

QUARTERLY COORDINATES



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RAYMOND JAMES®

UPDATE: TOPICS TO BE ADDRESSED

- 1** Introduction | We Continue To Come Together
- 2** Economy | Not On Recession Road
- 3** Monetary Policy | The Fed Will Need To Speak Words Of Wisdom
- 4** Fixed Income | Yields Won't Get Back, Get Back To Where They Once Belonged
- 5** Equities | US Equities Still Have The Ticket To Ride Higher
- 6** International | International Equities Need Some Help!
- 7** Commodities | You Say You Want An Energy Revolution, Well You Know
- 8** Asset Allocation | Get By With A Little Help From Your Advisor



1

Introduction

We Continue To Come Together

INSIGHT:

The unprovoked Russian invasion of Ukraine caused uncertainty to the economic outlook and volatility in the equity markets.

BOTTOM LINE:

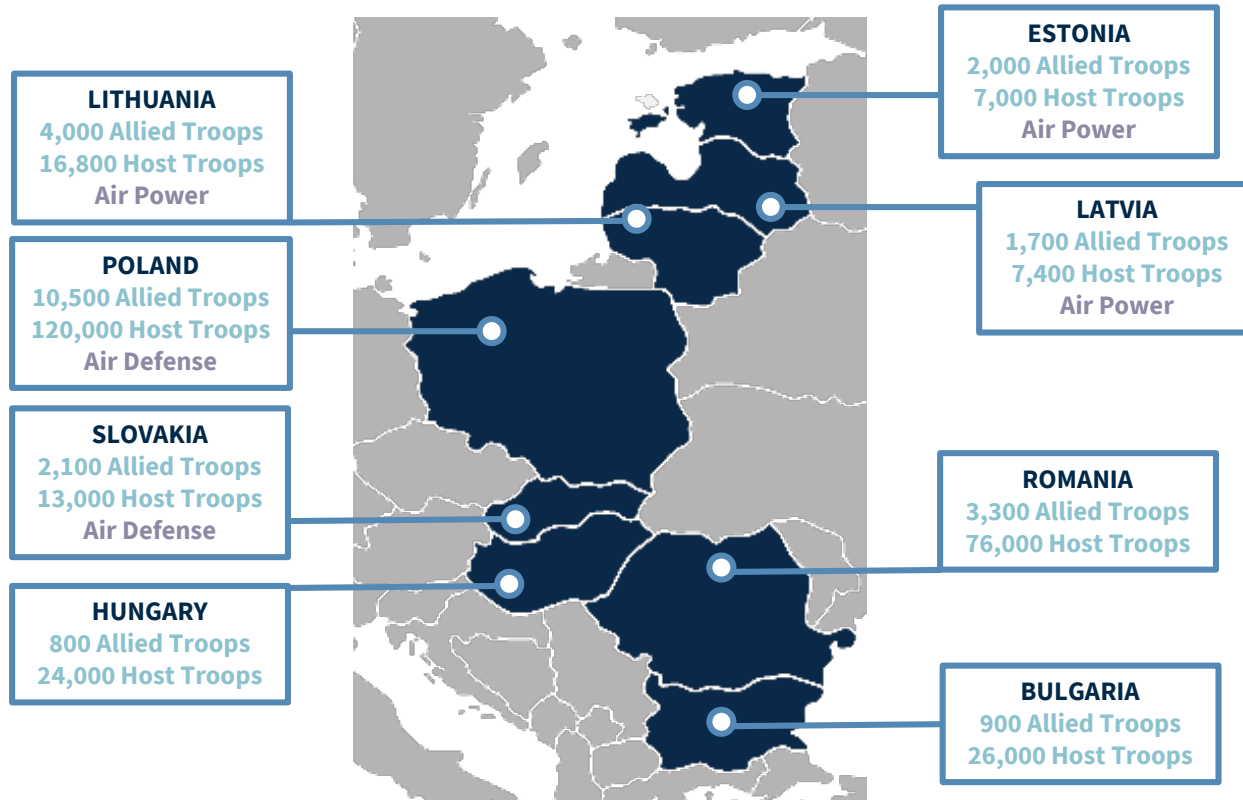
The Western nations continue to come together to punish Putin's actions. And despite this geopolitical event, rising interest rates, and higher commodity prices, there is still upside potential for the US economy and equity market.

COME TOGETHER, RIGHT NOW

THE THREE-PRONGED APPROACH OF NATO AND WESTERN ALLIES

- NATO has bolstered its eastern flank in recent months, with NATO troops in Poland alone increasing by 3,600 over the past few weeks.

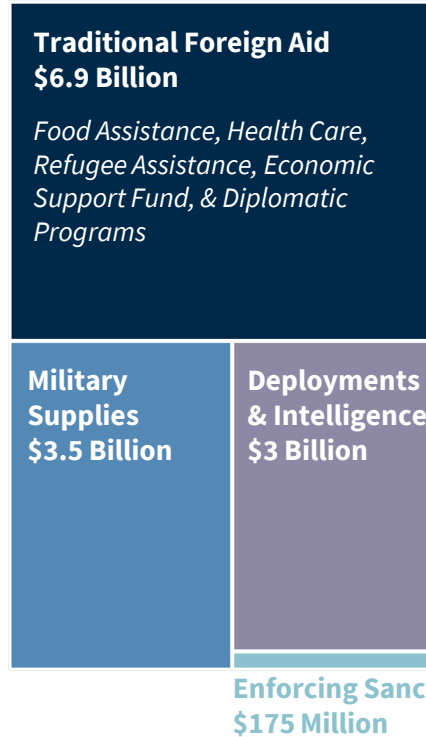
Defense & Deterrence On NATO's Eastern Flank



Humanitarian & Military Aid

The US is the "largest single-country donor of humanitarian assistance to Ukraine."

-US Secretary of State Blinken

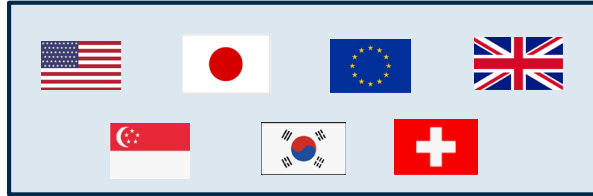


Source: FactSet, Data as of 3/27/2022.

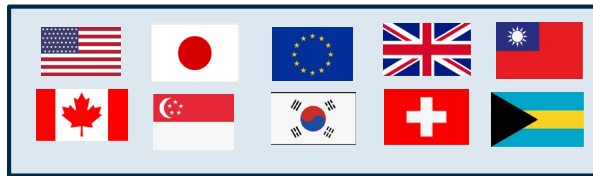
COME TOGETHER, RIGHT NOW

THE THREE-PRONGED APPROACH OF NATO AND WESTERN ALLIES TO PRESSURE RUSSIA

Banks



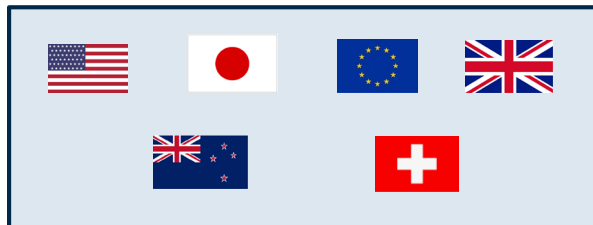
Companies



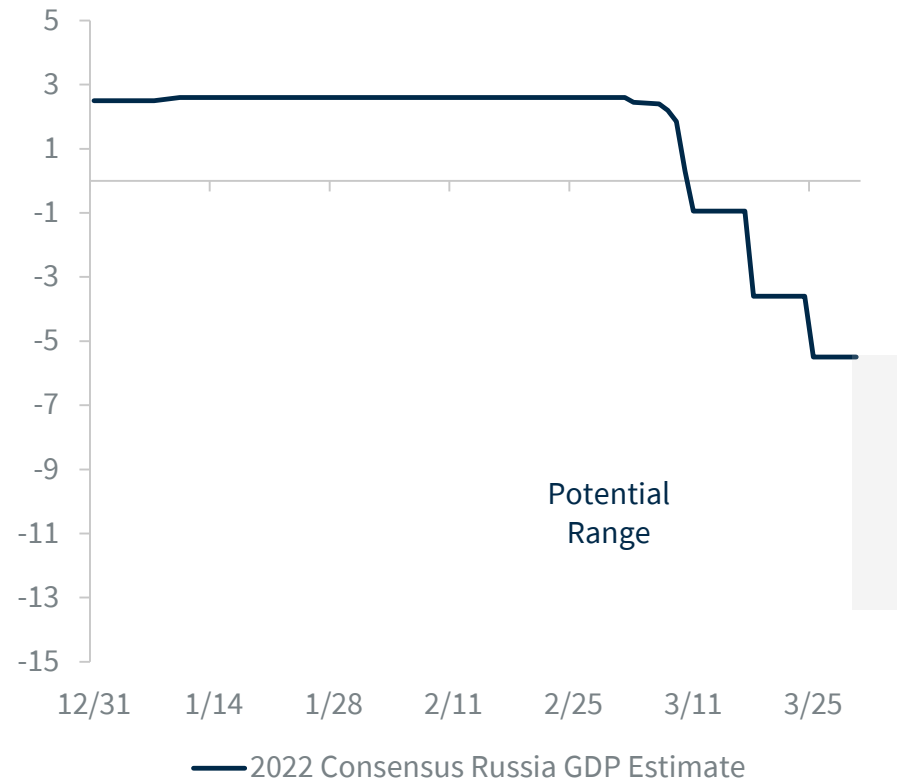
Airlines



Central Bank

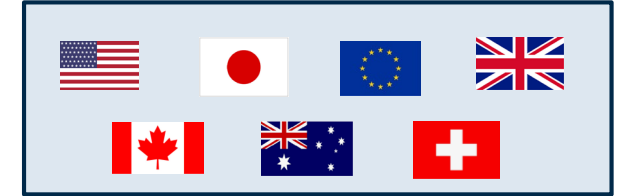


Russian Economy in Freefall Due to Sanctions

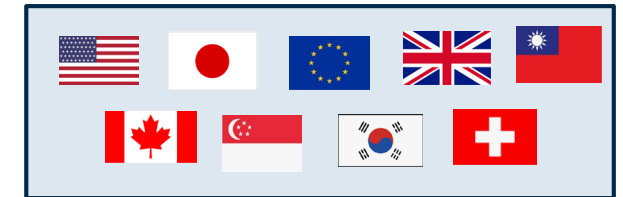


Source: FactSet, Data as of 3/27/2022. Boxes show sector sanctions imposed by county

Oligarchs



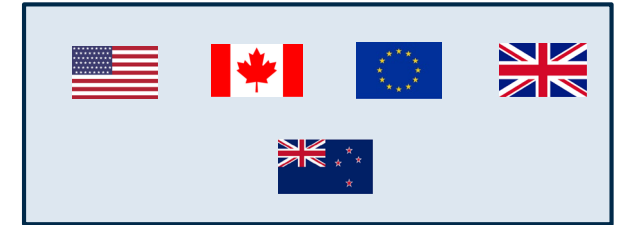
Military



Energy



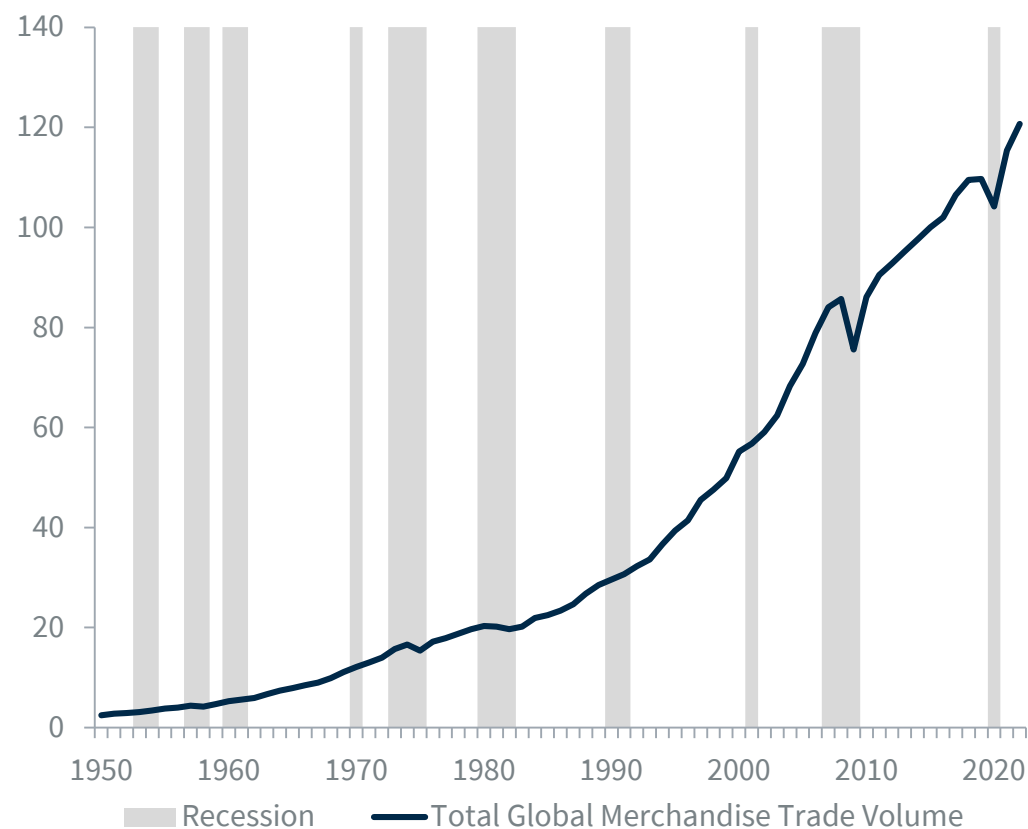
Shipping & Transit



COME TOGETHER, YOU GOT TO BE FREE

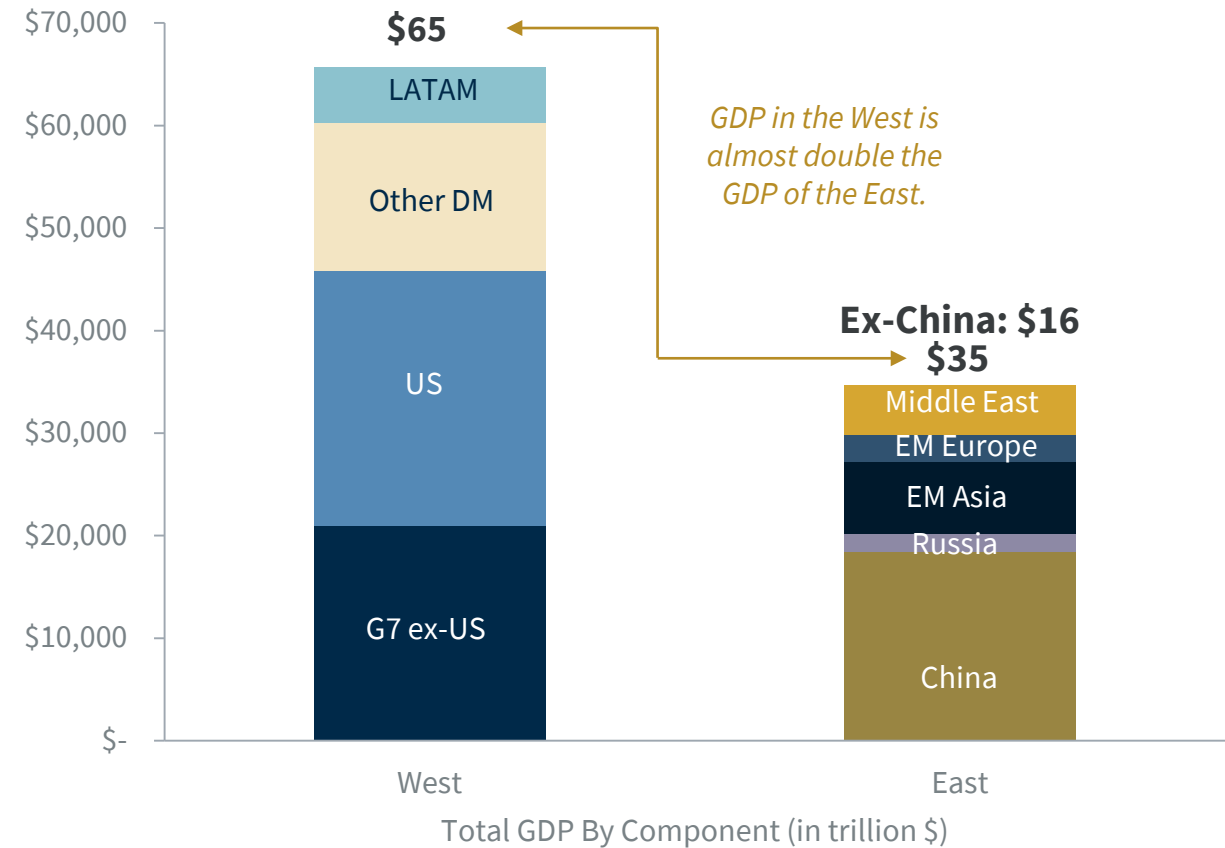
GLOBALIZATION IS NOT ENDING. IN FACT, IT IS CRITICAL TO SOLVING THIS WAR.

Global Trade Continues to Increase



Source: FactSet, Data as of 3/31/2022.

East vs. West: No Contest



Source: IMF, Data as of 3/31/2022.

