



CAPITAL MARKETS REVIEW

January 2025

RAYMOND JAMES

REVIEWING THE QUARTER ENDED December 31, 2024

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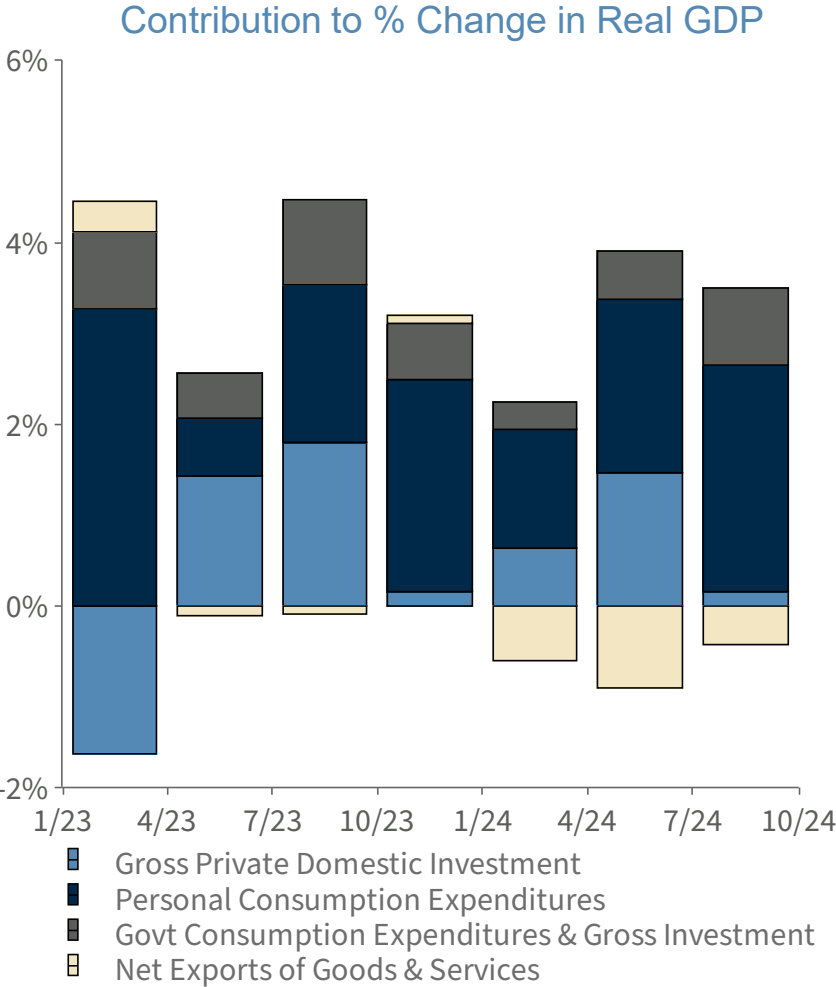
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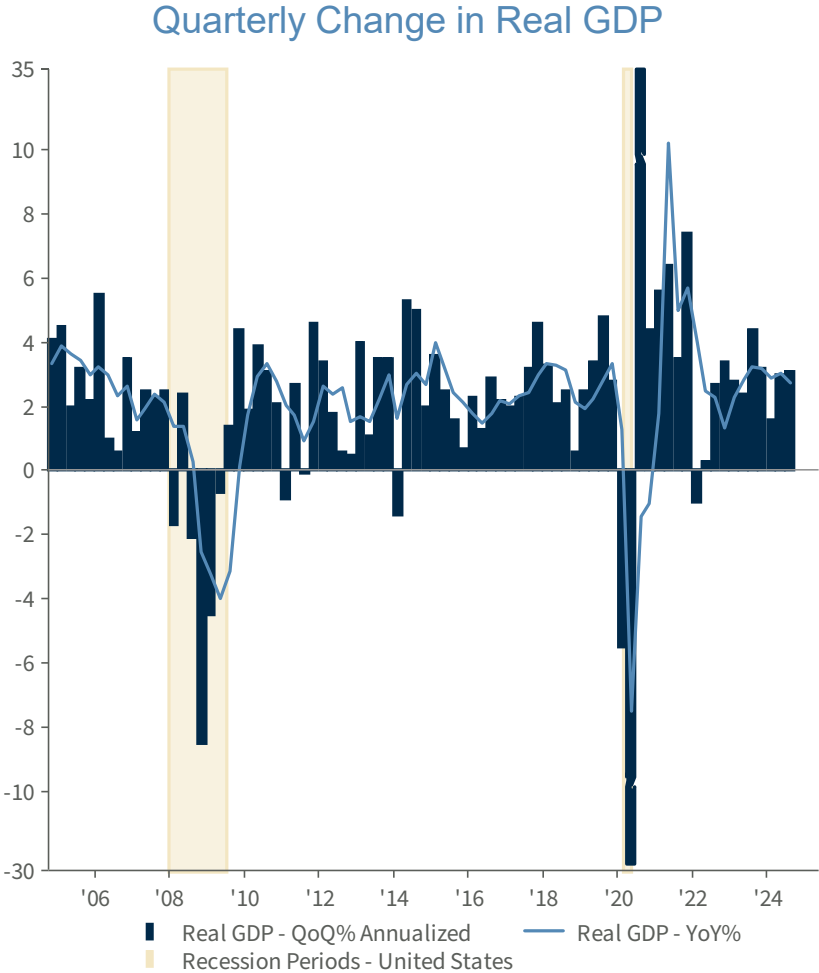
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ECONOMIC REVIEW | GROSS DOMESTIC PRODUCT



