Before the Bell

Morning Market Brief

May 17, 2019

FOR IMPORTANT DISCLOSURES, PLEASE SEE THE DISCLOSURE PAGES AT THE END OF THIS DOCUMENT

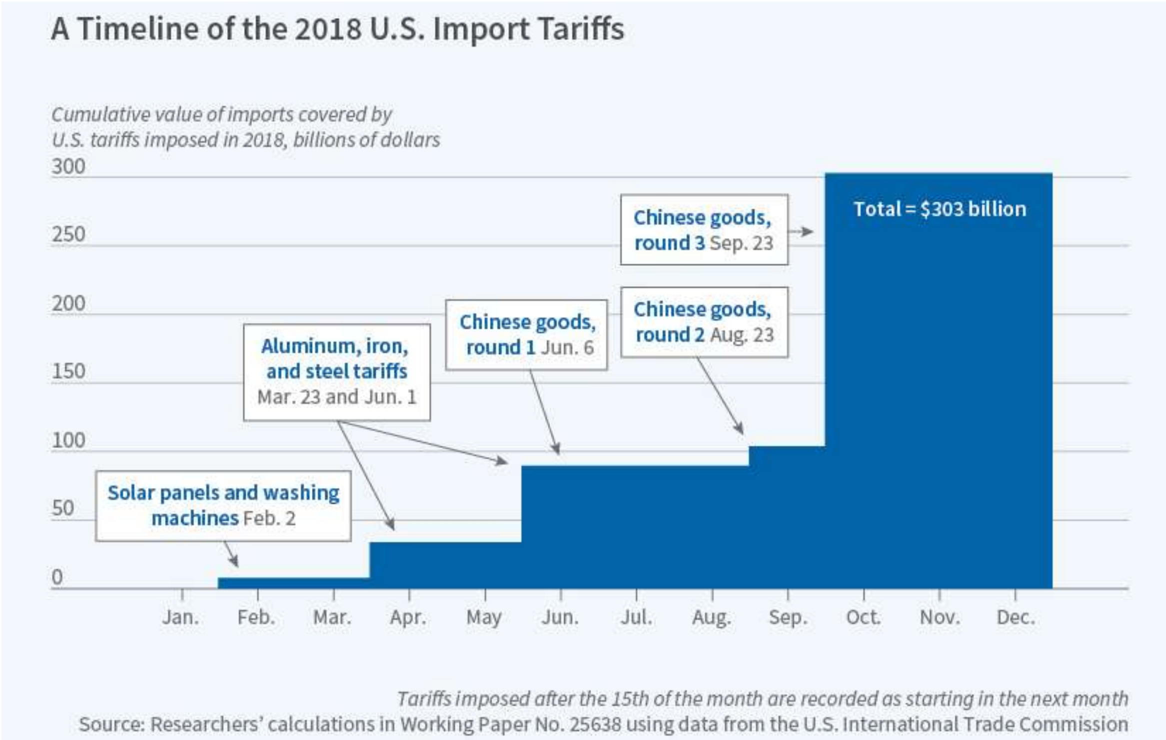
MORNING MARKET COMMENTARY: *Anthony M. Saglimbene, Global Market Strategist*

- ***Quick Take***: U.S. futures are pointing to a weaker open; Europe is trading in the red; Asia finished lower overnight; West Texas Intermediate (WTI) oil trading at $63.27; 10-year U.S. Treasury yield at 2.37%.

