

Charts of interest



Timing the market can be costly

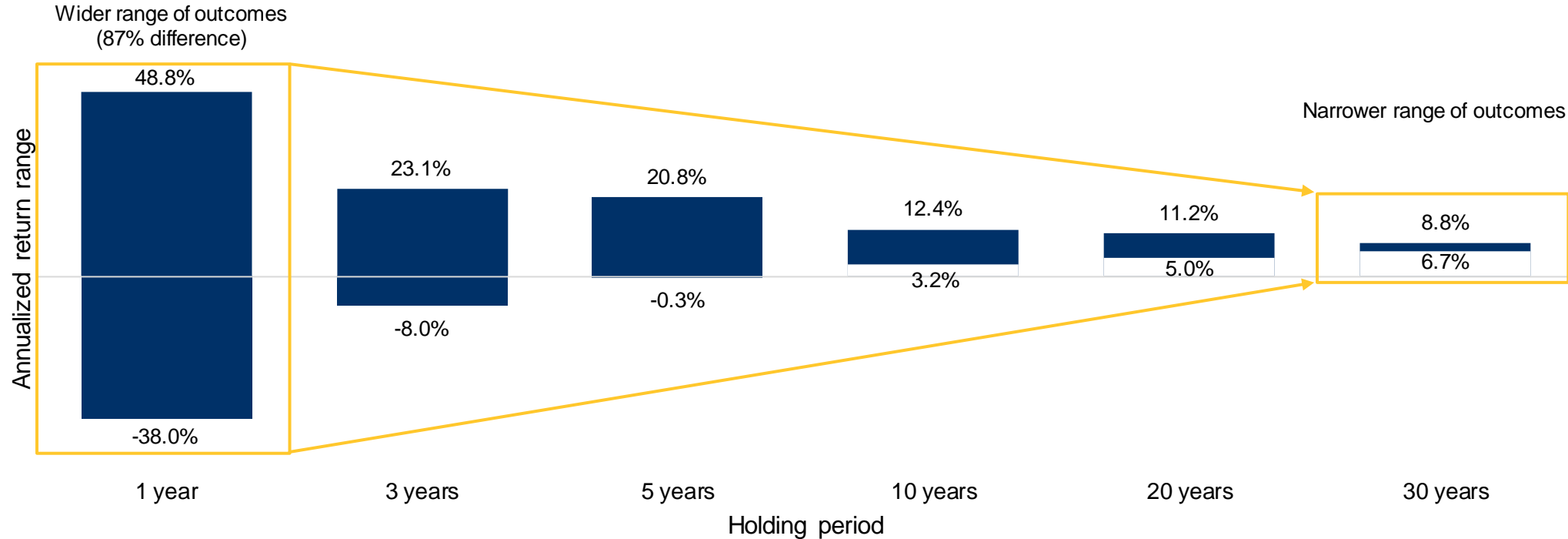


Source: Morningstar, RBC Global Asset Management. Based on the annualized returns in U.S. dollars of the S&P 500 Total Return Index for 10 years, ending December 31, 2023. An investment cannot be made directly into an index. The above does not reflect transaction costs, investment management fees or taxes. If such costs and fees were reflected, returns would be lower. Past performance is not a guarantee of future results.

