Before the Bell

An Ameriprise Investment Research Group Publication

January 21, 2025

Starting the Day

- U.S. futures are pointing to a higher open.
- European markets are trading mostly lower at midday.
- Asian markets ended mostly higher overnight.
- Stocks post gains last week after a bumpy start to January.
- President Trump and earnings are in focus this week.
- 10-year Treasury yield at 4.57%.
- West Texas Intermediate (WTI) oil is trading at $75.57.
- Gold is trading at $2,736.40

Market Perspectives

Anthony Saglimbene, Chief Market Strategist

Weekly Market Perspectives: The S&P 500 Index and NASDAQ Composite rose last week, following back-to-back weekly declines to start the year. Lighter-than-feared readings on core consumer and producer inflation for December rolled back some investor anxiety, while a batch of strong financial earnings to start the fourth quarter earnings season helped lift sentiment.

U.S. markets were closed on Monday in observance of the Martin Luther King Jr. Holiday. This week, the fourth quarter earnings season kicks into full swing. Preliminary looks at January services and manufacturing activity late in the week should provide early looks at how key segments of the economy are holding up at the start of the year. And notably, market reactions to President Trump's executive orders/policy agenda could produce bouts of stock and bond volatility should they deviate from expectations.

Last Week in Review:

- The S&P 500 rose +2.9% — its largest one-week point and percentage gain since the week ending November 8th, 2024. Notably, gains last week were broad-based, with the S&P 500 Equal Weight Index rising +3.9%. Energy (+6.1%) and Financials (+6.1%) led S&P 500 sectors higher.
- The NASDAQ Composite and Dow Jones Industrials Average rose +2.5% and +3.7%, respectively.
- The Russell 2000 Index gained +4.0%.
- U.S. Treasury yields fell on the week after inflation updates showed flat-to-lower than forecast levels. However, the 30-year yield touched 5.0% on the week before pulling back.
- The U.S. Dollar Index ended slightly lower, Gold edged higher, and West Texas Intermediate (WTI) crude posted a gain of roughly +1.0%.
- December core CPI increased +0.2% month-over-month, below forecasts and cooler than November's +0.3% reading. On an annualized basis, core CPI rose +3.2% in December versus +3.3% in November. Notably, core services inflation and shelter costs last month remained largely static versus November levels. Bottom line: While overall progress on inflation has stalled in certain areas over recent months, some of investors' worst fears about rising consumer inflation were calmed by December's update.
- Earnings from a few key financial companies last week showed that the profit picture for Q4 was likely strong for corporate America, and the outlook for profits in 2025 appears to be on solid footing as well. Key banks and financial institutions reported earnings results that topped profit estimates while providing upbeat assessments of the outlook for 2025. In our

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view, strong net interest income trends, solid investment banking/trading activity, and benign consumer/business credit trends at the end of last year all point to a healthy backdrop for the U.S. economy at the start of this year.
- Although retail sales slightly missed forecasts in December on a month-over-month basis, the headline figure grew +3.9% year-over-year — the highest level since December 2023. Spending across categories was broad-based, with auto sales providing strong support.
- Finally, small business optimism jumped to a six-year high in December, as the report showed those expecting the economy to improve (partly based on expectations for Trump 2.0 tailwinds) rose to its highest level since the fourth quarter of 1983. Interestingly, the Russell 2000 Index is back near pre-election levels and has recently flirted with correction territory based on its outsized sensitivity to higher interest rates since early December.

Trump 2.0 begins. And the fourth quarter earnings season ramps up.
On Monday, Donald J. Trump was sworn in as the 47th President of the United States. President Trump is just the second president to serve two non-consecutive terms following Grover Cleveland and the oldest to take the oath of office. In addition to all the pomp and circumstance surrounding the first day a president takes office, Trump signed a series of executive orders that overhaul border and energy policies and rescinded 78 executive actions taken by former President Biden. Some of Trump's day-one executive actions included withdrawing the U.S. from the Paris Climate Accord, eliminating climate regulations tied to electric-vehicle production, immigration orders, and renaming landmarks. Executive actions also included freezing new regulations (a standard move to help facilitate a smooth transfer of power) and creating the Department of Government Efficiency. Notably absent were specific directives on new tariffs. However, Trump has directed federal agencies to evaluate trade policies and economic relationships with China, Canada, and Mexico and provide appropriate measures by April 1st. Throughout the week, investors should see further details regarding the fiscal priorities of the new Trump administration.

