Market Sentiment and Investor Attitudes: Impacts and Implications for IRO's



NIRI Virtual Chapter Professional Development Series

Wednesday
January 15, 2020
Noon – 1pm EST

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Q&A

- If you are participating via the live webinar, you can type your question in the “chat box” at the bottom of your computer screen

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Agenda

Learning Objectives

- Recognize key trends in investor sentiment
- Understand sentiment drivers and current market trends
- Identify differences in market segments vs. market cycles
- Discuss implications of investor attitudes for IROs

Today's Speakers

Featured Speaker



Bob Dickey
Managing Director,
Technical Strategist,
RBC Wealth Management

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Market Maps

Moderator



John Nunziati
Corporate Relationships,
IEX – The Investors Exchange

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Polling Question #1



As you think about factors in the market affecting your relationships with investors in 2020, which of these are your largest concern?

A. Global Economic Uncertainty

B. US - China Trade Relations

C. Risk of Global Recession

D. Corporate Valuation Concerns

E. All of the above

Short-term market: S&P 500 – 11 years

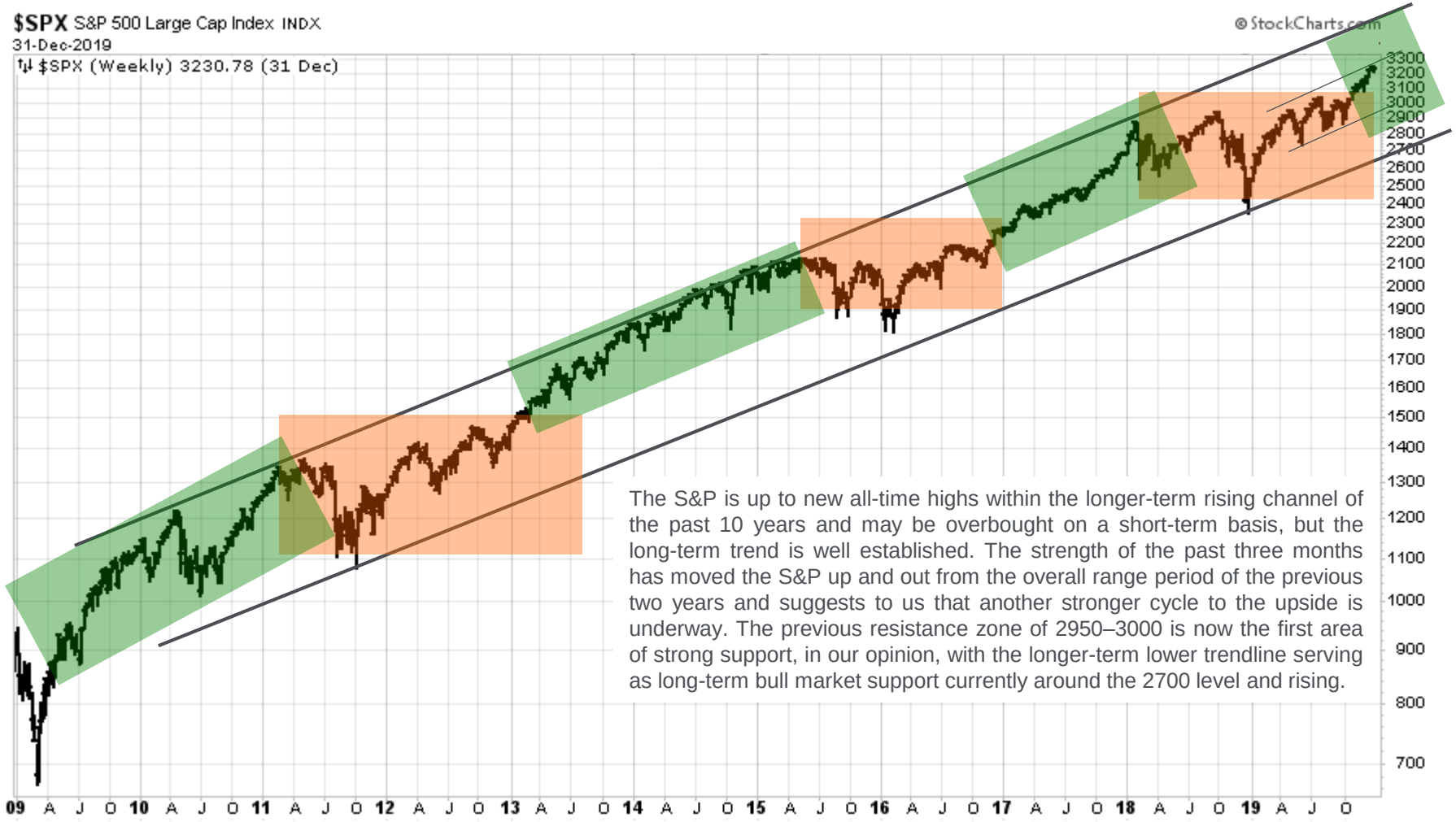


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results.

