Before the Bell

An Ameriprise Investment Research Group Publication

December 2, 2024

Starting the Day

- U.S. futures are pointing to a flat-to-lower open.
- European markets are trading mostly higher at midday.
- Asian markets ended higher overnight.
- Stocks post their best month of the year in November.
- A little caution can't hurt; Jobs are in focus this week.
- 10-year Treasury yield at 4.20%.
- West Texas Intermediate (WTI) oil is trading at $68.91.
- Gold is trading at $2,666.50

Market Perspectives

Anthony Saglimbene, Chief Market Strategist

Weekly Market Perspectives: The S&P 500 Index and Dow Jones Industrials Average capped last week, and the month of November, for that matter, at record closing highs. In the shortened Thanksgiving holiday week, the S&P 500 posted its 53rd record closing high of the year, while the Dow set a highwater mark of 44,911. Notably, U.S. stocks posted their best month of the year in November, as investors poured roughly $141 billion into U.S. equities over the last four weeks — a record amount, according to *EPFR Global*.

This week, the focus will turn to U.S. employment trends, with Friday's nonfarm payrolls report likely influencing whether the Federal Reserve again reduces its policy rate later this month or decides to take a pause heading into the new year.

Last Week in Review:

- The S&P 500 rose +1.1% on the week and gained +5.9% last month. The Index notched its best month of performance since November 2023. Interestingly, the broad-based U.S. stock average has finished higher in 11 of the previous 13 months and is on pace for its strongest year since 2021.
- The Dow Jones Industrials Average finished the week up +1.4% and ended November higher by +7.7%.
- The NASDAQ Composite ended last week higher by +1.1% and finished last month with a gain of +6.3%. The Tech-heavy index logged its best month since May 2024 and is up in 10 of the past 13 months.
- While stock gains in the large-cap benchmarks were impressive in November, investors' interest has shifted to smaller-cap stocks post-election. The Russell 2000 Index gained +1.2% last week and a very impressive +11.0% in November. Last month's gains were fueled by a Republican election sweep that could see lawmakers lower taxes and regulations next year. Such conditions could help boost profits for smaller domestic companies, which tend to have fewer levers to pull to help lower their effective tax rates or reduce costly regulation expenses.
- U.S. Treasury prices moved higher on the week as yields fell. In November, 2-year Treasury yields largely remained static as odds favor another 25-basis point rate cut from the Federal Reserve this month.
- Gold and West Texas Intermediate (WTI) crude settled lower during the week as well as in November. A ceasefire agreement between Israel and Hezbollah and easing inflation fears acted to tone down some interest in the two areas. That said, Gold is up over +28.0% in 2024, rivaling/outperforming the returns seen in major U.S. stock averages this year.
- The U.S. Dollar Index fell on the week but finished the month of November higher by +1.7%. As long as investors continue to invest in "U.S. exceptionalism" and prospects for a solid 2025 across domestic assets, we believe the dollar will likely remain firm against other developed currencies.

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

- On the economic front, the Federal Reserve's preferred inflation measure matched consensus estimates, with the core reading rising +2.8% last month. Personal income rose more than expected in October, while personal spending also came in ahead of estimates. Pending home sales for October showed that homebuying momentum may be starting to build after two years of suppressed activity, while a second look at Q3 GDP remained unchanged at +2.8%. Lastly, weekly initial jobless claims were in line with estimates, while continuing claims pushed past 1.9 million — a three-year high.
- Finally, as Americans emerged from their Turkey-induced commas on Thursday, they headed to the malls, but mostly to their couches to spend in force for the holidays. *Mastercard Spending Pulse* reported that sales on Black Friday rose a healthy +3.4% over Black Friday 2023. However, below the surface, spending was starkly tilted towards online shopping, where e-commerce retail sales jumped +14.6% year-over-year versus in-store sales, which rose by just +0.7%. Interestingly, Black Friday transactions monitored by *Adobe Analytics* found that online spending rose +10.2% year-over-year to a record $10.8 billion. That sum is more than twice what consumers spent online during Black Friday five years ago.

