RBC Global Asset Management

Market outlook

SUMMER 2025

Markets find footing after U.S. policy chaos turns to progress

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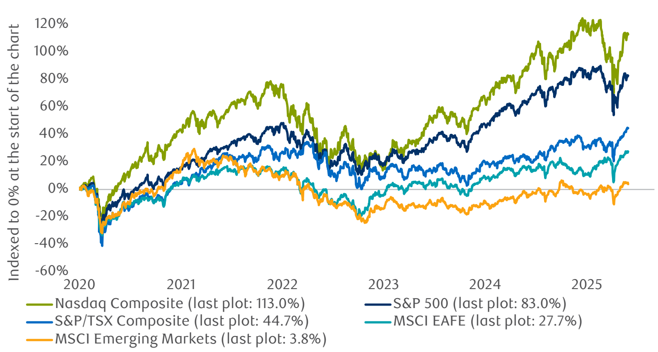
Heightened uncertainty around tariffs presents a major challenge for businesses, consumers and investors alike. But progress on the trade front has been made, and the odds of a worst-case scenario involving large-scale punitive tariffs in place for an extended period have diminished: trade deals have been struck, and further negotiations between the U.S. and other major countries – China in particular – are taking place. We recognize that tariffs at a reduced rate still pose a headwind to the economy and corporate profits and that they continue to present a risk for financial markets until further clarity is established.

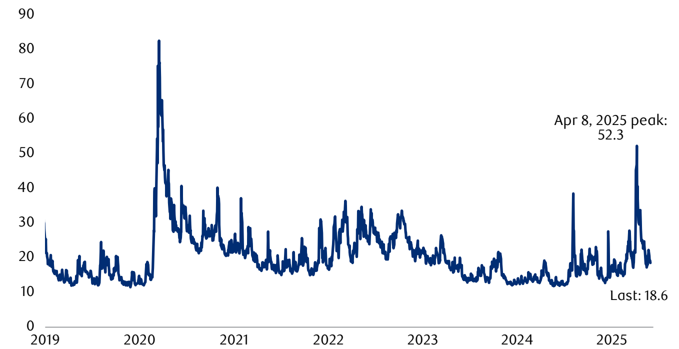
Investors who follow their portfolios closely will have noticed that equity markets experienced extreme fluctuations during the past quarter. Stock prices plunged in March and April amid the threat and subsequent April 2 announcement by President Trump of reciprocal tariffs, with some major indices falling 20% or more from their recent peaks (Exhibit 1). Moreover, the VIX, a popular gauge of investor fear, rose to its highest level since the early 2020 pandemic-related market crash (Exhibit 2). But the most recent panic was short-lived, and an impressive recovery began once Trump pivoted by

Exhibit 1: Major equity-market indices
Cumulative price returns indices in USD



Note: As of May 30, 2025. Price returns computed in USD. Source: Bloomberg, RBC GAM

Exhibit 2: Volatility Index (VIX)
Chicago Board Options Exchange Market Volatility Index



Note: As of May 30, 2025. Source: Bloomberg, RBC GAM

announcing a 90-day pause on reciprocal tariffs on April 9. By the end of May, most indices had erased the bulk of their losses, and some markets had risen to new records. The rebound in financial markets suggests that investor fear related to tariffs has reached its peak, and that investors are encouraged by Trump's willingness to engage in negotiations that appear to be leading to outcomes less damaging than initially threatened.

Fixed-income markets have also experienced significant volatility as investors weigh concerns about economic growth, inflation and highly indebted governments. The U.S. 10-year yield fell about 50 basis points to 3.86% between March 27 and April 4 on concerns that tariffs would cause a recession (Exhibit 3). But they had rebounded to 4.58% a week later on the back of the reciprocal-tariff pause announcement. As was the case for stocks, bond volatility has calmed over the past couple months. Yields, however, have settled closer to the upper end of the trading range as investor fears have focused increasingly on the worsening state of the U.S. government's finances rather than the possibility of an economic slowdown.

Our asset mix considers the near-term risks against the potential for long-term returns. In our view, uncertainty remains elevated and the range of potential outcomes around what we consider the most likely scenario remains wide. Our base case sees the economy continuing to expand, but at a decelerating pace that allows for interest-rate cuts later this year by the U.S. Federal Reserve (Fed). In this environment, bonds could deliver mid-single digit returns and act as an important ballast against equity-market volatility. We continue to expect stocks to outperform bonds over our 1-year forecast horizon, although we recognize that risk premiums are lower than usual, particularly for U.S. large-cap stocks. That said, we took advantage of the steep sell-off in stocks in the spring to add one percentage point to our equity allocation, moving it to a slight overweight position relative to strategic neutral. We have tilted our asset mix away from U.S. large-cap stocks toward regions with relatively attractive valuations. For a balanced global investor, our current recommended asset mix is 61.0% equities (strategic "neutral": 60.0%), 38.0% bonds (strategic "neutral": 38.0%) and 1.0% cash.

Exhibit 3: U.S. 10-year yield

Daily candlestick chart

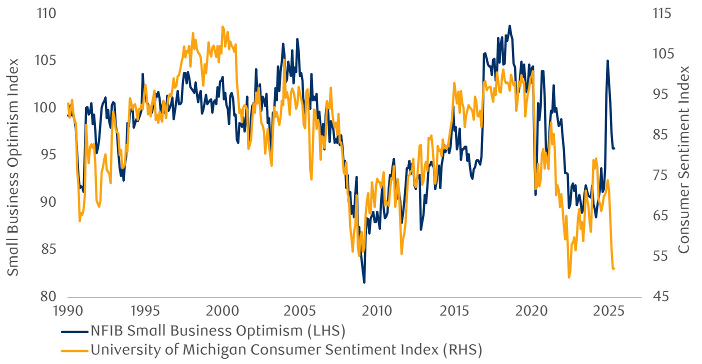
Note: As of May 30, 2025. Candlesticks represent daily open/high/low/close for the U.S. 10-year yield. Source: Bloomberg, RBC GAM

Confidence has soured, but resilient economic data has kept data-dependent Fed from lowering rates

One tricky aspect of the current environment for central banks is that confidence measures have been slumping at the same time that economic data has been resilient. Exhibit 4 plots the NFIB Small Business Optimism Index alongside the University of Michigan Consumer Sentiment Index. Both measures have rolled over after initially surging following Trump's election victory in November 2024. In fact, consumer sentiment has fallen to its weakest reading since mid-2022. Meanwhile, weakness in actual economic data has so far been limited. The labour market, for example, remains healthy as evidenced by an unemployment rate situated near historic lows of around 4.2% (Exhibit 5). So while consumers and businesses may not feel good about the outlook, the Fed is unlikely to lower interest rates unless employment starts to soften.

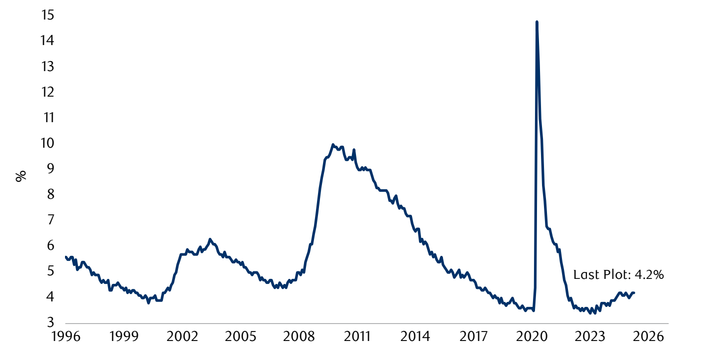
The other reason the Fed has held off on cutting interest rates so far this year is that inflation remains slightly above the Fed's target (Exhibit 6). PCE inflation, the Fed's preferred measure of inflation, has fallen nicely from the extraordinarily high levels of 2022-2023 but appears to have settled just above the 2.0% target. Moreover, businesses that face higher costs from tariffs could raise prices, heightening inflation in the near term. It's unlikely, in our view, that there will be any significant progress on inflation until next year.

