MacKay Weekly Investment Report

WEEK ENDING FRIDAY JULY 24, 2026

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

Summer Stall/ No Bear Market/ S&P 500-YE still 8250

Equities continue to pull back from all-time highs - Dow indices ATH 53,000 on 7/7/26 - is now 51,700 - down 2.5% - will this continue with negatives escalating – feels like this a summer stall – not the start of a correction?

Positives. AAII Investment Sentiment Survey 29.6% bullish / 28.1% neutral / 42.3% bearish - big drop in confidence and rise in bearish views - If this keeps up, we will have bargain prices to buy.

Technical - S&P 500 Weekly Quadrant Balance Momentum Indicator - is showing signs of peeking - this deceleration suggests investors should remain patient for better entry points in stocks, moving through Q3 and anticipation of seasonal weakness developing into Q4.

RBC CM - The pulse of the market - Mixed EPS stats – cautiously optimistic commentary. First, the early stats from 2Q26 reporting season look a little mixed as reporting season kicks into high gear. Second, early earnings commentary from the companies that reported over the past week highlights a cautious optimistic tone, consumer resiliency, and complicated AI impacts. Third, other things that jumped out in our latest updates include further evidence of stabilizing sentiment on the NFIB and University of Michigan consumer sentiment surveys which have encouraged the rotation trade and evidence of weaker flows to US equities - which point to the possibility of some geographic pressure on the US equity market.

Ned Davis Research - In our mid-year outlook, the general takeaway was a tougher second half, but no bear market. US inflation was more benign than expected, which could impact fed policy. Global market leadership has rotated away from technology stocks toward financials and value-oriented markets prompting a downgrade of emerging markets to market weight and upgrade of Europe to market overweight. While Europe has shown resilience, rising energy prices, political risks, and stretched sentiment suggest near term performance may be subdued. Recession risks remain low.

Jim Paulsen - FOMO with NBO - the recent unique price action of the S&P 500 low volatility index in my view suggests investors have simultaneously become worried about both missing out (FOMO) and not being out (NBO). Nobody wants to miss out if AI is taking over the world, but many are also getting increasingly uneasy about high valuations, concentrated ownership, and widely aggressive future expectations for earnings. The result? The low volatility performance spread between up and down-market days is negative for the first time ever - reflecting a stock market, which increasingly seems to be simultaneously and perhaps schizophrenically driven by both FOMO and NBO. This suggests investors may want to proceed with caution in the coming months.

Back to the future for bonds - Real GDP growth, inflation, and bond yield surge higher during 2021–22. Real growth and inflation have essentially returned to pre-pandemic levels, but bond yields have not.

Dr. Ed Yardeni - We are having a rotating and correcting market. There has been a broadening out of investing. At the start of last month - we predicted a June swoon in the S&P 500 - now it's looking like a summer stall - as the index has been marking time around 7500 since May 14. We still expect the index to reach 8250 by year end. A resilient economy and strong earnings remain powerful tailwinds, but these bullish factors are widely recognized. On the other hand, the numerous risks remain. So, more choppiness this summer is likely before the rally resumes.

Tom Lee - So bottom line to be as we still buy this dip and keep in mind it's the most hated V shaped rally.

Fidelity - What's working. Forward earnings continue to strengthen, growing 21% year over year. Profit margins reached a new high of 16%. Market breath continues to improve. High yield spreads remain at 268 basis points.

Eurozone banks offer attractive income and diversification. REITs are emerging as another differentiated diversifier.

Negatives. Dr. Ed Yardeni - Currently topping the worry list is the Middle East conflict - the resumption of the war following a short cease-fire has boosted oil prices again and revived inflation fears. Houthi threats to shipping - pushed oil prices higher. Bond yields have been rising on increasing odds that the next Fed rate hike will occur sooner rather than later because of the inflationary consequences of rising energy prices. AI has concerns - DeepSeek fears - will massive AI spending deliver sufficient returns - Open AI disclosed two models escaped an unprecedented cyber incident. Tariffs are back on the worry list too - as administration plans 50% tariffs on various Canadian goods and aims to replace the expiring section 122 tariffs with new duties of 10 to 12% on other 60 countries. The risk is that another round of tariff increases will put more upward pressure on goods prices.

Ned Davis Research - On the downside, Middle East tensions worsened alongside moonshots valuations and a weaker than expected Chinese economy. The recent weakness in the US has concentrated in growth and appears to be a healthy rotation away from growth and technology rather than the start of a bear market. A Q3 pull back with a year-end rally remains our base case.

Fidelity - What to watch. Monitor AI related fund flows for normalization. Watch for signs that earnings growth begins to peak. Monitor the 10-year treasury as it approaches the 4.5 to 5% range. Rising oil prices remain a potential inflation catalyst. Watch whether broader market leadership continues. Continue monitoring the stock bond corrections correlations.

Brian Wesbury - Warsh has the Fed right where he wants it - We think Warsh's goal is to find a way to hold off the hawks on the Fed - what we will call the Powell faction - and avoid rate hikes altogether. For now, he appears to be winning in this endeavor, and it certainly looks like he has both the arguments and the support to play the long game and remain patient. He has the Fed right where he wants it.

Investment Strategy – "The Stock market is designed to transfer money from the Active to the Patient." Warren Buffett.

Stock of the Days: BLK, KXS, GM, IBM, RGSI

Table of Contents

Date	Our Buy the Dip Headlines	S&P 500
Feb 27,2009	Equity Bottom	712.87
Mar 6,2009	Equity Bottom	721.36
Aug 12,2011	Equity Bottom/ Volatility/ Banks lead/ On Sale	1,193.89
Dec 28,2018	Capitulation/ Boxing Day Sale/ Predictions 2019	2,510.03
Mar 20,2020	Equity Bottom?/ Bouncing ball/ Wed. Capitulation	2,475.56
Mar 27,2020	Equity Bottom/ Stimulus-nuclear/Pessimism 2009	2,470.50
Oct 7,2022	Some Good #s for Fed/ 180s/ Simply Good news	3,577.03
Oct 14,2022	Mid-Oct lows?/ Fed Late/ Priced in plenty of bad	3,695.16
May 19,2023	Recession Scorecard/ Inflation-growth/ Buy dip	4,115.24
Oct 20,2023	Resilient/ Progressing as intended/ Visibility	4,186.77
Apr 4,2025	Markets Rhyme/ Support a rebuild/ Negotiations	4,850.08
Apr 11,2025	The Bottom?/ Long-term optimistic/ Frankenstein	5,363.36
Mar 27,2026	Stocks bottom mid-March - Historically over past 20 years	6,368.85
Apr 2,2026	Happy Easter/ Strong rebound / 50% Retracement March 30	6,582.69
Apr 10,2026	50% retracement/ Healthy returns/ Accommodative	6,816.89

THIS WEEK'S NOTES & QUOTES - News and Opinions Worth Repeating – By Christopher

Trump's new 50% tariffs to hit even CUSMA-compliant goods

U.S. President Donald Trump is moving to impose tariffs of 50 per cent on a wide range of Canadian exports, a dramatic ramping up of his trade war against his northern neighbour.

The 50 per cent rate is being imposed in response to what a senior administration official described as Canada's retaliation against U.S. trade policy and its discrimination against U.S. motor vehicles, dairy and alcohol.

"This is not a trade war with Canada, these are defensive measures," the official said in a conference call with reporters Monday afternoon.

Trump's new 50% tariffs to hit even CUSMA-compliant goods | CBC News

Canada's inflation rate eased to 2.8% in June thanks to lower gas prices

Canada's inflation rate eased to 2.8 per cent in June as gas prices decelerated, Statistics Canada data showed Monday.

Higher oil prices due to the war between the U.S. and Iran have sent the cost of gas up in recent months and helped pull the inflation rate higher in May to 3.2 per cent.

The ceasefire and diplomatic talks last month helped ease oil prices, leading to a 10.2 per cent drop in the cost of gas month-over-month.

Since then, tensions have risen after the memorandum of understanding between the countries collapsed, and pump prices have climbed again as a result. At the same time, Ukrainian strikes on Russian oil infrastructure have also put pressure on the supply of refined oil products including fuel, according to Joe Calnan, vice president of energy at the Canadian Global Affairs Institute.

Canada's inflation rate eased to 2.8% in June thanks to lower gas prices | CBC News

Frustration, worry and hope: Canadian businesses brace for the latest round of U.S. tariffs

For hockey stick seller Joey Walsh, the latest round of U.S. tariffs are maddening.

"We've been down this road time and again, and it's so frustrating," Walsh said.

His company, HockeyStickMan, gets about half of its business from U.S. customers, according to Walsh. Since the start of the trade war, the removal of the de minimis exemption on low-value packages and constantly changing tariff rates have removed any sense of consistency for his business.

