Before the Bell

An Ameriprise Investment Research Group Publication

May 13, 2024

Starting the Day

- U.S. futures are pointing to a slightly higher open.
- European markets are trading mostly lower at midday.
- Asian markets ended mixed overnight.
- The S&P 500 locks in its third straight week of gains.
- Inflation and the consumer are in focus this week.
- 10-year Treasury yield at 4.48%.
- West Texas Intermediate (WTI) oil is trading at $78.69.
- Gold is trading at $2,345..40

Market Perspectives

Anthony Saglimbene, Chief Market Strategist

Weekly Market Perspectives: Last week, the S&P 500 Index climbed higher by +1.9%, locking in its third straight week of gains. The Index is now less than 1.0% away from its record close in late March and appears to be brushing aside its rather modest/brief decline in April. On Friday, the Dow Jones Industrials Average notched its eighth straight day of gains, recording its longest winning streak of the year. The Dow rose +2.2% on the week. Rounding out the performance across the other major U.S. stock averages, the NASDAQ Composite and Russell 2000 Index each rose +1.2% last week.

At the sector level, Utilities jumped over +4.0% on the week and are up roughly +10.0% over the last thirty days. Utilities have been in somewhat of a “stealth rally” as of late as markets continue to price in rate cuts later this year and investors begin to recognize the growing power/electricity needs that data centers and Artificial Intelligence endeavors will likely need to run effectively. However, Financials (+3.1%), Materials (+2.6%), and Consumer Staples (+2.3%) also outperformed on the week, helping to recast a cyclical value tone across the market and one that seemed to have faded following renewed attention in Big Tech earlier in the year.

Over in bonds, the 2-year U.S. Treasury yield crept slightly higher on the week as its price fell, while the 10-year yield finished essentially flat. Month-to-date, government bond yields are down modestly, giving back some of the strong gains seen in April. At current levels, the direction of government bond yields may play an important role in shaping near-term stock direction. This week’s key April consumer and producer inflation reports will likely influence how government bond yields trade and stocks react. Inflation data that shows further signs of easing pressure could put a downward force on rates this week, which may help the S&P 500 inch closer or even surpass its March high. Conversely, inflation data that shows stalled progress, or worse, trends higher, could put upward pressure on rates and downward pressure on stock prices. That said, given the current state of inflation in the U.S., an elevated fed funds rate, and large weekly government bond auctions, investors should expect government bond yields to remain on the higher end of their historical range over the intermediate term.

Outside of stocks and bonds, the U.S. Dollar Index rose slightly across a basket of currencies and Gold ended the week up roughly +2.5%. Notably, West Texas Intermediate (WTI) crude ended last week lower, rejecting attempts to push back above $80 per barrel.

Moving the focus out a bit, the S&P 500 is up about +5.5% over the last three months. Yet, investors have had to navigate through a couple of waves of shifting currents over that period, which may now leave investors less certain about where stock prices are headed next. Notably, the S&P 500 melted higher through the end of March, hitting a high-water mark of 5,264 on

March 28th. The Index then proceeded to fall through its 50-day moving average in April before finding some support around its 100-day moving average as the month started to wind down. Notably, the last few weeks have put investors on information overload, as a firehose of Q1 earnings releases, economic updates, and a Fed policy meeting have provided an abundance of information to digest and, importantly, drive stock direction.

<u>The net effect of all that recent information has resulted in the following macroeconomic narrative:</u>

- Big Tech earnings mostly surpassed elevated expectations in Q1 and kept Q2 outlooks mostly positive.
- Profit trends across other industries were generally solid in the previous quarter, and the Q2 outlook points to further earnings growth.
- Economic activity is slowing but remains solidly positive, and consumer/business trends point to a firm foundation.
- And finally, the base case scenario for the Federal Reserve continues to point to rate cuts later this year.

As a result, government bond yields are down meaningfully from their late April highs, which has allowed stocks some headroom to recoup much of April's losses. However, for stocks to test the late-March highs or fall back to lower moving average levels, new catalysts are likely needed to inform stock direction.

