

MacKay Weekly Investment Report

WEEK ENDING FRIDAY, NOVEMBER 15, 2024

WWW.MACKAYGROUP.COM

*MacKay Group Wealth Management. Our mission is to provide our clients superior investment advice, products, and service.
Serving clients and friends at RBC Dominion Securities Inc. – a member of RBC Financial Group since 1983.*

HOW I SEE IT – by Bruce

Steady/Returns regardless of who/Upping YE year targets.

Equity markets at high on Monday and drifting lower - It's midmonth - option expiry -we normally see pull backs - Trump Trade over or are we base building for YE rally?

Positives: **AAIL Investment Sentiment Survey** - 49.8% bullish/ 21.8% neutral/28.3% bearish - confidence up slightly this week.

RBC WM - RBC Chief Economist - Commentary on US election results – “For the most part returns are consistent regardless of who’s in office. Extending your time horizon provides stability through evolving leadership. Remaining fully invested has been the best course of action. While Washington can influence the business cycle for good or for bad it doesn’t control it.”

RBC CM – “S&P 500 earnings update - Of 91% of S&P 500 companies that have reported earnings 75% have exceeded earnings per share estimates. US small business optimism increased in the weeks leading up to the election. US dollar is strengthening against other major currencies driven by the so-called Trump trades.”

The Pulse of the market - Lori Calvasina – “Earnings season is winding down with a disappointing feeling to us. A mixed macro and consumer remained in focused as companies begin to highlight key policy issues. They are watching post-election. Positioning in US equities for both S&P 500 and Russell 2000 looks stretched. Valuations HAVE some room to run- but not a ton.”

Jim Paulsen - “Cyclicals until year end and then defensive. Compared to the S&P 500 index both cyclical and defensive stocks are currently cheap. S&P defense sector are at their lowest relative price since 1990, and cyclical sectors are cheap on a relative price basis than 84% of the time since 1990. Both will likely outperform during the next several years. US economic momentum tends to drive their respective performances in opposing directions. As investors look ahead to 2025 they should

consider whether it makes sense to maintain a chronic overweight in both the technical and defensive sectors of the S&P 500 because they appear to be relatively cheap, but tweak these positions based in part of what recent bond yields movements imply about upcoming economic momentum. For now, however, the thing that which scares you the most significant economic policy, uncertainties may keep your portfolio rising.”

Dr. Ed Yardeni – “Consumers look ready to deck the halls this season. Their incomes are up. Gas prices are down, and Home Depot says consumers are spending freely when they can do so without using credit. China’s long ailing real estate market appears to have perked up in October after the government injections of targeted stimulus programs. Some promising new technologies to help the environment are in the works. S&P 500 companies fared well last quarter Q4 looks poised to continue the momentum. We believe Trump 2.0 represents a major regime change that's bullish for the economy and stocks. We now expect sooner end to current Geopolitical crises and possibly some improvement in the fiscal situation if business friendly policies boost GDP growth enough to keep pace with mounting federal debt. That along with the tax cuts, deregulation, and better productivity growth we see under Trump increase our confidence in our roaring 2020s scenario as well as our forecast for the S&P 500 revenues earnings and profit margins. Raises our sights for the S&P 500 valuations. **YE targets 2024 -6100, 2025 -7000, 8000-2026, and 10,000 by the decades close.**”

Tom Lee – “October CPI internals better than headlines, suggesting inflation still falling like a rock. We see positive supports into your end. Third-quarter EPS resilient despite falling inflation. Fed dovish and Fed cuts boost economy. Election uncertainty equals cash sidelined. Valuation still reasonable. Bottom line- stay on target into YE. The medium gain post-election and given no recession and markets declined is 7% implying **S&P 500 6300.**”

Drivers are deregulation, drop in cost of capital for businesses and general animal spirits given Republican White House and Senate. Favor small caps and cyclicals.

Negatives: **Jim Paulsen** – “Elections certainly brings economic policy uncertainty. Future Fed decisions are suddenly once again uncertain - they are mindful of reigniting inflation - both monetary and fiscal policies will likely remain volatile and mostly unpredictable in the coming year.”

Used car market very weak with negative equity/loan ratios.

Dr. Ed Yardeni - “New Tariffs could backfire and cause a trade war that curtails global economic growth, which is not our expectation.

US technologies funds have historic outflows over the last month - with over \$5 billion of outflows since October 1- this is more than double the outflows seen at the start of the 2022 bear market.”

David Rosenberg. “Biggest risk is when equity market bubble bursts in spectacular fashion. (he is always bearish - will be right one day on correction – which creates great buy opportunities.)

Brian Westbury – “Fed and inflation. Fed isn’t in the end zone, and it looks like progress has recently stalled. Embers of inflation continue burning. Bottom line is the Fed’s inflation goal remains elusive. In turn that means don’t be surprised the Fed pauses rate cuts early next year. If we really want to make America great again, the US must make American people free from government burdens again. This means going back to a time when government was much smaller. The smaller government means a bigger private sector and more opportunity for individuals to create, serve and grow.” (let’s hope).

Investment strategy – “Games are won by players who focus on the playing field not by those whose eyes are glued to the scoreboard.” **Warren Buffett.**

The Daily Chase: 55,000 Canada Post workers now on strike – BNN Bloomberg

Canada Post workers on strike: More than 55,000 Canada Post workers walked off the job at midnight after failing to reach a deal for a new labour pact with their employer. The strike will bring nationwide postal activity to a grinding halt headed into the holiday season, normally a busy one for retailers who use the postal service to ship packages across the country. It's the latest job action to spill out from unionized workers in recent months, after contracts signed before and during the pandemic didn't allow them to adjust compensation levels during the era of high inflation. Workers are asking for wage increases to catch up with inflation, plus cost-of-living adjustments, other top ups to benefits, paid time off and protections against technological change.

Labour board orders Montreal dockworkers back to work: The Canada Industrial Relations Board has ordered dockworkers at the Port of Montreal to get back on the job as of tomorrow morning. The board has also directed workers and their employers at Canada's second busiest port to engage in binding arbitration. The board made a similar move earlier in the week ordering dockworkers in Vancouver to do the same, a request that was complied with. The board is taking the action after Canada's labour minister requested the board end the lockouts in both places as more than \$1 billion worth of imports piles up every day.

[The Daily Chase: 55,000 Canada Post workers now on strike – BNN Bloomberg](#)

Less regulation, more consolidation in store for U.S. banks after Trump win: expert – BNN Bloomberg

A Donald Trump administration is poised to pull back on regulation in the U.S. banking industry, which is likely to create more favourable conditions for consolidation in the sector, according to one expert.

Gerard Cassidy, managing director and head of U.S. bank equity strategy at RBC Capital Markets, told BNN Bloomberg that if Trump's first presidency is any indication, federal regulators will be more lenient with America's big banks than the current administration.

“Under the (Joe) Biden administration, regulation has been dialled up, it's more onerous, particularly at the U.S. Consumer Financial Protection Bureau (CFPB),” he said in a Thursday interview.

[Less regulation, more consolidation in store for U.S. banks after Trump win: expert – BNN Bloomberg](#)

Canadian business insolvencies in Q3 rose to highest levels since 2009: CAIRP – BNN Bloomberg

Canadian business insolvency filings in the third quarter reached a level not seen since the financial crisis, according to data from the Canadian Association of Insolvency and Restructuring Professionals (CAIRP). Business insolvency filings reached 1,312 during the third quarter of this year, CAIRP said in a press release Tuesday, marking the largest volume in the third quarter since the 2009 Great Recession. The increase marks a 16.2 per cent increase year-over-year, but a 14.9 per cent drop compared to the previous quarter, suggesting lower borrowing costs and easing inflation are providing some relief.

“Although quarterly business insolvencies have continued to increase year-over-year, the drop from the previous quarter this year suggests that some businesses are beginning to adjust to the current economic conditions,” André Bolduc, a licensed insolvency trustee and CAIRP chair, said in the release.