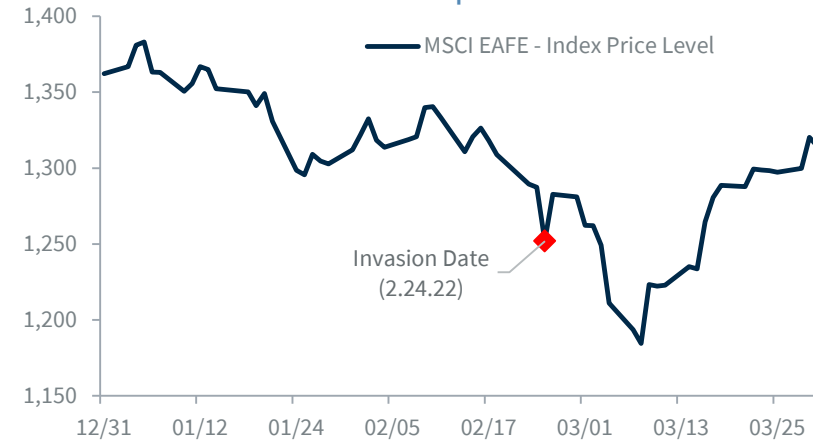
MARKET LOOKING THROUGH CONFLICT

THE MARKET IS BEGINNING TO LOOK PAST THE RUSSIA/UKRAINE CONFLICT

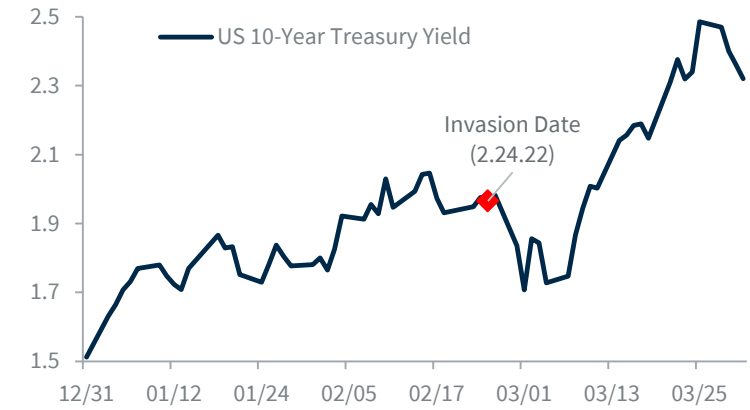
S&P 500 Positive



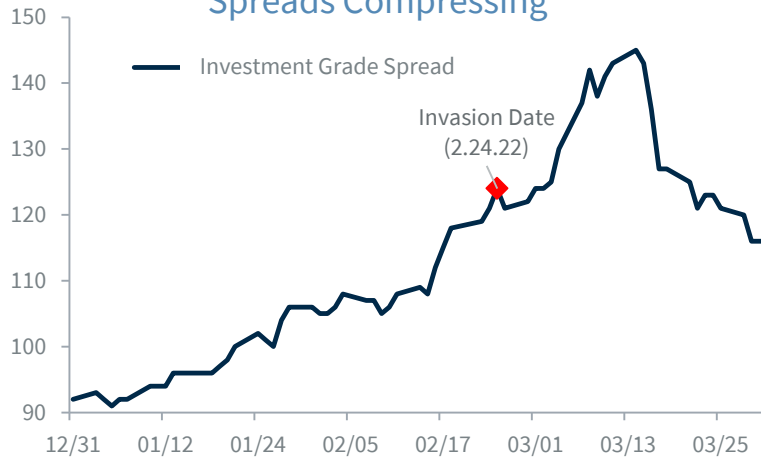
International Equities Recover



Treasury Yields Moving Higher



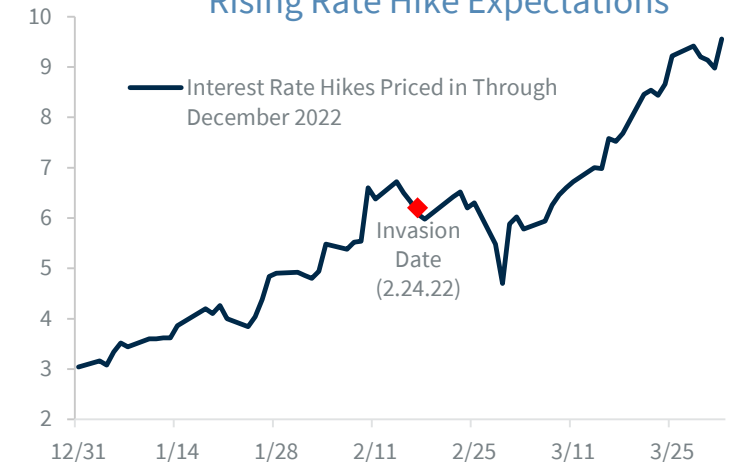
Spreads Compressing



Gold Prices Flat



Rising Rate Hike Expectations



Source: FactSet, Data as of 3/31/2022.



2

ECONOMY

Not On Recession Road

INSIGHT:

Economists and financial market pundits are concerned that the Fed's tightening cycle and soaring inflation, particularly gas prices, will cause the US economy to enter a recession.

BOTTOM LINE:

Our four key indicators (labor market conditions, healthy manufacturing, still-attractive lending standards, and advancing real-time activity metrics) point to strong growth. While inflation is the greatest downside risk, the sustained reopening and pent-up demand should help the economy avoid a recession in the next 12 months.

RECESSION HEADLINES BEGINNING TO FLASH

RECESSION HEADLINES AND SEARCHES ARE BEGINNING TO INCREASE

Increasing Recession Headlines

US economy flashes a recession warning sign
Are odds of recession increasing from oil prices, Russian invasion?

US barreling toward recession, experts say, as inflation hits 40-year-high

Chance of recession in the U.S. now 'well above average' as gas prices rise

Recession Risks Are Piling Up And Investors Need to Get Ready

Fed's Best Hope Increasingly Looks Like a 'Semi-Hard' Landing

A Recession Warning Sign? Part of U.S. Yield Curve Inverts for First Time Since 2006

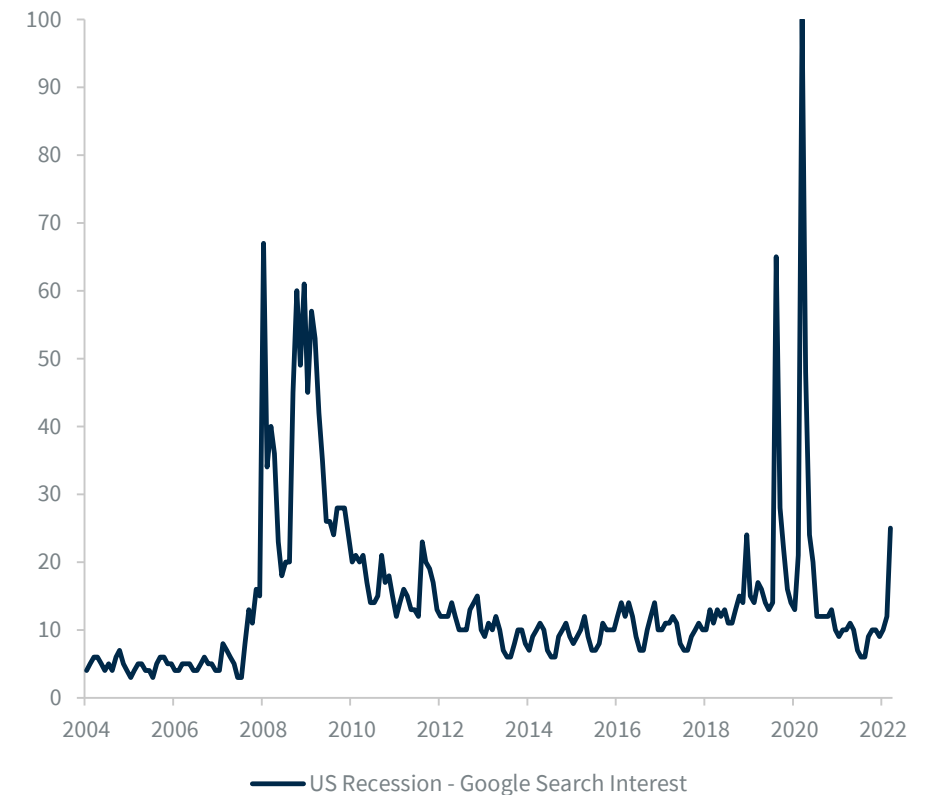
~2.5%

2022 GDP
Forecast

12%

of Survey
Respondents
Believe Recession
Occurs in 2022

Rising Recession Searches

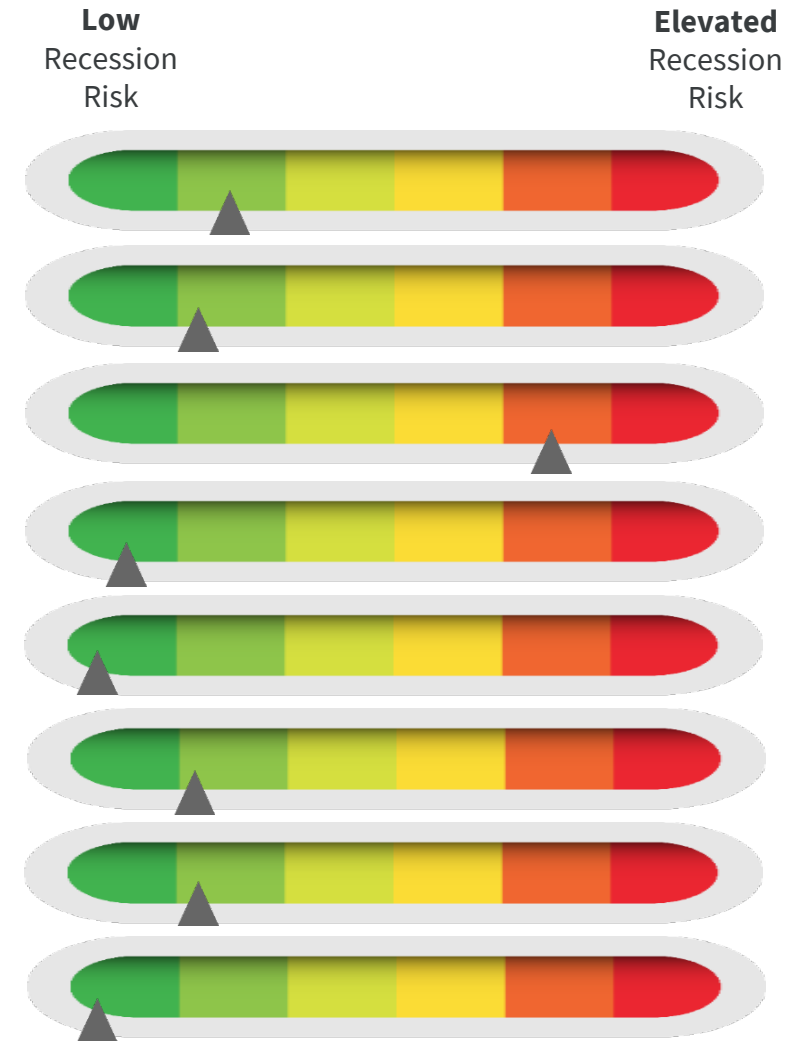


Source: FactSet, Data as of 3/31/2022.

Source: FactSet, Data as of 3/31/2022.

RECESSION BAROMETERS DASHBOARD

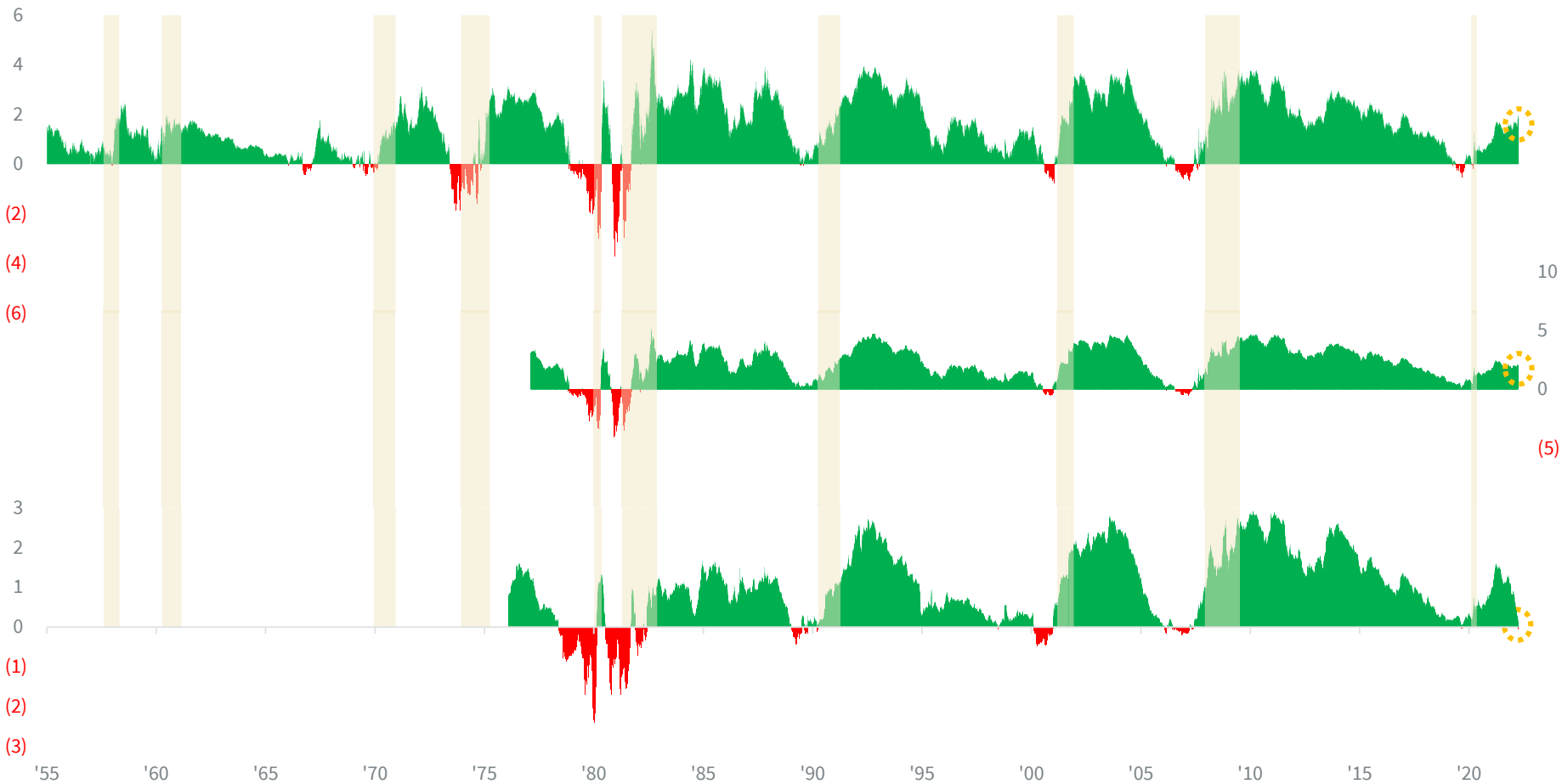
| | Average Number of Months from Peak to Recession (in Months) | Where We Are Now from Peak/Bottom |
|--|---|-----------------------------------|
| Yield Curve Inversion (2s/10s) | 18 | Inverted |
| ISM Services | 18 | 3 Months From Peak |
| ISM Manufacturing | 16 | 11 Months from Peak |
| Building Permits | 15 | 1 Month From Peak |
| NFIB - % of Businesses Reporting Poor Sales as Biggest Issue | 14 | At Bottom |
| Consumer Confidence Index | 13 | 2 Months from Peak |
| Leading Economic Indicators | 12 | 2 Months from Peak |
| Number of Jobless Claims | 12 | At Bottom |



Source: FactSet, Investment Strategy, Data as of 4/1/2022.

DON'T FEAR THE YIELD CURVE, YET!

DIFFERENT YIELD CURVES TELLING CONFLICTING STORIES



3 Months – 10 Year Spread:

- Longest Track Record
- Preferred by Fed
- Inverted Prior to Last 8 Recessions

3 Months – 30 Year Spread:

- Encompasses Total Yield Curve
- Inverted Prior to Last 6 Recessions

2 Year – 10 Year Spread:

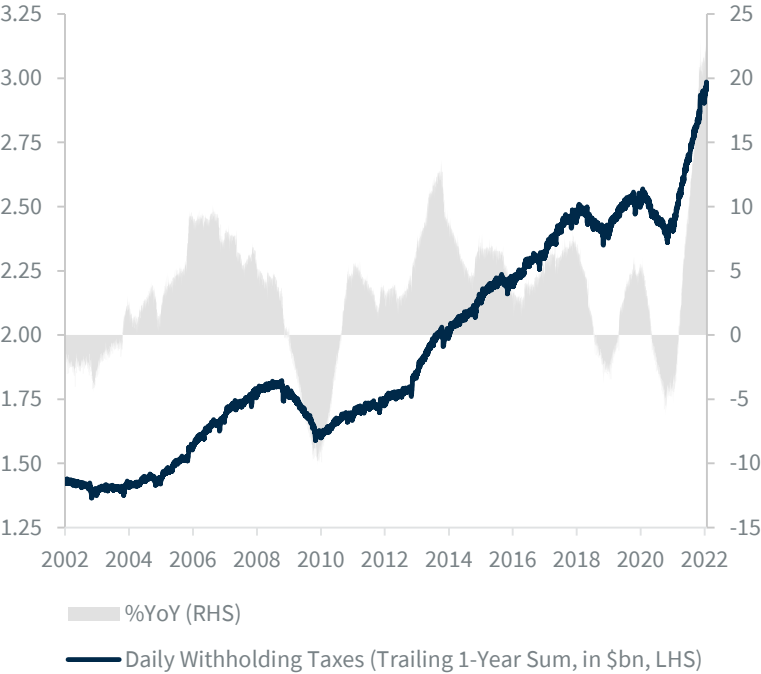
- Inverted Prior to Last 6 Recessions
- Most Consistent, Pronounced Inversion
- Most Watched by the Market

Source: FactSet, Data as of 4/1/2022.