On the profit front, early reports from key financial companies at the beginning of each earnings season tend to act as a barometer for the rest of the reporting season. Based on what investors heard last week from the group, the Q4 earnings season is starting on the right foot. With 9% of S&P 500 fourth quarter reports complete, blended earnings per share (EPS) growth is higher by +12.5% year-over-year on revenue growth of +4.7. Notably, S&P 500 profits are currently on pace for their strongest quarter of growth in three years and should help the Index close out its fourth straight year of earnings growth. In our view, favorable profit conditions in the U.S. over a number of quarters have offered a strong support beam for stock prices.

Underneath the surface, Big Tech drivers could again significantly shape investor reactions around the Q4 earnings season. For instance, Information Technology (which is roughly 32% of the S&P 500 by market capitalization) is expected to report the highest revenue growth (+11% year-over-year) of all eleven S&P 500 sectors. Inside of Consumer Discretionary, Amazon.com is forecast to be the largest contributor to earnings per share growth, while Communication Services (which houses Alphabet and Meta Platforms) is expected to post the second highest year-over-year EPS growth rate among S&P 500 sectors.

Along with Big Tech, consumer resiliency has played an important role in lifting stock prices and supporting profits for a number of quarters. However, mixed results/commentary/outlooks from companies over the last few quarters should keep the consumer squarely in focus over the next several weeks. Investors will be looking for more information on the dispersion in spending patterns among low and high-income consumers, as well as ongoing impacts from inflation/higher prices/rising interest rates.

Importantly, we expect companies across industries and sectors that could see impacts from increased tariffs under the new Trump administration to be vocal about what they anticipate from changing policies on their earnings calls. While the rules of the road remain uncertain, analysts and corporate leaders will likely be searching for added clarity over the coming weeks, which could impact corporate profit outlooks/forecasts for the coming quarters.

The earnings season is always a critical time for financial markets, as corporate updates offer the latest window into an "on-the-ground" assessment of the key fundamentals driving stock prices. Thus, the next few weeks of earnings reports could help calm or intensify current market action. Nevertheless, given that we see overall economic and profit conditions remaining positive in 2025, increased volatility across broader stock averages (should it occur) could continue to be greeted as a buying opportunity and/or a chance to rebalance portfolios that have drifted away from targets.

The Week Ahead: As touched on above, much of the market's attention this week will likely fall on new executive orders from the Trump administration and forthcoming policy announcements, as well as a host of earnings updates from corporate America.

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- President Trump told reports on Monday that he is thinking about imposing 25% tariffs on Canada and Mexico beginning on February 1st. Trump also instructed the Attorney General to delay the TikTok ban or sale deadline by 75 days.
- 43 S&P 500 companies, including 6 Dow 30 components, are scheduled to report fourth quarter profit results. Companies on the docket this week include Netflix, Johnson & Johnson, Procter & Gamble, Union Pacific, American Express, United Airlines, and Verizon.
- December existing home sales, preliminary looks at January S&P Global manufacturing and services PMIs, and December Leading Indicators should all help color the economic backdrop ahead of next week's highly anticipated Federal Reserve meeting. Market odds suggest there is a near 100% chance the Fed holds rate policy steady this month.

Stock Market Recap

Benchmark	Total Returns			LTM PE		Yield %	
	Weekly	MTD	YTD	Current	5-Year Median	Current	5-Year Median
S&P 500 Index: 5,997	2.9%	2.0%	2.0%	28.0	23.7	1.2	1.5
Dow Jones Industrial Average: 43,488	3.7%	2.3%	2.3%	25.5	20.6	1.6	2.0
Russell 2000 Index: 5,656	4.0%	2.1%	2.1%	76.3	38.4	1.2	1.3
NASDAQ Composite: 19,630	2.4%	1.7%	1.7%	41.8	38.4	0.6	0.8
Best Performing Sector (weekly): Energy	6.2%	9.2%	9.2%	15.4	11.0	3.2	3.8
Worst Performing Sector (weekly): Health Care	0.4%	1.9%	1.9%	27.4	22.6	1.7	1.6

