

# Before the Bell

*An Ameriprise Investment Research Group Publication*

April 25, 2025

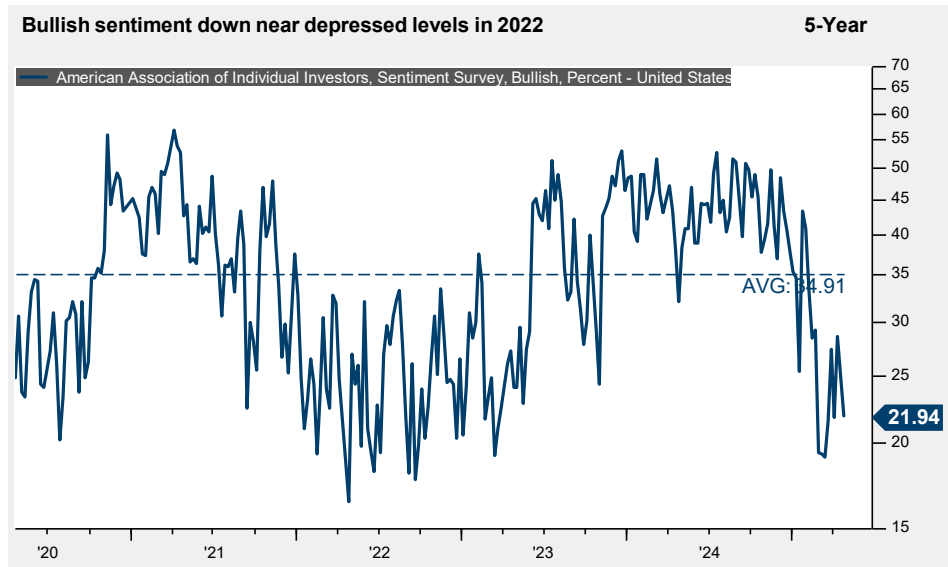
## Starting the Day

- U.S. equity markets are pointing to a lower open.
- European markets are trading higher at midday.
- Asian markets ended mostly higher.
- Currently, investor sentiment looks very weak.
- Stocks are on pace for a strong week of gains.
- 10-year Treasury yield at 4.29%.
- West Texas Intermediate (WTI) oil is trading at \$61.95.
- Gold is trading at \$3,309.80