FAB FOUR SUPPORTIVE

DESPITE THE GEOPOLITICAL UNREST, US ECONOMIC FUNDAMENTALS REMAIN STRONG

1 Labor Market Remains Elevated



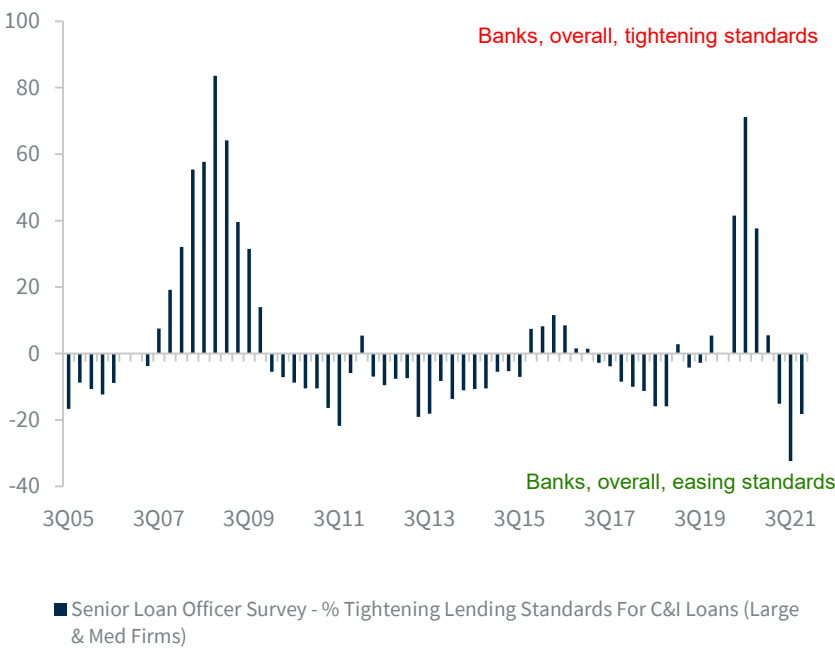
Withholding taxes are rising 20% YoY, the fastest pace on record.

2 Capex to Remain Strong



The average age of manufacturing capital stock (13 years) is the highest since World War II. Updating the capital stock will drive CAPEX spending going forward.

3 Lending Standards Easing



The percentage of banks tightening lending standards declined for the third straight quarter.

Source: FactSet, Data as of 3/31/2022.

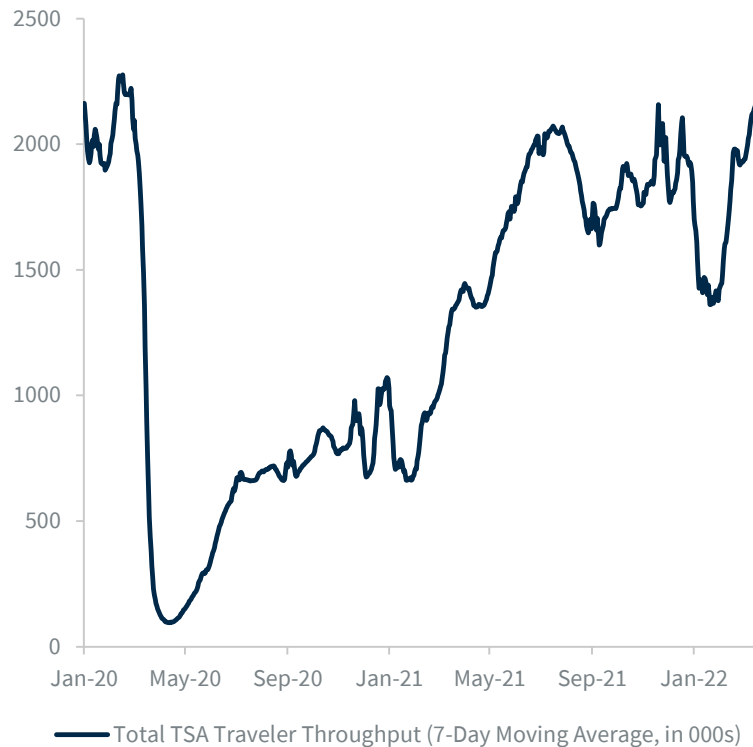
REOPENING WILL REMAIN A TAILWIND FOR GROWTH

DESPITE THE GEOPOLITICAL UNREST, US ECONOMIC FUNDAMENTALS REMAIN STRONG

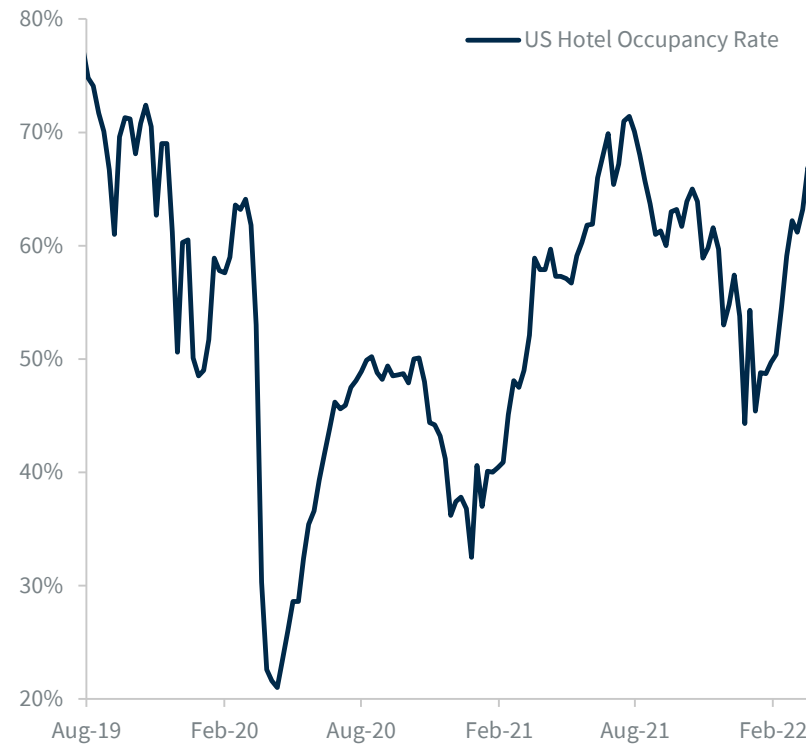
4

Real-Time Mobility Indicators Suggesting Reopening Continues

TSA Screenings at post-COVID High



Hotel Bookings Increasing



Restaurant Spending Improving



Source: FactSet, Data as of 3/31/2022.

THE 'INFLATED' RISK: A STRAPPED CONSUMER

INCREASES IN MONTHLY EXPENSES HAVE OUTPACED THE INCREASE IN EARNINGS

- With inflation yet to reach its peak, the average wage increase is not able to offset the average increase in monthly expenditures.
- Just to cover fuel, grocery, and rent expenses, aggregate spending is impacted by over \$38 billion.

Monthly Consumer Budget

+ \$400 After-Tax Earnings (x2)

- \$134 Gasoline Prices (x2)

- \$92 Grocery Costs (x2)

- \$232 Rent

- \$390 Student Loans (x1)

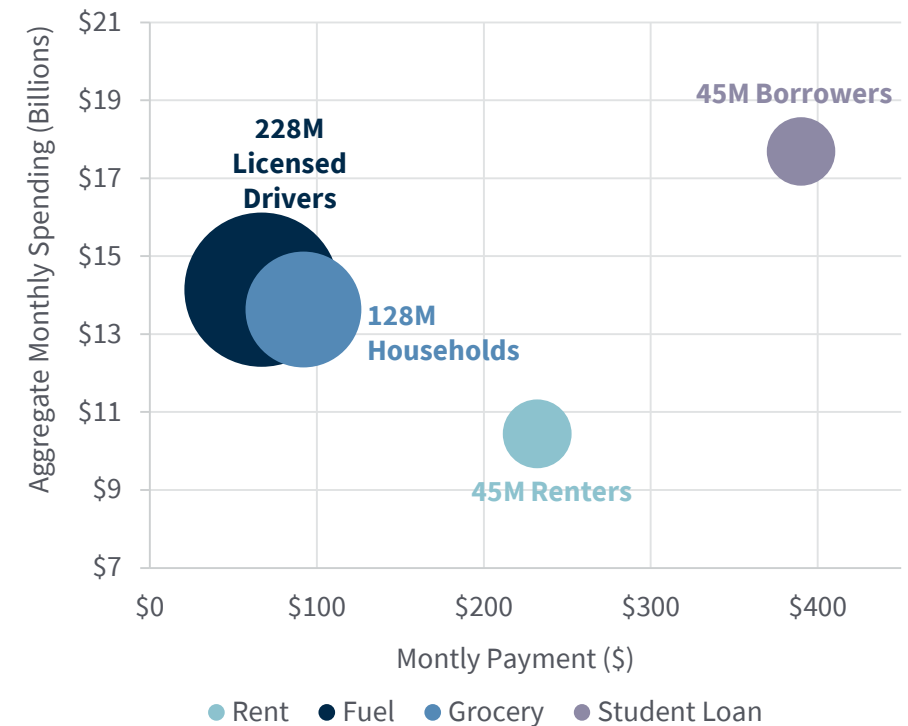
32%

of Survey
Respondents Are
Cutting Back on
Overall Spending
Because of Inflation

-\$58 Total Without Student Loans

-\$448 Total With Student Loans

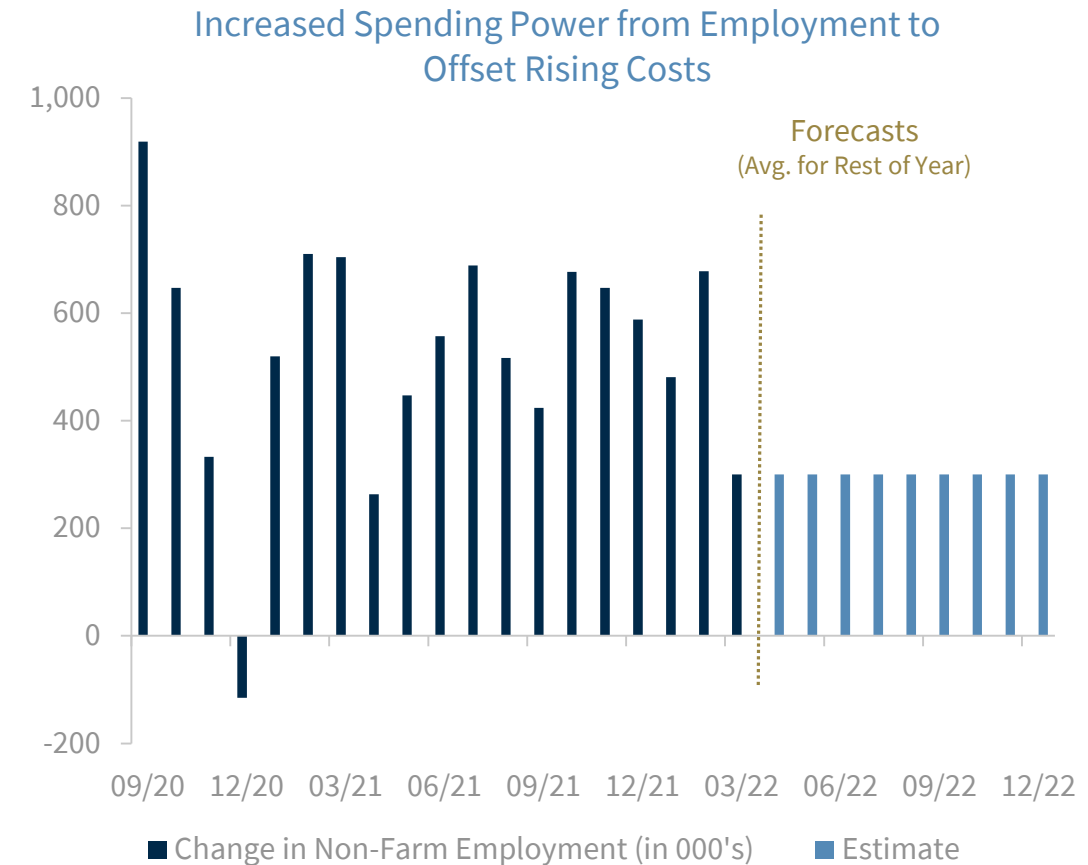
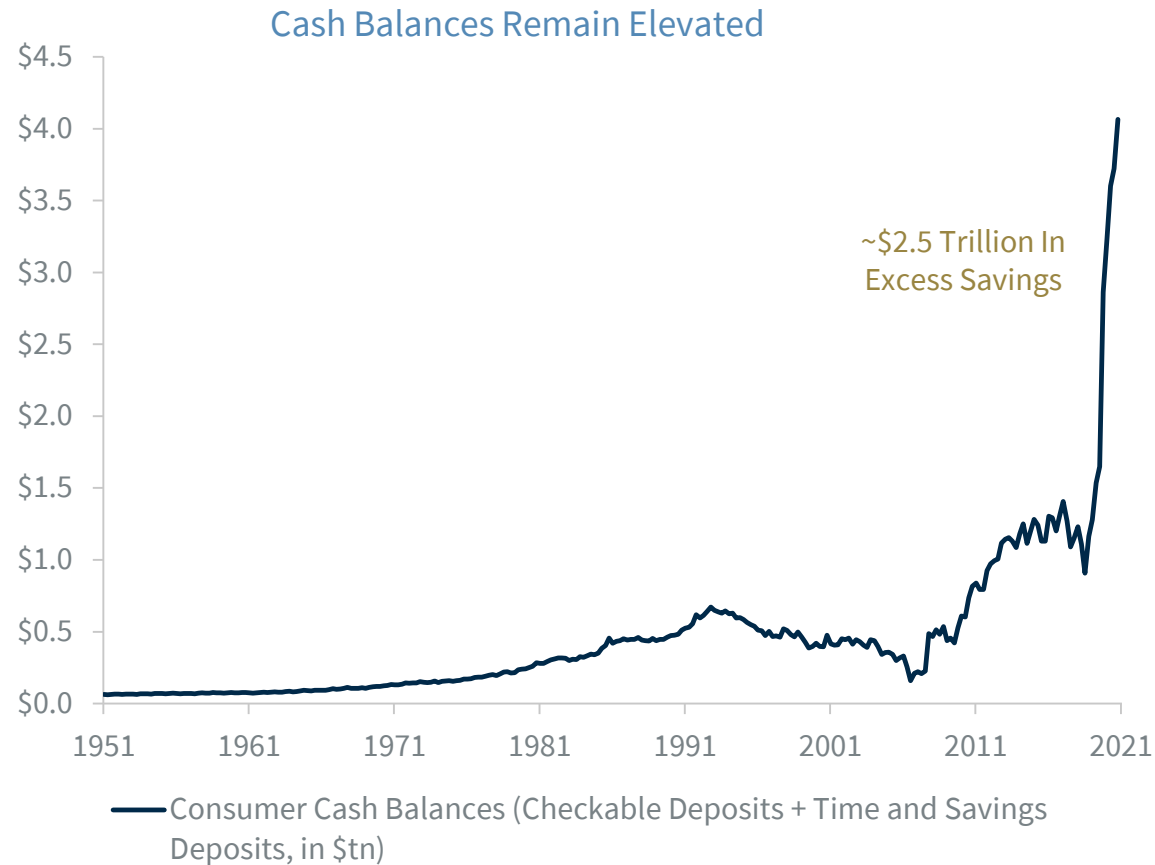
Impact To Aggregate Spending



Source: FactSet. Data as of 3/27/2022.

RESILIENT CONSUMER AMIDST RISING HEADWINDS

SAVINGS, WAGE GROWTH AND JOB CREATION ARE THE ANTIDOTE TO HIGHER EXPENSE COSTS



Source: FactSet, Data as of 3/31/2022.



3 Monetary Policy

The Fed Will Need To Speak Words Of Wisdom

INSIGHT:

The Russia-Ukraine crisis and climbing COVID cases in China have worsened inflation, leading the market to price in aggressive action by the Federal Reserve (Fed) through the remainder of the year.