[Canadian business insolvencies in Q3 rose to highest levels since 2009: CAIRP – BNN Bloomberg](#)

Why Canada could become the next nuclear energy 'superpower'

Uranium is making a comeback thanks to a renewed focus on nuclear energy as a climate crisis solution. Canada, rich with high-grade deposits, could become a nuclear “superpower”. But can its potential be realised? Leigh Curyer had been working in uranium mining for nearly two decades when he noticed a striking shift.

In 2011, the Fukushima nuclear plant disaster in Japan badly damaged the world's view of nuclear power, and the price for the heavy metal - a critical component for nuclear fuel - cratered.

But the last five years has seen a reversal, with the global price of uranium spiking by more than 200%, becoming one of this year's top-performing commodities.

[Why Canada could become the next nuclear energy 'superpower'](#)

Bank of England boss says UK must 'rebuild relations' after Brexit

The UK must "rebuild relations" with the EU "while respecting the decision of the British people" who voted to leave in 2016, the Bank of England's governor has said.

Andrew Bailey's Mansion House speech to investors marked some of his strongest comments yet on Brexit, saying one of its consequences has been weaker trade.

He has previously avoided commenting on the topic because of the Bank's independence from Westminster politics.

Mr Bailey said the changed relationship with the EU has "weighed" on the economy.

"As a public official, I take no position on Brexit per se," he said. "But I do have to point out consequences. "

'The most noble scenes are made desolate': The climate warnings in 19th Century paintings

These are the films generating the most excitement ahead of awards season, from Demi Moore's body-horror comeback to the return of Ridley Scott's swords-and-sandals epic.

A new exhibition that documents the impact of the Industrial Revolution features several 1800s artists, writers and thinkers as they began to capture the transformation of the environment.

Who knew what, and when, from the start of the 19th Century on, about the impact of industrialisation and the use of fossil fuels on the environment? A new exhibition at the Huntington Library, Art Museum and Botanical Gardens, just outside of Los Angeles, entitled Storm Cloud: Picturing the Origins of Our Climate Crisis, helps to trace the scientific, historical and artistic record back to the beginnings of the Industrial Revolution.

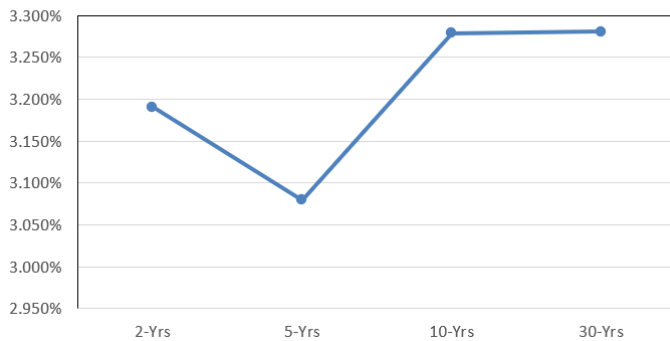
['The most noble scenes are made desolate': The climate warnings in 19th Century paintings](#)

CANADIAN MARKETS - By Andrew

I. Canadian Fixed Income

Benchmark Canada Government Bonds

CDN Yield Curve @ Nov 15, 2024



MG Canadian Fixed Income Top Holdings

- Government & Corporate Bonds
- Convertible Debentures
- High Yield Open End & Closed End Funds
- Rate Reset/Fixed Floater Preferreds
- Perpetual Preferreds

II Veritas V- list - Nov 2024

Agnico Eagle Mines, ATCO Ltd., Canadian Natural Resources, Canadian Pacific Kansas City, Cenovus Energy Inc., Cogeco Communications Inc., Dollarama, Enbridge, Fortis, George Weston, Granite REIT, Great-West Lifeco Inc., Metro Inc., Restaurants Brands International, Rogers Communications, Stella Jones Inc., Tourmaline Oil Corp, Wheaton Precious Metals.

Research Publications (available upon request)

- Canadian Small Cap Conviction List
- Global Mining Ideas 3Q24
- Industries in Motion Podcast

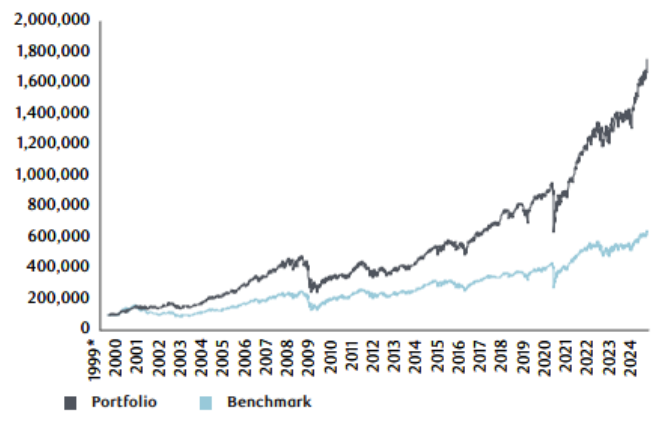
2024 Contribution Limits	Amount (\$CAD)
TFSA	
2024	\$ 7,000
Aggregate until 2024	\$ 95,000
RRSP	
2024	\$ 31,560

III. RBC DS Canadian Equity Focus List - Sept 2024

TD Bank, Royal Bank, Bank of Montreal, National Bank of Canada, Brookfield Corporation, Brookfield Asset Management, Intact Financial, Canadian Imperial Bank, First Capital REIT, Element Fleet Management, Brookfield Infrastructure Partners, TELUS, Dollarama Inc., Alimentation Couche-Tard, Loblaw, CP Rail, Toromont Industries, Waste Connections, Thomson Reuters, WSP Global, GFL Environmental, Bombardier, Constellation Software, Shopify, Canadian Natural Resources, Suncor Energy, Pembina Pipeline, TC Energy, CCL Industries.

Historical total return since inception to July 31, 2024

Cumulative portfolio value (inception \$100,000)



Calendar year performance (%)

	2019	2020	2021	2022	2023
Canadian Focus List	24.13	6.81	31.46	1.89	16.28
S&P/TSX Composite	22.88	5.58	25.09	-5.84	11.75

Mackay Group Portfolio Investment Management (PIM) Models - based on RBC DS Focus Lists.

We have CDN, US, and Global Equity and Fixed Income Portfolio Models for our discretionary portfolios. All based on RBC DS successful CDN, Income, US, Global Focus lists.

Our models are designed to mirror their performance.

Let's talk, to see if appropriate for you.

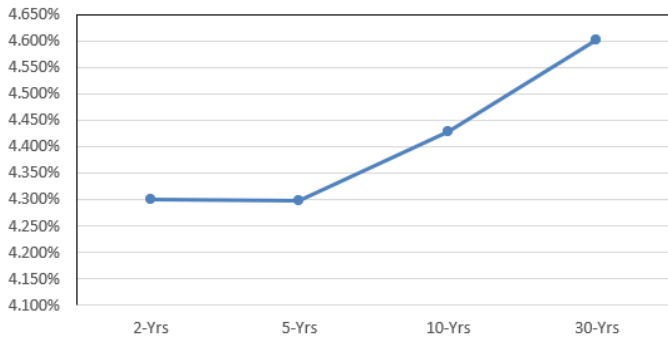


INTERNATIONAL MARKETS – By Andrew

I. US Fixed Income

Benchmark Canada Government Bonds

US Yield Curve @ Nov 15, 2024



MG US Fixed Income Top Holdings include:

- Government & Corporate Bonds
- High Yield Open & Closed Funds
- Rate Reset/Fixed Floater Preferreds
- IShares Mortgage Plus Index (REM)

II.RBC DS N.A. Focus List – September 2024:

Meta, ServiceNow, Amazon, Alimentation Couche-Tard, Costco Wholesale, Canadian Natural Resources, Suncor Energy, TC Energy, Brookfield Asset Management, Intact Financial, MasterCard, Royal Bank of Canada, S&P Global, TD Bank, Johnson & Johnson, Thermo Fisher, United Health Group, CP Railway, Honeywell International, Thomson Reuters, Toromont Industries, Waste Connections, Accenture, Adobe, Apple, Constellation Software, Microsoft, NVIDIA, CCL Industries, Element Fleet Management.

