



Market Maps

January 2021

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RBC Capital Markets, LLC / Portfolio Advisory Group

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

For Disclosures, see slide 14

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**Wealth
Management**

Short-term market: S&P 500 – 12 years

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

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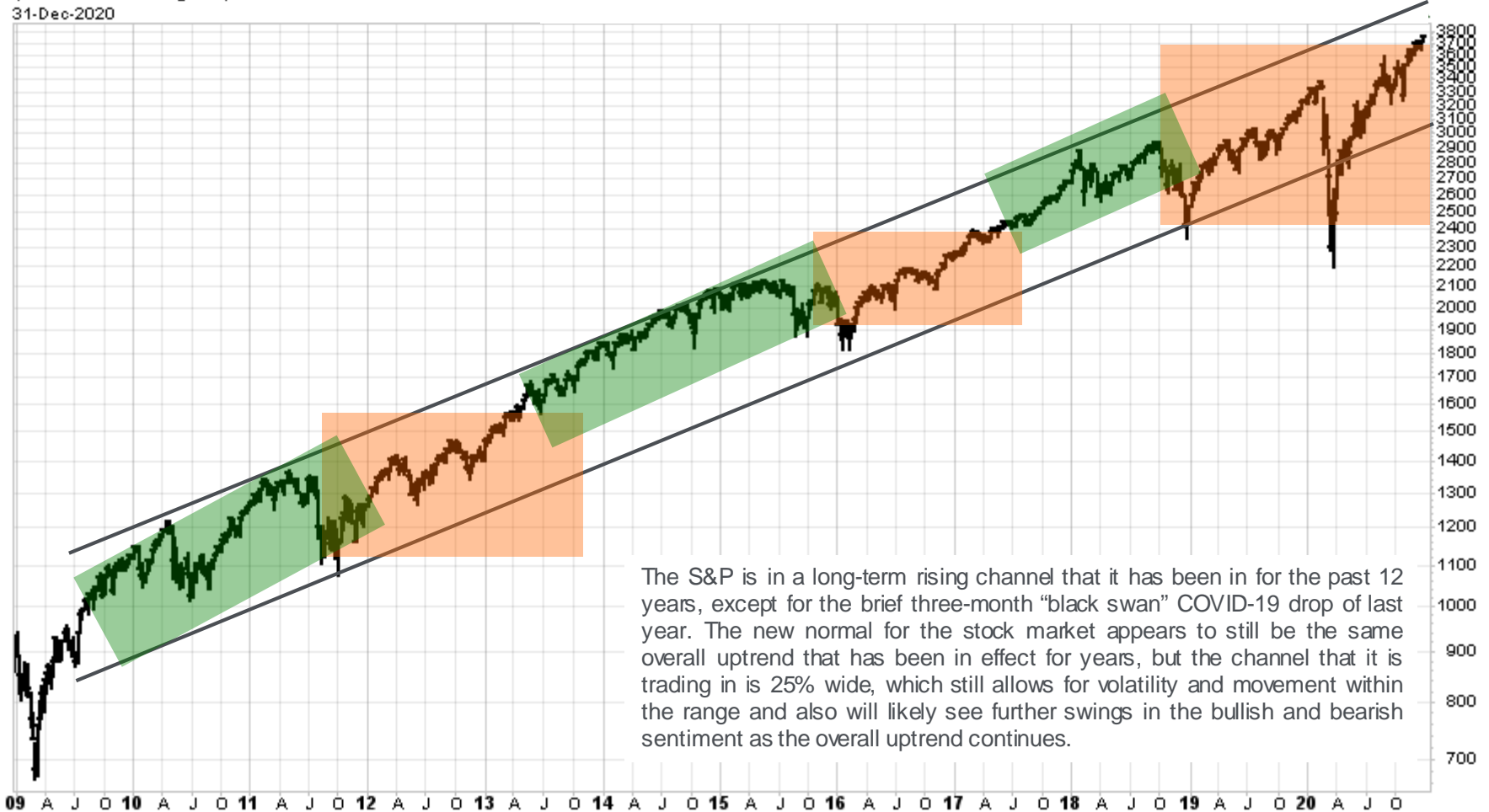


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Long-term market cycles 1925–2020

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

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The secular bull market that began at the 2009 low and broke out to new highs first in 2013 remains intact despite the COVID-related decline of 2020 that affected the market in a similar way as the “crash of 1987” that also fell and recovered quickly. The market closed 2020 at all-time highs and although it may be extended for the short term, the trend remains solidly bullish and could continue higher for several more years as it has in previous secular bull periods. These long-term up-cycles tend to continue until the bullish sentiment reaches euphoric levels that are not evident on a long-term basis at this time.