While stocks melted higher last week, the lack of market-moving economic data and key earnings reports had investors largely inside a brief information void. In addition, a batch of Federal Reserve speeches and commentary didn't really alter the rate backdrop. And while the lack of high-profile Q1 earnings releases didn't change the profit narrative too much, S&P 500 Q2 earnings per share (EPS) estimates ticked higher, adding a slight tailwind for stock prices.

The most notable economic release of last week came Friday when a preliminary look at May Michigan Sentiment came in well below estimates and fell meaningfully from April levels, hitting its lowest headline level since November. Consumer expectations about current conditions and the future both fell, while one-year ahead and five-year ahead inflation expectations ticked higher. Interestingly, stalled inflation trends and elevated interest rates likely played a role in the broad deterioration in consumer sentiment across age, income, and education groups in the latest sentiment survey. Combined with the April Consumer Confidence report, consumers may be starting to see inflation, unemployment, and interest rates moving in the wrong direction. While the Fed wants to see some deterioration in the consumer outlook to help bring price trends more in balance, rising inflation expectations is a recent development policymakers will likely pay close attention to over the next couple of reports. Importantly, the Fed sees inflation expectations playing a key role in driving future price trends, and recent survey data suggests consumers are becoming less confident that inflation will move lower over time.

The Week Ahead

Last week's sentiment data and information void aside, this week's inflation updates, a retail sales report, and earnings releases from two key retailers may help provide new catalysts to help drive the next leg of stock direction. Simply, the tailwinds of falling consumer and producer inflation that helped power stock gains last year have stalled at elevated levels over the last few months. On Tuesday, the April Producer Price Index (PPI) is expected to edge higher on a headline basis but remain largely static on a core (ex-food and energy) basis. However, Wednesday's closely watched April Consumer Price Index (CPI) is expected to show headline inflation dropping to +3.4% year-over-year from +3.5% in March. Importantly, annualized April core CPI is forecast to fall to +3.6% from +3.8% in March.

Bottom line: Investors are expecting inflation to fall in April. Even if the decline is slight, markets are looking for further evidence that the downward trend in inflation remains intact and, importantly, is not in the process of reversing course higher.

In addition to key inflation reports this week, investors will receive updates on consumer trends through Wednesday's April retail sales report, as well as retail earnings reports from Home Depot and Walmart. With consumer sentiment showing some recent cracks amid elevated inflation/interest rates, investors will likely be looking to see if spending resiliency continued in April or if consumers' souring mood has begun to affect their spending habits. On the earnings side, Home Depot will report its latest profit results on Tuesday, and Walmart will report on Thursday.

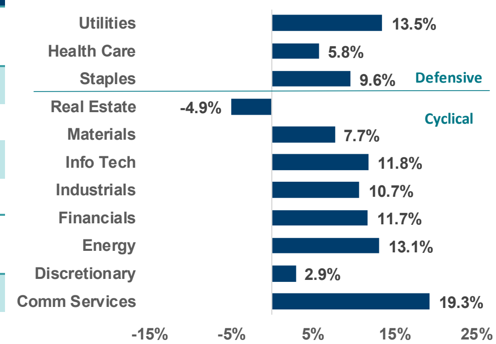
Stock Market Recap							
Benchmark	Total Returns			LTM PE		Yield %	
	Weekly	MTD	YTD	Current	5-Year Median	Current	5-Year Median
S&P 500 Index: 5,223	1.9%	3.8%	10.0%	25.7	21.9	1.3	1.6
Dow Jones Industrial Average: 39,513	2.2%	4.5%	5.5%	23.4	19.8	1.8	2.0
Russell 2000 Index: 5,119	1.2%	4.4%	2.1%	46.2	36.9	1.3	1.3
NASDAQ Composite: 16,341	1.2%	4.4%	9.1%	38.9	34.9	0.7	0.8
Best Performing Sector (weekly): Utilities	4.1%	6.8%	13.5%	21.3	21.4	3.0	3.2
Worst Performing Sector (weekly): Consumer Discretionary	0.2%	2.5%	2.9%	28.2	30.9	0.7	0.9

