

1st Quarter 2024

Portfolio Management

Gill Wealth Group



Wealth Management
Dominion Securities

April 22, 2024



RBC Dominion Securities Inc.

Sandeep S. Gill, MBA, CFA

Portfolio Manager & Investment Advisor

sandeep.gill@rbc.com

780-493-7767

Mina Ebied

Associate

mina.ebied@rbc.com

780-641-1061

Our Extended Specialist Team

HNW Planning:

Coady Cormier

Business Owner Planning:

Darren Bank, Faisal Jamal

Will & Estate Planning:

Avideh Parent, Victoria Schneider, Bryn Bezaire

Estate Planning (Insurance):

Denny Smith, David Temple

Financial Planning:

Monika Zarzycki, Arun Jiwa

www.gillwealthadvisors.com

Executive Summary

Extended market rally in 1Q 2024

The equity markets continued their rally in Q1 2024 after a strong Q4 2023 which represented approximately 70% of the entire 2023 calendar year return. The AI euphoria was a key factor in the market rally. The 4th quarter 2023 market commentary had a few graphs where I had alluded that the stock market was resolving to the upside from a 2-year sideways trading range. The breakout to the upside has now been confirmed.

In my early April communication, I had mentioned a few market observations. The key observations, listed below, turned out to be correct during April 2024. Subsequently, the equity markets had a pull back from the end March 2024 record levels.

1. The last mile trajectory of achieving 2% inflation is going to be a tough road. *April inflation releases confirmed the sticky nature.*
2. AI is not a new phenomenon, and it will be played over several number of years. *Euphoria seems to have settled during the past few weeks.*
3. Commercial real estate exposure is going to be a concern. *This continues to be a risk factor.*
4. Elevated and increasing sovereign debt levels and therefore the required financing

will be an issue. *Weak US debt auctions are starting to indicate some uneasiness with the increased cost of financing.*

5. Interest rates could stay higher for longer. *Reversal of lower inflation trend indicates status quo for interest rates.*

To manage the risk levels in the client portfolio, we had started to take profits in the extended market rally during the first quarter. Our cash positions increased by the end of Q1 2024 earning 4.5% per annum in high interest saving deposits.

With the pullback in the markets in April 2024, we will start to gradually redeploy capital in some of the sectors and investments that have been on our radar and now look attractively priced.

We are monitoring some key macro developments in the market that may indicate some fundamental trend changes, geopolitical and macro economic related relationships. Despite the high real interest rates and the reversal higher in the US long term rates, gold continued with its strong 1Q 2024 performance. Started 2024 at \$2073 and traded over \$2400 (+13.63% YTD). Exhibit 1. Other major macro economic indicators, copper, and oil have also shown good performance.

We maintained our long commodity exposures via high quality stocks and will probably increase the precious metal exposure as a hedge against devaluation of fiat currencies, if the gold prices continue to hold at the current levels.

1st Quarter 2024

Portfolio Management

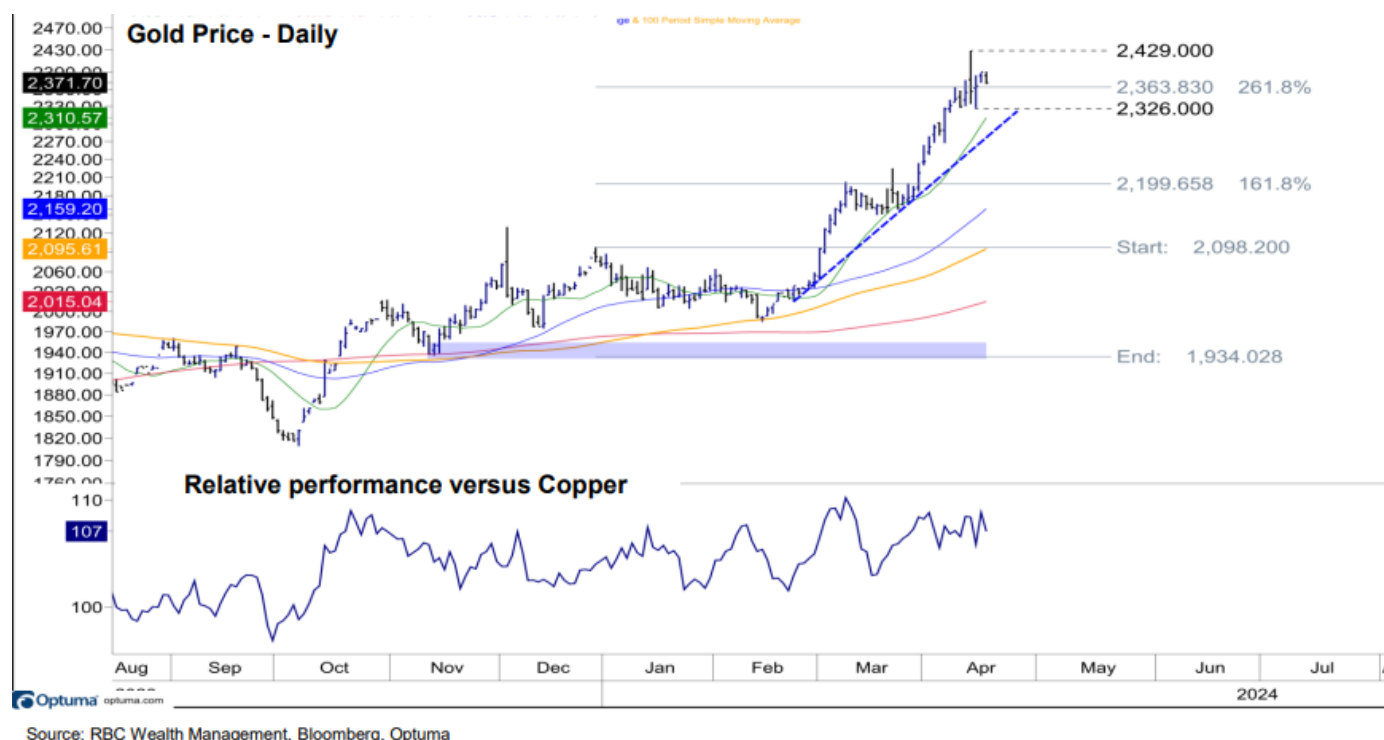
Gill Wealth Group



Wealth Management
Dominion Securities

April 22, 2024

Exhibit 1



This information is not investment advice and should be used only in conjunction with a discussion with your RBC Dominion Securities Inc. Investment Advisor. This will ensure that your own circumstances have been considered properly and that action is taken on the latest available information. 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 inventories of RBC Dominion Securities Inc. may from time to time include securities mentioned herein. RBC Dominion Securities Inc.* and Royal Bank of Canada are separate corporate entities which are affiliated. *Member-Canadian Investor Protection Fund. RBC Dominion Securities Inc. is a member company of RBC Wealth Management, a business segment of Royal Bank of Canada. ® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © 2024 RBC Dominion Securities Inc. All rights reserved.