Exhibit 4: U.S. consumer and small-business confidence



Note: As of May 30, 2025. Source: Bloomberg, RBC GAM

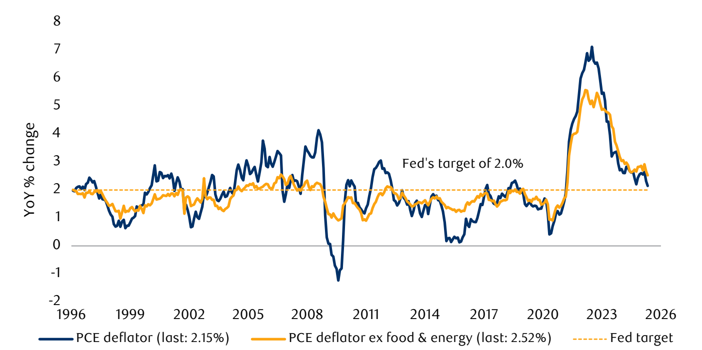
Exhibit 5: U.S. unemployment rate



Note: As of Apr 2025. Source: Bloomberg, RBC GAM

Exhibit 6: U.S. inflation

Personal Consumption Expenditures Price Index



Note: As of Apr 2025. Source: Bloomberg, RBC GAM

The good news on short-term interest rates is that, if the economy were to slow, the Fed has ample room to deliver monetary accommodation. The fed funds rate has held steady since the start of the year at 4.33%, a level which remains in restrictive territory according to our model (Exhibit 7). But if the economy slows as we expect, we foresee that the Fed will be in a position to cut interest rates later this year and into 2026. We look for three 25-basis-point cuts in the fed funds rate over the next year, which is in line with pricing in the futures market (Exhibit 8). Market pricing has been highly volatile, though, and we recognize the path for short-term rates will ultimately depend on economic data and the evolution of the tariff situation.

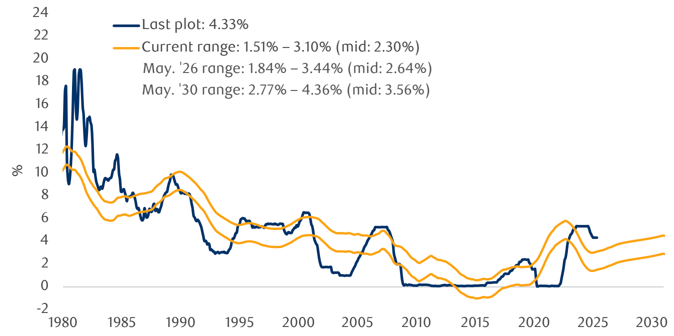
> "While the concerns regarding poor U.S. fiscal health are valid, higher yields will improve the appeal of bonds for fixed-income investors as long as fiscal challenges don't worsen meaningfully from here."

Long-term bond yields creep higher amid fiscal concerns

While accommodative monetary policy could suppress the short end of the yield curve, fiscal concerns have contributed to rising long-term bond yields. The U.S. 30-year yield climbed to over 5% in May 2025 for the first time since late 2023, but yields on shorter-term maturities have not risen to the same degree (Exhibit 9). As a result, the spread between 2-year and 30-year U.S. T-bonds grew to its widest since early 2022. Contributing to concerns on the long end of the yield curve were Moody's downgrade of the U.S. credit rating in May and Trump's tax-cut bill, which if passed would increase government debt. While the concerns regarding poor U.S. fiscal health are valid, higher yields will improve the appeal of bonds for fixed-income investors as long as fiscal challenges don't worsen meaningfully from here. According to our models, long-term bonds offer decent return potential in most major regions that we track, with only modest valuation risk (page 40).