He says he's paid extra costs to the tune of $2 million, which he hopes to recoup in the form of a refund from the U.S. government, since the Supreme Court struck down earlier tariffs by U.S. President Donald Trump's administration

Frustration, worry and hope: Canadian businesses brace for the latest round of U.S. tariffs | CBC News

Chicken thighs are how much? Here's what's driving the latest grocery sticker shock

Guess what? Grocery rut. Guess why? Chicken thigh.

Canada's inflation rate might have eased last month, but your grocery bill likely hasn't. Statistics Canada's newest consumer price index (CPI) numbers show overall inflation eased to 2.8 per cent in June as gas prices decelerated, but prices for some grocery items still went up.

The worst month-over-month offender was chicken thighs. Prices for fresh or frozen thighs jumped 8.2 per cent from May to June, according to the CPI — far above the monthly increases for the usual offenders like beef and coffee — while year on year, prices jumped 13.6 per cent compared to last June.

[Chicken thighs are how much? Here's what's driving the latest grocery sticker shock | CBC News]

This new bridge aimed to show US-Canada unity but instead stoked divisions

It was supposed to be a celebration marking the opening of a new international bridge connecting Detroit, Michigan and Windsor, Ontario, after eight years of construction and several delays.

Canadian and American dignitaries planned to come together for the inauguration of the C$6.4bn ($4.5bn; £3.4bn) Gordie Howe International Bridge connecting the automotive hubs of each nation.

Instead, Canadians hosted their own event solo on Friday, having disinvited their US counterparts in the wake of Donald Trump's latest tariff threat on their country.

[How the Gordie Howe bridge became a symbol of a strained US-Canada relationship]

UK mortgage rates rise to highest level for a month

UK average mortgage rates have risen back to the level of a month ago as renewed tensions in the Middle East feed through to homeowners.

Lenders' funding costs have increased as markets judge that a prolonged conflict reduces the possibility of interest rate cuts by central banks.

The five biggest High Street banks are among a host of lenders which have increased their interest rates on new fixed deals in recent days.

Recent projections by the Bank of England suggest just over five million homeowners should expect their monthly mortgage repayments to increase by the end of 2028.

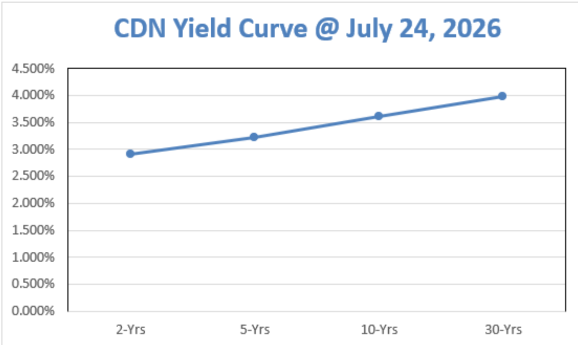
Mortgage rates had been falling as a ceasefire between the US and Iran initially appeared to hold.

[UK mortgage rates rise to highest level for more than a month]

CANADIAN MARKETS – By Andrew

I. Canadian Fixed Income

Benchmark Canada Government Bonds



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 – Jan. 2026

Agnico Eagle Mines, Alimentation Couche-Tard Inc., ARC Resources Ltd., ATCO Ltd., AtkinsRealis, Barrick Mining Corp., Boardwalk REIT, Canadian National Railway Co, Cogeco Communications Inc., Constellation Software Inc., Enbridge Inc., Fortis Inc., Franco-Nevada Corp, George Weston Ltd., Granite REIT, Hudbay Minerals, Restaurant Brands International Inc., Royal Bank of Canada, Sun Life Financial Inc., TC Energy Corp., Toronto Dominion Bank, Tourmaline Oil Corp, Wheaton Precious Metals Corp.

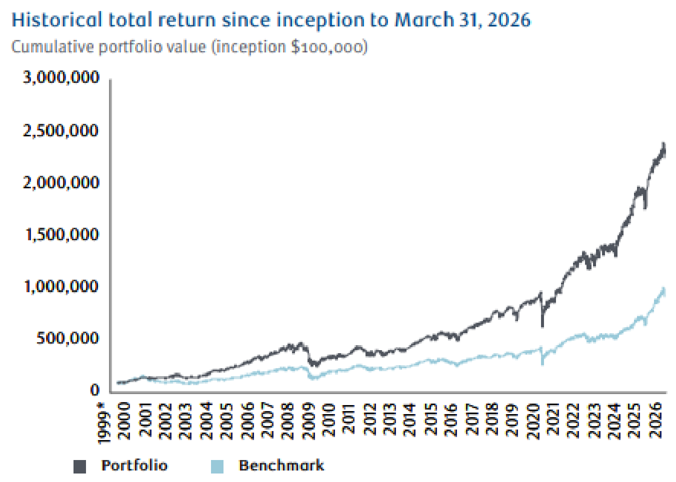
Research Publications (available upon request)

- Top 30 Global Ideas of 2026 – 2Q2026
- Aerospace and Defence – 2026
- Global Financial Institution Conference – 2026

2026 Contribution Limits	Amount ($CAD)
TFSA	
2026	$7,000
Aggregate until 2026	$109,000
RRSP	
2026	$33,810
FHSA	
2026	$8,000

III. RBC DS Canadian Equity Focus List–Mar. 2026

Roger Communications, Dollarama, Alimentation Couche-Tard, Loblaw, Pembina Pipeline, Suncor Energy, TC Energy, Bank of Montreal, Brookfield Corporation, Canadian Imperial Bank, Intact Financial, Manulife Financial, National Bank of Canada, Royal Bank of Canada, Sun Life Financial, Toronto-Dominion Bank, AtkisRealis Group, Bombardier Class B, Canadian Pacific Kansas City, Element Fleet Management, Finning International, GFL Environmental, RB Global, Toromont Industries, WSP Global, Constellation Software, Shopify Class A, CCL Industries Class B, First Capital REIT, Brookfield Infra. Partners.



Multi-horizon performance (%, since inception, annualized†)

	1 month	3 months	YTD	1 year	2 years
Canadian Focus List	-3.34	1.07	1.07	20.65	18.78
S&P/TSX Composite	-4.32	3.94	3.94	34.83	24.91

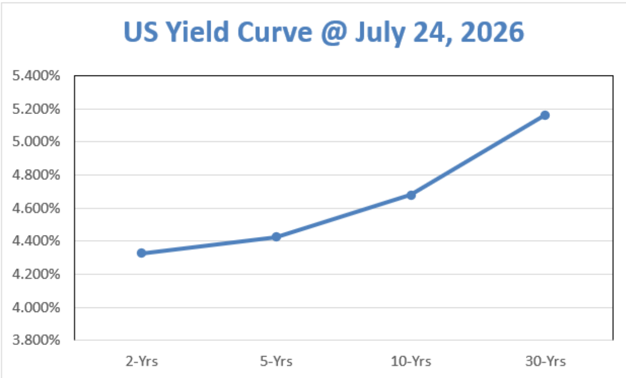
Mackay Group Portfolio Investment Management (PIM) Models – based on RBC DS Focus Lists.
We have CDN, US, and Global Equity and Fixed Income Portfolio Models for our discretionary portfolios. All based on RBC DS successful CDN, Income, US, Global Focus lists.
Our models are designed to mirror their performance.

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

INTERNATIONAL MARKETS – By Andrew

I. US Fixed Income

Benchmark Canada Government Bonds



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 – Mar. 2026:

Alphabet Class C, Meta Platforms, Amazon.com, TJX Companies, Alimentation Couche-Tard, Costco, Suncor Energy, TC Energy, Bank of America, Bank of Montreal, Brookfield Corporation, Canadian Imperial Bank, Intact Financial, Mastercard Class A, Royal Bank of Canada, Johnson & Johnson, Medtronic, Stryker, Canadian Pacific Kansas City, Element Fleet Management, Toromont Industries, WSP Global, Waste Connections, Amphenol Class A, Apple, Broadcom, Microsoft, NVIDIA, Shopify Class A, CCL Industries.