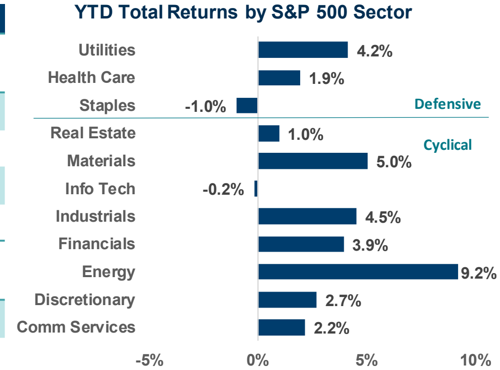
Source: Factset. Data as of 01/17/2025

Bond/Commodity/Currency Recap

Benchmark	Total Returns		
	Weekly	MTD	YTD
Bloomberg U.S. Universal	0.9%	0.0%	0.0%
West Texas Intermediate (WTI) Oil: $77.85	0.8%	7.5%	7.5%
Spot Gold: $2,703.15	0.5%	3.0%	3.0%
U.S. Dollar Index: 109.35	-0.3%	0.8%	0.8%
Government Bond Yields	Yield Chg		
	Weekly	MTD	YTD
2-year U.S. Treasury Yield: 4.28%	-10 bps chg	3 bps chg	3 bps chg
10-year U.S. Treasury Yield: 4.61%	-16 bps chg	3 bps chg	3 bps chg

Source: Factset. Data as of 01/17/2025. bps = basis points

YTD Total Returns by S&P 500 Sector



Source: S&P Global, Factset. Data as of 01/17/2025

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 higher open.** Stocks are looking at a higher open following the long Martin Luther King Jr. Holiday and as President Trump begins his second term. Less hawkish Inauguration Day policy announcements on tariffs from Trump are helping stock sentiment this morning. Tariff comments on Canada and Mexico yesterday are still seen by the market as negotiating leverage over illegal immigrants and fentanyl issues at American borders.

Europe:

Preliminary looks at January Eurozone manufacturing activity and consumer confidence line the rest of the week.

Asia-Pacific:

The Bank of Japan could hike its policy rate by 25 basis points on Friday, though several economic updates this week, including fresh CPI data on Friday, may keep policymakers' decision fluid.

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WORLD CAPITAL MARKETS

1/21/2025 As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	1.0%	2.0%	5,996.7
Dow Jones	0.8%	2.3%	43,487.8
NASDAQ Composite	1.5%	1.7%	19,630.2
Russell 2000	0.4%	2.1%	2,275.9
Brazil Bovespa	-0.3%	1.9%	122,510
S&P/TSX Comp. (Canada)	0.4%	1.9%	25,171.6
Russell 3000	0.9%	2.3%	3,432.3

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	-0.1%	5.5%	5,156.7
FTSE 100 (U.K.)	0.0%	4.3%	8,518.8
DAX Index (Germany)	-0.1%	5.3%	20,969.8
CAC 40 (France)	0.1%	5.0%	7,741.7
FTSE MIB (Italy)	-0.5%	5.2%	35,963.6
IBEX 35 (Spain)	-0.5%	3.0%	11,888.2
MOEX Index (Russia)	#VALUE!	#VALUE!	#N/A N/A

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	0.3%	-2.2%	39,028.0
Hang Seng (Hong Kong)	0.9%	0.6%	20,106.6
Korea Kospi 100	-0.1%	4.9%	2,518.0
Singapore STI	-0.3%	0.2%	3,795.4
Shanghai Comp. (China)	-0.1%	-3.3%	3,242.6
Bombay Sensex (India)	-1.6%	-2.8%	75,838.4
S&P/ASX 200 (Australia)	0.7%	3.0%	8,402.4

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.3%	2.1%	858.2

Developed International	% chg.	%YTD	Value
MSCI EAFE	1.1%	2.4%	2,314.1

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	1.0%	0.6%	1,080.5

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	1.1%	2.2%	348.7
Consumer Discretionary	1.7%	2.7%	1,880.8
Consumer Staples	0.9%	-1.0%	845.0
Energy	0.8%	9.2%	715.0
Financials	0.8%	3.9%	835.2
Health Care	-0.7%	1.9%	1,634.1
Industrials	0.6%	4.5%	1,166.1
Materials	0.7%	5.0%	556.1
Real Estate	0.0%	1.0%	258.2
Technology	1.7%	-0.2%	4,601.2
Utilities	0.1%	4.2%	400.8