Market optimism approaches levels that should give investors a little caution.
With eleven months of 2024 now in the books, outlooks regarding next year are beginning to take center stage. We will be publishing our 2025 Outlook and Themes report later this month. But in the meantime, below are some bulleted points that we believe should help temper your expectations for a third year of +20% plus returns across U.S. stocks in 2025.

- A lot of optimism about an incoming Trump administration has quickly filtered into stock prices. Despite what is bound to be a more complicated road for tax, tariff, and regulation changes next year, investors thus far just want to focus on the positives. Notably, stock valuations on several measures are elevated, and pockets like small caps, which had trailed larger U.S. benchmarks for most of this year on performance, are starting to catch up quickly. Six of eleven S&P 500 sectors are higher by an impressive +25% or more this year and, in several cases, trade at or above their longer-term valuation levels. Health Care is the only S&P 500 sector not up double digits in 2024 (and it's up nearly +9.5%). With analysts expecting 2025 S&P 500 profits to grow over +14% above this year's levels, there is very little room for fiscal, monetary, or macroeconomic conditions to disappoint next year.
- The S&P 500 has not experienced a correction this year (i.e., a 10% or more decline from its market top). According to *Bespoke Investment Group*, the Index has historically experienced such drawdowns every 346 days on average, going back to 1928. Although since 2000, it's not unusual for stocks to go through longer stretches without a correction, history usually catches up, and a little reset in expectations is needed for stocks to find a new appropriate base. As we often say, corrections help facilitate a healthy and functioning market over the longer term. In our view, the longer the market goes without a correction, the more concerned investors should become.
- While there are always concerns that investors fret about, a record level of stock optimism appears to be pushing aside almost any reasonable level of caution. According to the Conference Board, 56.4% of consumers currently expect equities will be higher in the coming year — a record high going back to December 1987. Potential trade wars, ongoing fighting in Europe and the Middle East, unknown risks regarding U.S. immigration policies next year, and extremely elevated expectations for Big Tech cloud the backdrop for stocks despite very healthy fundamental conditions. At the end of the day, there's just too much optimism and not enough recognition of what could derail stock momentum for rational investors not to pump the brakes a bit.
- As the year winds down, investors should be thankful for the bounty of stock returns seen over the last two years. However, we believe the road ahead could look more challenging than most investors appear willing to recognize at the moment. That said, we also believe the outlook for next year remains favorable despite the known risks, and stocks could grind higher if fundamental conditions stay on track. A more selective stock approach, a realistic assessment of potential fiscal/monetary policy headwinds/tailwinds, and a well-balanced investment strategy could be the keys to navigating what is very likely to be an eventful 2025.

The Week Ahead:
Economists expect November nonfarm payrolls will rebound after hurricane distortions and a Boeing strike weighed on job creation in October. ISM manufacturing and nonmanufacturing updates for last month and a preliminary look at December Michigan sentiment will also color the economic backdrop heading into the Fed's final policy meeting of the year.

- October job openings (Tuesday) are expected to moderate slightly, while Friday's November nonfarm payrolls report is expected to show a bounce to +200,000 new jobs from just +12,000 created in October. The unemployment rate is expected to tick higher to 4.2% in November from 4.1% the previous month.

- The ISM reports (Monday and Wednesday) are expected to show an uptick in manufacturing activity last month and a deceleration in services activity. However, the overall economic narrative of manufacturing remaining in contraction, while the services side drives growth in the economy should remain largely unchanged after the reports.

Stock Market Recap

Benchmark	Total Returns			LTM PE		Yield %	
	Weekly	MTD	YTD	Current	5-Year Median	Current	5-Year Median
S&P 500 Index: 6,032	1.1%	5.9%	28.1%	28.5	23.4	1.2	1.5
Dow Jones Industrial Average: 44,911	1.4%	7.7%	21.2%	26.4	20.4	1.5	2.0
Russell 2000 Index: 6,051	1.2%	11.0%	21.6%	76.8	38.3	1.2	1.3
NASDAQ Composite: 19,218	1.1%	6.3%	28.9%	41.5	38.2	0.6	0.8
Best Performing Sector (weekly): Consumer Discretionary	2.4%	13.3%	27.1%	31.8	30.9	0.6	0.8
Worst Performing Sector (weekly): Energy	-2.0%	6.9%	16.8%	15.6	11.0	3.1	3.9