Source: Factset. Data as of 05/10/2024

Bond/Commodity/Currency Recap			
Benchmark	Total Returns		
	Weekly	MTD	YTD
Bloomberg U.S. Universal	0.1%	1.3%	-1.5%
West Texas Intermediate (WTI) Oil: $78.21	-1.8%	-6.3%	8.8%
Spot Gold: $2,360.52	2.6%	3.3%	14.4%
U.S. Dollar Index: 105.30	0.3%	-0.9%	3.9%
Government Bond Yields	Yield Chg		
	Weekly	MTD	YTD
2-year U.S. Treasury Yield: 4.87%	6 bps chg	-17 bps chg	62 bps chg
10-year U.S. Treasury Yield: 4.49%	-1 bps chg	-19 bps chg	61 bps chg

Source: Factset. Data as of 05/10/2024. bps = basis points

YTD Total Returns by S&P 500 Sector



Source: S&P Global, Factset. Data as of 05/10/2024

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. Premarket Indicators / Overnight International Market Activity

United States:

Here is a quick news rundown to start your morning:

- **Premarket activity points to a slightly higher open.** With the S&P 500 closing back in on its March highs, key inflation reports and updates on the consumer this week may help determine if the Index can move through its old high or if the level acts as resistance. Notably, some technical measures of the S&P 500 have softened over recent weeks, putting the Index in a position to possibly push through its March highs should fundamental updates this week cooperate. For instance, the S&P 500's 14-day relative strength index remains below the overbought threshold, and the number of S&P 500 stocks trading above their 50-day moving average is down meaningfully from the January and March peaks.
- **Earnings Update:** With roughly 92% of S&P 500 first quarter reports complete, blended earnings per share (EPS) growth is higher by +5.4% year-over-year on revenue growth of +4.1%.

Europe:

Eurozone economic updates are mostly backward-looking this week. A second look at Q1 GDP, March industrial production, and the final look at April CPI will line the calendar.

Asia-Pacific:

The White House is expected to announce on Tuesday increased tariffs on Chinese imports targeting electric vehicles, batteries, solar cells, steel, and aluminum, according to *Bloomberg*. Tariffs are expected to double or even triple depending on the Chinese import. *Reuters* also noted that new tariffs could be announced on semiconductors and solar equipment.

WORLD CAPITAL MARKETS

5/13/2024 As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	0.2%	10.0%	5,222.7
Dow Jones	0.3%	5.5%	39,512.8
NASDAQ Composite	0.0%	9.1%	16,340.9
Russell 2000	-0.7%	2.1%	2,059.8
Brazil Bovespa	-0.5%	-4.9%	127,600
S&P/TSX Comp. (Canada)	-0.3%	7.6%	22,308.9
Russell 3000	0.1%	9.2%	2,986.2

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	-0.2%	14.6%	5,076.1
FTSE 100 (U.K.)	-0.2%	10.6%	8,419.8
DAX Index (Germany)	-0.2%	11.9%	18,738.4
CAC 40 (France)	-0.2%	10.5%	8,203.2
FTSE MIB (Italy)	0.2%	14.4%	34,714.4
IBEX 35 (Spain)	-0.1%	12.1%	11,093.3
MOEX Index (Russia)	0.2%	13.5%	3,456.1

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	-0.1%	14.9%	38,179.5
Hang Seng (Hong Kong)	0.8%	13.1%	19,115.1
Korea Kospi 100	0.0%	3.5%	2,727.2
Singapore STI	0.4%	4.6%	3,303.7
Shanghai Comp. (China)	-0.2%	5.8%	3,148.0
Bombay Sensex (India)	0.2%	1.1%	72,776.1
S&P/ASX 200 (Australia)	0.0%	4.4%	7,750.0