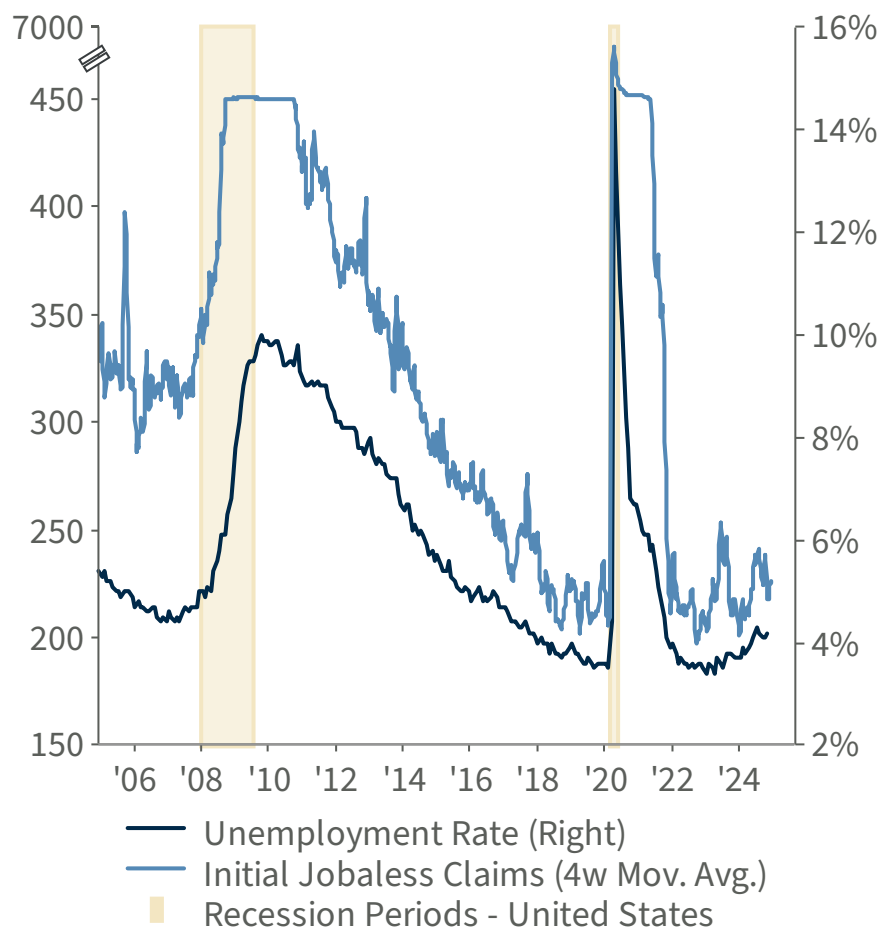
Source: FactSet, as of 12/31/2024



Source: FactSet, as of 12/31/2024

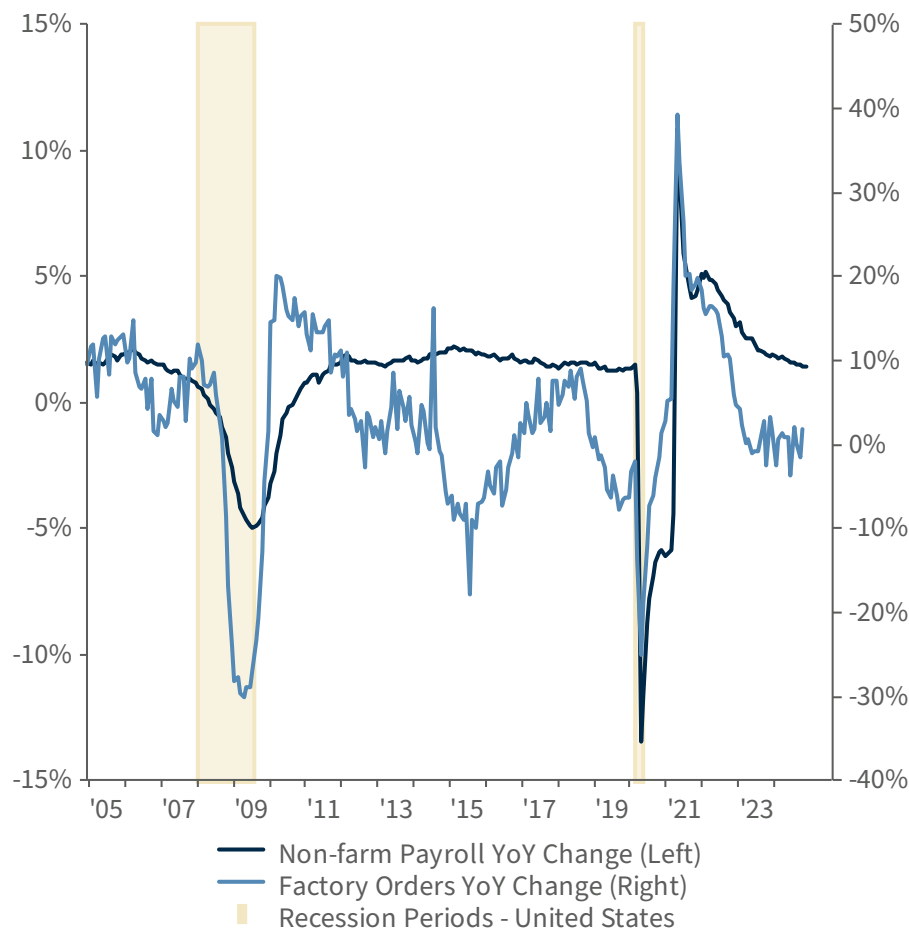
ECONOMIC REVIEW | EMPLOYMENT

Civilian Unemployment Rate



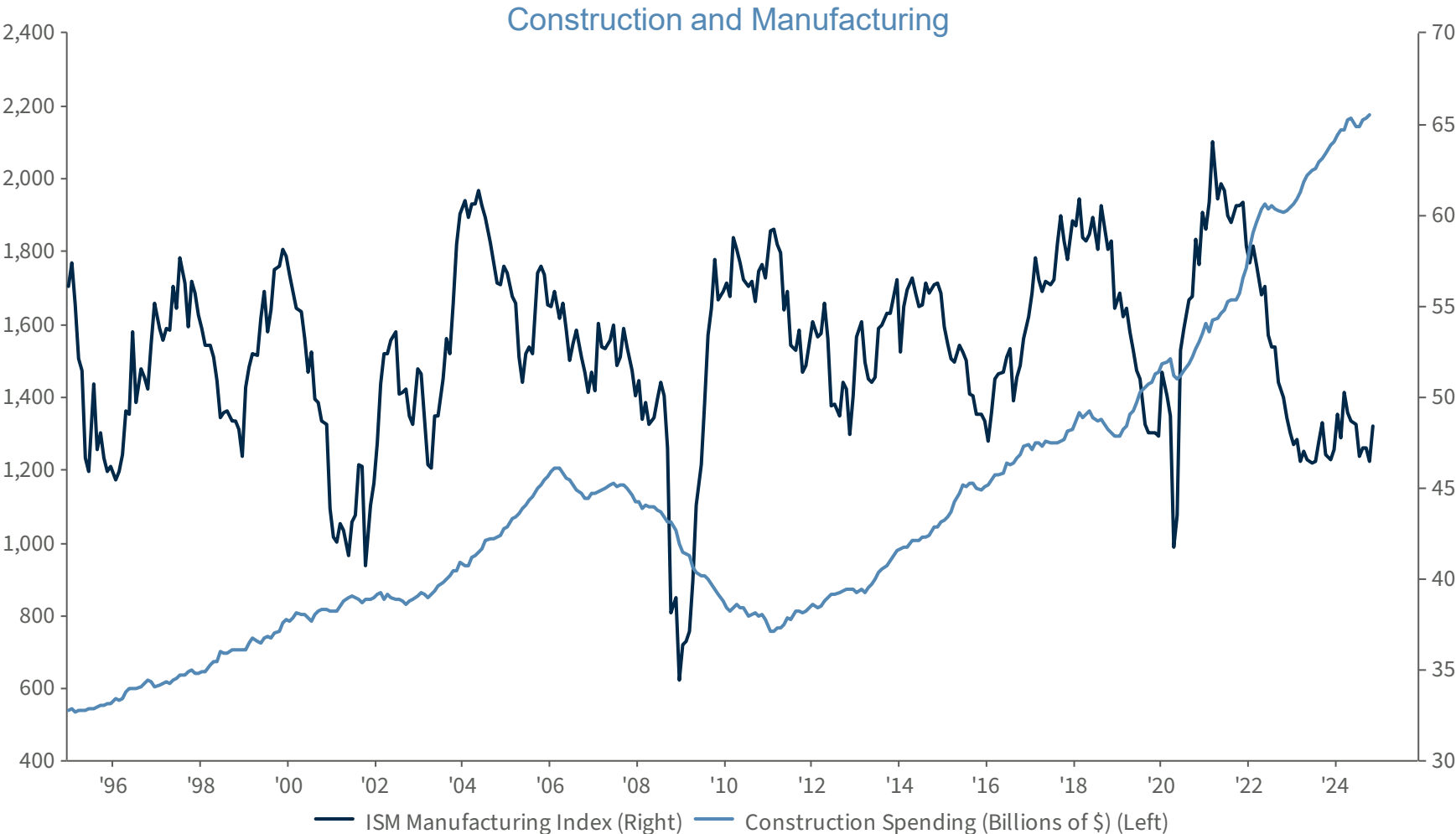
Source: FactSet, as of 12/31/2024

Non-Farm Payroll and Factory Orders



Source: FactSet, as of 12/31/2024

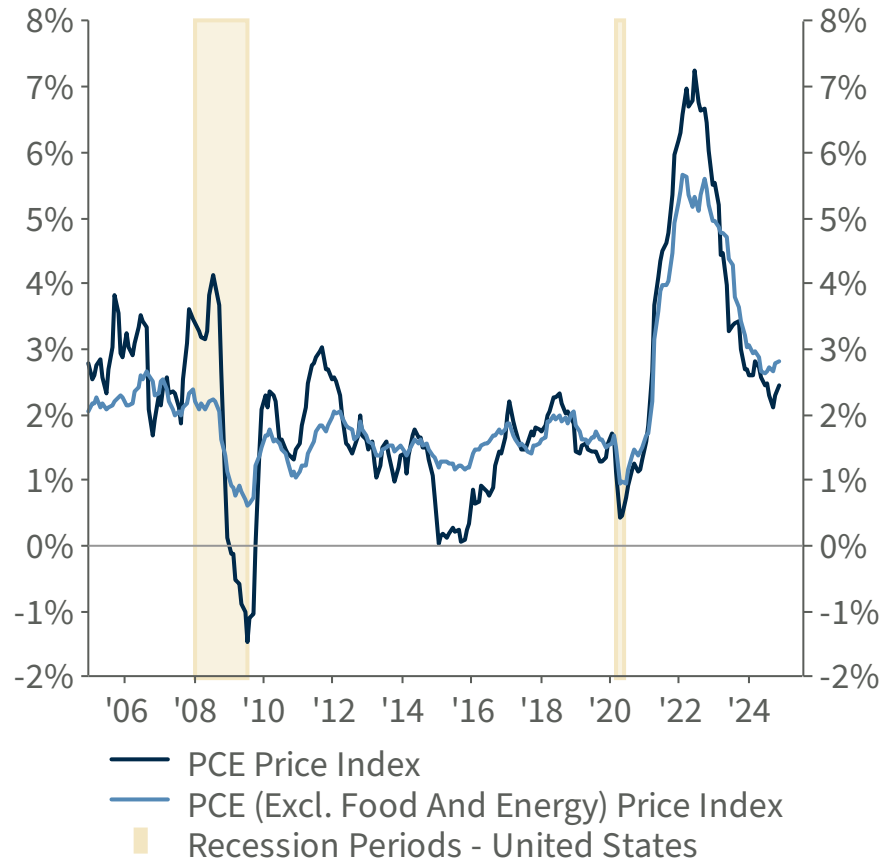
ECONOMIC REVIEW | MAJOR INDUSTRY CONTRIBUTIONS TO JOB GROWTH



Source: FactSet, as of 12/31/2024

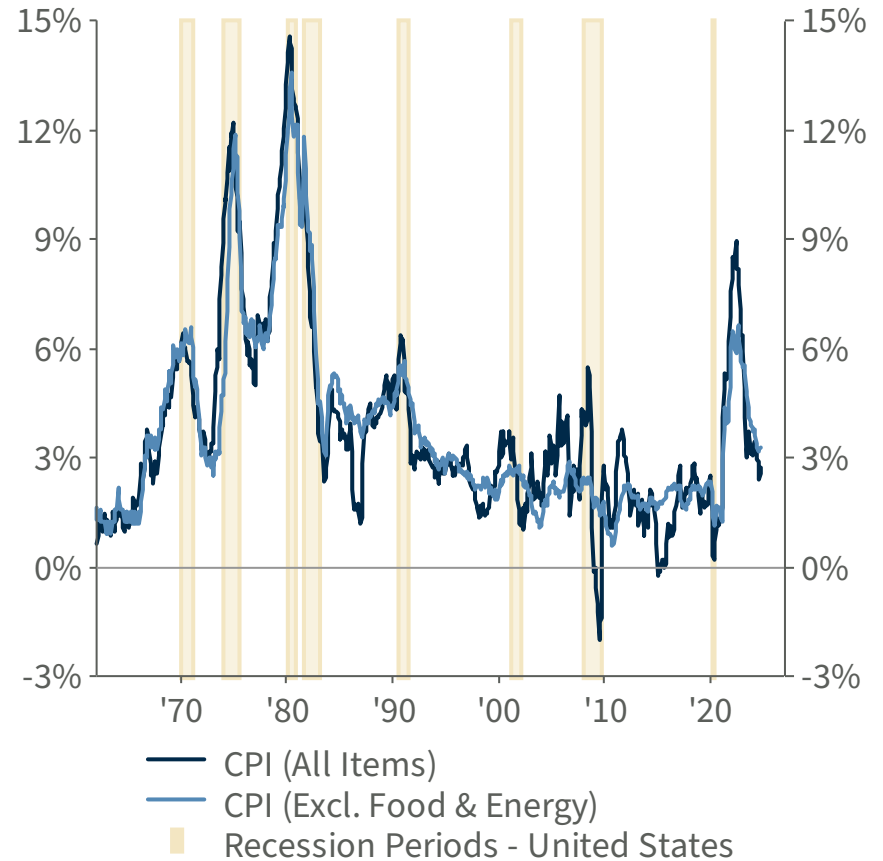
ECONOMIC REVIEW | INFLATION

Personal Consumption Expenditures (PCE) Price Index (YoY Change)



Source: FactSet, as of 12/31/2024

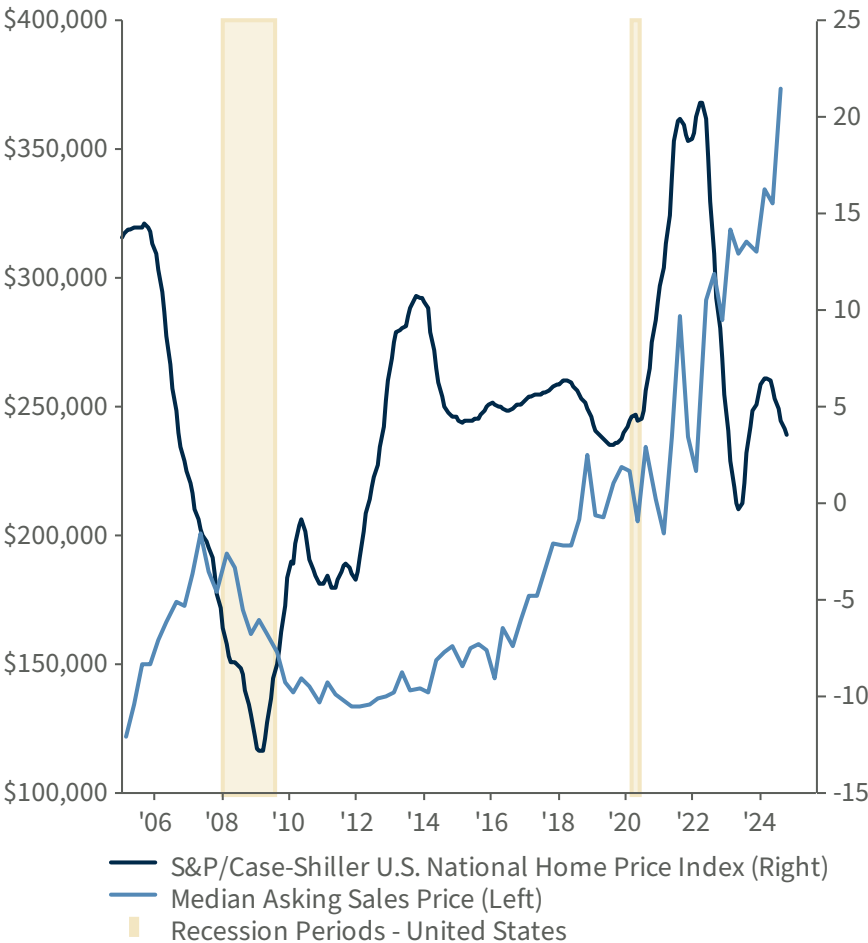
Consumer Price Index (CPI) (YoY Change)



Source: FactSet, as of 12/31/2024

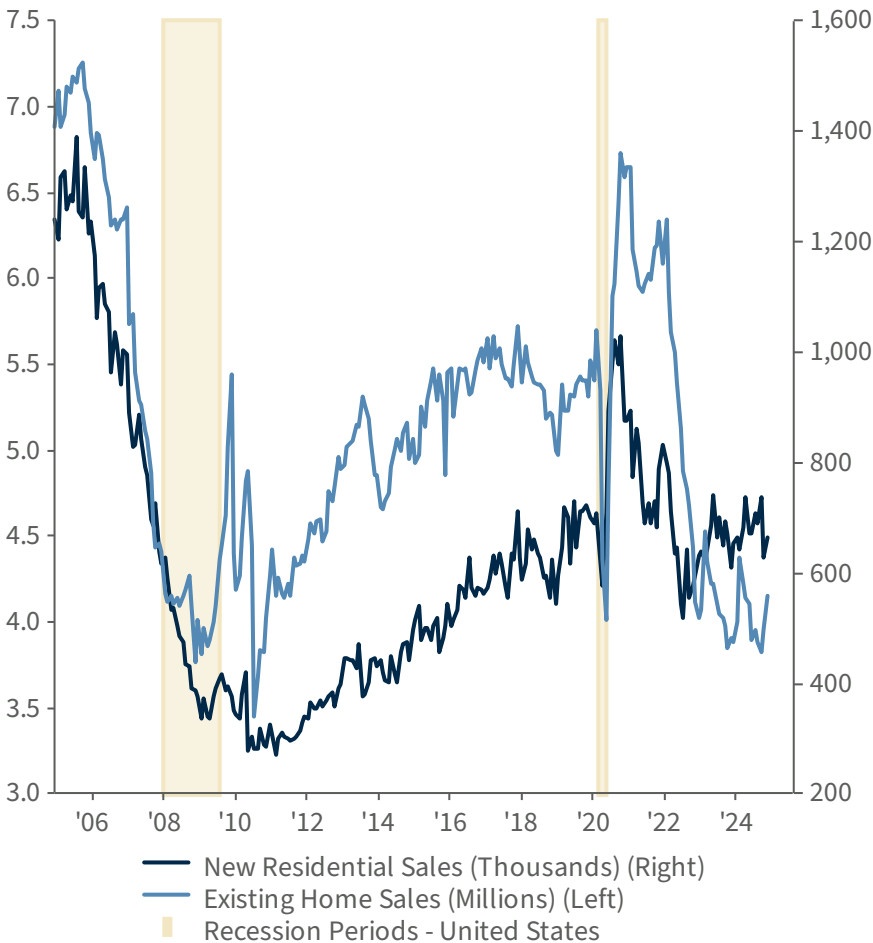
ECONOMIC REVIEW | HOUSING MARKET

National Home Price Index (YoY Change)



