

# Before the Bell

*An Ameriprise Investment Research Group Publication*

April 21, 2025

## Starting the Day

- U.S. futures are pointing to a lower open.
- European markets closed for the Easter holiday.
- Asian markets ended in the green overnight.
- Stocks finished last week mostly lower.
- Earnings, earnings, earnings.
- 10-year Treasury yield at 4.36%.
- West Texas Intermediate (WTI) oil is trading at \$62.33.
- Gold is trading at \$3,405.80

## Market Perspectives

**Anthony Saglimbene, Chief Market Strategist**

**Weekly Market Perspectives:** Stocks finished the shortened Easter week mostly lower. The S&P 500 Index and NASDAQ Composite ended in the red for the third week in the last four, with Big Tech and NVIDIA weighing on performance. March retail sales saw their biggest monthly gain since January 2023, and trade/tariff headlines out of the White House continued to keep investors on guard throughout the previous week. Overseas, the European Central Bank cut its policy rate by 25 basis points for the seventh time since June 2024.

This week, a little less than 25% of S&P 500 companies are scheduled to report profit results for the previous quarter. Although investors will likely look through first quarter earnings numbers, outlooks and company guidance will be highly scrutinized. Outlooks on demand, tariff impacts, and whether some companies decide to lower or pull guidance given the uncertain macroeconomic backdrop will most likely influence stock reactions this week. Preliminary looks at manufacturing and services activity as well as housing data line the economic calendar.

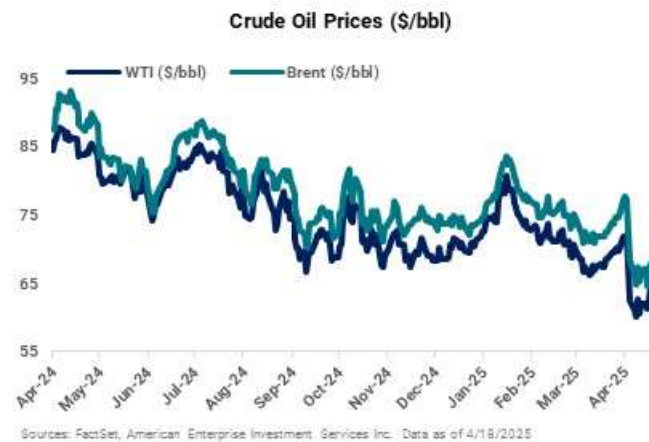
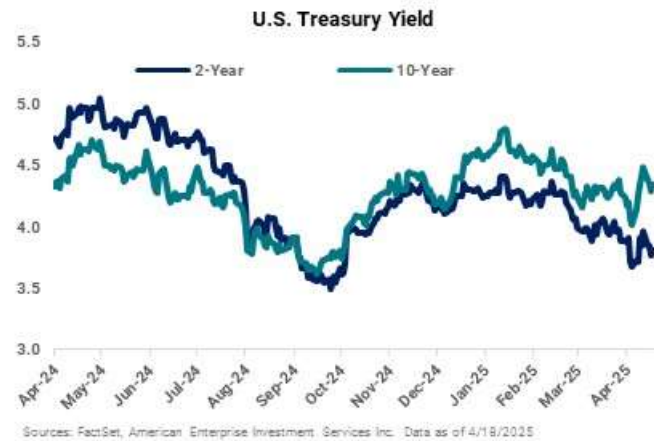


### Last Week in Review:

- The S&P 500 Index (-1.5%) and NASDAQ Composite (-2.6%) slide lower. NVIDIA dropped 8.5% as the stock reacted unfavorably to stiffer U.S. export restrictions on its H2O chips. However, the company said it would produce artificial intelligence supercomputers entirely in the U.S.
- Despite the continued pressure across Information Technology (-3.7%) and Communication Services (-3.0%), defensive sectors and areas less affected by tariffs, such as Real Estate (+3.9%) and Energy (+3.2%), performed well.

