

Before the Bell

An Ameriprise Investment Research Group Publication

November 29, 2024

Starting the Day

- U.S. equity index futures pointing to a higher open.
- European markets are modestly higher at mid-day.
- Asian markets ended mixed overnight.
- International markets were mostly higher on Thursday.
- U.S. financial markets close at 1 PM ET today.
- 10-year Treasury yield at 4.21%.
- West Texas Intermediate (WTI) oil is trading at \$68.48.
- Gold is trading at \$2,662.50

Market Perspectives

Russell T. Price, CFA Chief Economist

Sound consumer engagement has NRF predicting holiday season sales to be about 2.5% to 3.5% higher. You may not be reading this on the day published as tens of millions of Americans are said to be either online or out shopping today. According to the National Retail Federation (NRF), a whopping 183.4 million people will either hit the store or shop online over the long Thanksgiving holiday weekend (from Thanksgiving through Cyber Monday). Though a record, the predicted total is a slim 0.7% higher than last year's NRF estimated shopper population of 182 million. Still, this year's number represents a remarkable 11% increase over the 165.3 million shoppers reported in 2019. *The graphic at right is sourced from the NRF.*

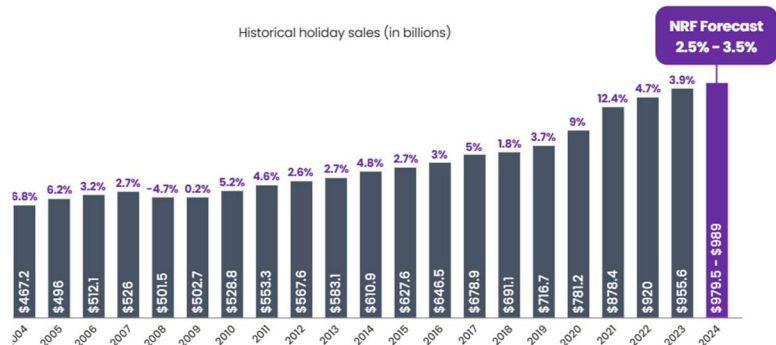
Thanksgiving Weekend Shopping



65%
of Black Friday shoppers plan to shop **in-store**

Historical holiday sales and 2024 forecast

Holiday sales for 2024 are expected to increase between 2.5% and 3.5% over 2023.



Source: U.S. Census. Non-seasonally adjusted retail sales
NRF holiday spending is defined as the months of November and December. NRF's forecast excludes automobile dealers, gasoline stations and restaurants.



According to a NRF survey, about half (51%) of those not planning to shop this weekend say they could be convinced otherwise if they lose all control of their senses (jk) – if they see items they want on sale, can get free shipping, or if friends or family invite them along.

For the entire holiday season, the NRF is forecasting sales to be between 2.5% and 3.5% higher. Though this is a sound rate in our opinion, it would be the weakest pace of advancement since the 1.8% increase seen in 2018. Meanwhile, Adobe is predicting online holiday

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season sales to be up 8.4% this year as the dollar value of online sales continues to grow at a fast rate.

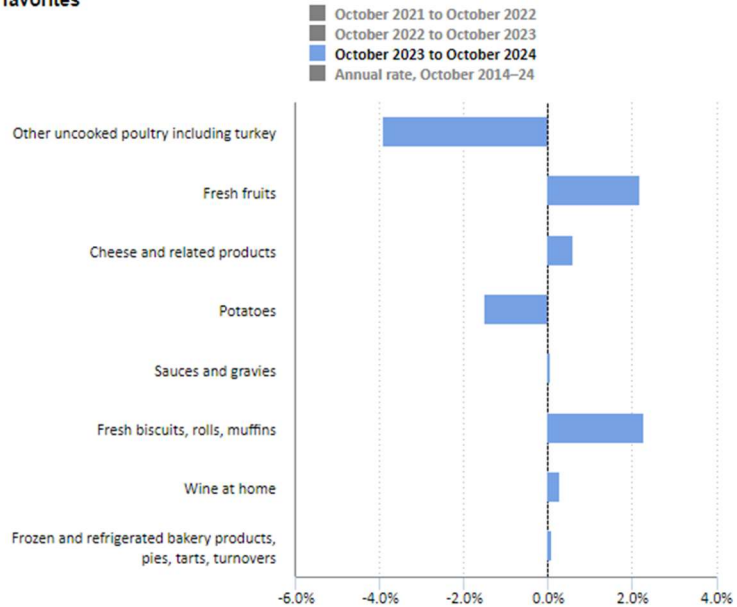
At least holiday season costs are down. Inflation remains a key point of aggravation for consumers, no doubt. Although the pace of price increases has slowed, most prices, including many that surged over the last few years, have not, nor are they likely, to go down. On a positive note, however, there has been some relief in key product categories that should be appreciated at this time of year.

