

Before the Bell

An Ameriprise Investment Research Group Publication

May 3, 2024

Starting the Day

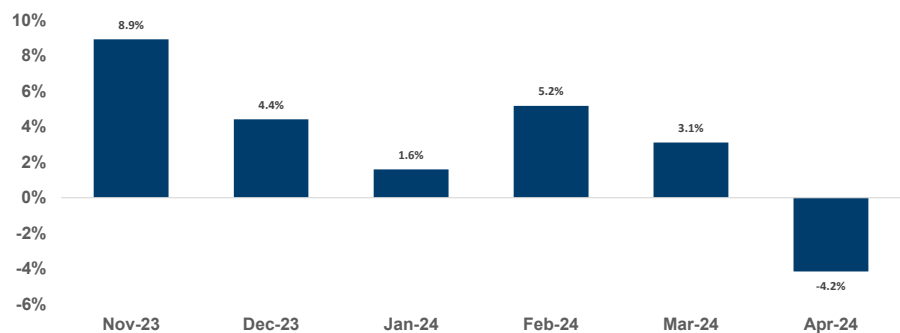
- U.S. futures jump on goldilocks Jobs Report.
- European markets are trading higher at midday.
- Asian markets ended mixed.
- Avg. Hourly earnings continue to decelerate.
- April nonfarm payrolls grow by +175.
- 10-year Treasury yield drops to 4.47%.
- West Texas Intermediate (WTI) oil is trading at \$79.35.
- Gold is trading at \$2,305.20

Market Perspectives

Anthony M. Saglimbene, Chief Market Strategist

Are stocks riding inflated expectations? Yes and no. As the *Ameriprise* chart below shows, the S&P 500 Index tore higher uninterruptedly for five straight months starting in November and before heading lower in April. However, despite the slide in stock prices last month, the broad-based stock benchmark remains higher by nearly +22% since the end of October, as shown in the *FactSet* chart on the next page. That's an impressive run regardless of the weaker stock trends seen in April. Stronger-than-expected growth over recent months, expectations for Fed fund rate cuts, and improved corporate profit trends hit some unexpected air pockets last month. At the moment, elevated government bond yields, reduced rate cut expectations, and sticky inflation have some investors asking if stocks are riding inflated expectations after their recent run higher.

The S&P 500 Slides Lower in April (Monthly Returns)



Source: FactSet, American Enterprise Investment Services Inc.

Data as of 4/30/2024

From a corporate earnings and economic growth perspective, we believe the broader S&P 500 is not overpriced at the moment, but with a few caveats. We see U.S. economic growth increasing by +2.2% in 2024. In addition, analysts forecast S&P 500 earnings to grow by roughly +11.0% year-over-year this year. At roughly 20.5x this year's earnings, the S&P 500 certainly isn't cheap but could support its valuation as long as the U.S. economy is growing this year and corporate profits are positive. But here's the caveat. In our view, we see economic growth decelerating in the back half of the year, and at the same time, analysts see profit growth accelerating. Outside of improved year-over-year comparisons in the back half, a lot of this year's profit growth is expected to come later in the year and from a broader set of industries. If Big Tech earnings continue to drive the profit bus for the S&P 500 through all of 2024 (like they are currently), this mismatch in economic/profit expectations may be overlooked by investors. However, should profits disappoint across mega-cap tech stocks later this year or a broader profit recovery fails to materialize, then stocks could see more headwinds later in the year.

NOTE: FOR IMPORTANT DISCLOSURES, INCLUDING POSSIBLE CONFLICTS, PLEASE SEE THE DISCLOSURE PAGES AT THE END OF THIS DOCUMENT.

In addition, if fundamental conditions remain constructive and the next move from the Fed is a rate cut (even if it's just one and done in 2024), government bond yields should ebb lower as the year progresses, possibly providing additional support for stock prices. Obviously, areas of Technology are expensive. However, profit growth in these benchmark heavyweights appears secular and visible over the coming quarters, and the rest of the market isn't that expensive based on profit expectations. For instance, seven of eleven S&P 500 sectors have next twelve months' price-to-earnings multiples that are at or below the S&P 500's level of 19.7.