- ***Make No Mistake, Americans Bare The Cost Of A Trade War With China:*** Despite a choppy week of trading last week, and the S&P 500's worst day since January on Monday of this week, stock prices are mostly flat week-to-date. The S&P 500 is less than 3.0% off its all-time high, and yet again, flashing signs of how resilient this bull market has been considering all that has been thrown at it over the last 12-18 months.
- However, defensively leaning areas of the market, such as Consumer Staples, Utilities, and Real Estate (which is predominately domestically exposed) are leading the market higher over the last week. Throw in the Health Care sector, and these lower beta areas have been holding the market up over the previous month. Conversely, highly cyclical industries and areas with higher revenue exposure to China have not performed so hot during the last four weeks (see Tech/Semiconductors, Industrials, and Materials).
- While the market has weathered geopolitical tensions, it has taken on a more defensive posture, in our view -- indicating trade concerns are affecting investor sentiment today. Complicating this assessment, however, is that on days where stock prices are running materially higher (like yesterday), it's usually the cyclical areas in Technology, Consumer Discretionary, and Communication Services that carry the day. In the absence of new information, traders tend to gravitate toward what has worked in the past. **Importantly, investors should expect markets to react in volatile and unpredictable ways as long as the path forward for trade remains uncertain and impossible to discount**.
- As we highlighted in our market section in yesterday's *Before The Bell*, *The Wall Street Journal* reported Americans have fully bared the cost of the trade war between the U.S. and China. **Citing research from a trade economist at Columbia, the six waves of tariffs that the White House has exerted on foreign entities over the last year have hurt American importers and end consumers in the U.S. The tariffs have hurt in two ways, American importers have seen reduced profit margins as they absorb some of the higher costs and some end-consumers have paid higher prices based on elevated tariff costs**. The study found that President Trump's tariffs have been entirely borne by Americans, at a net loss to the country of $1.4 billion per month. The *embedded chart on page 2 from the National Bureau of Economic Research* shows the timeline of U.S. import tariffs implemented in 2018.

Notations:

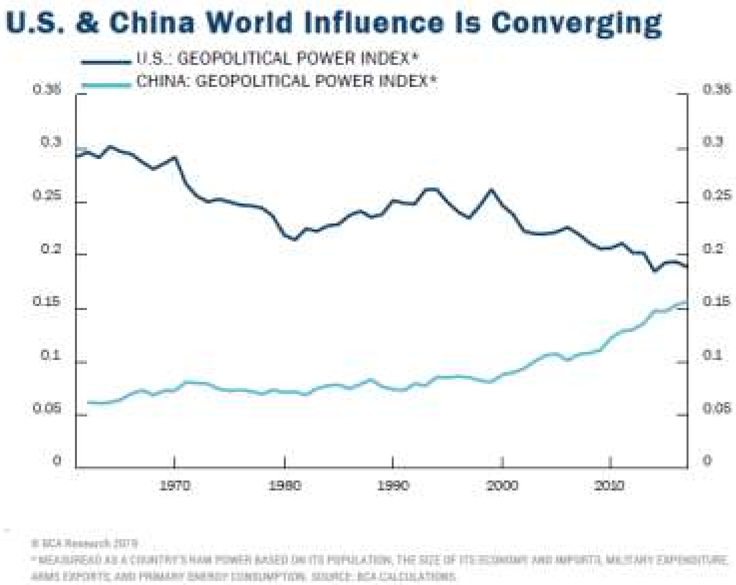
- For further information on any of the topics mentioned, please contact your Financial Advisor.
- Unless specifically stated otherwise, comments contained in this document should not be construed as an investment opinion or recommendation of any securities mentioned. Charts depicted are from FactSet unless otherwise noted.