III. RBC DS ADR Focus List June 2024:

GSK Plc., Vodafone Group, WPP, Alibaba, InterContinental Hotels, Sony, Anheuser-Busch InBev, Diageo, Unilever, BP plc, Shell, Barclays, HSBC Holdings, ING Groep, Prudential, AstraZeneca, Sanofi, RELX, Accenture, ASML Holdings, NICE, STMicroelectronics, BHP group plc, Linde, National Grid

Research Publications (available upon request)

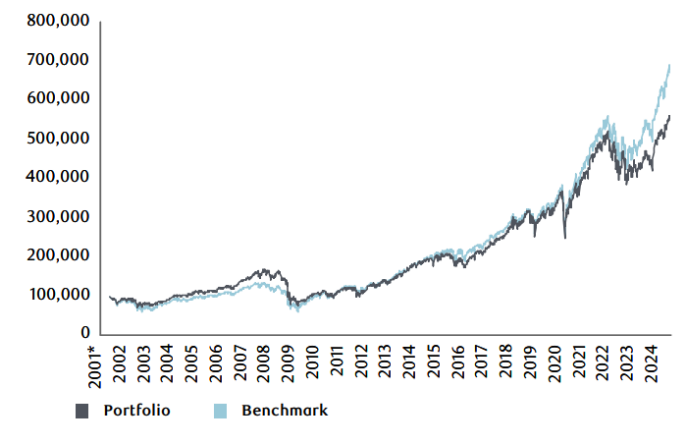
- RBC Imagine – A cross sector view of GenAI
- Global Energy Best Ideas
- Top 30 Global Ideas for 2024 – 3Q

IV. RBC DS US Equity Focus List – October 2024:

Aon Plc., JP Morgan, Mastercard, S&P Global, NextEra Energy, Alphabet, NVIDIA, Amazon, Home Depot, McDonalds, Johnson & Johnson, Medtronic, Thermo Fisher Scientific, United Health Group, Crown Castle Inc, Constellation Brands, Costco Wholesale, Estee Lauder, Honeywell International, Union Pacific, Xylem, Adobe, Amphenol Class A, Apple, Microsoft, Palo Alto Networks, Service Now, Chevron, Ecolab, Meta Platforms, RTX Corporation.

Historical total return since inception to July 31, 2024

Cumulative portfolio value (inception \$100,000)



Calendar year performance (%)

	2019	2020	2021	2022	2023
U.S. Focus List (USD)	31.48	15.45	26.80	-21.34	21.38
S&P 500	31.49	18.32	28.71	-18.11	26.29

Mackay Group Portfolio Investment Management (PIM) Models – based on RBC DS Focus Lists.

We have CDN, US, and Global Equity and Fixed Income Portfolio Models for our discretionary portfolios. All based on RBC DS successful CDN, Income, US, Global Focus lists.

Our models are designed to mirror their performance.

Let’s talk, to see if appropriate for you.



MUTUAL FUNDS Closed/Open- Top Holdings
-By Christopher

I. CANADIAN

Canadian Fixed Income

Canso Credit Income
Dynamic Strategic Yield
PH&N Total Return Bond Fund

Canadian Equity

Fidelity - Global Innovation/CDN Large Cap/Growth /Special Opp
Mackenzie - Ivy CDN / Cundill
Middlefield - CDN Dividend Growers/REIT Plus
Franklin Templeton - Bissett CDN Div/CDN Equity
RBC -CDN Div/CDN Equity/ O'Shaughnessy

ETFS - Top Holdings

Canada - Fixed Income

Bonds - XBB, XCB, XGB
Preferred Shares - CPD, PSF.UN, RPF

Canadian ETF's Equity - iShares TSX Large Cap 60, iShares Canada Equity Income, iShares Canadian Dividend, iShares Canadian Select Dividend, iShares TSX Small Cap, iShares TSX Composite

Canadian ETF Sectors - iShares TSX Financials, iShares TSX REITs, BMO Equal Weight Utilities, iShares TSX Info Tech, iShares TSX Energy, iShares TSX Materials

II. US/INTERNATIONAL

US Fixed income

Franklin High Yield
Fidelity American High Yield

US Equity

Fidelity - American Eq/Small Cap American/Euro
Mackenzie - US Mid-Cap
Middlefield - US Div Growers / American Core
Franklin Templeton - Growth
RBC - North America Value
Dynamic - Strategic Yield

ETFS - Top Holdings

US ETF Fixed Income

US Bonds - XIG, TLT
US Preferred Shares - PFF

US ETF Equity - S&P 500, Dow Jones Index, Nasdaq 100, S&P 500 Dividend Index, iShares Dow Jones Select Dividend Index, Vanguard Dividend Appreciation Index, iShares High Dividend Equity Fund, iShares Russell 2000 Index, S&P 500 Value Index, S&P 500 Growth Index, S&P Small Cap 600 Index

US ETF Sectors - SPDR Financial Index, iShares Real Estate, iShares, SPDR Utilities Index, iShares Telecom Index, SPDR Consumer Discretion, iShares US Healthcare, iShares Nasdaq Biotech, iShares Industrials Index, NASDAQ Index, Vanguard Energy Index, DJ Basic Materials Index, iShares Homebuilders Index

III. GLOBAL

GLOBAL Equity

Fidelity - Global Div/Monthly Income
GQG Partners Global Quality Equity Fund
Middlefield - Health Care/Global Div Growers
Franklin Templeton - Growth / Intl
RBC - Global Fund / Int. Div G
Dynamic - Global Value

GLOBAL ETF Equity

China ETF, Europe ETF, Germany ETF, India ETF, iShares Emerging Mkts, iShares International Dividend

Unique ETFs

Horizons Robotics & Automation, ETFMG Prime - Cyber Security, Blockchain Technologies, Active AI Global Equity, Marijuana Life Sciences, Healthcare Leaders Income, Tech Achievers Growth & Income

RBC GAM Private Markets

RBC Canadian Core Real Estate Fund
RBC Commercial Mortgage Fund
RBC Global Infrastructure Fund LP
RBC Canadian Core Real Estate
RBC Canadian Private Placement Corporate Debt