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.3%	8.5%	782.1

Developed International	% chg.	%YTD	Value
MSCI EAFE	0.6%	6.7%	2,346.2

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	0.8%	5.5%	1,071.6

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	-0.1%	19.3%	292.3
Consumer Discretionary	-0.6%	2.9%	1,455.7
Consumer Staples	0.6%	9.6%	828.3
Energy	-0.6%	13.1%	716.4
Financials	0.5%	11.7%	695.3
Health Care	0.2%	5.8%	1,672.3
Industrials	0.1%	10.7%	1,062.8
Materials	0.1%	7.7%	578.2
Real Estate	-0.4%	-4.9%	236.8
Technology	0.5%	11.8%	3,787.4
Utilities	-0.2%	13.5%	361.4

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	-1.2%	10.4%	280.8
FTSE NAREIT Comp. TR	-0.3%	-5.2%	22,673.3
DJ US Select Dividend	0.2%	7.0%	3,212.5
DJ Global Select Dividend	0.5%	6.2%	230.8
S&P Div. Aristocrats	0.3%	5.4%	4,500.9

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	-0.2%	-2.0%	2,119.5
Barclays HY Bond	-0.1%	1.5%	2,516.0

Commodities Futures & Spot (Intra-day)	% chg.	% YTD	Value
CRB Raw Industrials	-0.3%	2.1%	554.9
NYMEX WTI Crude (p/bbl.)	0.7%	10.0%	78.8
ICE Brent Crude (p/bbl.)	0.6%	8.1%	83.3
NYMEX Nat Gas (mmBtu)	0.2%	-10.2%	2.3
Spot Gold (troy oz.)	-0.7%	13.6%	2,343.6
Spot Silver (troy oz.)	0.0%	18.5%	28.2
LME Copper (per ton)	1.2%	16.9%	9,897.5
LME Aluminum (per ton)	-1.2%	5.9%	2,483.8
CBOT Corn (cents p/bushel)	-0.2%	-5.1%	469.0
CBOT Wheat (cents p/bushel)	0.4%	3.1%	666.0

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/$)	0.2%	-2.2%	1.08
British Pound (£/$)	0.2%	-1.4%	1.26

	% chg.	% YTD	Value
Japanese Yen ($/¥)	-0.1%	-9.5%	155.86
Australian Dollar (A$/$)	0.2%	-2.8%	0.66

	% chg.	% YTD	Value
Canadian Dollar ($/C$)	0.0%	-3.1%	1.37
Swiss Franc ($/CHF)	0.1%	-7.1%	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 Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
Consumer Staples	5.9%	Overweight	2.0%	7.9%
Information Technology	30.0%	Equalweight	-	30.0%
Health Care	12.3%	Equalweight	-	12.3%
Financials	13.1%	Equalweight	-	13.1%
Industrials	8.8%	Equalweight	-	8.8%
Communication Services	8.9%	Equalweight	-	8.9%
Energy	3.9%	Equalweight	-	3.9%
Utilities	2.1%	Equalweight	-	2.1%
Materials	2.3%	Equalweight	-	2.3%
Real Estate	2.3%	Equalweight	-	2.3%
Consumer Discretionary	10.4%	Underweight	-2.0%	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 World Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
United States	62.4%	Overweight	2.1%	64.5%
Europe ex U.K.	13.5%	Overweight	2.0%	15.5%
Japan	5.6%	Overweight	1.0%	6.6%
United Kingdom	3.2%	Equalweight	-	3.2%
Latin America	1.0%	Equalweight	-	1.0%
Asia-Pacific ex Japan	10.3%	Underweight	-3.0%	7.3%
Canada	2.9%	Underweight	-1.0%	1.9%
Middle East / Africa	1.1%	Underweight	-1.1%	0.0%