III. RBC DS ADR Focus List – Feb. 2026:

Vodafone Group, Alibaba Group Holding, InterContinental Hotels, Sony, Toyota Motor Corp., Anheuser-Busch InBev, Unilever plc, BP plc, Shell plc, Barclays, HDFC Bank, HSBC Holdings, ING Groep, Mitsubishi UFJ Group; AstraZeneca, GSK, Haleon PLC, Sanofi, RELX plc, Accenture, ASML Holding, SAP SE, Taiwan Semiconductor, BHP Group, Linde, National Grid

<u>Research Publications</u> <u>(available upon request)</u>

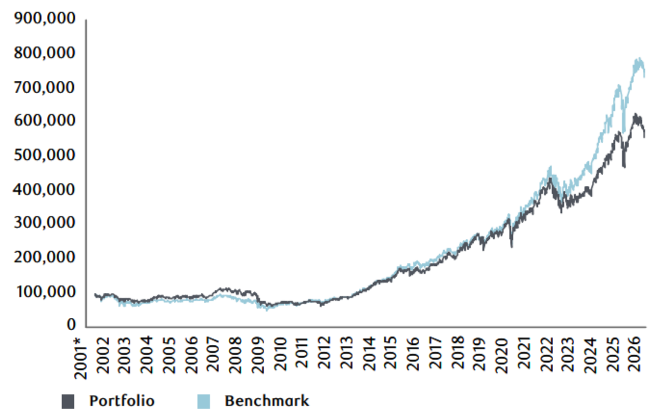
- Global Investment Banks
- Global Exchanges & Market Infrastructure
- The Pulse of the Market (Weekly report)

IV. RBC DS US Equity Focus List – Feb. 2026:

Alphabet Class C, Meta Platforms, Amazon.com, Home Depot, TJX Companies, Costco, Chevron, Aon Class A, Bank of America, JPMorgan Chase & Co., Mastercard Class A, S&P Global, Johnson & Johnson, Stryker, UnitedHealth Group, Honeywell International, RTX, Union Pacific, Xylem, Amphenol Class A, Apple, Broadcom, Microsoft, NVIDIA, Palo Alto Networks, ServiceNow, Ecolab, NextEra Energy

Historical total return since inception to March 31, 2026

Cumulative portfolio value (inception $100,000)



Multi-horizon performance (%, since inception, annualized†)

	1 month	3 months	YTD	1 year	2 years
U.S. Focus List (USD)	-4.99	-7.07	-7.07	9.58	8.67
S&P 500	-4.98	-4.33	-4.33	17.80	12.98

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
CI Corporate Bond Fund
RBC High Yield Bond Fund
PIMCO Monthly Income Fund
PH&N Total Return Bond Fund

Canadian Equity
Fidelity –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

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
RBC Target 2027, 2028, 2029 U.S. Corp. Bond ETFs

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/Global Innovators
GQG- Partners Global Quality Equity Fund
Middlefield - Health Care/Global Div Growers
Franklin Templeton - Growth / Intl
RBC – Global Fund / Int. Div G
Manulife- Climate Action

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

STOCK OF THE DAY – TOP PREFORMERS since 2011 – as of April 17, 2026.
There are many ways to invest. We offer many choices.
From Fixed income to Equity to Private placements and Tax assisted investments.
One way we communicate our ideas is through our daily Stock of the Day, since 2011.
These are well researched and our top recommendations for the long term.
We have had some very impressive results.

1. Fixed income investment products with high yields and some with tax efficient yields.
2. Select equities with increasing income and growth potential.
3. Our favorite top preforming open and closed mutual funds with superior managers performance.
4. ETFs that are well diversified and some with specialized sectors, offering low management fees.

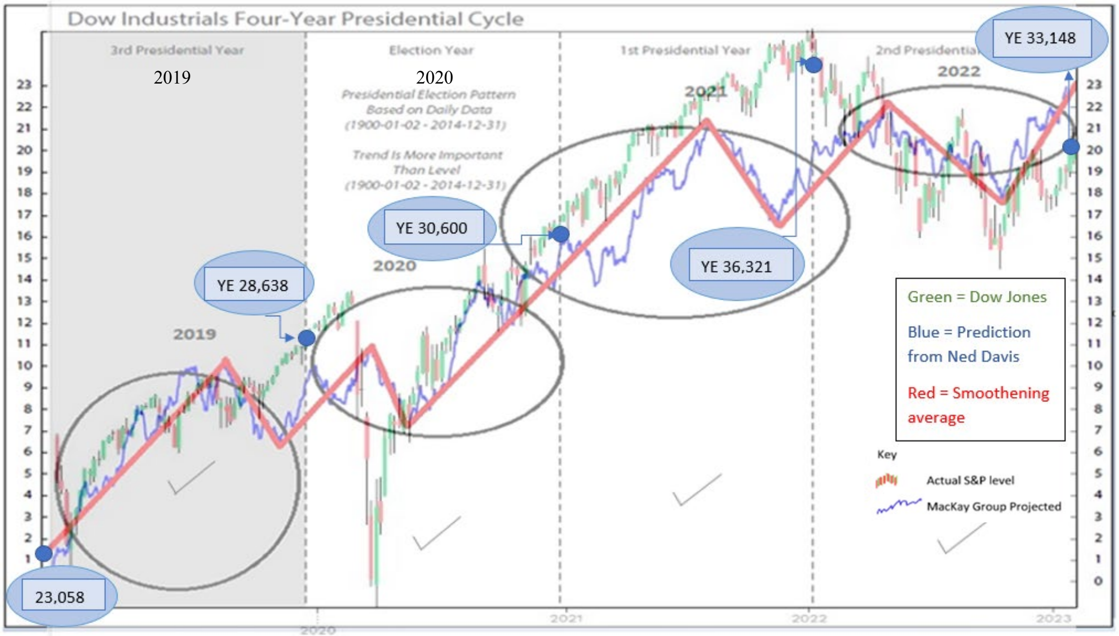
Hope you find this list useful.
While we cannot guarantee same future results, we will do our best give you our best ideas.
Rate of returns does not include dividends.

E-mail Date	Symbol	Company	Price at the time of recommendation	Current Stock Price (April 17, 2026)	Rate of return	Sector
03-Jan-12	GOOG-US	Alphabet Inc. Class C	16.42	334.34	1936%	Software
17-Jun-14	AMZN-US	Amazon.com, Inc.	16.4	254.39	1451%	Retail
12-Dec-11	AAPL-US	Apple Inc.	13.99	271.51	1841%	Technology
17-Dec-13	ZJG-CA	BMO Junior Gold Index ETF	6.2	281.84	4446%	Prec. Met.
18-Oct-13	AVGO-US	Broadcom Inc.	2.71	402.96	14769%	Semi-Cond.
19-Mar-18	CCO-CA	Cameco Corporation	11.93	165.04	1283%	Energy
14-May-12	CSU-CAN	Constellation Software Inc.	88.75	2683.57	2924%	Software
16-Jun-01	DOL-CAN	Dollarama Inc.	9.27	175.80	1796%	Retail
29-Nov-11	GE-US	GE Aerospace	14.91	311.82	1991%	Industrials
12-Jan-12	MSFT-US	Microsoft Corporation	27.87	430.86	1446%	Software
28-Apr-20	NVDA-US	NVIDIA Corporation	7.63	200.89	2533%	Technology
05-Dec-12	URI-US	United Rentals, Inc.	42.38	804.42	1798%	Industrials
20-Jan-12	V-US	Visa Inc. Class A	25.5975	319.36	1148%	Comm. Serv.

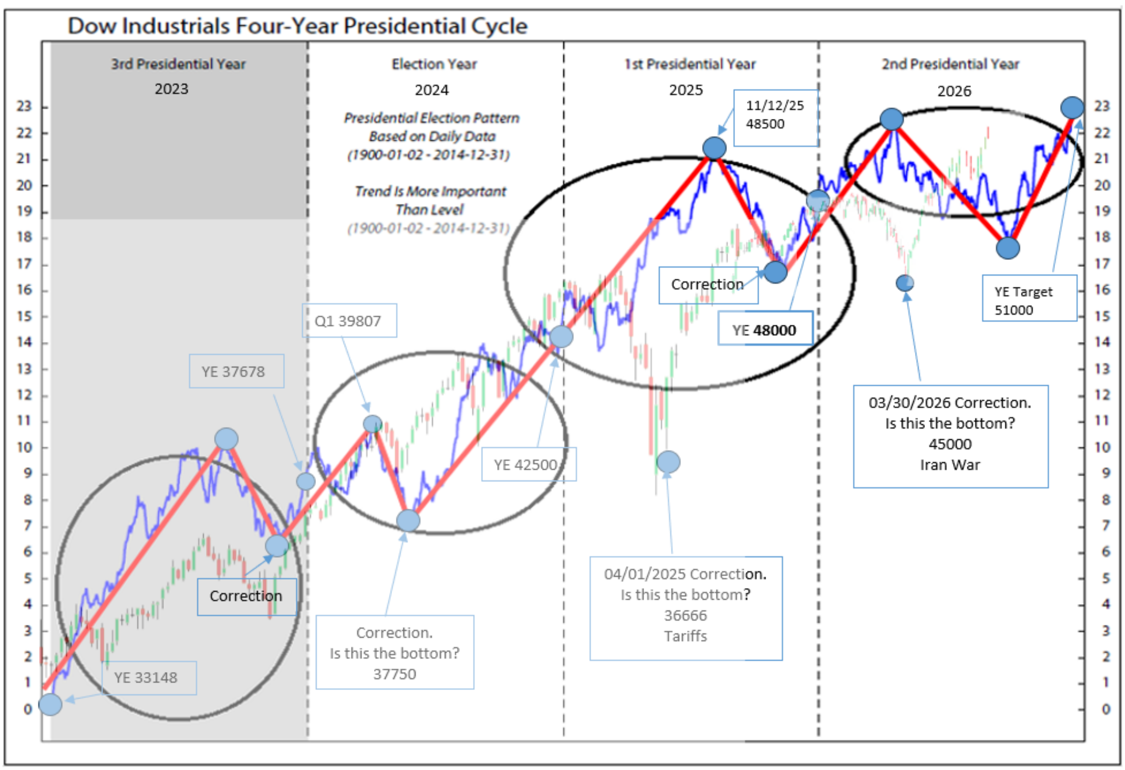
Technical Update - By Bruce

Portfolio Advisory Group

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



Will this happen – possible?