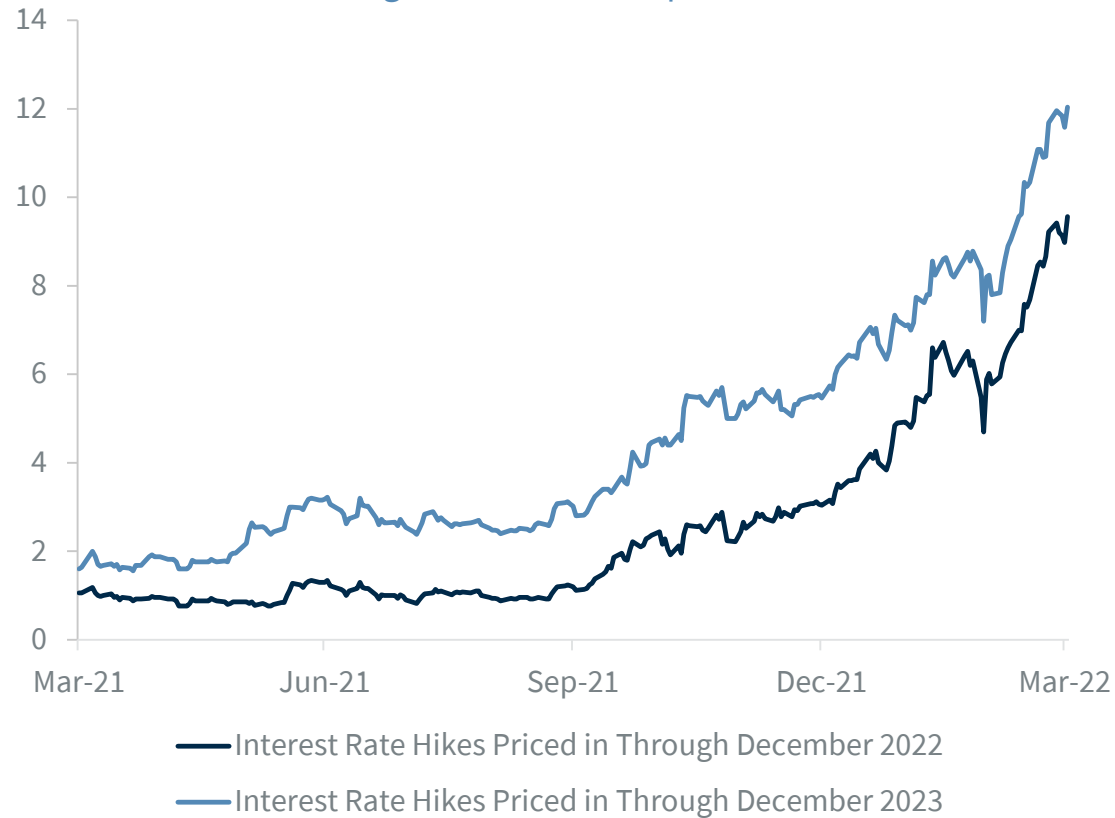
BOTTOM LINE:

Our expectation is that the Fed will raise interest rates slowly and steadily through the year to maintain flexibility in an economy that is incredibly interest rate sensitive. The reduction of the balance sheet will be another means to unwind ultra-accommodative policy.

FED EXPECTATIONS ARE AGGRESSIVE

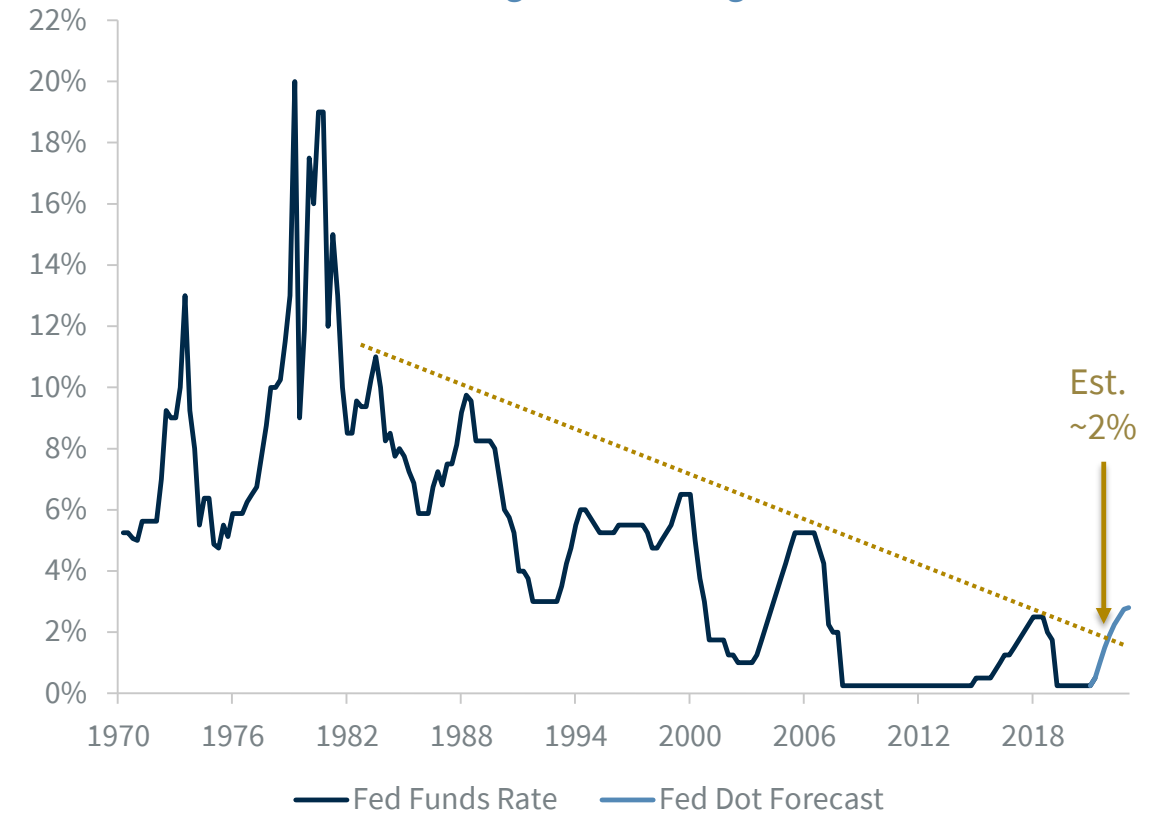
MARKET EXPECTATIONS OF FED INTEREST RATE TIGHTENING APPEAR AGGRESSIVE

Rising Fed Rate Hike Expectations



Source: FactSet, Data as of 3/27/2022.

Fed Forecasting Break of Long-Term Trend

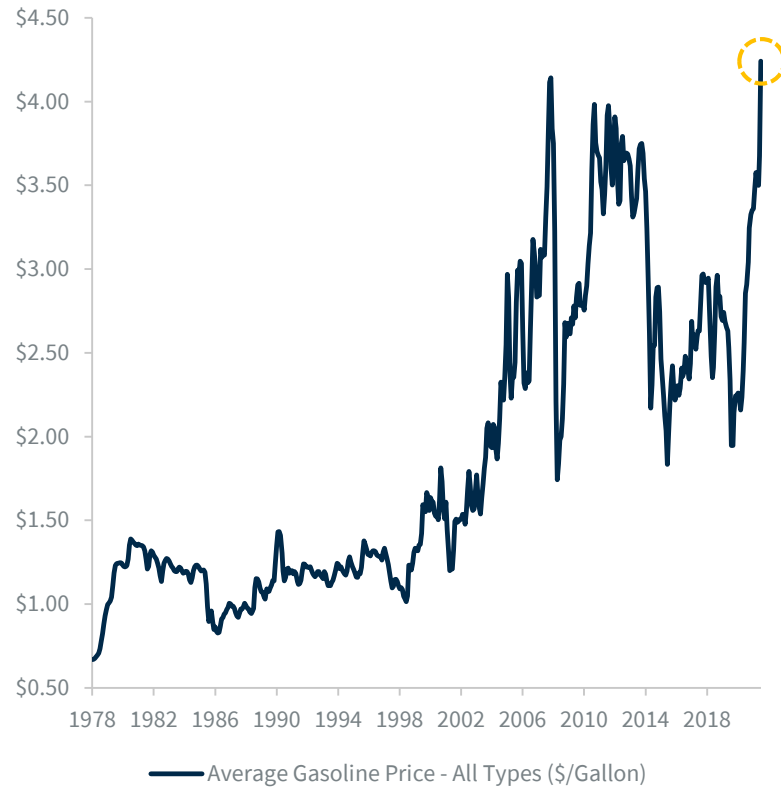


Source: FactSet, Data as of 2/24/2022.

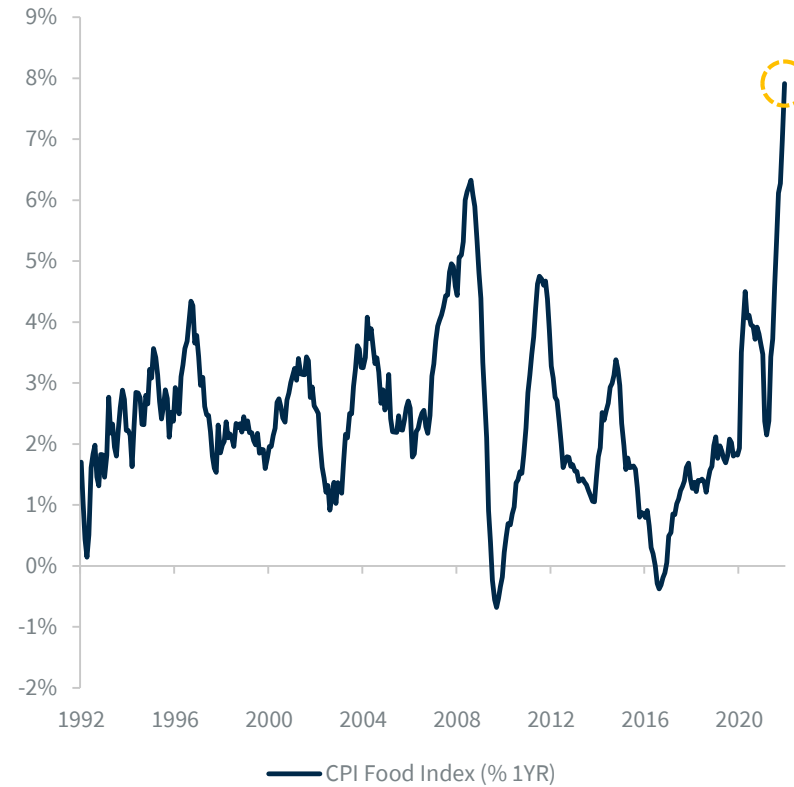
RISING FOOD AND ENERGY PRICES ADDING TO NEAR-TERM INFLATIONARY PRESSURES

COMMODITY PRICE INFLATION, DRIVEN BY UKRAINE/RUSSIA CRISIS, COMPLICATING THE INFLATIONARY TRAJECTORY

Gasoline Prices



Food Prices



Industrial Metal Prices



Source: FactSet, Data as of 3/27/2022.

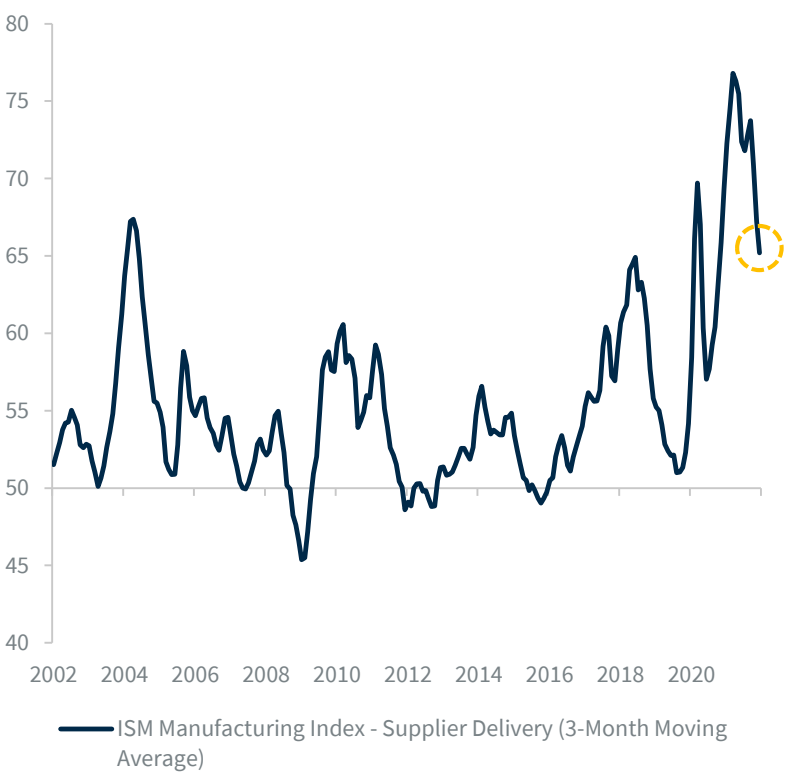
BUT OTHER SIGNS POINT TO MODEST EASING OF PRESSURES