Traveling to friends or relatives over the holidays? Gasoline prices are considerably lower. In October, gasoline prices were 12% below year-ago levels, according to the Labor Department’s Consumer Price Index (CPI). Flying? Unfortunately, airfares were still 4% higher y/y in October, and it looks like airports will be very crowded once again. But when you get to your destination auto rental rates are down 7.0% y/y and hotel prices were 0.4% lower.

Many components of the traditional Thanksgiving meal have also seen prices decline, most notably turkey. According to the Labor Department, turkey prices were down 4% y/y in October. Prefer ham? Ham prices were down 2.0% with potato prices off by 1.5% y/y.

And if gift giving is part of your tradition, you’ll be happy to note that prices for toys, games and playground equipment were down 3.7% in October. Sports equipment and goods were also down 3.7%. Tools and outdoor equipment prices were 3.2% lower and household furnishings 2.2% lower. Of course we cannot forget the most important member of the family, pet product prices were down 0.7% coming into the holiday season. Finally, apparel prices were 0.4% higher, but still usually a good gift choice (keep the receipt and I’m an XL). *The graphic at right is sourced from the Department of Labor.*

12-month percent change in consumer prices for some Thanksgiving favorites



U.S. Premarket Indicators / Overnight International Market Activity

United States:

Here is a quick news rundown to start your morning:

- **Investors seem to be carrying a positive attitude into today’s post-holiday shortened trading session as equity index futures currently suggest a solid open.** Stock and bond trading will both conclude at 1 PM ET today. As is the case with this day each year, traders are focused on early indicators from the Black Friday shopping scum. Though still very early, initial reports suggest good foot traffic at many of the nation’s major retailers that have opened early today.

Europe:

Stocks are generally mixed at mid-day across Europe, although most major markets in the region are little changed after Eurozone inflation came-in at 2.3%, up from the prior month’s +2.0% but in line with expectations. The increase versus September’s rate was due to higher energy prices as the core rate (headline inflation minus the volatile food and energy components) was steady for a third straight month at 2.7%. On Thursday, equity markets in continental Europe closed about 0.3% to 0.9% higher. London’s FTSE lagged the group with a 0.1% gain.

Asia-Pacific:

Markets across the Asia /Pacific were mixed in overnight trading. Of particular note, equities were solidly higher in India despite the country reporting Q3 real Gross Domestic Product (GDP) growth that was well short of estimates. Officials reported annualized growth for the period of +5.4% versus a consensus estimate (per CNBC) of +6.5% and a Q2 growth rate of +6.7%. Investors responded favorably to the report, however, as bond yields eased, and investors considered that the weaker number

could lead the Bank of India to cut interest rates at their meeting next week. The central bank has kept rates on hold for several quarters.

On Thursday, equity markets across the Asia /Pacific were decidedly mixed. Japan's Nikkei ended the session 0.6% higher and Korea's KOSPI was up 0.1%. Markets with a connection to China, however, were generally lower. China's main Shanghai 300 Index was down 1.2% and Hong Kong's Hang Seng was off by 0.9%.

WORLD CAPITAL MARKETS

11/29/2024

As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	-0.4%	27.3%	5,998.7
Dow Jones	-0.3%	20.7%	44,722.1
NASDAQ Composite	-0.6%	27.8%	19,060.5
Russell 2000	0.1%	21.1%	2,426.2
Brazil Bovespa	-2.4%	-7.1%	124,610
S&P/TSX Comp. (Canada)	0.2%	25.3%	25,543.5
Russell 3000	-0.3%	27.1%	3,449.5

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	0.3%	9.0%	4,772.9
FTSE 100 (U.K.)	0.0%	10.9%	8,280.2
DAX Index (Germany)	0.4%	16.4%	19,504.5
CAC 40 (France)	0.4%	-1.6%	7,206.3
FTSE MIB (Italy)	0.1%	9.6%	33,276.9
IBEX 35 (Spain)	0.0%	20.0%	11,612.8
MOEX Index (Russia)	#VALUE!	#VALUE!	#N/A N/A