as of: March 29, 2024

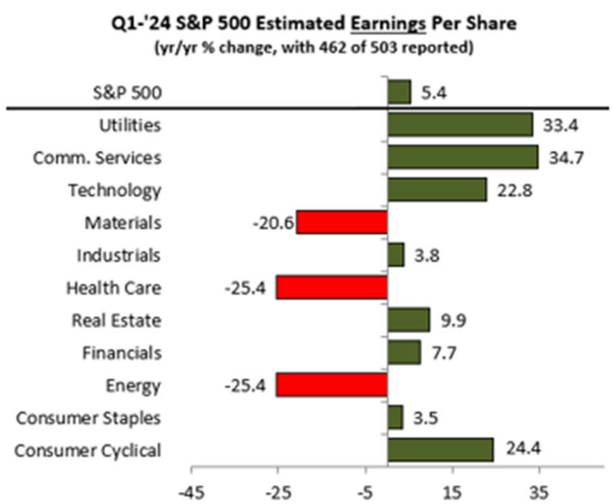
Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 03/21/2024. The GAAC Tactical Overlay, as well as the Recommended Tactical Weights, are derived from the Ameriprise Global Asset Allocation Committee (GAAC). Views are expressed relative to the 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.

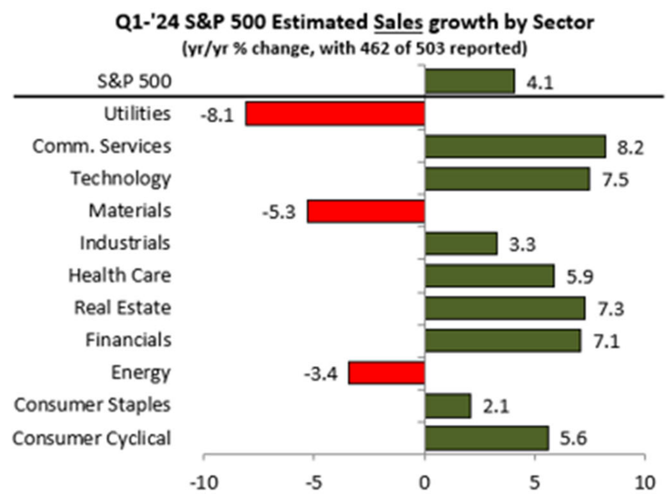
The Week Ahead:

Russell T. Price, CFA, Chief Economist

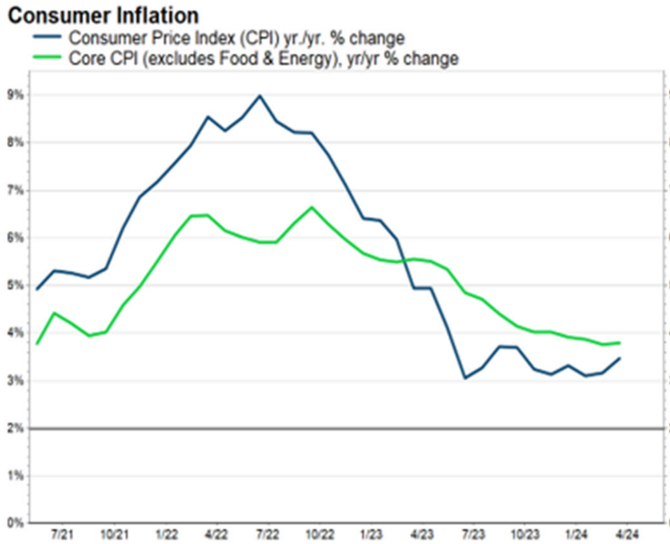
Unless otherwise noted, all economic estimates are sourced from Bloomberg and all corporate earnings measures are sourced from FactSet.