SUPPLY CHAIN PRESSURES OF LAST YEAR ARE EASING

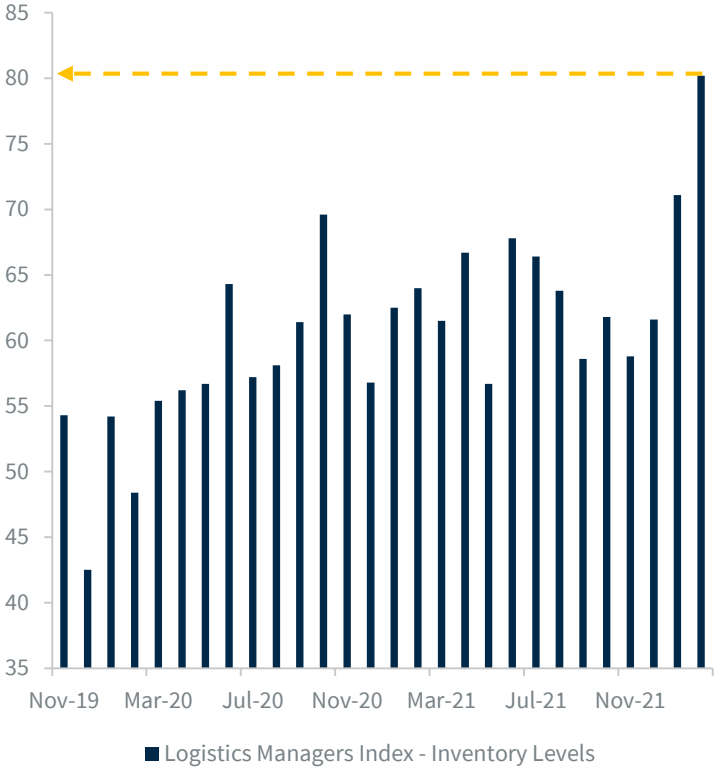
Backlogs Beginning to Moderate



Delivery Times Down



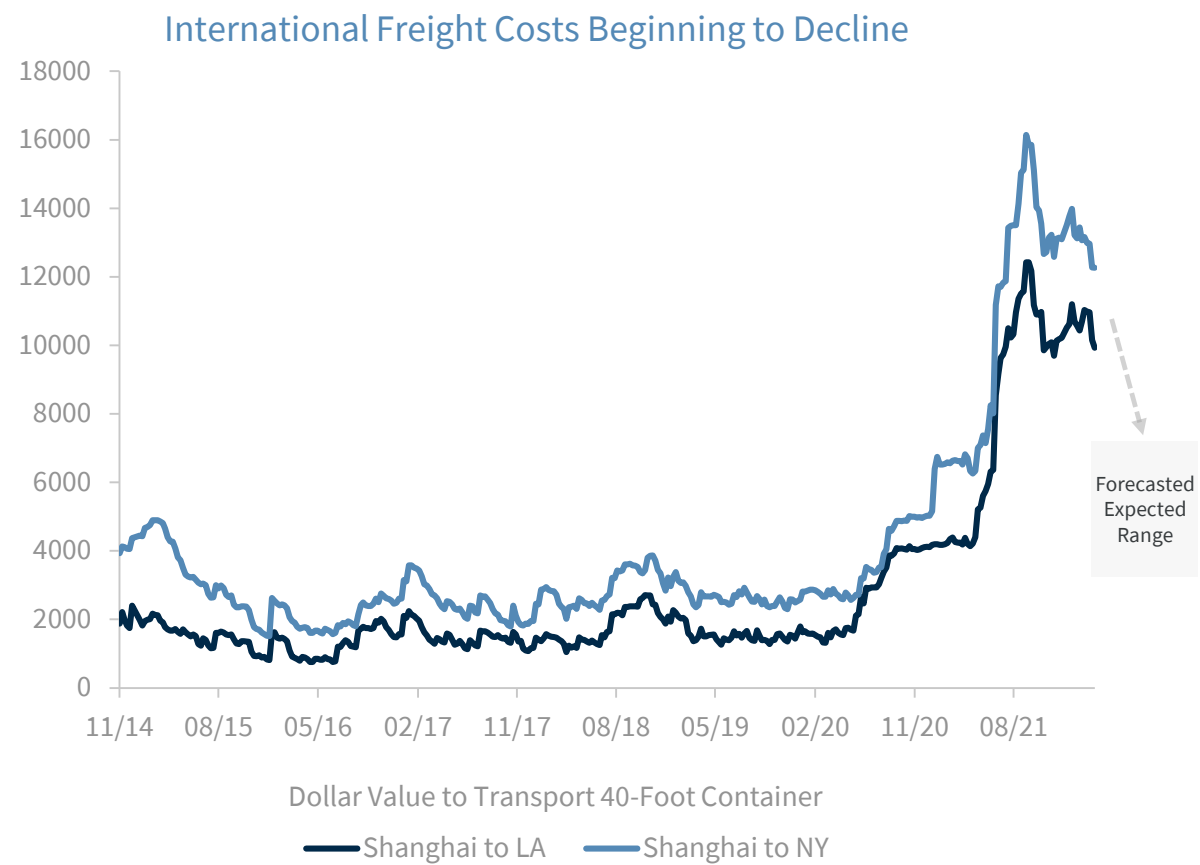
Inventory Levels Increasing



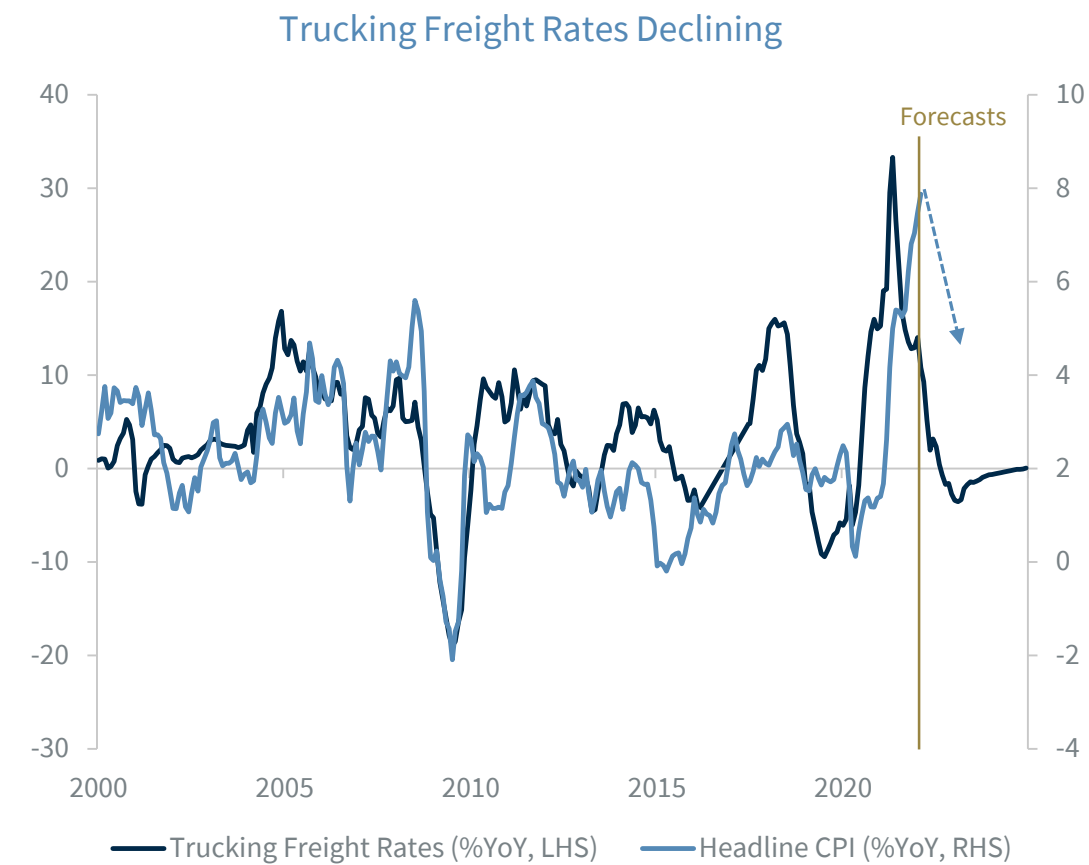
Source: FactSet, Data as of 3/27/2022.

SUPPLY CHAIN COSTS EASING

SUPPLY CHAIN COSTS BEGINNING TO NORMALIZE



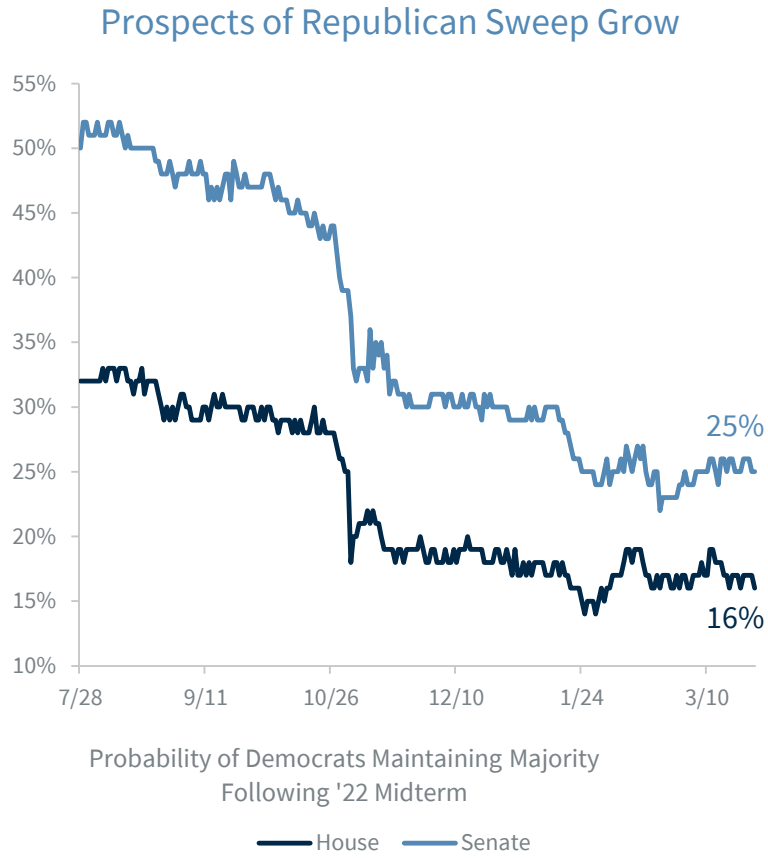
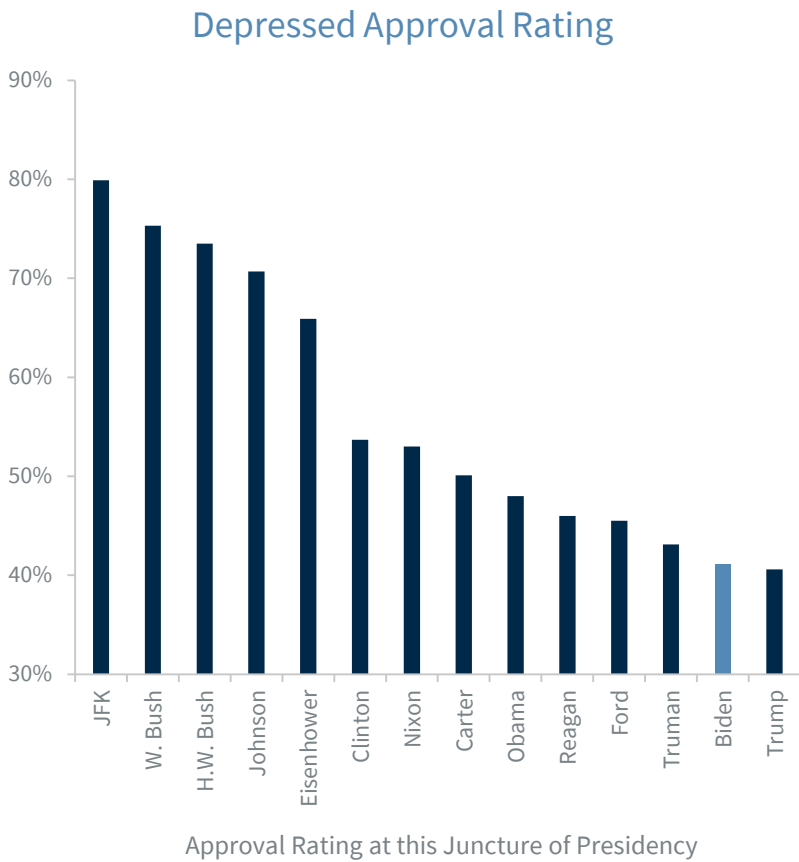
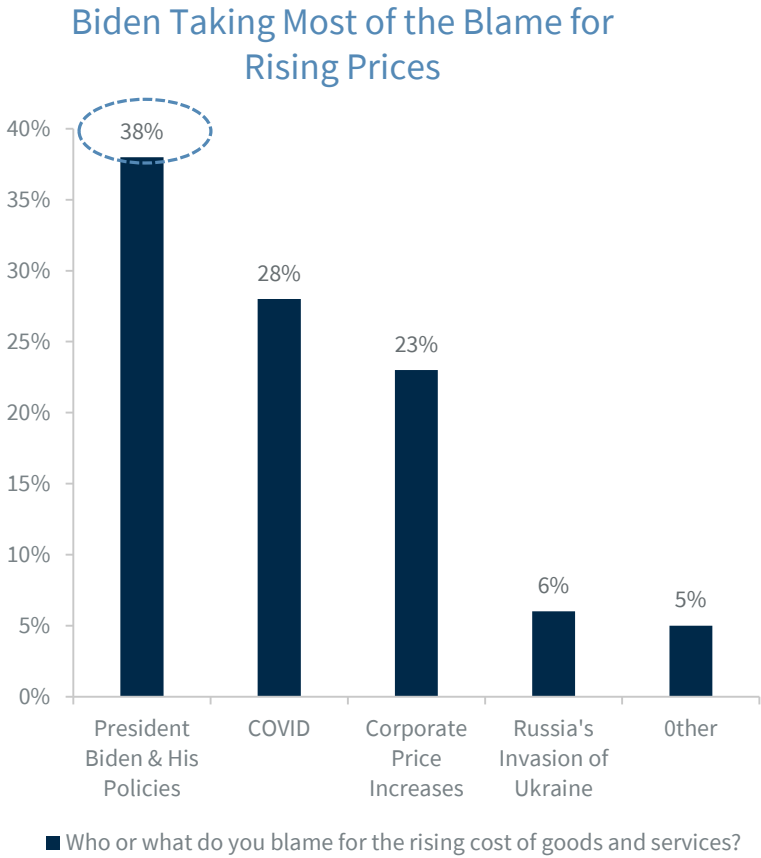
Source: FactSet, Data as of 3/31/2022.



Source: FactSet, Data as of 2/24/2022.

INFLATION REMAINS ACHILLES HEEL OF ADMINISTRATION

ELEVATED INFLATIONARY PRESSURES WEIGH ON PRESIDENT’S APPROVAL RATING AND MIDTERM PROSPECTS



Source: FactSet, Data as of 3/31/2022.



4 Fixed Income

Yields Won't Get Back, Get Back To Where They Once Belonged

INSIGHT:

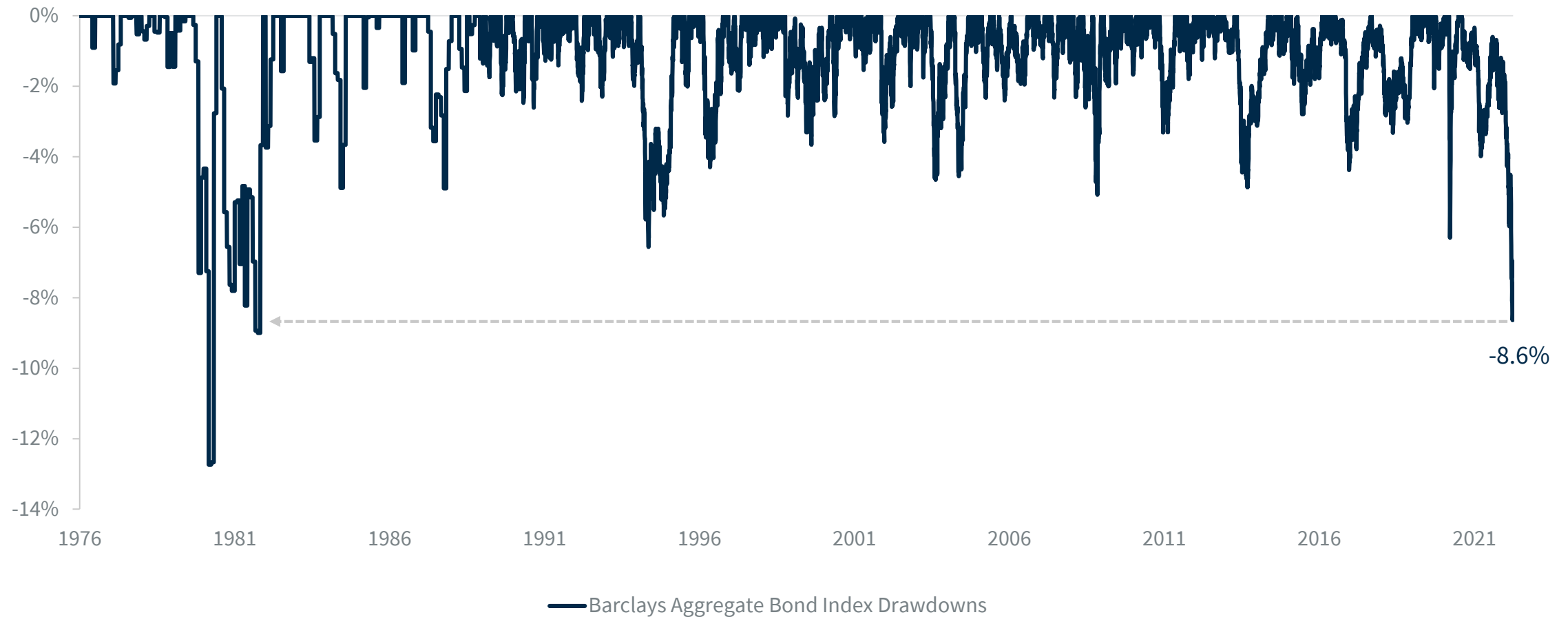
History shows that the 10-year Treasury yield trends lower after each successive tightening cycle, but inflationary pressures and the repricing of rate hike expectations are serving as upward catalysts.

BOTTOM LINE:

In time, the high interest rate sensitivity of the economy and the attractiveness of yield-producing assets will limit how high interest rates can go. Exaggerated economic conditions, rather than a deterioration in credit fundamentals, could lead to opportunities in the corporate and high-yield sectors.

HISTORIC MOVES IN THE BOND MARKETS

THIRD LARGEST DRAWDOWN IN THE HISTORY OF THE BARCLAYS US BOND AGGREGATE INDEX

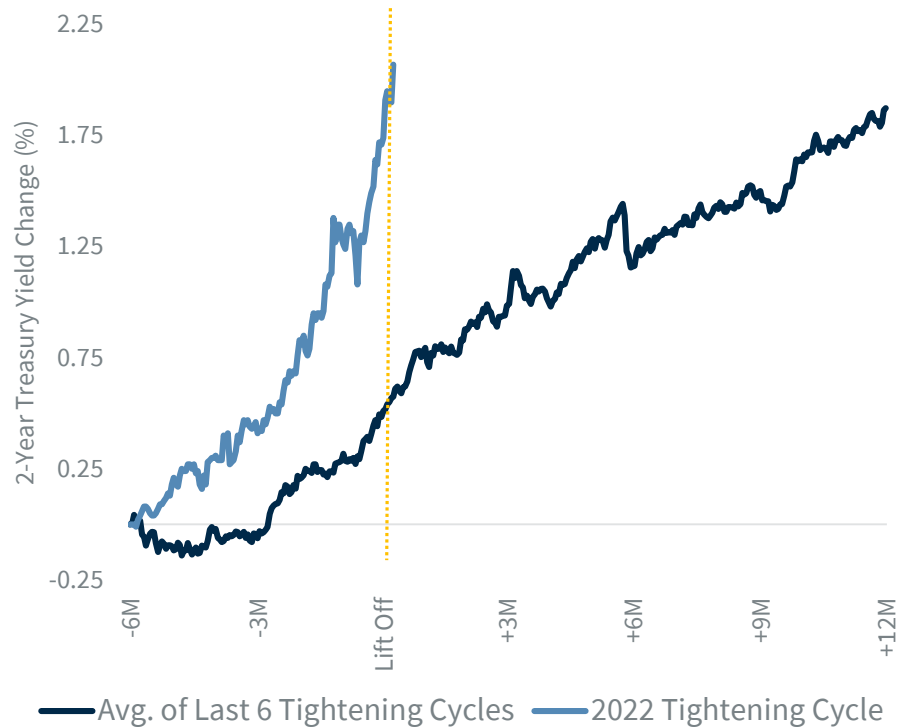


Source: FactSet, Data as of 3/31/2022.

