Wealth Management
Dominion Securities

RBC Dominion Securities Inc.
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New Normal, New Opportunities series

e-Commerce

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 some commentary below on another major emerging theme we have seen: the expansion of e-Commerce. We feel this is one of the most investable areas in the market right now, and have felt that way for some time. In relation to exposure in your discretionary portfolio, we own positions in several companies that have a direct exposure to eCommerce: Amazon (AMZN), PayPal (PYPL), Visa (V) being obvious beneficiaries on direct consumer transactions, Prologis (PLD) and Granite REIT (GRT.UN) are industrial REITs that have many of the largest e-Commerce companies as their tenants; CargoJet (CJT) is nearly a monopoly on overnight shipping in Canada, with long-term contracts in place and Amazon recently taking a stake in the company; Costco (COST) gaining more traction through their online delivery platform. There are several other companies in the portfolio that have a stake in the e-Commerce world as well.

We foresee the possibility of online retail becoming the norm, at the expense of bricks-and-mortar competitors, over the long term. This new norm has effectively been pulled forward by the COVID-19 pandemic as the value-proposition for e-Commerce with respect to efficiency, convenience, and reliability has been underscored.

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

Best regards,

Ord Private Wealth Management
John, Tim, Liam & Kristen