Source: FactSet, as of 12/31/2024

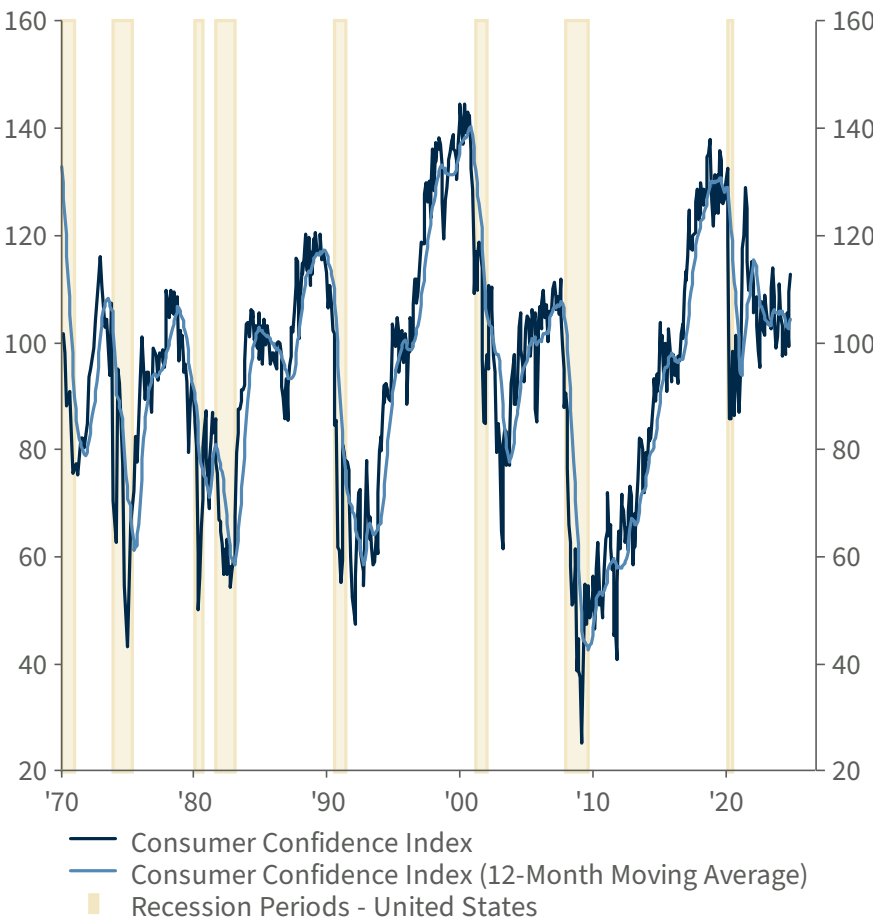
New and Existing Home Sales



Source: FactSet, as of 12/31/2024

ECONOMIC REVIEW | CONSUMER CONFIDENCE

Consumer Confidence



Source: FactSet, as of 12/31/2024

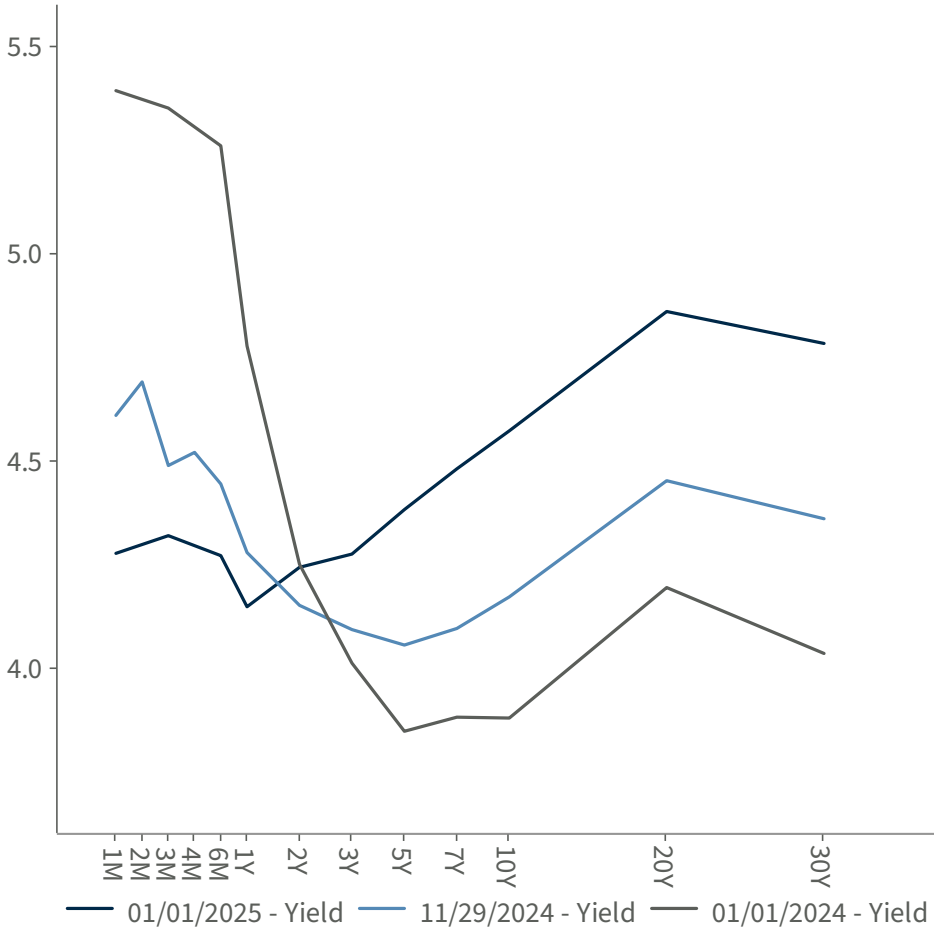
Retail Sales



Source: FactSet, as of 12/31/2024

CAPITAL MARKETS | US TREASURIES

US Yield Curve



Source: FactSet, as of 12/31/2024

US 10-Year/US 2-Year Yield Curve



Source: FactSet, as of 12/31/2024

CAPITAL MARKETS | BROAD ASSET CLASS RETURNS

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real Estate 14.3%	US Equities 1.4%	Real Estate 15.3%	Non-US Equities 24.8%	Cash & Cash Alternatives 1.8%	US Equities 31.5%	US Equities 18.4%	Real Estate 38.6%	Commodities 13.8%	US Equities 26.0%	US Equities 22.1%
US Equities 13.7%	Fixed Income 0.5%	US Equities 12.0%	US Equities 21.8%	Fixed Income 0.0%	Non-US Equities 23.2%	Blended Portfolio 12.5%	US Equities 28.7%	Cash & Cash Alternatives 1.5%	Non-US Equities 18.6%	Blended Portfolio 11.3%
Blended Portfolio 8.0%	Blended Portfolio 0.5%	Commodities 11.4%	Blended Portfolio 15.0%	Blended Portfolio -4.0%	Blended Portfolio 21.1%	Non-US Equities 8.1%	Commodities 27.1%	Fixed Income -13.0%	Blended Portfolio 16.7%	Cash & Cash Alternatives 5.3%
Fixed Income 6.0%	Cash & Cash Alternatives 0.0%	Blended Portfolio 6.9%	Fixed Income 3.5%	US Equities -4.4%	Real Estate 19.5%	Fixed Income 7.5%	Blended Portfolio 14.3%	Non-US Equities -13.8%	Real Estate 9.8%	Non-US Equities 5.3%
Cash & Cash Alternatives 0.0%	Non-US Equities -2.6%	Non-US Equities 3.3%	Cash & Cash Alternatives 0.8%	Real Estate -7.6%	Fixed Income 8.7%	Cash & Cash Alternatives 0.5%	Non-US Equities 13.2%	Blended Portfolio -15.4%	Fixed Income 5.5%	Real Estate 4.0%
Non-US Equities -3.9%	Real Estate -24.2%	Fixed Income 2.6%	Commodities 0.7%	Commodities -13.0%	Commodities 5.4%	Commodities -3.5%	Cash & Cash Alternatives 0.0%	US Equities -18.1%	Cash & Cash Alternatives 5.1%	Fixed Income 1.3%
Commodities -17.0%	Commodities -24.7%	Cash & Cash Alternatives 0.3%	Real Estate -0.2%	Non-US Equities -13.6%	Cash & Cash Alternatives 2.2%	Real Estate -13.1%	Fixed Income -1.5%	Real Estate -27.5%	Commodities -12.6%	Commodities 0.1%

Blended Portfolio Allocation: 45% US Equity / 15% Non-US Equity / 40% Fixed Income

As of: 12/31/2024

CAPITAL MARKETS | DOMESTIC EQUITY RETURNS

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Large Growth 14.9%	Large Growth 5.5%	Small Value 31.3%	Large Growth 27.4%	Large Growth 0.0%	Large Value 31.9%	Large Growth 33.5%	Large Growth 32.0%	Large Value -5.2%	Large Growth 30.0%	Large Growth 36.1%
Large Blend 13.7%	Small Growth 2.8%	Small Blend 26.6%	Large Blend 21.8%	Small Growth -4.1%	Large Blend 31.5%	Mid Growth 22.8%	Small Value 30.9%	Mid Value -6.9%	Large Blend 26.3%	Large Blend 25.0%
Large Value 12.4%	Mid Growth 2.0%	Mid Value 26.5%	Mid Growth 19.9%	Large Blend -4.4%	Large Growth 31.1%	Small Growth 19.6%	Mid Value 30.7%	Small Value -11.0%	Large Value 22.2%	Mid Growth 15.9%
Mid Value 12.1%	Large Blend 1.4%	Small Growth 22.2%	Mid Blend 16.2%	Small Blend -8.5%	Mid Growth 26.3%	Large Blend 18.4%	Large Blend 28.7%	Mid Blend -13.1%	Mid Growth 17.5%	Mid Blend 13.9%
Mid Blend 9.8%	Small Blend -2.0%	Mid Blend 20.7%	Large Value 15.4%	Large Value -9.0%	Mid Blend 26.2%	Mid Blend 13.7%	Small Blend 26.8%	Small Blend -16.1%	Small Growth 17.1%	Large Value 12.3%
Mid Growth 7.6%	Mid Blend -2.2%	Large Value 17.4%	Small Growth 14.8%	Mid Growth -10.3%	Mid Value 26.1%	Small Blend 11.3%	Large Value 24.9%	Large Blend -18.1%	Mid Blend 16.4%	Mid Value 11.7%
Small Value 7.5%	Large Value -3.1%	Mid Growth 14.8%	Small Blend 13.2%	Mid Blend -11.1%	Small Value 24.5%	Mid Value 3.7%	Mid Blend 24.8%	Mid Growth -19.0%	Small Blend 16.1%	Small Growth 9.6%
Small Blend 5.8%	Mid Value -6.7%	Large Blend 12.0%	Mid Value 12.3%	Mid Value -11.9%	Small Blend 22.8%	Small Value 2.5%	Small Growth 22.6%	Small Growth -21.1%	Mid Value 15.4%	Small Blend 8.7%
Small Growth 3.9%	Small Value -6.7%	Large Growth 6.9%	Small Value 11.5%	Small Value -12.6%	Small Growth 21.1%	Large Value 1.4%	Mid Growth 18.9%	Large Growth -29.4%	Small Value 14.9%	Small Value 7.6%

As of: 12/31/2024

CAPITAL MARKETS | FIXED INCOME RETURNS

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Long-Term Bond 16.4%	Municipal 3.3%	High Yield 17.1%	Long-Term Bond 12.2%	T-Bill 1.8%	Long-Term Bond 23.4%	Long-Term Bond 13.3%	US TIPS 5.5%	T-Bill 1.5%	High Yield 13.4%	High Yield 8.2%
Municipal 9.1%	Agency 1.8%	Long-Term Bond 10.2%	Emerging Market Bond 8.2%	Short-Term Bond 1.4%	High Yield 14.3%	Credit 9.4%	High Yield 5.3%	Agency 1.0%	Long-Term Bond 10.7%	Emerging Market Bond 6.6%
Credit 7.5%	MBS 1.5%	Emerging Market Bond 9.9%	Global Bond ex US 8.0%	Municipal 1.3%	Credit 13.8%	Global Bond ex US 8.9%	Municipal 1.5%	US TIPS -1.8%	Emerging Market Bond 9.1%	T-Bill 5.3%
MBS 6.1%	Emerging Market Bond 1.3%	Credit 5.6%	High Yield 7.5%	Agency 1.1%	Emerging Market Bond 13.1%	Treasury 8.0%	Agency 1.0%	Short-Term Bond -4.1%	Credit 8.2%	US TIPS 5.2%
Aggregate Bond 6.0%	Treasury 0.8%	Aggregate Bond 2.6%	Credit 6.2%	MBS 1.0%	Aggregate Bond 8.7%	Aggregate Bond 7.5%	T-Bill 0.0%	Municipal -8.5%	Municipal 6.4%	Short-Term Bond 3.8%
Treasury 5.1%	Aggregate Bond 0.5%	Agency 2.6%	Municipal 5.4%	Treasury 0.9%	Municipal 7.5%	High Yield 7.1%	Short-Term Bond -0.6%	High Yield -11.2%	Aggregate Bond 5.5%	Credit 2.0%
Emerging Market Bond 4.8%	Short-Term Bond 0.4%	US TIPS 2.5%	Aggregate Bond 3.5%	US TIPS 0.7%	Treasury 6.9%	Emerging Market Bond 6.5%	MBS -1.0%	MBS -11.8%	T-Bill 5.1%	Aggregate Bond 1.3%
High Yield 2.5%	T-Bill 0.0%	Global Bond ex US 2.2%	Agency 2.9%	Aggregate Bond 0.0%	MBS 6.4%	Municipal 5.2%	Credit -1.1%	Treasury -12.5%	MBS 5.0%	MBS 1.2%
Agency 1.0%	US TIPS -0.4%	MBS 1.7%	MBS 2.5%	Global Bond ex US -0.3%	US TIPS 4.5%	MBS 3.9%	Long-Term Bond -1.2%	Aggregate Bond -13.0%	US TIPS 4.6%	Municipal 1.1%
Short-Term Bond 0.7%	Credit -0.8%	Treasury 1.0%	Treasury 2.3%	High Yield -2.1%	Global Bond ex US 4.5%	US TIPS 3.8%	Aggregate Bond -1.5%	Credit -15.3%	Treasury 4.1%	Agency 1.0%
T-Bill 0.0%	Global Bond ex US -3.6%	Short-Term Bond 0.6%	T-Bill 0.8%	Credit -2.1%	Short-Term Bond 3.3%	Short-Term Bond 3.1%	Emerging Market Bond -1.7%	Emerging Market Bond -15.3%	Short-Term Bond 3.7%	Treasury 0.6%
US TIPS -1.4%	High Yield -4.5%	T-Bill 0.3%	US TIPS 0.4%	Emerging Market Bond -2.5%	T-Bill 2.2%	Agency 1.0%	Treasury -2.3%	Global Bond ex US -21.6%	Global Bond ex US 2.1%	Long-Term Bond -2.0%
Global Bond ex US -3.5%	Long-Term Bond -4.6%	Municipal 0.2%	Short-Term Bond 0.3%	Long-Term Bond -6.8%	Agency 1.0%	T-Bill 0.5%	Global Bond ex US -9.5%	Long-Term Bond -25.3%	Agency 1.0%	Global Bond ex US -8.8%

As of: 12/31/2024

CAPITAL MARKETS | INTERNATIONAL EQUITY RETURNS

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
US Large Cap 13.7%	Japan 9.9%	EM Eastern Europe 38.8%	EM Asia 43.3%	EM Eastern Europe -3.4%	EM Eastern Europe 31.0%	EM Asia 28.8%	US Large Cap 28.7%	EM Latin America 9.5%	EM Eastern Europe 48.7%	US Large Cap 25.0%
EM Asia 5.3%	US Large Cap 1.4%	EM Latin America 31.5%	Emerging Markets 37.8%	US Large Cap -4.4%	US Large Cap 25.7%	Emerging Markets 18.7%	EM Eastern Europe 18.6%	United Kingdom -4.8%	EM Latin America 33.5%	EM Asia 12.6%
Pacific ex Japan -0.3%	Europe ex UK 0.1%	US Large Cap 12.0%	Europe ex UK 27.8%	EM Latin America -6.2%	EM Latin America 10.5%	US Large Cap 18.4%	United Kingdom 18.5%	Pacific ex Japan -5.9%	US Large Cap 26.3%	Japan 8.7%
Emerging Markets -1.8%	Developed Markets -0.4%	Emerging Markets 11.6%	Pacific ex Japan 26.0%	Pacific ex Japan -10.2%	Europe ex UK 7.7%	Japan 14.9%	Europe ex UK 16.5%	Developed Markets -14.0%	Europe ex UK 22.7%	Emerging Markets 8.1%
Japan -3.7%	EM Eastern Europe -4.0%	Pacific ex Japan 8.0%	Developed Markets 25.6%	Japan -12.6%	Pacific ex Japan 6.4%	Europe ex UK 11.6%	Developed Markets 11.8%	Japan -16.3%	Japan 20.8%	United Kingdom 7.5%
Developed Markets -4.5%	United Kingdom -7.5%	EM Asia 6.5%	Japan 24.4%	Developed Markets -13.4%	Developed Markets 6.3%	Developed Markets 8.3%	Pacific ex Japan 4.8%	Europe ex UK -17.3%	Developed Markets 18.9%	Pacific ex Japan 4.7%
United Kingdom -5.4%	Pacific ex Japan -8.4%	Japan 2.7%	EM Latin America 24.2%	United Kingdom -14.1%	Japan 5.0%	Pacific ex Japan 6.6%	Japan 2.0%	US Large Cap -18.1%	United Kingdom 14.1%	Developed Markets 4.3%
Europe ex UK -5.8%	EM Asia -9.5%	Developed Markets 1.5%	United Kingdom 22.4%	Emerging Markets -14.2%	United Kingdom 4.1%	United Kingdom -10.4%	Emerging Markets -2.2%	Emerging Markets -19.7%	Emerging Markets 10.3%	Europe ex UK 1.0%
EM Latin America -12.0%	Emerging Markets -14.6%	Europe ex UK 0.3%	US Large Cap 21.8%	Europe ex UK -14.4%	Emerging Markets 2.0%	EM Eastern Europe -11.3%	EM Asia -4.8%	EM Asia -20.8%	EM Asia 8.2%	EM Eastern Europe -0.9%
EM Eastern Europe -37.1%	EM Latin America -30.8%	United Kingdom 0.0%	EM Eastern Europe 18.1%	EM Asia -15.2%	EM Asia 1.5%	EM Latin America -13.5%	EM Latin America -7.7%	EM Eastern Europe -82.1%	Pacific ex Japan 6.5%	EM Latin America -26.0%

As of: 12/31/2024.

