

## RBC U.S. Index Fund



### Commentary as at December 31, 2023

Large-cap U.S. equity indexes performed exceptionally well in 2023, as advances in artificial intelligence led to big gains for a small number of large technology companies with a disproportionate impact on benchmark performance. Excluding these companies, returns were more muted as the U.S. economy battled major headwinds, including inflation running above central-bank targets and borrowing costs at their highest in 16 years.

Index returns were driven by the seven largest members of the S&P 500, the so-called "Magnificent 7." This group, which is comprised of Microsoft, Apple Inc. and Nvidia in the Information Technology sector; Google and Meta in Communication Services; and Amazon.com and Tesla in Consumer Discretionary, accounted for almost 30% of the market capitalization of the S&P 500 at the end of 2023.

The portfolio manager has no recent developments to report.

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