Before the Bell

An Ameriprise Investment Research Group Publication

November 20, 2023

Starting the Day

- U.S. futures are pointing to a flattish open
- European markets trading mostly higher at mid-day
- Asian markets ended mostly higher
- Stocks post a 3-week win streak, a first since summer
- It's a good time to reflect on your investment outlook
- 10-year Treasury yield at 4.48%
- West Texas Intermediate (WTI) oil is trading at $77.35
- Gold is trading at $1,973.70

Market Perspectives

Anthony Saglimbene, Chief Market Strategist

Weekly Market Perspectives: U.S. stocks strung together their third straight week of gains last week, with the S&P 500 Index (+2.3%) and Dow Jones Industrials Average (+2.1%) accomplishing the feat for the first time since July. The NASDAQ Composite gained +2.4% on the week, notching its first 3-week winning streak since June. Lower-than-expected inflation in October and growing odds that the Federal Reserve is finally done lifting interest rates were the main catalysts for driving stock momentum higher last week. Further, the Russell 2000 Index soared higher by over +5.0% (its second-best week of the year) as a soft-landing scenario for the U.S. economy now looks more achievable if inflation can continue to moderate in the months ahead and interest rates stabilize.

All eleven S&P 500 sectors finished the week positively. Notably, major sector outperformance came from the deeper cyclical areas of the market, which have substantially trailed mega-cap Tech all year. Real Estate (+4.6%), Materials (+3.7%), and Consumer Discretionary (+3.4%) led stocks higher last week, as disinflationary trends currently running across the economy relieved some of the lingering recessionary concerns that had weighed on stock prices since late July. Simply, U.S. stock averages are seeing their best month in over a year because disinflation trends are beginning to look more obvious to a greater number of investors. After three months of fretting over lingering inflation fears, higher interest rates, and looming recession risks, investors received several economic updates last week suggesting those concerns may have been overstated.

Importantly, consumer inflation fell more than expected in October and sits at levels not seen in more than a year. Whether measured monthly or annually, consumer inflation continues to fall towards the Fed's desired targets. Notably, core inflation (ex-food and energy) is moderating across a host of areas, helping to relieve price pressures across a range of goods and services. On the wholesale side, producer price inflation continued to fall last month, while October retail sales fell slightly month-over-month, with notable drops in auto sales, furniture, department stores, and sporting goods/hobbies. Here, continued easing of wholesale price inflation could translate into lower consumer price inflation in the coming months. Combined with slowing but healthy consumer spending trends, the inflation updates added evidence that Fed actions over the last several quarters are slowly but surely having their intended consequence of helping curb price pressures while cooling demand. And while employment trends remain firm in the U.S., continuing jobless claims last week hit their highest level since November 2021, adding further evidence the job market is cooling off gradually. Whether across employment, retail sales, CPI, or PPI, the story is becoming clearer — the trend across each continues to paint a picture of moderation and a steady decline toward normalized levels. In our view, this is exactly what policymakers and bullish investors want to see if a soft landing remains in the cards and why U.S. stock averages again moved higher last week.

As one might expect, with last week's data pointing to easing inflation pressures and a still healthy economic backdrop, U.S. Treasury yields moved lower. Both 2-year and 10-year U.S. Treasury yields retreated last week, with the inverted spread between each now un-inverting by more than 50 basis points since late July. Helping ease rate pressures on the short end of the yield curve last week was decreasing odds the Fed would raise rates in the months ahead, and policymakers could cut rates sooner than expected, given recent economic trends. The market now sees the current fed funds rate of 5.25% - 5.50% as this cycle's highwater mark. But after last week's economic prints, Fed watchers now see a nearly 30% chance Fed Chair Powell and company could cut rates by 25 basis points at the March meeting, up from 7.0% one month ago.

Interestingly, over 80% of the market now believes rates will be lower by June next year, with a nearly 40% chance the fed funds rate will stand at 4.75% - 5.00% or lower by the middle of 2024. Bottom line: We believe easing inflation and slower economic growth in the coming months and quarters will likely take pressure off the Fed to keep pressing rates higher. Such a soft-landing scenario may even allow policymakers to take back some of their recent rate hikes next year to relieve slowing momentum across the economy should inflation continue to decline. In our view, such a scenario built a little more credibility last week, even though we would caution that expecting rate cuts in the early part of next year still seems like a stretch. Nevertheless, it is becoming more obvious that the delayed effects of higher rates are starting to kick in, inflation is trending lower, and the economy is slowing yet remains on firm ground. And although it remains a big ask of the Fed to land a nearly $28 trillion U.S. economy into a soft landing with the blunt instrument of rate policy, and without causing a downturn, that's exactly what investors appeared to be banking on last week. Thus, stock prices moved higher, and bond yields fell.