Exhibit 7: U.S. fed funds rate

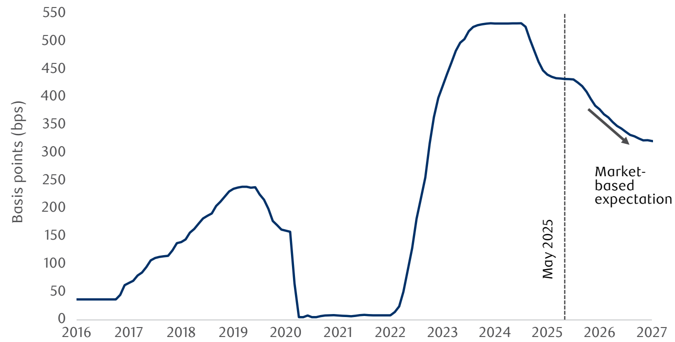
Equilibrium range



Note: As of May 31, 2025. Source: RBC GAM

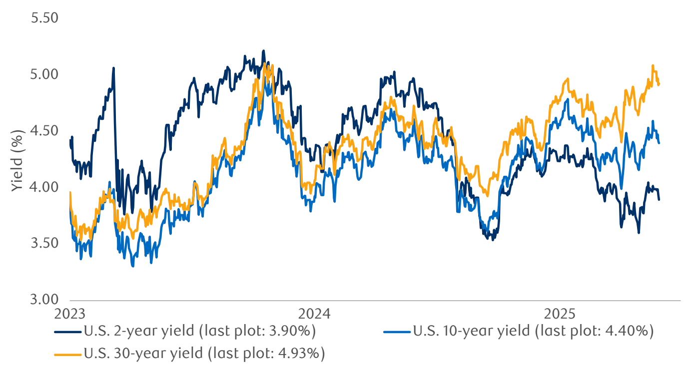
Exhibit 8: Implied fed funds rate

12-month futures contracts as of May 30, 2025



Source: Bloomberg, U.S. Federal Reserve, RBC GAM

Exhibit 9: U.S. T-bond yields



Note: As of May 30, 2025. Source: Bloomberg, RBC GAM

U.S. 10-year Treasuries are attractively priced according to our model

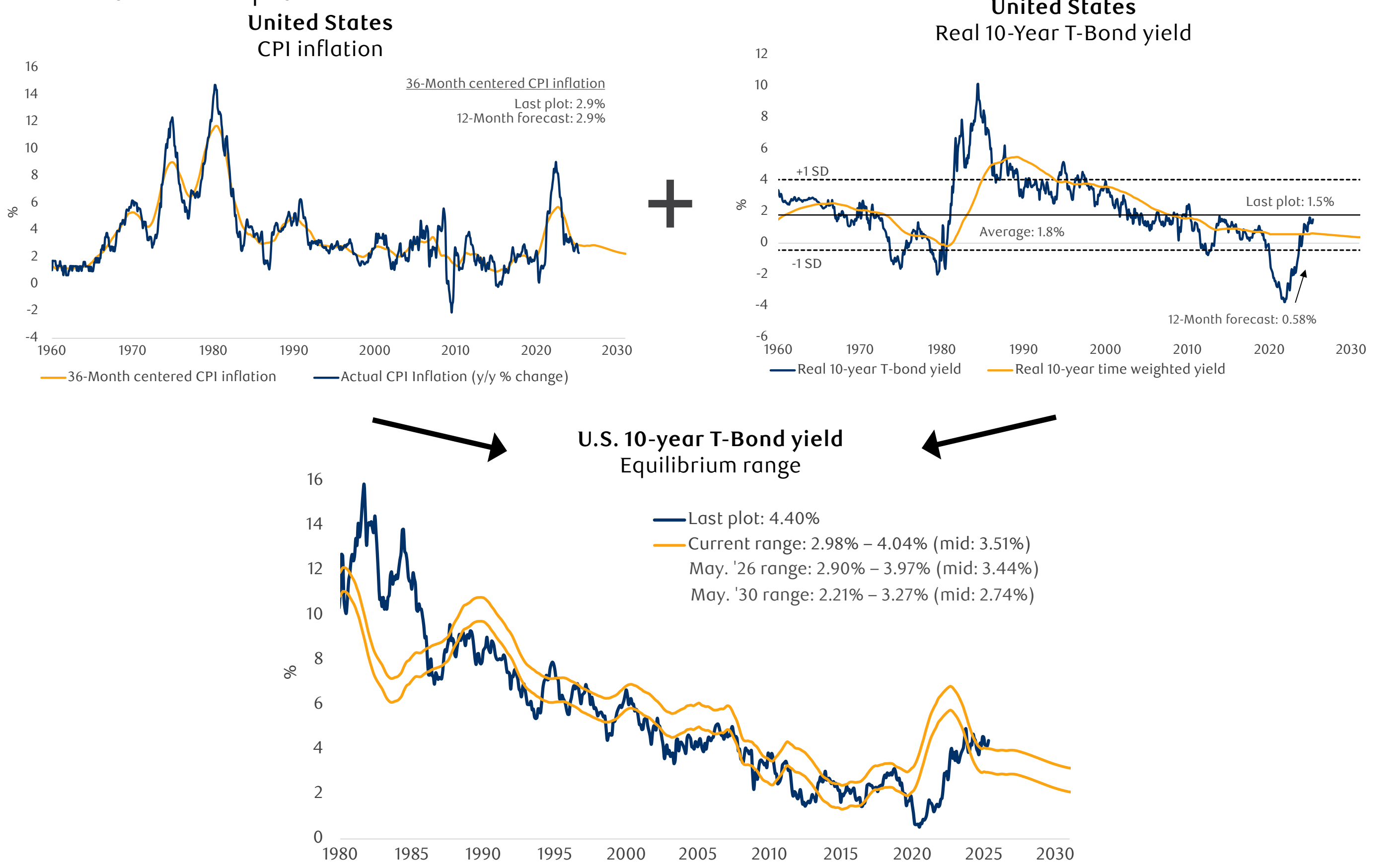
Exhibit 10 plots our U.S. 10-year T-bond model, which combines an inflation premium with a real (after-inflation) yield. What we notice from the charts is that the inflation has settled nicely after the extreme spike in 2022, and that the rise in yields has mostly come from an increase in real interest rates. The higher real yield reflects a better economic backdrop since the pandemic but also embeds an increasing risk premium due to growing concerns about U.S. debt levels. That premium is effectively additional compensation awarded to fixed-income investors in exchange for taking on the risk that the U.S. government may not repay them – arguably a very low chance. At this time, the real yield is around 75 basis points above our modelled expectation, which assumes that real rates will remain supressed over the long term due to structural factors such as an aging population and a reduced potential for growth as developing economies bow under the burden of much higher debt. As a result, the U.S. 10-year yield at 4.40% is appealing situated slightly above the upper boundary of our model's estimate of equilibrium. We forecast that the U.S. 10-year yield will decline to 4.25% over the year ahead, delivering mid-single digit returns.

Equity markets recover from intense sell-off

Stocks suffered steep declines followed by an impressive recovery as the narrative on U.S. trade policy shifted wildly. It's worth noting that this volatile episode triggered a shift in leadership away from U.S. stocks toward international

Exhibit 10: U.S. 10-year bond yield

Fair-value estimate composition



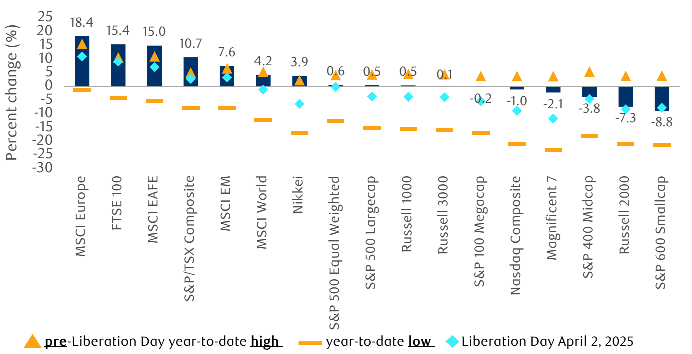
Note: As of May 30, 2025. Source: Bloomberg, RBC GAM

markets. Exhibit 11 plots the year-to-date performance for a variety of major markets, along with markers for key milestones. The horizontal bars on the chart represent the year-to-date low for each market, and all markets are now well above those levels. The triangles represent the year-to-date high before April 2 – Trump's "Liberation Day" - and the diamonds represent the level on that day. While all markets have recovered to their pre-Liberation Day levels, there's a notable difference between recoveries in U.S. markets versus non-U.S. markets. U.S. markets have failed to make new highs, with large-cap relatively flat year-to-date, and mid- and small-cap indices are still down between 3% and 8% so far this year. Non-U.S. markets, however, are sitting on gains, and in regions like Europe and Canada those gains are in the double digits. The MSCI Europe Index is leading in 2025, up 18.4% in U.S. dollars.

The sell-off featured deeply washed-out conditions

The stock-market slump in March and April put a lid on the frothy conditions that existed at the beginning of the year, when investors were highly optimistic about the economic outlook. The tariffs sparked an intense sell-off, pushing many of the technical and sentiment indicators that we track to extremes. A survey of investor sentiment, the percentage of stocks above their 200-day moving averages and our measure of S&P 500 monthly price momentum all fell to their weakest readings since late 2022 (exhibits 12 to 14). Such a major reset in technical and sentiment indicators has, in

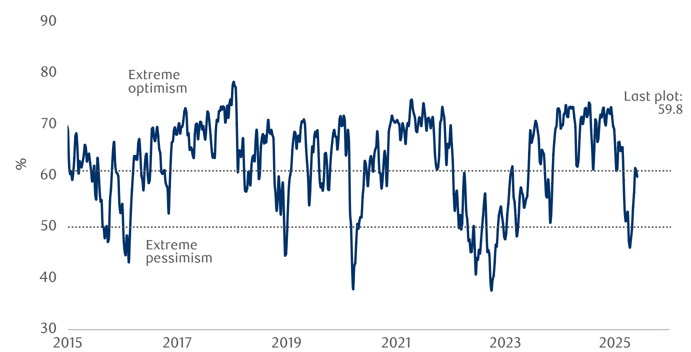
Exhibit 11: Major indices' price change in USD year-to-date



Note: As of May 30, 2025. Magnificent 7 includes Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta and Tesla. Source: Bloomberg, RBC GAM