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-Dec-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 long-term moving averages on the Dow Industrials have moved back into a bullish position after the brief cross into bear territory after March. The indicator tends to work well for long-term trends but can miss exceptionally volatile moves, as we saw last year. We believe the current bullish positioning suggests that the bull trend is still intact with the potential for several more years of gains.

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

Investor sentiment – 30 years

IAAIBULL A, All Bulls IND_X
1-Jan-2021

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Chart courtesy of StockCharts.com and RBC Wealth Management

TSX Composite – 12 years

\$TSX TSX Composite Index TSE
31-Dec-2020

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The TSX has not hit a new high yet, as the S&P 500 has done, but we believe the overall trend is still bullish with good support now at the 16,600 level in an overall trend that likely has further upside potential over the next several months and longer.

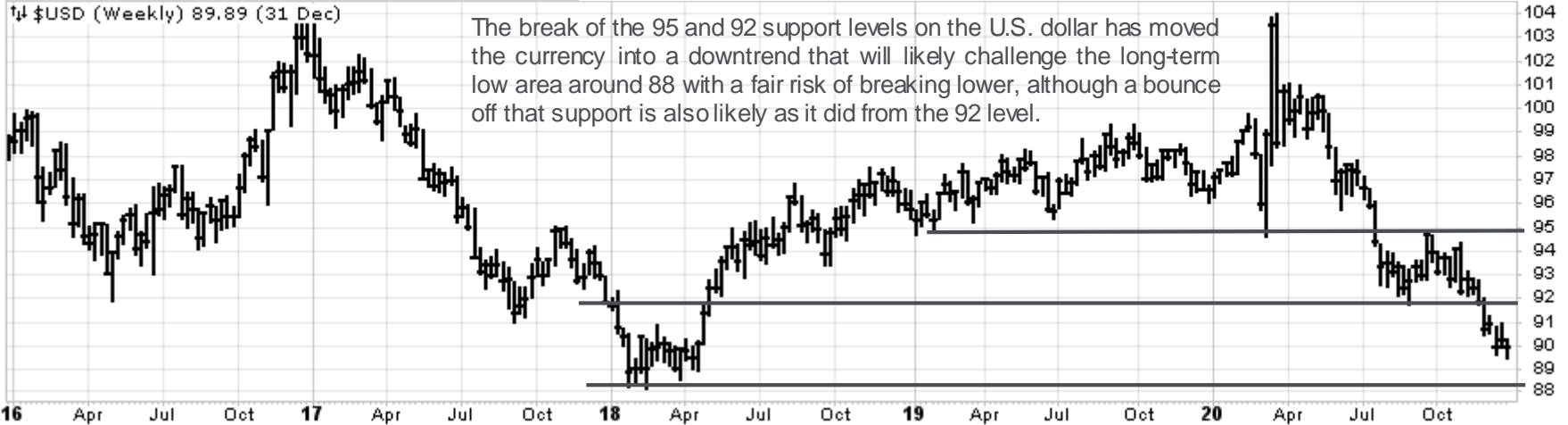


Chart courtesy of StockCharts.com and RBC Wealth Management. Past performance does not guarantee future results.