Long-term market cycles 1925–2

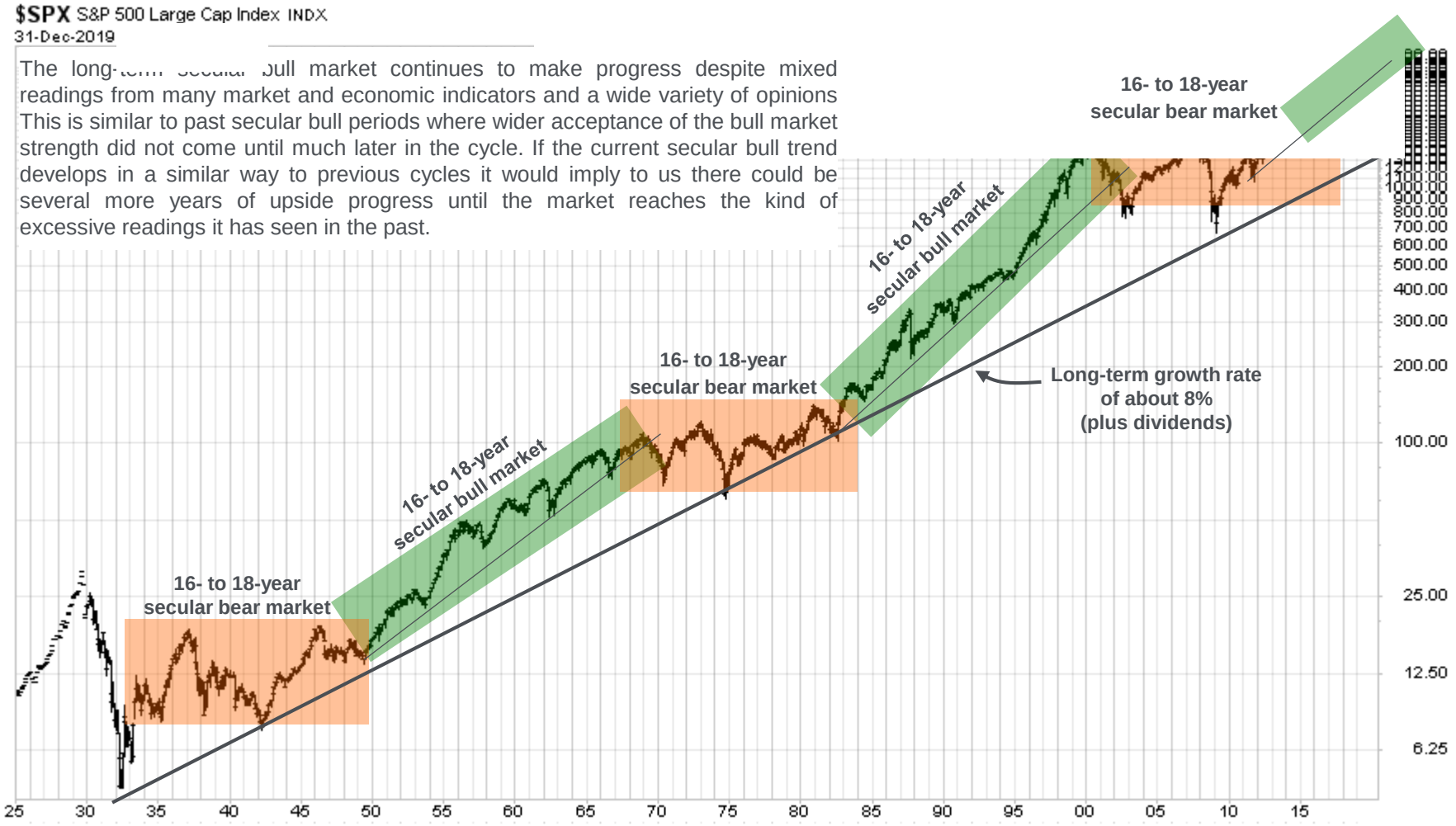


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results

Polling Question #2



What is your personal market outlook for the next 2-3 year horizon?