CAPITAL MARKETS | S&P EQUITY SECTOR RETURNS

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real Estate 30.2%	Consumer Discretionary 10.1%	Energy 27.4%	Information Technology 38.8%	Health Care 6.5%	Information Technology 50.3%	Information Technology 43.9%	Energy 54.6%	Energy 65.7%	Information Technology 57.8%	Comm Services 40.2%
Utilities 29.0%	Health Care 6.9%	Comm Services 23.5%	Materials 23.8%	Utilities 4.1%	Comm Services 32.7%	Consumer Discretionary 33.3%	Real Estate 46.2%	Utilities 1.6%	Comm Services 55.8%	Information Technology 36.6%
Health Care 25.3%	Consumer Staples 6.6%	Financials 22.8%	Consumer Discretionary 23.0%	Consumer Discretionary 0.8%	Financials 32.1%	Comm Services 23.6%	Financials 35.0%	Consumer Staples -0.6%	Consumer Discretionary 42.4%	Financials 30.6%
Information Technology 20.1%	Information Technology 5.9%	Industrials 18.9%	Financials 22.2%	Information Technology -0.3%	S&P 500 31.5%	Materials 20.7%	Information Technology 34.5%	Health Care -2.0%	S&P 500 26.3%	Consumer Discretionary 30.1%
Consumer Staples 16.0%	Real Estate 4.7%	Materials 16.7%	Health Care 22.1%	Real Estate -2.2%	Industrials 29.4%	S&P 500 18.4%	S&P 500 28.7%	Industrials -5.5%	Industrials 18.1%	S&P 500 25.0%
Financials 15.2%	Comm Services 3.4%	Utilities 16.3%	S&P 500 21.8%	S&P 500 -4.4%	Real Estate 29.0%	Health Care 13.4%	Materials 27.3%	Financials -10.5%	Materials 12.5%	Utilities 23.4%
S&P 500 13.7%	S&P 500 1.4%	Information Technology 13.8%	Industrials 21.0%	Consumer Staples -8.4%	Consumer Discretionary 27.9%	Industrials 11.1%	Health Care 26.1%	Materials -12.3%	Real Estate 12.3%	Industrials 17.5%
Industrials 9.8%	Financials -1.5%	S&P 500 12.0%	Consumer Staples 13.5%	Comm Services -12.5%	Consumer Staples 27.6%	Consumer Staples 10.7%	Consumer Discretionary 24.4%	S&P 500 -18.1%	Financials 12.1%	Consumer Staples 14.9%
Consumer Discretionary 9.7%	Industrials -2.5%	Consumer Discretionary 6.0%	Utilities 12.1%	Financials -13.0%	Utilities 26.3%	Utilities 0.5%	Comm Services 21.6%	Real Estate -26.1%	Health Care 2.1%	Energy 5.7%
Materials 6.9%	Utilities -4.8%	Consumer Staples 5.4%	Real Estate 10.8%	Industrials -13.3%	Materials 24.6%	Financials -1.7%	Industrials 21.1%	Information Technology -28.2%	Consumer Staples 0.5%	Real Estate 5.0%
Comm Services 3.0%	Materials -8.4%	Real Estate 3.4%	Energy -1.0%	Materials -14.7%	Health Care 20.8%	Real Estate -2.2%	Consumer Staples 18.6%	Consumer Discretionary -37.0%	Energy -1.3%	Health Care 2.6%
Energy -7.8%	Energy -21.1%	Health Care -2.7%	Comm Services -1.3%	Energy -18.1%	Energy 11.8%	Energy -33.7%	Utilities 17.7%	Comm Services -39.9%	Utilities -7.1%	Materials 0.0%

As of: 12/31/2024

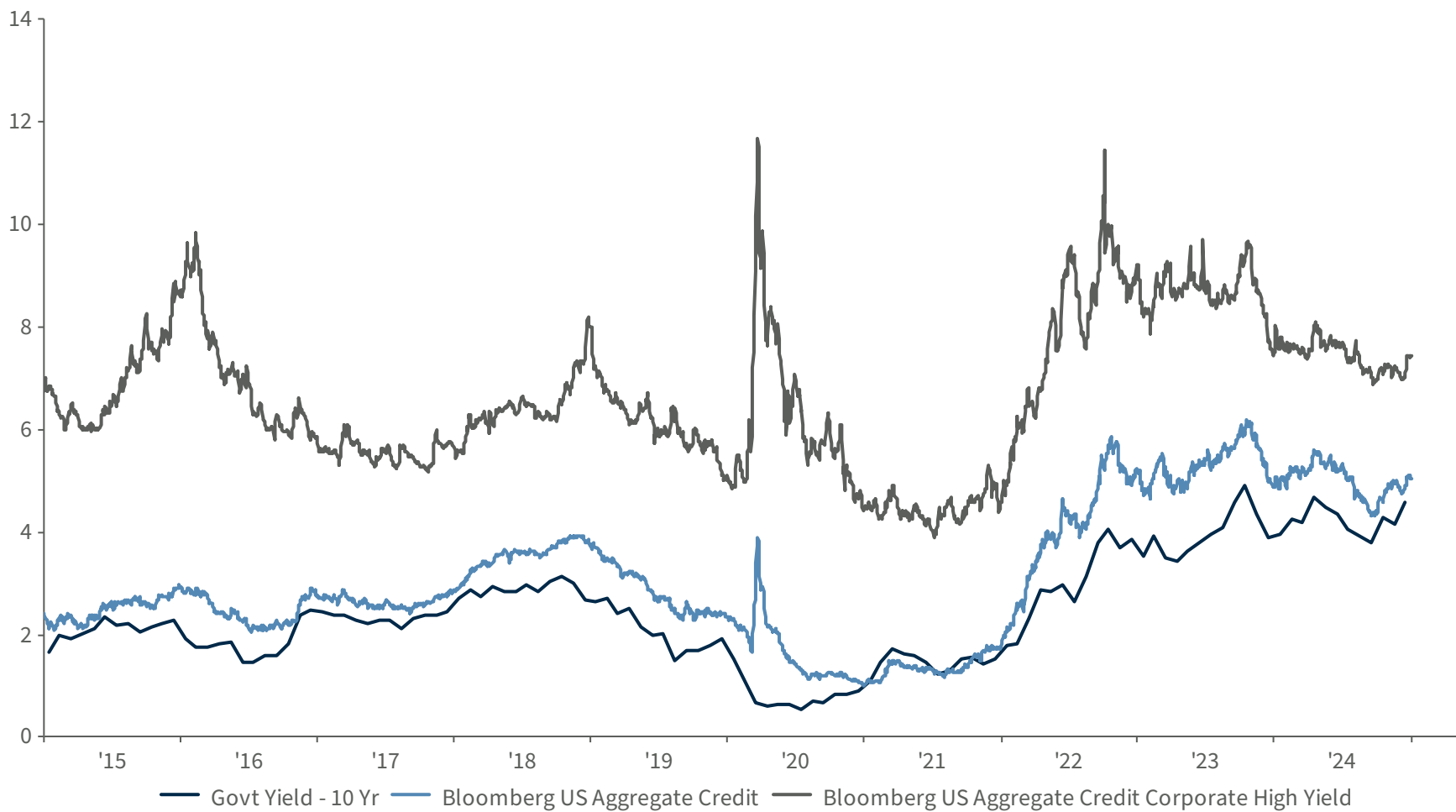
CAPITAL MARKETS | 2024 AND Q4 RETURNS

Broad Asset Class Total Returns		Domestic Equity Total Returns		S&P 500 Sectors Total Returns		International Equity Total Returns		Fixed Income Total Returns	
2024	Q4	2024	Q4	2024	Q4	2024	Q4	2024	Q4
US Equities 22.1%	US Equities 2.3%	Large Growth 36.1%	Large Growth 6.2%	Comm Services 40.2%	Consumer Discretionary 14.3%	US Large Cap 25.0%	US Large Cap 2.4%	High Yield 8.2%	T-Bill 1.2%
Blended Portfolio 11.3%	Cash & Cash Alternatives 1.2%	Large Blend 25.0%	Large Blend 2.4%	Information Technology 36.6%	Comm Services 8.9%	EM Asia 12.6%	Japan -3.6%	Emerging Market Bond 6.6%	Agency 1.0%
Cash & Cash Alternatives 5.3%	Blended Portfolio -1.3%	Mid Growth 15.9%	Mid Value 1.5%	Financials 30.6%	Financials 7.1%	Japan 8.7%	United Kingdom -6.8%	T-Bill 5.3%	US TIPS 0.4%
Non-US Equities 5.3%	Commodities -1.6%	Mid Blend 13.9%	Small Value 1.4%	Consumer Discretionary 30.1%	Information Technology 4.8%	Emerging Markets 8.1%	EM Asia -7.7%	US TIPS 5.2%	High Yield 0.2%
Real Estate 4.0%	Fixed Income -3.1%	Large Value 12.3%	Mid Blend 0.3%	S&P 500 25.0%	S&P 500 2.4%	United Kingdom 7.5%	Emerging Markets -7.8%	Short-Term Bond 3.8%	Short-Term Bond -0.2%
Fixed Income 1.3%	Real Estate -3.5%	Mid Value 11.7%	Small Blend -0.6%	Utilities 23.4%	Industrials -2.3%	Pacific ex Japan 4.7%	Developed Markets -8.1%	Credit 2.0%	Municipal -1.2%
Commodities 0.1%	Non-US Equities -7.4%	Small Growth 9.6%	Mid Growth -0.8%	Industrials 17.5%	Energy -2.4%	Developed Markets 4.3%	EM Eastern Europe -8.5%	Aggregate Bond 1.3%	Emerging Market Bond -1.5%
		Small Blend 8.7%	Small Growth -2.6%	Consumer Staples 14.9%	Consumer Staples -3.3%	Europe ex UK 1.0%	Pacific ex Japan -9.1%	MBS 1.2%	Credit -3.0%
		Small Value 7.6%	Large Value -2.7%	Energy 5.7%	Utilities -5.5%	EM Eastern Europe -0.9%	Europe ex UK -10.5%	Municipal 1.1%	Aggregate Bond -3.1%
				Real Estate 5.0%	Real Estate -8.5%	EM Latin America -26.0%	EM Latin America -15.7%	Agency 1.0%	Treasury -3.1%
				Health Care 2.6%	Health Care -10.3%			Treasury 0.6%	MBS -3.2%
				Materials 0.0%	Materials -12.4%			Long-Term Bond -2.0%	Long-Term Bond -6.3%
								Global Bond ex US -8.8%	Global Bond ex US -9.0%