Currencies – 5-year trends

\$USD US Dollar Index
31-Dec-2020

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\$CAD Canadian Dollar - Continuous Cont
31-Dec-2020

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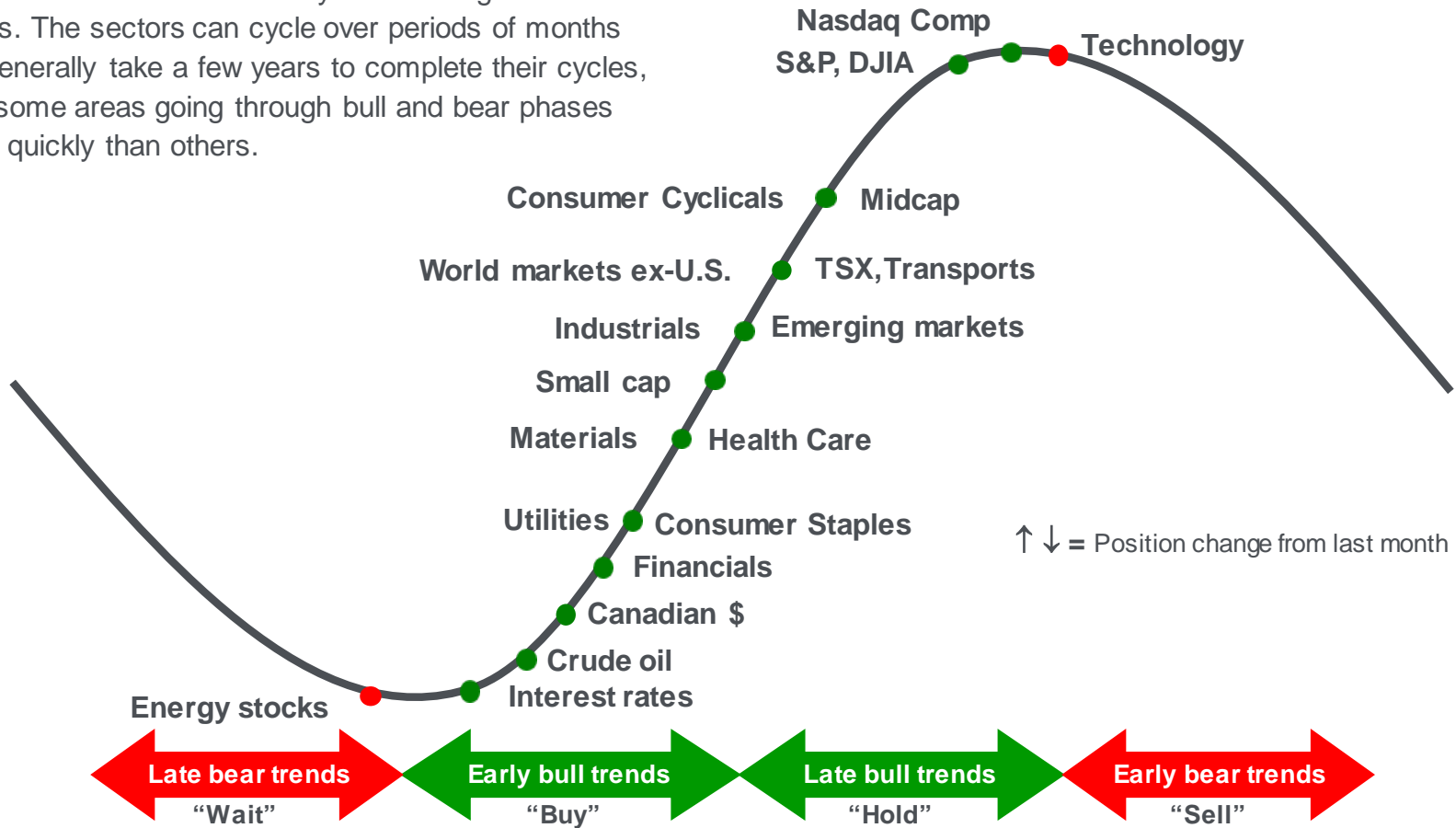