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

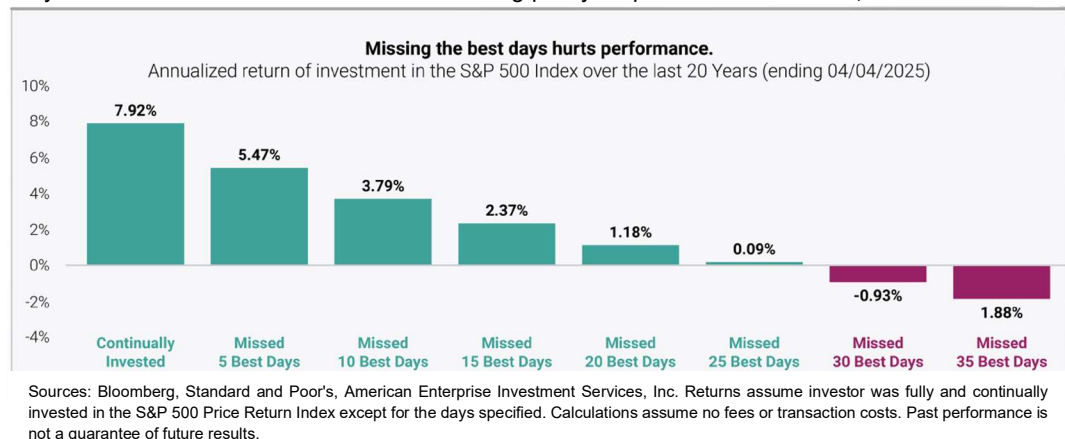
- The Dow Jones Industrials Average lost 2.7%, driven down by United Health Care falling over 24% in the week after missing first quarter earnings estimates and cutting full-year guidance on higher healthcare utilization. The Russell 2000 Index lost 1.1%.
- U.S. Treasury prices moved higher as yields on the 2-year and 10-year dipped lower.
- The U.S. Dollar Index finished lower. Gold advanced +2.8%, and West Texas Intermediate (WTI) crude rose +4.4%.
- On the trade front, the White House said China faces up to 245% tariffs on certain imports (e.g., electric vehicles and syringes) and higher than the 145% tariff routinely discussed for most other products, outside of the temporary exemption on certain Tech products. In response, China said it would “fight to the end” and pared back its Boeing passenger plane orders. President Trump said trade talks with Japan were making progress. At the same time, *Bloomberg* noted that U.S./European Union trade discussions made little progress last week, with the bulk of tariffs looking like they might go into effect after the 90-day negotiating reprieve.
- Headline March retail sales increased +1.4% month-over-month, supported by consumers likely pulling ahead goods purchases, like autos, and before the implementation of tariffs. The latest New York Fed Survey of Consumer Expectations showed short-term inflation expectations rising and expectations for the labor market deteriorating.
- Lastly, on the earnings front, Taiwan Semiconductor, the predominant chip fabricator of the world, beat earnings estimates for the first quarter and guided second quarter profits higher. The company also left full-year guidance unchanged despite tariff concerns. In our view, this is a positive sign that chip demand, particularly for advanced/AI semiconductors, hasn't yet fallen due to increased volatility/tariff friction.



### Investing through uncertainty is generally a winning long-term formula, even if conditions temporarily worsen.

The current investing environment is extraordinarily difficult to navigate and unpredictable at the moment. If we see further deterioration in trade developments from here, the risk of an economic slowdown in the coming months and a reduction in corporate profits could elevate quickly. That said, we believe there is still time for the White House to walk back some of its most aggressive proposals and form trade deals before the ball gets rolling on a downturn, which can and often starts to turn into a self-fulfilling prophecy that can be hard to reverse without a strong policy response. **As investors, this is the time to:**

- Trust in your well-constructed investment strategy and lean into diversification strategies.
- Understand risks of further stock pressure are rising, at least temporarily.



However, your ability to time the next 10% or 15% move in the market statistically is very poor. And if you are successful in avoiding a further downturn in stocks, there is a low probability you will time the market correctly on the way up. As the chart above shows, with enough time, investing through downturns, recessions, and volatility while staying “continually invested” is generally a sound strategy for the long term.

- Avoid reacting to the barrage of headlines, but unfortunately, expect the market to be headline-driven for the foreseeable future. This could keep stock volatility elevated.
- Be sure you’re comfortable owning your investments for the longer term.
- And particularly for accumulators, if you love what you own, reframe recent declines in price as an opportunity to acquire quality investments on sale.