Time narrows your range of returns

Portfolio volatility decreases and consistency increases over time

A diversified portfolio tends to have lower volatility over time

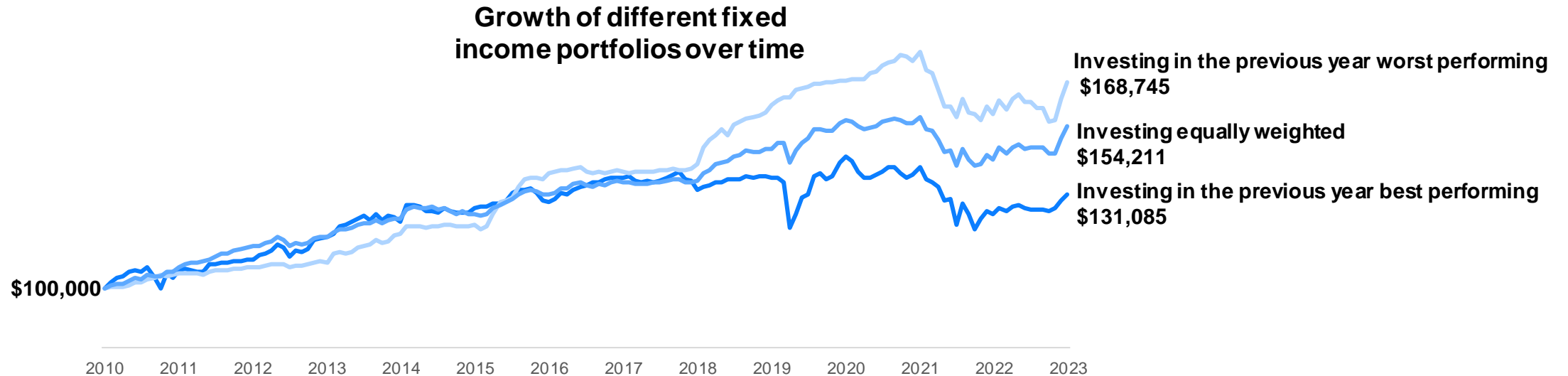


Source: Morningstar. Rolling 1-, 3-, 5-, 10-, 20- and 30-year average annual returns from January 1988 to December 2023. All returns are total returns in US dollars. Diversified Portfolio represented by 2% Cash, 38% Canadian Fixed Income, 25% US Equities, 15% Canadian Equities, 15% International Equities and 5% Emerging Markets Equities. Cash represented by FTSE Canada Treasury Bill 30 Day; Fixed Income represented by FTSE Canada Universe Bond; US Equities represented by S&P 500 TR USD, Canadian Equities represented by S&P/TSX Composite TR, International Equities Represented by MSCI EAFE GR USD, Emerging Markets Equities represented by MSCI E M GR USD.

Source: Morningstar, RBC Global Asset Management. An investment cannot be made directly into an index. The above does not reflect transaction costs, investment management fees or taxes. If such costs and fees were reflected, returns would be lower. Past performance is not a guarantee of future results.

