



Market Maps

August 2020

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RBC Capital Markets, LLC / Portfolio Advisory Group

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

For Disclosures, see slide 14

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**Wealth
Management**

Short-term market: S&P 500 – 12 years

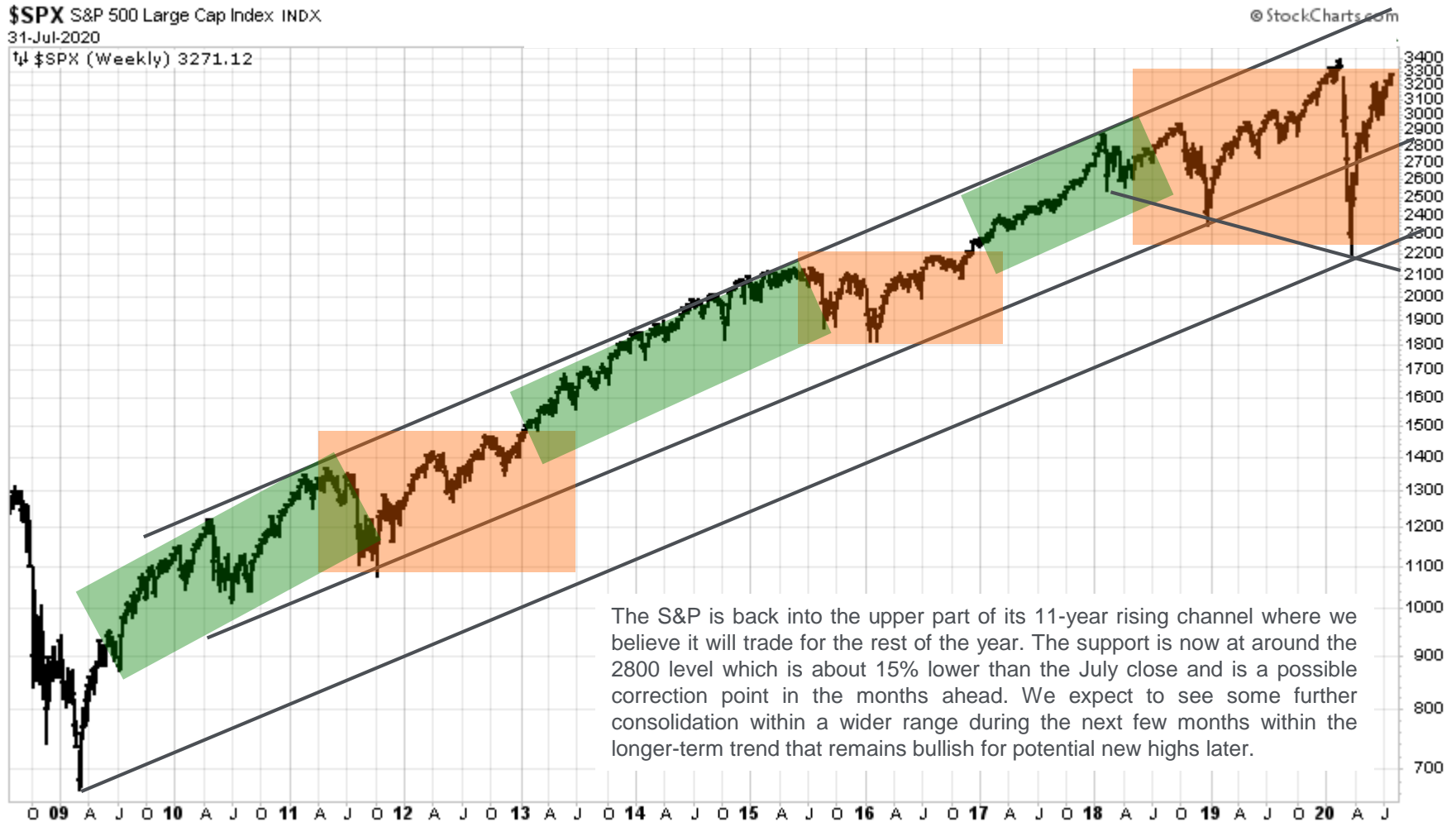


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results.