### The Week Ahead:

Earnings reports from 3M, Tesla, AT&T, Chipotle Mexican Grill, Alphabet, Pepsi, and PG&E Corp are just a few of the key companies reporting first quarter results this week. Along with corporate outlooks, preliminary looks at manufacturing and services activity for April could provide investors with early reads on how consumers, businesses, and overall economic activity are responding to tariff uncertainty at the start of the second quarter.

- With 12% of S&P 500 first quarter reports complete, blended earnings per share (EPS) growth is higher by +7.2% year-over-year on revenue growth of +4.3%. Thus far, 71% of companies reporting results have surpassed Q1’25 EPS estimates, below the five-year average of 77%.
- Preliminary reads on April manufacturing and services activity hit on Wednesday, and both measures are expected to decelerate from March levels. A batch of home data, the Fed Beige Book, and March durable orders also line the week.

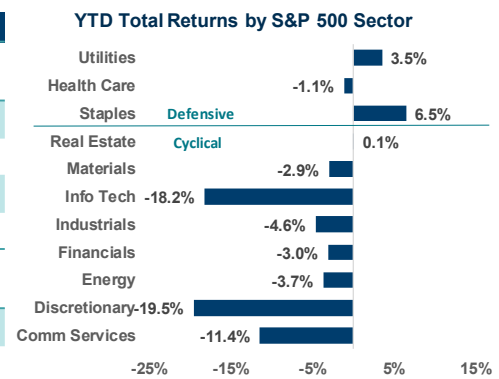
Stock Market Recap							
Benchmark	Total Returns			LTM PE		Yield %	
	Weekly	MTD	YTD	Current	5-Year Median	Current	5-Year Median
<b>S&amp;P 500 Index: 5,283</b>	-1.5%	-5.8%	-9.8%	23.7	24.4	1.4	1.5
<b>Dow Jones Industrial Average: 39,142</b>	-2.7%	-6.8%	-7.6%	21.9	21.5	1.8	1.9
<b>Russell 2000 Index: 4,674</b>	1.1%	-6.5%	-15.3%	52.4	39.8	1.5	1.3
<b>NASDAQ Composite: 16,286</b>	-2.6%	-5.8%	-15.5%	32.6	38.6	0.8	0.7
<b>Best Performing Sector (weekly): Real Estate</b>	3.9%	-3.3%	0.1%	41.1	37.8	3.4	3.1
<b>Worst Performing Sector (weekly): Info Tech</b>	-3.7%	-6.4%	-18.2%	32.5	33.7	0.7	0.9

Source: Factset. Data as of 04/18/2025

Bond/Commodity/Currency Recap			
Benchmark	Total Returns		
	Weekly	MTD	YTD
<b>Bloomberg U.S. Universal</b>	1.0%	-0.8%	1.8%
<b>West Texas Intermediate (WTI) Oil: \$64.66</b>	4.4%	-10.0%	-10.7%
<b>Spot Gold: \$3,327.38</b>	2.8%	6.5%	26.8%
<b>U.S. Dollar Index: 99.38</b>	-0.7%	-4.6%	-8.4%
Government Bond Yields	Yield Chg		
	Weekly	MTD	YTD
<b>2-year U.S. Treasury Yield: 3.79%</b>	-17 bps chg	-10 bps chg	-45 bps chg
<b>10-year U.S. Treasury Yield: 4.34%</b>	-13 bps chg	13 bps chg	-24 bps chg

Source: Factset. Data as of 04/18/2025. bps = basis points

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.



Source: S&P Global, Factset. Data as of 04/18/2025

## 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 lower open.** After a long Easter weekend and little progress on trade talks between the U.S., China, and other key trading partners over the weekend, stocks look set to open the new trading week in the red.
- **Navigating volatility: An investor's guide:** A new publication from the Investment Research Group, **Navigating volatility: An investor's guide**, is now available and can help provide important context amid ongoing market volatility. Presenting decades of data in a series of powerful visuals, the publication illustrates the historical long-term resiliency of the U.S. stock market, driving home messages including:
  - Big moves in the S&P 500 Index are the norm, not the exception.
  - Stocks usually come back stronger after bear market lows.
  - Investing through down markets can help portfolios recover faster.
  - Navigating market fluctuations can be challenging, but by adhering to disciplined investment strategies, investors can remain on track toward their financial goals.