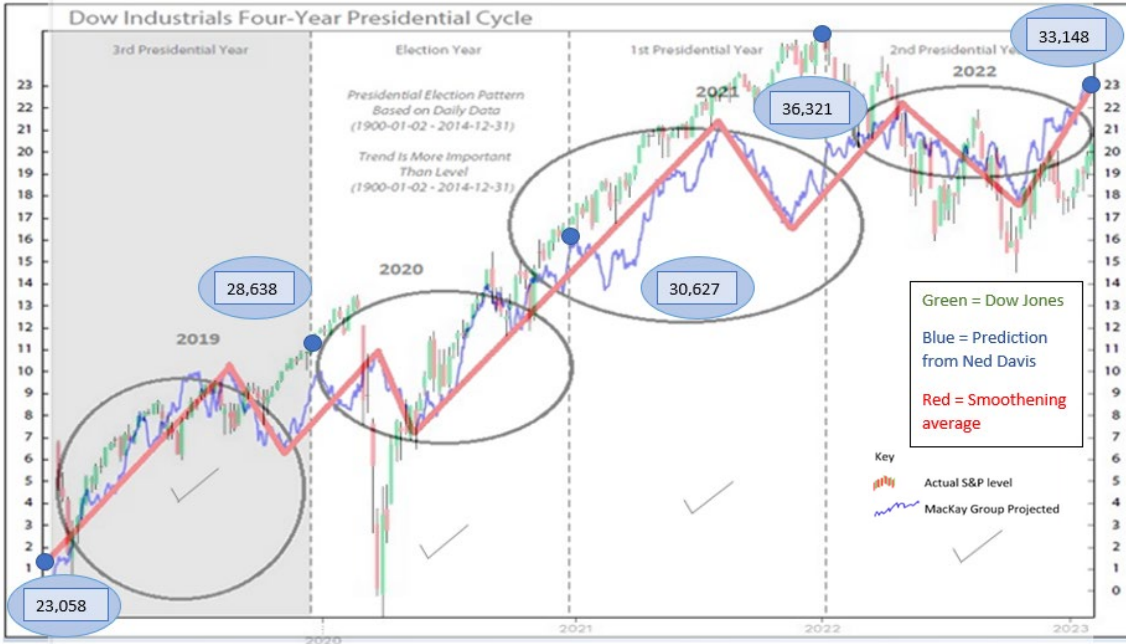




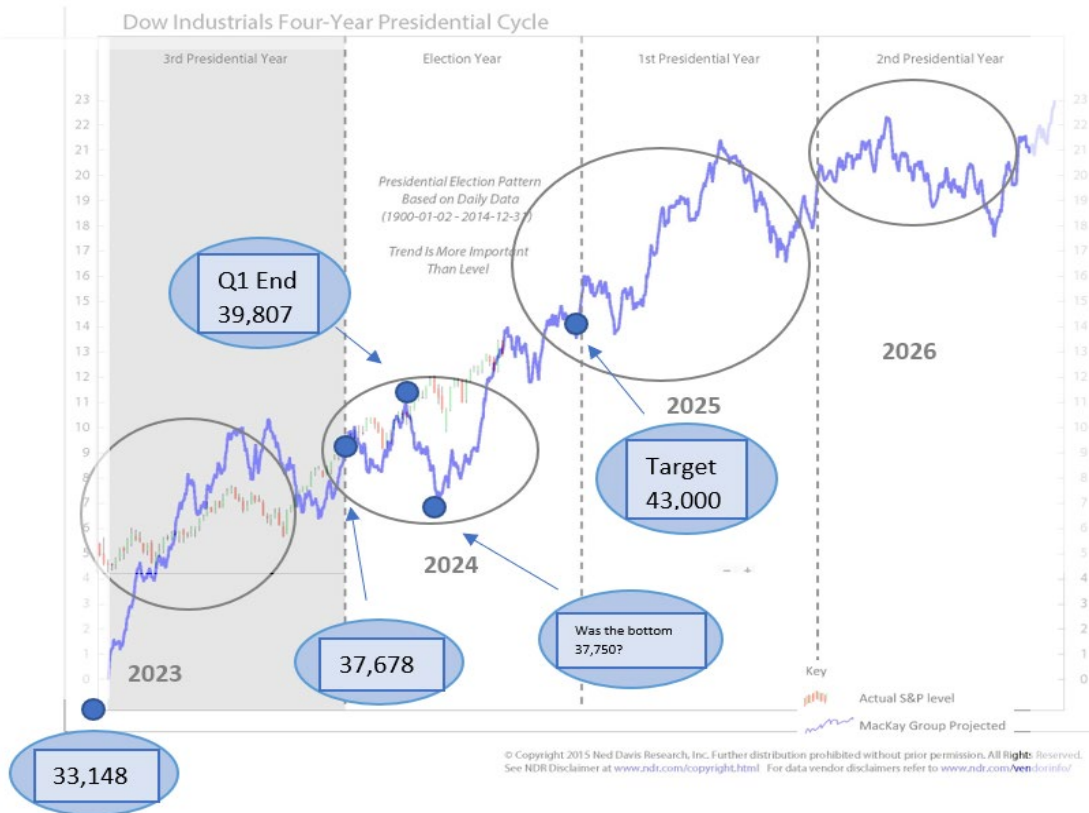
Technical Update - By Bruce

Portfolio Advisory Group

By - Ned Davis S&P500 - Sector Road Map - Good Track Record - By Bruce



Will this happen - possible?



© Copyright 2015 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorsinfo/



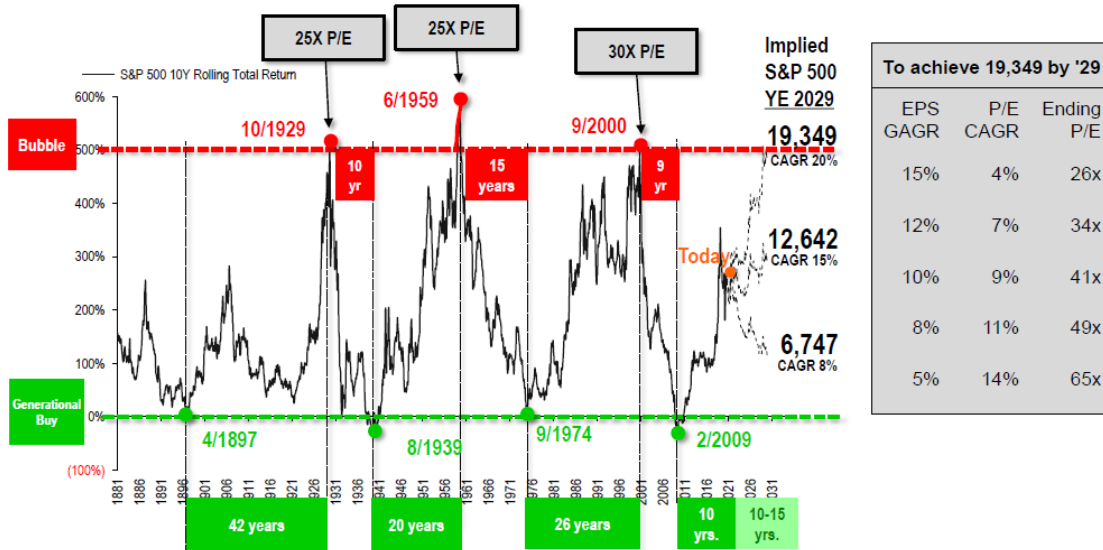
FAVOURITE CHARTS

Long-term bull markets see peak acceleration to 500% 10-yr returns

Long-term bull markets last 20-42 years and peak returns accelerate to cumulative gain 500%...

- The current bull market has risen for 10 years and if the history plays out, S&P 500 could reach 19,000 YE 2029 vs. 3,000 now.

Figure: 10-year rolling returns of the US equities Since 1881



Source: Fundstrat, Bloomberg.

Dow Jones Industrial Average - 1789 to Date

Stock Prices

Dow Jones Industrial Average (extended), 1789 to date

Monthly bars

Log scale



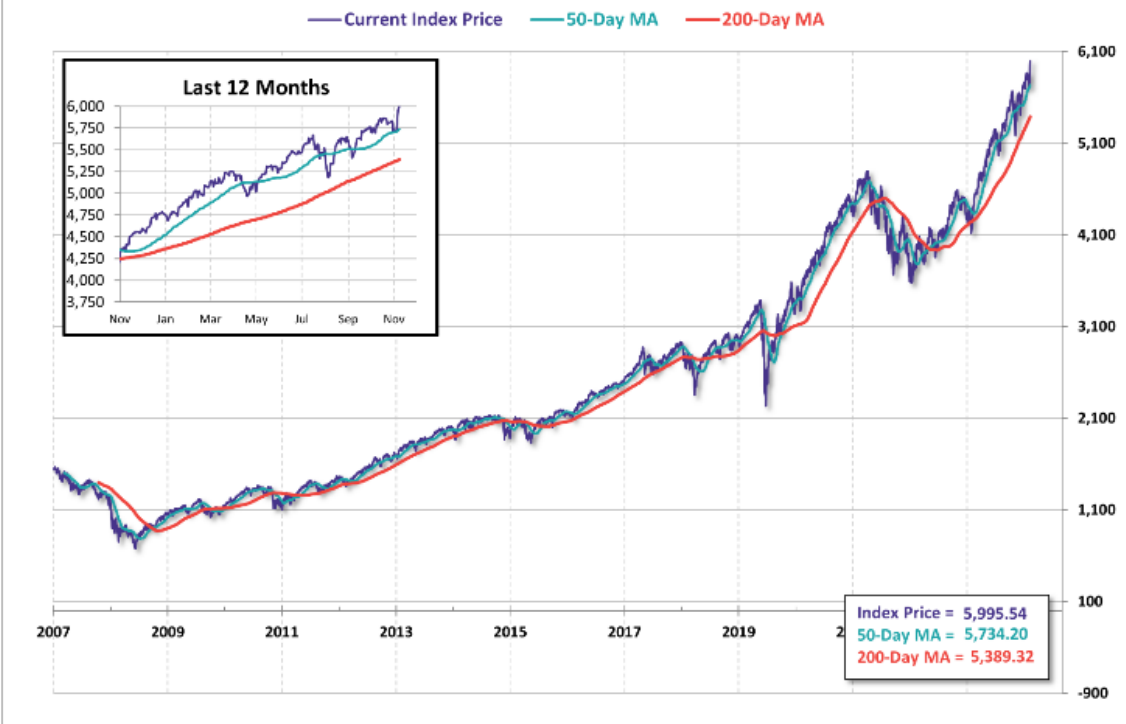
S&P 500 Index Snapshot

Daily closes from 10/9/2007 - Present



S&P 500 Index: Current Market Snapshot

Daily closes from 10/9/2007 - Present



Jerome Powell: Fed doesn't need to be 'in a hurry' to reduce interest rates

U.S. MARKETS

Index	Value	Change
DOW INDUSTRIALS	43,708.39	-0.57% ▲
S&P 500	5,947.67	-0.63% ▲
NASDAQ COMPOSITE	19,095.21	-0.70% ▲
RUSSELL 2000	2,336.31	-1.40% ▲

