



Wealth Management
Dominion Securities



The benefit of a diversified portfolio

The chart (below) ranks the best to worst performing asset classes selected — from top to bottom — for each calendar period shown based on total returns.

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2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EM Equities 51.6%	CDN Equities 17.6%	CDN Bonds 9.7%	EM Equities 15.6%	US Equities 41.6%	US Equities 24.4%	US Equities 20.8%	CDN Equities 21.1%	EM Equities 28.3%	US Equities 3.8%
US HY Bonds 44.5%	US HY Bonds 14.3%	Global Bonds 6.5%	US HY Bonds 15.4%	INTL Equities 31.0%	Balanced 11.4%	INTL Equities 19.0%	US HY Bonds 14.3%	INTL Equities 16.8%	Global Bonds 1.9%
CDN Equities 35.1%	EM Equities 12.7%	US HY Bonds 5.7%	INTL Equities 14.4%	Balanced 14.2%	CDN Equities 10.6%	Balanced 6.5%	US Equities 8.6%	US Equities 14.1%	CDN Bonds 1.4%
Balanced 14.4%	US Equities 9.2%	US Equities 4.3%	US Equities 13.1%	CDN Equities 13.0%	Global Bonds 9.4%	CDN Bonds 3.5%	EM Equities 7.3%	CDN Equities 9.1%	Cash 1.3%
INTL Equities 11.9%	Balanced 8.9%	Balanced 1.5%	Balanced 7.9%	US HY Bonds 7.1%	CDN Bonds 8.8%	EM Equities 2.0%	Balanced 6.5%	Balanced 8.8%	Balanced -1.3%
US Equities 9.3%	CDN Bonds 6.7%	Cash 0.9%	CDN Equities 7.2%	EM Equities 3.9%	EM Equities 6.6%	Global Bonds 1.9%	Global Bonds 3.5%	US HY Bonds 6.4%	US HY Bonds -2.9%
CDN Bonds 5.4%	Global Bonds 3.8%	CDN Equities -8.7%	Global Bonds 5.3%	Cash 1.0%	US HY Bonds 4.3%	Cash 0.6%	CDN Bonds 1.7%	CDN Bonds 2.5%	INTL Equities -6.0%
Global Bonds 1.1%	INTL Equities 2.5%	INTL Equities -10.3%	CDN Bonds 3.6%	Global Bonds 1.0%	INTL Equities 3.7%	US HY Bonds -2.7%	Cash 0.5%	Global Bonds 1.8%	EM Equities -6.9%
Cash 0.4%	Cash 0.4%	EM Equities -16.4%	Cash 0.9%	CDN Bonds -1.2%	Cash 0.9%	CDN Equities -8.3%	INTL Equities -2.5%	Cash 0.6%	CDN Equities -8.9%

Fixed income			Equities						
CDN Bonds (Canadian Bonds)	US HY BONDS (U.S. High-Yield Bonds)	Global Bonds	CDN Equities (Canadian Equities)	US Equities	INTL Equities (International Equities)	EM Equities (Emerging Market Equities)	Cash	Balanced (Balanced Portfolio)	
=	=	=	=	=	=	=	=	=	
FTSE TMX Canada Universe Bond Index	ICE Bank of America Merrill Lynch US High- Yield BB-B TR Index	FTSE World Government Bond TR Index	S&P/TSX Composite Total Return Index	S&P 500 Total Return Index	MSCI EAFE Total Return Index	MSCI Emerging Markets Total Return Index	FTSE TMX Canada 30 Day T-Bill Index	55% Equity / 45% Fixed Income	

All performance is in C\$.

Source: RBC Global Asset Management Inc. as of December 31, 2018.

RBC Dominion Securities Inc.

Through graphical depictions of past performance fluctuations, this chart demonstrates the historical trend of alternating leadership in the financial markets, as well as highlights the potential dangers associated with attempts to chase last year's or predict next year's winners.

■ **Cash and money markets**

Represents performance of cash and money markets in the United States as measured by the Citigroup 3-Month Treasury Bill Index. Money market funds are not federally guaranteed. It is possible to lose money.

■ **Taxable bonds**

Represents taxable investment-grade fixed-rate debt obligations (Treasuries, Agencies, Corporates, Mortgage-Backed Securities, Asset-Backed Securities and Commercial Mortgage-Backed Securities) as measured by the Barclays Aggregate Bond Index.

■ **High yield bonds**

Represents tradable below-investment-grade fixed-rate debt obligations, including cash-pay, deferred-interest, step-up, payment-in-kind and defaulted bonds, with remaining maturities of at least 1 year as measured by the Credit Suisse High Yield Index.

■ **International bonds**

Represents tradable investment-grade fixed-rate debt obligations of sovereign governments from 20 developed countries, excluding the United States, as measured by the Citigroup Non-U.S. Dollar World Government Bond Index.

■ **Large cap growth stocks**

Represents stock market performance of those companies in the Russell 1000 Index with an above-average growth orientation based on price-to-book ratios and long-term earnings growth forecasts as measured by the Russell 1000 Growth Index.

■ **Large cap value stocks**

Represents stock market performance of those companies in the Russell 1000 Index with a below-average growth orientation based on price-to-book ratios and long-term earnings growth forecasts as measured by the Russell 1000 Value Index.

■ **Mid cap stocks**

Represents stock market performance of the 800 smallest companies in the Russell 1000 Index based on total market capitalization as measured by the Russell Midcap Index.

■ **International stocks**

Represents stock market performance in 21 developed countries around the world, excluding Canada and the United States, as measured by the MSCI EAFE (Europe, Australasia and Far East) Index.

■ **Emerging markets**

Represents stock market performance of companies in 26 emerging countries. Securities in closed markets and those shares in otherwise free markets that are not purchasable by foreigners are excluded.

■ **Custom asset class blend**

Allocations are rebalanced to their respective target weightings at the beginning of each quarter.

- 5% Cash and Money Markets
- 22% Taxable Bonds
- 5% High Yield Bonds
- 13% International Bonds
- 11% Large Cap Growth Stocks
- 12% Large Cap Value Stocks
- 7% Mid Cap Stocks
- 20% International Stocks
- 5% Emerging Markets