A. I expect market performance to strengthen

B. I expect market performance to remain strong

C. I expect market performance to moderate

D. I expect market performance to decline

E. I am uncertain on how to predict market performance

Investor sentiment – 30 years



Chart courtesy of StockCharts.com and RBC Wealth Management

Gold – 11 years



The trend on gold has broken out into a new uptrend that could have bullish implications for the next one to three years. Generally, the longer a security has spent in a bottoming period the more meaningful and potentially higher an uptrend can run. We think it's still possible gold may retest the 1350 breakout area, but the more recent dip back to 1450 has now established that level as support as well.

Chart courtesy of StockCharts.com and RBC Wealth Management

Polling Question #3



How will you communicate the implications of today's discussion with your senior management team?

A. I expect to share key takeaways only

B. I will forward one key chart with a few comments

C. I will forward the entire deck with a few comments

D. I will share the takeaways in a face-to-face discussion

E. I don't expect to share takeaways from today's session with my management team

10-year Treasury note yield for 140 years



Chart courtesy of MultPL.com and RBC Wealth Management

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2020 Virtual Chapter Program Calendar

Date	TOPIC
January 30, 2020	NIRI Virtual Café Chat – for Virtual Chapter Members Only
February 19, 2020	Election Year Forecasting
March 20, 2020	Targeting
April 15, 2020	ESG
May 6, 2020	Award Winning Investor Relations
June 2020	NIRI National Event – Miami

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DJIA with **4-month** and **13-month** moving averages

