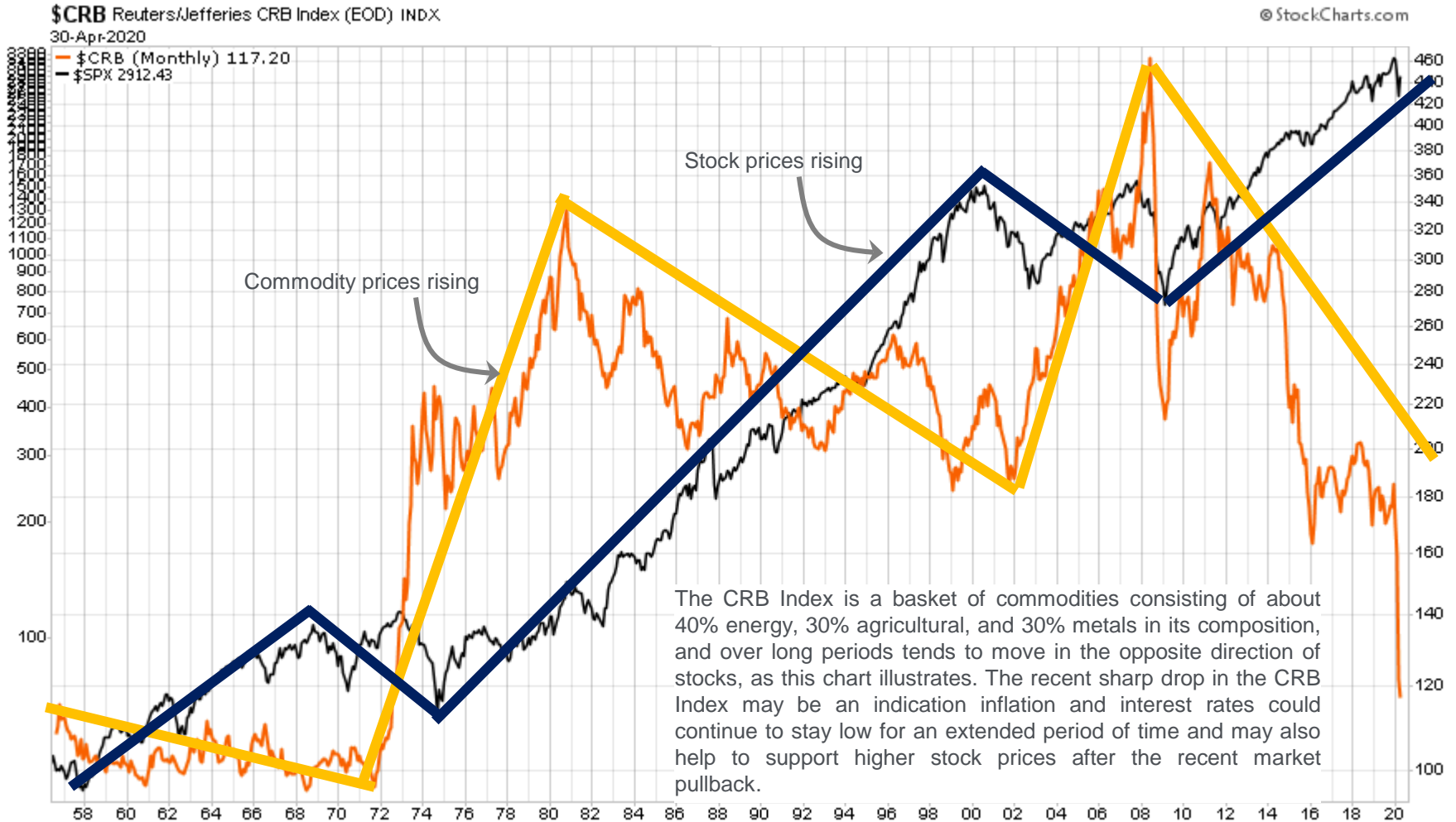


Chart courtesy of StockCharts.com and RBC Wealth Management

10-year Treasury note yield for 150 years