As of: 12/31/2024

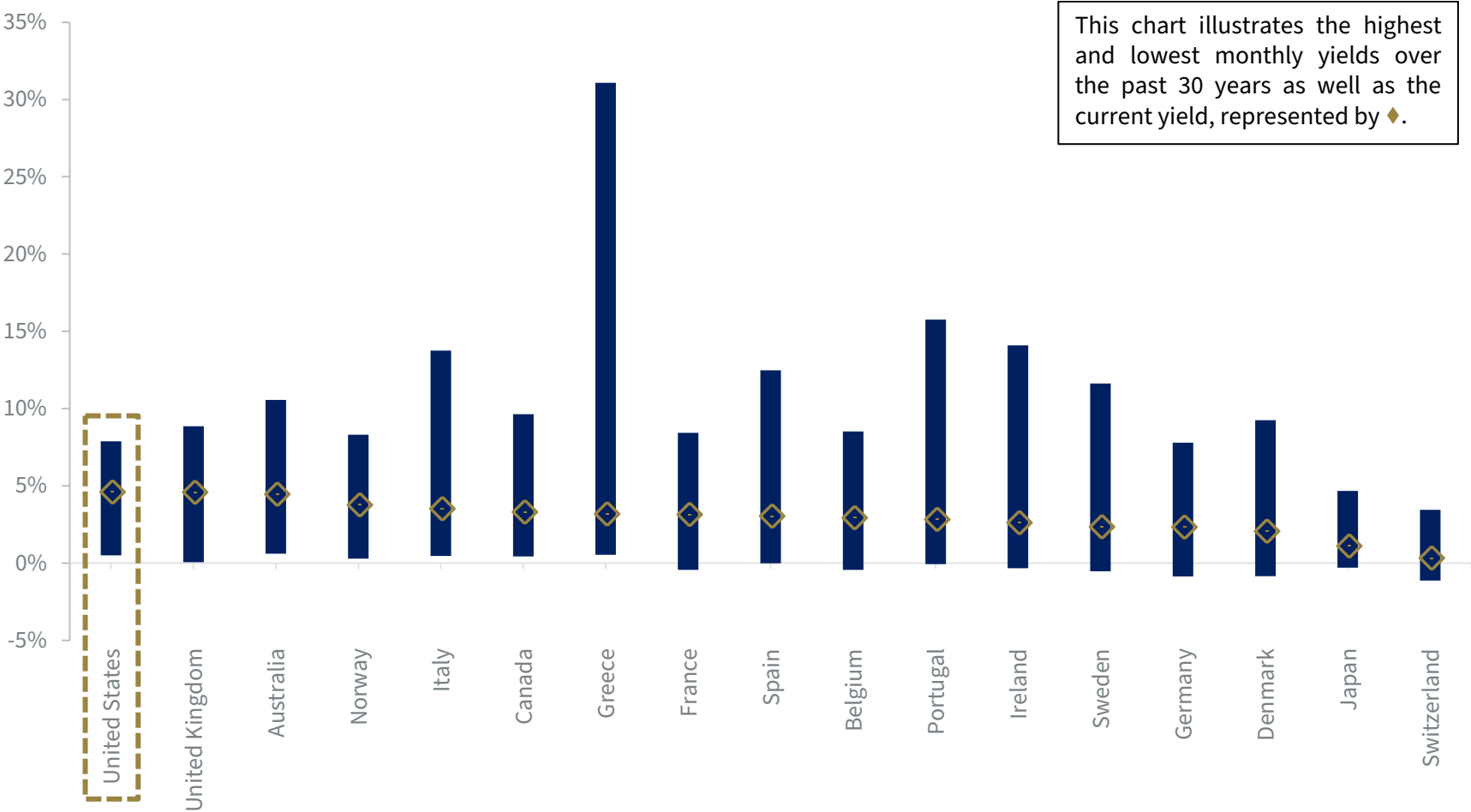
CAPITAL MARKETS | FIXED INCOME YIELDS

US Yield to Worst



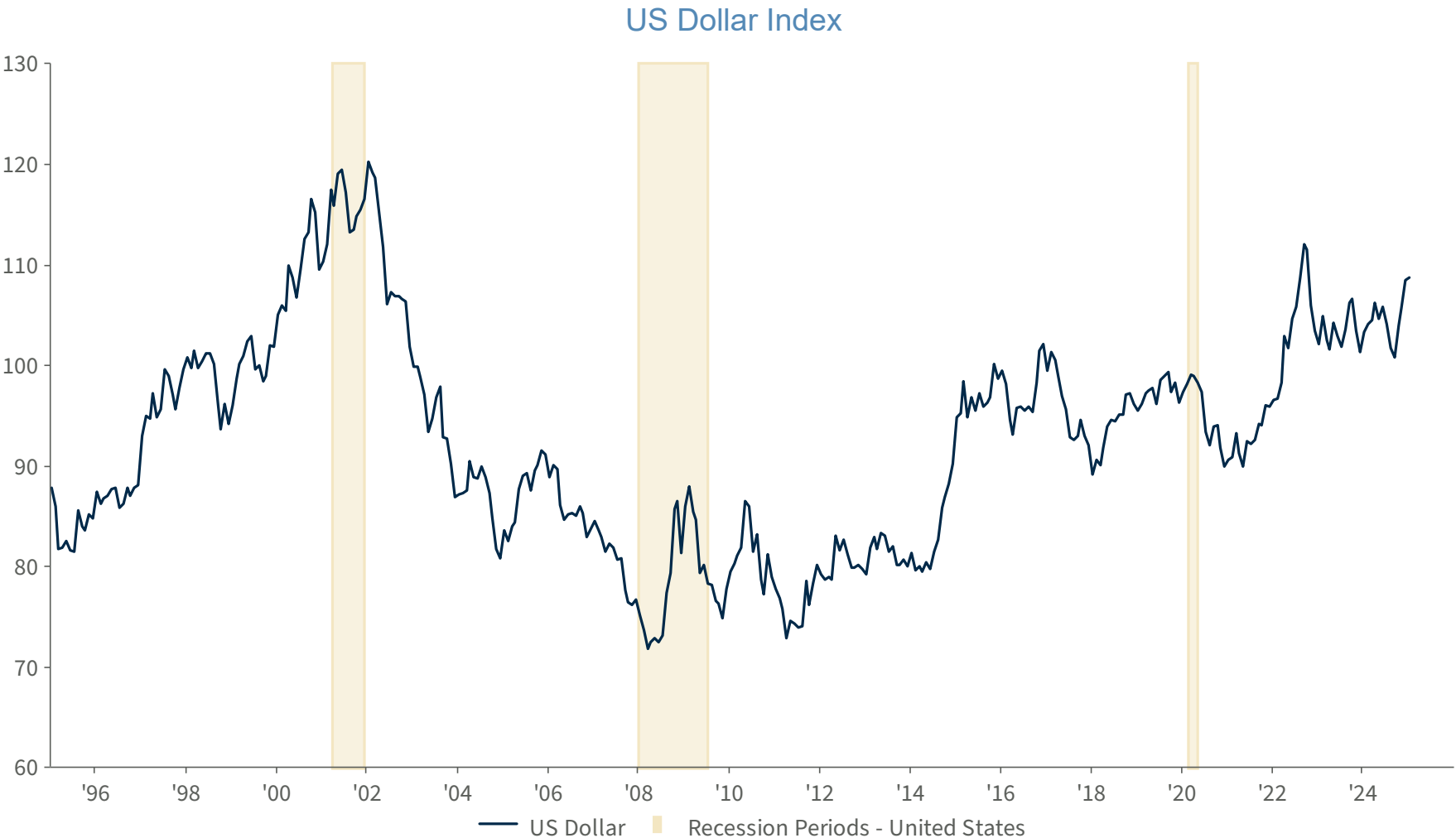
CAPITAL MARKETS | GLOBAL SOVEREIGN DEBT YIELDS