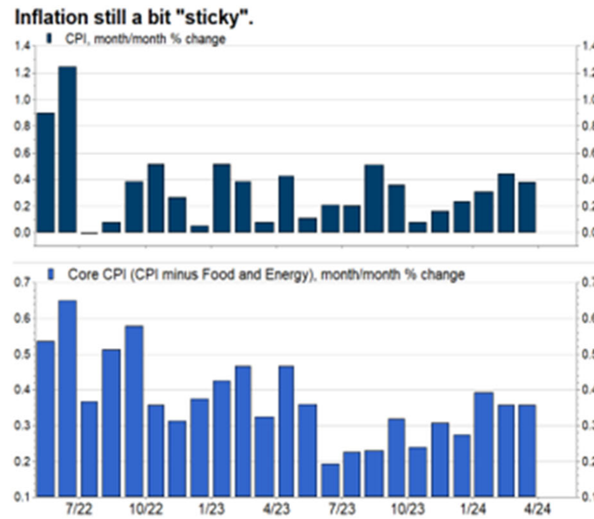
- **Earnings Season Update:** Retailers dominate the final stages of the earnings release season over the next two weeks. Through Friday, 462, or 92% of the S&P 500's 503 constituents, had reported their financial results for the first quarter. There are still some notable names on the docket over the next two weeks however, as retailers, many of whom see fiscal years that end in January, are next up to the plate.
- Blended earnings per share (EPS) estimates for Q1 now look for year-over-year (y/y) growth of +5.3% on sales growth of +4.1%. The numbers are little changed from last week, but they still represent a solid performance relative to quarter-ending estimates – especially considering the large shortfall reported by just one Health Care company. At the end of March analysts were looking for Q1 EPS growth of +3.4%.
- FactSet notes that the y/y EPS growth rate for the Index would be +8.1% without the large and unexpected R&D expense pre-released by Bristol-Myers Squibb (BMY). The company's results for the period brought the overall S&P 500 growth rate for the period down by 2.9 percentage points (pp).
- Sales growth, meanwhile, has been better than expected in seven of the S&P 500's eleven sectors. Three sectors have reported weaker than expected sales. Sales in the Technology space are currently shown to be 3.4% higher y/y versus a quarter-ending estimate +8.6%. Sales in the Energy sector, meanwhile, were down 3.4% in Q1 versus forecast growth of +1.9% and sales growth in the Consumer Staples sector are thus far seen as being +1.4% higher versus an estimated expansion of +2.4%. All data depicted in the charts below is source form FactSet while the graphics themselves are sourced from AEIS.