Long-term market cycles 1925–2020

\$SPX S&P 500 Large Cap Index INDX
31-Jul-2020

© StockCharts.com

The long-term chart for the S&P puts this year's bear market and recovery into perspective as being more of a correction that is similar to the pattern in 1987 than the more traditional bear markets we saw in the early 2000s and the 1970s. As a result, the secular bull market remains intact and may be around the halfway point which is also similar to the 1987 pattern. We expect the long-term bull market to continue until the economy, corporate earnings, and investor sentiment all reach much-higher levels of strength and optimism that have often marked major market tops and could still take many years to achieve.

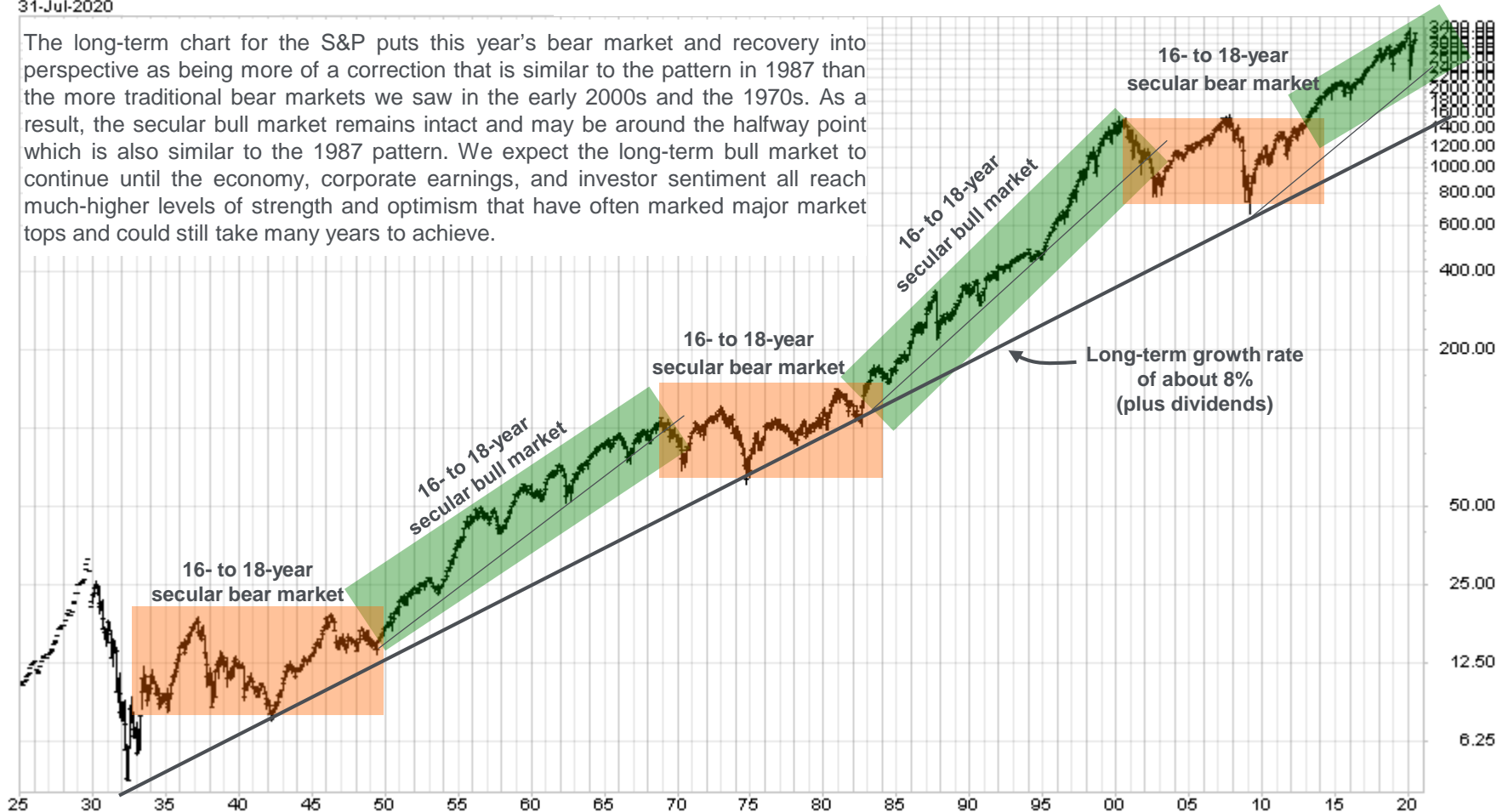


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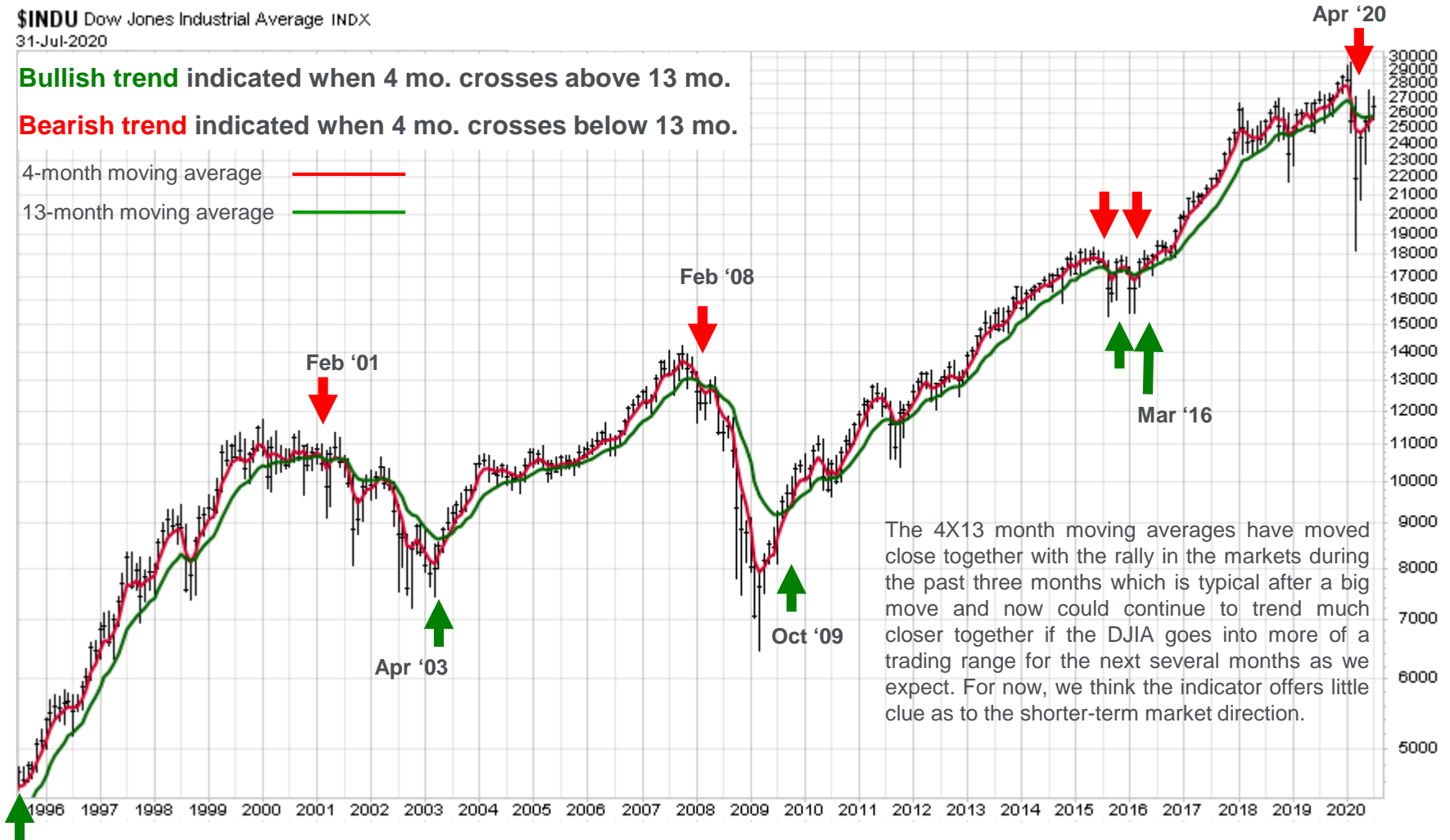
DJIA with 4-month and 13-month moving averages