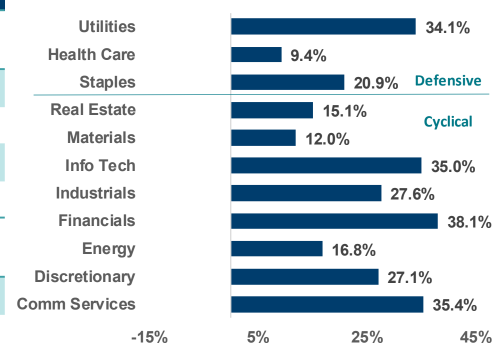
Source: Factset. Data as of 11/29/2024

Bond/Commodity/Currency Recap

Benchmark	Total Returns		
	Weekly	MTD	YTD
Bloomberg U.S. Universal	1.3%	1.1%	3.6%
West Texas Intermediate (WTI) Oil: $68.02	-5.1%	-2.2%	-5.4%
Spot Gold: $2,650.35	-2.4%	-3.4%	28.5%
U.S. Dollar Index: 105.74	-1.7%	1.7%	4.3%
Government Bond Yields	**Yield Chg**		
	Weekly	**MTD**	**YTD**
2-year U.S. Treasury Yield: 4.17%	-21 bps chg	1 bps chg	-9 bps chg
10-year U.S. Treasury Yield: 4.19%	-22 bps chg	-9 bps chg	31 bps chg

Source: Factset. Data as of 11/29/2024. bps = basis points

YTD Total Returns by S&P 500 Sector



Source: S&P Global, Factset. Data as of 11/29/2024

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 flat-to-lower open.** Welcome to December. The S&P 500 Index has averaged a +0.7% December return over the last 20 years, a +0.1% return in the previous 10 years, and a +1.3% return over the last 5 years. Before traders and investors begin checking out for the year, Friday's November nonfarm payrolls report, November inflation updates (next week), and a Fed policy decision (December 18th) remain key items to watch.

Europe:

European Central Bank (ECB) officials are likely to cut their policy rate by 25 basis points on December 12th and at the conclusion of their last meeting of the year. Dovish policymakers are concerned about the pace of growth slowing amid potential U.S. tariffs next year and the political uncertainty and economic malaise facing Germany. More hawkish ECB members have downplayed these concerns in recent speeches. However, we believe it is more likely the ECB will continue to cut policy rates next year to a level that is no longer restrictive to growth. Final looks at Q3 Eurozone GDP and November PMIs line the economic calendar this week.

Asia-Pacific:

Asian equity markets started the week on a positive note, following stronger-than-expected manufacturing activity in China last month. Official China manufacturing PMI expanded for the second straight month, with output and new orders picking up and export declines narrowing. Caixin's manufacturing PMI, which measures smaller, more localized companies in China, also saw an uptick in its expansion.

WORLD CAPITAL MARKETS

12/2/2024 As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	0.6%	28.1%	6,032.4
Dow Jones	0.4%	21.3%	44,910.7
NASDAQ Composite	0.8%	28.9%	19,218.2
Russell 2000	0.4%	21.6%	2,434.7
Brazil Bovespa	0.0%	-6.3%	125,721
S&P/TSX Comp. (Canada)	0.4%	25.8%	25,648.0
Russell 3000	0.5%	27.7%	3,466.9

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	0.7%	10.5%	4,835.8
FTSE 100 (U.K.)	0.4%	11.5%	8,324.6
DAX Index (Germany)	1.2%	18.6%	19,865.5
CAC 40 (France)	0.3%	-0.8%	7,255.3
FTSE MIB (Italy)	0.2%	10.3%	33,486.8
IBEX 35 (Spain)	0.9%	21.4%	11,748.2
MOEX Index (Russia)	#VALUE!	#VALUE!	#N/A N/A