Bottom line: We continue to see a path higher for stock prices as long as fundamental conditions remain stable and profit growth remains on a positive trend. That said, elevated interest rates and sticky inflation, along with the Fed holding monetary policy at restrictive levels, introduce some added risks to asset prices at current levels. Tack on weaker stock momentum as of late and the lack of a normal pullback/correction of 10% or more since the October lows, and a little caution may be warranted as we move through the second quarter. As has been our position since the start of the year, a 5,200 to 5,400 level by year-end in the S&P 500 remains achievable if macroeconomic conditions unfold as we expect. To help insulate risks if those conditions unfold less favorably, a portfolio focused on high-quality assets, a strategy for locking in higher yields, and a diversified approach could help hedge against the unexpected.



U.S. Premarket Indicators / Overnight International Market Activity

United States:

Here is a quick news rundown to start your morning:

- **Stocks are looking at a strong open after a goldilocks Employment Report.** Despite a bounce higher in stocks yesterday, the S&P 500 Index and NASDAQ Composite are off by more than 0.5% on the week. Apple's earnings report on Thursday beat on the top and bottom line, while the company authorized a \$110 billion share repurchase—its largest in history.
- **The April employment report:** *FactSet* estimates for nonfarm payrolls called for roughly +235K new jobs last month, lower than the +315 print in March (revised higher from +303k). In addition, the unemployment rate in April was expected to hold steady at 3.8%. **Following today's Bureau of Labor Statistics release, jobs in the U.S. rose by +175k last month, while the unemployment rate ticked up to 3.9%.**
- **Earnings Update:** With roughly 79% of S&P 500 first quarter reports complete, blended earnings per share (EPS) growth is higher by +4.9% year-over-year on revenue growth of +4.1%. Q1 profit results are coming in above analyst estimates at the end of March both on an EPS and revenue basis.

Europe:

In recent speeches, European Central Bank officials continue to highlight a path toward easing rates, with some seeing the central bank now more concerned with the pace of economic growth than a sudden spike in inflation.

Asia-Pacific:

Trading across the region was quiet with markets in mainland China and Japan closed for the Golden Week holiday. However, Hong Kong's Hang Seng rose nearly +1.5% on Friday for its ninth consecutive session of gains. Technology and internet stocks led gains. The Japanese yen strengthened versus the U.S. dollar overnight, hitting levels that some market watchers believe draw in currency intervention from Japanese officials.

WORLD CAPITAL MARKETS

5/3/2024

As of: 8:30 AM ET

Americas	% chg.	% YTD	Value	Europe (Intra-day)	% chg.	%YTD	Value	Asia/Pacific (Last Night)	% chg.	%YTD	Value
S&P 500	0.9%	6.6%	5,064.2	DJSTOX 50 (Europe)	0.5%	10.4%	4,914.0	Nikkei 225 (Japan)	-0.1%	15.1%	38,236.1
Dow Jones	0.9%	2.0%	38,225.7	FTSE 100 (U.K.)	0.5%	7.7%	8,211.6	Hang Seng (Hong Kong)	1.5%	8.9%	18,475.9
NASDAQ Composite	1.5%	5.8%	15,841.0	DAX Index (Germany)	0.4%	7.3%	17,967.6	Korea Kospi 100	-0.3%	1.6%	2,676.6
Russell 2000	1.8%	-0.1%	2,016.1	CAC 40 (France)	0.5%	6.8%	7,955.6	Singapore STI	-0.1%	3.4%	3,292.9
Brazil Bovespa	1.0%	-5.3%	127,122	FTSE MIB (Italy)	0.2%	11.4%	33,797.6	Shanghai Comp. (China)	-0.3%	4.4%	3,104.8
S&P/TSX Comp. (Canada)	0.4%	5.2%	21,823.2	IBEX 35 (Spain)	0.1%	9.9%	10,880.2	Bombay Sensex (India)	-1.0%	2.4%	73,878.2
Mexico IPC	-0.1%	-0.9%	56,677.1	MOEX Index (Russia)	-0.2%	11.8%	3,437.5	S&P/ASX 200 (Australia)	0.6%	2.2%	7,629.0

Global	% chg.	% YTD	Value	Developed International	% chg.	%YTD	Value	Emerging International	% chg.	%YTD	Value
MSCI All-Country World Idx	0.8%	5.4%	760.5	MSCI EAFE	0.5%	3.5%	2,283.6	MSCI Emerging Mkts	0.7%	3.7%	1,052.9

