Before the Bell

An Ameriprise Investment Research Group Publication

June 5, 2024

Starting the Day

- U.S. futures pointing to a modestly higher open.
- European markets solidly higher at midday.
- Asian markets ended mostly lower.
- Equities see support from easing interest rates.
- ADP employment continues to ease.
- 10-year Treasury yield at 4.33%.
- West Texas Intermediate (WTI) oil is trading at $73.62.
- Gold is trading at $2,354.90

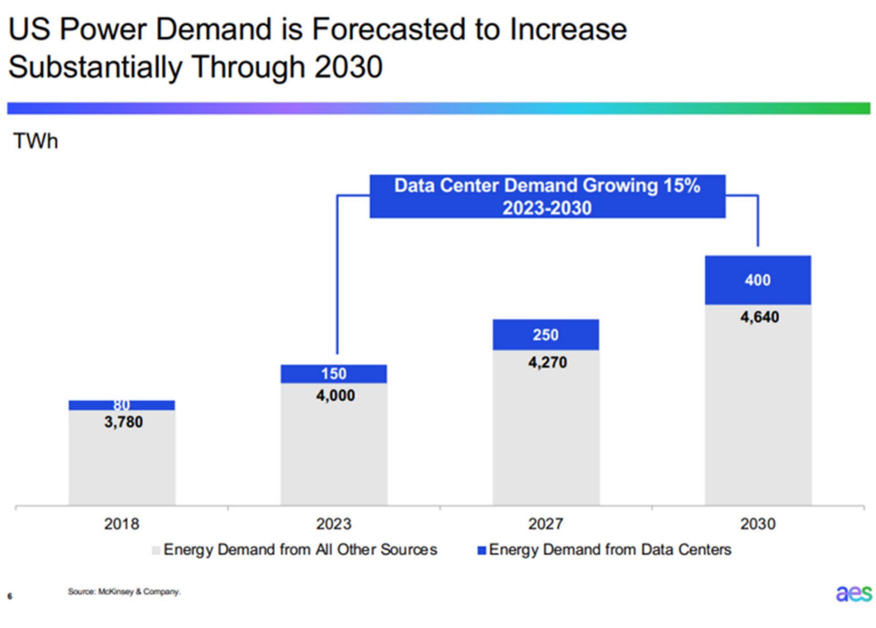
Market Perspectives

Will Foley, ASIP, Director Energy and Utilities

In addition to comments related to overnight activity and pre-market conditions, each Wednesday, we feature commentary from members of the Ameriprise Global Asset Allocation Committee discussing investment considerations targeting their specific area of expertise. The comments are intended to provide additional insight into Committee allocation recommendations.

Data Centers Expected to Require a Significant Expansion in U.S. Electricity Generation Capacity

The anticipated surge in power-hungry data centers in the U.S. is expected to require a significant expansion in electricity generation and transmission capacity between now and 2030. McKinsey projects U.S. data center power demand will rise to more than 50 gigawatts (GW) in 2030 from ~17GW in 2022, or 194% growth. However, If the industry can boost power capacity through transmission innovations, this could result in a reduced need for new generation capacity, potentially reducing a material constraint on data center growth, in our view. This issue has only recently appeared on the radar screen of many investors, so we believe there is significant uncertainty regarding how power markets respond to the expected surge in demand. We believe today's medium-to-long-term projections for power demand, etc., should be viewed as rough estimates given the high uncertainty factor for many of the variables that go into these forecasts and the potential impact of technological innovations on factors like grid efficiency



Source: McKinsey & Company and American Enterprise Investment Services Inc.

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

© 2024 Ameriprise Financial, Inc. All rights reserved.

and capacity. For a more detailed discussion of this issue please see our report titled *Powering Artificial Intelligence* published on May 23, 2024.

The major cloud computing companies are committed to powering their data centers with zero-carbon energy sources such as wind, solar and nuclear. However, due to the intermittency of renewables (wind speeds and the intensity of sunshine are variable) natural gas fired generation is often used as backup generation to maintain the optimum level of power output at any given time. While natural gas generation emits carbon, this can be offset using carbon capture and storage (CCS) technologies such as reinjecting the carbon emissions into depleted gas wells. However, this technology is still relatively new so we believe optimizing the process may take time. With limited opportunities to add new nuclear generation in the U.S., we expect wind, solar and natural gas with CCS to be the main sources of incremental power generation over the next decade. As a result, we believe there is likely to be significant pressure on power companies/utilities to add substantial amounts zero-carbon power and expand/upgrade the power grid to handle these intermittent resources.