## Europe:

Following the European Central Bank's rate cut last week and ECB President Lagarde's signal that the bank stands ready to swiftly step in to support growth, if necessary, this week's economic calendar could hold a little more sway with investors. Fresh looks at April manufacturing and services activity, as well as several European sentiment measures, including the German Ifo Business Climate survey, are on the docket this week. European markets are closed on Monday for the Easter holiday.

## Asia-Pacific:

The docket this week includes Chinese commercial banks deciding on loan prime rates on Monday. However, the People's Bank of China has left policy rates steady since their large 30 basis point cut in September 2024. In Japan, Tokyo CPI and manufacturing/services activity for April will be closely watched for early signs of tariff impacts. Notably, manufacturing activity in Japan has been in contraction since July 2024, and services activity dropped to 50 in March, the weakest level since June 2024.

## WORLD CAPITAL MARKETS

4/21/2025

As of: 8:30 AM ET

Americas	% chg.	% YTD	Value	Europe (Intra-day)	% chg.	% YTD	Value	Asia/Pacific (Last Night)	% chg.	% YTD	Value
<b>S&amp;P 500</b>	0.1%	-9.8%	5,282.7	<b>DJSTOXX 50 (Europe)</b>	-0.6%	1.4%	4,935.3	<b>Nikkei 225 (Japan)</b>	-1.3%	-13.3%	34,279.9
<b>Dow Jones</b>	-1.3%	-7.5%	39,142.2	<b>FTSE 100 (U.K.)</b>	0.0%	2.6%	8,275.7	<b>Hang Seng (Hong Kong)</b>	1.6%	7.5%	21,395.1
<b>NASDAQ Composite</b>	-0.1%	-15.5%	16,286.5	<b>DAX Index (Germany)</b>	-0.5%	6.5%	21,205.9	<b>Korea Kospi 100</b>	0.2%	4.8%	2,488.4
<b>Russell 2000</b>	0.9%	-15.4%	1,880.6	<b>CAC 40 (France)</b>	-0.6%	-1.1%	7,285.9	<b>Singapore STI</b>	1.0%	0.0%	3,759.2
<b>Brazil Bovespa</b>	1.0%	7.8%	129,650	<b>FTSE MIB (Italy)</b>	-0.2%	5.2%	35,980.4	<b>Shanghai Comp. (China)</b>	0.4%	-1.8%	3,291.4
<b>S&amp;P/TSX Comp. (Canada)</b>	0.4%	-1.3%	24,192.8	<b>IBEX 35 (Spain)</b>	-0.2%	12.5%	12,918.0	<b>Bombay Sensex (India)</b>	1.1%	1.9%	79,408.5
<b>Russell 3000</b>	0.2%	-10.2%	3,001.2	<b>MOEX Index (Russia)</b>	#VALUE!	#VALUE!	#N/A N/A	<b>S&amp;P/ASX 200 (Australia)</b>	0.8%	-2.7%	7,819.1
Global	% chg.	% YTD	Value	Developed International	% chg.	% YTD	Value	Emerging International	% chg.	% YTD	Value
<b>MSCI All-Country World Idx</b>	0.1%	-5.1%	793.4	<b>MSCI EAFE</b>	0.2%	7.0%	2,396.2	<b>MSCI Emerging Mkts</b>	0.1%	0.1%	1,068.6
Note: International market returns shown on a local currency basis. The equity index data shown above is on a <b>total return</b> basis, inclusive of dividends.											
S&P 500 Sectors	% chg.	% YTD	Value	Equity Income Indices	% chg.	% YTD	Value	Commodities	% chg.	% YTD	Value
<b>Communication Services</b>	-0.2%	-11.4%	301.6	<b>JPM Alerian MLP Index</b>	1.3%	2.0%	300.4	<b>Futures &amp; Spot (Intra-day)</b>			
<b>Consumer Discretionary</b>	0.3%	-19.5%	1,470.5	<b>FTSE NAREIT Comp. TR</b>	1.6%	-1.1%	24,813.4	<b>CRB Raw Industrials</b>	0.2%	2.3%	553.9
<b>Consumer Staples</b>	2.2%	6.5%	902.8	<b>DJ US Select Dividend</b>	1.1%	-3.3%	3,387.3	<b>NYMEX WTI Crude (p/bbl.)</b>	-2.3%	-11.9%	63.2
<b>Energy</b>	2.3%	-3.7%	625.4	<b>DJ Global Select Dividend</b>	1.0%	9.7%	241.1	<b>ICE Brent Crude (p/bbl.)</b>	-2.1%	-10.9%	66.5
<b>Financials</b>	0.3%	-3.1%	776.1	<b>S&amp;P Div. Aristocrats</b>	1.0%	-2.3%	4,468.8	<b>NYMEX Nat Gas (mmBtu)</b>	-1.4%	-11.9%	3.2
<b>Health Care</b>	-0.6%	-1.1%	1,578.4	Bond Indices	% chg.	% YTD	Value	<b>Spot Gold (troy oz.)</b>	2.3%	29.7%	3,404.8
<b>Industrials</b>	0.6%	-4.6%	1,060.7	<b>Barclays US Agg. Bond</b>	0.0%	2.0%	2,232.3	<b>Spot Silver (troy oz.)</b>	1.2%	14.0%	32.9
<b>Materials</b>	0.7%	-2.9%	511.3	<b>Barclays HY Bond</b>	0.0%	-0.2%	2,678.4	<b>LME Copper (per ton)</b>	-0.1%	5.9%	9,161.0
<b>Real Estate</b>	1.6%	0.1%	253.7	Foreign Exchange (Intra-day)	% chg.	% YTD	Value	<b>LME Aluminum (per ton)</b>	-0.6%	-7.8%	2,329.8
<b>Technology</b>	-0.7%	-18.2%	3,761.9	<b>Euro (€/\$)</b>	1.3%	11.5%	1.15	<b>CBOT Corn (cents p/bushel)</b>	1.0%	5.6%	495.0
<b>Utilities</b>	1.0%	3.5%	395.3	<b>British Pound (£/\$)</b>	0.7%	7.0%	1.34	<b>CBOT Wheat (cents p/bushel)</b>	0.5%	-0.8%	565.0
				<b>Japanese Yen (\$/¥)</b>	1.0%	11.7%	140.79				
				<b>Australian Dollar (A\$/S)</b>	0.7%	3.8%	0.64	<b>Canadian Dollar (\$/C\$)</b>	0.3%	4.1%	1.38
								<b>Swiss Franc (\$/CHF)</b>	1.4%	12.7%	0.81

