



July, 2024

Market Perspectives Video

Earnings Are Key To Second Half

Charles Boettcher, Southwest Divisional Managing Director & Senior Portfolio Manager

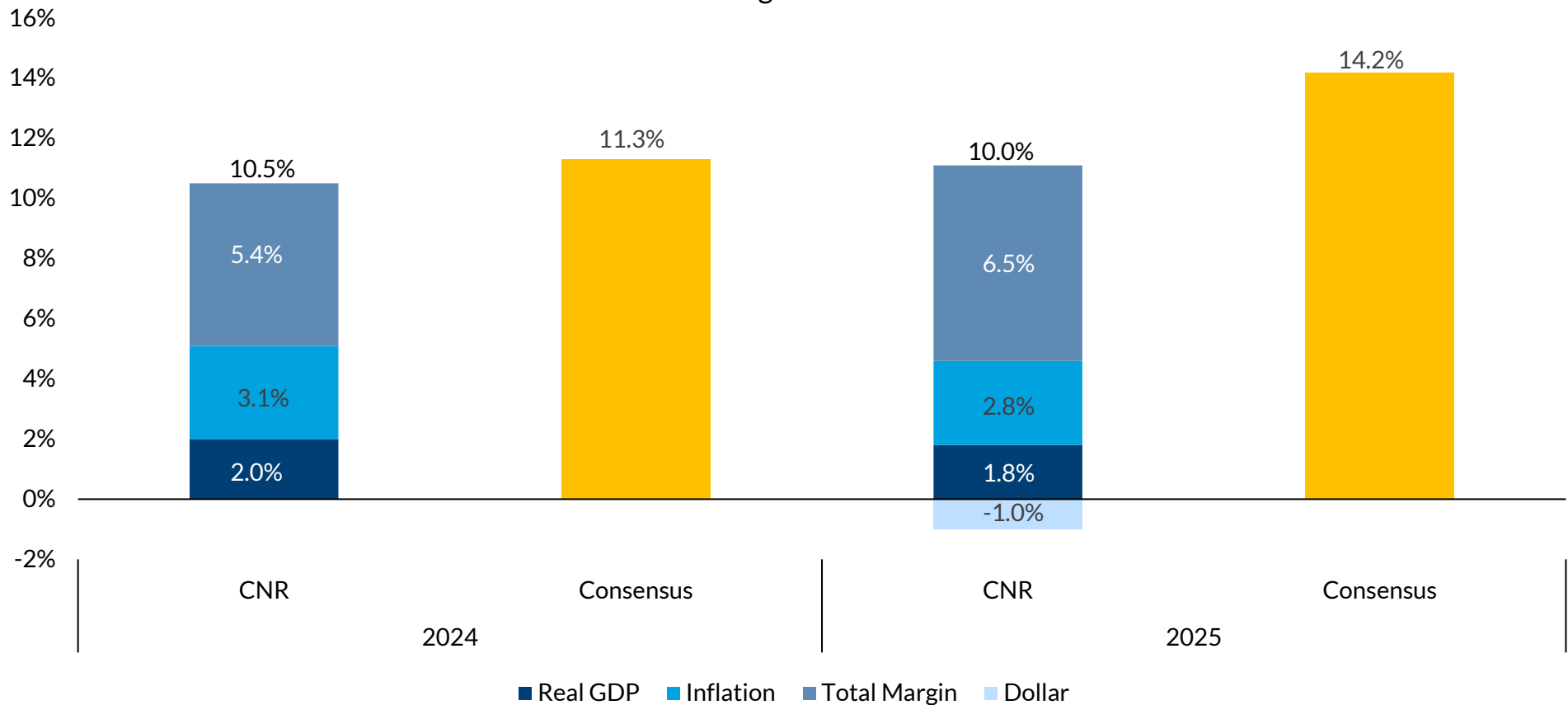
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Earnings Recovery Should Help Ease Valuation Pressures

- Improved confidence in the outlook is increasing earnings visibility.
- Consensus forecasts for 2024 appear reasonable but the bar has been set high.
- Expecting strong but below consensus growth in 2025 given likely dollar headwinds.