In our view, technology innovations could boost grid capacity, partially reducing the need for new generation capacity. In an article titled "Getting Serious" in The Economist's May 11th to May 17th issue, the magazine explored several promising technologies designed to boost grid capacity and efficiency. First, artificial intelligence (AI) can enhance the efficiency and capacity of power networks, potentially adding 100 GW of transmission and distribution capacity in the U.S. over the next three to five years. Grid Enhancing Technologies (GETs) are being deployed to modernize and expand grid capacity, without building new power lines. For example, TS Conductors are stronger, lighter and carry more power than traditional materials. Another technology highlighted was Dynamic Line Rating (DLR), which uses sensors to monitor and optimize power flows based on real-time conditions, thus boosting capacity. Since we are very early in the deployment of data center technology, the potential innovations could be significant, in our view.

Market Indicators / Overnight International Market Activity

United States:

Here is a quick news rundown to start your morning:

- **Stock prices are indicated modestly higher this morning.** Yesterday, stock were up with the S&P 500 Index, NASDAQ and the DowJones Industrial Average all finishing higher.

Europe:

European markets are mixed at mid day. France's CAC 40 index is up 0.8%, with Germany's DAX 30 up 0.8%, while London's FTSE 100 is down 0.4%.

Asia-Pacific:

Shares in the Asia-Pacific region were mixed on Wednesday. In Japan, the Nikkei 225 closed down 0.1%. The Shanghai Composite closed down 0.8%, with the Hang Seng Index in Hong Kong up 0.2%.

This space intentionally left blank.

© 2024 Ameriprise Financial, Inc. All rights reserved.

WORLD CAPITAL MARKETS

6/5/2024 As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	0.2%	11.6%	5,291.3
Dow Jones	0.4%	3.6%	38,711.3
NASDAQ Composite	0.2%	12.6%	16,857.1
Russell 2000	-1.2%	0.9%	2,033.9
Brazil Bovespa	-0.2%	-9.2%	121,802
S&P/TSX Comp. (Canada)	-0.6%	6.2%	21,978.2
Mexico IPC	3.2%	-6.0%	53,485.6

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	1.4%	14.0%	5,025.0
FTSE 100 (U.K.)	0.4%	8.8%	8,263.0
DAX Index (Germany)	1.1%	11.0%	18,602.4
CAC 40 (France)	1.0%	9.0%	8,016.8
FTSE MIB (Italy)	1.2%	14.3%	34,682.5
IBEX 35 (Spain)	1.0%	15.2%	11,394.4
MOEX Index (Russia)	0.8%	5.8%	3,210.9

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	-0.9%	15.9%	38,490.2
Hang Seng (Hong Kong)	-0.1%	9.5%	18,425.0
Korea Kospi 100	1.0%	2.1%	2,689.5
Singapore STI	-0.3%	5.6%	3,330.0
Shanghai Comp. (China)	-0.8%	3.0%	3,065.4
Bombay Sensex (India)	3.2%	3.7%	74,382.2
S&P/ASX 200 (Australia)	0.4%	4.7%	7,769.0

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	-0.2%	9.4%	787.5

Developed International	% chg.	%YTD	Value
MSCI EAFE	-0.2%	8.1%	2,369.2

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	-1.6%	3.8%	1,052.0

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	0.3%	21.9%	298.7
Consumer Discretionary	0.2%	1.1%	1,428.0
Consumer Staples	0.9%	10.2%	831.9
Energy	-1.0%	8.4%	682.9
Financials	-0.4%	10.0%	684.1
Health Care	0.3%	6.9%	1,688.8
Industrials	-0.2%	7.2%	1,027.6
Materials	-1.2%	5.5%	564.8
Real Estate	0.9%	-3.8%	239.4
Technology	0.4%	19.0%	4,027.8
Utilities	0.0%	14.4%	362.8

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	0.4%	8.0%	274.6
FTSE NAREIT Comp. TR	0.9%	-3.7%	23,046.4
DJ US Select Dividend	-0.3%	6.2%	3,187.6
DJ Global Select Dividend	-0.1%	6.2%	228.7
S&P Div. Aristocrats	-0.1%	3.0%	4,398.9

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	0.4%	-0.7%	2,147.5
Barclays HY Bond	0.1%	2.0%	2,530.7