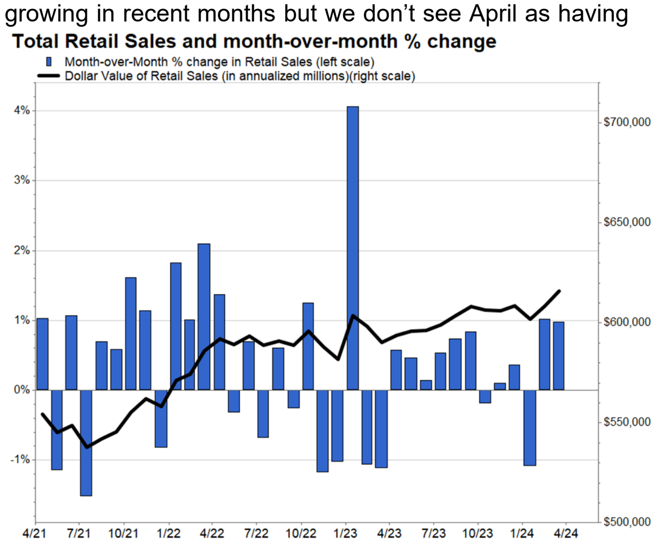


- **The Economic Calendar:** The economic calendar perks up considerably this week with inflation once again under the microscope. Over the next 5 days, investors will see inflation's "Big 3": Consumer, Producer, and Import Price Index numbers. Wednesday's Retail Sales report will also be scrutinized given the recent debate over consumer spending's sustainability. Still, the CPI report, out at the same time, will likely overshadow the retail results.
- **April Consumer Price Index (CPI):** Forecasters are looking for another "hot" read on inflation this week. The Bloomberg consensus looks for a +0.4% month-over-month (m/m) gain at the headline level with the core rate (i.e., headline CPI minus the volatile food and energy components) predicted to rise by 0.3%.
- Should the m/m rates come-in as expected, it would leave headline CPI +3.4% higher year-over-year (y/y), versus +3.5% in March, and the core rate up 3.6% versus +3.8% in March.
- Overall, we believe there is room for CPI to come-in a tenth softer than expected. Shelter costs will remain a dominant influence on the overall results giving its very heavy Index weighting (~34% in headline ~42% in Core). In recent months the segment has maintained a fairly strong pace despite forecasters (and Fed officials) expecting a deceleration to emerge at any time. *The charts at the top of the next page are sourced form FactSet.*





- **April Retail Sales:** Retail sales for the month of April are also reported on Wednesday. The question of *"how much spending fuel do consumers still have in the tank"* has been growing in recent months but we don't see April as having been the month that consumers finally took a breather. Unit auto sales were up modestly, and gasoline prices jumped by 5.0%, according to the EIA. The gain in gas prices, however, was in-line with past seasonal patterns.
- Bank of America Institute's monthly Consumer Checkpoint found that seasonally adjusted card spending was up a solid 1.3% last month after the same metric showed a 0.7% decline in March. However, all of the gain came in Services excluding bars /restaurants, whereas the Commerce Department's Retail Sales report focuses on retail sales of goods.
- Overall, the Bloomberg consensus estimate looks for a +0.4% m/m gain at the headline level (equating to a y/y rate of about 4.3%). Retail sales excluding autos and gasoline are forecast to be just 0.1% higher (after a very strong 1.0% gain in March) which would leave their y/y growth at +5.2% y/y. *The chart at right is sourced from FactSet.*



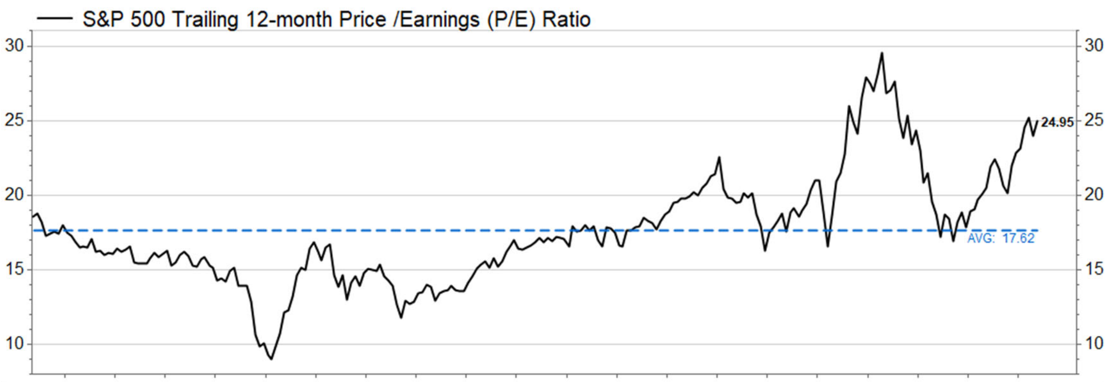
The calendar below is sourced from American Enterprise Investment Services Inc.