S&P 500 Earnings Growth Forecasts



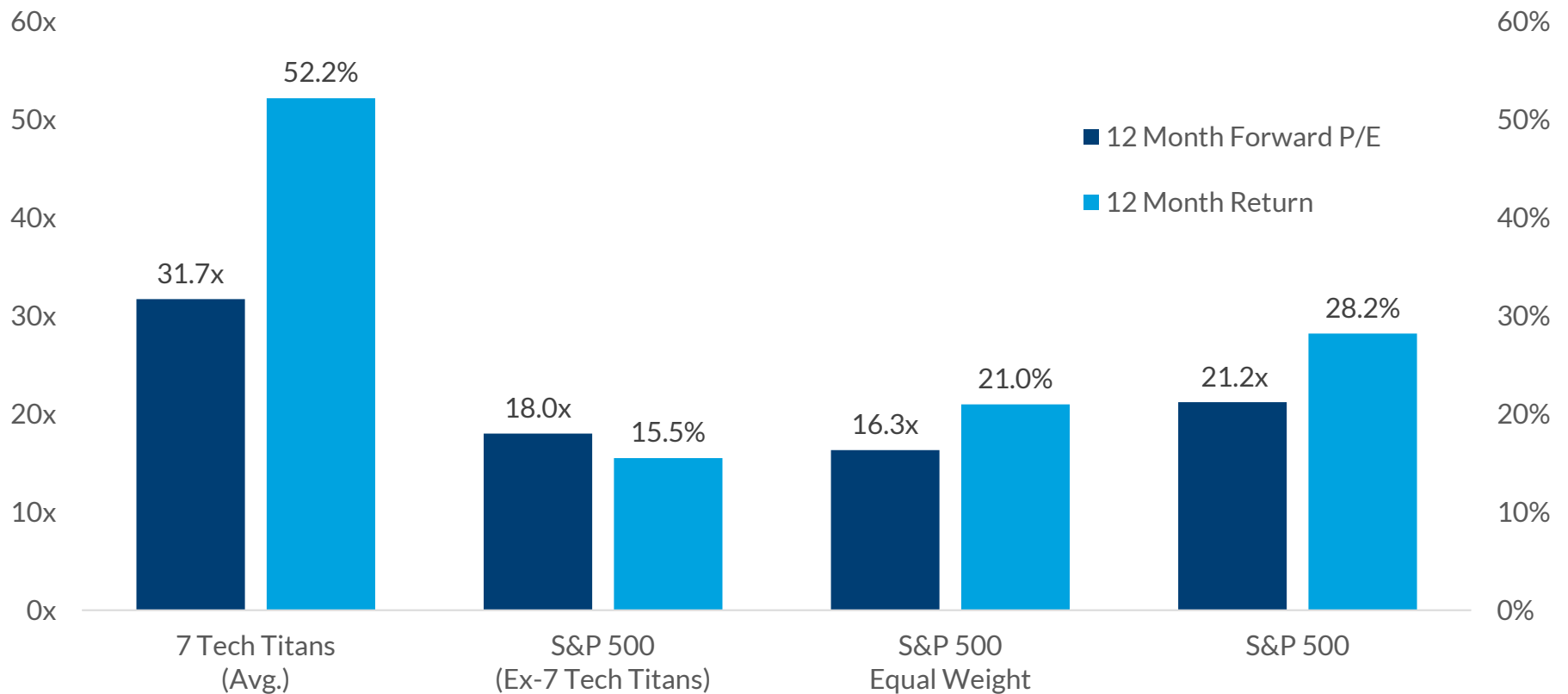
Sources: FactSet, CNR Research as of June 2024.
Information is subject to change and is not a guarantee of future results.



S&P Valuation Is Likely Overstated

- Despite a high overall PE, there are many companies trading at more attractive multiples.
- Valuation is one component of market attractiveness, but it fails to capture current trends and momentum.

Price-to-Earnings Ratio and 12-Month Returns



Source: FactSet, as of June 2024.