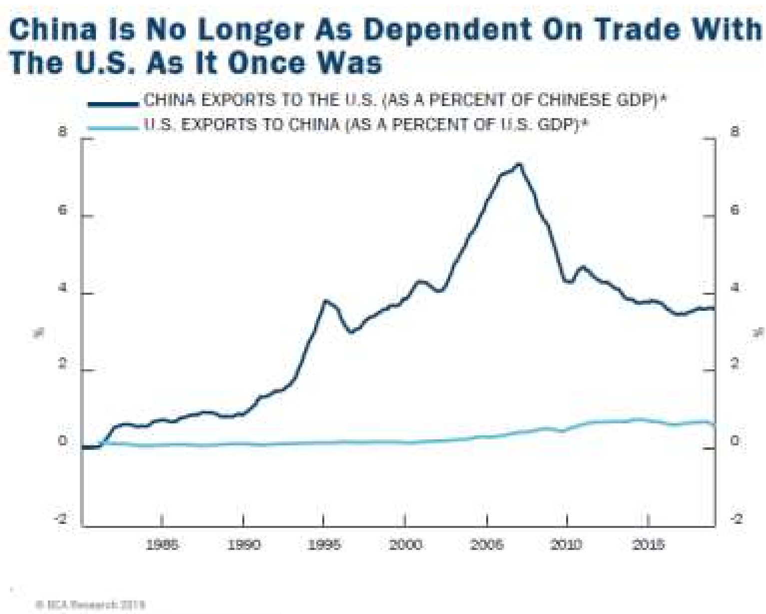
- Further, the *National Bureau of Economic Research* also found that domestic producers and U.S. consumers are paying for the trade war. Researchers at *NBER* find that the continuation of tariff policy could be exceptionally costly for multinational companies that have made 'sunk-cost' investments in supply chains in other countries, such as China. *NBER* estimates that roughly $165 billion worth of trade has been rerouted to avoid tariffs.
- A prolonged trade war between the U.S. and China may prompt more U.S. companies to reroute global supply chains away from China permanently. Unfortunately, this will be costly, time-consuming, and most likely lead companies to shift production and assembly efforts toward other low-cost producing countries (i.e., not the U.S.).

- **Consider these additional points as well:**
  - Existing tariffs on U.S. imports have predominantly fallen on 'Capital' and 'Intermediate' goods. Thus, we believe rising tariff costs have been less visible to everyday Americans. Nevertheless, over half of the roughly $300 billion in proposed new tariffs fall squarely in the 'Consumer' category. Several retailers have already warned this week that they will have little choice but to pass on additional costs to U.S. consumers. Furniture, clothing, laptops, smartphones, and tablets could all potentially see higher prices if the White House decides to go through with the next round of tariffs. **Bottom line: We believe U.S. consumers would see a much more direct impact from the trade war if additional duties are levied. Hence, why the Trump administration, so far, has avoided targeting levies on "Consumer' imports from China.**
  - According to an analysis from *Goldman Sachs*, CPI levels across nine tariff-impacted categories, which include laundry equipment, other appliances, furniture, bedding, auto parts, and motorcycles have soared since tariffs have been put in place. While overall CPI levels in the U.S. have been modest, inflation for tariff-related products has been another story. **Bottom line: The data shows that products that have been slapped with a tariff have seen their costs rise, and investors should expect more of the same if the White House raises tariffs on more 'Consumer' goods. The potential combination of declining corporate profit margins, weaker sales, and slower earnings growth is a cocktail recipe most investors are still hoping to avoid.**

- **To be very clear, China is not writing a check to the U.S. for higher tariffs (despite President Trump's rhetoric), American companies and consumers are bearing the cost of the trade war, and if tensions escalate, global economic growth and profits most likely will face increased headwinds.**



- **As it stands today, our prospects for a quick resolution to the trade war are diminishing**. Though we still believe a final trade agreement can be reached, investors are better off expecting elevated tensions for the foreseeable future. **As the *embedded BCA Research chart* above shows, U.S. and China influence on the rest of the world is converging into a more balanced state**. Meaning, the dominance in shaping the world view is now more uniformly divided between each country. In our opinion, the U.S. has less leverage today over China and broader parts of Asia and Europe compared to history. As a result, our diminished influence could make it more difficult for the White House to shape the global agenda through pressure tactics. With that said, the U.S. remains the number one economic and military power in the world, and that dominance should not be understated or taken for granted.
- **Further, as the *second embedded BCA Research chart* highlights, China is less dependent on exports to the U.S. than it once was**. Chinese exports to the U.S. account for only +3.6% of China GDP, compared to +7.3% in 2006. Yes, China's economy is likely to feel more pain than the U.S. if the trade war carries on. But we believe China's economy is unlikely to collapse to the point where the government will willingly allow its sovereignty to be undermined and permit an outside nation to dictate its laws and economic policies. This is the real rub when it comes to U.S./China trade tensions, and why for now, both countries stand at a stalemate. **The U.S. is right to press China, and we must find ways to protect our technology and competitive advantages in the global market. But so far, it looks like the White House approach with tariffs has had little effect in changing Beijing's behavior and only raised costs for Americans**.