\$INDU Dow Jones Industrial Average INDEX
31-Jul-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 ——— red line
13-month moving average ——— green line



The 4X13 month moving averages have moved close together with the rally in the markets during the past three months which is typical after a big move and now could continue to trend much closer together if the DJIA goes into more of a trading range for the next several months as we expect. For now, we think the indicator offers little clue as to the shorter-term market direction.

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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31-Jul-2020

↑↓ \$TSX (Weekly) 16169.20

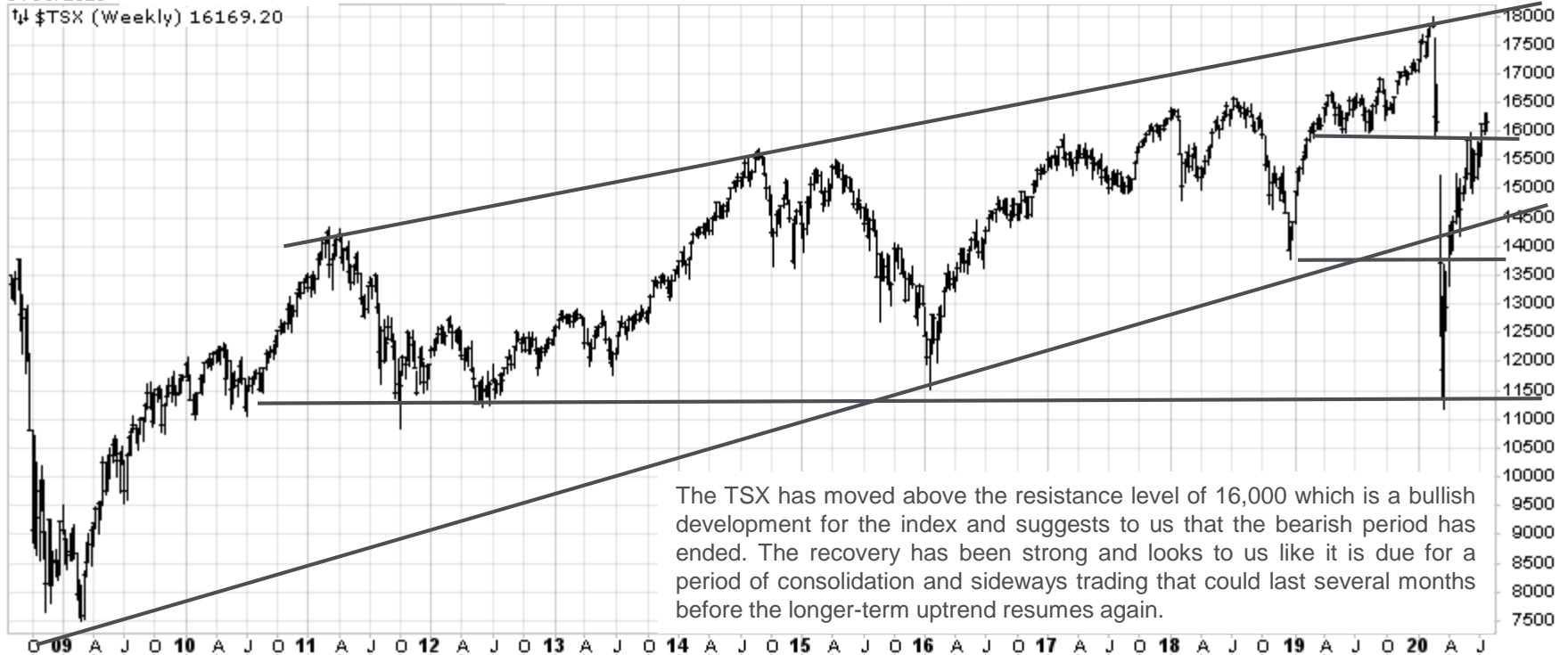


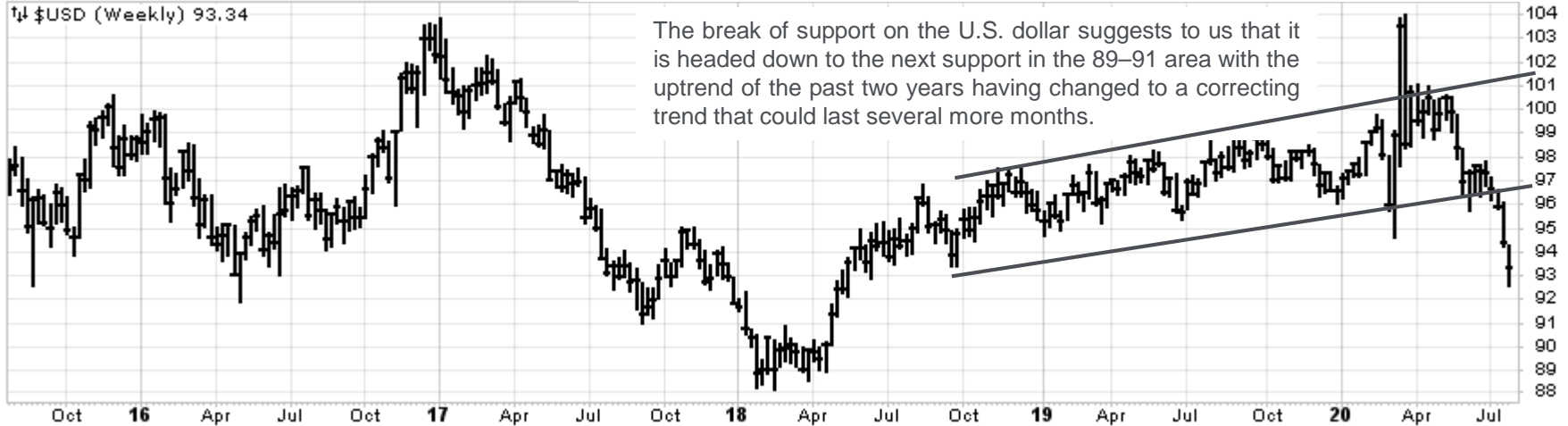
Chart courtesy of StockCharts.com and RBC Wealth Management