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	Equity Income Indices	% chg.	% YTD	Value	Commodities	% chg.	% YTD	Value
Communication Services	1.2%	15.7%	283.6	JPM Alerian MLP Index	0.8%	9.3%	277.9	Futures & Spot (Intra-day)	% chg.	% YTD	Value
Consumer Discretionary	1.6%	2.0%	1,443.1	FTSE NAREIT Comp. TR	1.5%	-7.5%	22,119.1	CRB Raw Industrials	-0.1%	1.5%	551.6
Consumer Staples	0.8%	6.8%	807.0	DJ US Select Dividend	0.5%	3.9%	3,119.9	NYMEX WTI Crude (p/bbl.)	0.4%	10.6%	79.2
Energy	0.5%	11.6%	707.1	DJ Global Select Dividend	1.0%	2.9%	224.2	ICE Brent Crude (p/bbl.)	0.4%	9.1%	84.0
Financials	0.2%	8.0%	672.5	S&P Div. Aristocrats	0.5%	2.7%	4,388.8	NYMEX Nat Gas (mmBtu)	-0.2%	-19.2%	2.0
Health Care	-0.1%	3.5%	1,636.7					Spot Gold (troy oz.)	-0.2%	11.5%	2,299.3
Industrials	0.6%	7.4%	1,031.7	Bond Indices	% chg.	% YTD	Value	Spot Silver (troy oz.)	-0.8%	11.3%	26.5
Materials	-0.5%	3.9%	558.1	Barclays US Agg. Bond	0.4%	-2.5%	2,107.0	LME Copper (per ton)	-1.4%	13.9%	9,642.5
Real Estate	1.4%	-7.6%	230.2	Barclays HY Bond	0.3%	0.9%	2,503.4	LME Aluminum (per ton)	-2.4%	6.3%	2,493.2
Technology	1.6%	7.0%	3,625.7					CBOT Corn (cents p/bushel)	0.9%	-6.1%	463.8
Utilities	0.5%	8.1%	344.4					CBOT Wheat (cents p/bushel)	2.2%	-4.4%	617.5

Foreign Exchange (Intra-day)	% chg.	% YTD	Value		% chg.	% YTD	Value		% chg.	% YTD	Value
Euro (€/€)	0.2%	-2.7%	1.07	Japanese Yen (\$/¥)	0.3%	-7.9%	153.16	Canadian Dollar (\$/C\$)	0.1%	-3.1%	1.37
British Pound (£/\$)	0.2%	-1.4%	1.26	Australian Dollar (A\$/S)	0.3%	-3.4%	0.66	Swiss Franc (\$/CHF)	0.4%	-7.2%	0.91

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	GAAC Tactical	GAAC Recommended		S&P 500 Index	GAAC Tactical	GAAC Recommended
	Weight	View	Weight		Weight	View	Weight
Consumer Staples	5.9%	Overweight	7.9%	Communication Services	8.9%	Equalweight	8.9%
Information Technology	30.0%	Equalweight	30.0%	Energy	3.9%	Equalweight	3.9%
Health Care	12.3%	Equalweight	12.3%	Utilities	2.1%	Equalweight	2.1%
Financials	13.1%	Equalweight	13.1%	Materials	2.3%	Equalweight	2.3%
Industrials	8.8%	Equalweight	8.8%	Real Estate	2.3%	Equalweight	2.3%
				Consumer Discretionary	10.4%	Underweight	8.4%

As of: March 29, 2024

Index weightings represent the respective market capitalization of each sector in the S&P 500 as of 3/21/2024. 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					MSCI All-Country			
	World Index		GAAC			World Index		GAAC	
	Weight	Tactical View	Tactical Overlay	Recommended Weight		Weight	Tactical View	Tactical Overlay	Recommended Weight
United States	62.4%	Overweight	2.1%	64.5%	Latin America	1.0%	Equalweight	-	1.0%
Europe ex U.K.	13.5%	Overweight	2.0%	15.5%	Asia-Pacific ex Japan	10.3%	Underweight	-3.0%	7.3%
Japan	5.6%	Overweight	1.0%	6.6%	Canada	2.9%	Underweight	-1.0%	1.9%
United Kingdom	3.2%	Equalweight	-	3.2%	Middle East / Africa	1.1%	Underweight	-1.1%	0.0%

as of: March 29, 2024

Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 03/21/2024. 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.