In other items of interest last week, Gold ended higher by +2.2%, and West Texas Intermediate (WTI) crude dropped 0.6% for its fourth consecutive week of declines. Crude prices now sit at their lowest levels since early July. Additionally, the U.S. dollar lost ground against other major world currencies. On the corporate profit front, the Q3 earnings season largely ended with retailers like Walmart and TJX pointing to a cautious consumer, increasingly becoming more cost-conscious and sensitive to discounts. Notably, Walmart pointed to ebbing inflationary pressures, which could prompt lower prices in some categories in the months ahead. In Washington, the House and Senate passed a novel two-step stop-gap measure that avoids a U.S. government shutdown and funds agencies into early next year. And finally, President Biden and China President Xi Jinping met face-to-face last week for the first time in a year. Both men agreed to restore military communications and cooperate in areas of AI, climate change, and curbing fentanyl. While the dialogue between both didn't break new ground, they engaged in dialogue, nonetheless. Open communication has been lacking between the two economic superpowers for several years, and more open and frequent dialogue (which both sides agreed to pursue) may open the door for more groundbreaking cooperation in the future.

The Week Ahead:
Over the shortened Thanksgiving holiday week, investors will receive updated looks on October Leading Indicators (Monday), October Existing Home Sales (Tuesday), preliminary October Durable Orders (Wednesday), the latest FOMC Minutes (Wednesday), and looks at preliminary November manufacturing/services activity (Friday). Note: U.S. markets will be closed for Thanksgiving on Thursday and will see abbreviated sessions on Friday.

On the market and positioning side, the S&P 500 Index starts the week above all its major moving averages and currently sits at its highest levels since early September. Notably, the Index is up nearly +10.0% from its late October low and is now just 2.0% away from its 52-week high touched in late July. And while the market's good vibes over the last few weeks are certainly a welcome break from the downtrend in the prior three months, stocks have quickly moved from a near-term oversold condition to overbought. For example, *Bespoke Investment Group* recently noted that the NASDAQ Composite has made a four standard deviation move from being extremely oversold to extremely overbought in a matter of just fifteen trading days. There have been only fifteen other such occurrences for the NASDAQ since 1972. Notably, the Index's historical performance after such events has generated significant above-average returns over the next one-month, three-month, six-month, and one-year periods. Though history is not an indication of future returns, we would argue that the current macroeconomic narrative has quickly shifted from extreme pessimism to something far less ominous for the markets, economy, and profits. Hence, there has been a quick shift in stock prices over the last handful of trading days.

Granted, incoming data that reflects inflation unexpectedly breaking its downward-sloping trend or the U.S. economy falling off more severely than expected could quickly shift sentiment back to a pessimistic tone. This would likely again weigh on stock prices. Yet, trends across inflation, employment, economic activity, and corporate profits have generally supported taking a more balanced view of macro conditions this year and one that has forced bearish investors to reassess their views. In our eyes, digging in on the narrative that it's only a matter of time before the sky falls is becoming harder to justify, particularly against increasing data showing the economy remains firmly on a normalization trend. And if one's allocation/positioning has become so defensive (e.g., too much cash) over the course of the last nearly 24 months that they cannot participate in anything but a downdraft in the economy/markets, they are not positioned correctly, in our view. As such, these investors should work with their financial advisors to realign their portfolios with their goals, risk tolerance, and time horizon. It's a good time to start thinking about next year and at least begin to formalize a strategy to get back on side if concerns about the future have taken your portfolio off track.

Stock Market Recap

Benchmark	Total Returns			LTM PE		Yield %	
	Weekly	MTD	YTD	Current	5-Year Median	Current	5-Year Median
S&P 500 Index: 4,514	2.3%	7.8%	19.3%	22.4	20.9	1.5	1.6
Dow Jones Industrial Average: 34,947	2.1%	5.9%	7.5%	20.9	19.6	2.1	2.1
Russell 2000 Index: 4,468	5.5%	8.3%	3.5%	39.2	35.3	1.5	1.3
NASDAQ Composite: 14,125	2.4%	10.0%	36.0%	37.9	33.5	0.8	0.9
Best Performing Sector (weekly): Real Estate	4.6%	8.6%	-0.2%	38.2	36.6	3.5	3.0
Worst Performing Sector (weekly): Consumer Staples	0.6%	2.2%	-3.8%	20.8	22.2	2.7	2.7