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	0.5%	9.1%	321.1
FTSE NAREIT Comp. TR	-0.1%	0.4%	25,193.5
DJ US Select Dividend	0.7%	2.8%	3,598.6
DJ Global Select Dividend	-0.2%	1.5%	226.7
S&P Div. Aristocrats	0.3%	1.6%	4,648.1

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	0.0%	0.0%	2,188.5
Barclays HY Bond	0.0%	0.8%	2,705.6

Commodities Futures & Spot (Intra-day)	% chg.	% YTD	Value
CRB Raw Industrials	0.2%	1.6%	549.9
NYMEX WTI Crude (p/bbl.)	-2.4%	6.0%	76.0
ICE Brent Crude (p/bbl.)	-1.7%	5.6%	78.8
NYMEX Nat Gas (mmBtu)	-3.5%	4.9%	3.8
Spot Gold (troy oz.)	0.7%	3.9%	2,727.4
Spot Silver (troy oz.)	-0.1%	5.5%	30.5
LME Copper (per ton)	0.9%	5.9%	9,163.0
LME Aluminum (per ton)	0.3%	6.2%	2,682.5
CBOT Corn (cents p/bushel)	0.9%	6.5%	488.5
CBOT Wheat (cents p/bushel)	1.7%	-0.7%	547.8

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/$)	-0.5%	0.1%	1.04
British Pound (£/$)	-0.6%	-2.0%	1.23
Japanese Yen ($/¥)	0.0%	1.0%	155.61
Australian Dollar (A$/$)	-0.7%	0.7%	0.62
Canadian Dollar ($/C$)	-0.9%	-0.3%	1.44
Swiss Franc ($/CHF)	-0.3%	-0.2%	0.91

Data/Price Source: Bloomberg. Equity Index data is total return, inclusive of dividends, where applicable.

Ameriprise Global Asset Allocation Committee (GAAC)

U.S. Equity Sector - Tactical Views

	S&P 500 Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
Financials	13.5%	Overweight	2.0%	15.5%
Consumer Staples	5.5%	Equalweight	-	5.5%
Information Technology	32.8%	Equalweight	-	32.8%
Industrials	8.1%	Equalweight	-	8.1%
Communication Services	9.4%	Equalweight	-	9.4%
Energy	3.0%	Equalweight	-	3.0%
Utilities	2.3%	Equalweight	-	2.3%
Materials	1.9%	Equalweight	-	1.9%
Real Estate	2.0%	Equalweight	-	2.0%
Consumer Discretionary	11.5%	Equalweight	-	11.5%
Health Care	10.0%	Underweight	-2.0%	8.0%

As of: January 2, 2025

Index weightings represent the respective market capitalization of each sector in the S&P 500 as of 12/19/2024. 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	66.1%	Overweight	3.2%	69.3%
Europe ex U.K.	11.3%	Equalweight	-	11.3%
Latin America	0.8%	Equalweight	-	0.8%
Japan	4.7%	Equalweight	-	4.7%
United Kingdom	3.0%	Equalweight	-	3.0%
Asia-Pacific ex Japan	10.2%	Underweight	-1.0%	9.2%
Canada	2.7%	Underweight	-1.0%	1.7%
Middle East / Africa	1.2%	Underweight	-1.2%	0.0%

as of: January 2, 2025

Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 12/26/2024. 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.