Economic News and Views:

Russell T. Price, CFA – Chief Economist

Releases for Friday May 3, 2024

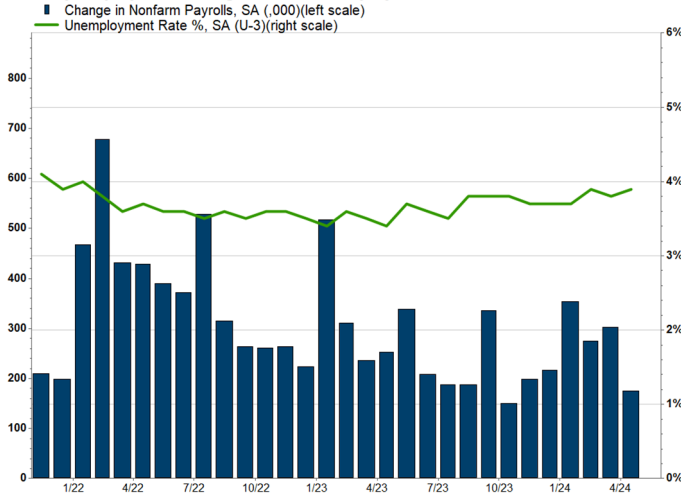
All times Eastern. Consensus estimates via Bloomberg

Time	Period	Release	Consensus Est.	Actual	Prior	Revised to
8:30 AM	APR	Change in Nonfarm Payrolls	+240k	+175k	+303k	315k
8:30 AM		Two-Month Payroll Net Revision		-22k		
8:30 AM	APR	Change in Private Payrolls	+195k	+167k	+233k	243k
8:30 AM	APR	Change in Manufacturing Payrolls	+5k	+8k	0k	-4k
8:30 AM	APR	Unemployment Rate (U3)	3.8%	3.9%	3.8%	
8:30 AM	APR	Underemployment Rate (U6)	N/A	7.4%	7.3%	
8:30 AM	APR	Average Hourly Earnings MoM	+0.3%	+0.2%	+0.3%	
8:30 AM	APR	Average Hourly Earnings YoY	+4.0%	+3.9%	+4.1%	
8:30 AM	APR	Average Weekly Hours All Employees	34.4	34.4	34.4	
8:30 AM	APR	Labor Force Participation Rate	62.7%	62.7%	62.7%	
10:00 AM	APR	ISM Services Index	52.0		51.4	
10:00 AM	APR	ISM Services New Orders	54.5		54.4	
10:00 AM	APR	ISM Services Prices Paid	55.0		53.4	
10:00 AM	APR	ISM Services Employment	49.0		48.5	

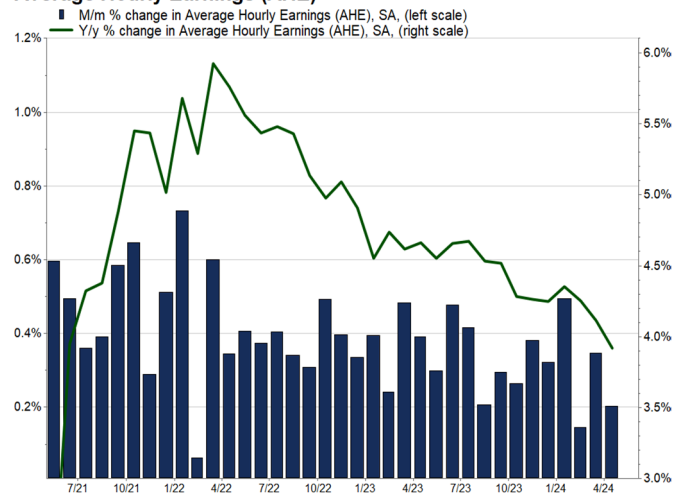
Commentary:

- **Just what the market ordered**.... Key areas of this morning's April Employment Report were solidly supportive of investors "wish list". Job growth was strong, but well below recent trends and below expectations for the first time in months. Average hourly earnings also continued to decelerate, showing a 3.9% year-over-year gain – its first "3 handle" since June 2021.
- Today's report adds support to the recent narrative of a strong economy, particularly a strong labor market, providing Fed officials with plenty of cover to maintain rates where they currently stand.
- Seasonal adjustment factors may have also played a role in recent results. The factors offer upside to the nonfarm payrolls in Q1 each year, but their influence wanes in April.
- The Labor Department's Employment Report is generally the "Grand Daddy" of economic releases. In recent months, however the surprising strength of its numbers have been at odds with some other measures of labor market health. We should note, however, that initial jobless claims, which are based on hard data, have been trending in a manner that rhymes with nonfarm payroll numbers. Data from other sources, particularly surveys from such sources as the Institute of Supply Management, the NFIB Small Business Index and even Labor's own Household Employment Survey (which is much smaller in scope relative to the establishment survey that produces the nonfarm payroll numbers), have each been reflecting an easing of both demand and actual hiring.
- Temporary help was the only primary category to see job losses in April. The segment shed 16k jobs thus making for the fourth straight month that temporary worker ranks declined
- Coming into today's report, nonfarm payrolls had grown at an average rate of 276,000 in Q1 with the last four reports each easily exceeding Bloomberg consensus estimates. From December through March actual nonfarm payrolls beat forecast expectations by 93k on average. Additionally, the 791,000 total nonfarm jobs created in Q1 was the strongest pace for any quarter since Q1 2023.

Monthly Employment Change and the Unemployment Rate



Average Hourly Earnings (AHE)



Ameriprise Economic Projections

Forecast:	Full-year				Quarterly							
	Actual	Actual	Est.	Est.	Actual	Actual	Actual	Est.	Est.	Est.	Est.	
	2022	2023	2024	2025	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	
Real GDP (annualized)	1.9%	2.5%	2.2%	1.8%	2.1%	4.9%	3.4%	1.6%	2.6%	1.9%	1.6%	
Unemployment Rate	3.6%	3.7%	4.2%	4.2%	3.6%	3.8%	3.7%	3.8%	4.0%	4.1%	4.2%	
CPI (YoY)	8.0%	3.4%	2.3%	2.0%	3.0%	3.7%	3.4%	3.5%	3.3%	2.6%	2.3%	
Core PCE (YoY)	5.2%	2.9%	2.1%	1.9%	4.3%	3.6%	2.9%	2.8%	2.5%	2.2%	2.1%	

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: May 1, 2024

Ameriprise Global Asset Allocation Committee Targets and Views

Targets

2024 Year-end Targets:	Favorable Scenario	Base-Case Scenario	Adverse Scenario
S&P 500 Index:	5,400	5,200	4,500
10-Year U.S. Treasury Yield:	4.00%	3.50%	3.00%
Fed Funds Target Range:	4.25% to 4.50%	4.75% to 5.00%	3.75% to 4.00%

Estimates (Est.) via American Enterprise Investment Services Inc.

Please see latest *Quarterly Capital Market Digest* for more information.

Last Updated: April 24, 2024

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Global Asset Allocation Committee Views

AMERIPRISE GLOBAL ASSET ALLOCATION COMMITTEE TACTICAL ASSET CLASS VIEWS

2024 Year-end S&P 500 Target: 5,200
2024 Year-End 10-year Treasury Target: 3.50%

as of 03/27/2024

	Overweight	Equalweight	Underweight
Equity	<ul style="list-style-type: none"> U.S. Large Cap Value Developed Foreign Equity 	<ul style="list-style-type: none"> U.S. Large Cap Growth U.S. Mid Cap Value U.S. Mid Cap Growth U.S. Small Cap Value U.S. Small Cap Growth 	<ul style="list-style-type: none"> Emerging Foreign Equity
S&P 500 Sectors	<ul style="list-style-type: none"> Consumer Staples 	<ul style="list-style-type: none"> Communication Services Energy Financials Health Care Industrials Information Technology Materials Real Estate Utilities 	<ul style="list-style-type: none"> Consumer Discretionary
Global Equity Regions	<ul style="list-style-type: none"> United States Europe ex U.K. Japan 	<ul style="list-style-type: none"> Latin America United Kingdom 	<ul style="list-style-type: none"> Asia Pacific ex Japan Middle East/Africa Canada
Fixed Income	<ul style="list-style-type: none"> U.S. Government U.S. Investment Grade Corp. 	<ul style="list-style-type: none"> Developed Foreign Bonds U.S. High Yield Bonds 	<ul style="list-style-type: none"> Emerging Foreign Bonds Municipal Bonds
Alternatives		<ul style="list-style-type: none"> Real Assets 	<ul style="list-style-type: none"> Alternative Strategies
Cash		<ul style="list-style-type: none"> Cash Cash Investments 	

Note: Our Tactical Allocations are designed to augment a Strategic portfolio over a 6-12-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 highly liquid. 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 redemptions.