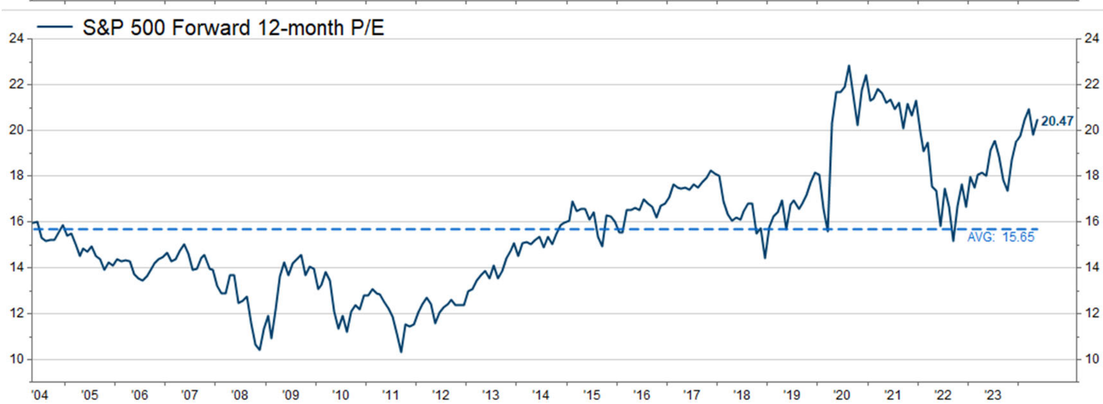
May 13	14	15	16	17
Inflation - India	**NFIB Small Business Index**	**Consumer Price Index**	**Initial Jobless Claims**	**Leading Econ Index**
	Producer Price Index	**Empire Mfg. Index**	**Building Permits**	*Inflation - Eurozone*
	Fixed Investment - China	**Retail Sales**	**Housing Starts**	
		Business Inventories	**Import Price Index**	
		NAHB Housing Index	**Industrial Production**	
		GDP - Japan	*Retail Sales - Japan*	
		GDP - Eurozone	*Industrial Production - Japan*	
		Industrial Production - Eurozone	*Industrial Production - China*	

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
5/13/2024	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY
Quarterly $$ amount				$54.05	$56.65	$55.61	$53.43	$53.34	$54.52	$58.91	$55.56	$56.14	$59.47	$63.51	$65.06	
change over last week												$0.41	-$0.01	$0.00	-$0.02	$0.60
yr/yr				10.2%	7.3%	3.2%	-3.5%	-1.3%	-3.8%	5.0%	4.0%	5.2%	9.1%	7.8%	17.1%	
qtr/qtr				-2.4%	4.8%	-1.8%	-3.9%	-0.2%	2.2%	8.1%	-5.7%	1.0%	5.9%	6.8%	2.4%	
Trailing 4 quarters $$	$163.13	$140.46	$210.86	$216.10	$219.95	$221.69	$219.74	$219.03	$216.90	$220.20	$222.33	$225.13	$230.08	$234.68	$244.18	$277.89
yr/yr % change	1.0%	-13.9%	50.1%				4.2%				1.2%				9.8%	13.8%
Implied P/E based on a S&P 500 level of: 5223												23.2	22.7	22.3	21.4	18.8

Economic News and Views:

Russell T. Price, CFA – Chief Economist

Releases for Monday May 13, 2024 — **All times Eastern. Consensus estimates via Bloomberg**

None Scheduled

Ameriprise Economic Projections

Forecast:	Full-year				Quarterly						
	Actual **2022**	Actual **2023**	**Est. 2024**	**Est. 2025**	Actual Q2-2023	Actual Q3-2023	Actual Q4-2023	Actual Q1-2024	Est. Q2-2024	Est. Q3-2024	Est. 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	• U.S. Large Cap Value • Developed Foreign Equity	• 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	• Emerging Foreign Equity
S&P 500 Sectors	• Consumer Staples	• Communication Services • Energy • Financials • Health Care • Industrials • Information Technology • Materials • Real Estate • Utilities	• Consumer Discretionary
Global Equity Regions	• United States • Europe ex U.K. • Japan	• Latin America • United Kingdom	• Asia Pacific ex Japan • Middle East/Africa • Canada
Fixed Income	• U.S. Government • U.S. Investment Grade Corp.	• Developed Foreign Bonds • U.S. High Yield Bonds	• Emerging Foreign Bonds • Municipal Bonds
Alternatives		• Real Assets	• Alternative Strategies
Cash		• 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.

	Rolling Returns			
Major Market Indices	**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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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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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.

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