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	-0.4%	16.0%	38,208.0
Hang Seng (Hong Kong)	0.3%	19.0%	19,423.6
Korea Kospi 100	-1.9%	-6.3%	2,455.9
Singapore STI	0.1%	21.9%	3,739.3
Shanghai Comp. (China)	0.9%	11.8%	3,326.5
Bombay Sensex (India)	1.0%	11.9%	79,802.8
S&P/ASX 200 (Australia)	-0.1%	16.4%	8,436.2

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.0%	20.3%	858.3

Developed International	% chg.	%YTD	Value
MSCI EAFE	0.3%	6.2%	2,302.2

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	-0.7%	8.2%	1,079.7

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	0.0%	34.9%	329.0
Consumer Discretionary	-0.7%	25.7%	1,769.8
Consumer Staples	0.1%	20.3%	897.2
Energy	-0.1%	16.4%	721.6
Financials	0.3%	38.0%	851.8
Health Care	0.5%	9.1%	1,709.3
Industrials	-0.4%	26.9%	1,208.9
Materials	-0.1%	11.3%	591.7
Real Estate	0.7%	15.7%	283.2
Technology	-1.2%	33.7%	4,513.5
Utilities	0.0%	34.1%	418.9

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	1.4%	22.1%	310.5
FTSE NAREIT Comp. TR	0.6%	14.6%	27,425.8
DJ US Select Dividend	-0.1%	26.0%	3,782.2
DJ Global Select Dividend	0.0%	11.9%	234.6
S&P Div. Aristocrats	0.2%	15.7%	4,943.5

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	0.0%	2.6%	2,217.5
Barclays HY Bond	0.0%	8.5%	2,690.1

Commodities	% chg.	% YTD	Value
Futures & Spot (Intra-day)			
CRB Raw Industrials	-0.2%	0.1%	544.3
NYMEX WTI Crude (p/bbl.)	-0.5%	-4.5%	68.4
ICE Brent Crude (p/bbl.)	-0.8%	-5.6%	72.7
NYMEX Nat Gas (mmBtu)	2.7%	30.9%	3.3
Spot Gold (troy oz.)	0.9%	29.0%	2,660.9
Spot Silver (troy oz.)	1.7%	29.2%	30.7
LME Copper (per ton)	-0.2%	5.0%	8,884.4
LME Aluminum (per ton)	0.3%	9.7%	2,572.5
CBOT Corn (cents p/bushel)	0.0%	-16.8%	428.0
CBOT Wheat (cents p/bushel)	-1.7%	-19.2%	548.5

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/€)	0.1%	-4.3%	1.06
British Pound (£/€)	0.1%	-0.3%	1.27

	% chg.	% YTD	Value
Japanese Yen (\$/¥)	1.0%	-6.0%	150.08
Australian Dollar (A\$/€)	0.1%	-4.5%	0.65

	% chg.	% YTD	Value
Canadian Dollar (\$/C\$)	0.1%	-5.4%	1.40
Swiss Franc (\$/CHF)	0.2%	-4.6%	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		S&P 500 Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
Financials	12.9%	Overweight	2.0%	14.9%	Energy	3.2%	Equalweight	-	3.2%
Consumer Staples	5.9%	Overweight	2.0%	32.5%	Utilities	2.5%	Equalweight	-	2.5%
Information Technology	31.9%	Equalweight	-	31.9%	Materials	2.3%	Equalweight	-	2.3%
Health Care	11.5%	Equalweight	-	11.5%	Real Estate	2.3%	Equalweight	-	2.3%
Communication Services	8.8%	Equalweight	-	8.8%	Consumer Discretionary	10.2%	Underweight	-2.0%	8.2%
					Industrials	8.5%	Underweight	-2.0%	6.5%