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	14.4%	Overweight	2.0%	16.4%	Consumer Staples	5.8%	Equalweight	-	5.8%
Information Technology	30.4%	Equalweight	-	30.4%	Energy	3.6%	Equalweight	-	3.6%
Consumer Discretionary	10.2%	Equalweight	-	10.2%	Utilities	2.5%	Equalweight	-	2.5%
Communication Services	9.4%	Equalweight	-	9.4%	Real Estate	2.2%	Equalweight	-	2.2%
Industrials	8.4%	Equalweight	-	8.4%	Materials	2.0%	Equalweight	-	2.0%
					Health Care	11.1%	Underweight	-2.0%	9.1%

As of: March 31, 2025

Index weightings represent the respective market capitalization of each sector in the S&P 500 as of 3/31/2025. 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		MSCI All-Country World Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
Europe ex U.K.	13.2%	Overweight	2.0%	15.2%	Latin America	0.9%	Equalweight	-	0.9%
United States	62.8%	Overweight	1.2%	64.0%	Middle East / Africa	1.2%	Underweight	-1.2%	0.0%
Japan	5.1%	Equalweight	-	5.1%	Asia-Pacific ex Japan	10.6%	Underweight	-1.0%	9.6%
United Kingdom	3.4%	Equalweight	-	3.4%	Canada	2.8%	Underweight	-1.0%	1.8%

as of: March 31, 2025

Index weightings are based on the regional market capitalizations of the MSCI All-Country World Index as of 3/31/2025. 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