Exhibit 12: Ned Davis Research Crowd Sentiment Poll

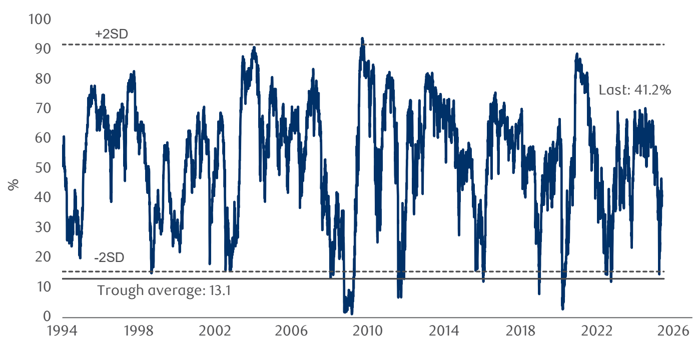
Percent bulls



Note: As of May 30, 2025. Source: Ned Davis Research, RBC GAM

Exhibit 13: New York Stock Exchange Composite Index

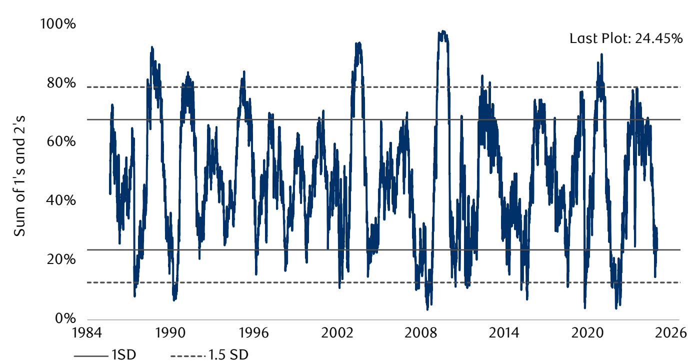
% of stocks above their 200-day moving average



Note: As of May 30, 2025. Source: Bloomberg, RBC GAM

Exhibit 14: S&P 500 Index

Monthly price momentum



Note: As of May 30, 2025. Source: RBC GAM the past, often marked durable market bottoms and the beginning of sustainable rallies, like in late 2022 and early 2020. In fact, markets have rebounded meaningfully since early April of this year, and all of these indicators are now well off their lows. Sentiment is approaching extreme optimism once again after the latest rally. That said, these technical measures tend to be better at identifying market bottoms than market tops, and should overbought conditions return, history suggests they can remain in place for an extended period.

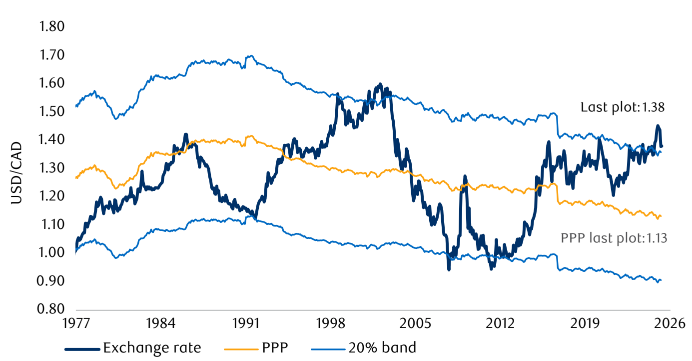
U.S. dollar weakens amid volatile episode

Another theme that has surfaced during the latest bout of market volatility has been meaningful shifts within the currency markets. The U.S. dollar's 10% decline since the start of the year is especially noteworthy given that the greenback tends to appreciate during times of heightened financial-market stress and fear. But during this latest market-panic episode, the dollar did not act as protection, perhaps reflecting investor doubts around U.S. exceptionalism and whether the U.S. dollar is truly a safe haven. Moreover, the weakness in the U.S. dollar has exacerbated the underperformance of U.S. assets relative to global assets. Note that the sell-off in the greenback began from a point of extreme overvaluation, and the declines could still have a long way to go should the magnitude of currency movements from past cycles be repeated (Exhibit 15).

Global stocks reasonably valued especially outside U.S. large-caps

Our models suggest that global equities are fairly priced and offer attractive returns, especially international markets. Exhibit 16 plots a composite of global stock valuations based on each market's distance above or below fair value. This GDP-weighted measure indicates equities are reasonably priced at only 4.9% above equilibrium. However, this reading masks the divergences that exist between markets within the composite. The yellow line on the chart plots the composite excluding the U.S. from its calculation, and shows that non-U.S. stocks are situated 12% below fair value. This is because stocks in Europe, the UK and emerging markets are trading close to one standard deviation below fair value, while the S&P 500 still trades close to one standard deviation *above* fair value (page 41).

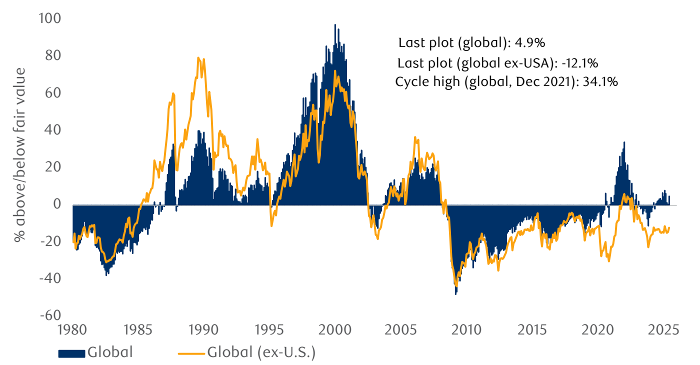
Exhibit 15: USD/CAD & purchasing power parity



Note: As of May 31, 2025. Source: DB FX Research, RBC GAM

Exhibit 16: Global stock-market composite

Equity-market indexes relative to equilibrium



Note: As of May 30, 2025. Source: RBC GAM

S&P 500 exhibits heightened concentration risk

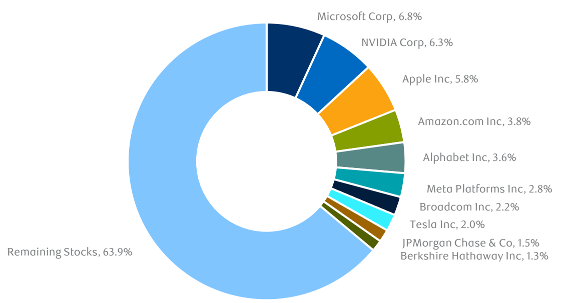
One of the challenges with owning the S&P 500 is that the index is highly concentrated in a few companies with extremely large market capitalizations. Just 10 stocks make up about a third of the index weighting (Exhibit 17), and the weighting of those top 10 names has been increasing over time (Exhibit 18). As a result, we find it useful to look at the equal-weighted version of the index, which assigns a 1/500 weight to each constituent irrespective of market cap. The S&P 500 Equal Weighted Index is much more appealing on a valuation basis and is situated toward the lower end of our modelled fair-value band (Exhibit 19). Using this approach to correct for the U.S. large-cap market's extreme concentration risk, we conclude that while the S&P 500 is richly valued, the average U.S. stock is not necessarily expensive.

Earnings under threat from tariffs, de-globalization

For the overall stock market, the outlook for earnings is being clouded by uncertainty around tariffs and the potential impact of a U.S. administration that is trying to reverse globalization. As a result, earnings estimates for the S&P 500 have been coming down gradually so far this year (Exhibit 20). Analysts are pencilling in 8.5% aggregate profit growth in 2025, down from 14% estimates earlier this year, and they look for 13.5% profit growth in 2026, down from previous forecasts of 15%. These numbers still represent fairly strong growth, but the trend is down and reflects headwinds ahead.