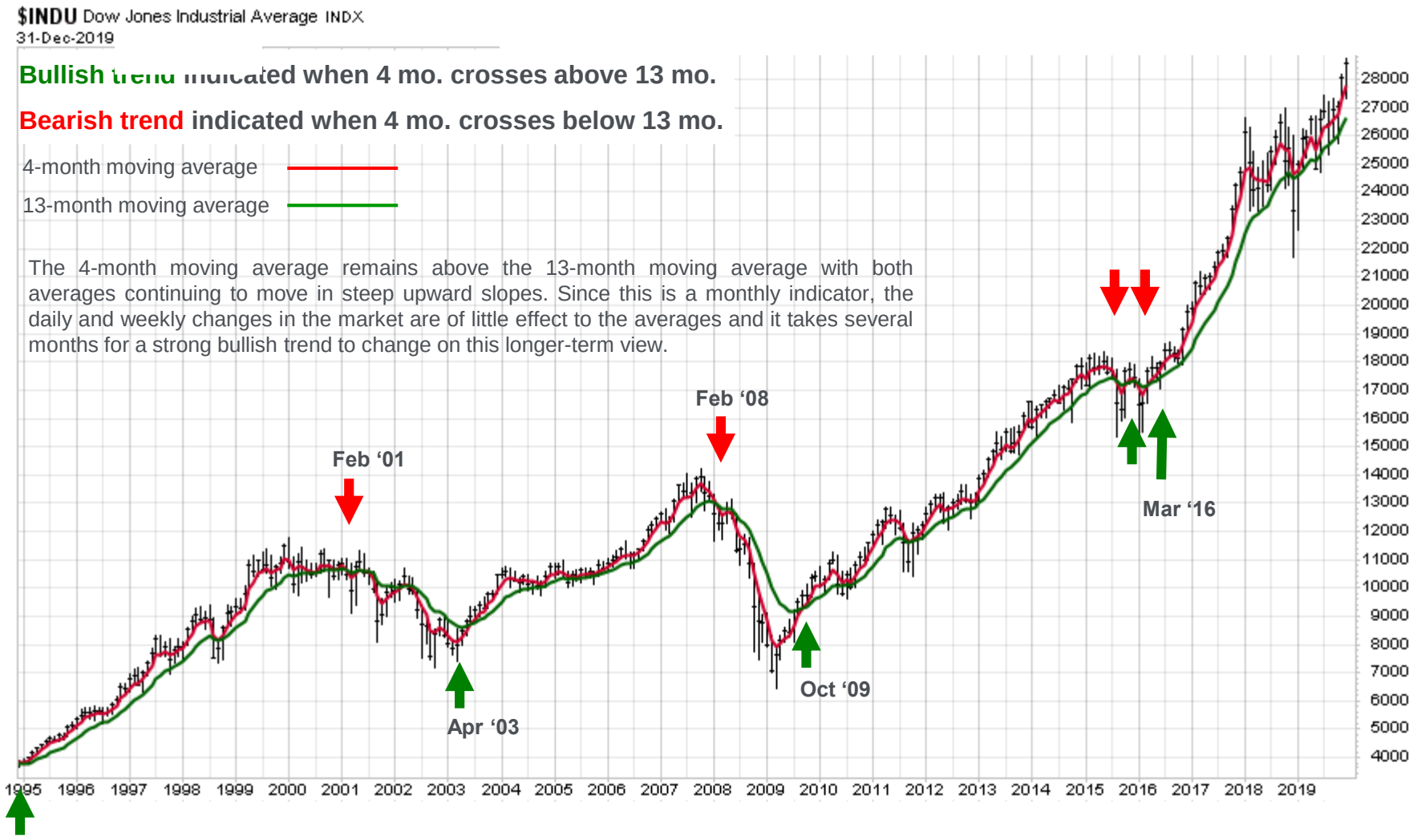


Chart courtesy of StockCharts.com and RBC Wealth Management; past performance does not guarantee future results.