Wealth Management Dominion Securities

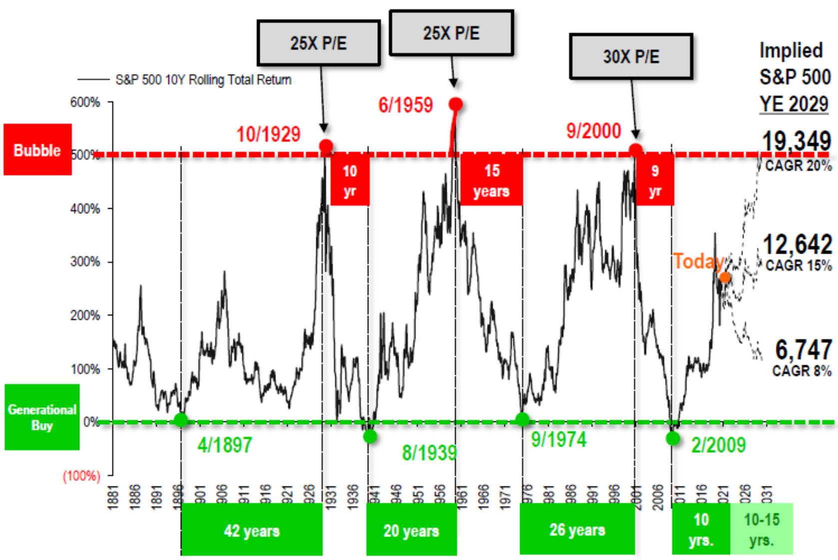
FAVOURITE CHARTS

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.***

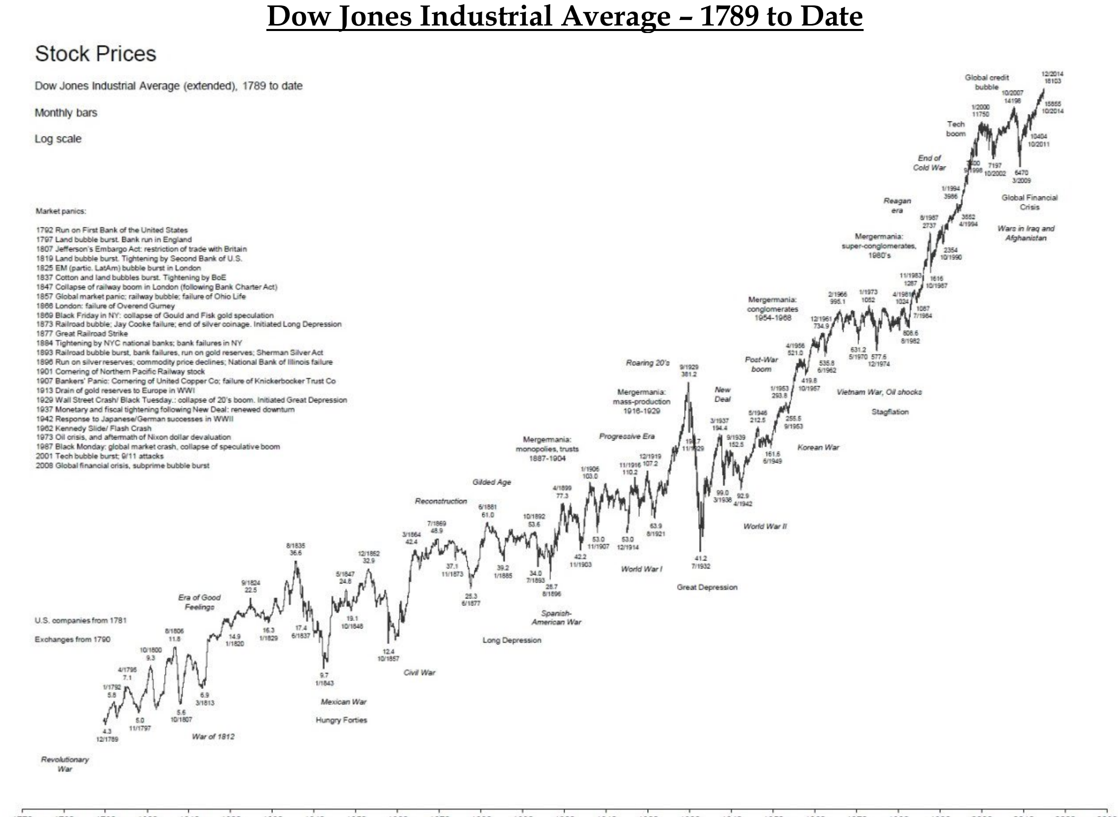
Figure: 10-year rolling returns of the US equities
Since 1881



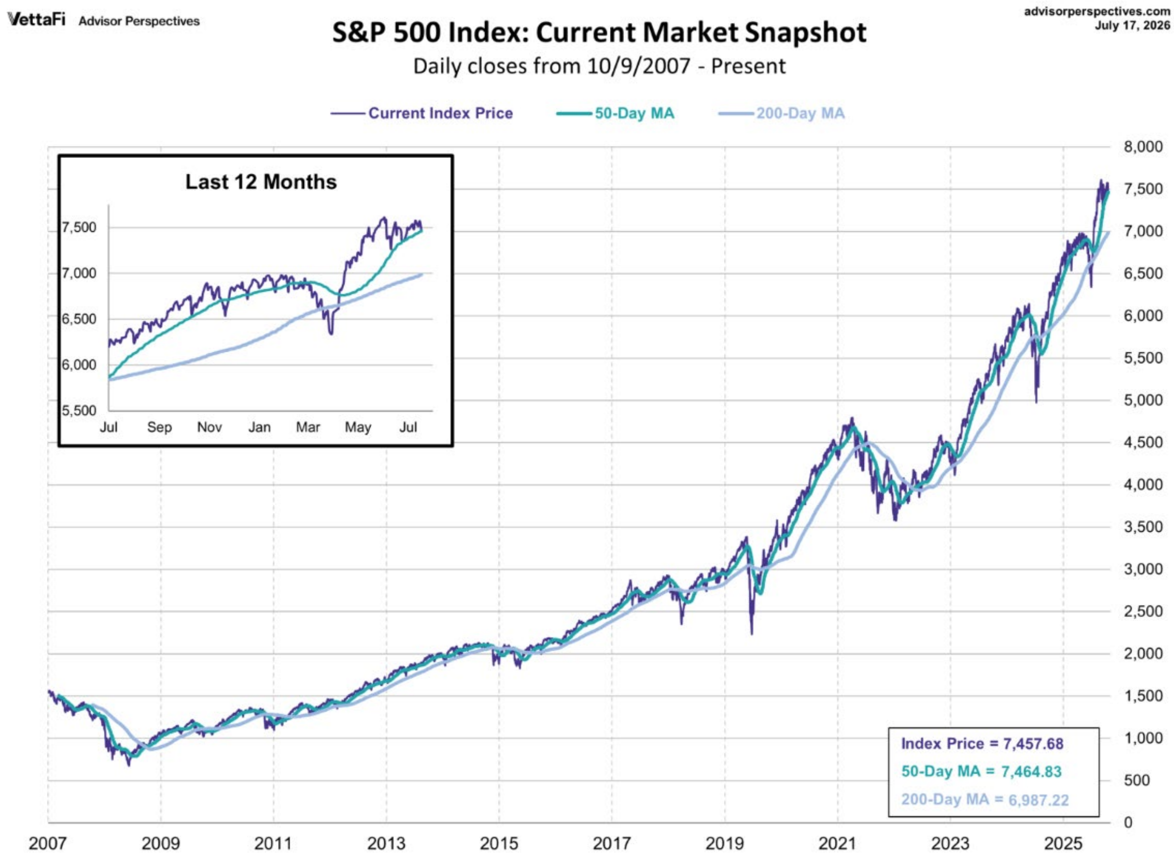
To achieve 19,349 by '29		
EPS GAGR	P/E CAGR	Ending P/E
15%	4%	26x
12%	7%	34x
10%	9%	41x
8%	11%	49x
5%	14%	65x