- ***Asia-Pacific:*** Equities in Asia finished mostly lower on Friday. Rhetoric out of China's state-owned media outlets has ramped up and is pointing the finger at the U.S. for the breakdown in trade talks over the last two weeks. On Thursday, the Ministry of Commerce said the U.S. unilaterally escalated the trade dispute and caused the setback in negotiations. Additionally, it pointed to 'bullying behavior" and stated if the U.S. continues to raise tariffs, it would be forced to act accordingly. Obviously, the increased trade rhetoric out of China and the U.S. suggests a deal is very unlikely over the near-term.
- According to *Reuters*, the People's Bank of China (PBoC) will use currency intervention and monetary policy tools to help ensure the yuan does not weaken through the key 7-per-dollar level over the intermediate-term. Importantly, while a weaker yuan can help mitigate the effects of tariffs on China's economy, it could also prompt currency outflows as confidence wanes. Note: On Friday, the yuan weakened to its lowest level versus the U.S. dollar since December and is near the critical seven marker, which was last seen during the financial crisis. The yuan has weakened against the dollar by 3.0% over the last month.
- We believe the Trump Administration's decision to essentially ban China's Huawei from supplying U.S. telecom equipment and service providers represents a meaningful ramp in trade tensions. Recent press reports have focused on the threat to chipmakers business in China, which has surpassed U.S. demand for personal computers, smartphones, and other high-tech devices. However, U.S. semi companies may be able to secure exemptions to sell Huawei, which would blunt the impact, according to *Reuters*.

- ***Europe:*** Markets across the region are trading lower at midday. Cross-party talks on Brexit are set to close after six weeks of discussions without a deal, according to the *BBC*. The result was widely expected, as UK Conservatives and Labour party members of parliament remain far apart on a customs agreement with the European Union (EU). It is unclear how the UK plans to find a parliamentary deal on Brexit at this point.

- ***U.S.:*** Equity futures are pointing to a weaker open this morning. Per the most recent *Reuters* poll of economists, the U.S./China trade war has increased the odds of a U.S. recession over the next two years. Economists surveyed now see a 40% chance the U.S. economy will fall into a recession over the next two years, which is up from 35% in last month's poll. Most do not see a recession over the next twelve months and expect U.S. Q2 GDP growth of +2.0%, down for +2.5% in the previous survey.
- According to *EPFR Global*, equity funds suffered a second consecutive week of outflows, roughly in the $20 billion range, while U.S. Treasury funds attracted nearly $3.0 billion. Investment grade bond funds took in $7.8 billion and marked the seventeenth consecutive week of inflows. Funds dedicated to equity sectors saw inflows into defensive areas, such as Utility funds, while investors withdrew $2.6 billion from high yield bond funds – their biggest weekly decline of the year.
- **Earnings Update:** With the earnings season nearly complete, Q1'19 S&P 500 earnings per share (EPS) declined by 0.6% y/y on sales growth of +5.3%. Corporate profits generally surpassed weak expectations during the reporting period, with companies beating EPS and sales forecasts. Looking ahead, Q2'19 EPS estimates for S&P 500 companies have declined to -1.1% y/y from +1.0% growth expected at the end of February.