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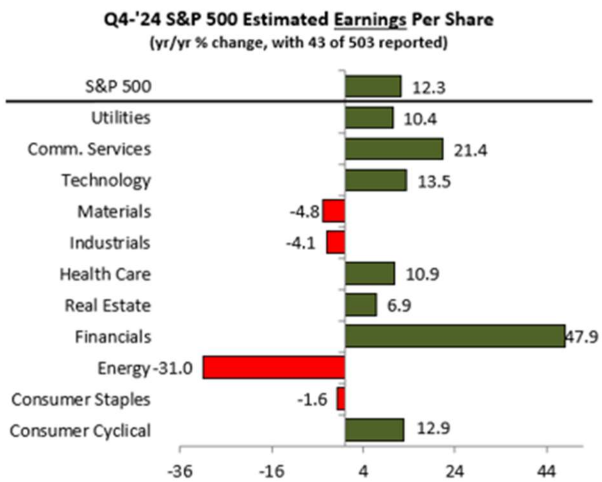
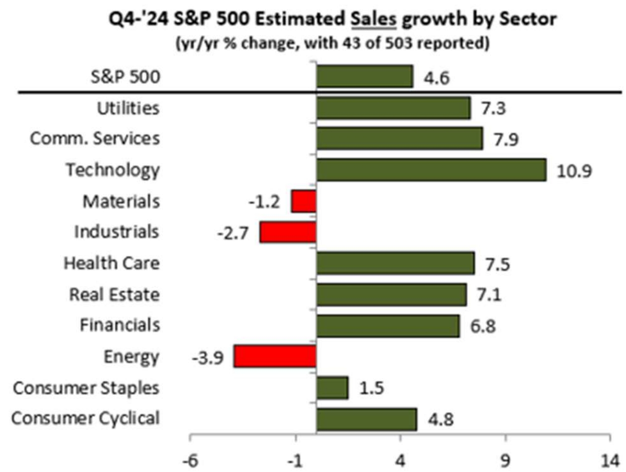
The Week Ahead:

Russell T. Price, CFA, Chief Economist

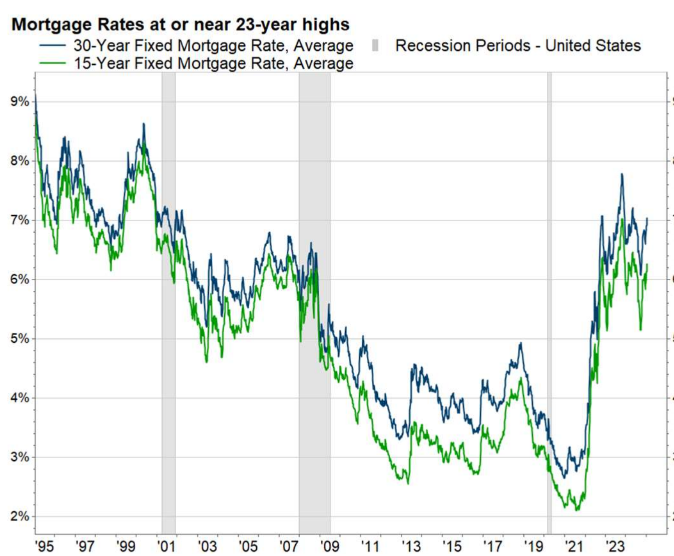
Unless otherwise noted, all economic estimates are sourced from Bloomberg and all corporate earnings measures are sourced from FactSet.

- **Earnings:** **Financials set a high bar**. Last week's reports from the Financial sector set a high bar for Q4 earnings results. Some of the largest financial institutions in the nation (making up about a ¼ of the S&P 500 Financials sector) opened up the Q4-2024 reporting season with strong results.
- Financials were already expected to see strong year-over-year (y/y) revenue and earnings per share growth due to easy year-ago comparisons, but expectations have been further elevated by last week's releases. At the end of Q4, consensus estimates were looking for the Financials sector to post year-over-year (y/y) ESP growth of 39%. Through Friday, estimated EPS growth for the sector had jumped to +48%, which would contribute 6.6 percentage points to full S&P 500 EPS growth for the period.
- Overall, with just 9% of S&P 500 companies having reported their Q4 results through last Friday, total S&P 500 expectations are nearly a point higher, at +12.3% from a prior +11.4%
- The earnings release season gains speed this week with 43 S&P 500 companies on the docket, including 6 that are also members of the Dow Jones Industrial Average.
- *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, meanwhile, is fairly light this week. Existing home sales for the month of December highlight the schedule. The report follows last week's strong reports on new housing starts and homebuilder confidence. Indeed, although mortgage rates have been at or near their highest levels in many years, the number of people applying for mortgages has been surprisingly strong over recent months (see chart on next page).
- **December Existing Home Sales:** The Bloomberg consensus looks for existing home sales to have been about 1.0% to 1.5% higher on a m/m basis last month. If so, it would leave transactions as being about 8% higher than year-ago levels.
- As noted above, despite mortgage rates recently at or near multi-year highs, pending sales have been surprisingly strong. In September, pending home sales rose +7.5% month-over-month (m/m), in October they were an additional 1.8% higher, and in November they gained an additional 2.2% m/m (leaving the Index 5.6% above year-ago levels).
- The Pending Home Sales Index (PHSI): The PHSI is published monthly by realtor.com. It reflects the number of contracts signed for the purchase of an