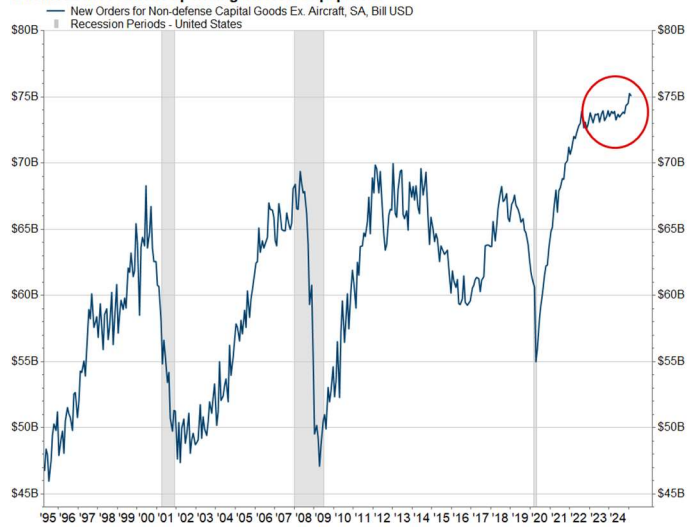
Unless otherwise noted, all economic estimates are sourced from Bloomberg, and all corporate earnings measures are sourced from FactSet.

- **Earnings Outlook:** The earnings release season gathers steam this week with 122 S&P 500 member companies scheduled to report, including 7 that are also members of the Dow Jones Industrial Average. Through Friday, 59 S&P 500 companies had reported their results for the period.
- **S&P 500 earnings per share (EPS) for Q1-2025 are currently projected to have grown by 7.3% year-over-year (y/y) on sales growth of 4.2%.** Last week at this time, analysts were looking for y/y EPS growth of 7.4% on sales growth of 4.3%.
- As has been the case for the last few weeks, earnings estimates beyond the first quarter have been falling at a fairly fast clip, largely in reflection of the Trump administration's tariff actions. In early February, analyst consensus estimates were looking for full-year 2025 EPS growth of 12.8%, a figure that currently stands at just +8.3%. Likewise, analyst estimates for 2026 were projected at \$310.29 as of February 2nd. That figure now stands at \$303.97, or \$6.32 lower.
- While the negative adjustments to forward sales and earnings estimates have been material, we are likely to see further negative adjustments in the coming months.
- **The Economic Release Calendar:** The economic calendar is fairly quiet this week, though highlighted by reports on home sales and new orders for durable goods.
- Of a separate yet important note, the International Monetary Fund and the World Bank will be conducting their spring meetings in Washington, D.C. this week. The meetings, attended by many of the world's Finance Ministers, will likely spur some additional commentary on the impact of the Trump tariffs and the state of global trade.
- **March New Home Sales:** Wednesday's report on March new home sales from the Census Department is expected to show a modest 0.7% month-over-month (m/m) increase after seeing a 1.6% m/m gain in February. As was the case with existing home sales, new home sales dropped significantly in January of this year amid two ice /winter storms that moved across the Southeast and Midwest during the month. That was also the month of California's devastating wildfires. Activity in both segments picked up in February, and the recovery should have continued through March. In either report, however, it will be interesting to see if stock market volatility during the period may have delayed some buyers' intentions.
- Overall, new home sales are expected to be about flat with year-ago levels.