Commodities Futures & Spot (Intra-day)	% chg.	% YTD	Value
CRB Raw Industrials	-0.5%	1.5%	551.7
NYMEX WTI Crude (p/bbl.)	0.5%	2.8%	73.7
ICE Brent Crude (p/bbl.)	0.5%	1.1%	77.9
NYMEX Nat Gas (mmBtu)	1.8%	4.7%	2.6
Spot Gold (troy oz.)	0.3%	13.2%	2,334.6
Spot Silver (troy oz.)	0.4%	24.5%	29.6
LME Copper (per ton)	-2.0%	16.0%	9,820.1
LME Aluminum (per ton)	0.0%	11.6%	2,618.4
CBOT Corn (cents p/bushel)	-0.4%	-10.8%	440.8
CBOT Wheat (cents p/bushel)	0.2%	2.1%	659.3

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/$)	0.0%	-1.5%	1.09
British Pound (£/$)	0.1%	0.4%	1.28
Japanese Yen ($/¥)	-0.7%	-9.6%	156.01
Australian Dollar (A$/$)	0.0%	-2.4%	0.66
Canadian Dollar ($/C$)	0.0%	-3.2%	1.37
Swiss Franc ($/CHF)	-0.2%	-5.7%	0.89

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.

© 2024 Ameriprise Financial, Inc. All rights reserved.

Economic News and Views:

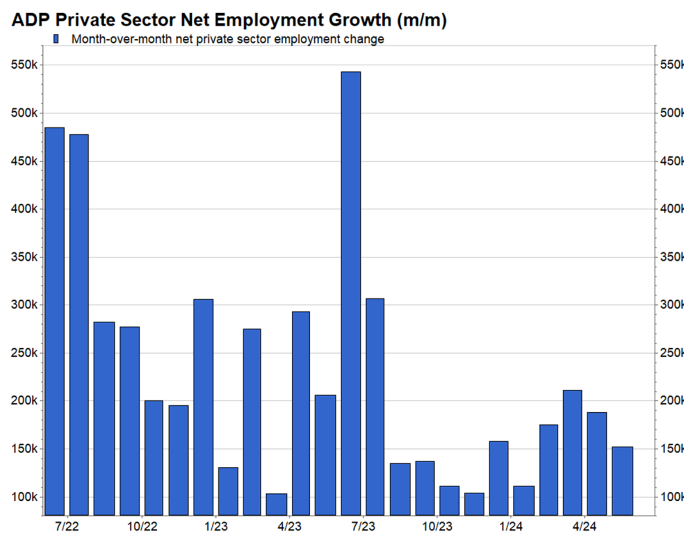
Russell T. Price, CFA – Chief Economist

Releases for Wednesday June 5, 2024 — **All times Eastern. Consensus estimates via Bloomberg**

Time	Period	Release	Consensus Est.	**Actual**	Prior	Revised to
8:15 AM	MAY	ADP Employment Estimate	+175k	**+152k**	+192k	+188k
10:00 AM	MAY	ISM Services Index	51.0		49.4	
10:00 AM	MAY	ISM Prices Paid	59.0		59.2	
10:00 AM	MAY	ISM New Orders	53.2		52.2	
10:00 AM	MAY	ISM Employment	47.2		45.9	

Commentary:

- **Further slowing in net new hiring may reinvigorate market expectations relative to the number of potential Fed rate cuts this year.** Private sector payrolls grew by a net 152,000 in April, thus reflecting a further slowdown in the pace of net new hiring – at least via the ADP measure. It was the weakest number since January's +111,000.
- There were winners and losers when it comes to job growth by business size. Small businesses (49 or fewer employees) were said to have lost 10,000 positions while Medium (50 to 499 employees) Large sized firms (500+) added 79,000 and 98,000 net new positions respectively.
- Overall, we believe there is widespread evidence of a labor market that is easing. That's not necessarily a bad thing in our view, as monthly job gains over the last several quarters had defied what seemed to be increasingly tight conditions with fewer and fewer individuals on the sidelines and thus able to be brought back into the fold. In the Labor Department report, part time positions have been adding to the overall total in recent months but not by enough to change the overall narrative, in our view. Somewhat surprisingly, the number of people holding more than one job typically grows best during periods of solid economic conditions.
- On somewhat of a positive given the ongoing inflation problem wage pressures eased slightly in the month but not by enough to really change perceptions of market conditions overall.