A YEAR'S WORTH OF REPRICING IN JUST SIX MONTHS

RAPID RISE IN TREASURY YIELDS RELATIVE TO PREVIOUS TIGHTENING CYCLES

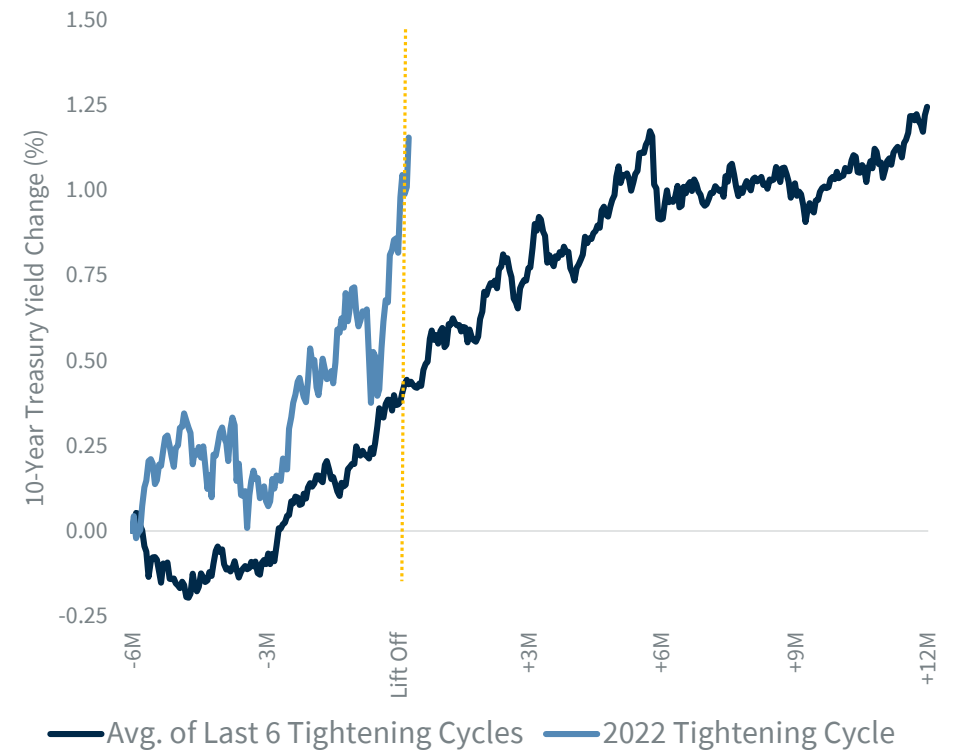
The Swiftest Repricing in 2-Year Treasury in History



2.25%

10-Year
US Treasury
Yield Forecast

Accelerated Increases in 10-Year Treasury Yield



Source: FactSet, Data as of 3/29/2022. Tightening cycles range from 1983 - 2022

Source: FactSet, Data as of 3/29/2022. Tightening cycles range from 1983 - 2022

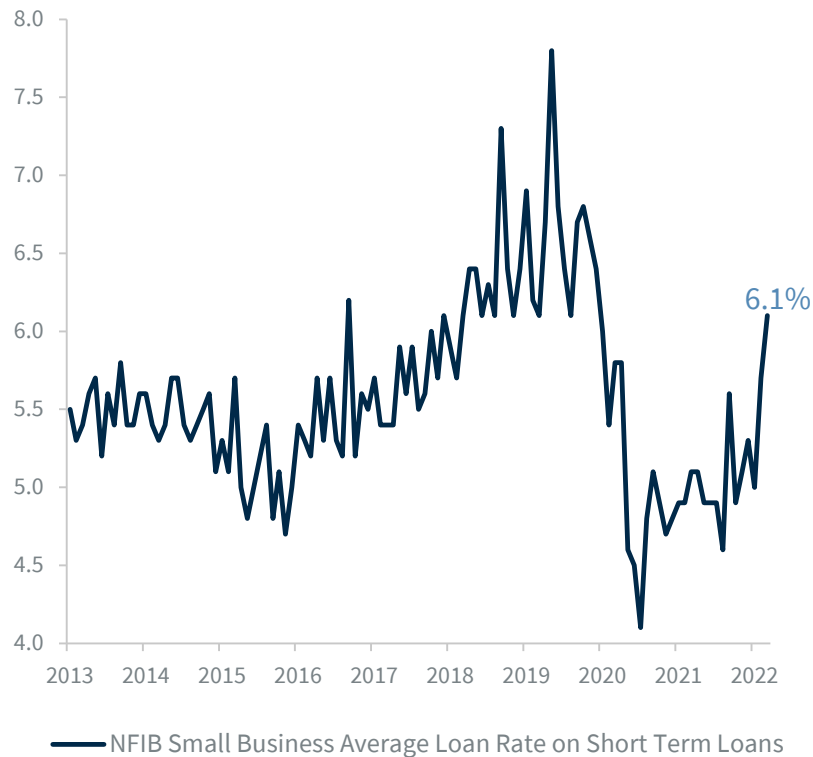
INTEREST SENSITIVITY OF US ECONOMY

US ECONOMY VULNERABLE TO HIGHER INTEREST RATES—MAY LEAD TO SELF-CORRECTING MECHANISM OF COOLING GROWTH

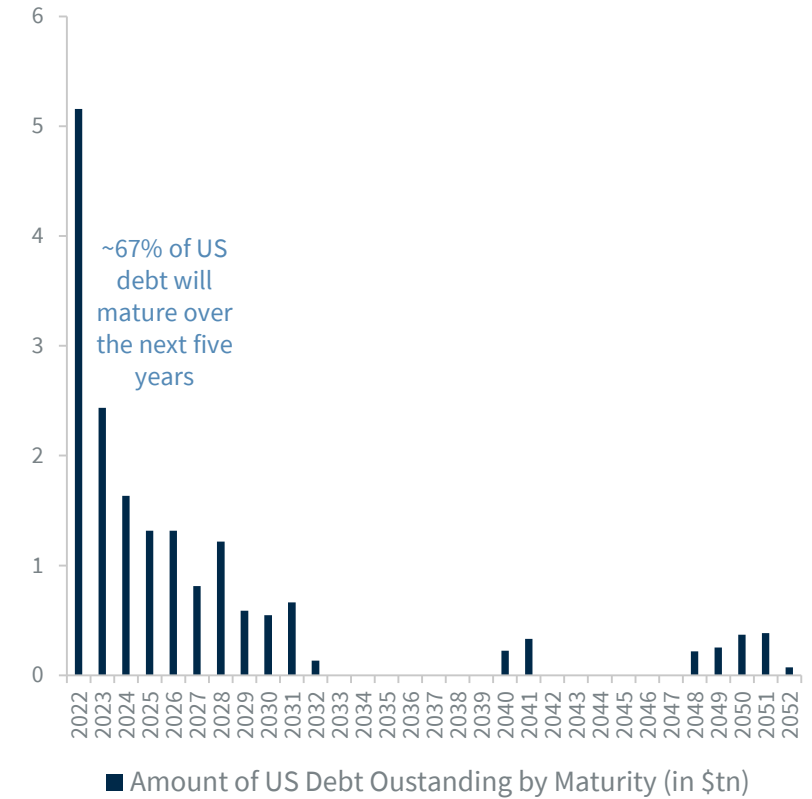
Mortgage Rates Moving Higher



Corporate Interest Rates Higher



Government Costs to Increase



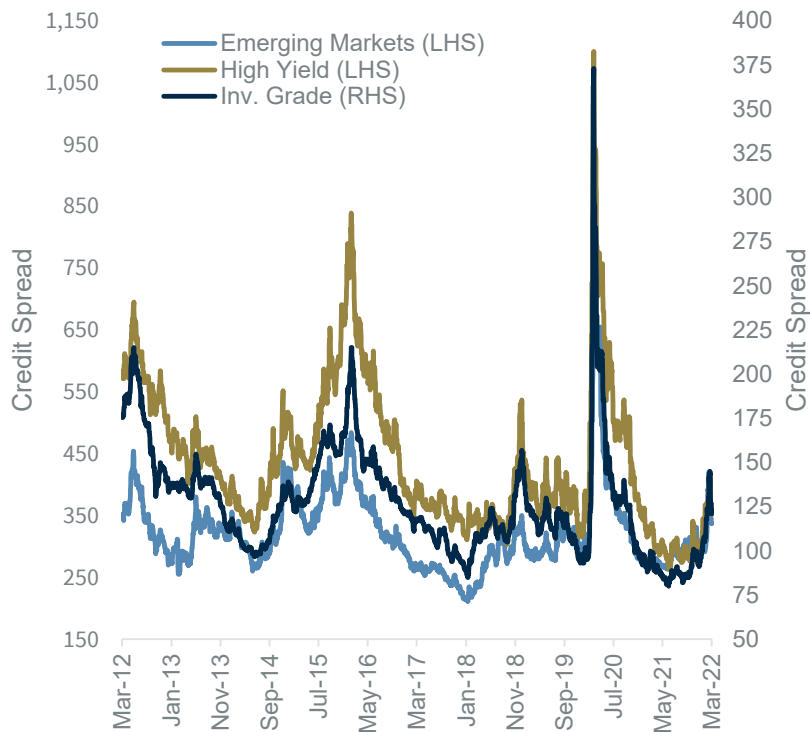
Source: FactSet, Data as of 3/31/2022.

Source: FactSet, Data as of 2/24/2022.

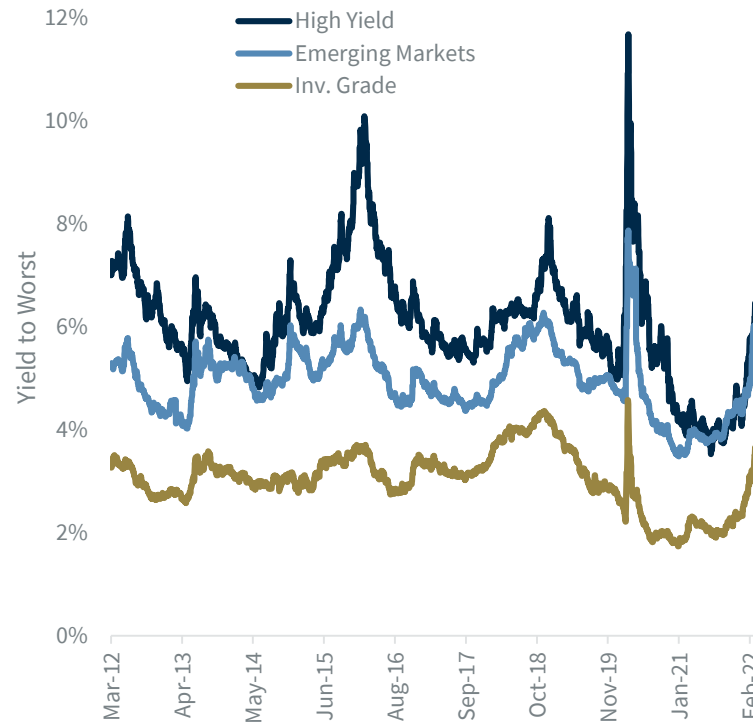
OPPORTUNITIES IN CREDIT

RAPID MOVES IN THE TREASURY MARKET HAVE WEIGHED HEAVILY ON THE CREDIT SECTORS

Credit Spreads Widen



Yields are at Attractive Levels



Five Reasons To Favor Credit

1

Economy Not Expected to Go Into Recession

2

Attractive Yields Provide Opportunity to Earn More 'Carry'

3

Default Rates are Expected to Remain at Historically Low Levels

4

Corporate Profitability Remains Strong

5

Upgrade/Downgrade Ratio Remains Elevated

Source: FactSet, Data as of 3/24/2022.

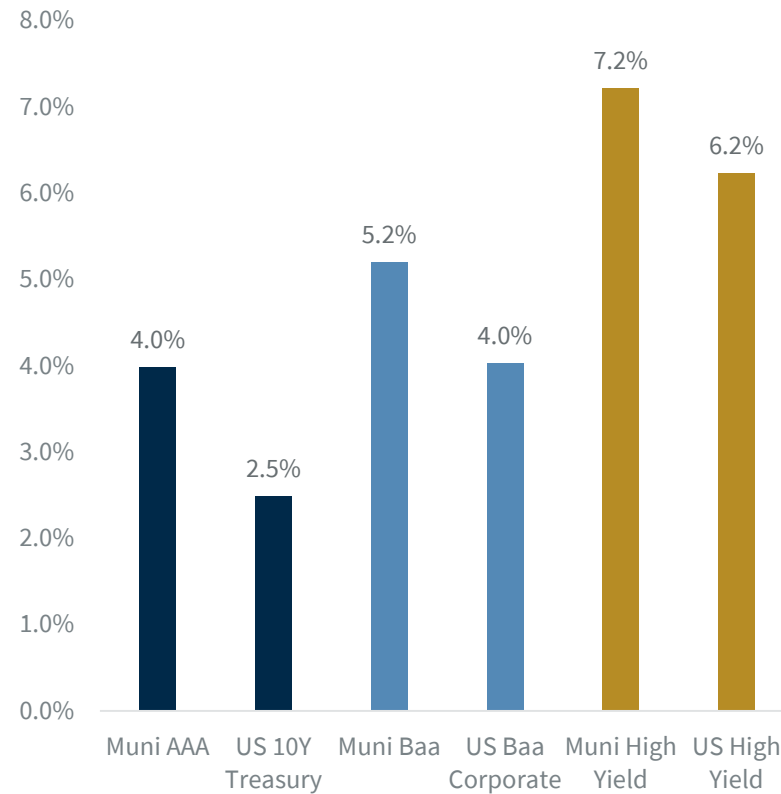
OPPORTUNITIES IN MUNIS

MUNIS ARE ATTRACTIVE RELATIVE TO OTHER FIXED INCOME SECTORS

Drawdowns Have Led to Buying Opportunities

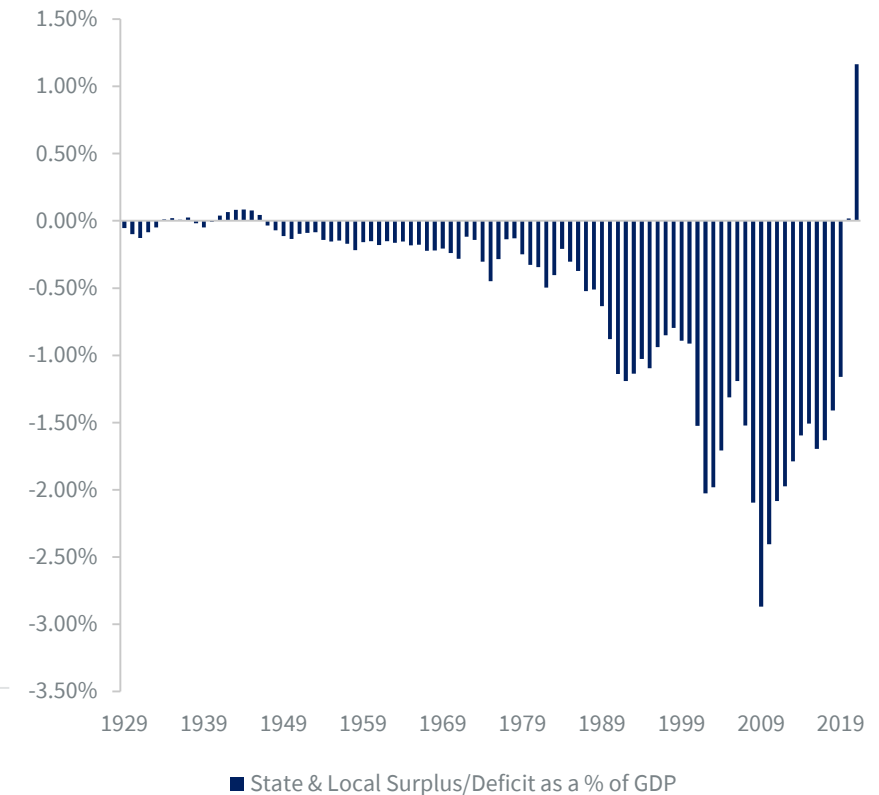
| Period | Peak Date | Trough Date | Drawdown | Following 12M Return |
|------------------------------------|------------|-------------|--------------|----------------------|
| Changes in Tax Laws & Rising Rates | 3/30/1987 | 5/29/1987 | -6.5% | 2.5% |
| 1994 Bond Market Crisis | 1/31/1994 | 11/30/1994 | -8.3% | 11.5% |
| Dot Com Crash After Shock | 6/13/2003 | 7/31/2003 | -4.9% | 1.7% |
| Fed Rate Rise | 3/17/2004 | 5/13/2004 | -5.3% | 4.0% |
| Subprime Mortgage Crisis | 1/23/2008 | 2/29/2008 | -5.7% | -1.0% |
| | 9/11/2008 | 10/15/2008 | -11.2% | 15.4% |
| Meredith Whitney Short Call | 10/14/2010 | 1/14/2011 | -6.5% | 10.9% |
| Taper Tantrum | 5/2/2013 | 9/5/2013 | -6.8% | 8.1% |
| Trump Election Victory | 7/6/2016 | 12/1/2016 | -5.7% | 3.3% |
| Covid-19 Pandemic | 3/9/2020 | 3/20/2020 | -10.9% | 10.5% |
| Fed Rate Rise ('22) | 8/5/2021 | 3/28/2022 | -6.8% | ?? |
| Avg | | | -7.1% | 7% |
| % Time Positive | | | | 90% |

Favorable Tax-Equivalent Yields

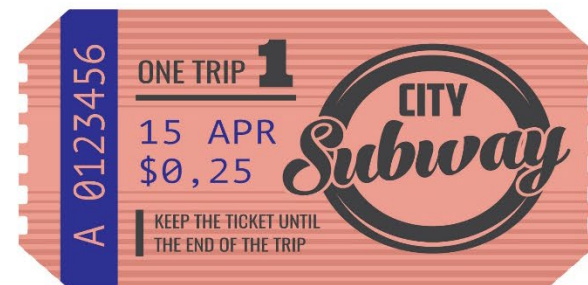
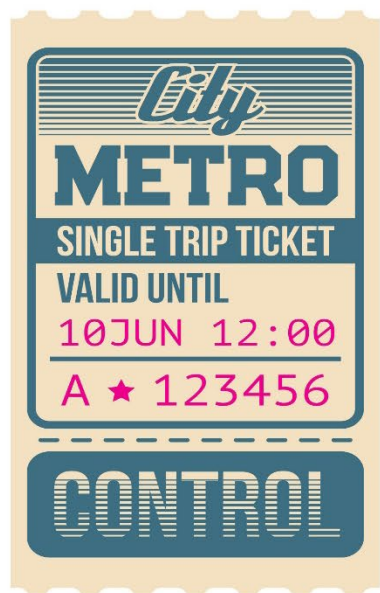


* Tax Equivalent Yield based on highest US tax rate of 40.8%

Record State & Local Fiscal Surplus



Source: FactSet, Bloomberg. Data as of 3/23/2022.