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WORLD CAPITAL MARKETS *(all data as of approximately 8:00 AM ET)*

Americas	% chg.	% YTD	Value
S&P 500	0.89%	15.66%	2,876.3
Dow Jones	0.84%	11.92%	25,862.7
NASDAQ	0.97%	19.55%	7,898.0
Russell 2000	0.58%	16.03%	1,557.2
Brazil Bovespa	-1.75%	2.43%	90,024.5
S&P/TSX Comp. (Canada)	0.77%	16.08%	16,443.9
Mexico IPC	0.24%	5.09%	43,442.5

Europe (Intra-day)	% chg.	%YTD	Value
DJSTOXX 50 (Europe)	-0.95%	15.89%	3,405.8
FTSE 100 (U.K.)	-0.54%	10.98%	7,313.5
DAX Index (Germany)	-1.16%	15.23%	12,167.2
CAC 40 (France)	-0.77%	16.03%	5,406.4
FTSE MIB (Italy)	-0.73%	14.59%	20,998.0
IBEX 35 (Spain)	-0.76%	9.91%	9,233.3
Russia TI	-0.31%	8.42%	4,535.6

Asia/Pacific (Last Night)	% chg.	%YTD	Value
Nikkei 225 (Japan)	0.89%	7.26%	21,250.1
HK Hang Seng (H. Kong)	-1.16%	8.77%	27,946.5
Korea Kospi 100	-0.58%	0.91%	2,055.8
Singapore STI	-0.77%	6.59%	3,205.5
Shanghai Comp. (China)	-2.48%	15.70%	2,882.3
Bombay Sensex (India)	1.44%	5.37%	37,930.8
S&P/ASX 200 (Australia)	0.59%	15.61%	6,365.3

Global	% chg.	% YTD	Value
MSCI All-Country World Idx	0.60%	13.15%	509.8

Developed International	% chg.	%YTD	Value
MSCI EAFE	0.43%	10.82%	1,868.6

Emerging International	% chg.	%YTD	Value
MSCI Emerging Mkts	-0.47%	5.30%	1,011.1

Note: International market returns shown on a local currency basis. ***Equity index data is total return, inclusive of dividends.***

S&P 500 Sectors	% chg.	% YTD	Value
Consumer Discretionary	1.00%	19.17%	927.0
Consumer Staples	0.75%	15.12%	594.6
Energy	0.37%	13.32%	473.2
Financials	1.10%	14.23%	448.2
Real Estate	0.53%	19.18%	226.8
Health Care	0.75%	2.93%	1,023.7
Industrials	0.87%	18.19%	636.4
Materials	1.34%	9.32%	343.7
Technology	0.99%	23.17%	1,331.1
Communication Services	0.96%	20.01%	165.5
Utilities	0.58%	11.39%	295.5

Equity Income Indices	% chg.	% YTD	Value
JPM Alerian MLP Index	0.00%	16.26%	25.9
FTSE NAREIT Comp.	0.59%	19.18%	19,778.6
DJ US Select Dividend	0.36%	11.52%	2,074.7
DJ Global Select Dividend	-0.48%	3.93%	214.9
S&P Div. Aristocrats	0.67%	11.85%	2,681.0

Bond Indices	% chg.	% YTD	Value
Barclays US Agg. Bond	-0.11%	3.51%	2,118.4
Barclays HY Bond	0.19%	8.17%	2,065.3

Commodities Futures & Spot (Intra-day)	% chg.	% YTD	Value
CRB Raw Industrials	0.12%	-2.41%	468.9
NYMEX WTI Crude (p/bbl.)	0.59%	39.26%	63.2
ICE Brent Crude (p/bbl.)	0.22%	35.28%	72.8
NYMEX Nat Gas (mmBtu)	0.45%	-9.83%	2.7
Spot Gold (troy oz.)	-0.19%	0.14%	1,284.2
Spot Silver (troy oz.)	-0.82%	-6.81%	14.4
LME Copper (per ton)	0.28%	2.05%	6,071.0
LME Aluminum (per ton)	0.34%	-1.72%	1,830.8
CBOT Corn (cents p/bushel)	1.25%	-1.79%	383.8
CBOT Wheat (cents p/bushel)	1.07%	-8.97%	472.0