- **Outlook for Friday:** The Bloomberg consensus estimate currently looks for Friday's Labor Department report to show 185,000 net new jobs to have been created in May (versus April's +175,000).
- The Unemployment Rate, meanwhile, is expected to remain steady at 3.9%.
- Average Hourly Earnings (AHE), meanwhile are forecast to have grown by 0.3% (versus +0.2% in April), thus keeping the year-over-year rate at +3.9%.
- Although it would seem intuitive, the correlation between the ADP and Labor Department reports has not been very good in recent quarters. Historically we have found the best correlations between the large and mid-sized business segments of the ADP release with the tone of the Labor Department's estimate. That said, the ADP measure has been reformulated a few times in recent years and there has not been enough data to fully examine the relationship under the current formula. It should also be noted that the Labor Department's number includes the government sector whereas the ADP measure does not. *The chart at right is sourced from FactSet and HAS been updated for today's release.*

Indicator:	May estimate	April actual	March actual
Net Payroll change	185,000	175,000	315,000
Unemployment Rate	3.9%	3.9%	3.8%
Avg. Hourly Earns.	3.9%	3.9%	4.1%

Estimates via Bloomberg, Actuals via Labor Dept.

© 2024 Ameriprise Financial, Inc. All rights reserved.

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%	1.3%	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 30, 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

This space intentionally left blank.

© 2024 Ameriprise Financial, Inc. All rights reserved.

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

This space intentionally left blank.

© 2024 Ameriprise Financial, Inc. All rights reserved.

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.

Strategists

Chief Market Strategist
Anthony M. Saglimbene
Vice President

Thomas Crandall, CFA, CFP®, CMT, CAIA
Vice President – Asset allocation

Jun Zhu, CFA, CAIA
Sr Analyst – Quantitative, Asset allocation

Sumit Chugh, CFA
Analyst II

Amit Tiwari, CFA
Sr Associate I

Chief Economist
Russell T. Price, CFA
Vice President

Equity Research

Justin H. Burgin
Vice President

Patrick S. Diedrickson, CFA
Director – Consumer goods and services

William Foley, ASIP
Director – Energy and utilities

Lori Wilking-Przekop
Sr Director – Financial services and REITs

Chris Macino
Director – Health care

Frederick M. Schultz
Sr Director – Industrials and materials

Andrew R. Heaney, CFA
Director – Technology and Communication Services

Bishnu Dhar
Analyst II – Quantitative strategies and international

Research Support

Jillian Willis
Sr Administrative Assistant

Kimberly K. Shores
Investment Research Coordinator

Jeff Carlson, CLU®, ChFC®, RICP®
Business Risk Manager

Manager Research

Michael V. Jastrow, CFA
Vice President

ETFs, CEFs, UITs
Jeffrey R. Lindell, CFA
Sr Director

Alex Narum
Analyst II

Sagar Batra
Sr Associate I

Alternatives
Justin E. Bell, CFA
Vice President

Kay S. Nachampassak
Director

Quantitative Research
Kurt J. Merkle, CFA, CFP®, CAIA
Vice President

Peter W. LaFontaine
Sr Analyst

Gaurav Sawhney
Analyst II

Ryan Elvidge
Analyst II

Matt Burandt
Analyst II

Parveen Vedi
Sr Associate I

Harish Chauhan
Sr Associate I

Ankit Srivastav
Associate II

Pulkit Kumar
Associate II

Sameer Asif
Associate II

Equities
Benjamin L. Becker, CFA
Sr Director – International and global equity

Cynthia Tupy, CFA
Director – Value equity and equity income

Andrew S. Murphy, CFA
Analyst II – Core equity

Teneshia Butler
Analyst II – Growth equity

Kuldeep Rawat
Sr. Associate I

Multi-Asset and Fixed Income
Mark Phelps, CFA
Sr Director – Multi-asset solutions

Josh Whitmore, CFA
Director – Fixed income

Lukas Leijon
Sr Associate II – Fixed income

Diptendu Lahiri
Sr Associate I – Fixed income

Fixed Income Research and Strategy

Brian M. Erickson, CFA
Vice President

Jon Kyle Cartwright
Sr Director – High yield and investment grade credit

Stephen Tufo
Director – High yield and investment grade credit

Retirement Research

Rohan Sharma
Vice President

Matt Morgan
Director

Will Ikola
Sr Manager

Keyur Mathur
Sr Manager

Shringarika Saxena
Business Analyst

Abhishek Anand
Principal Lead - Quality Engineering

Karan Prakash
Technical Lead - Quality Engineering

© 2024 Ameriprise Financial, Inc. All rights reserved.