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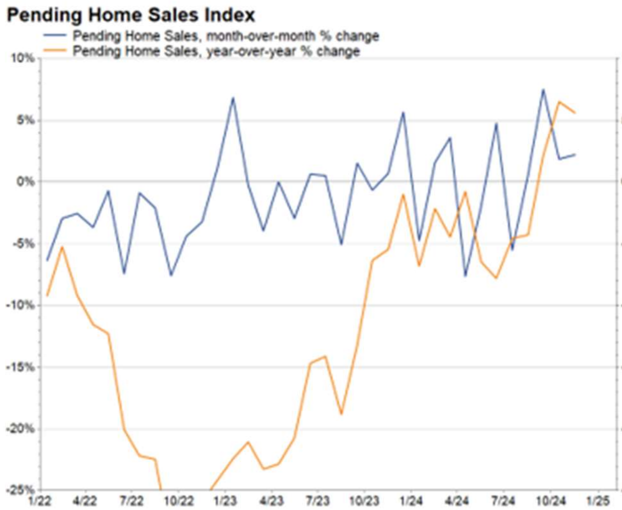
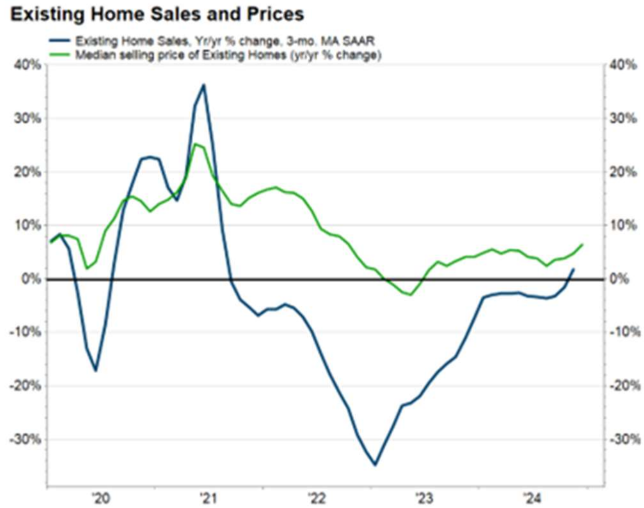
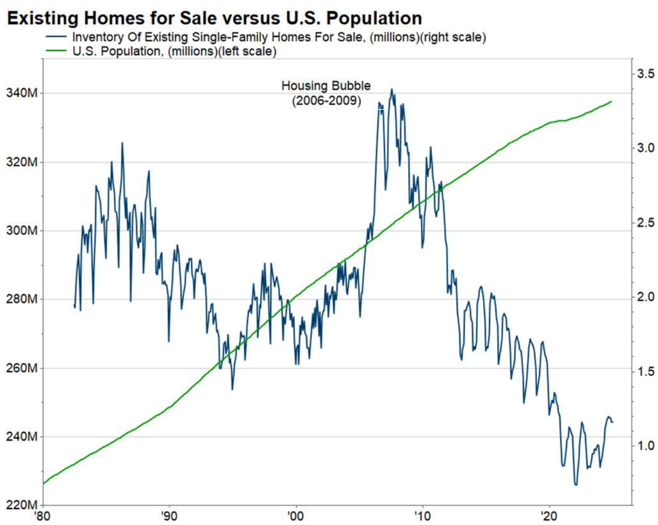
existing home. Existing home sales, which are measured at the time of a sale closing typically occur about a month or two after the contract is signed. Though a very good leading indicator for existing home sales, contracts to purchase a home are often stronger than actual sales given that a portion of contracts signed always fail to make it to completion.