BREAKING NEWS | **FED'S POWELL: BUSINESS INVESTMENT, CONSUMER SPENDING STRONG; HOUSING SECTOR HAS BEEN WEAK**

CNBC

Jerome Powell: Fed doesn't need to be 'in a hurry' to reduce interest rates

S&P 500 with weekly Quadrant Balance momentum

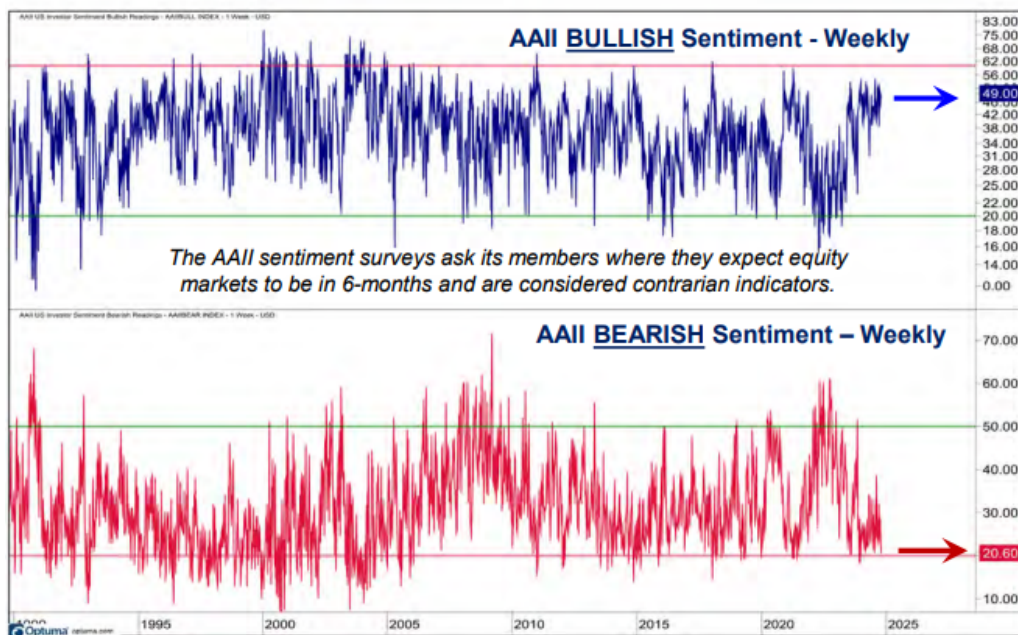


Sentiment Survey Historical Data

Reported Date	Bullish	Neutral	Bearish
Nov 13	49.8%	21.8%	28.3%
Nov 6	41.5%	30.9%	27.6%
Oct 30	39.5%	29.6%	30.9%
Oct 23	37.7%	32.4%	29.9%
Oct 16	45.5%	29.2%	25.4%
Oct 9	49.0%	30.4%	20.6%
Oct 2	45.5%	27.3%	27.3%
Sep 25	49.6%	26.7%	23.7%
Sep 18	50.8%	22.8%	26.4%
Sep 11	39.8%	29.3%	31.0%
Sep 4	45.3%	29.8%	24.9%
Aug 28	51.2%	21.9%	27.0%
Aug 21	51.6%	24.7%	23.7%
Aug 14	42.5%	28.6%	28.9%
Aug 7	40.5%	22.0%	37.5%
Jul 31	44.9%	29.9%	25.2%
Jul 24	43.2%	25.1%	31.7%
Jul 17	52.7%	23.8%	23.4%
Jul 10	49.2%	29.1%	21.7%
Jul 3	41.7%	32.2%	26.1%
Jun 26	44.5%	27.2%	28.3%
Jun 19	44.4%	33.1%	22.5%

The sentiment survey measures the percentage of individual investors who are bullish, bearish, and neutral on the stock market short term; individuals are polled from the AAI Web site on a weekly basis. Only one vote per member is accepted in each weekly voting period.

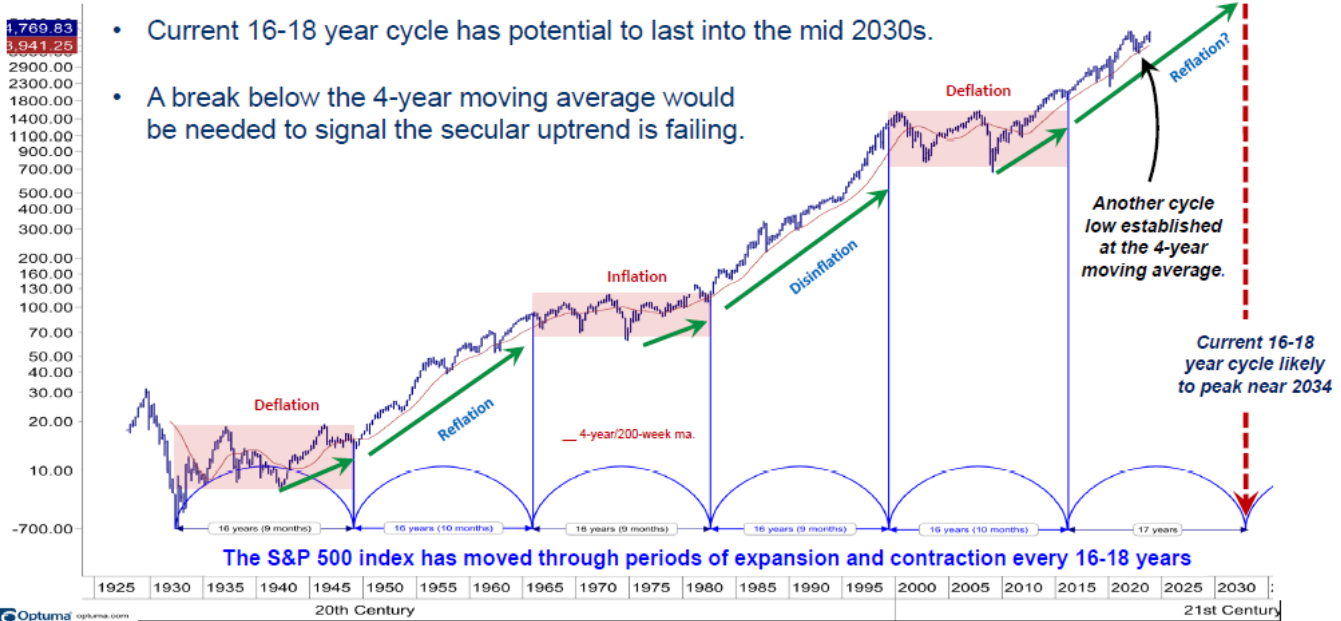
AAII US Bullish and Bearish Sentiment Survey – Contrary indicators



- Bullish Sentiment (top panel) is moderately elevated while...
-bearish sentiment has fallen again.
- While the underlying trend and breadth of the market remains positive, these sentiment indicators bear watching for signs of excessive optimism moving through Q4.

