

# Trend & Cycle Roadmap

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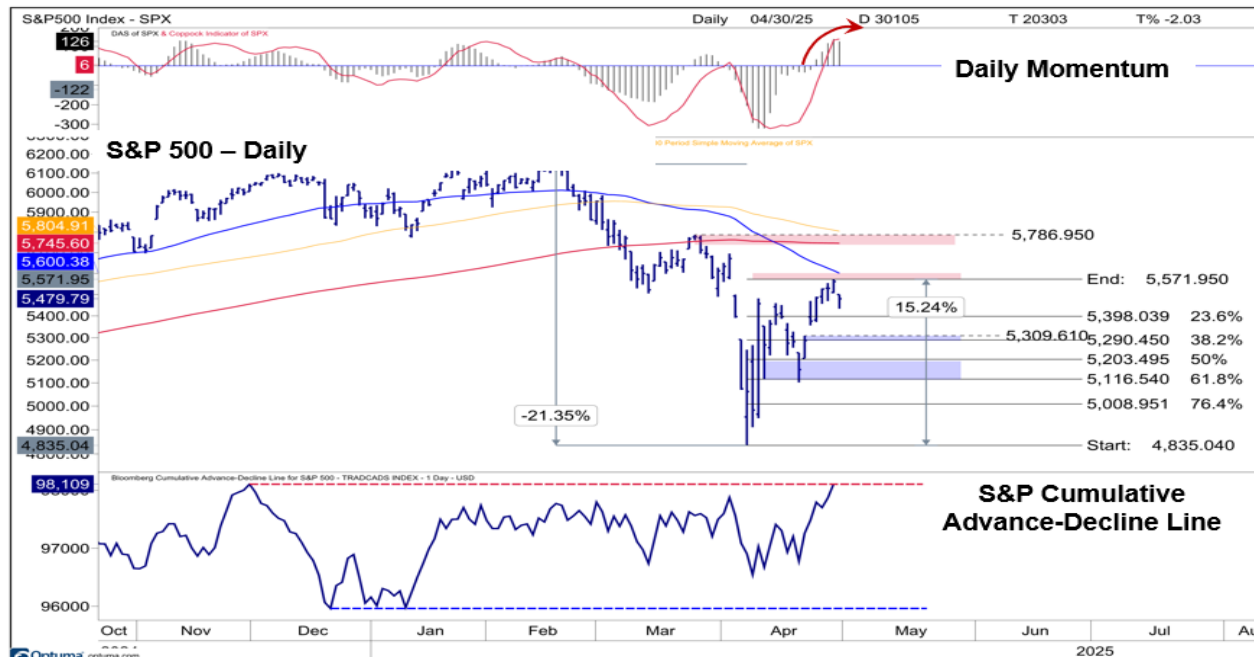
Wealth  
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- S&P 500 - After a 15% rebound, trading indicators are becoming overbought – Expect a pause.
- Large, mid and small-cap indices - Weekly indicators are bottoming suggesting short lived pullbacks.
- US dollar has become oversold tactically and is expected to bounce from current levels.
- Gold's longer-term trend is positive but bullion is well advanced and likely to pull back.
- Cybersecurity remains a leadership trend within equity markets.

We are revisiting the short-term chart for the S&P to illustrate key support and resistance levels following a 15% rebound from the April lows. Daily momentum in the top panel, tracking 2-4 week swings, has moved toward overbought levels and while it has yet to peak, it will likely to do so in the coming 1-2 weeks. First resistance is at current levels near 5600 coinciding with the blue 50-day moving average followed by a band between 5745-5786 near the red 200-day moving average.

The bottom line is that investors should expect a near-term pause over the coming 1-2 weeks but pullbacks are likely to remain short lived given the intermediate-term backdrop illustrated on page 2. Support begins near 5300 followed by a more durable band between 5116-5203 at the 50-62% retracement band.

In addition, despite the index weakness into the April lows, the advance-decline line (bottom panel) for the S&P 500 is improving with potential to break out to new cycle highs. We view the improving participation within the index as an encouraging development reinforcing our expectation that pullbacks will be short lived.