TSX Composite – 11 years

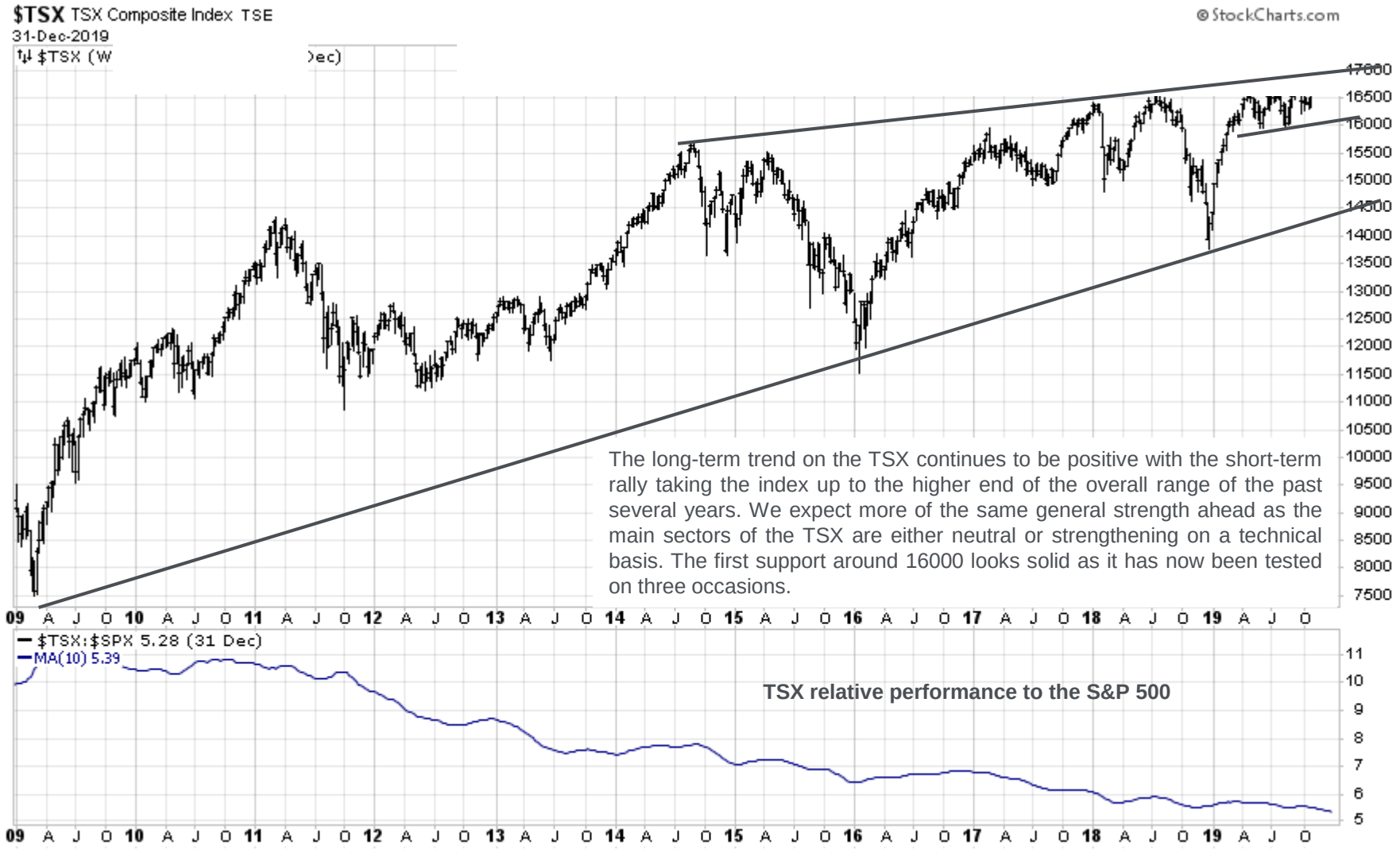


Chart courtesy of StockCharts.com and RBC Wealth Management

Currencies – 5-year trends



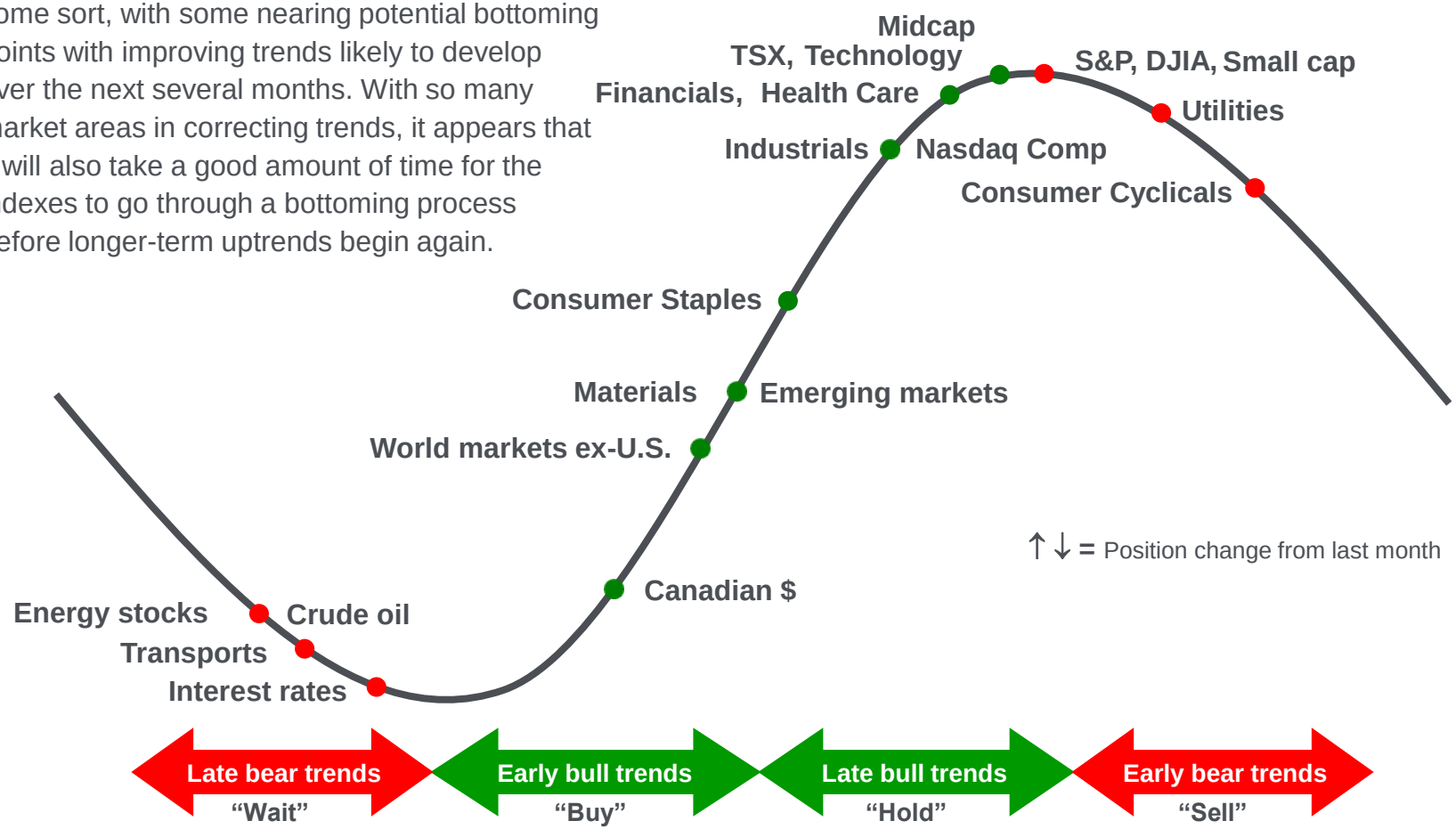


Charts courtesy of StockCharts.com and RBC Wealth Management

S&P sectors & market indexes cycle positions

Relative positioning of major sectors within their individual cycles