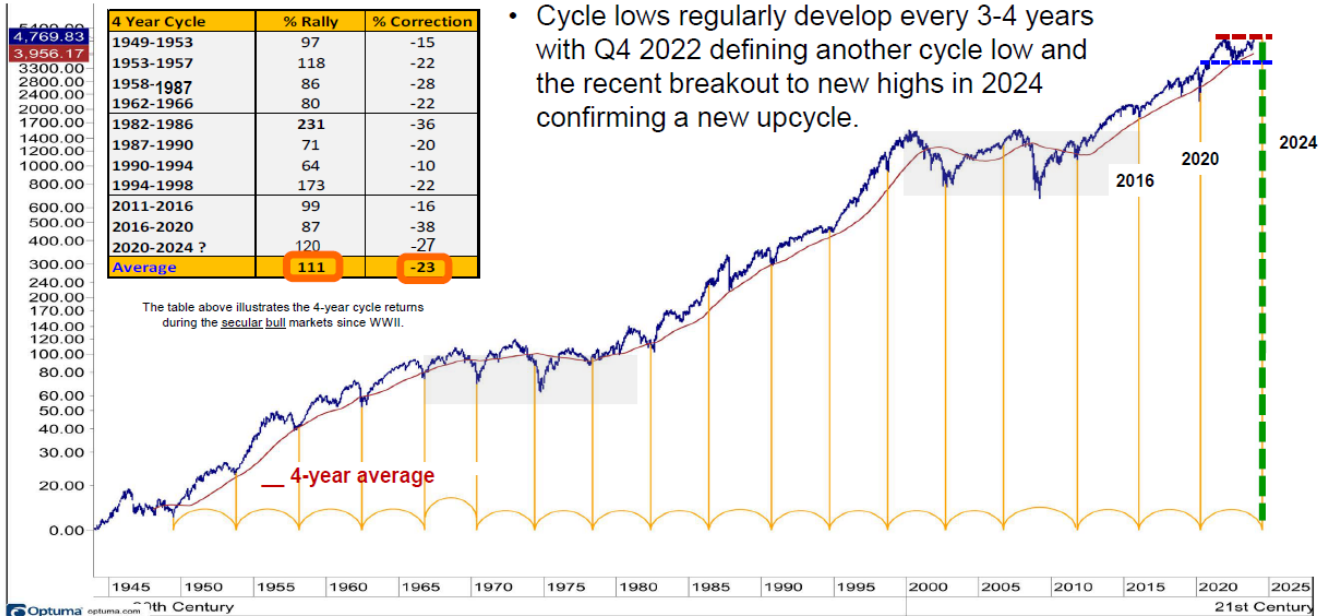
Source: RBC Wealth Management, Bloomberg, Optima

S&P 500 – Generational cycles lasting roughly 16-18 years



Source: RBC Wealth Management, Bloomberg, Optuma

S&P 500 - A repetitive 3-4 year cycle driven by central bank liquidity and economic growth



Source: RBC Wealth Management, Bloomberg, Optuma

"I DON'T WANT TO INVEST MY MONEY NOW BECAUSE..."



Year*	DJIA		
1950's	1950	235	Korean War
	1951	269	Excess Profits Tax
	1952	292	U.S. seizes steel mills
	1953	281	USSR explodes hydrogen bomb
	1954	330	Dow tops 300 - "market too high"
	1955	485	Eisenhower has heart attack
	1956	499	Suez Canal crisis
	1957	436	USSR launches Sputnik
	1958	584	Recession
	1959	679	Castro takes over Cuba
1960's	1960	616	USSR downs U-2 spy plane
	1961	731	Berlin Wall erected
	1962	652	Cuban Missile Crisis
	1963	763	JFK assassinated
	1964	874	Gulf of Tonkin Incident
	1965	969	Civil rights marches
	1966	786	Vietnam War escalates
	1967	905	Newark race riots
	1968	944	USS Pueblo seized - "market too high"
	1969	800	Money tightens, market falls
1970's	1970	839	Conflict spreads to Cambodia
	1971	890	Wage & price freeze
	1972	1020	Large st. trade deficit in U.S. history
	1973	851	Energy crisis
	1974	616	Steepest market drop in 40 years
	1975	852	Clouded economic prospects
	1976	1005	Economy slowly recovers
	1977	830	Market slumps
	1978	805	Interest rates rise
	1979	839	Oil sky rockets, 10%+ unemployment
1980's	1980	964	Interest rates hit all-time high
	1981	875	Deep recession begins, Reagan shot
	1982	1,047	Worst recession in 40 years, debt crisis
	1983	1,259	Market hits record - "market too high"
	1984	1,212	Record U.S. federal deficits
	1985	1,547	Economic growth slows
	1986	1,896	Dow nears 2000 - "market too high"
	1987	1,939	The Crash - Black Monday
	1988	2,169	Fear of recession
	1989	2,753	Junk bond collapse
1990's	1990	2,634	Gulf War: worst market decline in 16 years
	1991	3,169	Recession, "market too high"
	1992	3,301	Elections, market flat
	1993	3,754	Businesses continue restructuring
	1994	3,834	Interest rates are going up
	1995	5,117	"The market is too high"
	1996	6,448	Fear of inflation
	1997	7,908	"Irrational Exuberance"
	1998	9,374	Asia Crisis
	1999	11,497	Y2K

Year*	DJIA		
2000's	2000	10,787	Technology Correction
	2001	10,021	Recession, World Trade Center attack
	2002	8,342	Corporate Accounting Scandals
	2003	10,454	War in Iraq
	2004	10,783	U.S. has massive trade and budget deficits
	2005	10,718	Record oil & gas prices
	2006	12,463	Housing bubble bursts
	2007	13,265	Sub-prime mortgage crisis
	2008	8776	Banking and credit crisis
	2009	10,428	Recession, "credit crunch"
2010's	2010	11,578	Sovereign debt crisis
	2011	12,218	Eurozone crisis
	2012	13,104	U.S. fiscal cliff
	2013	16,577	Federal Reserve to "taper" stimulus
	2014	17,823	Oil prices plunge
	2015	17,425	Chinese stock market sell-off
	2016	19,763	Brexit, U.S. presidential election
	2017	24,719	Stocks at record highs; bitcoin mania
	2018	23,327	Trade wars, rising interest rates
	2019	28,538	Trade war escalation, stocks at record highs
2020's	2020	30,606	COVID-19 crisis and recession
	2021	36,338	Decades high inflation
	2022	33,147	Aggressive rate hiking cycle

