

INVESTMENT STRATEGY QUARTERLY QUICKVIEW

OCTOBER 2024

THEMES



Trade and Tariffs: The Impact on Consumers

Markets are hearing a lot more about tariffs recently. Historically, tariffs have been enacted to generate tax revenue or to protect domestic producers from competition in the form of cheaper foreign goods. Imports are made more expensive so domestically produced goods can be more competitive in the local market. When tariffs are imposed or increased the price of the goods rise, potentially increasing inflation. China has been most affected by US tariffs. In our view, the imposition of further tariffs should be considered on a case-by-case basis, rather than applied as a blanket strategy to decrease a trade deficit.



Final Stretch Before Election Day: Everything & Nothing Has Changed

A series of unprecedented and historic events this summer have completely shifted the dynamics of the race for the presidency and Congress—yet the key issues and likely market impacts of the race remain largely the same. Harris' clinching of the nomination has injected enthusiasm into the Democratic base and will likely have down-ballot impact. The race is likely to come down to a small number of voters in key swing states. Historically, while pre-election periods often experience heightened volatility, the first year of a new presidential term typically sees positive market returns, regardless of which party wins.



The Inverted Yield Curve: Still a Reliable Sign?

Yield curve inversions (especially the 2 year/10 year and 3 month/10 year) have been closely watched recession indicators for decades. The 3 month/10 year has correctly anticipated the last nine recessions going back to the 1960s. The 2 year/10 year curve was inverted for a record number of days, and only began to flatten in early September. Do these historic predictors mean a recession is coming now? We don't think so, but we are monitoring the signs and data.

For more information, refer to the full [Investment Strategy Quarterly](#).

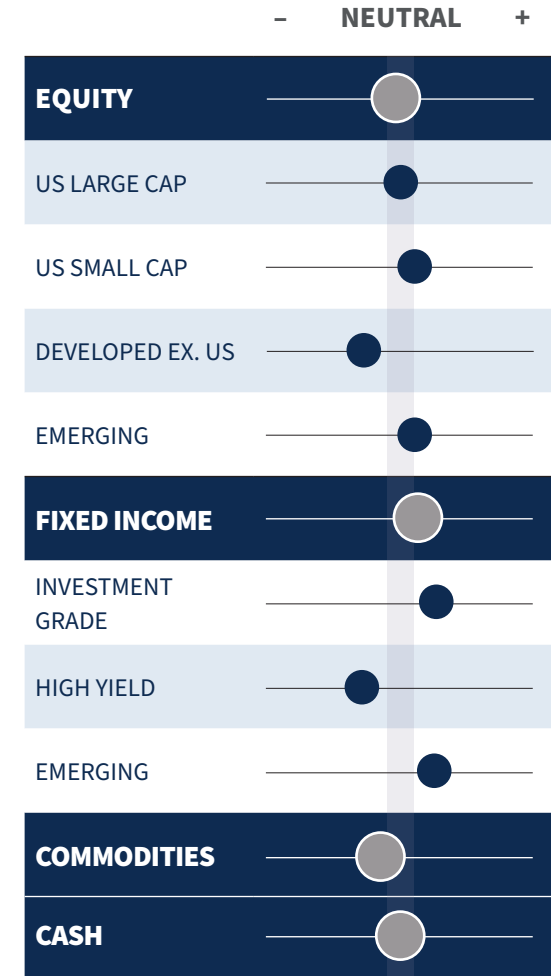
Economic Snapshot

Economic Indicator

FAVORABLE	INFLATION
	MONETARY POLICY
NEUTRAL	GROWTH
	EMPLOYMENT
	BUSINESS INVESTMENT
	MANUFACTURING
	HOUSING AND RESIDENTIAL CONSTRUCTION
	LONG-TERM INTEREST RATES
	FISCAL POLICY
UNFAVORABLE	THE DOLLAR
	REST OF THE WORLD
	CONSUMER SPENDING

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Tactical Outlook



The tactical asset allocation outlook above reflects the Raymond James Investment Strategy Committee's recommendations for current positioning. Your financial advisor can help you interpret each recommendation within this material relative to your individual asset allocation policy, risk tolerance and investment objectives.

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Capital Markets Snapshot

EQUITY	AS OF 9/30/2024	3Q 2024 RETURN**	12-MONTH RETURN**
DOW JONES INDUSTRIAL AVERAGE	42,330.15	8.21%	26.33%
S&P 500 INDEX	5,762.48	5.53%	34.38%
NASDAQ COMPOSITE INDEX	18,189.17	2.57%	37.60%
MSCI EAFE INDEX	1,523.55	7.33%	25.38%
RATES	AS OF 9/30/2024	AS OF 12/31/2023	AS OF 6/30/2023
FED FUNDS RATE TARGET RANGE	4.75-5.0	5.25-5.5	5.25-5.5
3-MONTH SOFR	5.31	5.35	5.26
2-YEAR TREASURY	3.64	4.72	5.04
10-YEAR TREASURY	3.79	4.37	4.57
30-YEAR MORTGAGE	6.69	7.26	7.74
PRIME RATE	8.00	8.50	8.50
COMMODITIES	AS OF 9/30/2024	3Q 2024 RETURN	12-MONTH RETURN
GOLD	\$2,659.40	13.67%	42.51%
CRUDE OIL	\$68.17	-16.40%	-24.91%

*Price Level
**Total Return

Sector Snapshot

	SECTOR	S&P WEIGHT
OVERWEIGHT	INFORMATION TECHNOLOGY	30.4%
	HEALTH CARE	12.2%
	INDUSTRIALS	7.8%
	ENERGY	3.2%
MARKET WEIGHT	COMMUNICATION SERVICES	9.6%
	CONSUMER STAPLES	6.7%
	FINANCIALS	13.1%
UNDERWEIGHT	REAL ESTATE	2.3%
	UTILITIES	2.3%
	CONSUMER DISCRETIONARY	10.2%
	MATERIALS	2.1%

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