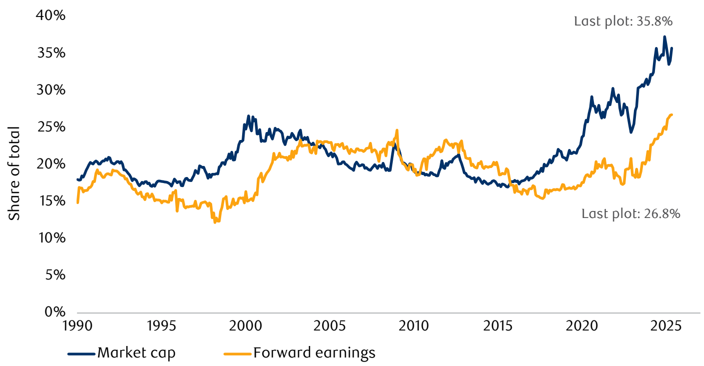
Exhibit 17: S&P 500 Index

Member weightings



Note: As of May 30, 2025. Source: Bloomberg, RBC GAM

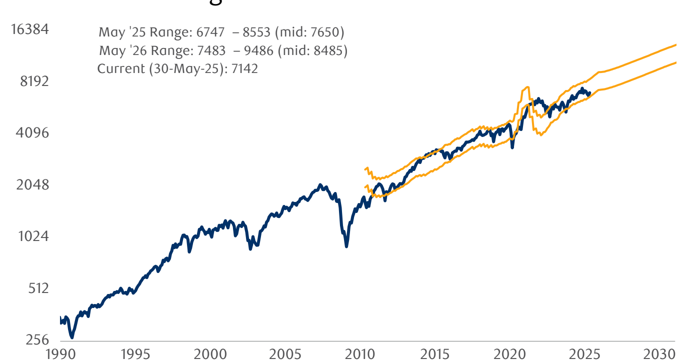
Exhibit 18: Top 10 stocks as a share of S&P 500 Index



Note: As of May 30, 2025. Source: RBC GAM

Exhibit 19: S&P 500 Equal Weighted equilibrium

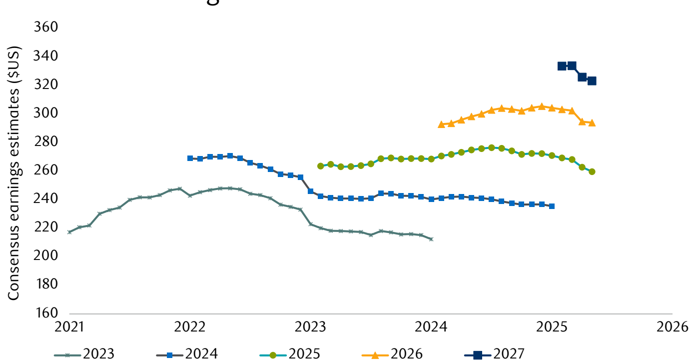
Normalized earnings & valuations



Source: RBC GAM

Exhibit 20: S&P 500 Index

Consensus earnings estimates



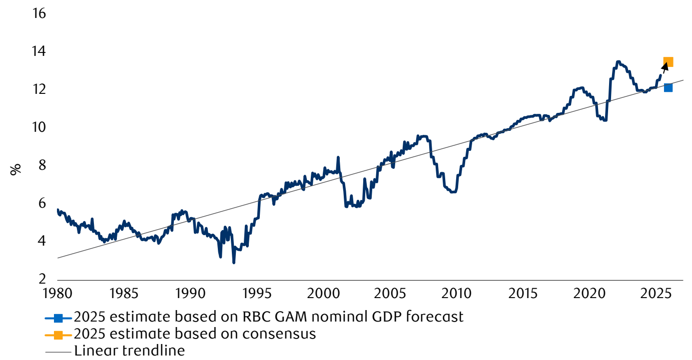
Note: As of May 28, 2025. Source: Bloomberg, RBC GAM

One of the main variables that could weigh on earnings is shrinking profit margins, as companies' costs rise due to tariffs and re-shoring production to the U.S. Profit margins of U.S. companies have more than doubled over the past three decades to 13% from 5% (Exhibit 21). Empirical Research Partners analyzed the sources of increased corporate profit-margin growth since 2000 and found the gains could be attributed to factors such as globalization, lower interest rates, falling tax rates, improved operating efficiencies and tax sheltering (Exhibit 22). In particular, the impact of globalization is the largest piece of the pie chart, accounting for 29% of the margin improvement, when combining the savings from lower wages (16% of the pie chart) and reduced capital intensity (13% of the pie chart) accessed via supply chains offshore. A push by the U.S. administration to have companies re-shore production could lead to higher costs in the near term, narrowing profit margins unless companies are able to pass those cost increases along to customers.

Scenarios suggest valuations for S&P 500 are demanding once again

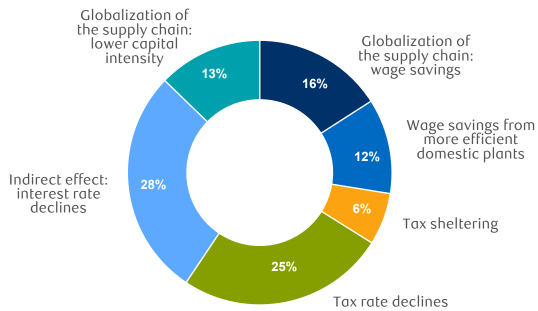
The rally in the S&P 500 since early April has pushed the index back to levels from which further gains become increasingly dependent on strong earnings growth and elevated investor confidence. That's because the index is already trading at one full standard deviation above our modelled estimate of equilibrium. While it is possible for equities to get even more expensive, valuations more than one standard deviation above equilibrium are rarely seen, let alone sustained. Should the S&P 500 maintain a price-to-earnings ratio of around 22,

Exhibit 21: S&P 500
Net Margin



Note: As of May 2025. Source: Bloomberg, RBC GAM

Exhibit 22: S&P 500 Index manufacturers
Sources of profit-margin improvement since 2000



Note: As of Dec 2024. Source: Empirical Research Partners

Exhibit 23: Earnings estimates and alternative scenarios for valuations and outcomes for the S&P 500

		Consensus 2025	Total Return 2025		Consensus 2026	Total Return 2026
	P/E	$263.6		P/E	$299.5	
+2 Standard Deviation	27.0	7110.6	21%	26.8	8035.5	23%
+1 Standard Deviation	22.4	5905.0	1%	22.3	6673.0	9%
+0.5 Standard Deviation	20.1	5302.1	-10%	20.0	5991.8	2%
Equilibrium	17.8	4699.3	-20%	17.7	5310.5	-5%
-0.5 Standard Deviation	15.5	4096.5	-30%	15.5	4629.3	-13%
-1 Standard Deviation	13.3	3493.7	-40%	13.2	3948.1	-21%
-2 Standard Deviation	8.7	2288.0	-60%	8.6	2585.6	-39%

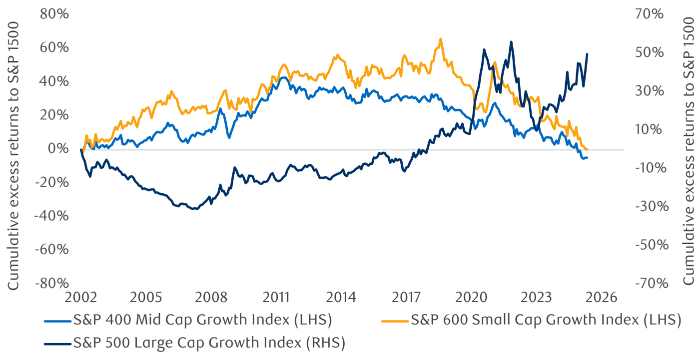
Note: As of May 30, 2025. Total returns for 2026 are annualized. Source: LSEG I/B/E/S, RBC GAM where it trades today, the index could reach 6673 by the end of next year, assuming the US$299.50-per-share consensus estimate for earnings materializes (Exhibit 23). Such an outcome would generate a 9% annualized total return for the index from May 31, 2025, to December 31, 2026. This result, while decent, likely requires a lot of things to go right and represents more of a bull-case scenario linked to further progress on trade, Fed accommodation, consumer optimism and strong earnings growth. Should risks flare or the economy encounter a more pronounced slowdown, stocks would be vulnerable given their relatively expensive starting point.

Styles: large-cap growth regains leadership within the U.S.