5 Equities

US Equities Still Have The Ticket To Ride Higher

INSIGHT:

The geopolitical tensions, the start of the Federal Reserves' tightening cycle, and fears of an inflation-induced recession have caused a volatile start to the year.

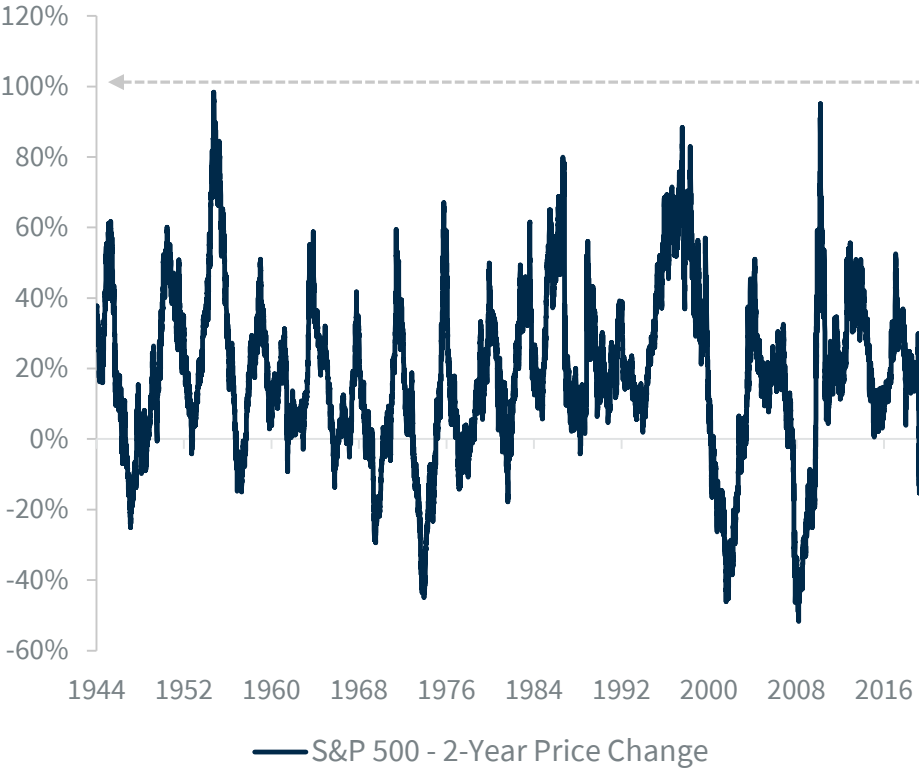
BOTTOM LINE:

Since a recession is not our base case, a robust macroeconomic backdrop, resilient earnings, attractive valuations, and positive shareholder activity should lead to upside potential for the S&P 500. We remain biased toward the cyclical sectors, but attractive valuations have led to our recent upgrade of Health Care.

RECORD START TO BULL MARKET

STRONGEST TWO-YEAR RUN FOR S&P 500 SINCE AT LEAST WWII, BUT GROWTH HISTORICALLY MODERATES FROM HERE

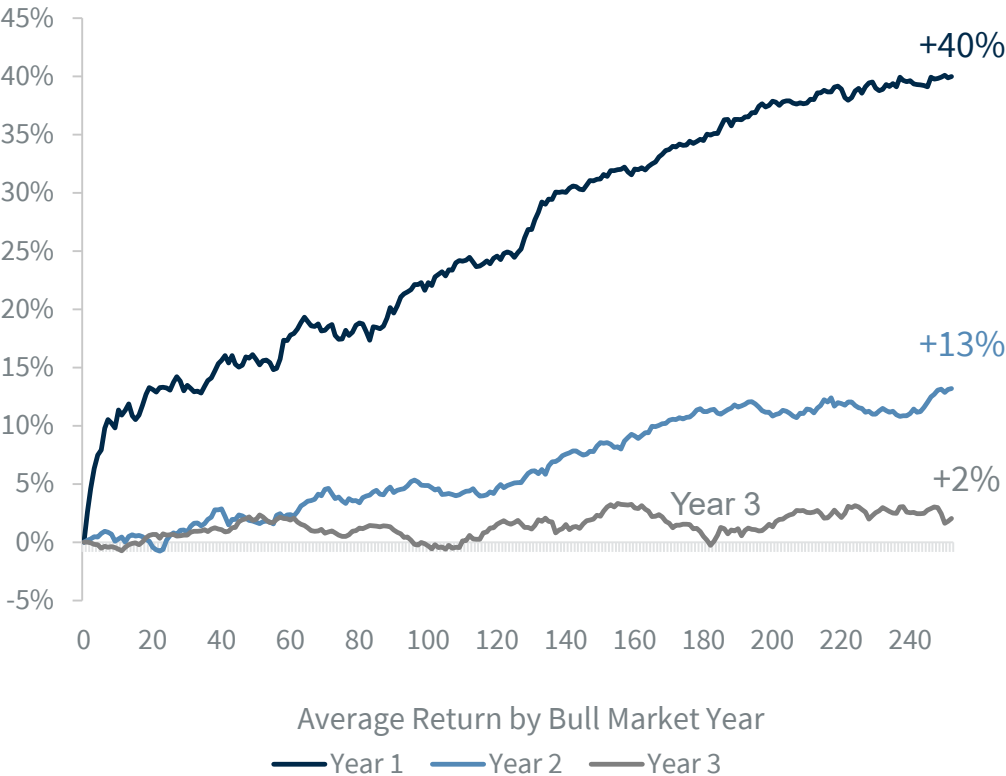
Nearly Strongest Rolling 2-Year Period on Record



+103%

Strongest Start to a
Bull Market on
Record

Performance Typically Slows as Bull Market Matures

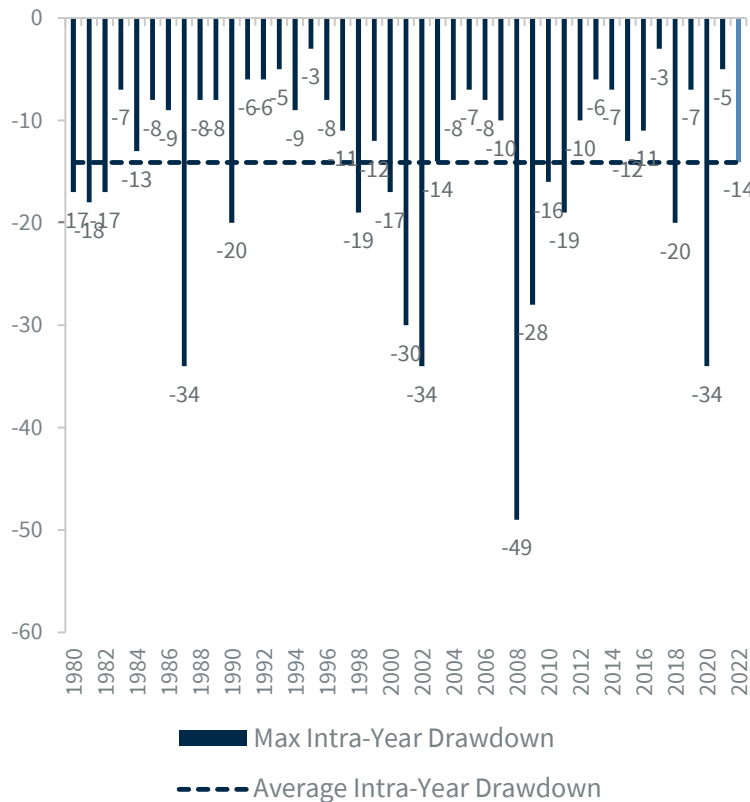


Source: FactSet, Data as of 3/31/2022.

MARKET PULLBACKS NOT UNUSUAL

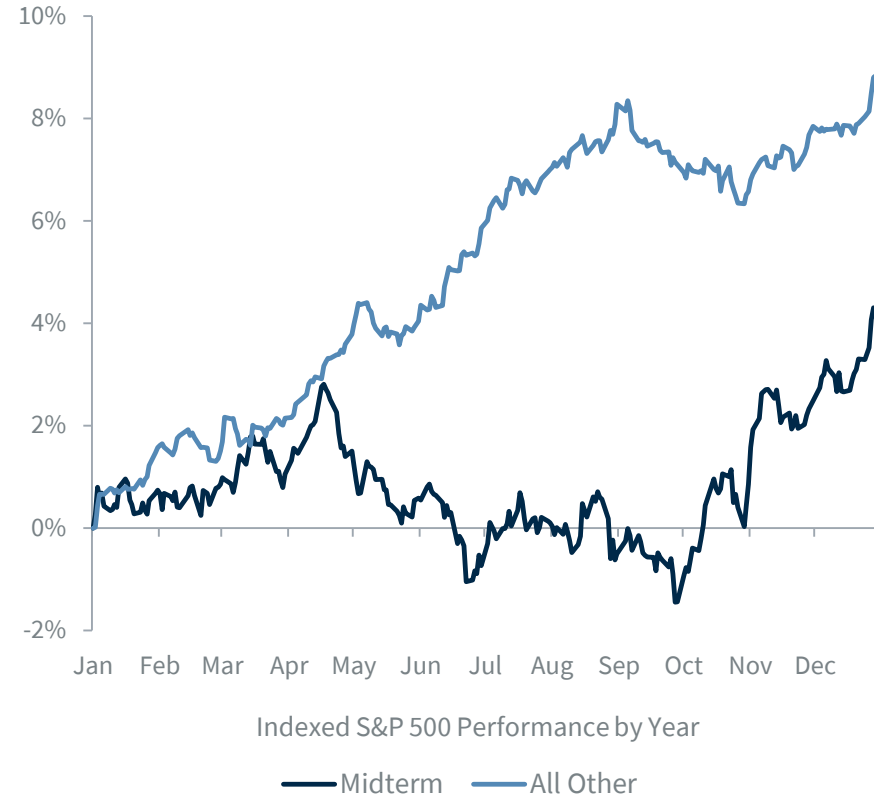
GIVEN A VARIETY OF FACTORS, IT IS NOT SURPRISING WE SAW A PULLBACK IN THE EQUITY MARKET

In-Line With Average Intra-Year Decline



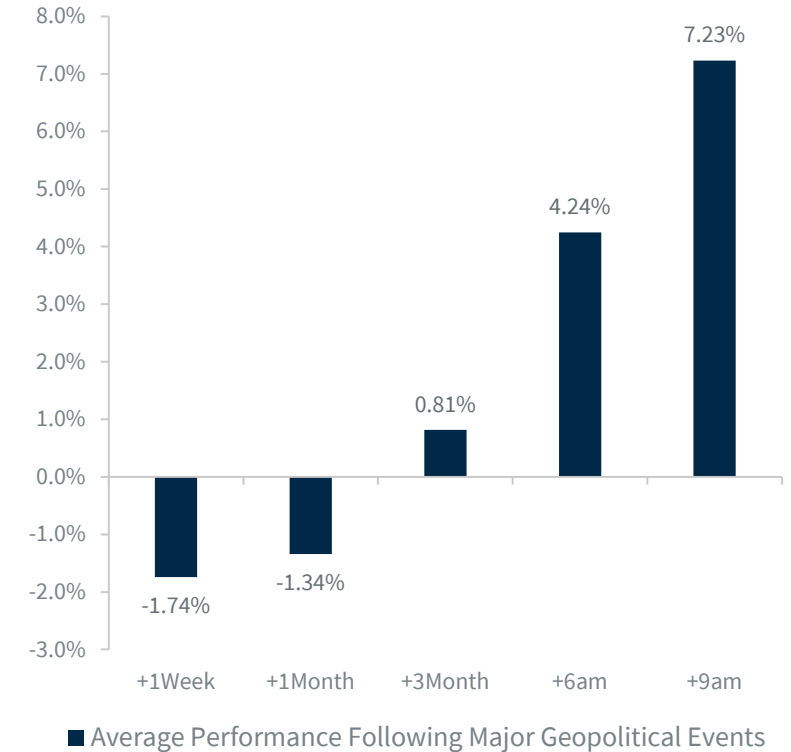
Source: FactSet, Data as of 3/27/2022.

Midterm Election Years See More Volatility



Source: FactSet, Data as of 3/27/2022. Data dates back to 1950.

Geopolitical Concerns Short-Term Market Moving Event



RECORD START TO BULL MARKET

OUR NO RECESSION CALL IS KEY FOR THE TRAJECTORY OF THE MARKET GOING FORWARD

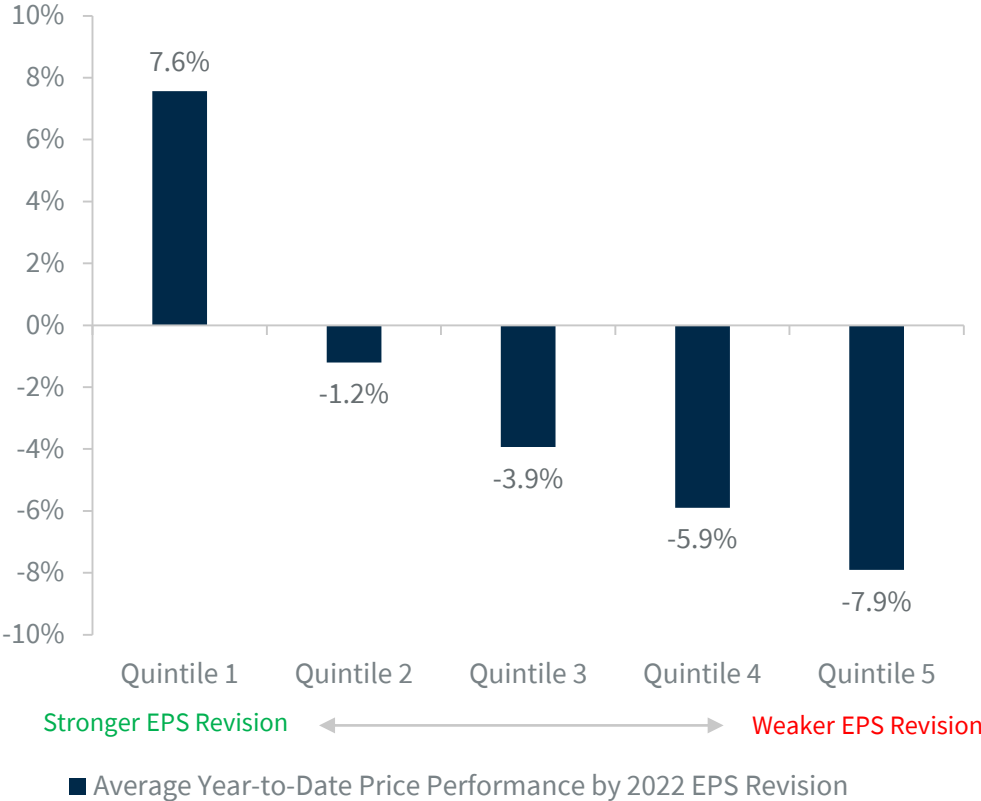
Pullbacks Recover Faster in Non-Recession Environments

| Magnitude of Pullback | # of Observations (past 35 Years) | Time to Recovery (# of months) |
|----------------------------|-----------------------------------|--------------------------------|
| 5-10% | 71 | 3 |
| 10-20% | 13 | 5 |
| +20% (3 of 4 in Recession) | 4 | 45 |

4,725

2022 Year-End
S&P 500 Target

Price Returns Following EPS Revisions

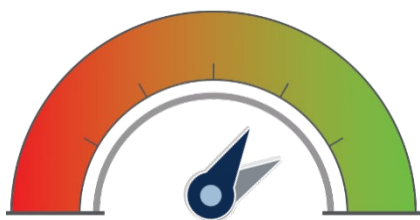


Source: FactSet, Data as of 3/31/2022.

BULL MARKET CHECKLIST REMAINS POSITIVE

Bull Market Checklist

Economy

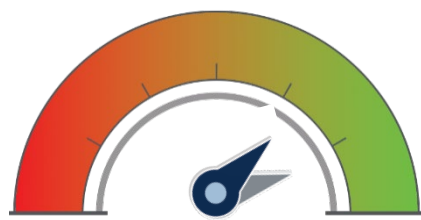


Bear

Bull

We continue to expect above-trend economic growth (~2.5%) with limited risk of recession over the next 12 months. However, growth will be less of a tailwind as originally estimated, as rising commodity prices and uncertainty in the Russia/Ukraine war led us to downgrade our forecast.

Earnings

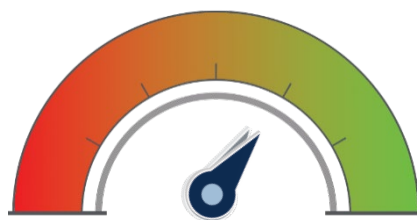


Bear

Bull

Due to the reduction in growth forecasts, we downgraded our 2022 S&P 500 EPS estimates to \$225 (from \$235). However, this still represents YoY EPS growth of +9% for 2022. Positive earnings growth and macroeconomic backdrop continue to support a move higher in equities.

