



# Technical Update

Bob Dickey – Technical Strategist

December 11, 2018

**Uncertainty rules.** Quite often, the reason for the market pulling back on any given day is cited as “investor uncertainty,” which we see as being true every day, even when markets are up. The speed at which information and opinions are shared likely adds to the uncertainty that investors feel, and this can be the case for an extended period of time even when the longer-term trend is bullish. Market tops generally occur after a period of confidence, which has not been the general consensus for years, and this leads us to believe that the longer-term bull market still has a good deal of upside potential left in it before we get to any kind of long-term major top. In the meantime, what we see now is a pullback within the sideways consolidating range of the past year with possibly another 6-12 months of the same trend ahead. During this period, slightly lower lows or higher highs are entirely possible, but we are not expecting the overall trend to be any more bullish or bearish than that of a wide and volatile trading range for quite some time. So let the uncertainty continue while we try and avoid being talked into making some bad decisions.



Chart courtesy StockCharts.com and RBC Wealth Management

## Disclosure

The information contained in this communication has been compiled from sources believed to be reliable, but no representation or warranty, express or implied, is made by RBC Wealth Management, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates contained in this communication constitute the author’s judgment as of the date of this communication, are subject to change without notice and are provided in good faith but without legal responsibility. Nothing in this communication constitutes legal, accounting or tax advice or individually tailored investment advice. This material is prepared for general circulation to clients and has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The investments or services contained in this communication may not be suitable for you and it is recommended that you consult your Financial Advisor if you are in doubt about the suitability of such investments or services. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. This communication is not, and under no circumstances should be construed as, a solicitation to act as a Financial Advisor. To the fullest extent permitted by law neither RBC Wealth Management nor any of its affiliates, nor any other person, accepts any liability whatsoever for any direct or consequential loss arising from any use of this communication or the information contained herein. No matter contained in this communication may be reproduced or copied by any means without prior consent of RBC Wealth Management. This communication is not a research report or a product of RBC Capital Markets’ Research Department. As such, this communication may not be independent of RBC Capital Markets’ proprietary interests. RBC Capital Markets may trade the securities discussed in this communication for its own account and on a discretionary basis on behalf of certain clients. Unless otherwise specified, the views expressed herein are the author’s and may differ from the views of RBC Capital Markets’ / RBC Wealth Management’s Research Department and from the views of others within RBC Capital Markets and RBC Wealth Management. The information in the body of this communication is intended to provide general company and/or market commentary, is not intended to provide a sufficient basis for an investment decision.

RBC Wealth Management, a division of RBC Capital Markets, LLC, member NYSE/FINRA/SIPC. © 2018 All rights reserved.



**Wealth Management**