Within the U.S. market, large-cap growth stocks have resumed their outperformance after encountering some volatility in March and April (exhibits 24 and 25). In fact, of all the style segments we track, large-cap growth is the only one exhibiting a consistent trend of outperformance since late 2022. Within growth stocks, small-cap growth and mid-cap growth have been underperforming, while value stocks are underperforming across all cap sizes. The performance of smaller cap and value stocks tends to be more sensitive to changes in the economy and perhaps hints that the macroeconomic environment will make it more challenging for more companies to reliably grow their earnings. As a result, investors are favouring stable large-cap growth companies that have a proven track record of delivering strong earnings growth irrespective of the economic backdrop.

Exhibit 24: Returns for Growth

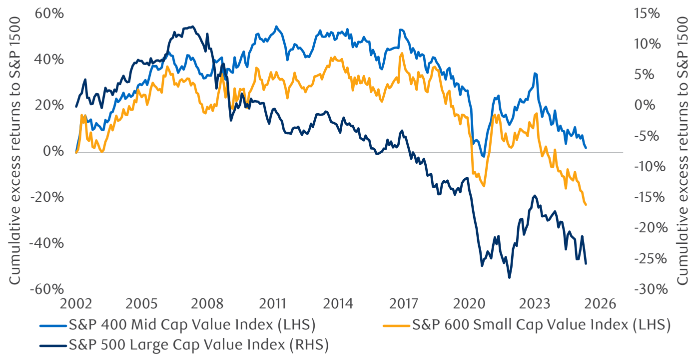
S&P growth indices



Note: As of May 30, 2025. Source: S&P Dow Jones Indices, Bloomberg, RBC GAM

Exhibit 25: Returns for Value

S&P value indices



Note: As of May 30, 2025. Source: S&P Dow Jones Indices, Bloomberg, RBC GAM

Geographies: U.S. lags while international stocks outperform

We see signs, at the margin, that investors are losing interest in U.S. assets and are instead favouring international markets. Exhibits 26 and 27 plot the MSCI Europe Index and MSCI Emerging Markets Index, along with their performance relative to the S&P 500 in the bottom panel of the charts. While it may be difficult to detect the recent shift in performance on these long-term charts, the pictures suggest the recent bout of outperformance in international markets could have room to run. Supporting the case that international markets could be set up for sustained outperformance versus the U.S. is the fact that they are starting from extreme valuation discounts relative to the U.S. The U.S.-led trade war could catalyze investors to start shifting investments away from the U.S. Moreover, the U.S. weight in the MSCI World Index has grown to over 70% from around 50% at the end of the 2008-2009 global financial crisis (Exhibit 28). Should the forces of mean-reversion take hold, non-U.S. equities could offer years of outperformance.

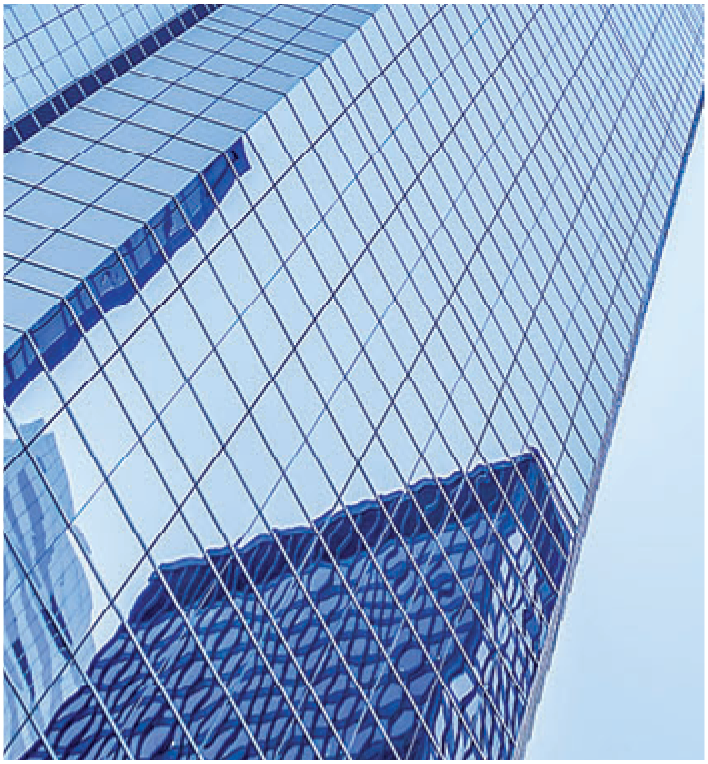
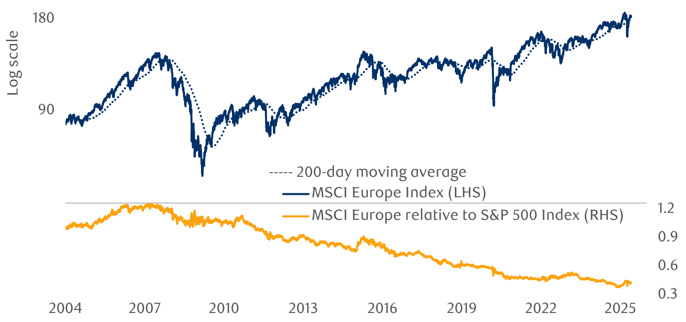
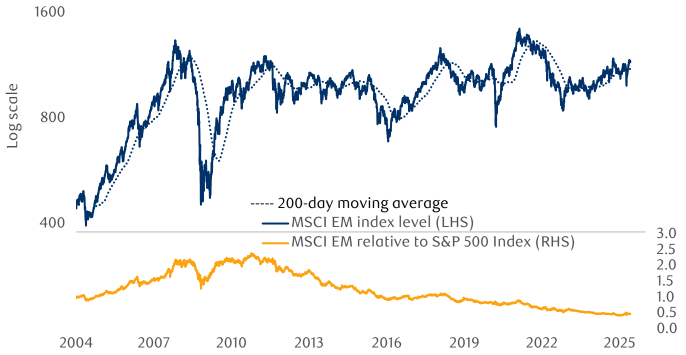


Exhibit 26: MSCI Europe Index



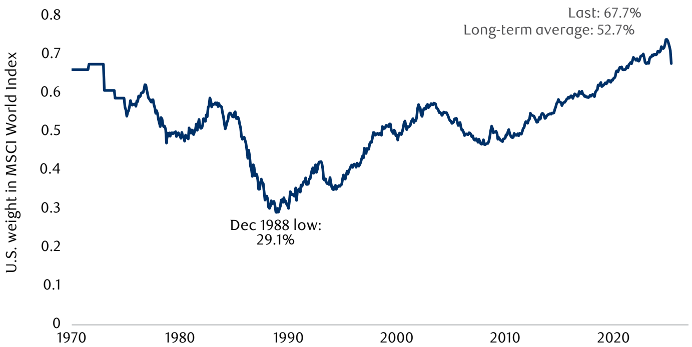
Note: As of May 30, 2025. Source: RBC GAM

Exhibit 27: MSCI Emerging Markets Index



Note: As of May 30, 2025. Source: RBC GAM

Exhibit 28: U.S. weight in MSCI World Index



Note: As of May 31, 2025. Source: RIMES

Asset mix – increasing equity allocation slightly, with tilt toward non-U.S. markets

Given the uncertain macroeconomic environment, we have been keeping our asset mix relatively close to a neutral stance. Our base case is that the economy and corporate profits continue growing, and that the Fed resumes interest-rate cuts later this year. In this scenario, fixed-income assets post modest returns and stocks outperform bonds slightly. We recognize, however, that financial markets could be sideswiped in the near term by U.S. policy uncertainty and geopolitical tensions in the Middle East and Russia/Ukraine.

