Wealth Management
Dominion Securities

RBC Dominion Securities Inc.
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New Normal, New Opportunities series

Cloud computing

RBC Wealth Management's Portfolio Advisory Group presents the "New normal, new opportunities" series, examining secular trends in a post-COVID-19 world. The series will cover a range of themes that are emerging as a result of social distancing, the work-from-home imperative, health care developments, corporate implications, and broader societal change. The Portfolio Advisory Group believes identifying these trends and understanding their investment implications will be critical to navigating the road ahead.

Dear clients,

Please see the attached article along with additional commentary below on the emerging theme of **cloud computing**.

If you had not heard of this term in previous years, it is likely you would have over the past few months. The efficient storage, management and processing of data has become increasingly vital to many businesses in today's world. Firms that provide cloud computing services are at the forefront of a potential multi-trillion dollar sector over the next decade. At the moment, the largest player in this space is Amazon (AMZN), with Amazon Web Services (or AWS for short). AWS has nearly half of the market share in cloud computing, and is partly responsible for why Amazon has been such a massive outperformer in the stock market.

Amazon has been a part of your discretionary portfolio since the beginning, and continues to be one of our top holdings. Other companies with exposure to the cloud in your discretionary portfolio include: Microsoft (MSFT) with Azure; Alphabet (GOOG) with their Google Cloud Platform; Dropbox (DBX); and Kinaxis (KXS – a Canadian company that was added to the portfolio back in May, and has been one of our best performers).

COVID-19 has elevated the importance of cloud computing, bringing it to the forefront of corporate agendas as companies seek out its increased agility benefits and efficiency gains, both of which have become pre-requisites to compete effectively in an accelerated digital world.

Please take some time to review this edition of New normal, new opportunities.

Best regards,

Ord Private Wealth Management
John, Tim, Liam & Kristen