- *All charts associated with this commentary are sourced from FactSet.*







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

January 20	21	22	23	24
Martin Luther King Jr. Day **U.S. Markets Closed** 	*Foreign Investment - China*	**Leading Economic Index**	**Initial Jobless Claims**	**Existing Home Sales** **Markit Prelim. Mfg. Index** **UofM Consumer Sentiment**
Industrial Production - Japan *Machinery Orders - Japan*		*Trade - Japan* *GDP - S. Korea*	*Monetary Policy - Japan* *Inflation - Japan* *Manufacturing Activity - Japan* *Consumer Confidence - Eurozone*	*Retail Sales - Japan* *Manufacturing PMI - Eurozone* *Services PMI - Eurozone*

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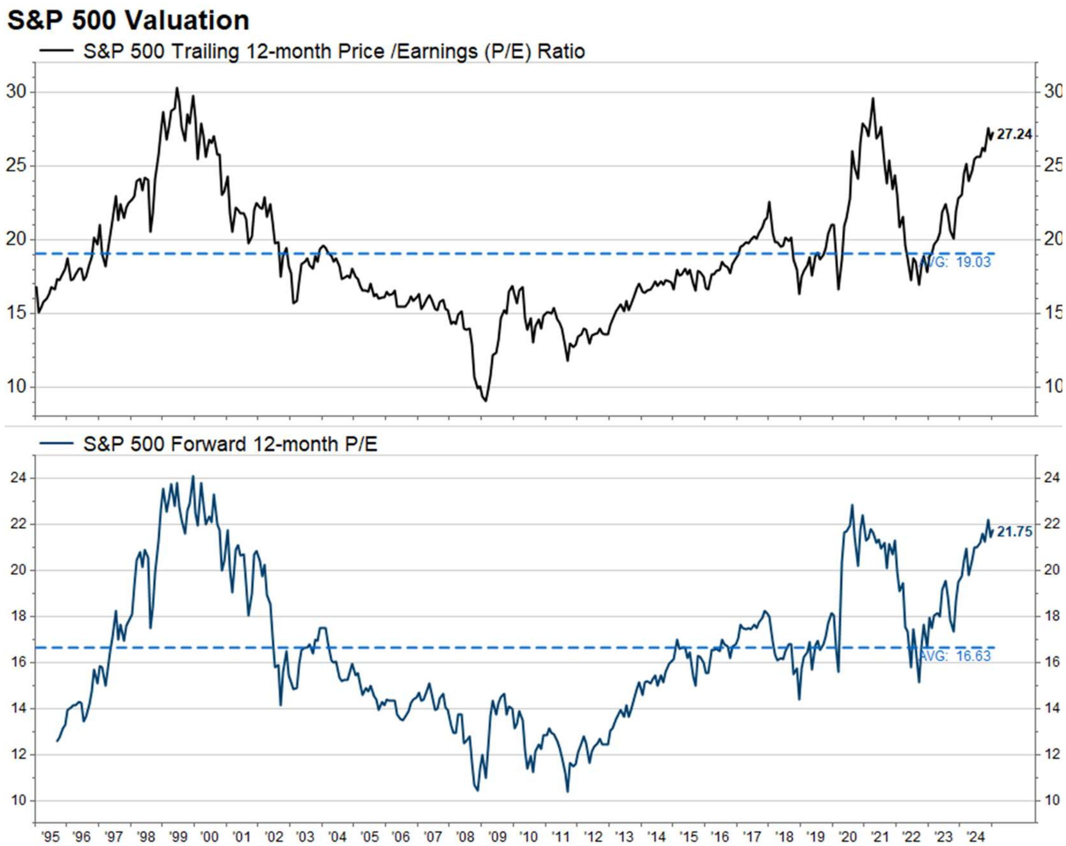
Where Market Fundamentals Stand Heading into The Week:

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. The calculation of earnings (operating earnings versus 'as reported' or GAAP) also often differ modestly from one data source to another due to the use of proprietary 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
1/21/2025	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.	Est.
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY
Quarterly $$ amount				$53.34	$54.52	$58.91	$55.56	$56.45	$60.54	$61.64	$62.30	$62.77	$67.04	$71.06	$72.35	
change over last week											$0.48	-$0.06	-$0.03	-$0.01	$0.07	$0.12
yr/yr				-1.2%	-3.6%	6.1%	4.2%	5.8%	11.0%	5.0%	12.1%	11.2%	10.7%	15.3%	16.1%	
qtr/qtr				0.1%	2.2%	8.1%	-5.7%	1.6%	7.2%	1.8%	1.1%	0.8%	6.8%	6.0%	1.8%	
Trailing 4 quarters $$	$143.08	$211.09	$222.33	$218.71	$216.67	$220.08	$222.33	$225.44	$231.46	$234.19	$240.93	$247.25	$253.75	$263.17	$273.22	$311.31
yr/yr % change	-13.0%	47.5%	4.2%				0.0%				8.4%				13.4%	13.9%
Implied P/E based on a S&P 500 level of: 5997											24.9	24.3	23.6	22.8	21.9	19.3