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	0.8%	17.0%	38,513.0
Hang Seng (Hong Kong)	0.7%	19.8%	19,550.3
Korea Kospi 100	-0.1%	-6.4%	2,454.5
Singapore STI	0.3%	22.3%	3,751.4
Shanghai Comp. (China)	1.1%	13.1%	3,364.0
Bombay Sensex (India)	0.6%	12.5%	80,248.1
S&P/ASX 200 (Australia)	0.1%	16.5%	8,447.9

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.5%	20.9%	862.5

Developed International	% chg.	%YTD	Value
MSCI EAFE	0.6%	6.9%	2,315.8

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	-0.1%	8.1%	1,078.6

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	0.3%	35.4%	330.2
Consumer Discretionary	1.1%	27.1%	1,789.4
Consumer Staples	0.4%	20.9%	900.9
Energy	0.3%	16.8%	724.1
Financials	0.0%	38.0%	852.0
Health Care	0.3%	9.4%	1,713.7
Industrials	0.4%	27.5%	1,214.0
Materials	0.5%	12.0%	594.6
Real Estate	-0.5%	15.1%	281.7
Technology	1.0%	35.0%	4,558.7
Utilities	-0.1%	34.1%	418.7

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	2.2%	24.7%	317.2
FTSE NAREIT Comp. TR	-0.5%	14.0%	27,283.4
DJ US Select Dividend	0.1%	26.1%	3,786.5
DJ Global Select Dividend	0.0%	12.0%	234.8
S&P Div. Aristocrats	0.2%	15.9%	4,952.3

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	0.4%	2.9%	2,225.5
Barclays HY Bond	0.2%	8.7%	2,694.6

Commodities Futures & Spot (Intra-day)	% chg.	% YTD	Value
CRB Raw Industrials	0.3%	0.5%	546.1
NYMEX WTI Crude (p/bbl.)	1.2%	-3.9%	68.8
ICE Brent Crude (p/bbl.)	1.2%	-5.6%	72.7
NYMEX Nat Gas (mmBtu)	-5.9%	25.9%	3.2
Spot Gold (troy oz.)	0.0%	28.2%	2,644.1
Spot Silver (troy oz.)	-0.6%	28.0%	30.4
LME Copper (per ton)	0.1%	5.1%	8,891.9
LME Aluminum (per ton)	0.2%	9.9%	2,576.7
CBOT Corn (cents p/bushel)	-0.4%	-16.1%	431.3
CBOT Wheat (cents p/bushel)	-0.7%	-19.9%	544.0

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/$)	-0.7%	-4.8%	1.05
British Pound (£/$)	-0.5%	-0.4%	1.27
Japanese Yen ($/¥)	-0.2%	-6.0%	150.10
Australian Dollar (A$/$)	-0.5%	-4.9%	0.65
Canadian Dollar ($/C$)	-0.3%	-5.7%	1.40
Swiss Franc ($/CHF)	-0.6%	-5.1%	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
Financials	12.9%	Overweight	2.0%	14.9%
Consumer Staples	5.9%	Overweight	2.0%	32.5%
Information Technology	31.9%	Equalweight	-	31.9%
Health Care	11.5%	Equalweight	-	11.5%
Communication Services	8.8%	Equalweight	-	8.8%
Energy	3.2%	Equalweight	-	3.2%
Utilities	2.5%	Equalweight	-	2.5%
Materials	2.3%	Equalweight	-	2.3%
Real Estate	2.3%	Equalweight	-	2.3%
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 Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
United States	62.8%	Overweight	2.2%	65.0%
Europe ex U.K.	12.9%	Equalweight	-	12.9%
Asia-Pacific ex Japan	11.0%	Equalweight	-	11.0%
Japan	5.2%	Equalweight	-	5.2%
United Kingdom	3.2%	Equalweight	-	3.2%
Latin America	0.9%	Equalweight	-	0.9%
Canada	2.8%	Underweight	1.0%	1.8%
Middle East / Africa	1.2%	Underweight	-1.2%	0.0%