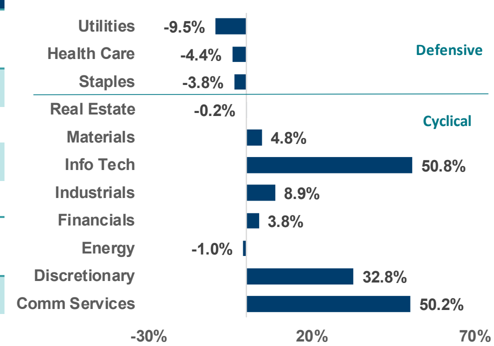
Source: Factset. Data as of 11/17/2023

Bond/Commodity/Currency Recap

Benchmark	Total Returns		
	Weekly	MTD	YTD
Bloomberg U.S. Universal	1.3%	3.3%	1.1%
West Texas Intermediate (WTI) Oil: $75.88	-0.6%	-7.1%	-5.3%
Spot Gold: $1,981.10	2.2%	-0.1%	8.6%
U.S. Dollar Index: 103.92	-1.8%	-2.6%	0.4%
Government Bond Yields	Yield Chg		
	Weekly	MTD	YTD
2-year U.S. Treasury Yield: 4.88%	-17 bps chg	-18 bps chg	47 bps chg
10-year U.S. Treasury Yield: 4.44%	-17 bps chg	-46 bps chg	58 bps chg

Source: Factset. Data as of 11/17/2023. bps = basis points

YTD Total Returns by S&P 500 Sector



Source: S&P Global, Factset. Data as of 11/17/2023

These figures are shown for illustrative purposes only and are not guaranteed. They do not reflect taxes or investment/product fees or expenses, which would reduce the figures shown here. An index is a statistical composite that is not managed. It is not possible to invest directly in an index. Past performance is not a guarantee of future results.

U.S. Pre-market Indicators / Overnight International Market Activity

United States:

Here is a quick news rundown to start your morning:

- **Pre-market activity points to a flattish open.** After three straight weeks of gains for the S&P 500, stocks will face a shortened Thanksgiving week and, where overall incoming data shouldn't disrupt the disinflation narrative. Initial November reads on manufacturing and services PMI should show each remains in expansion, while the latest FOMC meeting minutes should be a non-event for the market. Although the earnings season is pretty much a wrap at this point, Q3 reports out of Lowe's Companies, and NVIDIA Corp. will likely draw some focus on Tuesday.

Europe:

This week, first looks at Eurozone manufacturing and services PMIs for November could continue to show overall activity across the region remains in contraction. We suspect this will keep investors on recession watch, particularly as a second look at Q3 German GDP should confirm Europe's number one economy contracted by 0.1% q/q.

Asia-Pacific:

Overnight, the People's Bank of China left its one-year and five-year prime rates unchanged, largely as expected. However, China's central bank set its daily onshore yuan fixing point at its highest level versus the U.S. dollar since August. On a related note, the PBoC has prioritized liquidity injections to help stabilize elevated money market rates given the wave of recent bond issuance, according to *FactSet*. Most economists expect further policy support in China, particularly as officials attempt to put growth potential for the economy on a more stable trajectory in 2024

WORLD CAPITAL MARKETS

11/20/2023 As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	0.1%	19.3%	4,514.0
Dow Jones	0.0%	7.5%	34,947.3
NASDAQ Composite	0.1%	36.0%	14,125.5
Russell 2000	1.4%	3.4%	1,797.8
Brazil Bovespa	0.0%	13.7%	124,775
S&P/TSX Comp. (Canada)	0.6%	7.1%	20,175.8
Mexico IPC	0.4%	11.9%	52,685.1

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	-0.2%	18.0%	4,331.8
FTSE 100 (U.K.)	-0.4%	3.8%	7,475.9
DAX Index (Germany)	-0.4%	13.9%	15,858.9
CAC 40 (France)	0.1%	15.1%	7,237.9
FTSE MIB (Italy)	-0.2%	24.2%	29,440.0
IBEX 35 (Spain)	0.6%	24.0%	9,817.6
MOEX Index (Russia)	0.1%	56.4%	3,208.2

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	-0.6%	30.5%	33,388.0
Hang Seng (Hong Kong)	1.9%	-6.8%	17,778.1
Korea Kospi 100	0.9%	12.2%	2,491.2
Singapore STI	-0.4%	0.5%	3,111.6
Shanghai Comp. (China)	0.5%	-0.7%	3,068.3
Bombay Sensex (India)	-0.2%	9.4%	65,655.2
S&P/ASX 200 (Australia)	0.1%	5.8%	7,058.4