Currencies – 5-year trends

\$USD US Dollar Index

31-Jul-2020

© StockCharts.com



\$CAD Canadian Dollar - Continuous Cont

31-Jul-2020

↑↓ \$CAD (Weekly) 0.747

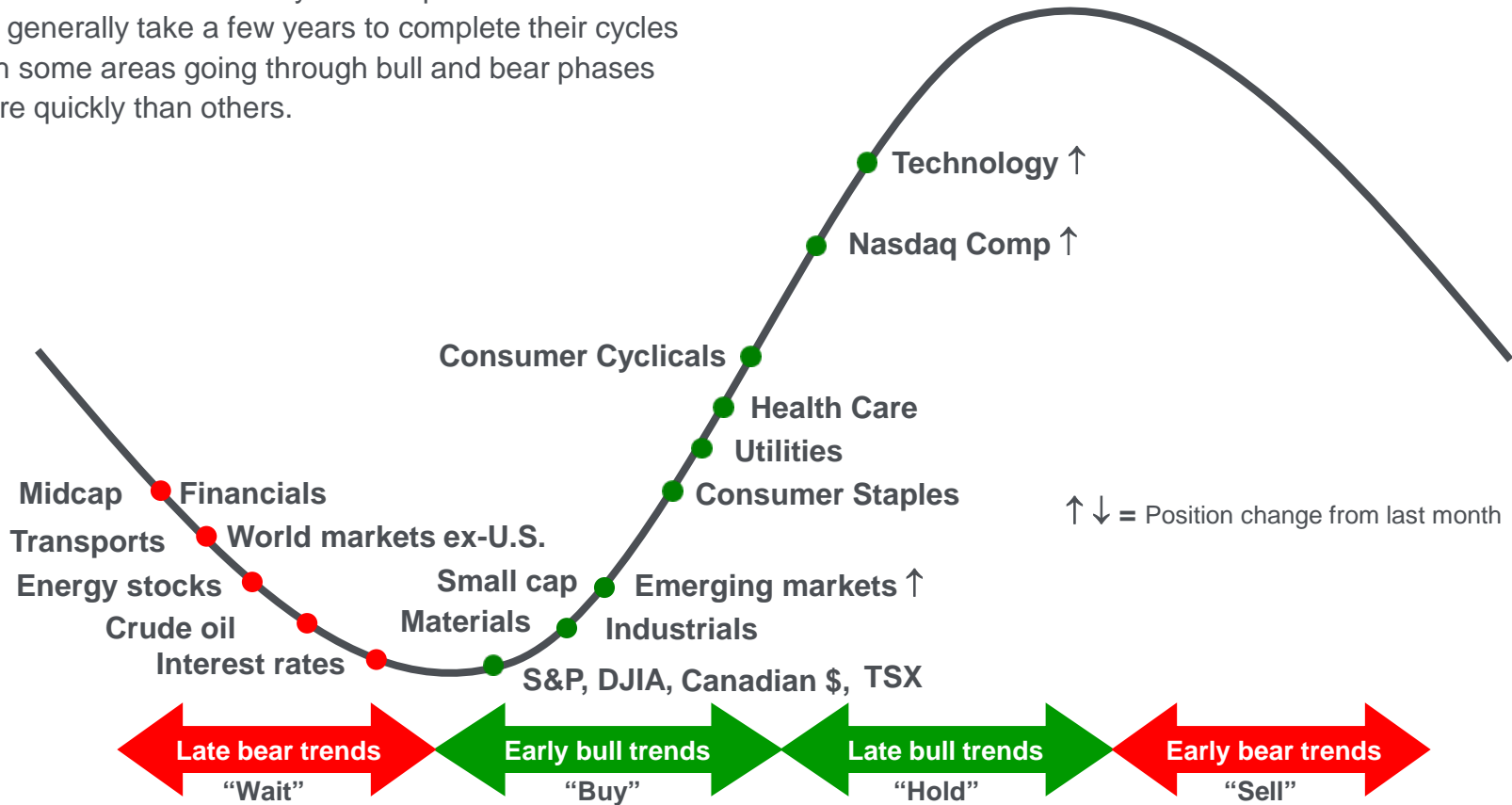


Charts courtesy of StockCharts.com and RBC Wealth Management

S&P sectors & market indexes cycle positions

Relative positioning of major sectors within their individual cycles