Major Market Indices	Rolling Returns			
	Q1'24	1-year	3-years	5-years
Russell 3000® Index (U.S. Equity)	10.02%	29.29%	9.78%	14.34%
MSCI ACWI Ex USA Index – net (Foreign Equity)	4.69%	13.26%	1.94%	5.97%
Bloomberg U.S. Universal Bond Index (Fixed Income)	-0.47%	2.67%	-2.11%	0.69%
Wilshire Liquid Alternative Index (Alternatives)	3.16%	8.25%	1.95%	2.92%
FTSE Three-Month Treasury Bill Index (Cash)	1.37%	5.52%	2.70%	2.07%

Past performance is not a guarantee of future performance. Performance calculations use FactSet data and are as of March 29, 2024

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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 insight into 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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Tactical asset class recommendations mentioned in this report reflect The Ameriprise Global Asset Allocation Committee’s general view of the financial markets, as of the date of the report, based on then current conditions. Our tactical recommendations may differ materially from what is presented in a customized long-term financial plan or portfolio strategy. You should view our recommendations in conjunction with a broader long-term portfolio strategy. Not all products, services, or asset classes mentioned in this report may be available for sale at Ameriprise Financial Services, Inc. Please consult with your financial advisor.

Diversification and Asset Allocation do not assure a profit or protect against loss.

Risk Factors

Dividend and interest payments are not guaranteed. The amount of dividend payment, if any, can vary over time and issuers may reduce or eliminate dividends paid on securities in the event of a recession or adverse event affecting a specific industry or issuer. Should a company be unable to pay interest on a timely basis a default may occur and interruption or reduction of interest and principal occur. Investments in a narrowly focused sector may exhibit higher volatility than investments with broader objectives and is subject to market risk and economic risk.

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.

International investing involves increased risk and volatility due to political and economic instability, currency fluctuations, and differences in financial reporting and accounting standards and oversight. Risks are particularly significant in **emerging markets**.

Market Risk: Model portfolios and markets in general could sustain significant volatility due to several factors. As we have seen recently, both economic and geopolitical issues could have a material impact on this model portfolio and the equity market as a whole.

Sector Risk: The Ameriprise Global Asset Allocation Committee and managers of this model portfolio can elect to overweight or underweight (or completely avoid) certain economic sectors. This could lead to substantial underperformance versus a more diversified or balanced weighting.

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.

Product Risk Disclosures

Corporate Bonds are debt instruments issued by a private corporation. Non-Investment grade securities, commonly known as “high-yield” or “junk” bonds, are historically subject to greater risk of default, including the loss of principal and interest, than higher-rated bonds, which may result in greater price volatility than experienced with a higher-rated issue.

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equities, and are either listed on an exchange or over-the-counter. As with any equity investment, ADRs are subject to market and company specific risks. ADRs will also be subjected to foreign market risks. These risks include possible losses due to foreign currency translation, geopolitical instability, and deviations in the market value of an ADR compared to that of the underlying common shares in its primary market. ADRs may suffer from a lack of investor protection and recourse. In the event of a liquidation of the underlying company, the holders of its ADRs are not guaranteed of being able to enforce their right of claim and therefore they may lose their entire investment. Investors of ADRs may also take on risks associated with the parties involved with the sponsoring Bank.

Alternative investments cover a broad range of strategies and structures designed to be low or non-correlated to traditional equity and fixed-income markets with a long-term expectation of illiquidity. **Alternative investments** involve substantial risks and are more volatile than traditional investments, making them more suitable for investors with an above-average tolerance for risk.

There are risks associated with **fixed-income investments**, including bond funds, such as credit risk, interest rate risk, and prepayment and extension risk. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer-term securities.

Growth securities, at times, may not perform as well as value securities or the stock market in general and may be out of favor with investors.

International investing involves increased risk and volatility due to political and economic instability, currency fluctuations, and differences in financial reporting and accounting standards and oversight. Risks are enhanced for **emerging market** issuers.

Interest payments on **inflation-protected securities** may be more volatile than interest payments on ordinary bonds. In periods of deflation, these securities may provide no income.

Index definitions

An index is a statistical composite that is not managed. It is not possible to invest directly in an index.

Definitions of individual indices mentioned in this report are available on our website at ameriprise.com/legal/disclosures/ in the **Additional Ameriprise research disclosures** section, or through your Ameriprise financial advisor.

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