Foreign Exchange (Intra-day)	% chg.	% YTD	Value
Euro (€/$)	0.0%	-2.6%	1.12
British Pound (£/$)	-0.3%	0.0%	1.28
Japanese Yen ($/¥)	0.20%	0.05%	109.63
Australian Dollar (A$/$)	-0.12%	-2.34%	0.69
Canadian Dollar ($/C$)	-0.3%	1.0%	1.35
Swiss Franc ($/CHF)	0.0%	-2.8%	1.01

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

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Global Equity Region - Tactical View

	Region	MSCI All-Country World Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
1)	United States	54.1%	Overweight	+3.1%	57.2%
2)	Canada	3.0%	Equalweight	-	3.0%
3)	United Kingdom	5.4%	Underweight	- 1.0%	4.4%
4)	Europe ex U.K.	14.9%	Underweight	- 1.0%	13.9%
5)	Latin America	1.4%	Equalweight	-	1.4%
6)	Asia-Pacific ex Japan	12.5%	Equalweight	-	12.5%
7)	Japan	7.6%	Equalweight	-	7.6%
8)	Middle East / Africa	1.1%	Underweight	- 1.1%	-

Index weighting represents relative weightings based on the regional market capitalization balance of the MSCI All-Country World Index; may not add due to rounding. 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. Index weights as of 12/20/18. Numbers may not add due to rounding.

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U.S. Equity Sector - Tactical View

	Sector	S&P 500 Index Weight	GAAC Tactical View	GAAC Tactical Overlay	GAAC Recommended Weight
1)	Communication Services	10.2%	Underweight	- 2.0%	8.2%
2)	Consumer Discretionary	9.8%	Equalweight	-	9.8%
3)	Consumer Staples	7.5%	Underweight	- 2.0%	5.5%
4)	Energy	5.3%	Overweight	+2.0%	7.3%
5)	Financials	13.3%	Equalweight	-	13.3%
6)	Health Care	15.5%	Overweight	+2.0%	17.5%
7)	Industrials	9.2%	Equalweight	-	9.2%
8)	Information Technology	20.2%	Equalweight	-	20.2%
9)	Materials	2.6%	Equalweight	-	2.6%
10)	Real Estate	3.0%	Overweight	+1.0%	4.0%
11)	Utilities	3.4%	Underweight	- 1.0%	2.4%

Index weighting represents relative weightings based on the regional market capitalization balance of the MSCI All-Country World Index; may not add due to rounding. 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. Index weights as of 12/20/18. Numbers may not add due to rounding.

BY THE NUMBERS: ECONOMIC ACTUALS AND FORECAST:

Current Projections:

	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Est. 2019	Est. 2020	Quarterly Actual Q1-2019	Quarterly Est. Q2-2019	Quarterly Est. Q3-2019	Quarterly Est. Q4-2019
Real GDP (YOY)	2.5%	2.9%	1.6%	2.2%	2.9%	2.4%	1.6%	3.2%	2.0%	2.8%	2.4%
Unemployment Rate	5.6%	5.0%	4.7%	4.1%	3.9%	3.6%	3.5%	3.8%	3.7%	3.6%	3.6%
CPI (YoY)	1.6%	0.1%	1.3%	2.1%	2.4%	2.1%	2.2%	1.6%	2.1%	2.2%	2.4%
Core PCE (YoY)	1.6%	1.3%	1.7%	1.6%	1.9%	1.8%	2.0%	1.7%	1.6%	1.7%	1.8%

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

Last Updated: May 2, 2019

ECONOMIC NEWS OUT TODAY:

Economic Releases for Friday, May 17, 2019. All times Eastern. Consensus estimates via Bloomberg.