10-Year Sovereign Debt Yields



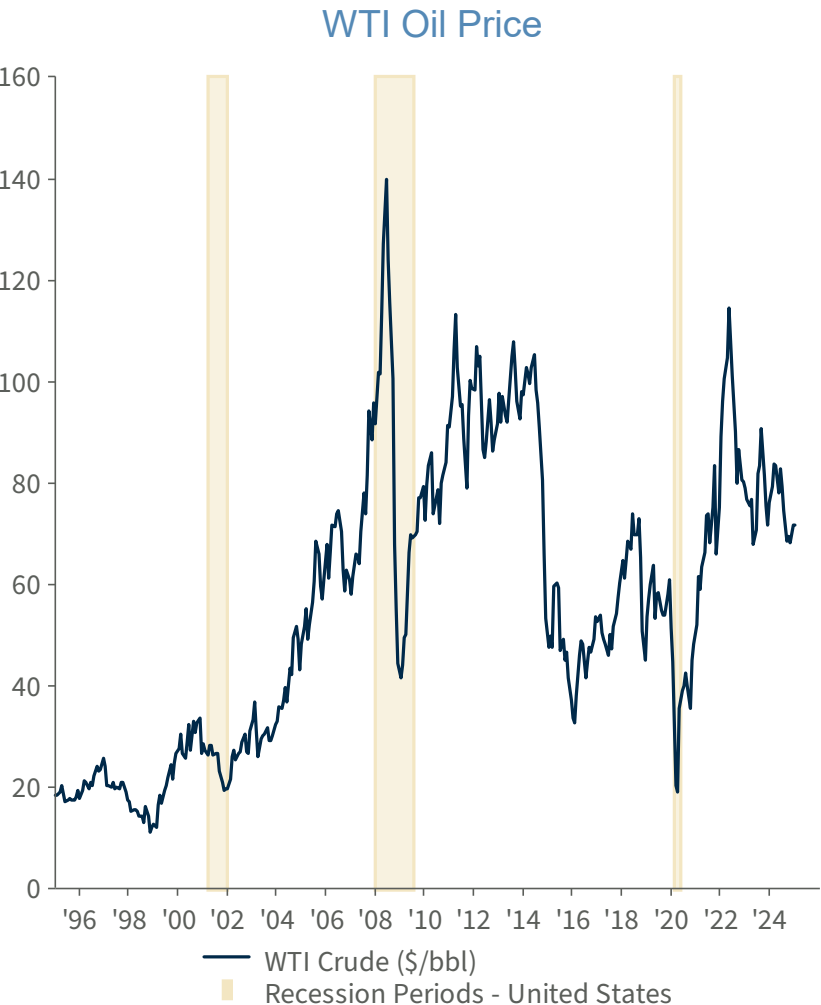
Source: FactSet, as of 12/31/2024

CAPITAL MARKETS | FOREIGN EXCHANGE RATES

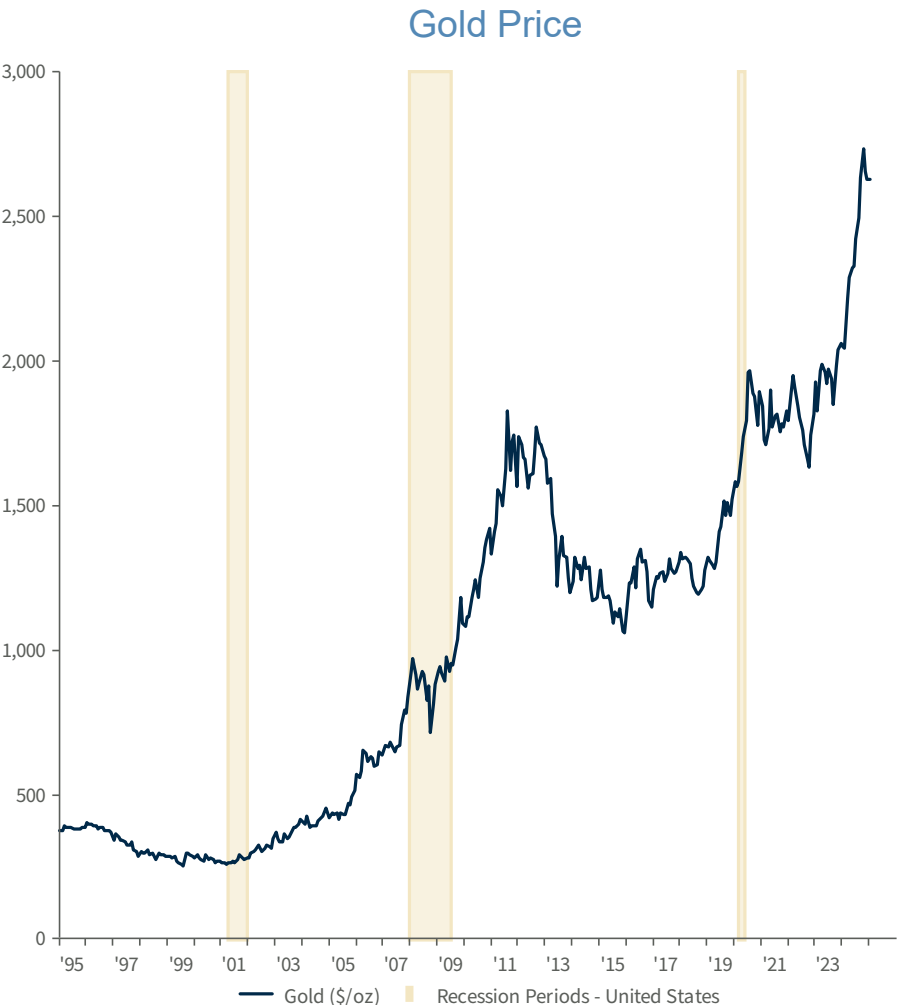


Source: FactSet, as of 12/31/2024

CAPITAL MARKETS | COMMODITY PRICES



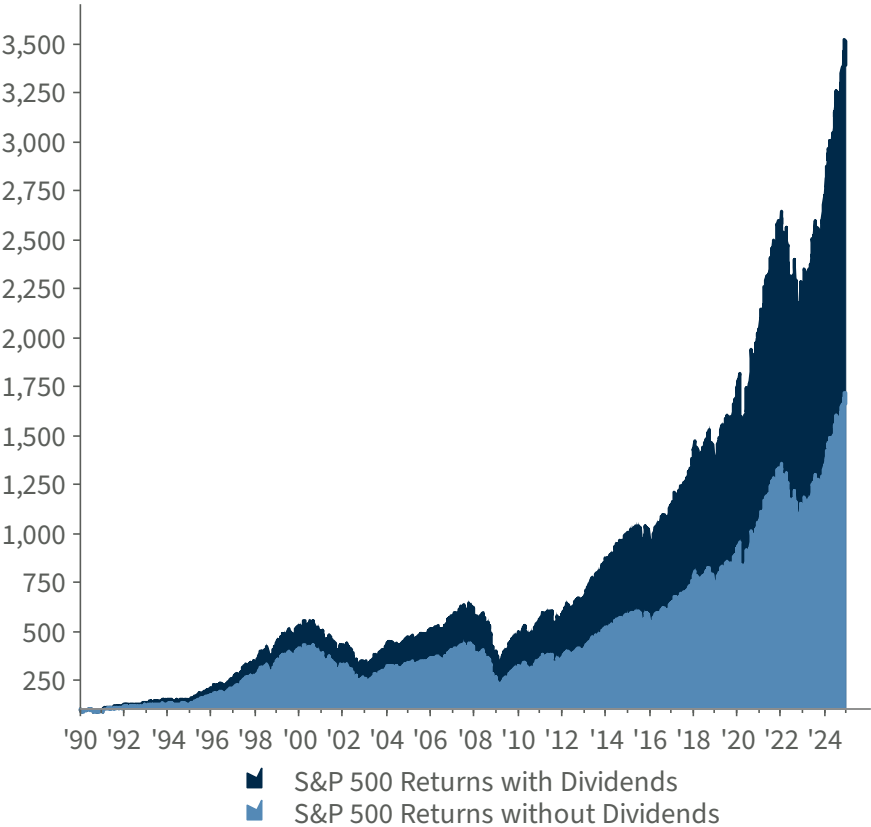
Source: FactSet, as of 12/31/2024



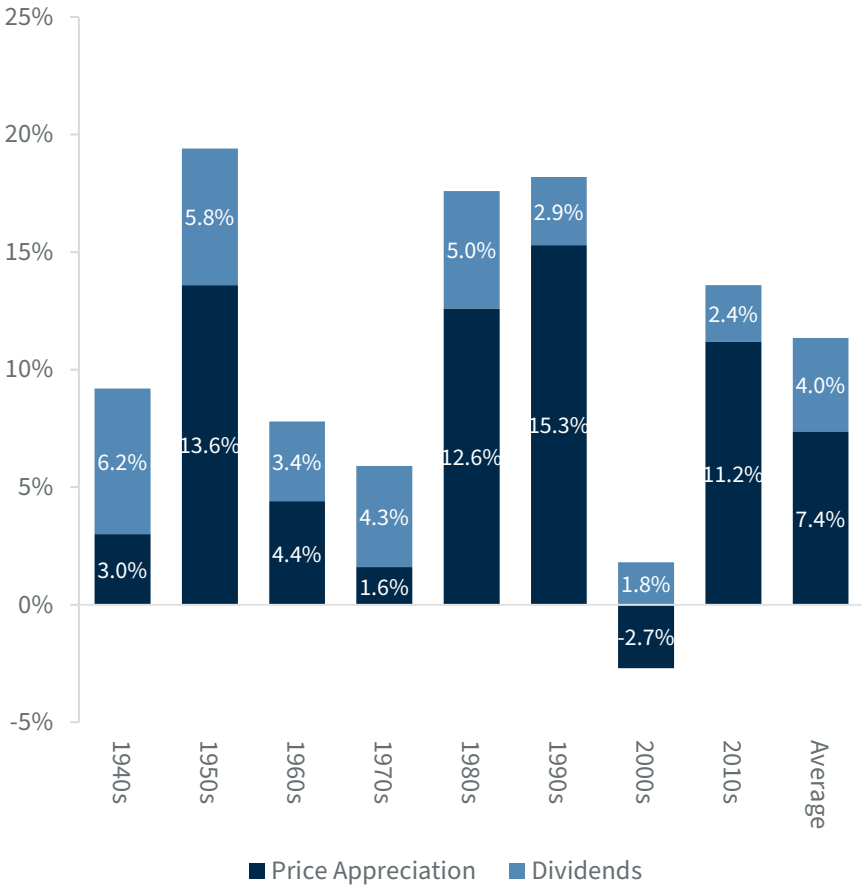
Source: FactSet, as of 12/31/2024

CAPITAL MARKETS | PRICE AND TOTAL RETURN

Growth of \$100



S&P 500 Price Appreciation and Dividends

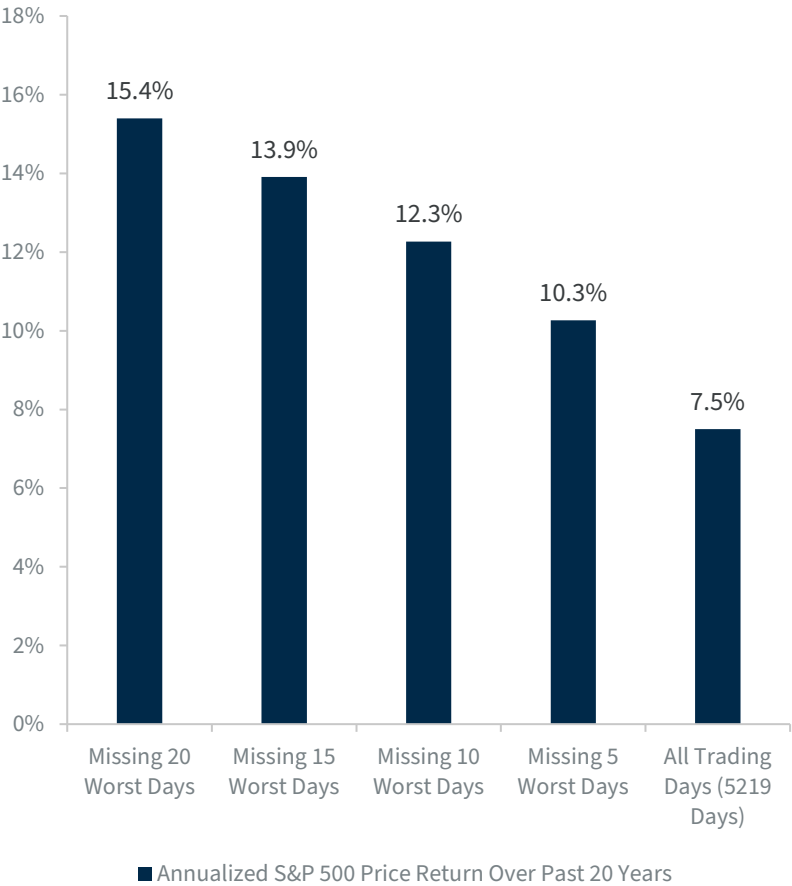


Source: FactSet, as of 12/31/2024

Source: FactSet, as of 12/31/2024

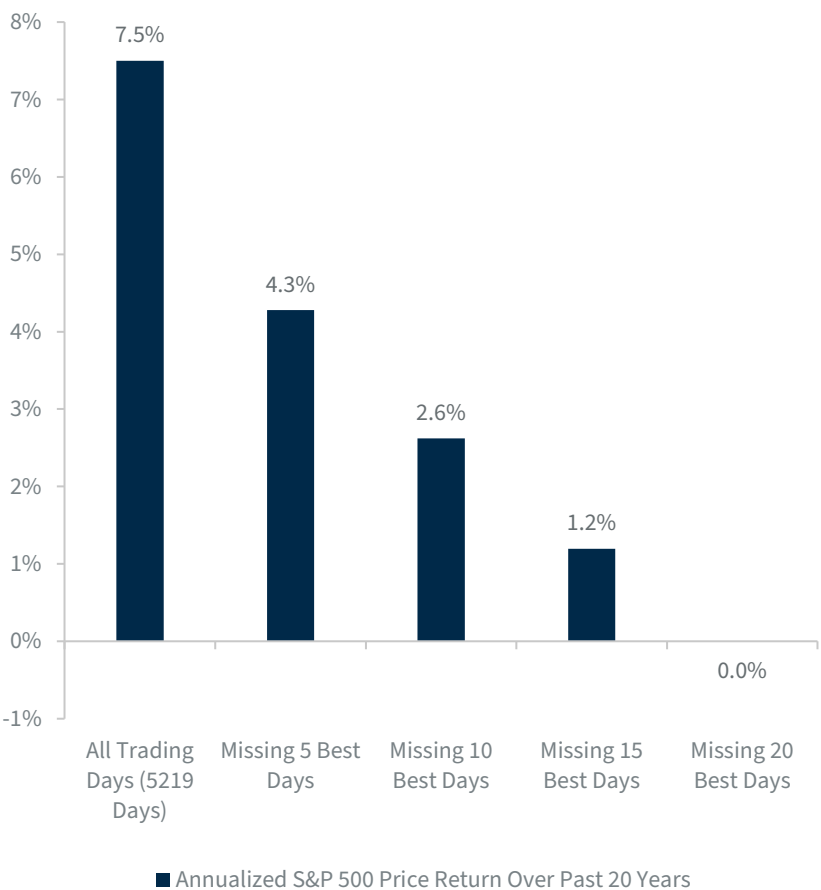
ASSET ALLOCATION | MISSING BEST AND WORST DAYS