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.3%	15.6%	685.7

Developed International	% chg.	%YTD	Value
MSCI EAFE	1.0%	11.6%	2,100.9

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	-0.6%	4.8%	976.5

*Note: International market returns shown on a local currency basis. **The equity index data shown above is on a total return basis, inclusive of dividends.***

S&P 500 Sectors	% chg.	% YTD	Value
Communication Services	-0.5%	50.2%	237.3
Consumer Discretionary	0.7%	32.7%	1,323.9
Consumer Staples	-0.2%	-3.8%	732.4
Energy	2.1%	-1.1%	643.5
Financials	0.5%	3.8%	581.3
Health Care	-0.2%	-4.4%	1,492.4
Industrials	0.6%	8.9%	891.1
Materials	0.2%	4.8%	504.7
Real Estate	-0.2%	-0.3%	225.0
Technology	-0.3%	50.8%	3,247.7
Utilities	0.2%	-9.5%	314.8

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	2.1%	16.3%	252.9
FTSE NAREIT Comp. TR	-0.1%	-1.1%	21,236.9
DJ US Select Dividend	0.7%	-5.5%	2,795.7
DJ Global Select Dividend	0.5%	2.9%	209.9
S&P Div. Aristocrats	0.3%	1.6%	4,002.8

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	0.2%	0.5%	2,059.9
Barclays HY Bond	0.1%	7.8%	2,356.9

Commodities Futures & Spot (Intra-day)	% chg.	% YTD	Value
CRB Raw Industrials	0.0%	-4.8%	542.5
NYMEX WTI Crude (p/bbl.)	1.8%	-3.8%	77.2
ICE Brent Crude (p/bbl.)	1.9%	-4.4%	82.1
NYMEX Nat Gas (mmBtu)	-2.2%	-35.3%	2.9
Spot Gold (troy oz.)	-0.4%	8.1%	1,972.5
Spot Silver (troy oz.)	-1.3%	-2.2%	23.4
LME Copper (per ton)	0.6%	-2.3%	8,168.2
LME Aluminum (per ton)	-0.3%	-7.7%	2,169.5
CBOT Corn (cents p/bushel)	0.2%	-21.4%	486.0
CBOT Wheat (cents p/bushel)	-0.1%	-30.3%	575.3

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/$)	0.1%	2.1%	1.09
British Pound (£/$)	0.1%	3.2%	1.25
Japanese Yen ($/¥)	0.9%	-11.6%	148.36
Australian Dollar (A$/$)	0.6%	-3.8%	0.66
Canadian Dollar ($/C$)	0.0%	-1.2%	1.37
Swiss Franc ($/CHF)	0.1%	4.5%	0.88

Data/Price Source: Bloomberg. Equity Index data is total return, inclusive of dividends, where applicable.

Ameriprise Global Asset Allocation Committee (GAAC)

U.S. Equity Sector - Tactical Views

	S&P 500 Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
Information Technology	28.2%	Overweight	2.0%	30.2%
Consumer Staples	6.8%	Overweight	2.0%	8.8%
Health Care	13.6%	Equalweight	-	13.6%
Financials	12.3%	Equalweight	-	12.3%
Industrials	8.4%	Equalweight	-	8.4%
Energy	4.0%	Equalweight	-	4.0%
Utilities	2.6%	Equalweight	-	2.6%
Materials	2.5%	Equalweight	-	2.5%
Real Estate	2.4%	Equalweight	-	2.4%
Consumer Discretionary	10.7%	Underweight	-2.0%	8.7%
Communication Services	8.5%	Underweight	-2.0%	6.3%

As of: September 29, 2023

Index weightings represent the respective market capitalization of each sector in the S&P 500 as of 06/22/2023. The GAAC Tactical Overlay, as well as Recommended Tactical Weights, is derived from the Ameriprise Global Asset Allocation Committee (GAAC).Views are expressed relative to the Index and are provided to represent investment conviction in each region. Tactical Allocations are designed to augment Index returns over a 6-12 month time horizon. Numbers may not add due to rounding.