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Economic News and Views:

Russell T. Price, CFA – Chief Economist

Releases for Tuesday, January 21, 2025

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%	2.8%	2.0%	3.2%	1.6%	3.0%	2.8%	2.7%	1.8%	2.3%
Unemployment Rate	3.6%	3.7%	4.1%	4.2%	3.7%	3.8%	4.1%	4.1%	4.1%	4.2%	4.2%
CPI (YoY)	8.0%	3.4%	2.5%	2.0%	3.4%	3.5%	3.0%	2.4%	2.9%	2.4%	2.2%
Core PCE (YoY)	5.2%	2.9%	2.7%	2.0%	2.9%	2.8%	2.6%	2.7%	2.7%	2.3%	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: January 15, 2025

Ameriprise Global Asset Allocation Committee Targets and Views

Targets

2025 Year-end Targets:	Favorable Scenario	Base-Case Scenario	Adverse Scenario
S&P 500 Index:	7,000	6,500	5,500
10-Year U.S. Treasury Yield:	5.00%	4.25%	3.00%
Fed Funds Target Range:	4.25% to 4.50%	3.75% to 4.00%	3.25% to 3.50%

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

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

Last Updated: January 2, 2025

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Global Asset Allocation Committee Views

AMERIPRISE GLOBAL ASSET ALLOCATION COMMITTEE TACTICAL ASSET CLASS VIEWS

2025 Year-end S&P 500 Target: 6,500
2025 Year-End 10-year Treasury Target: 4.25%

as of 12/30/2024

	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	• Financials	• Communication Services • Consumer Discretionary • Consumer Staples • Energy • Industrials • Information Technology • Materials • Real Estate • Utilities	• Health Care
Global Equity Regions	• United States	• Europe ex U.K. • Japan • Latin America • United Kingdom	• Middle East/Africa • Asia-Pacific ex Japan • Canada
Fixed Income	• U.S. High Yield Bonds	• U.S. Government • U.S. Inv. Grade Corporates • 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 December 31, 2024

	Rolling Returns			
Major Market Indices	**QTD**	**1-year**	**3-years**	**5-years**
Russell 3000® Index (U.S. Equity)	2.63%	23.81%	8.01%	13.86%
MSCI ACWI Ex USA Index – net (Foreign Equity)	-7.60%	5.53%	0.82%	4.10%
Bloomberg U.S. Universal Bond Index (Fixed Income)	-2.73%	2.04%	-1.95%	0.06%
Wilshire Liquid Alternative Index (Alternatives)	-1.87%	4.33%	1.50%	2.48%
FTSE Three-Month Treasury Bill Index (Cash)	1.23%	5.45%	4.05%	2.54%

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

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The Ameriprise Investment Research Group

With Ameriprise Financial, you can benefit from our dedicated team of experienced investment research and due diligence professionals. Our objective market insight, strategies and guidance are designed to provide you with insight into investment strategies and solutions to help you feel more confident about your financial future. It's the higher level of sophistication and service you've come to expect from Ameriprise.

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Vice President

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
Sr Analyst

Amit Tiwari, CFA
Sr Associate I

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Equity Research

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Bishnu Dhar
Sr Analyst – Quantitative strategies and international

Research Support

Jillian Willis
Sr Administrative Assistant

Kimberly K. Shores
Investment Research Coordinator

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

Manager Research

Michael V. Jastrow, CFA
Vice President

ETFs, CEFs, UITs
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Sr Director

Alex Narum
Analyst II

Sagar Batra
Sr Associate I

Alternatives
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Vice President

Kay S. Nachampassak
Director

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

Peter W. LaFontaine
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Gaurav Sawhney
Analyst II

Ryan Elvidge, CFA
Analyst II

Matt Burandt
Analyst II

Parveen Vedi
Sr Associate I

Harish Chauhan
Sr Associate I

Ankit Srivastav
Sr Associate I

Pulkit Kumar
Associate II

Sameer Asif
Associate II

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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

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Vice President

Jon Kyle Cartwright
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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

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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.

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