as of: September 30, 2024

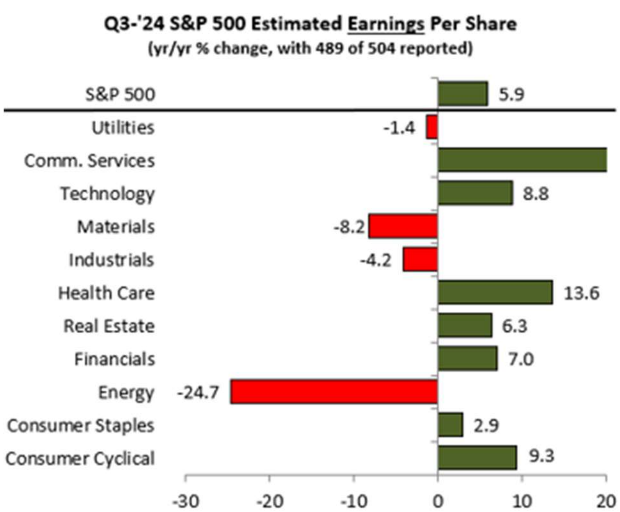
Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 09/26/2024. The GAAC Tactical Overlay, as well as the Recommended Tactical Weights, are derived from the Ameriprise Global Asset Allocation Committee (GAAC). Views are expressed relative to the 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.

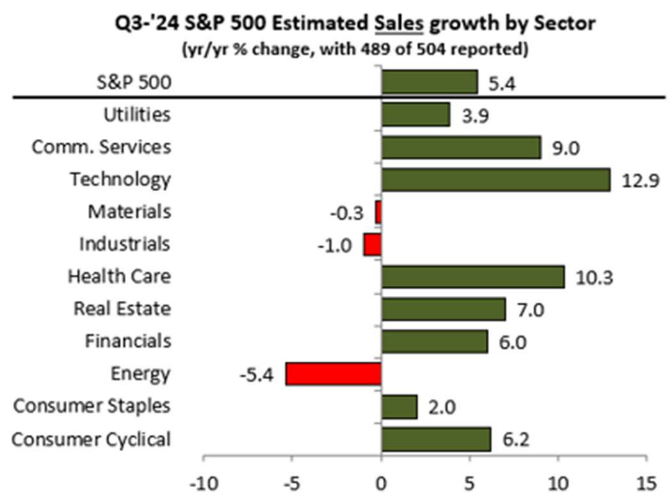
The Week Ahead:

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: A final look at Q3 earnings results and the outlook for Q4.** With 97% of S&P 500 companies having reported their third quarter (Q3) financial results through last Friday, the reporting season is essentially complete. According to FactSet, Index companies reported year-over-year (y/y) earnings per share (EPS) growth of +5.9% on sales growth of +5.4%. Also according to FactSet, a one-time charge at Apple, related to an adverse European General Court State Aid decision, shaved 1.6 percentage points from overall growth in the period.
- At the start of the third quarter (July 1st), analyst consensus estimates were looking for EPS to grow by +7.3% y/y on sales growth of +4.5%. By September 30th, however, the EPS growth estimate had dropped to just +4.3%. There are still 13 S&P companies on the docket for this week.
- **Outlook for Q4:** While the Q3 results were close to being in-line with the S&P 500's long-term EPS growth average (absent the Apple charge) of about 8% (per Ibbotson's) analysts expect an acceleration in Q4. Analyst estimates currently look for S&P 500 Q4 EPS of $62.09, down about 1.9% from the $62.79 expected for the period at the start of Q4 (September 30).
- On a y/y basis, Q4 EPS are projected as being +11.8% higher. This may seem a stretch given the background economic picture which has been sound, yet arguably not particularly robust. However, much of the y/y growth for Q4 comes from an easy comparison to depressed year-ago results, particularly in the Financials Sector. According to FactSet, Financials are currently projected to see y/y EPS growth of 38.7% which would add a hefty 5.2 percentage points (pp) of upside to the Q4 aggregate EPS number. Elsewhere, the 21.5% y/y EPS growth forecast for the Communication Services sector is projected to contribute another 5.2 pp while the Information Technology sector is seen as growing EPS by 13.4%, thus offering an additional 3.3 points of upside for the overall Index. *All data mentioned in this commentary, including that depicted in the graphic below, has been sourced from FactSet.*