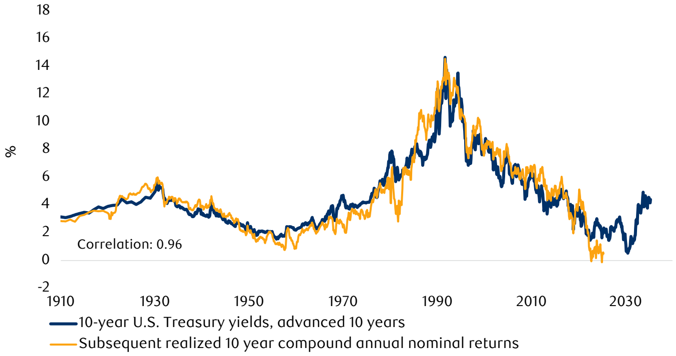
When considering the return potential for various markets over the longer term, we continue to believe that stocks will outperform bonds, but that the risk premium is not necessarily as large as it has been in the past. For this reason, we are maintaining an asset mix closer to neutral than has been the case.

For bonds, a good historical estimate for what investor earn is the current yield to maturity. Exhibit 29 plots 125 years of history of the U.S. 10-year yield and returns realized over the subsequent decade. The chart indicates a strong relationship between the two series and suggests that the current yield of 4.40% on the U.S. 10-year yield is a reasonable estimate of what fixed-income investors can expect to receive on U.S. 10-year T-bonds over the next decade.

For stocks, Shiller's CAPE ratio is a popular and useful tool for forecasting long-term returns based on current valuations. Exhibit 30 plots the CAPE ratio alongside 10-year returns for the S&P 500 (advanced 10 years and using the inverted scale on the chart). The chart suggests that when stocks are cheap (i.e. low CAPE) they have delivered stronger returns, and that when stocks are expensive (i.e. high CAPE) they have generated low returns. For long-term investors, this notion is especially critical because it means that as stocks sell off like they did in the March/April period, return potential improves. Following the impressive rally, return potential diminished as stocks became more expensive particularly in the U.S. This relationship between CAPE and S&P 500 returns currently indicates long-term return expectations of about 5% for U.S. large-cap stocks, which is not far above the expectation for bonds. Note that large-cap markets outside the U.S. have more attractive valuations, meaning their potential returns are higher.

Considering the short-term risks and the long-term opportunities, we are maintaining an asset allocation relatively close to neutral this quarter, although we have made some slight changes. We added one percentage point to our equity allocation, sourced from cash, as stocks reached extremely oversold conditions typically been associated with good long-term buying opportunities. Within our equity regional mix, we have tilted away from expensive U.S. large-cap stocks in favour of equities outside the U.S., particularly in Europe, where valuations are more appealing. For a balanced global investor, our current recommended asset mix is 61.0% equities (strategic "neutral": 60.0%), 38.0% bonds (strategic "neutral": 38.0%) and 1.0% cash.

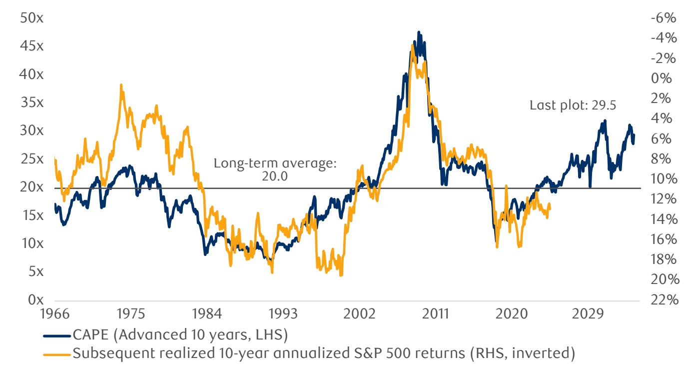
Exhibit 29: U.S. 10-year Treasury note and returns



Note: May 31, 2025. Source: Deutsche Bank, Macrobond, RBC GAM

Exhibit 30: Shiller's CAPE

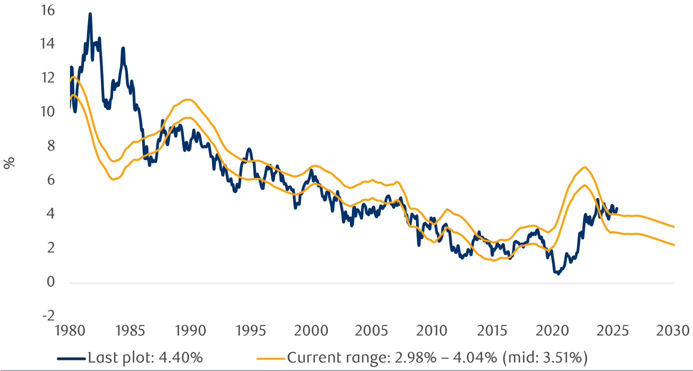
Real S&P 500 Index / 10-year average of real EPS



Note: As of May 30, 2025. Source: Macrobond, Bloomberg, RBC GAM

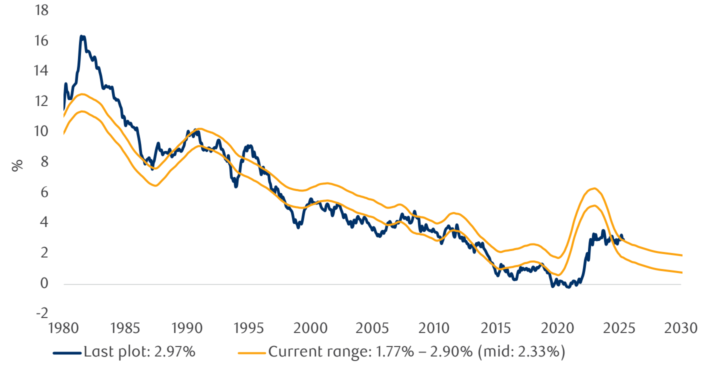
Global fixed income markets

U.S. 10-Year T-Bond Yield
Equilibrium range



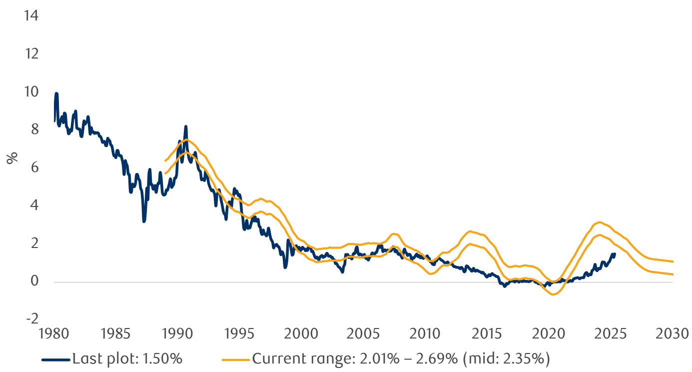
Note: As of May 31, 2025. Source: RBC GAM

Eurozone 10-Year Bond Yield
Equilibrium range



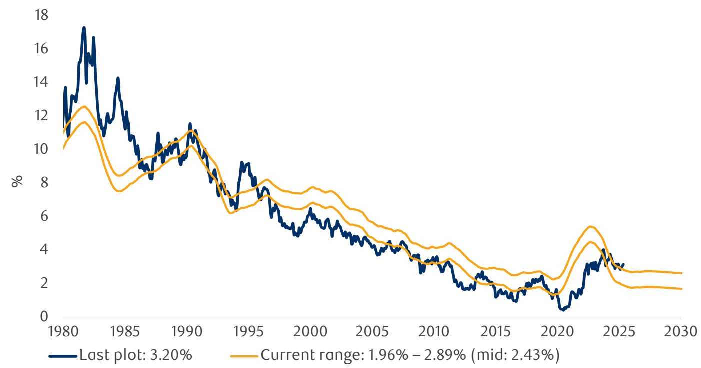
Note: As of May 31, 2025. Source: RBC GAM