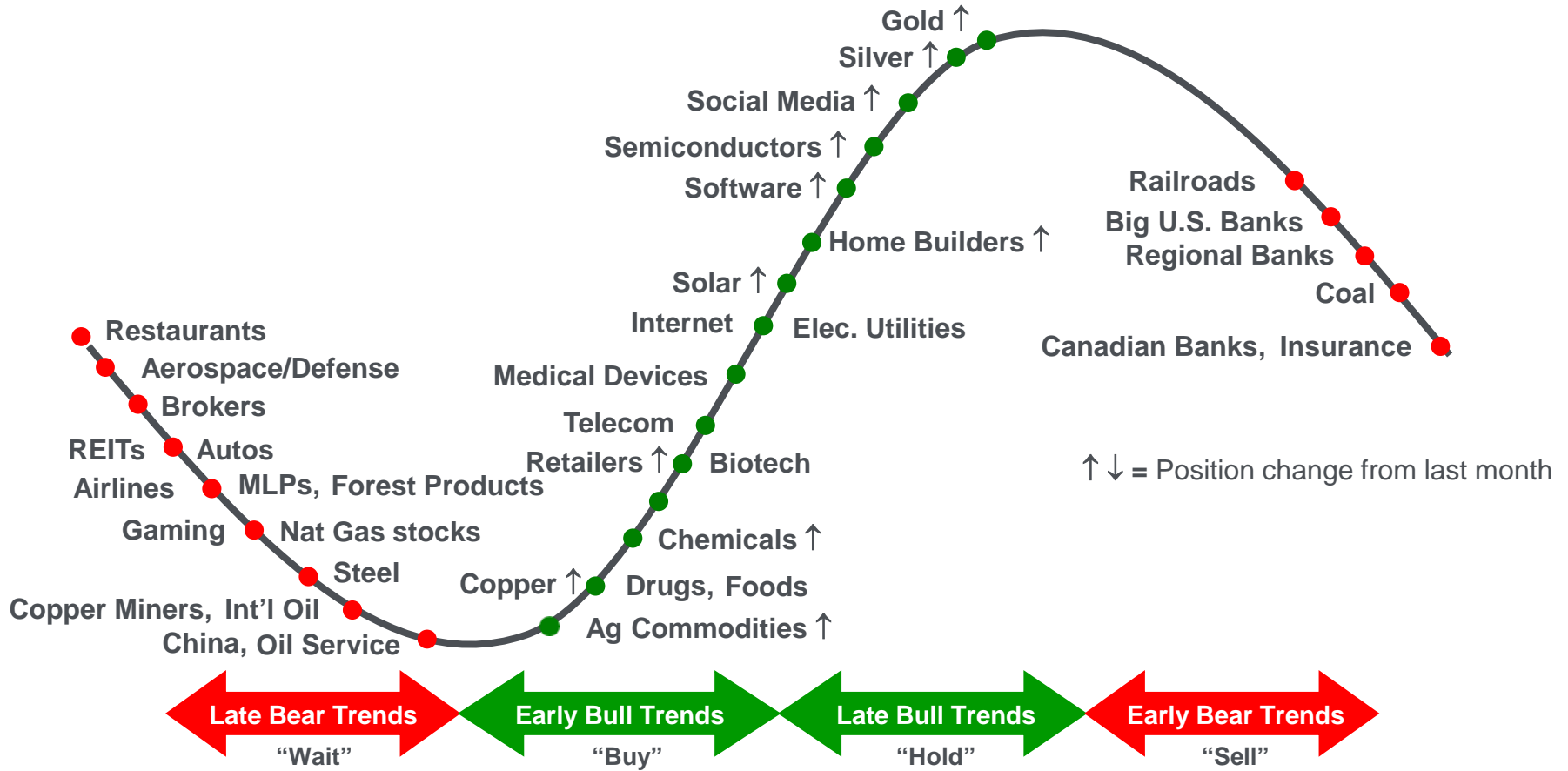
This chart illustrates where we see the various larger sectors and themes technically in their long-term trends. The sectors can cycle over periods of months but generally take a few years to complete their cycles with some areas going through bull and bear phases more quickly than others.