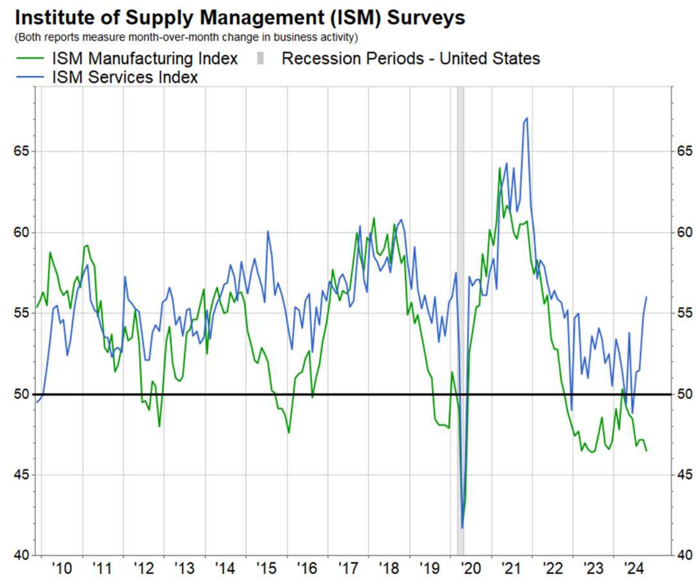


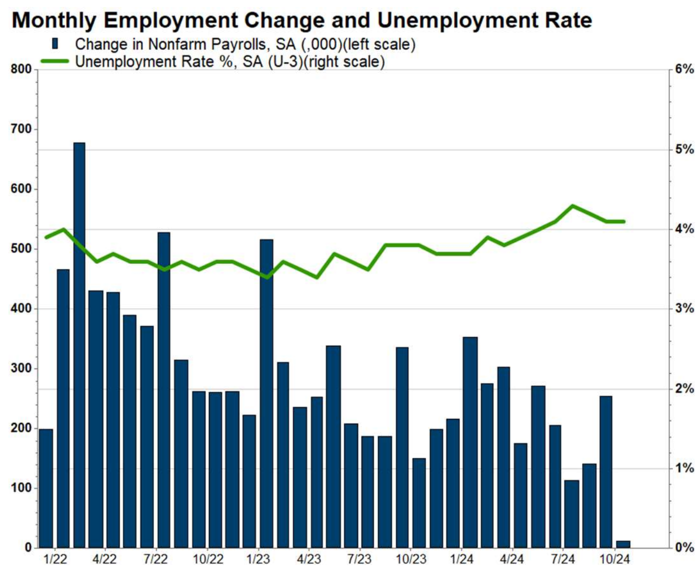


- **The Economic Release Calendar:** The economic calendar picks up considerably this week. Data on employment, manufacturing and services sector activity, auto sales and trade are each on the schedule. The Fed will also release their latest Beige Book report ahead of next week's final monetary policy meeting of the year. The report, though not particularly influential to market trading normally, could take on added significance this week due to what have been some conflicting messages in recent economic data. The Consumer Price Index (CPI) showed an acceleration of prices in October (to +2.6% from +2.4% y/y) while job growth was particularly weak with just 12,000 net new jobs created in October.
- **November Manufacturing Activity:** The week begins with the Institute of Supply Management's (ISM) Manufacturing Index on Monday. Forecasters as surveyed by Bloomberg see the Index as remaining below the '50' threshold, thus indicating yet another month-over-month contraction in activity. If so, it would be the 24th negative reading for the measure out of the last 25 months.
- As we've noted on prior occasions, since survey responses within the ISM reports are equally weighted, they show the breath of manufacturing conditions, not necessarily total manufacturing output. The dollar value of factory orders (as

reported by the Commerce Department) has remained close to all-time highs in recent months and the Federal Reserve's measure of Industrial Production has shown total manufacturing output as little changed in recent months. In October, total manufacturing output was reported via the Index as having been 0.2% lower year-over-year (y/y).