Japan 10-Year Bond Yield
Equilibrium range



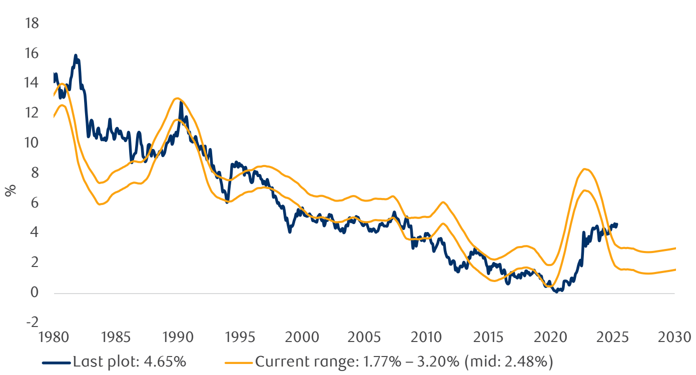
Note: As of May 31, 2025. Source: RBC GAM

Canada 10-Year Bond Yield
Equilibrium range



Note: As of May 31, 2025. Source: RBC GAM

U.K. 10-Year Gilt
Equilibrium range

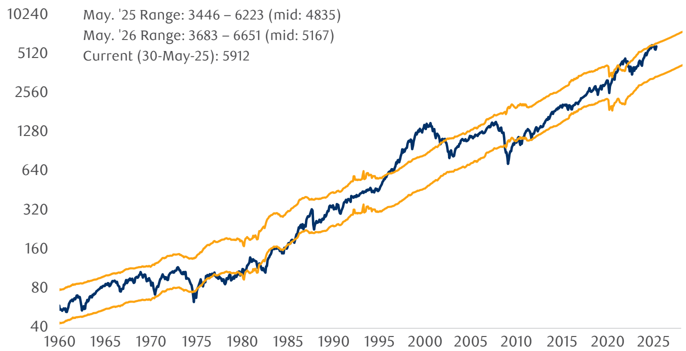


Note: As of May 31, 2025. Source: RBC GAM

> “According to our models, long-term bonds offer decent return potential in most major regions that we track, with only modest valuation risk.”

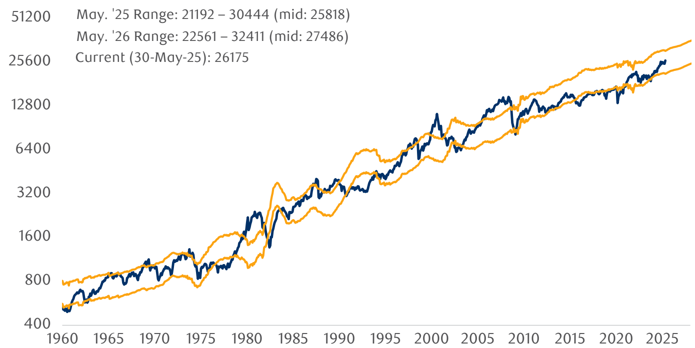
Global equity markets

S&P 500 Equilibrium
Normalized earnings and valuations



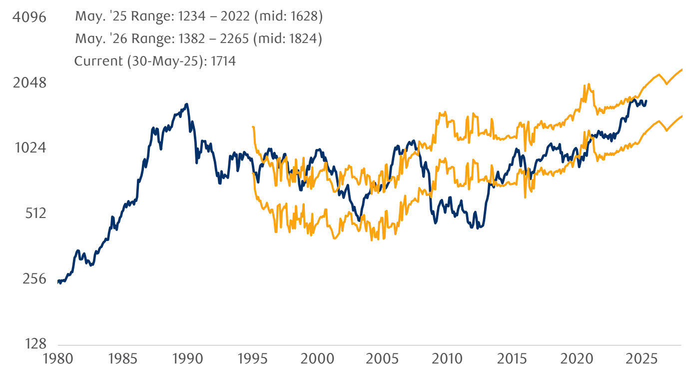
Note: As of May 31, 2025. Source: RBC GAM

S&P/TSX Composite Equilibrium
Normalized earnings and valuations



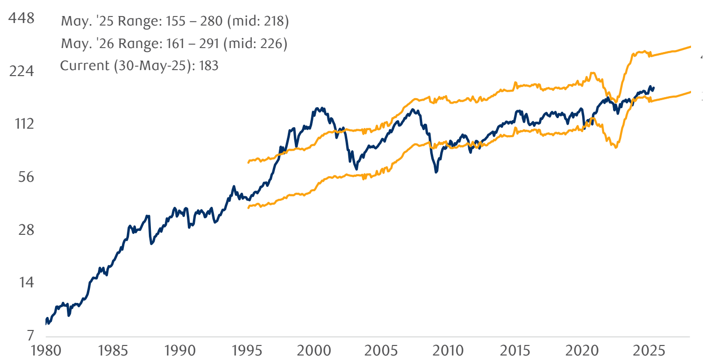
Note: As of May 31, 2025. Source: RBC GAM

MSCI Japan Index
Normalized earnings and valuations



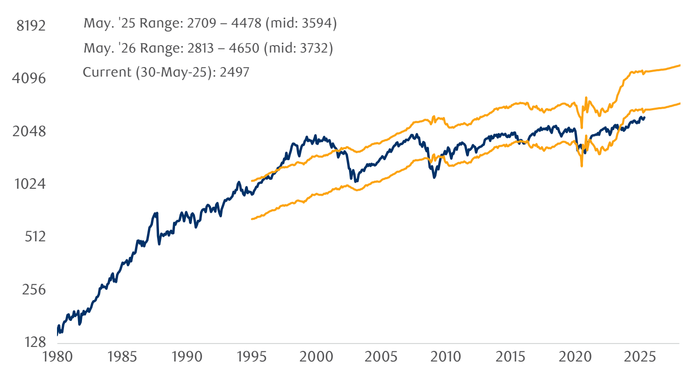
Note: As of May 31, 2025. Source: RBC GAM

MSCI Europe Index
Normalized earnings and valuations



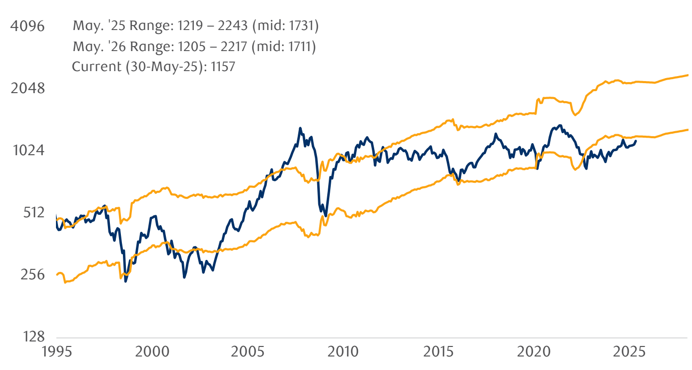
Note: As of May 31, 2025. Source: RBC GAM

MSCI UK Index
Normalized earnings and valuations



Note: As of May 31, 2025. Source: RBC GAM

MSCI Emerging Markets Index
Normalized earnings and valuations



Note: As of May 31, 2025. Source: RBC GAM

Note: The fair value estimates are for illustrative purposes only. Corrections are always a possibility and valuations will not limit the risk of damage from systemic shocks. It is not possible to invest directly in an unmanaged index.

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Publication date: June 15, 2025

(06/2025)
MARKET OUTLOOK _SUMMER 2025_E 06/18/2025