Fixed income diversification benefits

Chasing returns can be a losing game



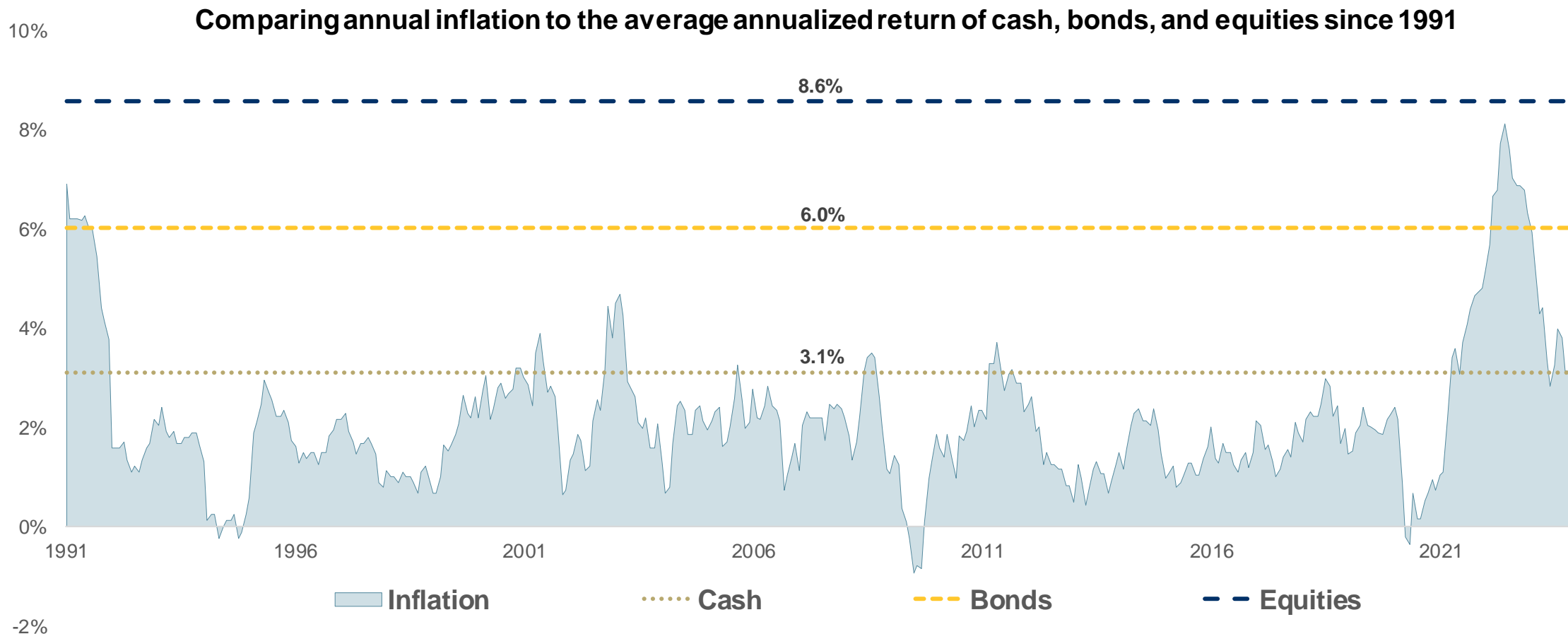
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
US HY Bonds 14.3%	CDN Bonds 9.7%	US HY Bonds 15.4%	US HY Bonds 7.1%	CDN Bonds 8.8%	CDN Bonds 3.5%	US HY Bonds 14.3%	US HY Bonds 6.4%	CDN ST Bonds 1.9%	US HY Bonds 14.0%	CDN Bonds 8.7%	US HY Bonds 4.6%	CDN ST Bonds -4.0%	US HY Bonds 11.6%
CDN Bonds 6.7%	US HY Bonds 5.7%	CDN Bonds 3.6%	CDN ST Bonds 1.7%	US HY Bonds 4.3%	CDN ST Bonds 2.6%	CDN Bonds 1.7%	CDN Bonds 2.5%	CDN Bonds 1.4%	CDN Bonds 6.9%	CDN ST Bonds 5.3%	CDN ST Bonds -0.9%	US HY Bonds -11.1%	CDN Bonds 6.7%
CDN ST Bonds 3.6%	CDN ST Bonds 4.7%	CDN ST Bonds 2.0%	CDN Bonds -1.2%	CDN ST Bonds 3.1%	US HY Bonds -2.7%	CDN ST Bonds 1.0%	CDN ST Bonds 0.1%	US HY Bonds -2.9%	CDN ST Bonds 3.1%	US HY Bonds 5.1%	CDN Bonds -2.5%	CDN Bonds -11.7%	CDN ST Bonds 5.0%

Source: Morningstar Direct, as of December 31, 2023. “Best performing asset class” represents a portfolio where at the beginning of each year the portfolio is invested in the asset class that had the strongest annual return the year before. “Worst performing asset class” represents a portfolio where at the beginning of each year the portfolio is invested in the asset class that had the weakest annual return the year before. “Equally weighted portfolio” represents an equally weighted portfolio of the three asset classes. CDN Bonds = FTSE Canada Universe Bond, CDN ST Bonds = FTSE Canada ST Bond, US HY Bonds = ICE BofA U.S. High Yield BB-B (CAD Hedged). An investment cannot be made directly into an index. The above does not reflect transaction costs, investment management fees or taxes. If such costs and fees were reflected, returns would be lower. Past performance is not a guarantee of future results.



Over time, equities can keep you above the inflation waterline

Since the Bank of Canada inflation mandate in 1991, annual inflation has not reached the 33-year equity average.



Source: Morningstar, Stats Canada. Asset data from January 1, 1991 to February 29, 2024. Inflation data from January 1, 1991 to January 31, 2024. Cash, bonds, and stocks calculated as average annualized total return over period. Inflation calculated as monthly year-over-year Canadian CPI, not seasonally adjusted. Cash represented by FTSE Canada 91-day T-bill. Bonds represented by FTSE Canada Universe Bonds. Stocks represented by S&P/TSX composite index. Asset returns based on average total returns and rolling returns may vary during different time periods. An investment cannot be made directly into an index. The above does not reflect transaction costs, investment management fees or taxes. If such costs and fees were reflected, returns would be lower. Past performance is not a guarantee of future results.



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