Source: DJIA - Dow Jones Industrial Average * Dec. 31 close

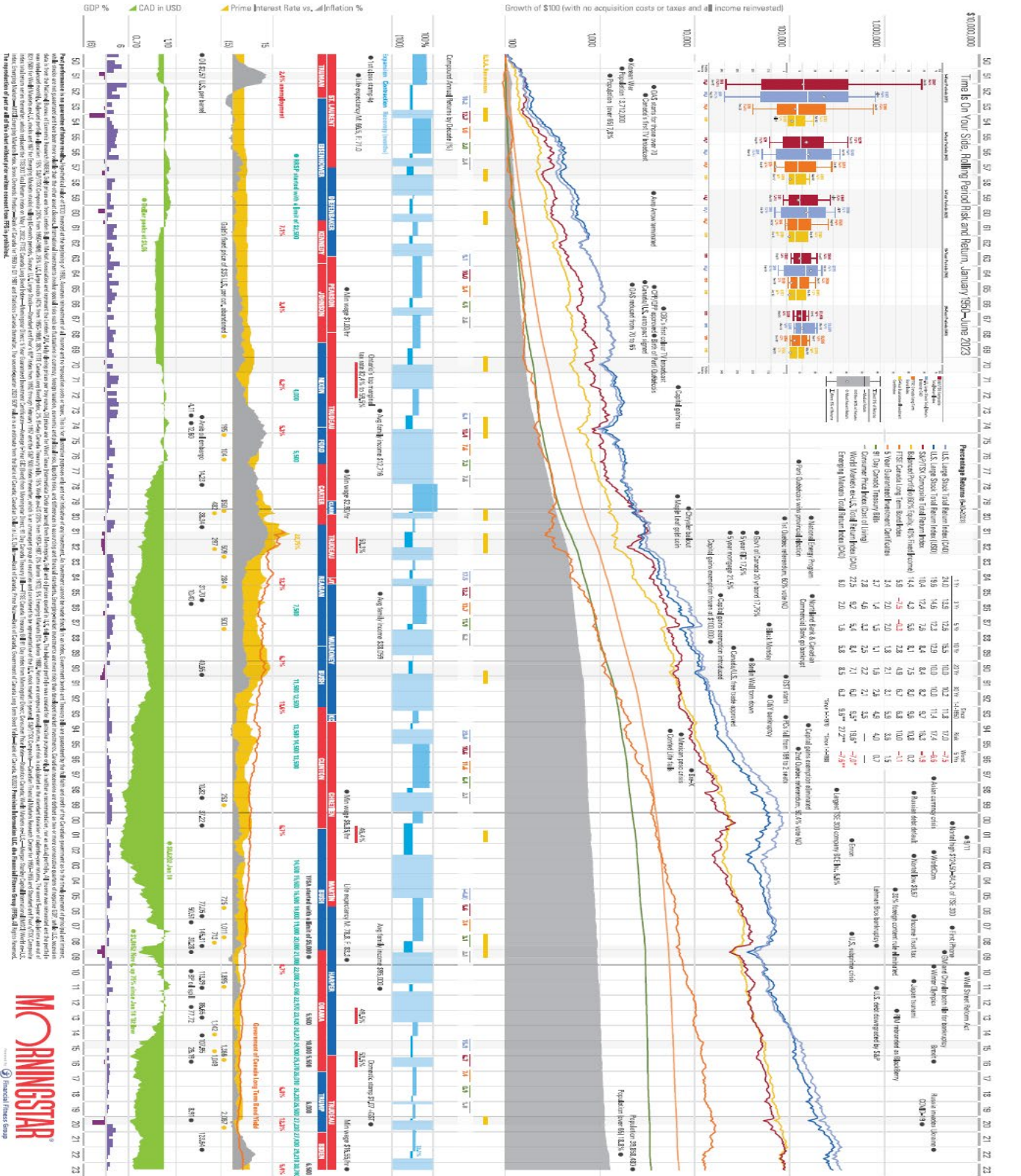
DOW JONES INDUSTRIAL AVERAGE: 1950 - 2022



Source: Bloomberg Finance L.P.

Index Chart

The Index Chart tracks the performance of \$100 invested over a 72-year period in different types of investments amid the context of significant historical, political, economic and social developments. It helps you consider current events through a long-term lens and, as a result, make informed investment decisions. Each coloured line in the Index Chart represents the performance of a different investment type or asset class. While each type of investment has charted an upward course over time, their movements differed under the same economic circumstances, underscoring the importance of diversification.



MACKAY GROUP WEALTH MANAGEMENT

Introduction Serving over 300 families and friends since 1981. We provide the investment solutions you need to achieve specific goals, whether investing for yourself, family, your business or your organization.

Our Team Helping to provide comprehensive wealth management is an extensive team of professionals, including Portfolio Managers, Financial Planners, Estate Planning Specialists, Consultants, Tax Strategists and Research Analysts.

THE MG WEALTH MANAGEMENT APPROACH

- 1: Learning about each other
- 2: Developing your personalized IP investment plan.
- 3: Putting your plan into action
- 4: Integrating complementary wealth services
- 5: Taking care of your lifelong needs
- 6: Monitoring and reporting results

Portfolio Management Highlights:

1. Learning about each other. Questionnaire on investment needs, objectives, and risk.
2. Investment Policy Statement. The IPS statement expresses your personal investment objectives in a document to guide the content of your portfolio, including making decisions, reporting on progress and regularly reviewing your objectives.
3. Action Plan. Detailed proposal to get us started.
4. Reviewing all our Wealth Management services including a financial plan and estate plan.
5. Taking care of lifelong needs, including creating detailed income projections.
6. Monitoring and reporting results. Ongoing portfolio analysis, reviews and prompt service.

- ✓ Investment Policy Statement (IPS)
- ✓ Portfolio Valuation Report
 - Asset Allocation, Income Projection, Rate of Return, Capital Gains/Loss
- ✓ Tax reporting, T5 and T3 etc. (See kit)
- ✓ RBC CM Quarterly Strategy, MG Weekly Newsletter, Focus List and Stock of the Day

ACCOUNTS & SERVICES WE OFFER

Investment Account, Options, Equity Credit Line, Corporate, Holding Co., Charitable Foundation, Tax Free Savings Account (TFSA), Registered Education Savings Plan (RESP), Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), Individual Pension Plan (IPP), DS Family Trust Acct, Registered Charity Gift of Stock Acct, Annual Tax-Assisted Flow-Through Share Program

PORTFOLIO MANAGEMENT PROGRAMS

Our team manages clients' portfolios on an individual basis (AUM \$1.81B). Portfolios are custom designed to meet your personal objectives. Investment disciplines used include asset allocation, geographic & sector diversification, and risk management to maximize your portfolio returns. Programs include:

1. MG Private Investment Management - PIM (AUM \$200M)-Discretionary portfolio management.

Highlights include: Freedom, custom portfolio, segregated securities, IP statement, asset mix for life stage, model portfolio tracking, growth and income needs, risk tolerance, top & bottom up management.

2. Professional Discretionary Investment Portfolios.

RBC DS-A+ Investment Program: is our institutional level platform with 40+ Investment Manager choices. Global money managers including Beutel Goodman, Franklin Bissett, Guardian, Jarislowsky Fraser, RBC GAM, Caldwell, Brandes, Templeton.

3.MG Non-Discretionary Advisory Management (AUM \$300M)- Non-discretionary investment portfolio management.

Highlights include: Discussion on each investment, custom portfolios, IP statement, asset mix, growth & income needs, risk tolerance, top & down management.

Management fees are tax deductible for non-registered accounts.

4.Traditional Transactional based accounts.

Available for special situation accounts.

Advantages of Annual Management Fee Program.

- ✓ Premium money market and bond rates
- ✓ mutual funds with lower management fees
- ✓ Hedging through use of option strategies
- ✓ Easier tax planning - tax loss switches
- ✓ Stop loss + Re-entry without extra fees to average into and out of stock positions.
- ✓ No transaction commission places the focus on merits of investing instead of its cost.
- ✓ Fee % decreases as value increases

INVESTMENT VEHICLES WE USE:

Allocation includes CDN, US, and International
Fixed Income Equity Income & Growth
MM, GICs Small Cap.
Bonds, Converts Medium Cap.
Preferreds Large Cap.
High Income Balanced
ETFs & Mutual Funds (open and closed)



COMPREHENSIVE WEALTH MANAGEMENT STRATEGIES - By Kristi and Kyle

1. Financial Planning - Ted Chan

Our Financial Planning Consultant provides solutions for simple or complex financial planning:

- Comprehensive financial plan
- Addressing all aspects of your financial affairs
- Including cash and debt management
- Tax and investment planning
- Risk management
- Taxation of the corporation at death and more.
- Retirement and estate planning
- Business succession
- Withdraws from corporation tax- effectively

2. Insurance Planning - Andrew Sipes and Barrington Grey

As estate planning specialist, they will focus on:

- Personal and corporate insurance solutions to increase your net worth and reduce the impact of taxation.
- He can also ensure your wealth is transferred to your heirs in accordance with your wishes.

Insurance Strategies include:

- Whole life, Term Life
- Long Term Care
- Keyperson Insurance
- Corporate Estate Bond
- Critical Illness
- Insured Annuity

3. Wills & Estate Planning - Ariel-Charles Guigui

Our Will and Estate Consultant offering information on structuring your estate in an efficient and tax-effective manner, providing you with a report outlining various estate planning issues:

- To explore in further detail with your own lawyer or accountant
- Valid & Current Wills for All in Family
- Use of living trusts
- Planned Gifting
- Reduce the taxes and expenses of an estate.
- Simplify and speed the transition of assets to the next generation.
- Ensure that your beneficiaries are protected.
- Different types of Power of Attorney

4. Tax Planning- Prashant Patel and Bobby Hinduja

Several solutions that can simplify the tax planning process including.