Global Equity Regions - Tactical Views

	MSCI All-Country World Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
United States	60.7%	Overweight	1.3%	62.0%
Japan	5.6%	Overweight	1.0%	6.6%
Europe ex U.K.	13.6%	Equalweight	-	13.6%
Asia-Pacific ex Japan	11.2%	Equalweight	-	11.2%
United Kingdom	3.6%	Equalweight	-	3.6%
Latin America	1.1%	Equalweight	-	1.1%
Middle East / Africa	1.3%	Underweight	-1.3%	0.0%
Canada	2.9%	Underweight	-1.0%	1.9%

as of: September 29, 2023

Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 06/22/2023. The GAAC Tactical Overlay, as well as the Recommended Tactical Weights, are derived from the Ameriprise Global Asset Allocation Committee (GAAC). Views are expressed relative to the Index and are provided to represent investment conviction in each region. Tactical Allocations are designed to augment Index returns over a 6-12 month time horizon. Numbers may not add due to rounding.

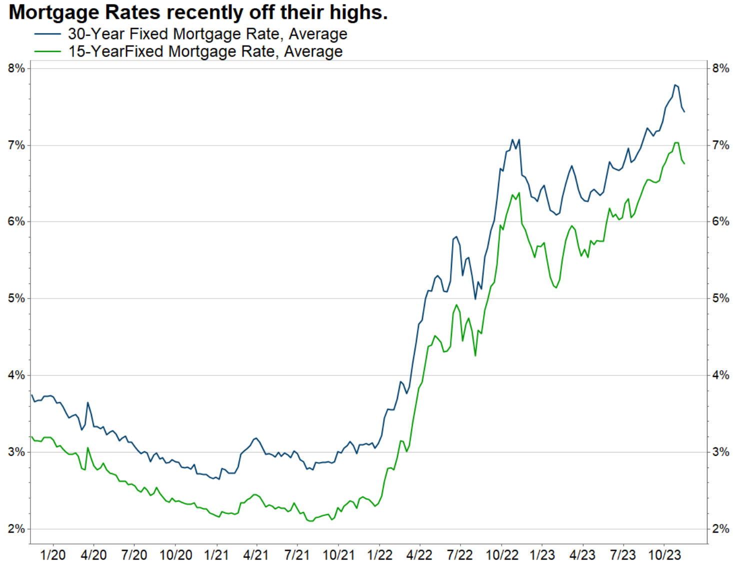
The Week Ahead:

Russell T. Price, CFA, Chief Economist

Unless otherwise noted, all economic estimates are sourced from Bloomberg and all corporate earnings measures are sourced from FactSet.

- **Earnings:** Q3 earnings results on pace for solid outperformance. Ninety-four percent of S&P 500 companies had reported their Q3 financial results through last Friday. That doesn't mean there are no more companies of consequence left on the schedule however as the reporting season winds down. On Tuesday of this week, investors will see the quarterly results from industry leaders such as NVIDIA, Lowe's, Best Buy, and HP, while Deere & Company is on the docket Wednesday morning.
- S&P 500 companies are now expected to see year-over-year (y/y) earnings per share (EPS) growth of 4.3% (up from 4.1% last week) on sales growth of 2.2%. At the end of the third quarter (September 30) analyst estimates had predicted a 0.4% decline in EPS off a 1.6% increase in sales. EPS results have exceeded analyst expectations in all eleven S&P 500 sectors with 82% of S&P 500 companies reporting better than expected earnings, which is above the 5-year average of 77%.
- Separately, while Q3 results have been soundly beating expectations, estimates for Q4 have been seeing larger than normal cuts. At the start of the quarter, consensus estimates for Q4 stood at $57.87 which would represent y/y growth of +8.2%. Today, consensus estimates for the period look for Q4 EPS of $54.93 which would represent y/y growth of about 3%.
- **The Economic Calendar:** The flow of economic data is modest this week given the Thanksgiving holiday on Thursday and what is normally a very quiet day of trading in Friday's abbreviated session.
- **Existing Home Sales:** Forecasters expect Tuesday's report on October Existing Home Sales to show a fifth straight month of decline. The seasonally adjusted annualized rate of sales is projected to come-in at 3.9 million, according to Bloomberg. Such a result would represent a 1.5% decline from the September sales rate and a 12% drop versus year-ago levels. As seen in the chart at right (as sourced from FactSet), mortgage rates reached new highs in October. Rates have been in modest retreat in recent weeks, but October's high borrowing costs will likely remain a source of pressure on sales in November and possibly December as existing home sales are measured at the time of closing – a date that typically comes a month or two after a sales contract is signed.
- **Better days ahead for existing home sales?** Although existing home sales will remain under pressure from a lack of supply and higher mortgage borrowing costs over the intermediate-term at least, transactions could begin to improve in December as the recent moderation in borrowing rates has a greater influence on affordability (as modest as it may be).
- Despite the market's weak sales, existing home prices continue to see solid support from very tight supply conditions. In September, the median price of existing homes was up 3% year-over-year (y/y) even though transactions were down 15%.
- **New Orders for Durable Goods:** New orders for durable goods are expected to have declined by about 3% m/m in October after having seen a 4.6% gain in September. The fluctuations are largely reflective of new aircraft order patterns at Boeing. Excluding the transports sector, new orders are expected to be up 0.1% in the month after seeing a +0.4% gain in September.