Charts courtesy of StockCharts.com and RBC Wealth Management

S&P sectors & market indexes cycle positions

Relative positioning of major sectors within their individual cycles

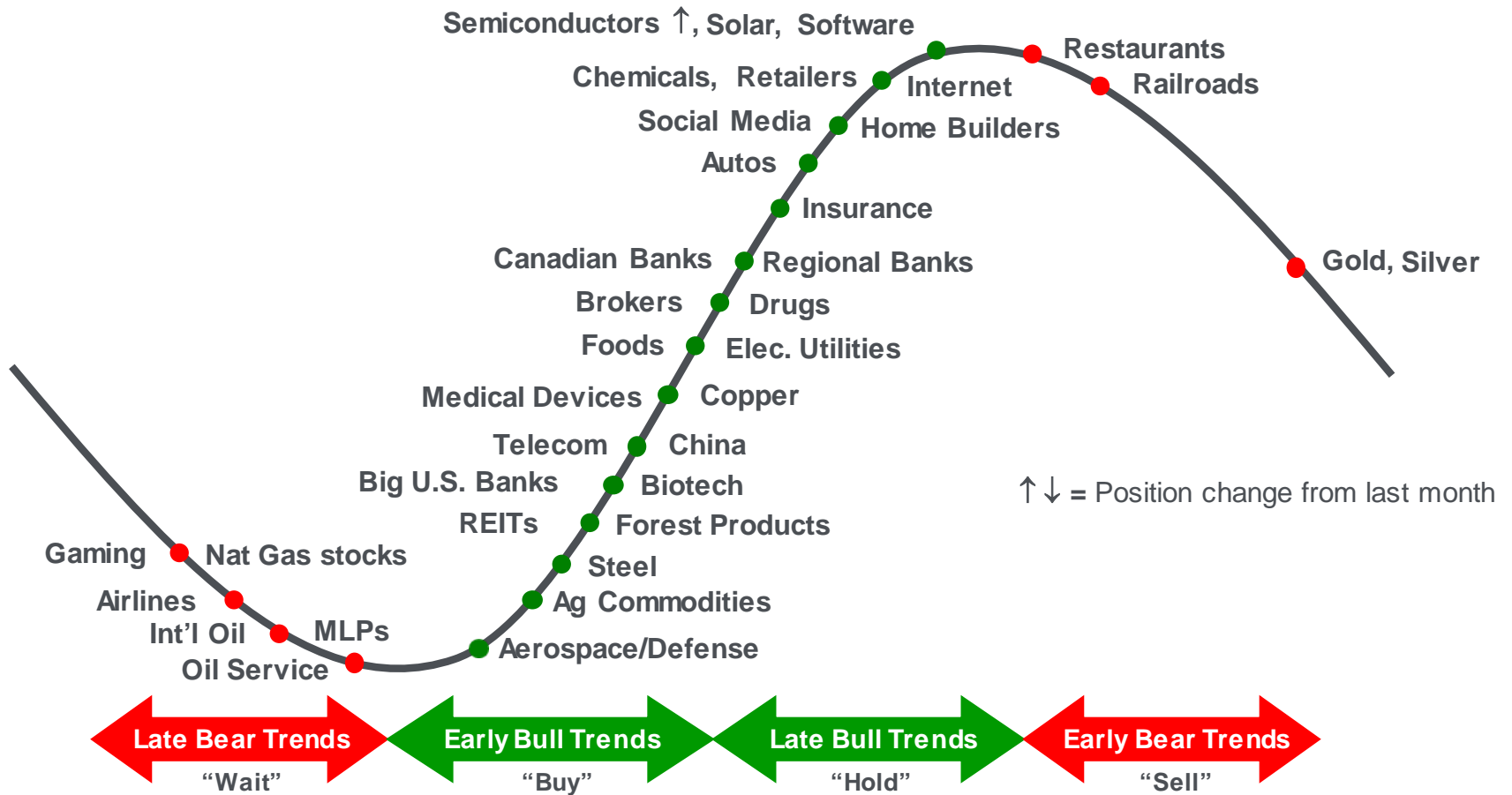
This chart illustrates where we see the various larger sectors and themes technically in their long-term trends. The sectors can cycle over periods of months but generally take a few years to complete their cycles, with some areas going through bull and bear phases more quickly than others.



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-Dec-2020

© StockCharts.com

↑ \$GOLD (Weekly) 1895.10 (31 Dec)



Chart courtesy of StockCharts.com and RBC Wealth Management; **Past performance does not guarantee future results.** Investments in securities related to gold and other precious metals and minerals are considered speculative and are impacted by a host of worldwide economic, financial, and political factors.