Time	Period	Release	Consensus Est.	**Actual**	Prior	Revised to
10:00 AM	APR	Leading Econ. Index	+0.2%		+0.4%	
10:00 AM	May P	U. of M. Consumer Sentiment	97.2		97.2	

FIXED INCOME NEWS & VIEWS: *Brian M. Erickson, CFA, Fixed Income Research & Strategy*

Fixed Income News & Views will return on Monday. For Fixed Income commentary, please see today's *Morning Research Notes.*

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Ameriprise Investment Research Group

Ameriprise Financial
1441 West Long Lake Road, Suite 250, Troy, MI 48098
investment.research.group@ampf.com
For additional information or to locate your nearest branch office, visit ameriprise.com

RESEARCH & DUE DILIGENCE LEADER

Lyle B. Schonberger - Vice President

Business Unit Compliance Liaison (BUCL)

Open – Sr Manager

Jeff Carlson, CLU, ChFC – Manager

Investment Research Coordinator
Kimberly K. Shores

Sr Administrative Assistant
Jillian Willis

EQUITY RESEARCH

Equity Research Director
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Consumer Goods and Services
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Energy/Utilities
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Health Care
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Industrials/Materials
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Technology/Telecommunication
Curtis R. Trimble – Director

Quantitative Strategies/International
Andrew R. Heaney, CFA – Director

STRATEGISTS

CHIEF MARKET STRATEGIST
David M. Joy – Vice President

GLOBAL MARKET STRATEGIST
Anthony M. Saglimbene – Vice President

Thomas Crandall, CFA, CAIA – Sr Director, Asset Allocation

Daniel Balter, CFA – Analyst – Quantitative, Asset Allocation

Gaurav Sawhney – Research Analyst

Amit Tiwari – Sr Research Associate

CHIEF ECONOMIST
Russell T. Price, CFA – Vice President

MANAGER RESEARCH

Michael V. Jastrow, CFA – Vice President

Jeffrey R. Lindell, CFA – Director – ETFs & CEFs

Mark Phelps, CFA – Director – Multi-Asset Solutions

Equities
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Benjamin L. Becker, CFA – Director – International/Global Equity

Alex Zachman – Analyst – Core Equity

Cynthia Tupy, CFA – Analyst – Value and Equity Income Equity

Fixed Income & Alternatives
Jay C. Untiedt, CFA, CAIA – Sr Director – Alternatives

Steven T. Pope, CFA, CFP® – Director – Non-Core Fixed Income

Douglas D. Noah – Analyst – Core Taxable & Tax-Exempt Fixed Income

Blake Hockert – Associate – Reporting & Analytics

FIXED INCOME RESEARCH & STRATEGY

Fixed Income Research
Brian M. Erickson, CFA – Vice President

High Yield and Investment Grade Credit
Jon Kyle Cartwright – Sr Director

Stephen Tufo – Director

INVESTMENT DUE DILIGENCE

Justin E. Bell, CFA – Vice President

Kurt J. Merkle, CFA, CAIA – Sr Director

Kay S. Nachampassak – Director

Peter W. LaFontaine – Sr Analyst

James P. Johnson, CFA, CFP® – Sr Analyst

David Hauge, CFA – Analyst

Bishnu Dhar – Sr Research Analyst

Parveen Vedi – Sr Research Associate

Darakshan Ali – Research Process Trainee

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As of March 31, 2019

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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.

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 increased risk and volatility due to political and economic instability, currency fluctuations, and differences in financial reporting and accounting standards and oversight. Risks are particularly significant in emerging markets.

Market Risk: Equity 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.

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.

PRODUCT RISK DISCLOSURES

Exchange Traded Funds (ETF) trade like stocks, are subject to investment risk and will fluctuate in market value.

For additional information on individual ETFs, see available third-party research which provides additional investment highlights. SEC filings may be viewed at sec.gov

All fixed income securities are subject to a series of **risks** which may include, but are not limited to: interest rate risk, call risk, refunding risk, default risk, inflations risk, liquidity risk and event risk. Please review these risks with your financial advisor to better understand how these risks may affect your investment choices. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer-term securities. This means you may lose money if you sell a bond prior to maturity as a result of interest rate or other market movement.