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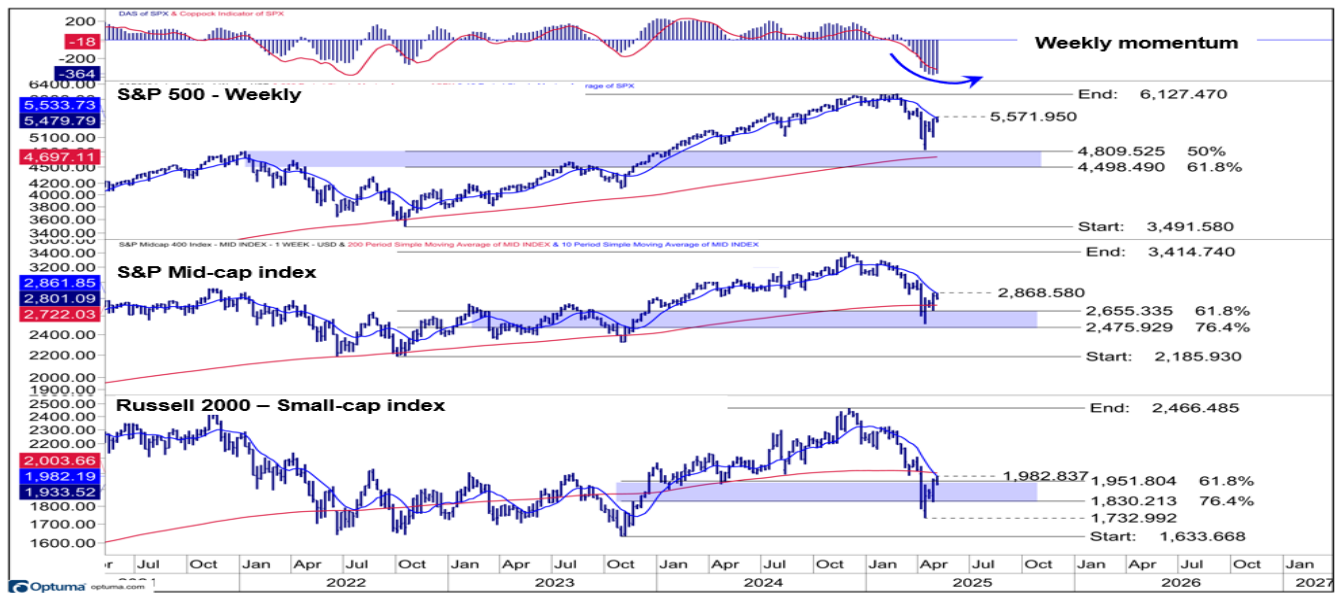
All values in U.S. dollars and priced as of April 30, 2025, at 1:00 pm ET unless otherwise noted.

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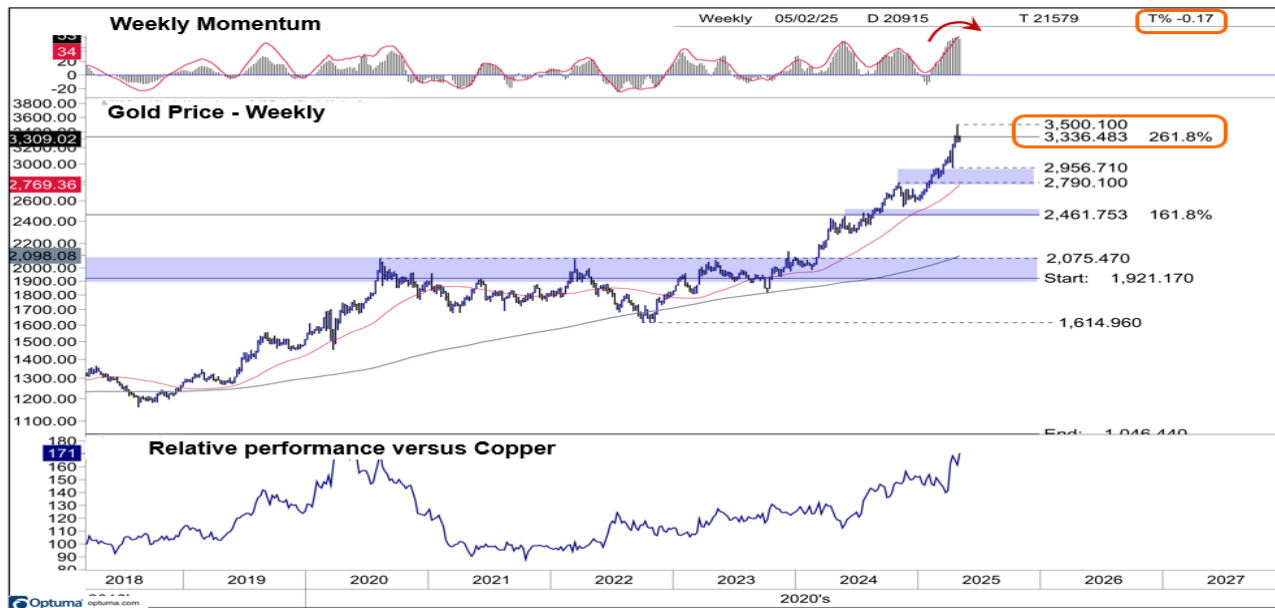
**S&P 500, S&P 400 Mid-cap, Russell 2000 Small-cap index intermediate-term view** – Although a short-term pullback from resistance near the blue 10-week/50-day moving average is likely, our expectation is that the pullback will be short lived. Why? Weekly momentum indicators (top panel) are oversold and in the early stages of turning up as most equity markets rally from important support bands. We continue to view the April lows as a legitimate intermediate-term bottom with further recovery expected in Q2.



**US Dollar** – We are again featuring the weekly chart of the US dollar index (DXY) to remind investors that despite the 11% decline in 2025 that broke below key support near 100, it is oversold from an intermediate-term perspective. We expect a bounce to develop in Q2 with 102 followed by 104-105 resistance.



**Gold – Early signs of a pause taking hold** – Gold remains in a bullish long-term uptrend but is well advanced intermediate-term above its uptrend with weekly momentum (top panel) overbought and likely to turn negative in the coming 1-2 weeks. First support is in a band between 2790-2958.



Source: RBC Wealth Management, Bloomberg, Optuma

The **Nasdaq Cybersecurity index** below, which is tracked by ETFs, rallied from oversold levels at important support near 2700 in April with further upside in Q2 likely. Weekly momentum (top panel), and more importantly, relative performance (bottom panel) remain in uptrends despite the correction into mid-April. Bottom line: We view the cybersecurity space to be an ongoing leadership area of the equity markets.



Source: RBC Wealth Management, Bloomberg, Optuma

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			Count	Percent
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