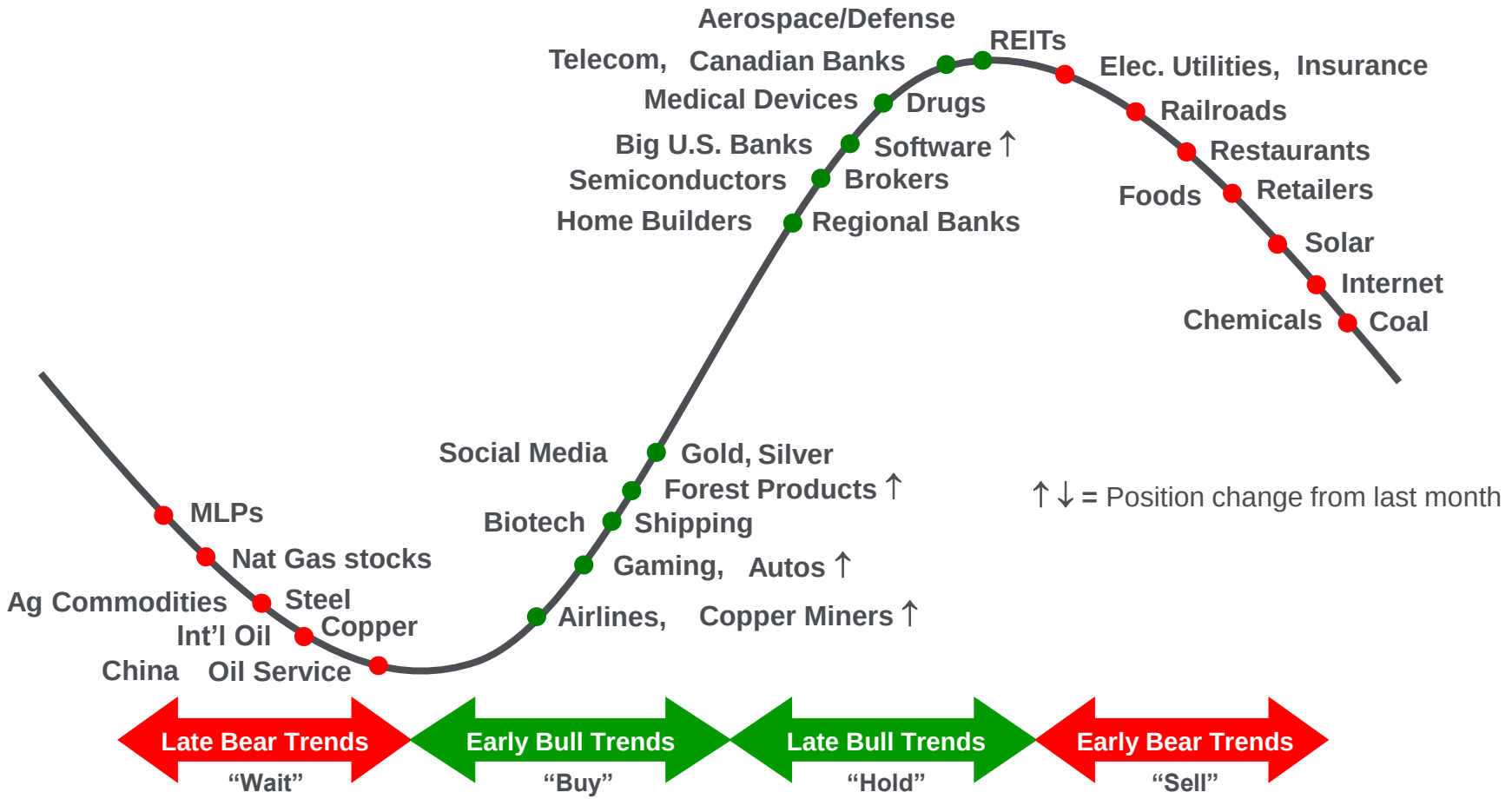
Most market sectors are in correcting trends of some sort, with some nearing potential bottoming points with improving trends likely to develop over the next several months. With so many market areas in correcting trends, it appears that it will also take a good amount of time for the indexes to go through a bottoming process before longer-term uptrends begin again.