Any information relating to the income or capital gains tax treatment of financial instruments or strategies discussed herein is not intended to provide specific tax advice or to be used by anyone to provide tax advice. Investors are urged to seek tax advice based on their particular circumstances from an independent tax professional.

A real estate investment trust or **REIT** is a company that owns and operates income-producing real estate. In addition, some **REITs** participate in the financing of real estate. To qualify as a **REIT**, a company must: I) invest at least 75% of its total assets in real estate assets, II) generate at least 75% of its gross income from real property or interest, and III) pay at least 90% of its taxable income to shareholders in the form of distributions. A company that qualifies as a **REIT** is permitted to deduct the distributions paid to shareholders from its corporate taxes. Consequently, many **REITs** target to payout at least 100% of taxable income, resulting in virtually no corporate taxes.

An investment in a REIT is subject to many of the same risks as a direct investment in real estate including, but not limited to: Illiquidity and valuation complexities, redemption restrictions, distribution and diversification limits, tax consequences, fees, defaults by borrowers or tenants, market saturation, balloon payments, refinancing, bankruptcy, decreases in market rates for rents and other economic, political, or regulatory occurrences affecting the real estate industry.

Ratings are provided by Moody's Investors Services and Standard & Poor's.

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.

Securities offered through AFSI may not be suitable for all investors. Consult with your financial advisor for more information regarding the suitability of a particular investment.

For further information on fixed income securities please refer to FINRA's Smart Bond Investing at FINRA.org, MSRB's Electronic Municipal Market Access at emma.msrb.org, or Investing in Bonds at investinginbonds.com.

DEFINITIONS OF TERMS

Agency – Agency bonds are issued by Government Sponsored Enterprises (GSE), but are NOT direct obligations of the U.S. government. Common GSE's are the Federal Home Loan Mortgage Corp. (Freddie Mac) Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Bank (FHLB).

Beta: A measure of the risk arising from exposure to general market movements as opposed to company-specific factors. Betas in this report, unless otherwise noted, use the S&P 500 as the market benchmark and result from calculations over historic periods. A beta below 1.0, for example, can suggest the equity has tended to move with lower volatility than the broader market or, due to company-specific factors, has had higher volatility but generally low correlations with the overall market.

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.

Mortgage Backed Securities – Bonds are subject to prepayment risk. Yield and average lives shown consider prepayment assumptions that may not be met. Changes in payments may significantly affect yield and average life. Please contact your financial advisor for information on CMOs and how they react to different market conditions.

Municipal Bonds – Interest income may be subject to state and/or local income taxes and/or the alternative minimum tax (AMT). Municipal securities subject to AMT assume a "nontaxable" status for yield calculations. Certain municipal bond income may be subject to federal income tax and are identified as "taxable". Gains on sales/redemptions of municipal bonds may be taxed as capital gains. If the bonds are insured, the insurance pertains to the timely payment of principal (at maturity) and interest by the insurer of the underlying securities and not to the price of the bond, which will fluctuate prior to maturity. The guarantees are backed by the claims-paying ability of the listed insurance company.

Treasury Securities – There is no guarantee as to the market value of these securities if they are sold prior to maturity or redemption.

Price/Book: A financial ratio used to compare a company's market share price, as of a certain date, to its book value per share. Book value relates to the accounting value of assets and liabilities in a company's balance sheet. It is generally not a direct reflection of future earnings prospects or hard to value intangibles, such as brand, that could help generate those earnings.

Price/Earnings: An equity valuation multiple calculated by dividing the market share price, as of a certain date, by earnings per share. Trailing P/E uses the share price divided by the past four-quarters' earnings per share. Forward P/E uses the share price as of a certain date divided by the consensus estimate of the future four-quarters' EPS.

Price/Sales: An equity valuation multiple calculated by dividing the market share price, as of a certain date, by the company's sales per share over the most recent year.

INDEX DEFINITIONS

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

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

DISCLAIMER SECTION

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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Past performance is not a guarantee of future results.

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