The content in this report is authored by American Enterprise Investment Services Inc. (“AEIS”) and distributed by Ameriprise Financial Services, LLC (“AFS”) to financial advisors and clients of AFS. AEIS and AFS are affiliates and subsidiaries of Ameriprise Financial, Inc. Both AEIS and AFS are member firms registered with FINRA and are subject to the objectivity safeguards and disclosure requirements relating to research analysts and the publication and distribution of research reports. The “Important Disclosures” below relate to the AEIS research analyst(s) that prepared this publication. The “Disclosures of Possible Conflicts of Interest” section, where applicable, relates to the conflicts of interest of each of AEIS and AFS, their affiliates and their research analysts, as applicable, with respect to the subject companies mentioned in the report.

Each of AEIS and AFS have implemented policies and procedures reasonably designed to ensure that its employees involved in the preparation, content and distribution of research reports, including dually registered employees, do not influence the objectivity or timing of the publication of research report content. All research policies, coverage decisions, compensation, hiring and other personnel decisions with respect to research analysts are made by AEIS, which is operationally independent of AFS.

Important disclosures

As of March 31, 2024

The views expressed regarding the company(ies) and sector(s) featured in this publication reflect the personal views of the research analyst(s) authoring the publication. Further, no part of research analyst compensation is directly or indirectly related to the specific recommendations or views contained in this publication.

A part of a research analyst’s compensation may be based upon overall firm revenue and profitability, of which investment banking, sales and trading, and principal trading are components. No part of a research analyst’s compensation is based on a specific investment banking transaction, nor is it based on sales, trading, or principal trading. A research analyst may have visited the material operations of one or more of the subject companies mentioned in this research report. No payment was received for the related travel costs.

Additional information and current research disclosures on individual companies mentioned in this research report are available on our website at ameriprise.com/legal/disclosures in the **Additional Ameriprise research disclosures** section, or through your Ameriprise financial advisor. You may also submit a written request to Ameriprise Financial, Inc., 1441 West Long Lake Road, Troy MI, 48098. Independent third party research on individual companies is available to clients at ameriprise.com/research-market-insights/. SEC filings may be viewed at sec.gov.

Investors should consider the investment objectives, risks, charges and expenses of a mutual fund or exchange traded fund (ETF) carefully before investing. For a free prospectus, which contains this and other important information about the funds, please contact your financial advisor. The prospectus should be read carefully before investing.

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

© 2024 Ameriprise Financial, Inc. All rights reserved.

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.

American Depository Receipts (ADR) are securities issued by a U.S. bank that typically represent a foreign company’s equity and that trade similarly to domestic 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.

© 2024 Ameriprise Financial, Inc. All rights reserved.

Disclosures of potential conflicts of interest

One or more members of the research team who prepared this research report may have a financial interest in securities mentioned in this research report through investments in a discretionary separately managed account program.

Disclaimer section

Except for the historical information contained herein, certain matters in this report are forward-looking statements or projections that are dependent upon certain risks and uncertainties, including but not limited to, such factors and considerations as general market volatility, global economic and geopolitical impacts, fiscal and monetary policy, liquidity, the level of interest rates, historical sector performance relationships as they relate to the business and economic cycle, consumer preferences, foreign currency exchange rates, litigation risk, competitive positioning, the ability to successfully integrate acquisitions, the ability to develop and commercialize new products and services, legislative risks, the pricing environment for products and services, and compliance with various local, state, and federal health care laws. See latest third-party research reports and updates for risks pertaining to a particular security.

This summary is based upon financial information and statistical data obtained from sources deemed reliable, but in no way is warranted by Ameriprise Financial, Inc. as to accuracy or completeness. This is not a solicitation by Ameriprise Financial Services, LLC of any order to buy or sell securities. This summary is based exclusively on an analysis of general current market conditions, rather than the appropriateness of a specific proposed securities transaction. We will not advise you as to any change in figures or our views.

Past performance is not a guarantee of future results.

Investment products are not insured by the FDIC, NCUA or any federal agency, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value. Third-party companies mentioned are not affiliated with Ameriprise Financial Services, LLC.

Ameriprise Financial, Inc. and its affiliates do not offer tax or legal advice. Consumers should consult with their tax advisor or attorney regarding their specific situation.

Ameriprise Financial Services, LLC. Member FINRA and SIPC.

© 2024 Ameriprise Financial, Inc. All rights reserved.