Mortgage Rates recently off their highs.



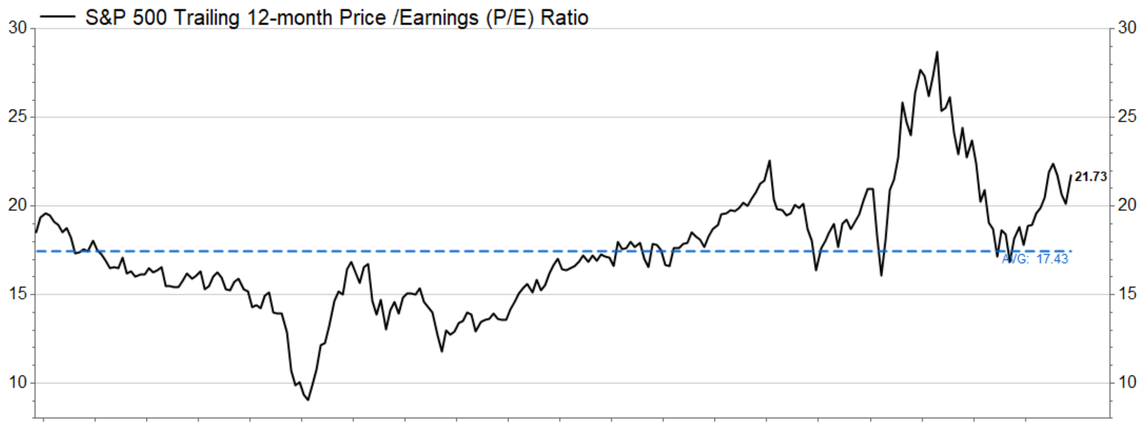
The calendar below is sourced from American Enterprise Investment Services Inc.

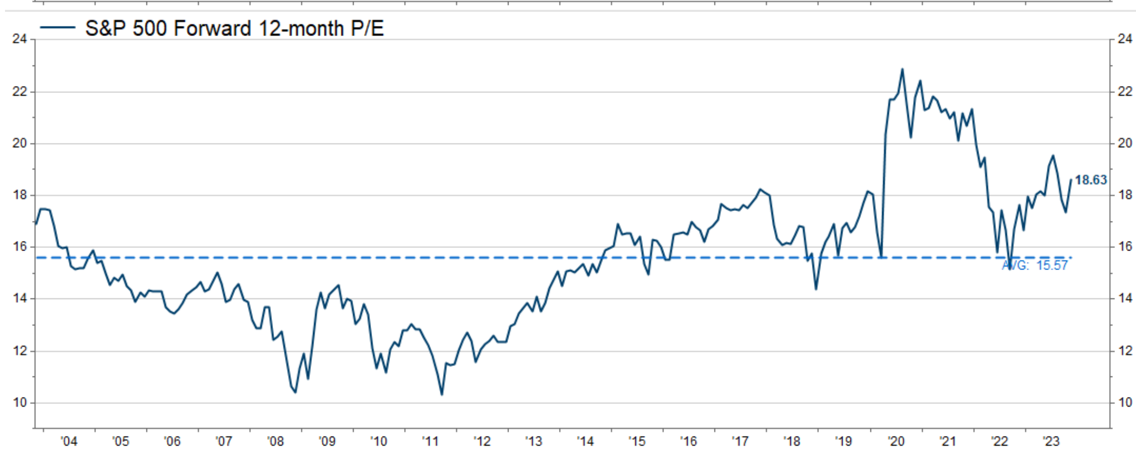
November 20	21	22	23	24
Leading Econ Index	**Philly Fed Business Index**	**Initial Jobless Claims**	**Thanksgiving Day**	**Markit Prelim. Mfg. Index**
Fixed Investment - China	**Existing Home Sales**	**UofM Consumer Sentiment**	**U.S. Markets Closed**	*Retail Sales - Japan*
		Nov 1st FOMC Minutes		
		New Orders Durable Goods		
		Consumer Conf. - Eurozone	*Inflation - Japan*	
			Manufacturing Activity - Japan	
			Manufacturing PMI - Eurozone	