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-Jul-2020

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Chart courtesy of StockCharts.com and RBC Wealth Management

Oil – 9 years

\$WTIC Light Crude Oil
31-Jul-2020

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Chart courtesy of StockCharts.com and RBC Wealth Management

Stocks vs. commodities – 60 years

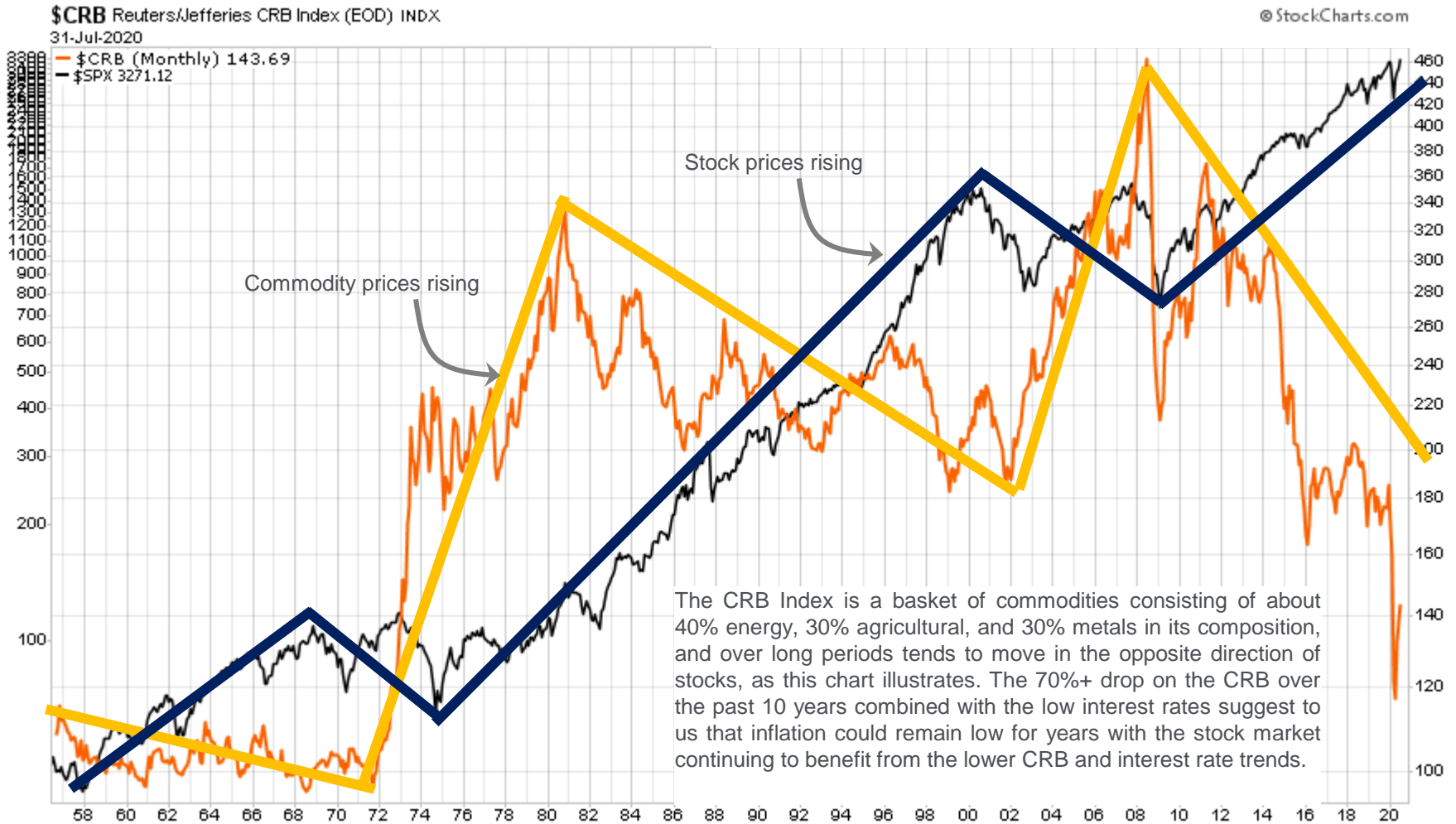


Chart courtesy of StockCharts.com and RBC Wealth Management

10-year Treasury note yield for 150 years



Chart courtesy of MultPL.com and RBC Wealth Management

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