Source - RBC Wealth Management

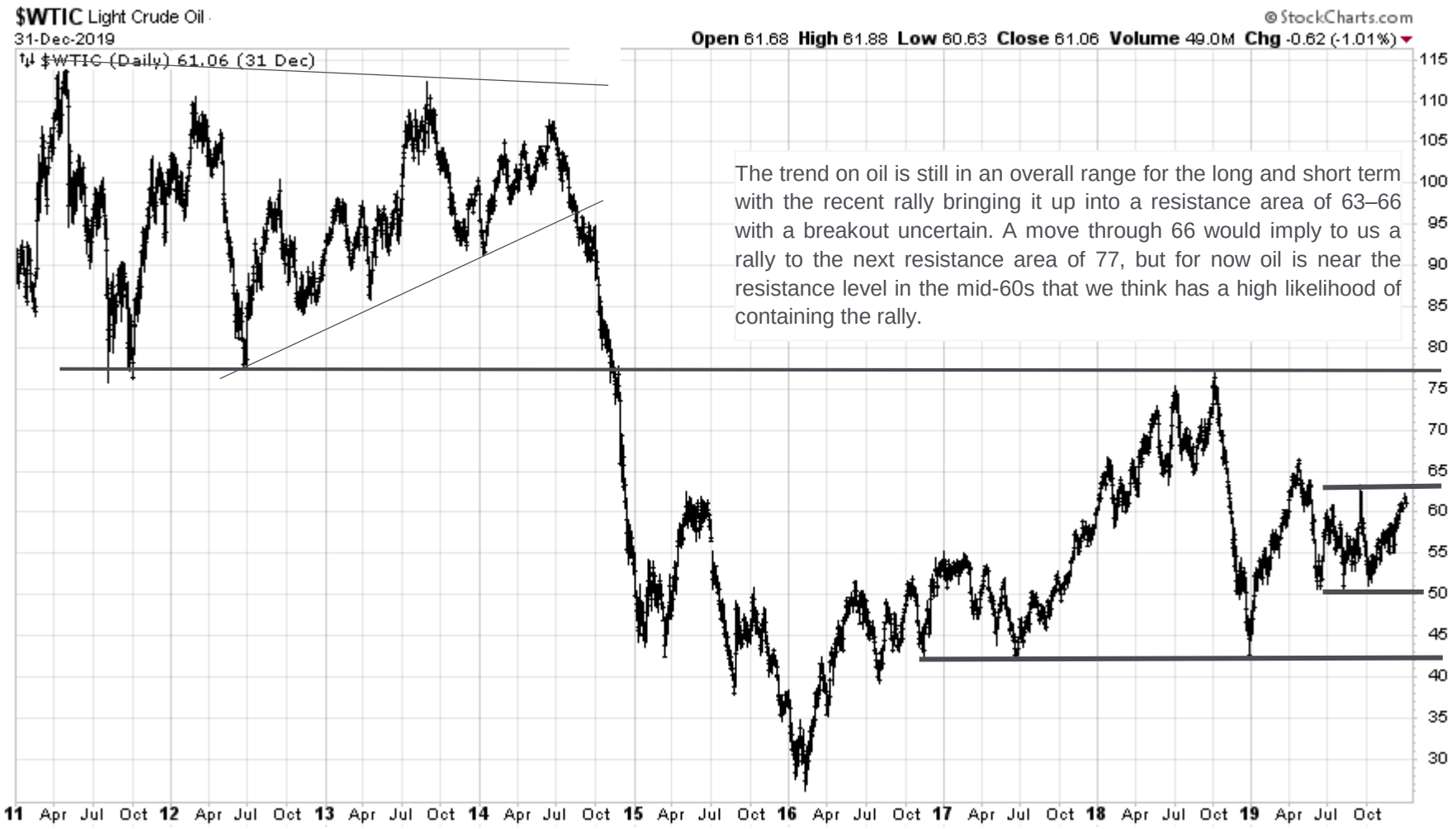
Select groups cycle positions

Our relative positioning of groups of interest within their individual bull and bear cycles



Source - RBC Wealth Management

Oil – Nine years



The trend on oil is still in an overall range for the long and short term with the recent rally bringing it up into a resistance area of 63–66 with a breakout uncertain. A move through 66 would imply to us a rally to the next resistance area of 77, but for now oil is near the resistance level in the mid-60s that we think has a high likelihood of containing the rally.