Where Market Fundamentals Stand Heading into The Week:

S&P 500 Trailing and Forward P/E valuations: *Source: FactSet*

Please note: Although we try to maintain consistency as much as possible, Price to Earnings (P/E) ratios may differ from one source to another. Most notably, P/E numbers can often show their most notable differences during an earnings release season as some sources may still use the last full 'actual' earnings number while others use earnings per share that are updated via a combination of actual and estimated earnings per share. The calculation of earnings (operating earnings versus 'as reported' or GAAP) also often differ modestly from one data source to another due to the proprietary use of calculation methodologies.





Consensus Earnings Estimates: *Source: FactSet*

Please note: The consensus earnings estimates shown below should viewed cautiously. The business environment remains very dynamic, thus leaving current estimates with greater uncertainty than usual, in our view. The table below is sourced from American Enterprise Investment Management Inc and is based on data from FactSet.

S&P 500 Earnings Estimates	2019	2020	2021	2022				2023				2024				2025
11/20/2023	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.	Est.	Est.
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY
Quarterly $$ amount				$54.09	$56.69	$55.65	$53.49	$53.33	$54.56	$58.62	$54.93	$56.76	$60.20	$63.66	$64.34	
change over last week										$0.13	-$0.11	-$0.12	-$0.08	$0.00	-$0.04	-$0.05
yr/yr				10.3%	7.4%	3.3%	-3.4%	-1.4%	-3.8%	5.3%	2.7%	6.4%	10.3%	8.6%	17.1%	
qtr/qtr				-2.3%	4.8%	-1.8%	-3.9%	-0.3%	2.3%	7.4%	-6.3%	3.3%	6.1%	5.7%	1.1%	
Trailing 4 quarters $$	$163.13	$140.46	$210.86	$216.14	$220.03	$221.81	$219.92	$219.16	$217.03	$220.00	$221.44	$224.87	$230.51	$235.55	$244.96	$274.43
yr/yr % change	1.0%	-13.9%	50.1%				4.3%				0.7%				10.6%	12.0%
Implied P/E based on a S&P 500 level of: 4514									20.8	20.5	20.4	20.1	19.6	19.2	18.4	16.4

Economic News and Views:

Russell T. Price, CFA – Chief Economist

Releases for Monday November 20, 2023

All times Eastern. Consensus estimates via Bloomberg

Time	Period	Release	Consensus Est.	Actual	Prior	Revised to
10:00 AM	OCT	Leading Econ. Index	-0.7%		-0.7%	

Ameriprise Economic Projections

Forecast:	Full-year				Quarterly						
	Actual 2021	Actual 2022	Est. 2023	Est. 2024	Actual Q4-2022	Actual Q1-2023	Actual Q2-2023	Actual Q3-2023	Est. Q4-2023	Est. Q1-2024	Est. Q2-2024
Real GDP (annualized)	5.9%	2.1%	2.4%	1.4%	2.6%	2.2%	2.1%	4.9%	1.2%	0.8%	1.2%
Unemployment Rate	3.9%	3.5%	4.0%	4.2%	3.5%	3.5%	3.6%	3.8%	4.0%	4.2%	4.1%
CPI (YoY)	7.0%	6.4%	4.0%	2.2%	6.5%	5.0%	3.0%	3.7%	4.0%	3.0%	2.5%
Core PCE (YoY)	4.9%	4.4%	3.2%	2.3%	4.9%	4.8%	4.3%	3.7%	3.2%	2.6%	2.2%

Sources: Historical data via FactSet. Estimates (Est.) via American Enterprise Investment Services Inc.

YoY = Year-over-year, Unemployment numbers are period ending. GDP: Gross Domestic Product; CPI: Consumer Price Index

PCE: Personal Consumption Expenditures Price Index. Core excludes food and energy.

All estimates other than GDP are period ending.

Last Updated: October 30, 2023

Ameriprise Global Asset Allocation Committee Targets and Views

Targets

2023 Year-end Targets:	Favorable Scenario	Base-Case Scenario	Adverse Scenario
S&P 500 Index:	4,600	4,400	4,000
10-Year U.S. Treasury Yield:	4.00%	4.50%	5.00%
Fed Funds Target Range:	5.25% to 5.50%	5.25% to 5.50%	5.50% to 5.75%

Estimates (Est.) via American Enterprise Investment Services Inc.
Please see latest *Quarterly Capital Market Digest* for more information.