Oil – 10 years

\$WTIC Light Crude Oil
31-Dec-2020

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Stocks vs. commodities – 60 years

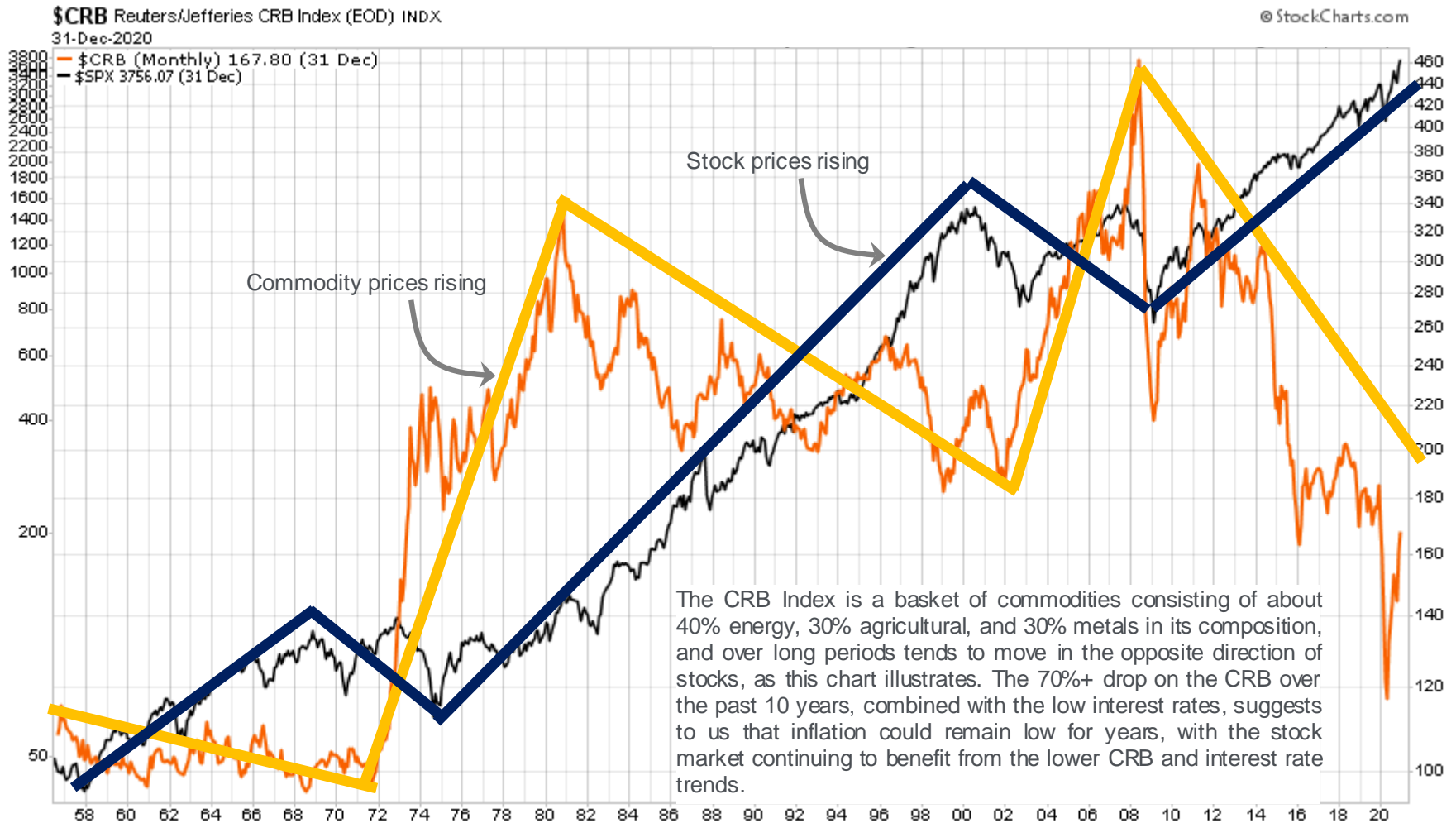


Chart courtesy of StockCharts.com and RBC Wealth Management; **Past performance does not guarantee future results.** Commodities may have greater volatility than traditional securities. The value of commodities may be affected by changes in overall market movements, changes in interest rates or sectors affecting a particular industry or commodity, an international economy, or political and regulatory developments.