Chart courtesy of StockCharts.com and RBC Wealth Management

Stocks vs. commodities – 60 years

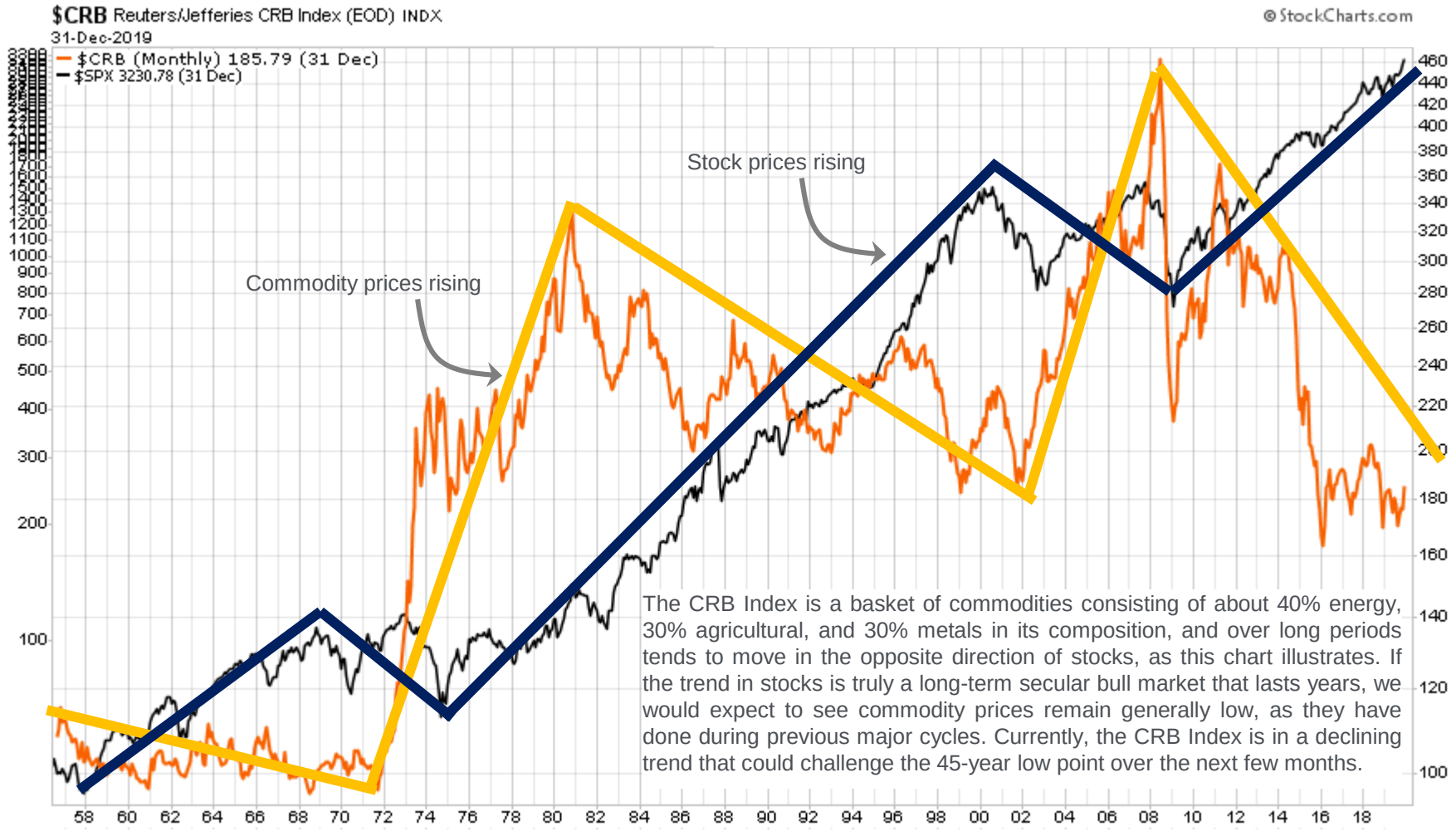


Chart courtesy of StockCharts.com and RBC Wealth Management