- **November Service sector activity:** The ISM's Service sector report for November, meanwhile, will be released on Wednesday. Here, the measure is expected to post another solid month of expansion. The Bloomberg consensus looks for a reading of 55.5 versus the strong 56.0 reported for October. If so, it would be the 24th month of expansion for the sector out of the last 26 months.
- **November Employment Report:** Was net new hiring able to bounce back in November? Forecasters are expecting as much as the Bloomberg consensus looks for 200,000 net new jobs to have been created last month. This would be a considerable improvement over the net non-farm payroll growth of +12,000 the Labor Department reported for October. We note that the October measure is widely believed to have been impacted by the residual effects of Hurricanes Helene and Milton.
- The Unemployment Rate, meanwhile, is projected to tick slightly higher to 4.2% from October's 4.1% largely due to an expected slight uptick in the Labor Force Participation rate from 62.6% to 62.7%. The slight uptick would be representative of people effected by recent hurricane activity returning to the labor market either via returning to their jobs or through returning to the job search.
- We are projecting a net job gain of 190,000 for the month with an unempyment rate of 4.1%.
- *The charts at right have been source from FactSet.*





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

December 2	3	4	5	6
Construction Spending	**JOLTS / Job Openings**	**ADP Employment Estimate**	**Initial Jobless Claims**	**Employment Report**
ISM Manufacturing Index	**U.S. Auto Sales**	**Factory Orders**	**Challenger Layoff Notices**	**UofM Consumer Sentiment**
Inflation - S. Korea	*Services PMI - China*	**ISM Services Index**	**Trade Balance**	**Consumer Credit**
Unemployment - Eurozone	*Services PMI - Japan*	**Fed's Beige Book**	*Household Spend. - Japan*	*GDP - Eurozone*
Manufacturing PMI - Eurozone	*GDP - Australia*	**Markit Prelim. Mfg. Index**	*Trade - Japan*	
	Services PMI - Eurozone	*GDP - S. Korea*		
		Inflation - Eurozone		

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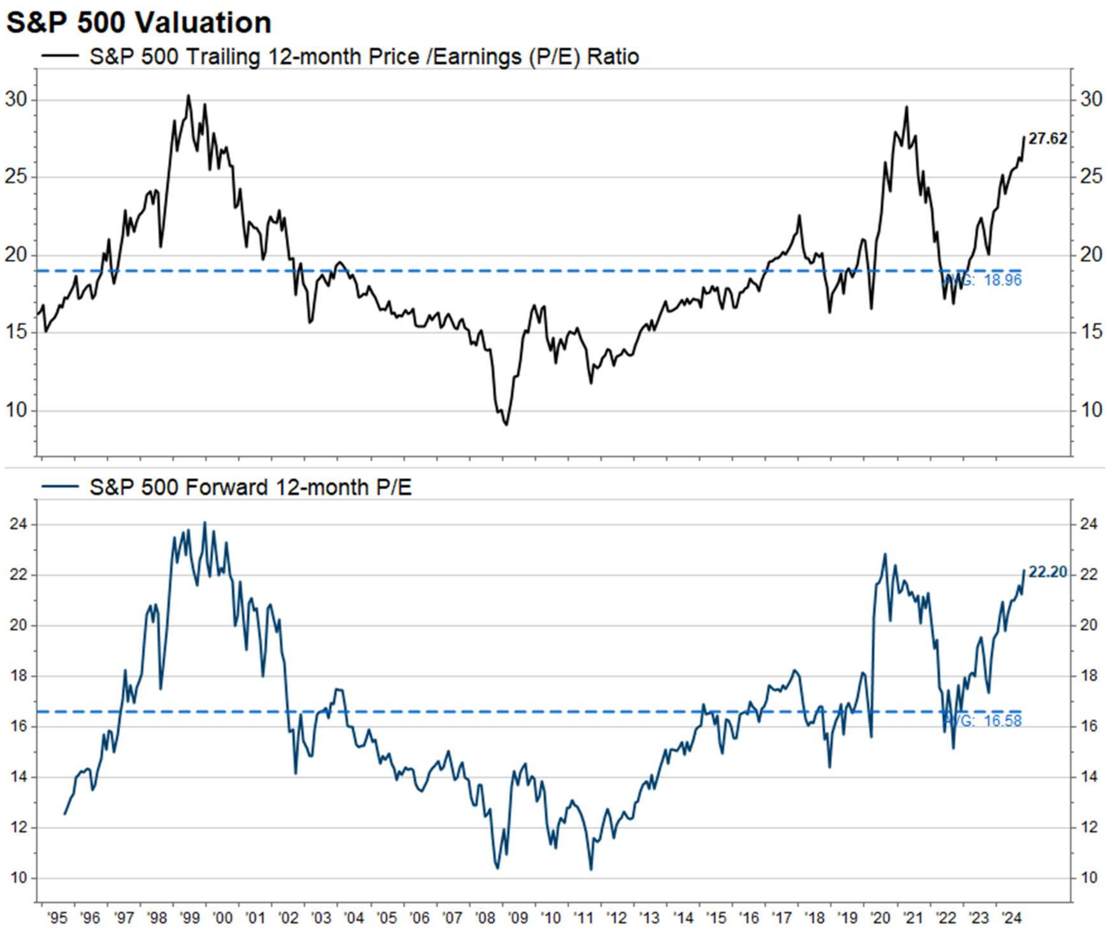
Where Market Fundamentals Stand Heading into The Week:

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	2020	2021	2022	2023				2024				2025				2026
12/2/2024	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.	Est.	Est.
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY
Quarterly $$ amount				$53.34	$54.52	$58.91	$55.56	$56.45	$60.55	$61.61	$62.03	$63.32	$67.51	$71.12	$72.86	
change over last week										-$0.01	-$0.06	-$0.01	$0.00	-$0.09	-$0.04	$0.32
yr/yr				-1.2%	-3.6%	6.1%	4.2%	5.8%	11.1%	5.0%	11.6%	12.2%	11.5%	15.4%	17.5%	
qtr/qtr				0.1%	2.2%	8.1%	-5.7%	1.6%	7.3%	1.8%	0.7%	2.1%	6.6%	5.3%	2.4%	
Trailing 4 quarters $$	$143.08	$211.09	$222.33	$218.71	$216.67	$220.08	$222.33	$225.44	$231.47	$234.17	$240.64	$247.51	$254.47	$263.98	$274.81	$311.31
yr/yr % change	-13.0%	47.5%	4.2%				0.0%				8.2%				14.2%	13.3%
Implied P/E based on a S&P 500 level of: 6032											25.1	24.4	23.7	22.9	21.9	19.4

Economic News and Views:

Russell T. Price, CFA – Chief Economist

Releases for Monday, December 2, 2024 — **All times Eastern. Consensus estimates via Bloomberg**

Time	Period	Release	Consensus Est.	**Actual**	Prior	Revised to
10:00 AM	NOV	ISM Manufacturing Index	47.6		46.5	
10:00 AM	NOV	ISM Prices Paid	56.0		54.8	
10:00 AM	NOV	ISM Employment	47.0		44.4	
10:00 AM	NOV	ISM New Orders	48.0		47.1	

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	• U.S. Large Cap Growth • U.S. Large Cap Value	• U.S. Mid Cap Value • U.S. Mid Cap Growth • U.S. Small Cap Value • U.S. Small Cap Growth	• Developed Foreign Equity • Emerging Foreign Equity
S&P 500 Sectors	• Consumer Staples • Financials	• Communication Services • Energy • Health Care • Information Technology • Materials • Real Estate • Utilities	• Consumer Discretionary • Industrials
Global Equity Regions	• United States	• Asia Pacific ex. Japan • Europe ex U.K. • Japan • Latin America • United Kingdom	• Middle East/Africa • Canada
Fixed Income	• U.S. Government • U.S. Investment Grade Corp.	• U.S. High Yield Bonds • Developed Foreign 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.

As of September 30, 2024	Rolling Returns			
Major Market Indices	**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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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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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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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.

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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.

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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.

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

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