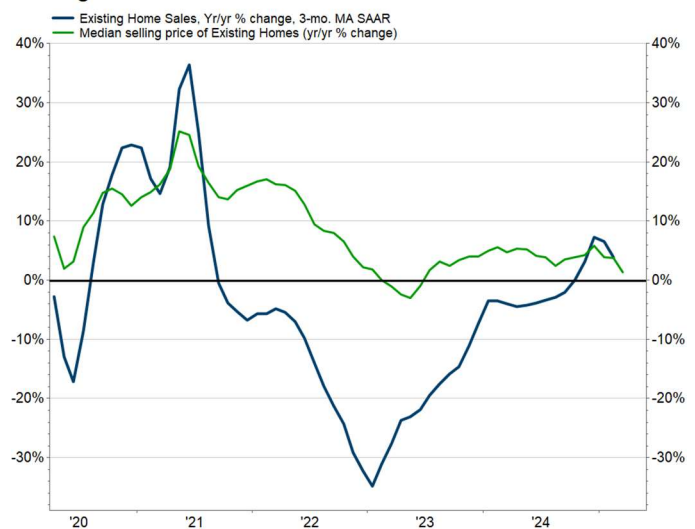


- March New Orders for Durable Goods.** Are business slowing their investment spending over tariff concerns? Maybe not yet, in our view. Thursday's report on new orders for durable goods is expected to show a solid 1.5% m/m increase after having gained 1.0% in February. We believe the March report could be even stronger based on strong order volumes at Boeing. Boeing reported 163 net new jet orders for March, a substantial improvement over February's 13. We note, however, that the full effect of Boeing orders is sometimes not seen in the month reported due to timing differences.
- Economists and market participants will also be very interested in examining the report's business spending related new orders for any signs of tariff-related economic growth concerns.
- New orders for non-defense capital goods excluding aircraft (NONDCGEA) have been relatively strong of late before experiencing a slight 0.3% decline in February. Those numbers, however, largely came before the reality of President Trump's tariff intentions began to grow. It may yet be a month too soon but this week's results for March could be a telling signal, nonetheless.
- March Existing Home Sales:** Thursday's report on existing home sales is expected to show a nearly 3% m/m decline after sales in the segment posted a surprise +4.2% jump in February. Mortgage rates were at their lowest levels in quite some time in March, with the national average 30-year fixed rate spending most of the month just below 6.5%, according to the Mortgage Bankers Association.
- Existing home sales, however, are recorded at the time of closing, thus the influence of mortgage rate changes often shows up in the sales figures with a one to two month delay. Overall, home sales for the month are expected to be about 1% to 2% higher versus year-ago levels.

Business Investment Spending on New Equipment



Existing Home Sales and Prices



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

April 21	22	23	24	25
Leading Economic Index	Richmond Fed Index	Markit Prelim. Mfg. Index	Initial Jobless Claims	UofM Consumer Sentiment
	Manufacturing PMI - Japan	New Home Sales	Durable Goods Orders	Retail Sales - Japan
	Consumer Sentiment - S. Korea	Manufacturing PMI - Eurozone	Existing Home Sales	
		Services PMI - Eurozone	Inflation - Japan	
		Trade - Eurozone	Trade - Japan	

### 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.

**S&P 500 Price to Earnings Valuations**

— S&P 500 TRAILING 12-month Price/Earnings (P/E) Ratio  
 ■ Recession Periods - United States



**S&P 500 Valuation: Price to Free Cash Flow**

— Price to Free Cash Flow, last 12 months (LTM)  
 ■ Recession Periods - United States



#### Consensus Earnings Estimates: Source: FactSet

Please note: The consensus earnings estimates shown below should be 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
4/18/2025	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY
Quarterly \$\$ amount				\$53.34	\$54.52	\$58.91	\$55.56	\$56.45	\$60.54	\$62.84	\$65.77	\$60.39	\$64.61	\$69.27	\$71.82	
change over last week												\$0.05	-\$0.52	-\$0.61	-\$0.73	
yr/yr				-1.2%	-3.6%	6.1%	4.2%	5.8%	11.0%	5.0%	18.4%	7.0%	6.7%	10.2%	9.2%	
qtr/qtr				0.1%	2.2%	8.1%	-5.7%	1.6%	7.2%	3.8%	4.7%	-8.2%	7.0%	7.2%	3.7%	
Trailing 4 quarters \$\$	\$143.08	\$211.09	\$222.33	\$218.71	\$216.67	\$220.08	\$222.33	\$225.44	\$231.46	\$235.39	\$245.60	\$249.54	\$253.61	\$260.04	\$266.09	\$303.97
yr/yr % change	-13.0%	47.5%	4.2%				0.0%				10.5%				8.3%	14.2%
Implied P/E based on																
a S&P 500 level of: 5283											21.5	21.2	20.8	20.3	19.9	17.4

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## Economic News and Views:

Russell T. Price, CFA – Chief Economist

### Releases for Monday, April 21, 2025

All times Eastern. Consensus estimates via Bloomberg

Time	Period	Release	Consensus Est.	Actual	Prior	Revised to
10:00 AM	MAR	Leading Economic Index	-0.5%		-0.3%	