Missing the Worst Days



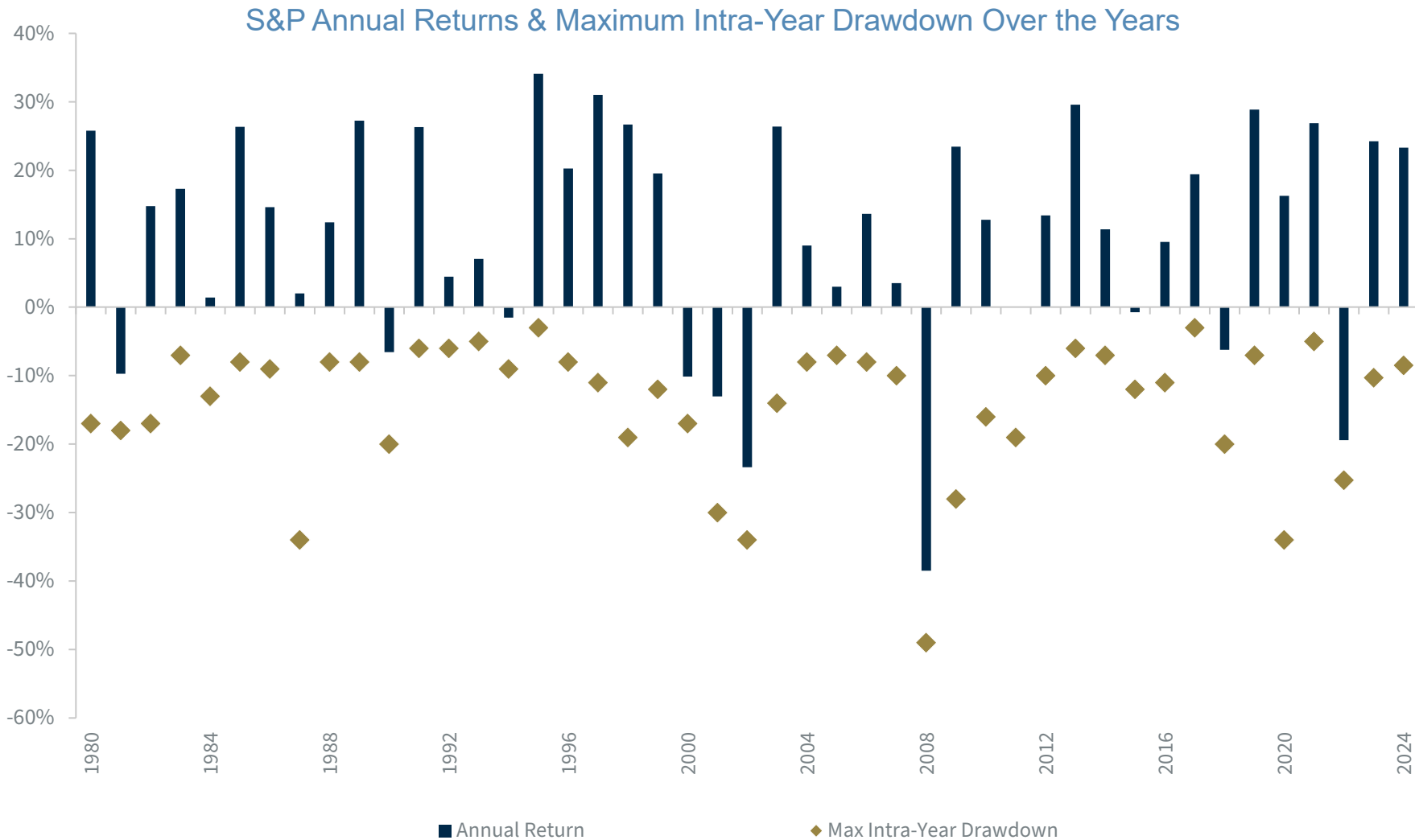
Source: FactSet, as of 12/31/2024

Missing the Best Days



Source: FactSet, as of 12/31/2024

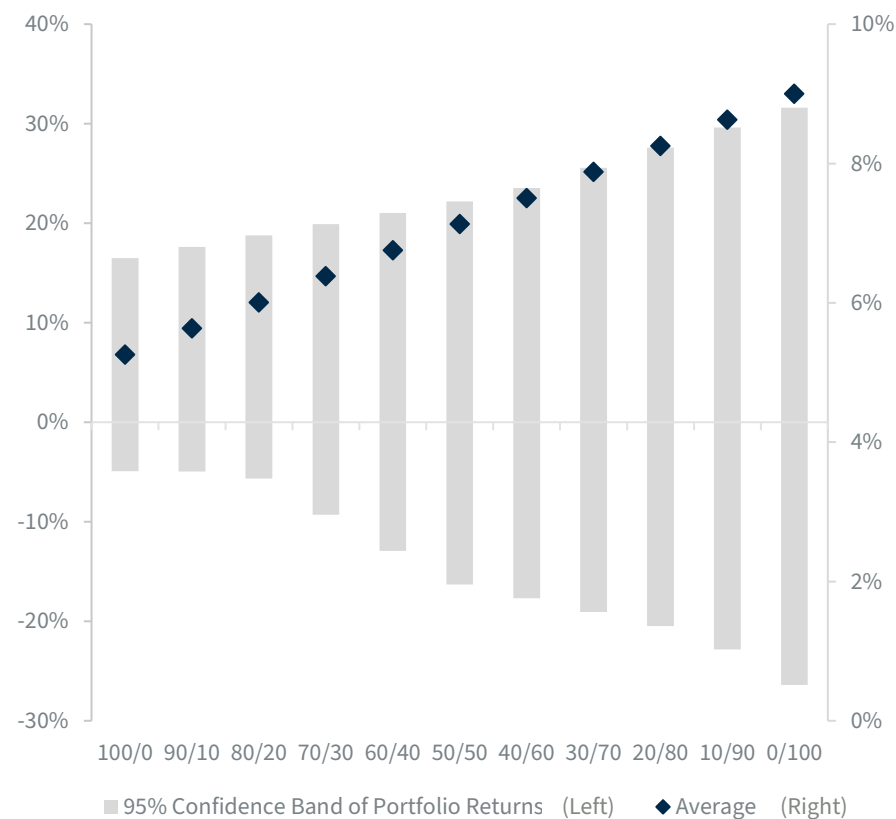
ASSET ALLOCATION | S&P 500 MAXIMUM INTRA-YEAR DRAWDOWNS & RETURNS



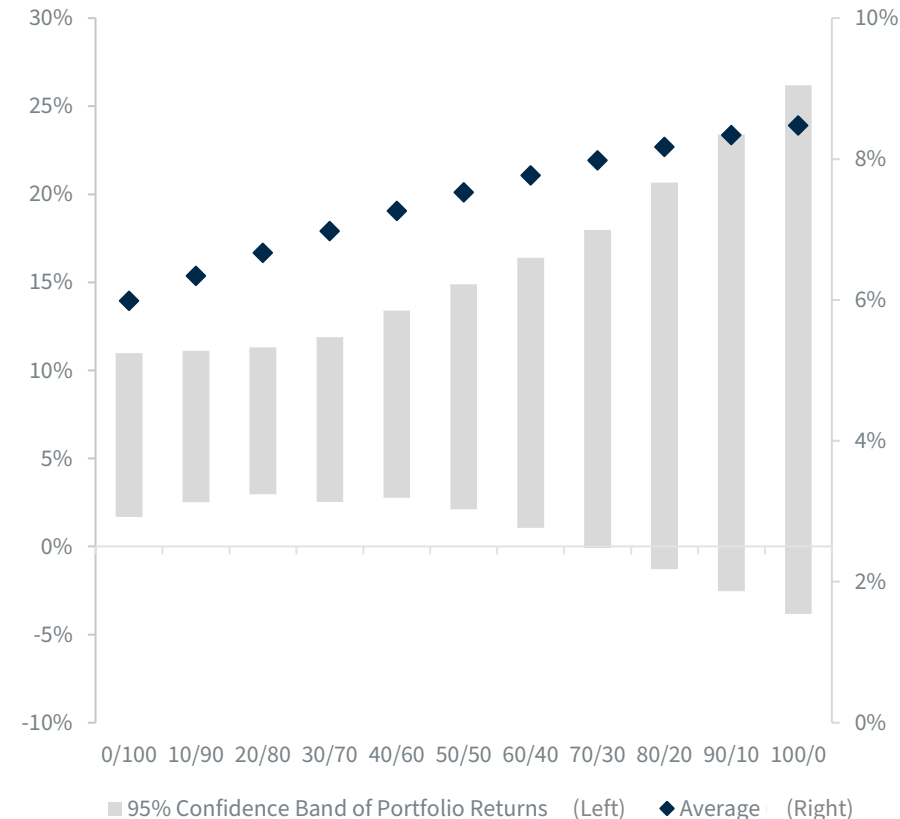
Source: FactSet, as of 12/31/2024

ASSET ALLOCATION | PORTFOLIO BUCKET RETURNS

1-Year Annual Return by Portfolio Bucket



5-Year Annual Return by Portfolio Bucket

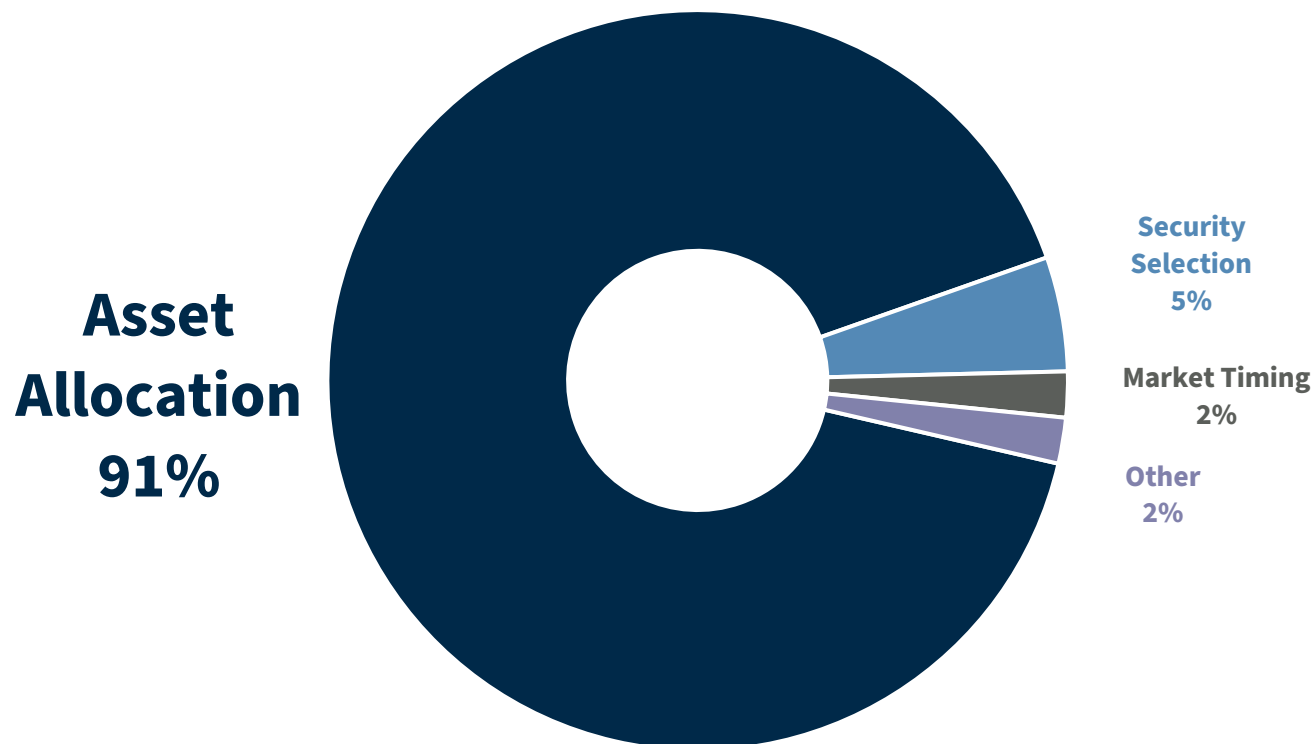


Source: FactSet, as of 12/31/2024

Source: FactSet, as of 12/31/2024

ASSET ALLOCATION | DETERMINANTS OF PORTFOLIO PERFORMANCE

Asset Allocation is Critical to Portfolio Construction



Source: Determinants of Portfolio Performance, Gary P. Brinson, L. Randolph Hood and Gilbert L. Beebower, Financial Analysts Journal, Vol. 42, No. 4 (Jul. - Aug., 1986), pp. 39-44

QUARTERLY TOPICS | TRUMP 2.0: WHAT'S NEW AND WHAT'S DÉJÀ VU?

“We view his [Trump’s] nominations to key posts (including Treasury, Commerce, and the US Trade Representative) as early indicators of his seriousness for aggressive trade and tariff actions.”

-**Ed Mills**, *Washington Policy Analyst*, Equity Research, Raymond James

KEY TAKEAWAYS:

- We view the key market-relevant policies of the Trump administration as: tariffs; the debt limit; appointing key personnel; budget reduction; and tax cuts.
- Trump’s appointments seem to indicate his seriousness about aggressive policies on tariffs and trade policy. Tariffs may also be used as a negotiating tool.
- The timing, magnitude, and tempo of these policies is still uncertain. We will be monitoring market reaction closely.

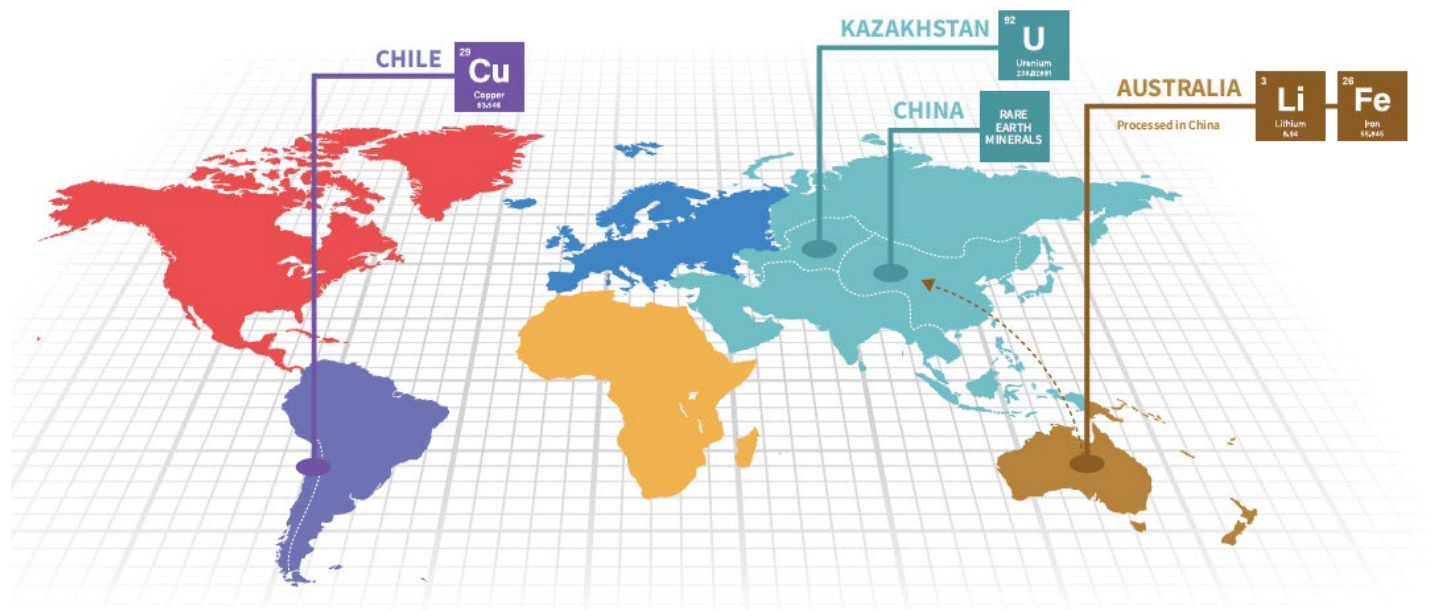
QUARTERLY TOPICS | ENERGY MARKET SHIFTS FOCUS FROM GEOPOLITICS TO THE ELECTRIC GRID

“For the first time in two decades, US electricity demand is embarking on a period of sustained growth, mostly due to the highly energy-intensive data centers for the AI buildout.”

-**Pavel Molchanov**, *Energy Analyst*, Equity Research, Raymond James

Strategic Materials Distribution

Materials like copper, lithium, and iron play key roles in supporting the electric power boom. Much of the processing occurs in China.



Source: US Geological Survey

Source: Investment Strategy Quarterly January 2025

For the complete article, ask your financial advisor for a copy of the January 2025 Investment Strategy Quarterly.

QUARTERLY TOPICS | UNCERTAINTY IS DEAD, LONG LIVE UNCERTAINTY

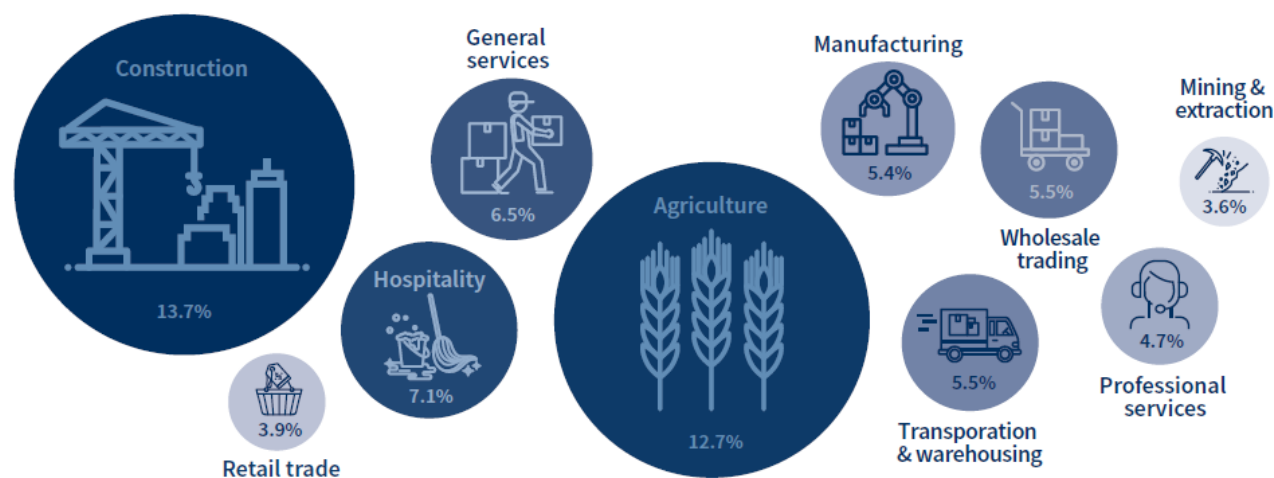
“The biggest risks for the US economy are higher interest rates from potentially higher inflation due to tariffs and the proposed deportation of millions of illegal migrants.”

-**Eugenio J. Alemán, Ph.D.**, *Chief Economist*, Raymond James

-**Giampiero Fuentes, CFP®**, *Economist*, Raymond James

Share of Undocumented Workers by Industry

The impact on inflation from the curtailment of illegal immigration is going to take some time to feed into wages across the different industries affected.



Source: American Immigration Council, as of 2022

Source: Investment Strategy Quarterly January 2025

For the complete article, ask your financial advisor for a copy of the January 2025 Investment Strategy Quarterly.

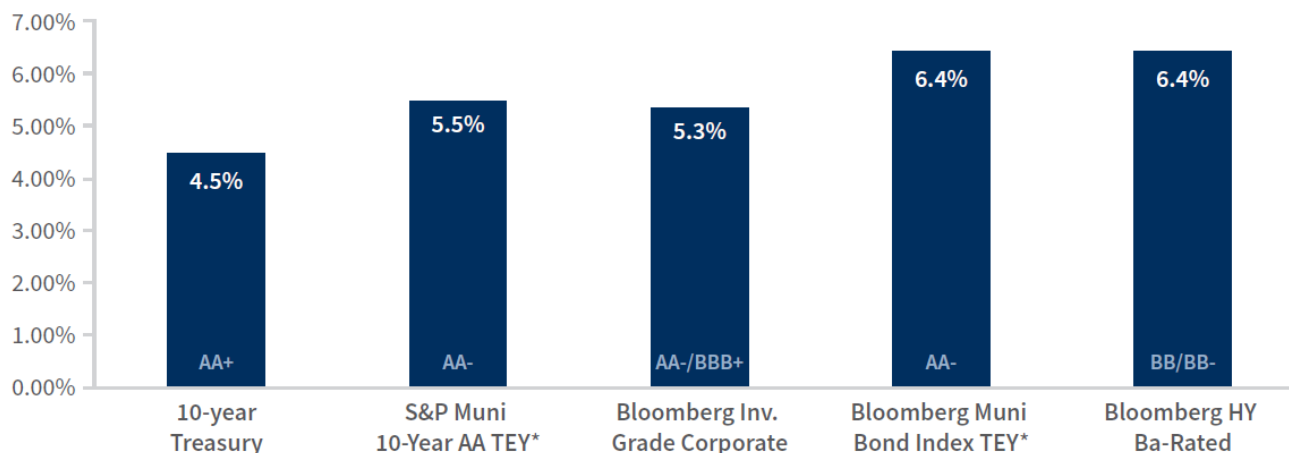
QUARTERLY TOPICS | FIXED INCOME: THE LONG AND SHORT OF IT

“We are growing more cautious on longer-term maturities. That is why we have raised our 10-year Treasury yield target to 4.50% for 2025.”