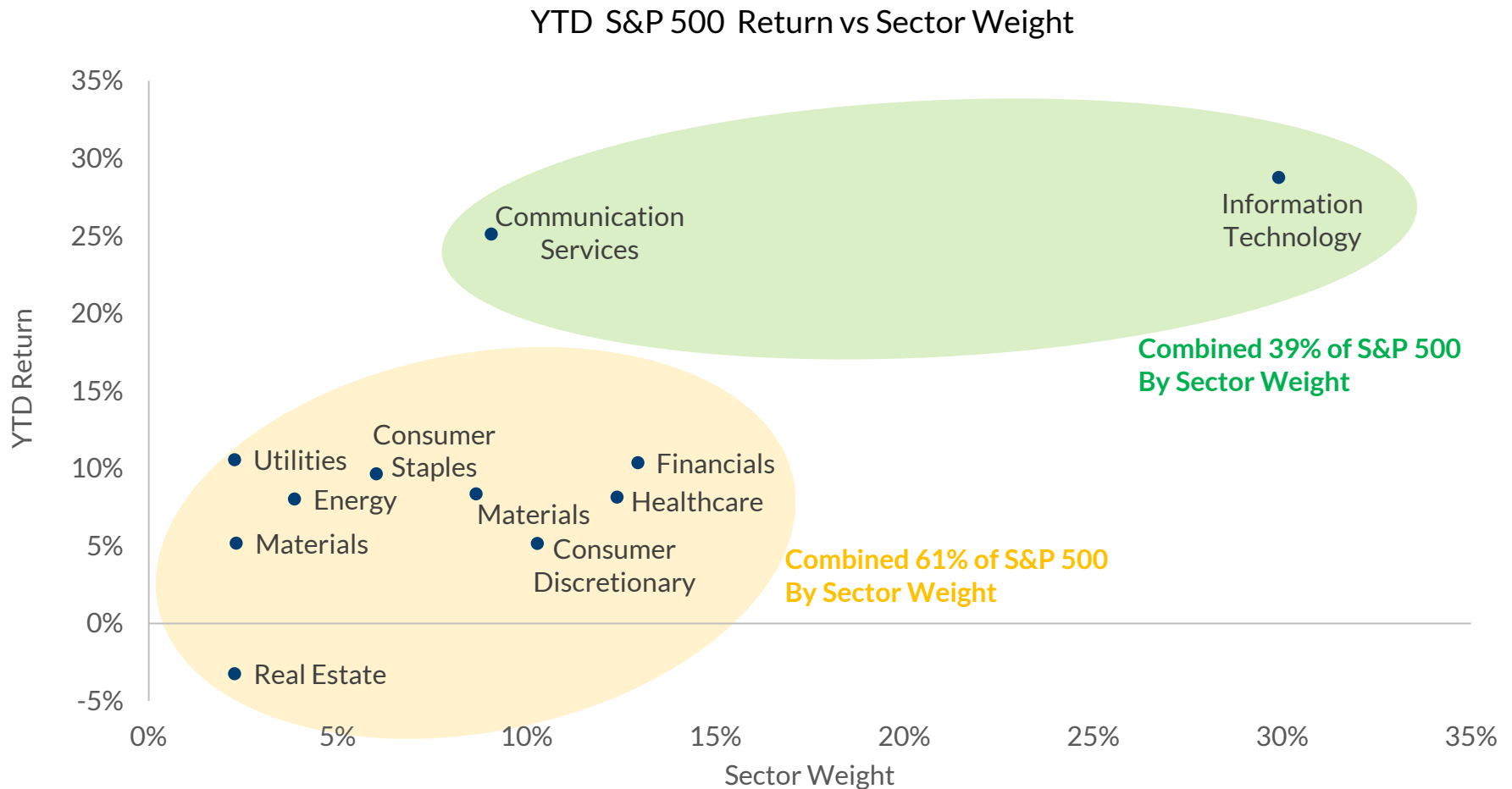
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Magnificent 7 Stocks/7 Tech Titans include Nvidia, Meta Platforms, Tesla, Amazon, Alphabet, Microsoft and Apple.



Market Participation Has Broadened Somewhat in 2024

- Growth and particularly tech related stocks continue to drive the market rally, but outperformance has narrowed.
- Value and economically sensitive sectors are also delivering solid to strong returns overall year to date.



Source: FactSet, as of June 2024.
 Past performance is no guarantee of future results



Important Information

MARKET PERSPECTIVES: JULY 2024

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Index Definitions

The Standard & Poor's 500 Index is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent US equity performance.

The Magnificent 7: The seven companies commonly recognized for their market dominance, their technological impact, and their changes to consumer behavior and economic trends: Alphabet (GOOGL; GOOG), Amazon (AMZN), Apple (AAPL), Meta Platforms (META), Microsoft (MSFT), NVIDIA (NVDA), and Tesla (TSLA).

MSCI All Country World Index (ACWI): The MSCI All Country World Index (ACWI) is a stock index designed to track broad global equity-market performance.

The NASDAQ 100 Index is a collection of the 100 largest, most actively traded companies listed on the Nasdaq stock exchange.

iShares is a collection of exchange-traded funds (ETFs) that offer exposure to a variety of market segments, including broad-based indexes. iShares ETFs are managed by BlackRock, the world's largest asset management company, and cover a wide range of U.S. and international sectors and indexes.

Russell 2000 Index. The Russell 2000® Index is a market capitalization-weighted index measuring the performance of the small-cap segment of the US equity universe and includes the smallest 2,000 companies in the Russell 3000® Index.

MSCI EAFE Index. The MSCI EAFE (Europe, Australasia, Far East) Index is a free float-adjusted market capitalization weighted index that is designed to measure developed equity market results, excluding the US and Canada.

Bloomberg Barclays US Aggregate Bond Index (LBUSTRUU): The Bloomberg Aggregate Bond Index or "the Agg" is a broad-based fixed-income index used by bond traders and the managers of mutual funds and exchange-traded funds (ETFs) as a benchmark to measure their relative performance.

Bloomberg Municipal Bond Index: The Bloomberg US Municipal Bond Index measures the performance of investment grade, US dollar-denominated, long-term tax-exempt bonds.

The Barclays Capital Municipal Bond 1-10 Year Blend Index measures the performance of municipal bonds with maturities between one and 10 years.

CNR Speedometers® are indicators that reflect forecasts of a 6 to 9 month time horizon. The colors of each indicator, as well as the direction of the arrows represent our positive/negative/neutral view for each indicator. Thus, arrows directed towards the (+) sign represents a positive view which in turn makes it green. Arrows directed towards the (-) sign represents a negative view which in turn makes it red. Arrows that land in the middle of the indicator, in line with the (0), represents a neutral view which in turn makes it yellow. All of these indicators combined affect City National Rochdale's overall outlook of the economy.





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