### Ameriprise Economic Projections

Forecast:	Full-year				Quarterly						
	Actual	Actual	Est.	Est.	Actual	Actual	Actual	Actual	Est.	Est.	Est.
	2023	2024	2025	2026	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025
<b>Real GDP (annualized)</b>	2.9%	2.8%	2.2%	2.1%	1.6%	3.0%	2.8%	2.3%	0.8%	2.4%	2.3%
<b>Unemployment Rate</b>	3.7%	4.1%	4.2%	4.2%	3.8%	4.1%	4.1%	4.1%	4.1%	4.2%	4.2%
<b>CPI (YoY)</b>	3.4%	2.9%	2.4%	2.2%	3.5%	3.0%	2.4%	2.9%	2.5%	2.5%	2.4%
<b>Core PCE (YoY)</b>	2.9%	2.8%	2.5%	2.1%	2.8%	2.6%	2.7%	2.8%	2.6%	2.6%	2.5%

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: March 31, 2025

*Please note: Our economic forecasts do not yet fully reflect tariff related considerations. We anticipate making such adjustments shortly.*

## Ameriprise Global Asset Allocation Committee Targets and Views

### Targets

	Favorable Scenario	Base-Case Scenario	Adverse Scenario
<b>2025 Year-end Targets:</b>			
<b>S&amp;P 500 Index:</b>	7,000	6,500	5,500
<b>10-Year U.S. Treasury Yield:</b>	5.00%	4.25%	3.00%
<b>Fed Funds Target Range:</b>	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

*When we can make more concrete forecasts about the economic and profit impacts from tariffs and have more visibility into the ultimate White House tariff objectives, we will update our S&P 500 targets and scenarios. Our next Quarterly Capital Market Digest report will be published later this month and will include adjustments to the targets and accompanying scenarios.*

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## Global Asset Allocation Committee Views

## AMERIPRISE GLOBAL ASSET ALLOCATION COMMITTEE TACTICAL ASSET CLASS VIEWS

2025 Year-end S&amp;P 500 Target: 6,500

2025 Year-End 10-year Treasury Target: 4.25%

as of 03/31/2025

	Overweight	Equalweight	Underweight
Equity	<ul style="list-style-type: none"> <li>U.S. Large Cap Growth</li> </ul>	<ul style="list-style-type: none"> <li>U.S. Large Cap Value</li> <li>U.S. Mid Cap Value</li> <li>U.S. Mid Cap Growth</li> <li>U.S. Small Cap Value</li> <li>U.S. Small Cap Growth</li> <li>Developed Foreign</li> </ul>	<ul style="list-style-type: none"> <li>Emerging Foreign</li> </ul>
S&P 500 Sectors	<ul style="list-style-type: none"> <li>Financials</li> </ul>	<ul style="list-style-type: none"> <li>Communication Services</li> <li>Consumer Discretionary</li> <li>Consumer Staples</li> <li>Energy</li> <li>Industrials</li> <li>Information Technology</li> <li>Materials</li> <li>Real Estate</li> <li>Utilities</li> </ul>	<ul style="list-style-type: none"> <li>Health Care</li> </ul>
Global Equity Regions	<ul style="list-style-type: none"> <li>United States</li> <li>Europe ex U.K.</li> </ul>	<ul style="list-style-type: none"> <li>Japan</li> <li>Latin America</li> <li>United Kingdom</li> </ul>	<ul style="list-style-type: none"> <li>Middle East/Africa</li> <li>Asia-Pacific ex Japan</li> <li>Canada</li> </ul>
Fixed Income	<ul style="list-style-type: none"> <li>U.S. Investment Grade</li> <li>Municipals</li> </ul>	<ul style="list-style-type: none"> <li>U.S. Government</li> <li>U.S. High Yield</li> <li>Developed Foreign</li> </ul>	<ul style="list-style-type: none"> <li>Emerging Foreign</li> </ul>
Alternatives		<ul style="list-style-type: none"> <li>Real Assets</li> <li>Alternative Strategies</li> </ul>	
Cash		<ul style="list-style-type: none"> <li>Cash</li> <li>Cash Investments</li> </ul>	

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

Major Market Indices	Rolling Returns			
	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.

# 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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## 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.

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**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.

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### Index definitions

An index is a statistical composite that is not managed. It is not possible to invest directly in an index.

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