- Tax-efficient charitable giving
- Family income splitting strategies.
- Eligible Retiring Allowance
- LIRA Conversion to LIF/RLIF
- 2015 Home Buyer's Plan Withdrawals
- Consider Paying Yourself a Bonus
- Sale of Private Business Shares
- US Estate Tax Planning for Canadians

5. RBC Estate & Trust Services, Royal Trust - Karen Snowdon-Steacy

It provides individuals, families and businesses with valuable estate, trust and incapacity services:

- Assistance in the preservation, management and transfer of wealth between generations by providing solutions to implement clients' estate and trust plans.
- Professional and impartial expertise in delivering estate and trust services.
 - Strong history and legacy in managing fiduciary businesses.
 - Professionals who have technical and practical experience
 - Compassion and understanding of the client's family's experience.

6. RBC Premier Banking and Private Banking- Niaz Dharas & Margaret Caponio

Premier Banker works as a single point of contact providing banking and credit solutions for select clients of Wealth Management Canada and their families. Tailored banking & credit package to complement the best-in-class investment management and wealth planning.

- Providing one of RBC's most comprehensive banking packages – special rates, exclusive cross border package, high daily access limits on cash withdrawals and direct payments, RBC Avion Visa Infinite Privilege Card with a \$120 rebate off the annual fee and more.

THE MACKAY GROUP TEAM COMMENTS

Our Mission

“To provide our clients superior investment advice, products and service at MacKay Group Wealth Management RBC Dominion Securities since 1981.”

Portfolio Management

Bruce-Senior Portfolio Manager/Investment Advisor

Portfolio Management & Team Management

We'll review your investment portfolios, offer second opinions and proposals. Introduce you to our expanded team of Wealth Management professionals and the full range of services we offer.

Andrew - Associate Portfolio Manager & Wealth Advisor

Portfolio Management & Research

Proper portfolio construction is the key to meeting your financial goals. The variety of investment choices can be daunting. Let our team help simplify the approach, narrow your focus, mitigate tax, and plan for financial success throughout retirement.

Christopher - Associate Advisor

Portfolio Management & Research

I will work with you and our team to manage your accounts, provide recommendations, identify opportunities and assist with client service to ensure all your needs are met.

Administration

Shannon - Senior Associate

Portfolio Administration

Is your account information up to date - including investment objectives & risk parameters, beneficiary information, dividend reinvestment plan, monthly payment plan and banking information?

Melissa - Associate Advisor

Senior Portfolio Administration

Is your account information up to date - including investment objectives & risk parameters, beneficiary information, monthly payment plan?

Administration & Research

Waras - Associate

Portfolio Administration & Research

We are especially proud of our MacKay Weekly & Focus List, Stock of the Day research and RBC Wealth Management Research. Let me know if you would like to receive additional research.

Wealth Management

Kristi - Associate Wealth Advisor

Over 100 of our clients and their families have found tremendous value in having a Financial Plan, Will & Estate Consultation and Insurance review.

Estate + Financial Planning Advisors

Ted Chan, Financial Planner

Available to create a comprehensive financial plan.

Ariel-Charles Guigui, Will and Estate Consultant

Available for information on structuring your estate.

Prashant Patel, Tax Consultant

Solutions that can simplify your tax planning.

Andrew Sipes, Estate Planning Specialist

To review your estate and insurance plans.

Karen Snowdon-Steacy, Senior Trust Advisor

Provide with valuable estate and Royal Trust services.

RBC Banking

Kyle - Associate Advisor

Having worked in RBC Private banking, I am able to help clients with their banking needs as well as our many investment wealth products and services.

Melissa R Rodrigues, Insurance Specialist

Conducts Personal Risk Assessment to provide holistic personal advice.

Niaz Dharass, Premier Banking

Provide banking and credit solutions for our clients.

MG and RBC Foundation Charitable Gifts

Please let us know if you have a charity you would like us to support.

Charities we support in 2024 - Trillium Health Partners, Canadian Wildlife Federation, Toronto Public Library, ABC Life Literacy, Canadian Canoe Museum, Merry-Go-Round Children's Foundation, Ontario Track III, Camp Winston, Royal Ontario Museum, Reena, Alzheimer's & Dorothy Ley Hospice.

MacKay Group Wealth Management

www.mackaygroup.com

Brookfield Place

181 Bay Street, Suite 2200

Toronto Ontario, M5J 2T3

Telephone: 416-842-7120

Available to meet at all RBC branch locations, like Etobicoke, Mississauga, Collingwood, Muskoka Etc.



**Wealth Management
Dominion Securities**

Disclaimer

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the fund facts and prospectus before investing. Mutual fund securities are not covered by the Canadian Deposit Insurance Corporation or by any other government insurer. There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated. This information is not intended as nor does it constitute tax or legal advice. Readers should consult their own lawyer, accountant or other professional advisor when planning to implement a strategy. This commentary is based on information that is believed to be accurate at the time of writing, and is subject to change. All opinions and estimates contained in this report constitute RBC Dominion Securities Inc.'s judgment as of the date of this report, are subject to change without notice and are provided in good faith but without legal responsibility. Interest rates, market conditions and other investment factors are subject to change. Past performance may not be repeated. The information provided is intended only to illustrate certain historical returns and is not intended to reflect future values or returns. Securities or investment strategies mentioned in this newsletter may not be suitable for all investors or portfolios. The information contained in this newsletter is not intended as a recommendation directed to a particular investor or class of investors and is not intended as a recommendation in view of the particular circumstances of a specific investor, class of investors or a specific portfolio. You should not take any action with respect to any securities or investment strategy mentioned in this newsletter without first consulting your own investment advisor in order to ascertain whether the securities or investment strategy mentioned are suitable in your particular circumstances. This information is not a substitute for obtaining professional advice from your Investment Advisor. The commentary, opinions and conclusions, if any, included in this newsletter represent the personal and subjective view of the investment advisor [named above] who is not employed as an analyst and do not purport to represent the views of RBC Dominion Securities Inc. The information contained herein has been obtained from sources believed to be reliable at the time obtained but neither RBC Dominion Securities Inc. nor its employees, agents, or information suppliers can guarantee its accuracy or completeness. This report is not and under no circumstances is to be construed as an offer to sell or the solicitation of an offer to buy any securities. This report is furnished on the basis and understanding that neither RBC Dominion Securities Inc. nor its employees, agents, or information suppliers is to be under any responsibility or liability whatsoever in respect thereof. The returns and performance information presented here does not reflect actual client portfolio or composite returns. The performance information presented in this report is based on a hypothetical model portfolio, and is intended to help illustrate the general performance of the investment strategy while removing the variability that results from implementation at a particular client level. The model portfolio reflects the actual investment recommendations (buys, sells) of the strategy as they were communicated historically; however, a number of implementation assumptions (which may include but are not limited to the timing and diligence with which the portfolio is rebalanced, the execution price for securities transactions, and any trading and account related costs, fees, or commissions) have been made when calculating the model returns that may be difficult or impossible for any investor to exactly replicate the model portfolio. For this reason, there is no expectation that the model returns will perfectly replicate the actual performance of any client following the same guided portfolio strategy. Specifically, the following assumptions have been made when calculating model portfolio returns: the portfolio is rebalanced monthly and any time a change to portfolio holdings is made; market close prices are used for all valuations; and returns are gross of all account fees and transaction costs. Insurance products are offered through RBC Wealth Management Financial Services Inc. ("RBC WMFS"), a subsidiary of RBC Dominion Securities Inc.* RBC WMFS is licensed as a financial services firm in the province of Quebec. RBC Dominion Securities Inc., RBC WMFS and Royal Bank of Canada are separate corporate entities which are affiliated. *Member-Canadian Investor Protection Fund. RBC Dominion Securities Inc. and RBC WMFS are member companies of RBC Wealth Management, a business segment of Royal Bank of Canada. ® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © 2018 RBC Dominion Securities Inc. All rights reserved.