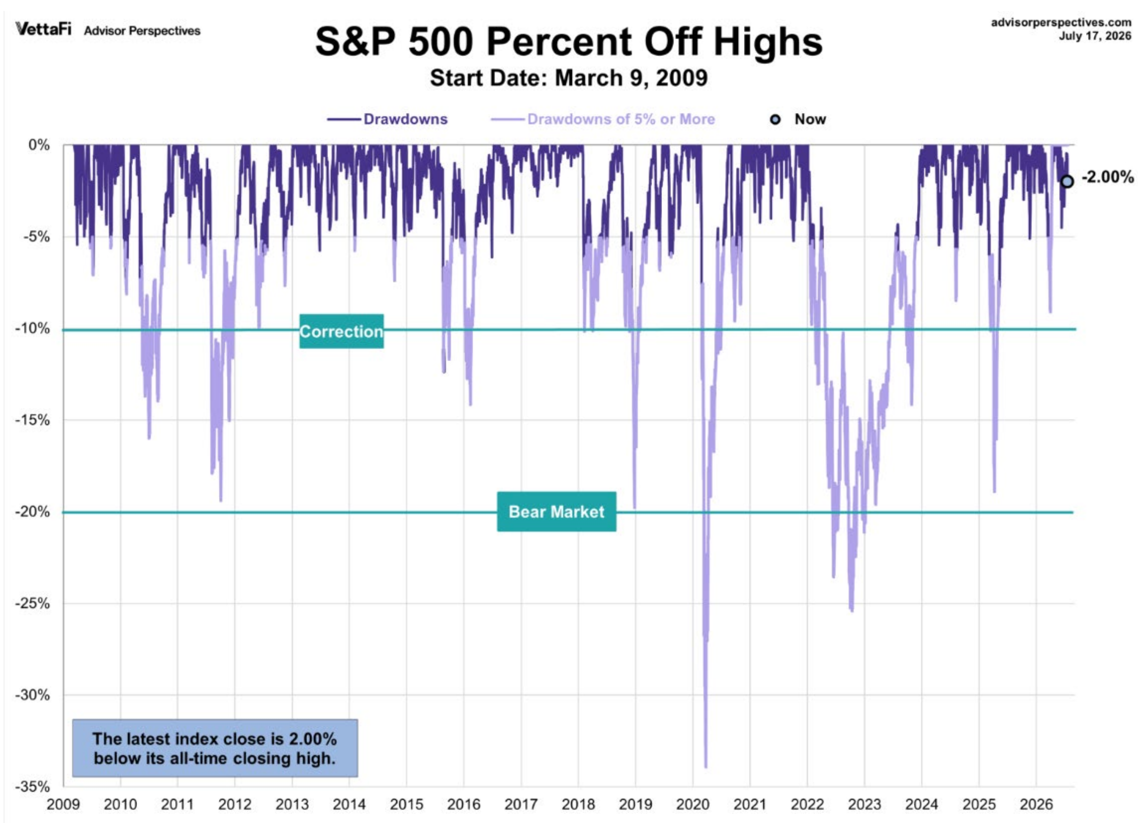
Source: Fundstrat, Bloomberg.

Dow Jones Industrial Average – 1789 to Date



Wealth Management Dominion Securities



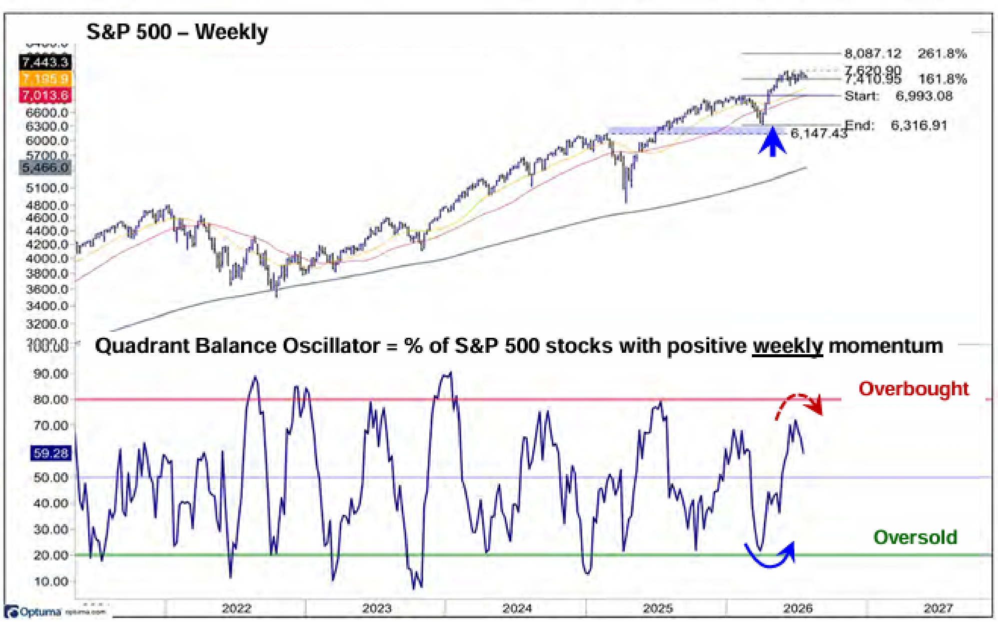


Wealth Management Dominion Securities

A lot of upside risk to crude prices amid Iran escalation, says Rapidan Energy CEO Scott Modell

[A lot of upside risk to crude prices amid Iran escalation, says Rapidan Energy CEO Scott Modell]

S&P 500 with weekly Quadrant Balance momentum



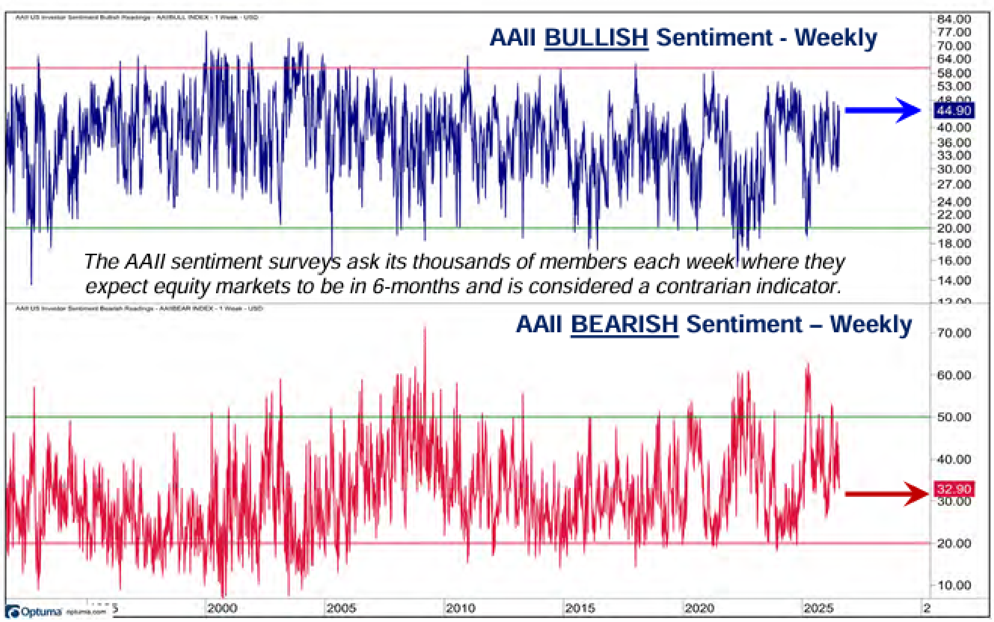
Source: RBC Wealth Management, Bloomberg, Optuma

- The S&P continues to trade sideways under resistance at 7620 near its 162% extension level of 7410 with support at its rising yellow 20-week ma at 7196 followed by the red 40-week ma at 7013.
- While there is still potential for the S&P to resolve its recent consolidation to the upside, our weekly Quadrant Balance Indicator tracking the percentage of stocks within the S&P 500 with rising weekly momentum is showing signs of peaking.
- We view this deceleration suggests investors should remain patient for better entry points in stocks moving through Q3 in anticipation of seasonal weakness developing into Q4.