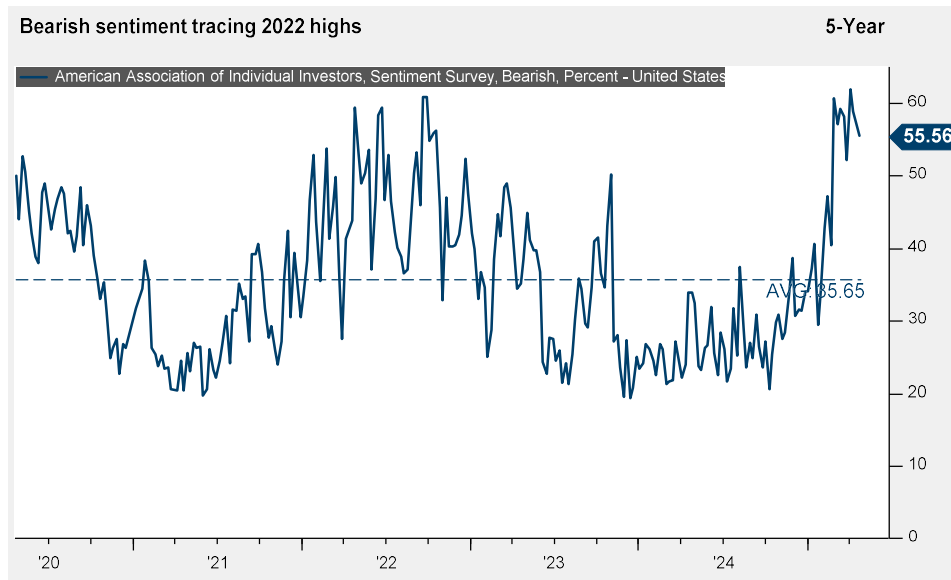
## Market Perspectives

**Anthony Saglimbene, Chief Market Strategist**

**Checking in on investor sentiment.** With April beginning to wind down, investors are starting to put some of the market's reactions this month to tariffs, evolving economic expectations as a result, and elevated volatility over recent weeks into the context of history. As we noted yesterday, the S&P 500 Index has seen moves of at least 1.0% in eight of the last eleven trading days — the most since the COVID crash in 2020. In addition, the S&P 500 is on pace for its worst April performance since 2022, while the Dow Jones Industrial Average is on pace for its worst month since September 2022. Notably, the NASDAQ Composite looks set to close April lower, which would see the tech-heavy index post its third straight month of declines. The NASDAQ is roughly 15% off its December high and, at various points this month, closed well into bear market territory (i.e., down 20% or more from the high). As one might expect, with stock volatility elevated, major U.S. averages under pressure, and uncertainty high (due to tariff policy and White House messaging), sentiment among retail investors has quickly taken on a markedly sour tone. The latest *American Association of Individual Investors (AAII) Survey* shows retail investors who are bullish about stock returns over the next six months continue to trend at lows last seen in 2022 when investors were most concerned about inflation and aggressive Federal Reserve rate hikes. As the *FactSet* chart at right shows, optimism about higher stock prices over the coming months has collapsed this year, given pressures across market leaders in Big Tech, stretched valuations in high-flying pockets of the market, and a stew of uncertainty about the growth environment. Conversely, bearish sentiment in the AAIL survey regarding stock returns over the next six months has risen sharply to similar levels last seen in 2022, as the *FactSet* chart below shows.



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While some of the more extreme pessimism about forward stock returns has fallen off since President Trump's Rose Garden tariff announcement on April 2<sup>nd</sup>, bullish and bearish sentiment sit at extremes relative to their five-year history. Importantly, over longer stretches, this sentiment data tends to mean-revert, offering an opportunity for longer-term investors to use this data as a contrarian signal, in our view.

## U.S. Premarket Indicators / Overnight International Market Activity

### United States:

Here is a quick news rundown to start your morning:

- **Stocks are looking at a lower open.** Major U.S. stock averages are pointing to a softer open this morning after three straight days of solid gains. On the week, the S&P 500 and NASDAQ Composite are up +3.8% and +5.4%, respectively. Alphabet reported Q1 results after the close last night, and the company surpassed analyst estimates. The search giant saw its cloud revenue increase by +28% year-over-year, while its margins expanded to +17.8% compared to +9.4% in the same period last year. While the company provided a somewhat guarded view of the macroeconomic environment and its impacts on its businesses moving forward, growth across the company remains strong, and the stock is trading higher in the premarket.
- **Earnings Update:** With roughly 35% of S&P 500 first quarter reports complete, blended earnings per share (EPS) growth is higher by +10.1% year-over-year on revenue growth of +4.5%.

### Europe:

European markets are trading mostly higher at midday. Optimism around the European equity markets faded in the latest *Bloomberg* survey, as strategists revised their targets for the STOXX 600 lower after months of raising their targets. Roughly one-third of the strategists surveyed lowered their year-end targets, though the average target stands roughly +6.5% above Wednesday's close. Exposure to trade and dampened enthusiasm about export/profit growth across European companies drove targets lower in the survey.

### Asia-Pacific:

Equities across the region finished mostly higher. *Bloomberg* noted that China is weighing exempting some goods from the 125% tariff rate, including semiconductor-related products. This follows some confusion about the state of trade talks between the U.S. and China over recent days. While President Trump has hinted that talks with China are developing, Beijing has pushed back and said talks are not currently happening.