Last Updated: October 30, 2023

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Ameriprise Global Asset Allocation Committee Targets and Views

2023 Year-end S&P 500 Target: 4400
2023 Year-end 10-year Treasury Target: 4.50% *as of 10/30/2023*

	Overweight	Equalweight	Underweight
Equity	• U.S. Large Cap Value	• U.S. Mid Cap Value • U.S. Mid Cap Growth • U.S. Small Cap Value • U.S. Small Cap Growth • Developed Foreign Equity	• U.S. Large Cap Growth • Emerging Foreign Equity
S&P 500 Sectors	• Information Technology • Consumer Staples	• Energy • Financials • Health Care • Industrials • Materials • Real Estate • Utilities	• Communication Services • Consumer Discretionary
Global Equity Regions	• United States • Japan	• Asia-Pacific ex Japan • Europe ex U.K. • Latin America • United Kingdom	• Middle East / Africa • Canada
Fixed Income	• U.S. Government • U.S. Inv. Grd Corporate • Municipals	• Developed Foreign Bond • Emerging Foreign	• High Yield Bond
Alternatives			• Alternative Strategies
Cash	• Cash Investments	• Cash	

Note: Our Tactical Allocations are designed to augment a Strategic portfolio over a 6 to 12-month time horizon. **Asset Allocation and Diversification do not ensure or guarantee better performance and do not eliminate the risk of investment losses. Investors should note that rising interest rates could have a detrimental effect on bond prices. Please consult with your financial advisor.**
Cash generally refers to assets, securities, and/or products low in risk and high in liquidity. For asset allocation purposes, instruments can include Treasury Bills, certificates of deposit, money market funds and high quality bonds whose maturities are less than 3-months. Outside of asset allocation purposes, cash investments can also include illiquid cash held in a mutual fund or pledged as collateral for derivatives. You can only access this cash by redeeming the fund using it, subject to fees or time constraints associated with redemtions.

		Rolling Returns			
Major Market Indices	**Q3'23**	**Year-to-date**	**1-year**	**3-years**	**5-years**
Russell 3000® Index (U.S. Equity)	-3.25%	12.39%	20.46%	9.38%	9.14%
MSCI ACWI Ex USA Index – net (Foreign Equity)	-3.77%	5.34%	20.39%	3.74%	2.58%
Bloomberg U.S. Universal Bond Index (Fixed Income)	-2.88%	-0.62%	1.61%	-4.68%	0.34%
Wilshire Liquid Alternative Index (Alternatives)	-0.12%	2.48%	4.30%	1.88%	1.43%
FTSE Three-Month Treasury Bill Index (Cash)	1.38%	3.80%	4.71%	1.78%	1.74%

Past performance is not a guarantee of future performance. Performance calculations use FactSet data and are as of 09/30/2023.

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The Ameriprise Investment Research Group

With Ameriprise Financial, you can benefit from our dedicated team of experienced investment research and due diligence professionals. Our objective market insight, strategies and guidance are designed to provide you with investment strategies and solutions to help you feel more confident about your financial future. It's the higher level of sophistication and service you've come to expect from Ameriprise.

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Income Risk: We note that dividends are declared solely at the discretion of the companies’ boards of directors. Dividend cuts or eliminations will likely negatively impact underlying company valuations. Published dividend yields are calculated before fees and taxes. Dividends paid by foreign companies to ADR holders may be subject to a withholding tax which could adversely affect the realized dividend yield. In certain circumstances, investors in ADR shares have the option to receive dividends in the form of cash payments, rights shares or ADR shares. Each form of dividend payment will have different tax consequences and therefore generate a different yield. In some instances, ADR holders are eligible to reclaim a portion of the withholding tax.

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Security Recommendation Risk: The research team may not be successful in selecting securities that collectively perform better than the benchmark. When viewing return comparisons investors should keep in mind the following information. Our model portfolio generally maintains less than 50 securities, whereas benchmark indices contain several times that amount. The benchmark index is market capitalization weighted, providing greater weight to the larger company movements, whereas our model portfolio is designed to be equally dollar weighted. Furthermore, the model portfolio may deviate significantly, at times, from the sector allocation of the benchmark due to our interpretation of economic conditions and market factors as well as our security selection process.

The benchmark index returns are taken from Bloomberg Financial Markets and reflect dividends reinvested. Additionally, there is no fee or cost assumption in the index comparison return.

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