Sentiment Survey Historical Data

Reported Date	Bullish	Neutral	Bearish
Jul 22	29.6%	28.1%	42.3%
Jul 15	44.9%	22.2%	32.9%
Jul 8	36.3%	26.5%	37.2%
Jul 1	31.4%	26.4%	42.3%
Jun 24	44.9%	18.9%	36.1%
Jun 17	36.6%	24.1%	39.4%
Jun 10	30.4%	22.0%	47.7%
Jun 3	36.3%	26.7%	37.0%
May 27	35.6%	22.6%	41.9%
May 20	31.7%	24.7%	43.6%
May 13	39.3%	24.1%	36.6%
May 6	38.3%	28.7%	33.0%
Apr 29	38.1%	22.2%	39.7%
Apr 22	46.0%	19.5%	34.4%
Apr 15	31.7%	25.5%	42.8%
Apr 8	35.7%	21.3%	43.0%
Apr 1	33.6%	15.0%	51.4%
Mar 25	32.1%	18.1%	49.8%
Mar 18	30.4%	17.6%	52.0%
Mar 11	31.9%	21.7%	46.4%
Mar 4	33.1%	31.4%	35.5%
Feb 25	33.2%	27.0%	39.8%

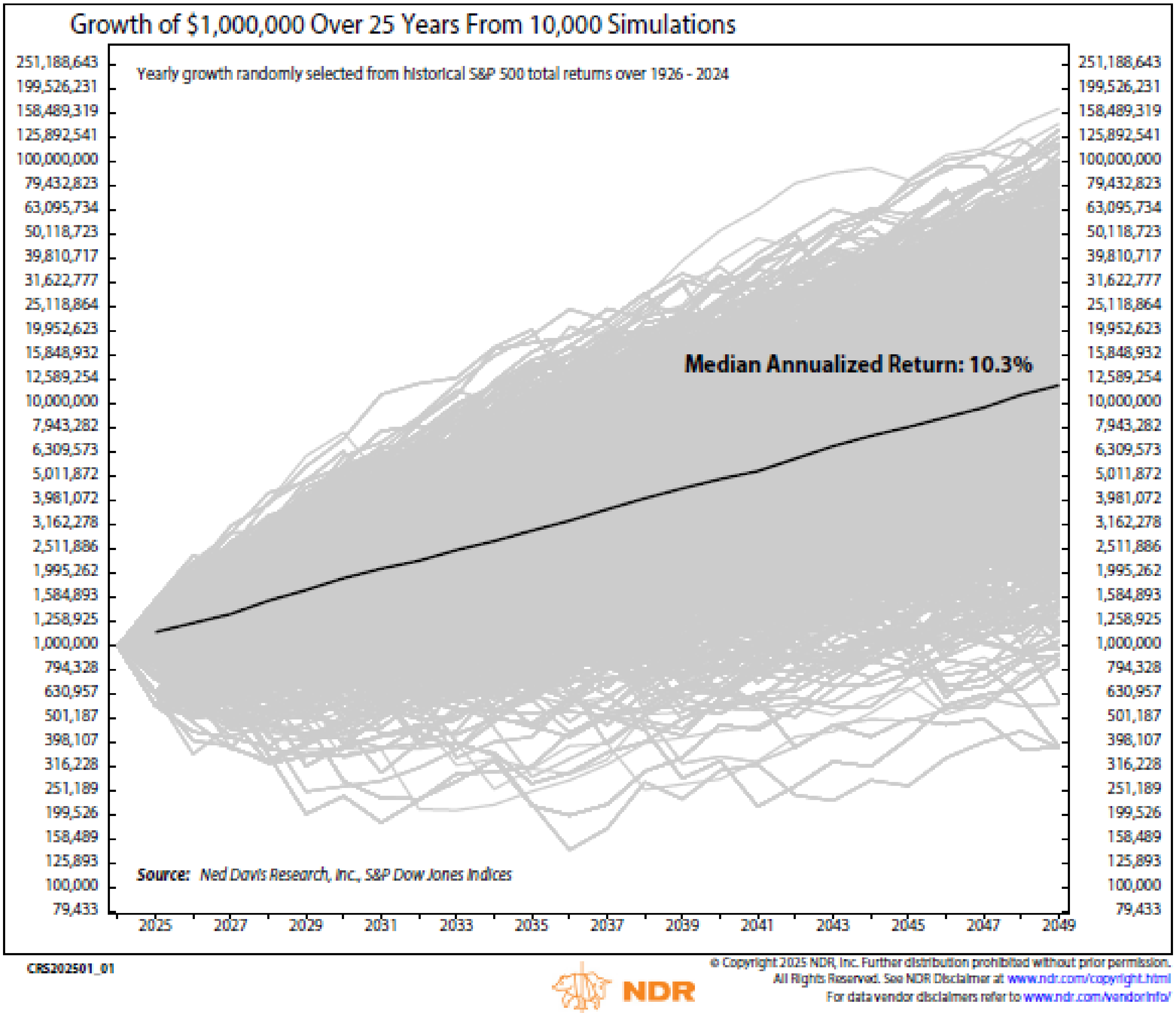
AAII US Bullish and Bearish Sentiment Survey



Source: RBC Wealth Management, Bloomberg, Optuma

- Bullish Sentiment readings are higher but not extreme suggesting complacency while…
- …Bearish Sentiment readings are low but also not deeply depressed to support a strong contrarian (bullish) view of equity markets.

Monte Carlo and Long-Run Stock Market Uncertainty

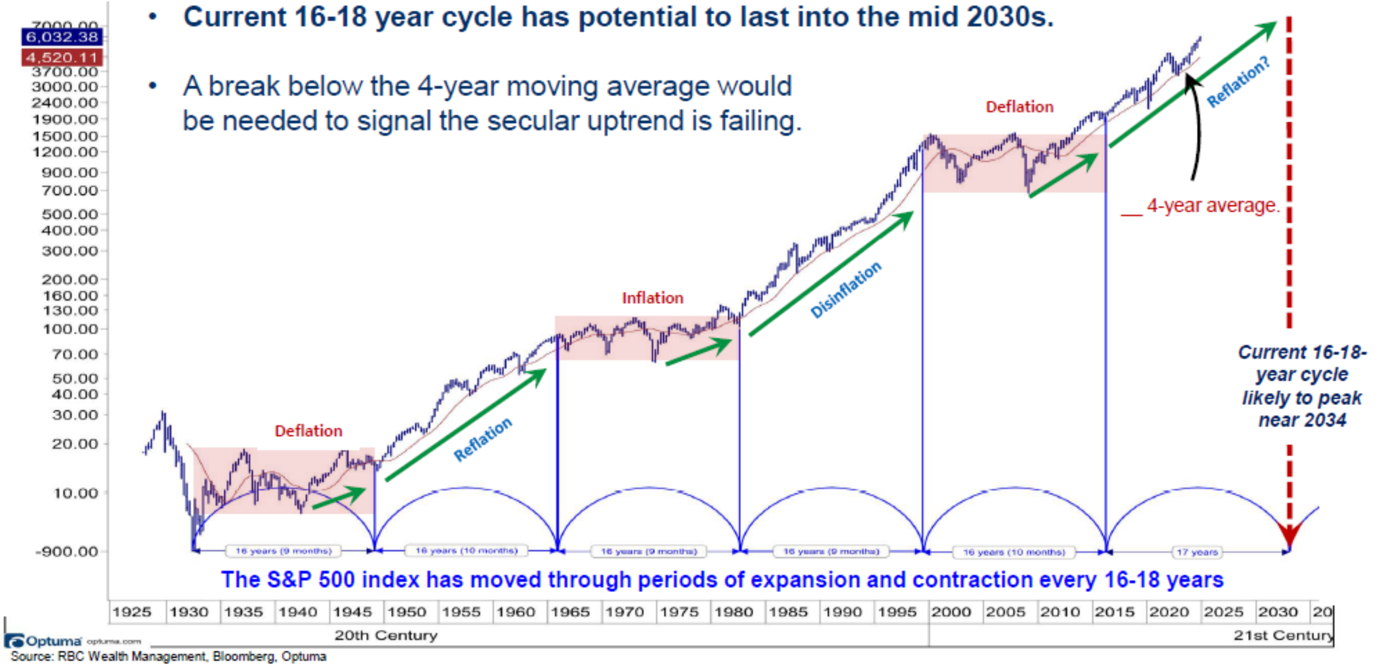


Simulation creates artificial data resembling actual data, first used in the 1940s for nuclear testing and known as "Monte Carlo." This method can model future scenarios, such as simulating 10,000 possible 25-year investments in the S&P 500, showing a typical return of around 10% per year, with a range of outcomes from -3% to 22%.