As of: September 30, 2024

Index weightings represent the respective market capitalization of each sector in the S&P 500 as of 9/26/2024. 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				MSCI All-Country World Index				
	Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight	Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight	
United States	62.8%	Overweight	2.2%	65.0%	United Kingdom	3.2%	Equalweight	-	3.2%
Europe ex U.K.	12.9%	Equalweight	-	12.9%	Latin America	0.9%	Equalweight	-	0.9%
Asia-Pacific ex Japan	11.0%	Equalweight	-	11.0%	Canada	2.8%	Underweight	1.0%	1.8%
Japan	5.2%	Equalweight	-	5.2%	Middle East / Africa	1.2%	Underweight	-1.2%	0.0%

as of: September 30, 2024

Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 09/26/2024. 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, November 29, 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 Q4-2023	Actual Q1-2024	Actual Q2-2024	Actual Q3-2024	Est. Q4-2024	Est. Q1-2025	Est. Q2-2025
Real GDP (annualized)	2.5%	2.9%	2.7%	1.8%	3.2%	1.6%	3.0%	2.8%	1.9%	1.8%	2.0%
Unemployment Rate	3.6%	3.7%	4.4%	4.2%	3.7%	3.8%	4.1%	4.1%	4.2%	4.1%	4.0%
CPI (YoY)	8.0%	3.4%	2.4%	2.0%	3.4%	3.5%	3.0%	2.4%	2.3%	2.0%	2.0%
Core PCE (YoY)	5.2%	2.9%	2.4%	2.0%	2.9%	2.8%	2.6%	2.7%	2.3%	2.2%	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 31, 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:	6,100	6,000	5,300
10-Year U.S. Treasury Yield:	4.00%	3.75%	3.00%
Fed Funds Target Range:	4.25% to 4.50%	4.50% to 4.75%	4.00% to 4.25%

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

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

Last Updated: October 30, 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: 5,750

2024 Year-End 10-year Treasury Target: 3.75%

as of 09/27/2024

	Overweight	Equalweight	Underweight
Equity	<ul style="list-style-type: none"> U.S. Large Cap Growth U.S. Large Cap Value 	<ul style="list-style-type: none"> 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"> Developed Foreign Equity Emerging Foreign Equity
S&P 500 Sectors	<ul style="list-style-type: none"> Consumer Staples Financials 	<ul style="list-style-type: none"> Communication Services Energy Health Care Information Technology Materials Real Estate Utilities 	<ul style="list-style-type: none"> Consumer Discretionary Industrials
Global Equity Regions	<ul style="list-style-type: none"> United States 	<ul style="list-style-type: none"> Asia Pacific ex. Japan Europe ex U.K. Japan Latin America United Kingdom 	<ul style="list-style-type: none"> 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"> U.S. High Yield Bonds Developed Foreign 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.

As of September 30, 2024

Major Market Indices	Rolling Returns			
	Q3'24	1-year	3-years	5-years
Russell 3000® Index (U.S. Equity)	6.23%	35.19%	10.29%	15.26%
MSCI ACWI Ex USA Index – net (Foreign Equity)	8.06%	25.35%	4.14%	7.59%
Bloomberg U.S. Universal Bond Index (Fixed Income)	5.20%	12.08%	-1.05%	0.70%
Wilshire Liquid Alternative Index (Alternatives)	2.56%	10.18%	2.35%	3.18%
FTSE Three-Month Treasury Bill Index (Cash)	1.37%	5.63%	3.63%	2.38%

Past performance is not a guarantee of future performance. Performance calculations use FactSet data and are as of Date.

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As of September 30, 2024

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Risk Factors

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.

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.

Investing in **derivatives** is a specialized activity that involves special risks that subject the fund to significant loss potential, including when used as leverage, and may result in greater fluctuation in fund value.

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

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.

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.

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 certain risks and volatility due to potential political, economic currency instabilities and different financial and accounting standards. 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.

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.

The **mutual funds** and **ETFs** included in this report are subject to specific risk factors, generally the same as those of the underlying securities and may result in a loss of the principal amount invested.

Non-investment-grade (high-yield or junk) securities present greater price volatility and more risk to principal and income than higher rated securities.

Quantitative Strategy Risk: Stock selection and portfolio maintenance strategies based on quantitative analytics carry a unique set of risks. Quantitative strategies rely on comprehensive, accurate and thorough historical data. The Ameriprise Investment Research Group utilizes current and historical data provided by third-party data

vendors. Material errors in database construction and maintenance could have an adverse effect on quantitative research and the resulting stock selection strategies.

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.

Investments in **small- and mid-capitalization companies** involve greater risks and volatility than investments in larger, more established companies.

The products of **technology companies** may be subject to severe competition and rapid obsolescence, and their stocks may be subject to greater price fluctuations.

Value securities may be unprofitable if the market fails to recognize their intrinsic worth or the portfolio manager misgauged that worth.

Definitions of terms

Definitions of terms 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

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

Disclaimer section

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