10-year Treasury note yield for 150 years

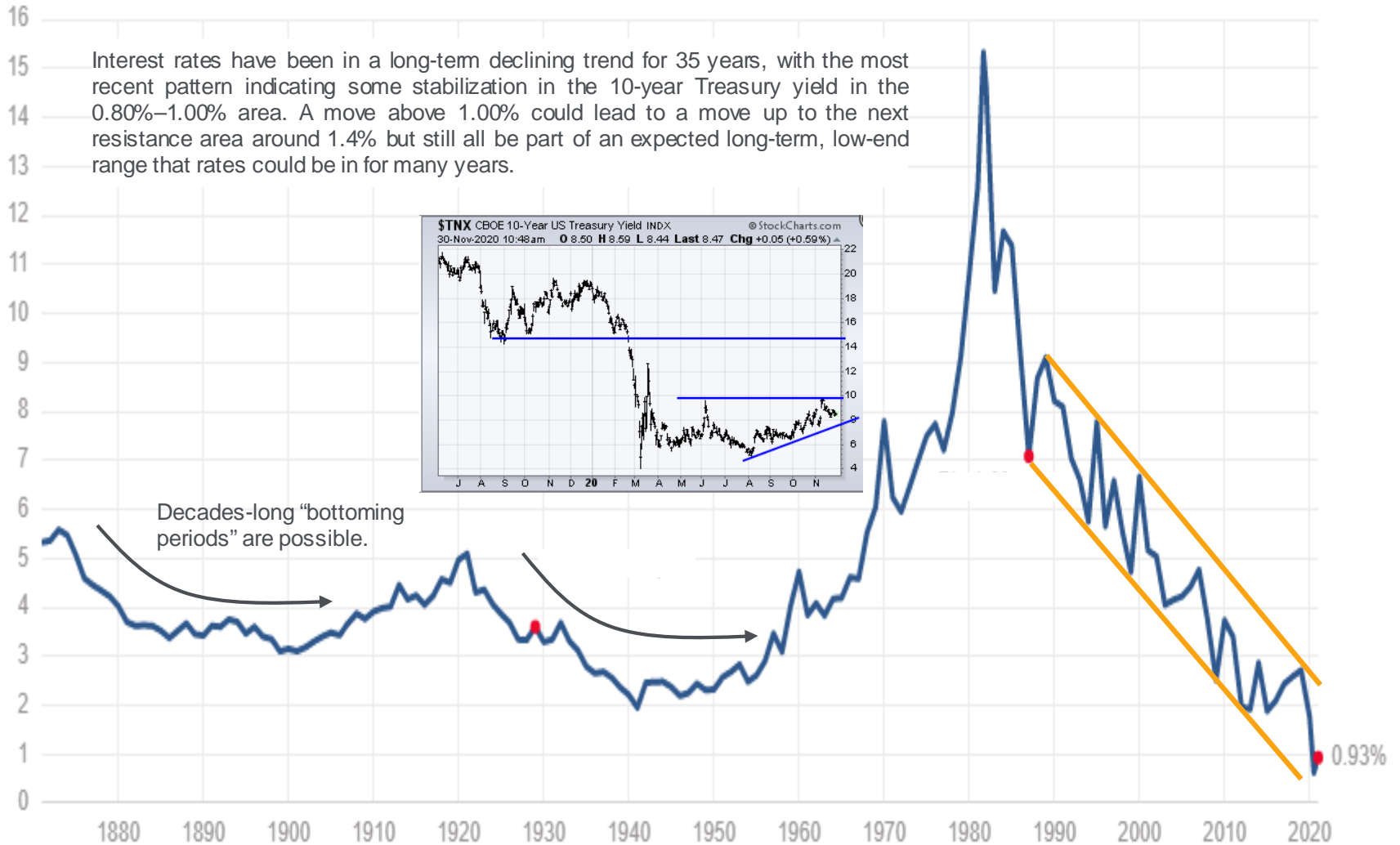


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