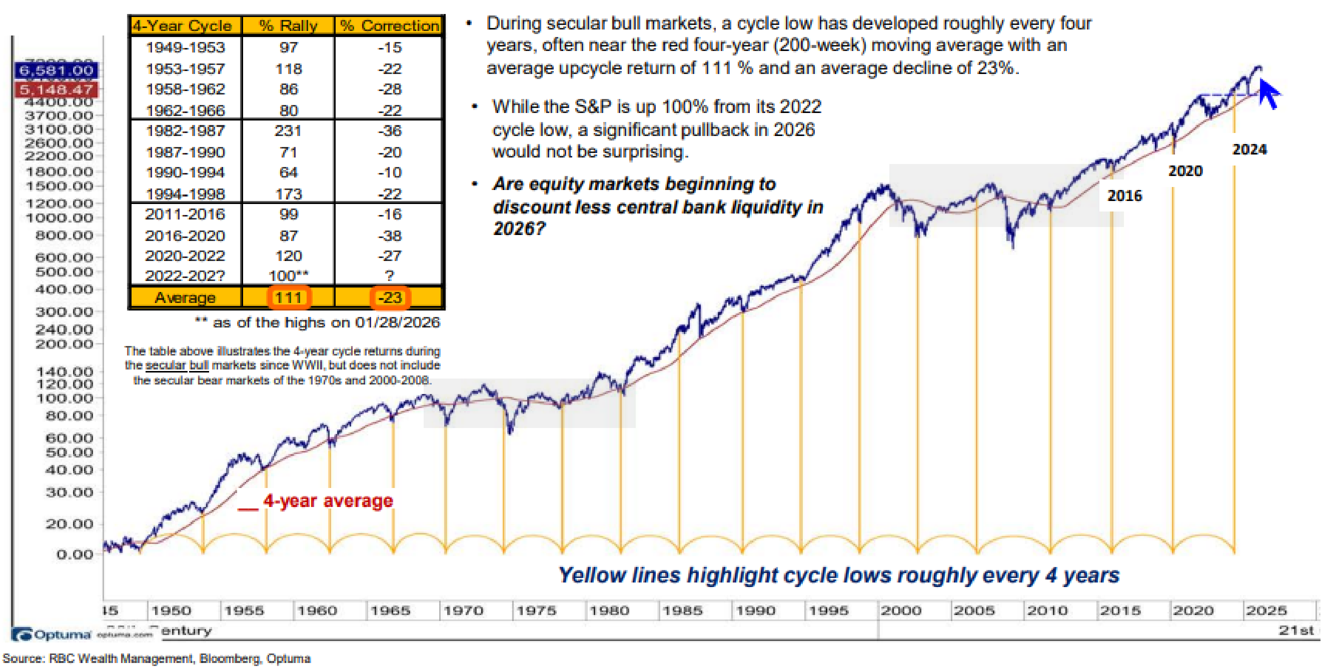
How are simulations and uncertainty related to each other?

Simulation refers to the creation of artificial data that looks plausibly similar to the actual data it is meant to simulate. An early implementation occurred during nuclear weapons testing in the 1940s and was dubbed “Monte Carlo” to describe the virtual dice-rolling used to randomly generate the data. We can apply the same basic tools to modeling the different ways the future might look. The chart at left shows 10,000 simulations of a 25-year investment in the S&P 500 using a method called bootstrapping, where historical yearly returns are randomly shuffled and spliced together to create a single time series. While the typical bootstrapped return is around 10% per year, the simulation also illustrates the wide range of potential paths, with the lowest and highest annualized returns around -3% and 22%, respectively.

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



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



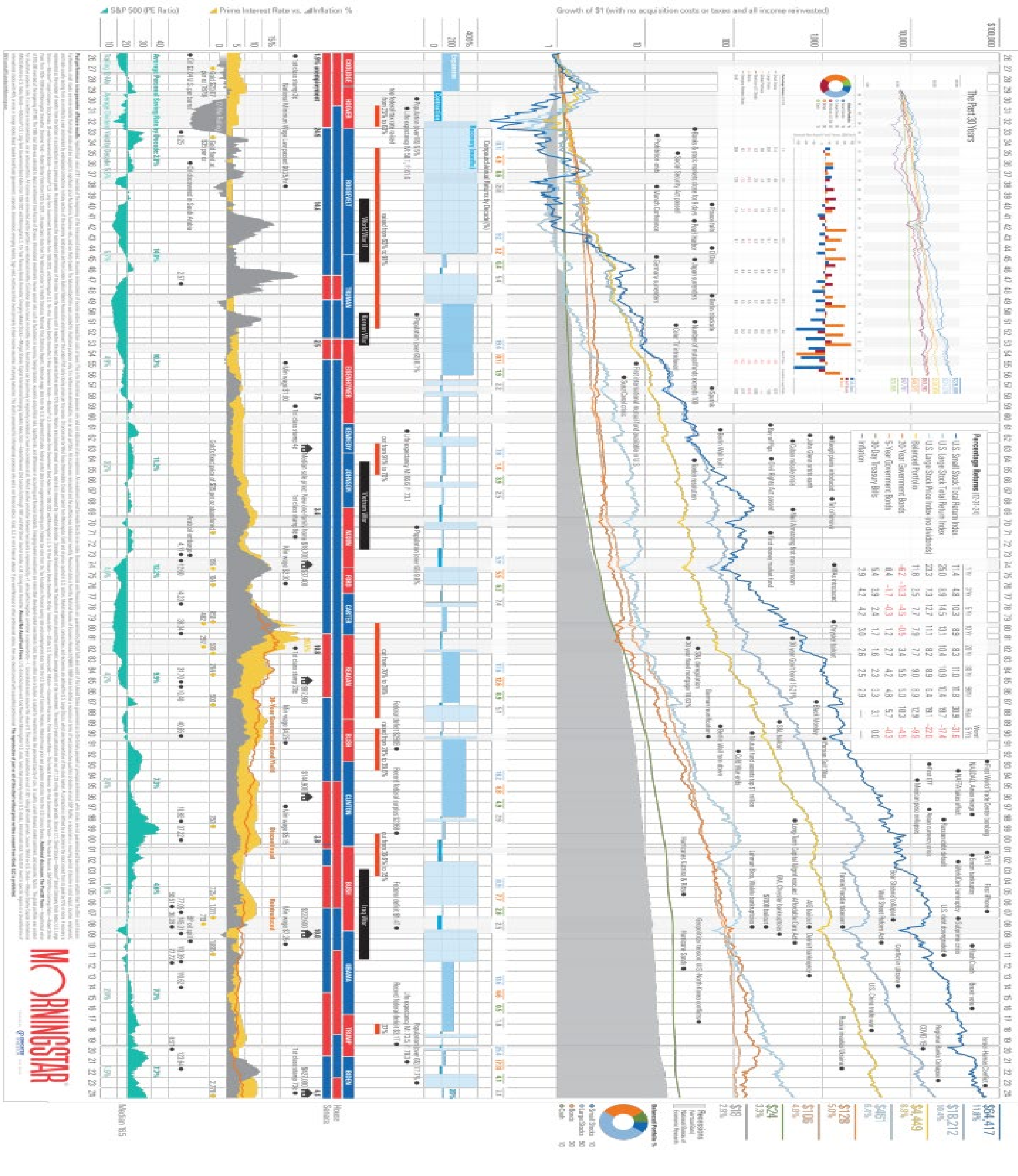
4-Year Cycle	% Rally	% Correction
1949-1953	97	-15
1953-1957	118	-22
1958-1962	86	-28
1962-1966	80	-22
1982-1987	231	-36
1987-1990	71	-20
1990-1994	64	-10
1994-1998	173	-22
2011-2016	99	-16
2016-2020	87	-38
2020-2022	120	-27
2022-202?	100**	?
Average	111	-23

** as of the highs on 01/28/2026

The table above illustrates the 4-year cycle returns during the secular bull markets since WWII, but does not include the secular bear markets of the 1970s and 2000-2008.

Andex Chart

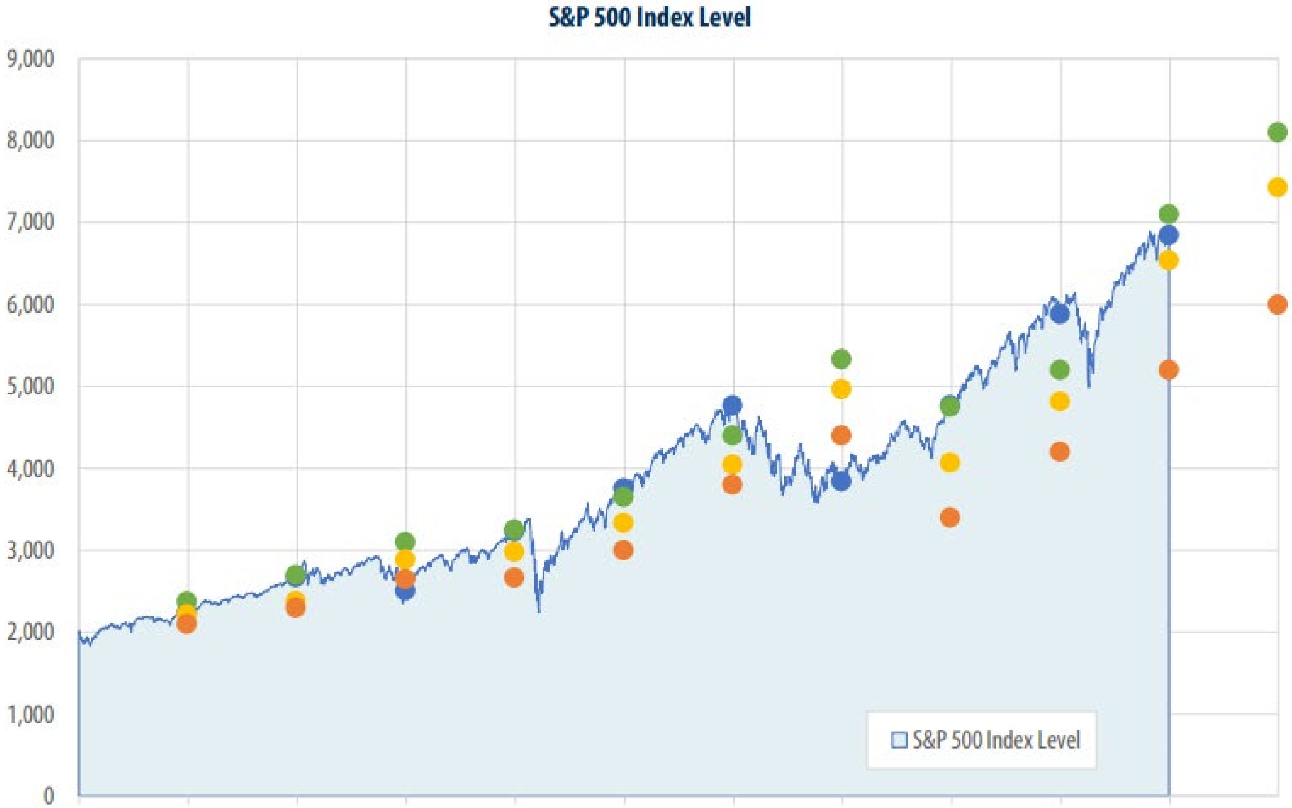
The Andex Chart tracks the performance of $100 invested over a 72-year period in different types of investments amid the context of significant historical, political, economic and social developments. It helps you consider current events through a long-term lens and, as a result, make informed investment decisions. Each coloured line in the Andex 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.