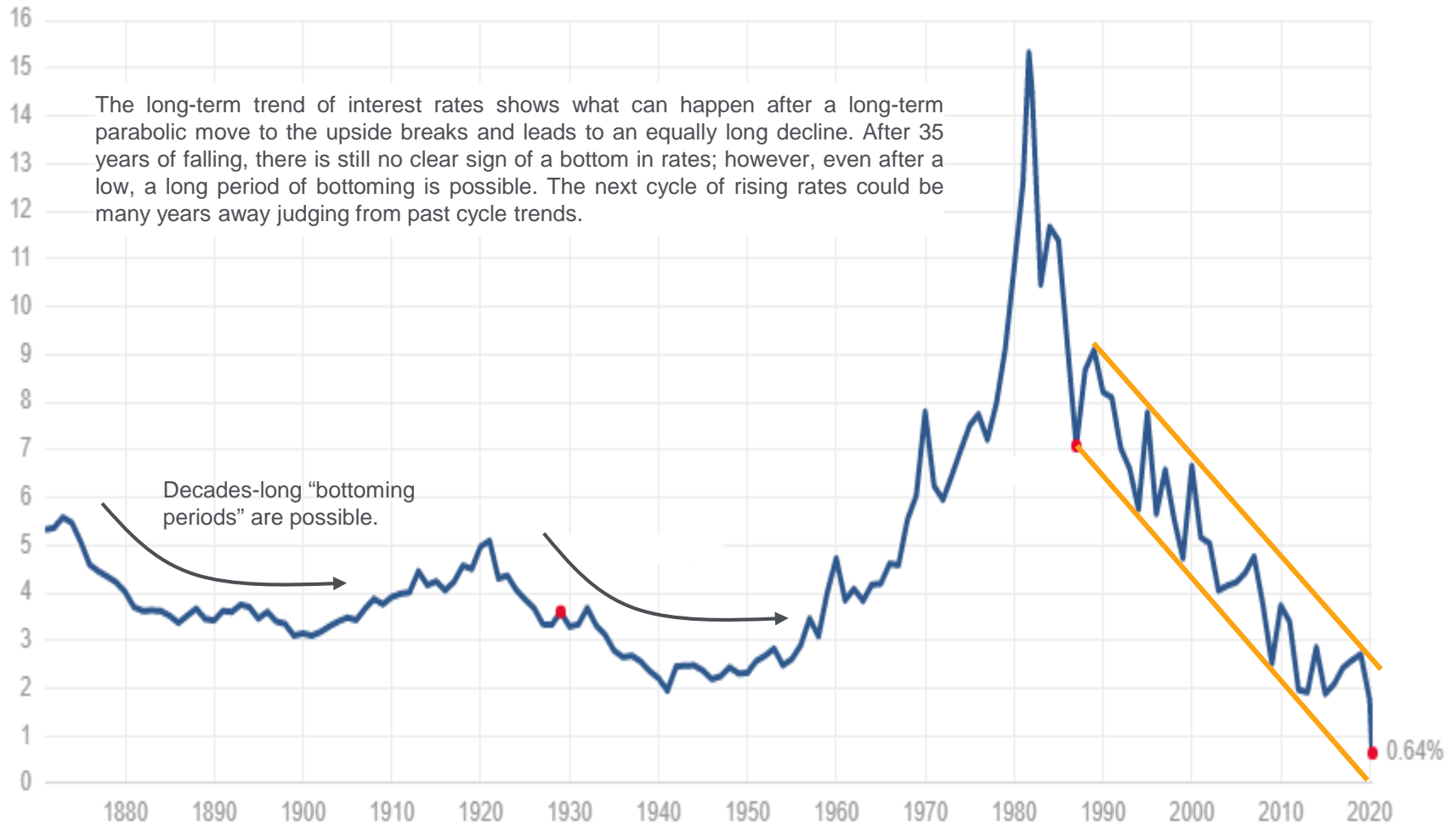


Chart courtesy of MultPL.com and RBC Wealth Management

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