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## WORLD CAPITAL MARKETS

4/25/2025

As of: 8:30 AM ET

Americas	% chg.	% YTD	Value
S&P 500	2.0%	-6.4%	5,484.8
Dow Jones	1.2%	-5.3%	40,093.4
NASDAQ Composite	2.7%	-10.9%	17,166.0
Russell 2000	2.0%	-11.9%	1,957.6
Brazil Bovespa	1.8%	11.9%	134,580
S&P/TSX Comp. (Canada)	1.0%	0.9%	24,727.5
Russell 3000	2.1%	-6.7%	3,118.6

Europe (Intra-day)	% chg.	%YTD	Value
DJUSTOXX 50 (Europe)	0.5%	6.0%	5,139.2
FTSE 100 (U.K.)	0.1%	4.4%	8,413.7
DAX Index (Germany)	0.6%	11.5%	22,207.9
CAC 40 (France)	0.4%	2.8%	7,531.7
FTSE MIB (Italy)	0.8%	8.6%	37,120.5
IBEX 35 (Spain)	1.0%	16.5%	13,314.9
MOEX Index (Russia)	#VALUE!	#VALUE!	#N/A N/A

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	1.9%	-9.7%	35,705.7
Hang Seng (Hong Kong)	0.3%	10.5%	21,980.7
Korea Kospi 100	1.0%	7.2%	2,546.3
Singapore STI	-0.2%	2.3%	3,823.8
Shanghai Comp. (China)	-0.1%	-1.7%	3,295.1
Bombay Sensex (India)	-0.7%	1.6%	79,212.5
S&P/ASX 200 (Australia)	0.6%	-0.9%	7,968.2

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	1.4%	-1.9%	819.9

Developed International	% chg.	%YTD	Value
MSCI EAFE	0.6%	9.8%	2,452.4

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	-0.3%	2.4%	1,093.0

Note: International market returns shown on a local currency basis. The equity Index data shown above is on a **total return** basis, inclusive of dividends.

S&P 500 Sectors	% chg.	% YTD	Value
Communication Services	2.3%	-6.7%	317.5
Consumer Discretionary	2.3%	-15.2%	1,549.5
Consumer Staples	-1.0%	5.4%	892.6
Energy	1.5%	-2.5%	633.1
Financials	1.1%	0.2%	802.5
Health Care	1.2%	0.3%	1,600.6
Industrials	2.2%	-1.7%	1,092.1
Materials	2.0%	-0.3%	525.4
Real Estate	0.3%	0.5%	254.6
Technology	3.5%	-13.2%	3,995.3
Utilities	0.2%	4.5%	398.8

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	2.0%	4.1%	306.6
FTSE NAREIT Comp. TR	0.2%	-1.1%	24,816.0
DJ US Select Dividend	1.2%	-1.3%	3,457.3
DJ Global Select Dividend	0.2%	11.7%	245.4
S&P Div. Aristocrats	0.5%	-1.3%	4,516.7

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	0.5%	2.3%	2,240.0
Barclays HY Bond	0.3%	0.8%	2,705.1

Commodities	% chg.	% YTD	Value
Futures & Spot (Intra-day)			
CRB Raw Industrials	0.2%	4.3%	564.5
NYMEX WTI Crude (p/bbl.)	-1.4%	-13.7%	61.9
ICE Brent Crude (p/bbl.)	-1.4%	-12.1%	65.6
NYMEX Nat Gas (mmBtu)	-0.9%	-20.1%	2.9
Spot Gold (troy oz.)	-1.7%	25.5%	3,293.6
Spot Silver (troy oz.)	-1.0%	15.0%	33.2
LME Copper (per ton)	0.4%	8.6%	9,398.9
LME Aluminum (per ton)	0.8%	-4.2%	2,419.5
CBOT Corn (cents p/bushel)	0.6%	3.8%	486.8
CBOT Wheat (cents p/bushel)	0.9%	-3.5%	549.5

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/€)	-0.2%	9.7%	1.14
British Pound (£/\$)	-0.2%	6.4%	1.33

	% chg.	% YTD	Value
Japanese Yen (\$/¥)	-0.5%	9.7%	143.29
Australian Dollar (A\$/S)	-0.4%	3.1%	0.64

	% chg.	% YTD	Value
Canadian Dollar (\$/C\$)	-0.2%	3.7%	1.39
Swiss Franc (\$/CHF)	-0.2%	9.5%	0.83

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.