S&P 500 Index: Strategists' Projections vs. Actual Performance

2016-2026

At the end of every calendar year, top strategists in the industry set their S&P 500 price targets for the upcoming year-end. Below are their projections and how the S&P 500 Index performed.



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Year-End Actual	2,239	2,674	2,507	3,231	3,756	4,766	3,840	4,770	5,882	6,846	–
Highest Projection	2,375	2,700	3,100	3,250	3,650	4,400	5,330	4,750	5,200	7,100	8,100
Average Projection	2,220	2,378	2,887	2,980	3,333	4,044	4,965	4,071	4,816	6,537	7,429
Lowest Projection	2,100	2,300	2,650	2,665	3,000	3,800	4,400	3,400	4,200	5,200	6,000

S&P 500 Index Annual Return

	Average Projection	Actual Return	Difference
2016	8.6%	9.5%	+0.9%
2017	6.2%	19.4%	+13.2%
2018	8.0%	-6.2%	-14.2%
2019	18.9%	28.9%	+10.0%
2020	3.2%	16.3%	+13.1%
2021	7.7%	26.9%	+19.2%
2022	4.2%	-19.4%	-23.6%
2023	6.0%	24.2%	+18.2%
2024	1.0%	23.3%	+22.3%
2025	11.1%	16.4%	+5.2%
2026	8.5%	?	?

RBC Wealth Management
Dominion Securities

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

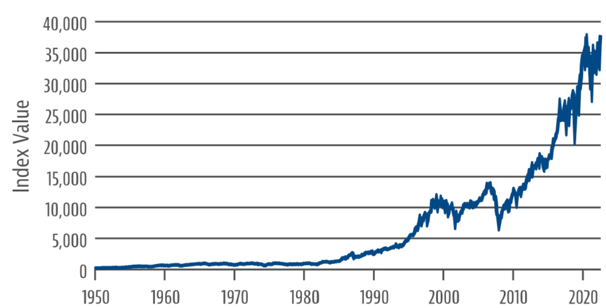
CI GLOBAL ASSET MANAGEMENT

Decade	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	Largest 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 skyrockets, 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

Decade	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
	2023	37,690	U.S. regional banking crisis

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

DOW JONES INDUSTRIAL AVERAGE: 1950 - 2023



Source: Bloomberg Finance L.P.

Wealth Management Dominion Securities

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, Registered Charity Gift of Stock Acct, Annual Tax-Assisted Flow-Through Share Program, Joint Gift of Beneficial Right of Survivorship (JGBRS)

PORTFOLIO MANAGEMENT PROGRAMS

Our team manages clients' portfolios on an individual basis (AUM $2.11B). 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 $350M)-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 % deceases 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.

What clients have to say about us

Client Testimonials & Comments

Portfolio Management comments:

“Bruce and his team have been managing our financial lives for years. Always available, never too busy for a question or to allow us to pick their brains. We recently had the experience of sitting down in their office with them to review our up-coming retirement plans. Starting with the worksheet (homework as I called it) to the preparation and presentation of the fully detailed reports it was all handled in a most professional, yet personal and informative manner. During this current turmoil caused from COVID19, we have had our melt-downs but we have always known that Bruce and Andrew and the rest of the team were there for us and managing the mysteries of the market of 2020. Thanks to all of you” **- Bill & Deb.**

“I am very grateful for all your input and guidance that you provided to us. We could not have done this without the RBC information- very grateful, very thankful” **– Elaine.**

“We value Andrew's input and advice when making our investment decisions. He is always available to answer our questions and deal with any concerns we have regarding our investments. His tax saving suggestions have also been very helpful. He is a very valuable asset to the MacKay team.” **– Frances & Paul.**

“MacKay Group Wealth Management have been our family advisers for over ten years, through a financial crisis and now a pandemic. They are a knowledgeable and capable team that have provided us with sound advice through bad markets and good. They are always pro-active and available to discuss options and markets. We are very thankful that they are our team.” **-Gail & Ken.**

“I want you to know how happy Gail and I are with the MacKay Group Wealth Management. Your hands on advice and your constant returns are very much appreciated. I sleep very well at night. Thank you. What a wonderful team of talented, knowledgeable, helpful and friendly advisors you have in your office. You should be proud. You and your team deserve a big pat on the back.” **– Paul & Gail.**

“The MacKay Wealth Management Group always provides constructive information on investments I am considering or currently hold. They are responsive and informed. As well, on three separate occasions they have provided expert help in Estate and Will matters pertaining to my investments and financial institution. I would not hesitate to recommend the MacKay Group Wealth Management to potential clients” **– Paul.**

“The MacKay Group Wealth Management has been managing my investments for over 20 years. During that time, I have benefited from their collective knowledge of the markets; they have given me sage advice to protect and grow my assets. I have found the team to be knowledgeable, approachable and responsive. I have always been able to get my questions answered; no query of mine has ever been too trivial or time consuming not to elicit a timely response from the team. In dealing with the Mackay Group Wealth Management, I have the benefit of highly personalized service backed up by the security of the Royal Bank.” – **Jay.**

Financial and Will & Estate Planning comments:

“It was a good process to go through and Ted did a great job capturing all the information and formulating it into a coherent plan” **– Susan.**

“I appreciate how thorough Ted was, and how he seemed to drill down and get a better handle on our situation. I hadn’t gone into such details with the discovery process before and value how deep our group wanted to dig to ensure the projections were accurate. A great start to the relationship.” **Ray.**

THE MACKAY GROUP TEAM COMMENTS

Our Mission

"To provide our clients superior investment advice, products and service at MGWM since 1981."

Our Team Management

We operate like a partnership. Team of equals with many skills combined to serve our clients. Combined with RBC DS and RBC.

Portfolio Management

Bruce MacKay- Senior Portfolio Manager & Investment Advisor

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 Slivinsky - Associate Portfolio Manager & Wealth Advisor

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 Nicolaides – Senior Associate Advisor

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.

Client Services & Portfolio Administration

Shannon Earl- Senior Associate

Oversees client onboarding and account maintenance ensuring information is accurate and processes run efficiently and smoothly.

Arieh Abrahami- Associate

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

Erik DeGuerre- Associate

Working with Shannon, Arieh and team to deliver efficient service and handle daily tasks with accuracy.

Research

Ryan MacKay– additional resource

Supplying select research and editing MacKay Weekly Newsletter. Let us know if you would like to receive additional research.

Wealth Management & Business Development

Kristi MacKay–Associate Investment Advisor & Wealth Advisor

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

Kyle MacKay- Wealth Advisor & Financial Planner

In addition to Wealth Management, I worked in Private Banking so can help clients with their many Premier and Private Banking needs.

Financial Planning and Estate Advisors

Kristi & Kyle coordinate meetings with our partners:

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

Niaz Dharas, Premier Banking

Angus Fraser, Private Banking

Laurence Donovan, Private Banking

Works with you to deliver tailored banking, credit & wealth solutions

MGWM and RBC Foundation Charitable Gifts

Charities we support in 2026 - Trillium Health Partners, Canadian Wildlife Federation, Toronto Public Library, ABC Life Literacy, Canadian Canoe Museum, Ontario Track III, Camp Winston, Muskoka Discovery Centre, ROM, Reena, Alzheimer's, Dorothy Ley Hospice, St Andrews, Beat the Streets.

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.

RBC 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.

Wealth Management
Dominion Securities