

BRICKELL 21
CAPITAL MANAGEMENT

RAYMOND JAMES

FRANCESCO TRAINA

INTERNATIONAL WEALTH ADVISOR



IN THIS NEWSLETTER:

MARKET RECAP 2024
LOOKING AHEAD 2025
INVESTMENT THESIS
ECONOMIC CALENDAR
STATE OF THE MARKET
NEWS SPOTLIGHT

FINANCIAL NEWSLETTER FEB. 2025

MARKET RECAP 2024: A YEAR OF RESILIENCE

Many economists predicted last year would mark the start of a recession—but the economy had other plans, in fact, the U.S. equity markets had another stellar year in 2024, with all three major indices posting double-digit gains. The S&P 500 surged an impressive 23% for the second consecutive year, reinforcing investor confidence and driving strong momentum in growth and AI-driven sectors. However, in the fixed income space, the 10-year Treasury yield ended the year at 4.57%, very close to where it started, offering limited appreciation opportunities for bond investors.

The Federal Reserve pivoted to a more accommodative stance, cutting interest rates three times for a total of 1%, bringing the Federal Funds Rate down to 4.5%. This shift injected liquidity into the markets and reinforced the rally in risk assets. Yet, in its final meeting of the year on December 17, 2024, the Fed tempered expectations, signaling a “higher for longer” approach. Policymakers cited inflationary risks, potential tariffs under a new administration, and global economic uncertainties as reasons to proceed with caution.

LOOKING AHEAD: 2025 OPPORTUNITIES & RISKS

The economic landscape in 2025 will be shaped by both challenges and opportunities. Geopolitical tensions, high debt levels, and policy uncertainty could create headwinds. However, rapid advancements in artificial intelligence, expanding investments in renewable energy, and a resilient consumer base present avenues for sustained growth. Markets are expected to transition from being cyclically driven to more policy-dependent. With potential regulatory and fiscal shifts introducing volatility, maintaining a diversified investment strategy will be more critical than ever. Staying informed, adaptive, and forward thinking will be the defining factors for success in 2025.

INVESTMENT THESIS

Building a strong, sustainable financial plan starts with a well-diversified portfolio tailored to each client’s unique risk profile. A balanced strategy—leveraging a mix of stocks and bonds—helps navigate market fluctuations while optimizing long-term returns. Staying attuned to key economic data releases and upcoming FOMC meetings is crucial, as interest rate decisions can significantly impact market dynamics. While economic trends and investor sentiment provide valuable insights, our core strategy remains anchored in long-term growth, with tactical adjustments made in response to evolving conditions. Striking the right balance between risk management and strategic positioning will be essential to unlocking opportunities in today’s ever-changing financial landscape.



ECONOMIC CALENDAR

This month will provide us insights on U.S.'s economic health with economic releases including: Unemployment Rate, CPI, PPI, and PCE. It is critical to understand the Federal Reserve's interest rate decision as it plays a pivotal role in the economy and financial markets. Keep up to date with upcoming economic events on our Instagram: @brickell21capital



FOMC MEETINGS

JANUARY 29TH, 2025

The Federal Reserve maintained the federal funds rate at 4.25% to 4.5%, pausing after three consecutive rate cuts. Chair Jerome Powell emphasized that, while inflation has eased, it remains above the 2% target, and the labor market is stable. He signaled no urgency to adjust rates but stressed monitoring potential economic impacts from new policies, such as proposed tariffs. Powell also reaffirmed the Fed's commitment to its dual mandate of maximum employment and stable prices.

STATE OF THE MARKET

*As of 2/10/2025

INDICES

S&P500 YTD: **+3.14%**

NASDAQ YTD: **+4.53%**

DOW JONES YTD: **+1.87%**

YIELDS

US 10 YEAR YIELD: **4.5%**
-1.58% YTD CHANGE

US 30 YEAR YIELD: **4.85%**
-1.57% YTD CHANGE

SECTORS

TOP PERFORMING YTD:
COMM. SERVICES: **+6.00%**

WORST PERFORMING YTD:
INFO TECHNOLOGY: **-0.40%**

S&P 500

TOP PERFORMING STOCK:
PLTR **+55.14%**

WORST PERFORMING STOCK:
EIX **-37.30%**

NEWS SPOTLIGHT

AI is Entering a New Era! On January 21st, the U.S. government unveiled Project Stargate, a groundbreaking \$500 billion AI infrastructure initiative led by OpenAI, SoftBank, and Oracle. This massive venture will establish cutting-edge data centers and power facilities across the country, fueling the next wave of AI innovation. Beyond solidifying America's leadership in AI, Project Stargate is set to generate over 100,000 jobs, marking a transformative moment for the U.S. economy.

Meanwhile, on January 25th, China's DeepSeek launched its R1 model—DeepSeek-R1, a formidable competitor to OpenAI's ChatGPT. With capabilities rivaling the best in the industry, this release has supercharged the AI race between the U.S. and China, setting the stage for an unprecedented battle for global AI dominance.

CONTACTS & SOCIAL MEDIA

Francesco Traina
Financial Advisor
Branch Manager

Raymond James Financial
1200 Brickell Avenue, Suite 310
Miami, FL 33131

CONTACT ME FOR A PROFTOLIO REVIEW

Direct: 786-300-2302

PLEASE GO VISIT OUR "MEDIA" TAB SO YOU CAN
ACCESS OUR VIDEOS, BLOGS, & NEWSLETTERS

www.brickell21invest.com



BRICKELL21 CAPITAL



@BRICKELL21CAPITAL

DISCLOSURES: The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee that it is accurate or complete, it is not a statement of all available data necessary for making an investment decision, and it does not constitute a recommendation. Any opinions are those of Francesco Traina and not necessarily those of Raymond James. Securities offered through Raymond James Financial Services, Inc., member FINRA / SIPC. Investment advisory services offered through Raymond James Financial Services Advisors, Inc. Brickell21 Capital is not a registered broker/dealer and is independent of Raymond James Financial Services. *The International Wealth Advisor designation is awarded to those who complete the Raymond James International Wealth program. Investing involves risk and you may incur a profit or loss regardless of strategy selected. Diversification and asset allocation does not ensure a profit or protect against a loss. The S&P 500 is an unmanaged index of 500 widely held stocks that is generally considered representative of the U.S. stock market. The Dow Jones Industrial Average (DJIA), commonly known as "The Dow" is an index representing 30 stock of companies maintained and reviewed by the editors of the Wall Street Journal. The NASDAQ composite is an unmanaged index of securities traded on the NASDAQ system. Inclusion of these indexes is for illustrative purposes only. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transactions costs or other fees, which will affect actual investment performance. Past performance does not guarantee future results.