## Economic News and Views:

Russell T. Price, CFA – Chief Economist

### Releases for Friday, April 25, 2025

All times Eastern. Consensus estimates via Bloomberg

Time	Period	Release	Consensus Est.	Actual	Prior	Revised to
10:00 AM	Apr. P	U. of M. Consumer Sentiment	50.6		50.8	
10:00 AM	Apr. P	U. of M. Sentiment – current conditions	56.0		56.5	
10:00 AM	Apr. P	U. of M. Sentiment – expected conditions	46.0		47.2	

### 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.*

## 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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**As of March 31, 2025**

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## Risk Factors

**Alternative investments** involve substantial risks and are more volatile than traditional investments, making them more suitable for investors with an above-average tolerance for risk.

**Corporate Bonds** are debt instruments issued by a private corporation. Non-Investment grade securities, commonly known as "high-yield" or "junk" bonds, are historically subject to greater risk of default, including the loss of principal and interest, than higher-rated bonds, which may result in greater price volatility than experienced with a higher-rated issue.

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

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

**Dividend and interest** payments are not guaranteed. The amount of dividend payment, if any, can vary over time and issuers may reduce or eliminate dividends paid on securities in the event of a recession or adverse event affecting a specific industry or issuer. Should a company be unable to pay interest on a timely basis a default may occur and interruption or reduction of interest and principal occur. Investments in a narrowly focused sector may exhibit higher volatility than investments with broader objectives and is subject to market risk and economic risk.

There are risks associated with **fixed-income investments**, including bond funds, such as credit risk, interest rate risk, and prepayment and extension risk. In

general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer-term securities.

**Growth securities**, at times, may not perform as well as value securities or the stock market in general and may be out of favor with investors.

**Income Risk:** We note that dividends are declared solely at the discretion of the companies' boards of directors. Dividend cuts or eliminations will likely negatively impact underlying company valuations. Published dividend yields are calculated before fees and taxes. Dividends paid by foreign companies to ADR holders may be subject to a withholding tax which could adversely affect the realized dividend yield. In certain circumstances, investors in ADR shares have the option to receive dividends in the form of cash payments, rights shares or ADR shares. Each form of dividend payment will have different tax consequences and therefore generate a different yield. In some instances, ADR holders are eligible to reclaim a portion of the withholding tax.

**International investing** involves certain risks and volatility due to potential political, economic currency instabilities and different financial and accounting standards. Risks are enhanced for **emerging market** issuers.

Interest payments on **inflation-protected securities** may be more volatile than interest payments on ordinary bonds. In periods of deflation, these securities may provide no income.

**Market Risk:** Model portfolios and markets in general could sustain significant volatility due to several factors. As we have seen recently, both economic and geopolitical issues could have a material impact on this model portfolio and the equity market as a whole.

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

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

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

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

**Sector Risk:** The Ameriprise Global Asset Allocation Committee and managers of this model portfolio can elect to overweight or underweight (or completely avoid) certain economic sectors. This could lead to substantial underperformance versus a more diversified or balanced weighting.

**Security Recommendation Risk:** The research team may not be successful in selecting securities that collectively perform better than the benchmark. When viewing return comparisons investors should keep in mind the following information. Our model portfolio generally maintains less than 50 securities, whereas benchmark indices contain several times that amount. The benchmark index is market capitalization weighted, providing greater weight to the larger company movements, whereas our model portfolio is designed to be equally dollar weighted. Furthermore, the model portfolio may deviate significantly, at times, from the sector allocation of the benchmark due to our interpretation of economic conditions and market factors as well as our security selection process.

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

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

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

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

## Definitions of terms

Definitions of terms mentioned in this report are available on our website at [ameriprise.com/legal/disclosures/](https://ameriprise.com/legal/disclosures/) in the Additional Ameriprise research disclosures section, or through your Ameriprise financial advisor



### Index definitions

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

Definitions of individual indices mentioned in this report are available on our website at [ameriprise.com/legal/disclosures/](https://ameriprise.com/legal/disclosures/) in the Additional Ameriprise research disclosures section, or through your Ameriprise financial advisor

### Disclaimer section

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

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