-Tracey Manzi, CFA, Senior Investment Strategist, Investment Strategy

Tax-Equivalent Yields on Municipal Bonds Remain Attractive

Munis offer a significant yield opportunity relative to the Bloomberg Aggregate Bond Index and investment grade corporate bonds.



*Taxable-Equivalent Yield calculation assumes a top tax bracket of 40.8%.

Source: Investment Strategy Quarterly January 2025



For the complete article, ask your financial advisor for a copy of the January 2025 Investment Strategy Quarterly.

QUARTERLY TOPICS | RESETTING EQUITY EXPECTATIONS

“We expect earnings, rather than additional multiple expansion, to be the major driver of performance in the year ahead.”

-**Matt Barry, CFA**, *Senior Investment Strategist*, Investment Strategy
-**Mike Payne**, *Investment Strategy Analyst*, Investment Strategy

2025 Outlook

		EPS	P/E	S&P 500 TARGET	PROBABILITY
	Bull	\$280	25.5x	~7,000	35%
	Base	\$270	23.5x	~6,375	50%
	Bear	\$250	21x	~5,400	15%

Source: Raymond James Investment Strategy

Source: Investment Strategy Quarterly January 2025

For the complete article, ask your financial advisor for a copy of the January 2025 Investment Strategy Quarterly.

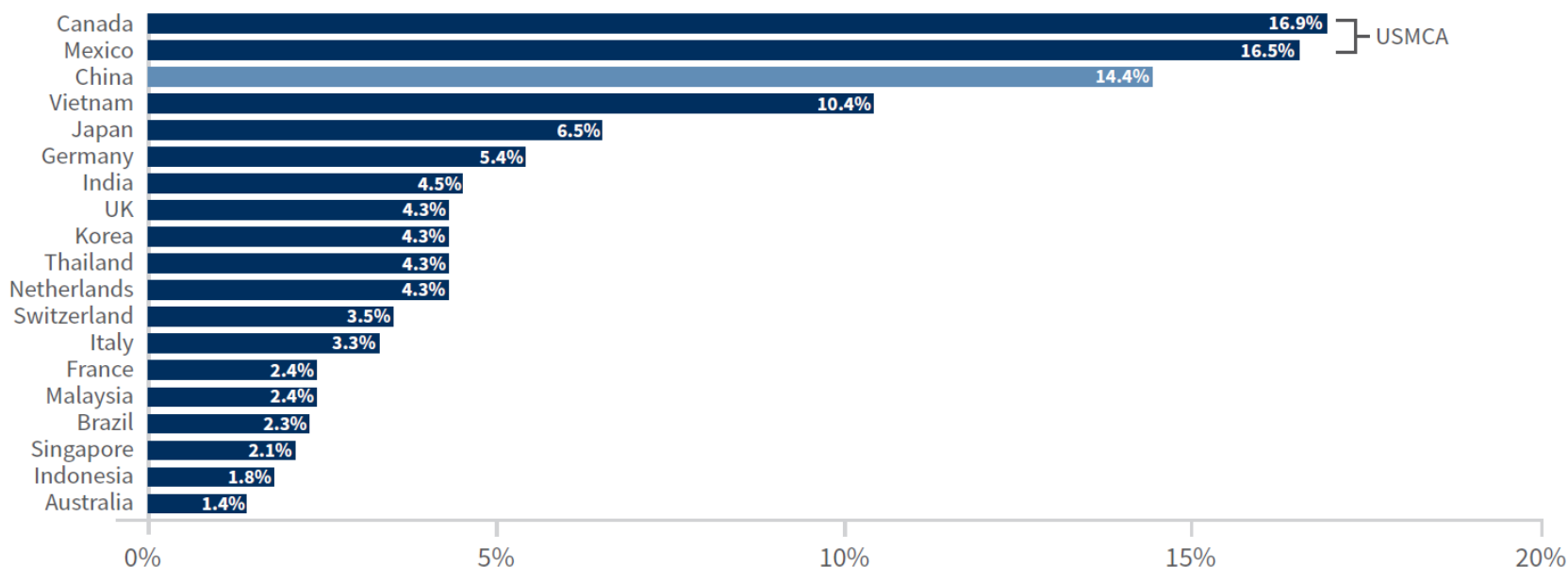
QUARTERLY TOPICS | UNEVEN GROWTH IN AN UNCERTAIN WORLD

“The combination of moderate but still positive growth, subdued inflationary pressures, and supportive monetary policy is constructive for positive returns over the year ahead.”

-Professor Jeremy Batstone-Carr, European Strategist, Raymond James Investment Services Ltd*

US Goods Imports by Country

Proposed tariffs may have uneven impacts on US trading partners.



Source: Investment Strategy Quarterly January 2025

For the complete article, ask your financial advisor for a copy of the January 2025 Investment Strategy Quarterly.

ASSET CLASS	BENCHMARK
Cash & Cash Alternatives	Bloomberg US Treasury - Bills (1-3 M)
Fixed Income	Bloomberg US Aggregate
US Equities	Russell 3000
World Equities	MSCI World ex USA
Commodities	Bloomberg Commodity Index
Real Estate	FTSE EPRA/NAREIT Global
Materials	S&P 500 (TR) / Materials - SEC
Industrials	S&P 500 (TR) / Industrials - SEC
Comm Services	S&P 500 (TR) / Communication Services - SEC
Utilities	S&P 500 (TR) / Utilities - SEC
Consumer Discretionary	S&P 500 (TR) / Consumer Discretionary - SEC
Consumer Staples	S&P 500 (TR) / Consumer Staples - SEC
Health Care	S&P 500 (TR) / Health Care - SEC
Information Technology	S&P 500 (TR) / Information Technology - SEC
Energy	S&P 500 (TR) / Energy - SEC
Financials	S&P 500 (TR) / Financials - SEC
Real Estate	S&P 500 (TR) / Real Estate - IG
S&P 500	S&P 500 (TR)
Large Value	S&P 500 Value
Large Blend	S&P 500
Large Growth	S&P 500 Growth
Mid Value	S&P Mid Cap 400 Value
Mid Blend	S&P Mid Cap 400
Mid Growth	S&P Mid Cap 400 Growth
Small Value	S&P Small Cap 600 Value

ASSET CLASS	BENCHMARK
Small Blend	S&P Small Cap 600
Small Growth	S&P Small Cap 600 Growth
US Large Cap	S&P 500
EM Eastern Europe	MSCI EM Eastern Europe
Europe ex UK	MSCI Europe ex UK
Developed Markets	MSCI EAFE
United Kingdom	MSCI United Kingdom
Japan	MSCI Japan
EM Latin America	MSCI EM Latin America
Emerging Markets	MSCI EM (Emerging Markets)
EM Asia	MSCI EM Asia
Pacific ex Japan	MSCI Pacific ex JP
Long-Term Bond	Bloomberg US Aggregate Credit - Long
High Yield	Bloomberg US High Yield - Corporate
Aggregate Bond	Bloomberg US Aggregate
Credit	Bloomberg US Aggregate Credit
Emerging Market Bond	Bloomberg Emerging Markets USD Aggregate
Treasury	Bloomberg US Aggregate Government - Treasury
Municipal	Bloomberg Municipal Bond
Agency	Bloomberg US Agency CMBS
MBS	Bloomberg MBS 1000
Global Bond ex US	Bloomberg Global G6 (G7 x US)
US TIPS	Bloomberg US TIPS (1-3 Y)
Short-Term Bond	Bloomberg US Treasury Bellwethers (2 Y)
T-Bill	Bloomberg US Treasury - Bills (1-3 M)

DISCLOSURES

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Diversification and asset allocation do not ensure a profit or protect against a loss.

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Information obtained from third-party sources is considered reliable, but we do not guarantee that the information herein is accurate or complete.

INTERNATIONAL INVESTING | International investing involves additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability. These risks are greater in emerging markets.

SECTORS | Sector investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification.

SMALL CAPS | Investing in small cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor.

OIL | Investing in oil involves special risks, including the potential adverse effects of state and federal regulation and may not be suitable for all investors.

CURRENCIES | Currencies investing are generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

GOLD | Gold is subject to the special risks associated with investing in precious metals, including but not limited to: price may be subject to wide fluctuation; the market is relatively limited; the sources are concentrated in countries that have the potential for instability; and the market is unregulated.

FIXED INCOME | Fixed-income securities (or "bonds") are exposed to various risks including but not limited to credit (risk of default of principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks. There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise.

MUNICIPAL BONDS | Municipal securities typically provide a lower yield than comparably rated taxable investments in consideration of their tax-advantaged status. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Municipal bond interest is not subject to federal income tax but may be subject to AMT, state or local taxes.

US TREASURIES | US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value.

DOMESTIC EQUITY DEFINITION

US EQUITIES | The **Russell 3000 Index**: The index is a capitalization-weighted stock market index that seeks to be a benchmark of the entire U.S. stock market.

LARGE GROWTH | **S&P 500 Growth Total Return Index**: This index represents a segment of the S&P 500 Index with a greater-than-average growth orientation.

LARGE VALUE | **S&P 500 Value Total Return Index**: This index represents a segment of the S&P 500 Index with a less-than-average growth orientation.

SMALL GROWTH | **S&P Small Cap 600 Growth Total Return Index**: This index represents a segment of the S&P 600 Index with a greater-than-average growth orientation.

SMALL BLEND | **Russell 2000 Total Return Index**: This index covers 2000 of the smallest companies in the Russell 3000 Index, which ranks the 3000 largest US companies by market capitalization. The Russell 2000 represents approximately 10% of the Russell 3000 total market capitalization. This index includes the effects of reinvested dividends.

SMALL VALUE | **S&P Small Cap 600 Value Total Return Index**: This index represents a segment of the S&P 600 Index with a less-than-average growth orientation.

MID VALUE | **S&P 400 Value Total Return Index**: This index represents a segment of the S&P 400 Index with a less-than-average growth orientation.

MID GROWTH | **S&P 400 Growth Total Return Index**: This index represents a segment of the S&P 400 Index with a greater-than-average growth orientation.

MID BLEND | **S&P Small Cap 400 Total Return Index**: The index measures the investment return of mid-capitalization stocks in the United States.

COMMODITIES | **Bloomberg Commodity Index**: The index is a broadly diversified commodity price index distributed by Bloomberg Index Services Limited. The index tracks prices of futures contracts on physical commodities on the commodity markets and is designed to minimize concentration in any one commodity or sector.

REAL ESTATE | **The FTSE EPRA/NAREIT Global Index** is designed to measure the stock performance of companies engaged in specific real estate activities of global real estate markets.

ISM MANUFACTURING | **The ISM Manufacturing Index** indicates the level of demand for products by measuring the amount of ordering activity at the nation's factories.

CONSUMER PRICE INDEX | The price of a weighted average market basket of consumer goods and services purchased by households.

CONSUMER CONFIDENCE INDEX | A survey, administered by The Conference Board, that measures how optimistic or pessimistic consumers are regarding their expected financial situation.

S&P/CASE-SHILLER U.S. NATIONAL HOME PRICE INDEX | Measures the change in the value of the U.S. residential housing market by tracking the purchase prices of single-family homes.

MAGNIFICENT SEVEN | Magnificent Seven refers to seven of the current largest and least volatile technology companies listed on the NASDAQ – Microsoft, Apple, Google, Meta, Amazon, NVIDIA, and Tesla. The foregoing is not a recommendation to buy or sell these stocks.

FIXED INCOME DEFINITION

AGGREGATE BOND | **Bloomberg US Agg Bond Total Return Index:** The index is a measure of the investment grade, fixed-rate, taxable bond market of roughly 6,000 SEC-registered securities with intermediate maturities averaging approximately 10 years. The index includes bonds from the Treasury, Government-Related, Corporate, MBS, ABS, and CMBS sectors.

MUNICIPAL | **Bloomberg Municipal Total Return Index:** The index is a measure of the long-term tax-exempt bond market with securities of investment grade (rated at least Baa by Moody's Investors Service and BBB by Standard and Poor's). This index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

INTERNATIONAL EQUITY DEFINITION

EMERGING MARKETS EASTERN EUROPE | **MSCI EM Eastern Europe Net Return Index:** The index captures large- and mid-cap representation across four Emerging Markets (EM) countries in Eastern Europe. With 50 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

BLOOMBERG BARCLAYS CAPITAL AGGREGATE BOND TOTAL RETURN INDEX | This index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with 22 components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components).

EMERGING MARKETS ASIA | **MSCI EM Asia Net Return Index:** The index captures large- and mid-cap representation across eight Emerging Markets countries. With 554 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS LATIN AMERICA | **MSCI EM Latin America Net Return Index:** The index captures large- and mid-cap representation across five Emerging Markets (EM) countries in Latin America. With 116 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

EMERGING MARKETS | **MSCI Emerging Markets Net Return Index:** This index consists of 23 countries representing 10% of world market capitalization. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 23 countries.

PACIFIC EX-JAPAN | **MSCI Pacific Ex Japan Net Return Index:** The index captures large- and mid-cap representation across four of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

JAPAN | **MSCI Japan Net Return Index:** The index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 319 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

FOREIGN DEVELOPED MARKETS | **MSCI EAFE Net Return Index:** This index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

EUROPE EX UK | **MSCI Europe Ex UK Net Return Index:** The index captures large and mid cap representation across 14 Developed Markets (DM) countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

MSCI EAFE | The **MSCI EAFE** (Europe, Australasia, and Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the United States & Canada. The EAFE consists of the country indices of 22 developed nations.

WORLD EQUITIES | The MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries*-- excluding the United States. With 1,003 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

PCE PRICE INDEX | A measure of the prices that people living in the United States, or those buying on their behalf, pay for goods and services. The PCE price index is known for capturing inflation (or deflation) across a wide range of consumer expenses and reflecting changes in consumer behavior

COMMODITY DEFINITIONS

US DOLLAR INDEX | The US dollar index (USDX) is a measure of the value of the US dollar relative to the value of a basket of currencies of the majority of the US's most significant trading partners. This index is similar to other trade-weighted indexes, which also use the exchange rates from the same major currencies.

DATA SOURCE: FactSet

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