Valuations

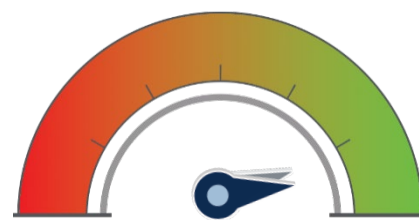


Bear

Bull

Due to the pullback to begin the year, valuations have compressed back to both pre-COVID levels and the five-year average. However, given the sharp rise in interest rates, equities are no longer as attractive vs. bonds as the S&P 500 dividend yield is back below the 10-year Treasury yield.

Corporate Activity

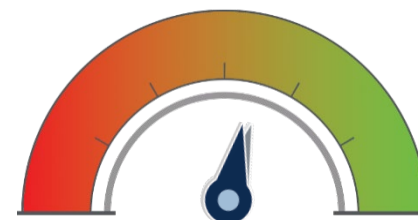


Bear

Bull

With near record levels of cash on balance sheets, corporations continue to enact shareholder-friendly actions. Buybacks are currently at a record high (and are expected to remain elevated) and dividends are expected to grow ~8% in 2022.

Seasonality



Bear

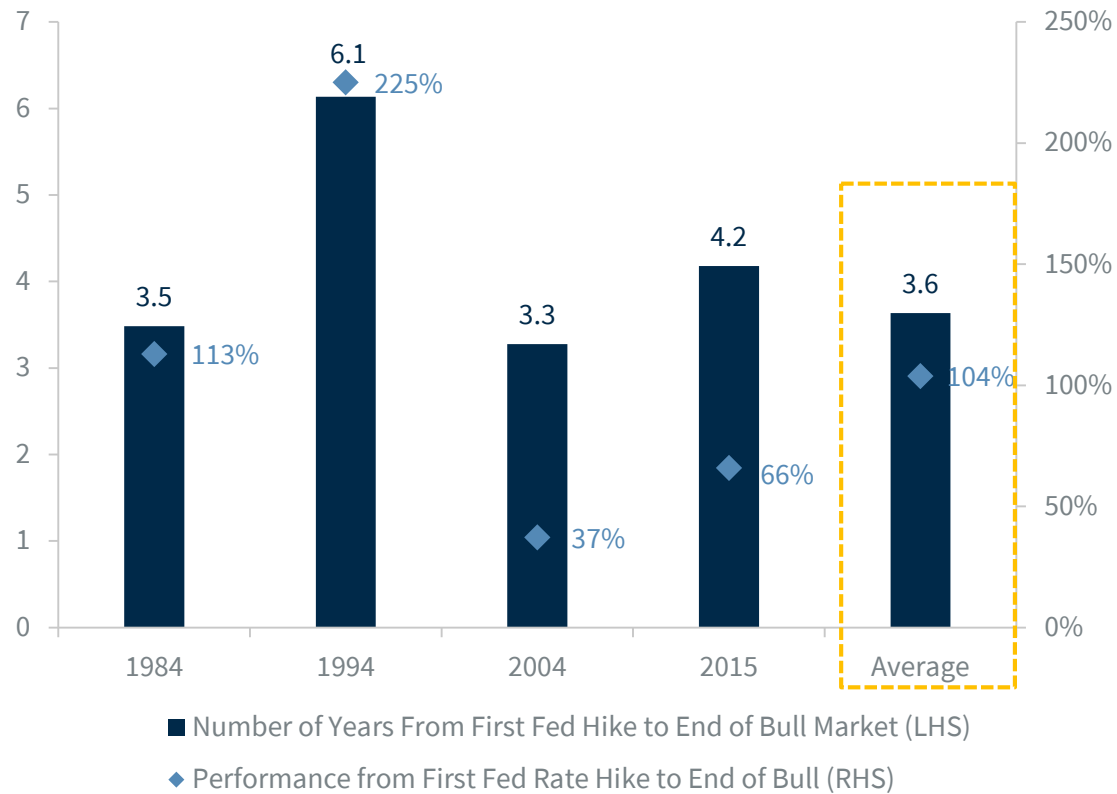
Bull

Despite the ~105% rally, the bull market is still relatively young. If history proves prescient, returns may be more muted in the months ahead, as Fed interest rate hikes, midterm elections and the third year of a bull market have typically subdued equity upside.

ADDRESSING KEY EQUITY MARKET RISKS

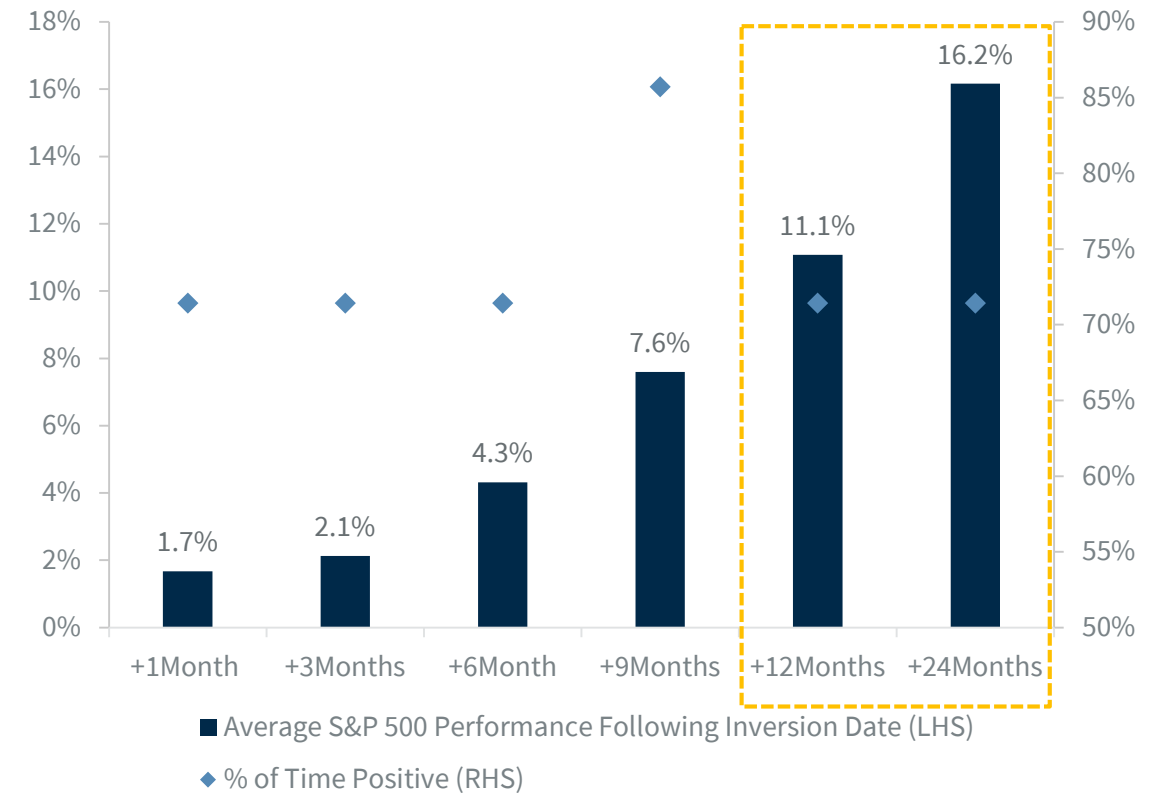
TIGHTENING CYCLES AND AN INVERTED YIELD CURVE USUALLY DO NOT IMMEDIATELY END THE BULL MARKET

Fed Rate Hikes Do Not Stop Bull Markets



Source: FactSet, Data as of 3/31/2022.

Inverted Yield Curve Does Not Stop the Bull



Source: FactSet, Data as of 3/31/2022.

FAVOR CYCLICAL OVER DEFENSIVE SECTORS

WE FAVOR CYCLICAL OVER DEFENSIVE SECTORS AS THE ECONOMIC EXPANSION CONTINUES

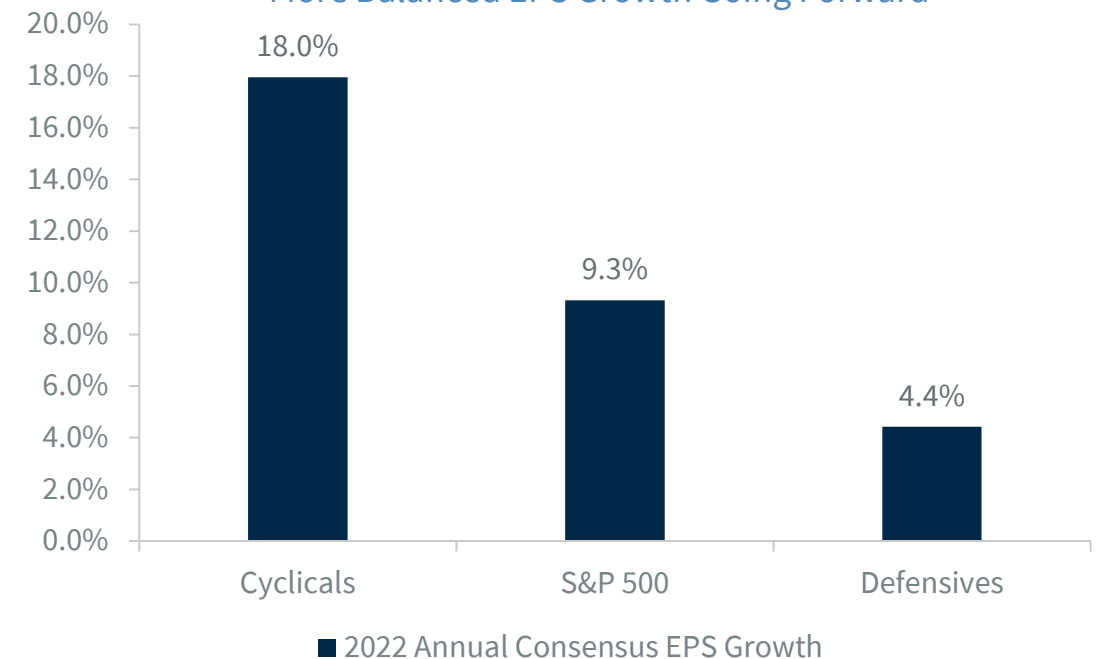
- Due to strong earnings growth and above-trend economic activity, we favor cyclical over defensive sectors.
- We are currently overweight the **Financials, Energy, Industrials** and **Health Care** sectors.

Overweight Tilted Towards Cyclical Sectors

| Overweight | Equal Weight | Underweight |
|-------------|------------------------|------------------|
| Financials | Communication Services | Consumer Staples |
| Energy | Materials | Utilities |
| Industrials | Information Technology | Real Estate |
| Health Care | Consumer Discretionary | |

Cyclical Sector
 Defensive Sector

More Balanced EPS Growth Going Forward



Source: Raymond James Equity Portfolio & Technical Strategy

Source: FactSet. Data as of 3/31/2022.

RATIONALE FOR OVERWEIGHT SECTORS

FINANCIALS



1. Rising interest rates supportive of the sector.
2. Strong capital market activity (e.g., IPOs, M&A, structured finance, etc.) a benefit.
3. Highest dividend and buyback yield of any sector.

INDUSTRIALS



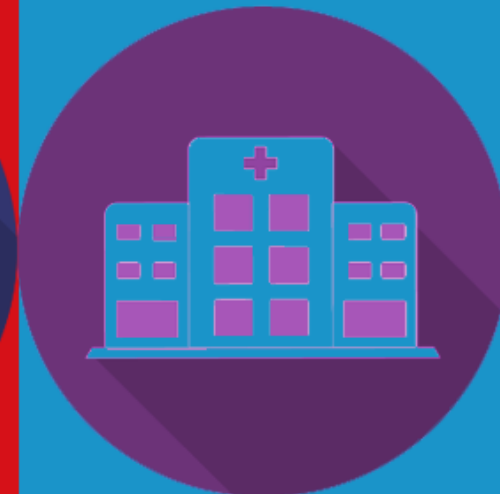
1. Defense spending expected to increase 4% YoY in FY22
2. E-Commerce spending to top \$1 tn for first time in 2022.
3. Expected to see strongest EPS growth of any sector in 2022.

ENERGY



1. Higher oil prices (above breakeven levels) supportive of the sector.
2. Poised for the highest annual free cash flow since 2007.
3. Near record earnings in 2022.

HEALTHCARE



1. Trading at large discount to S&P 500 on NTM PE basis.
2. Outpatient visits to rise 7% relative to 2019 levels.
3. Providers to increase elective surgeries up to 14% in 2022.

FAVOR BUILDING EXPOSURE TO SMALL CAPS

WE STILL SEE OPPORTUNITY WITHIN THE SMALL-CAP SPACE

Five Reasons We Liked Small Cap Coming Into 2022

Updated View: Still Positive

1 More Cyclical Exposure

Small cap has more exposure to both cyclical and **our overweight sectors**

2 Higher EPS Growth

Small cap is expected to see stronger 2022 EPS growth versus large cap. Year-to-date, small caps have experienced **stronger upward EPS revisions**.

3 Attractive Valuations

Small-cap **valuations are more attractive** and are trading at the largest discount versus large cap on record.

4 Outperforms in Tightening Cycles

Fed **tightening cycle has begun** and is expected to last well into 2023.

5 Beneficiary of Reopening

The **reopening process is gaining momentum**, as TSA screenings and restaurant bookings are at post-COVID highs. More insulated from global volatility, as small cap gets 80% of its revenues from the US (vs. large cap: 59%).

Source: FactSet, Data as of 3/31/2022.



6 International

International Equities Need Some “Help!”

INSIGHT:

The Russia-Ukraine crisis has disproportionately impacted Europe’s economy, as it is particularly dependent on Russia for energy imports.

BOTTOM LINE:

The crisis has stunted tourism, pushed gas prices to nearly double US levels, put key imports in the crosshairs, and caused the worst European refugee crisis since World War II in a region still grappling with the pandemic. As a result, we continue to favor US equities over the other developed international markets.

STILL FAVOR DOMESTIC EQUITIES OVER INTERNATIONAL EQUITIES

WE CONTINUE TO FAVOR THE US OVER INTERNATIONAL EQUITIES
















- The US continues to boast the highest profitability ratios compared to both developed and emerging markets.
- This trust in the US markets can be seen as 11 out of the 15 top global brands are domiciled in the US.

Profitability Ratios Favor The US (5-Year Average)

| | US | Europe | Japan | Emerging Markets |
|----------------------------|--------------|--------|-------|------------------|
| Return on Assets | 3.8 | 1.3 | 1.5 | 2.5 |
| Return on Equity | 19.0 | 11.0 | 9.8 | 13.4 |
| Return on Invested Capital | 10.2 | 4.6 | 5.3 | 7.5 |
| Gross Margin | 33.4% | 25.1% | 27.5% | 25.8% |
| Net Margin | 12.2% | 8.1% | 7.4% | 11.0% |

Source: FactSet. Data as of 12/31/2021.

Majority of 'Most Trusted' Brands Globally Are In The US

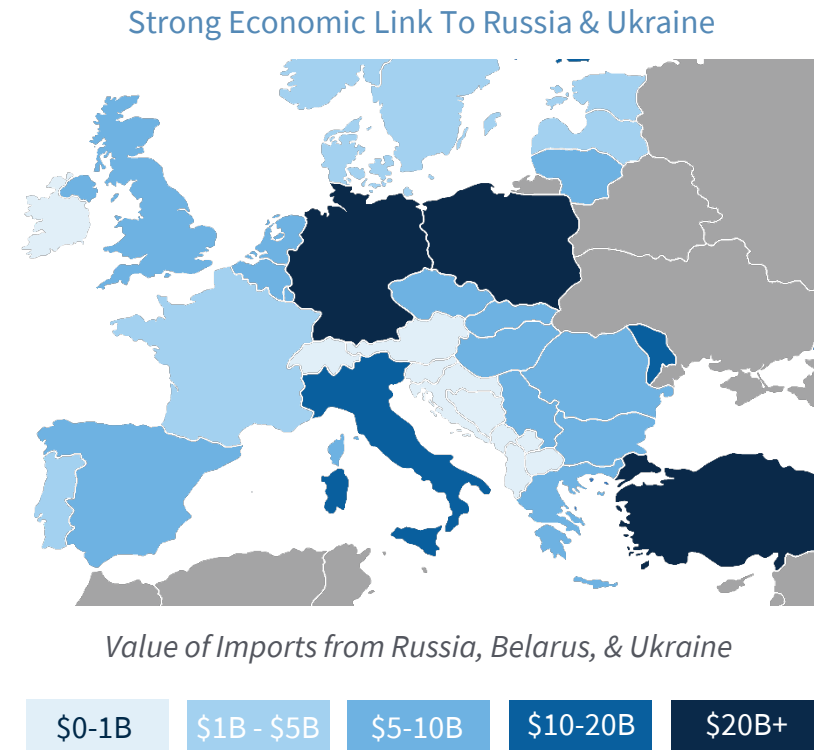
| | | | | |
|---|---|---|---|--|
|  1. Google |  2. PayPal |  3. Microsoft |  4. YouTube |  5. Amazon |
|  6. Sony |  7. Adidas |  8. Netflix |  9. VISA |  10. Samsung |
|  11. Nike |  12. Nestle |  13. MasterCard |  14. Disney |  15. Colgate |

Source: Morning Consult Survey

EUROPE'S ECONOMY DISPROPORTIONATELY HARMED BY THE CRISIS

CONSUMER SENTIMENT IN EUROPE REFLECTS ECONOMIC CONCERNS AMID THE RUSSIA-UKRAINE CRISIS

- Europe's economy is disproportionately harmed by the geopolitical tensions, and consumer expectations about future economic conditions are reflective of the anticipated fallout.



Source: FactSet. Data as of 3/28/2022.

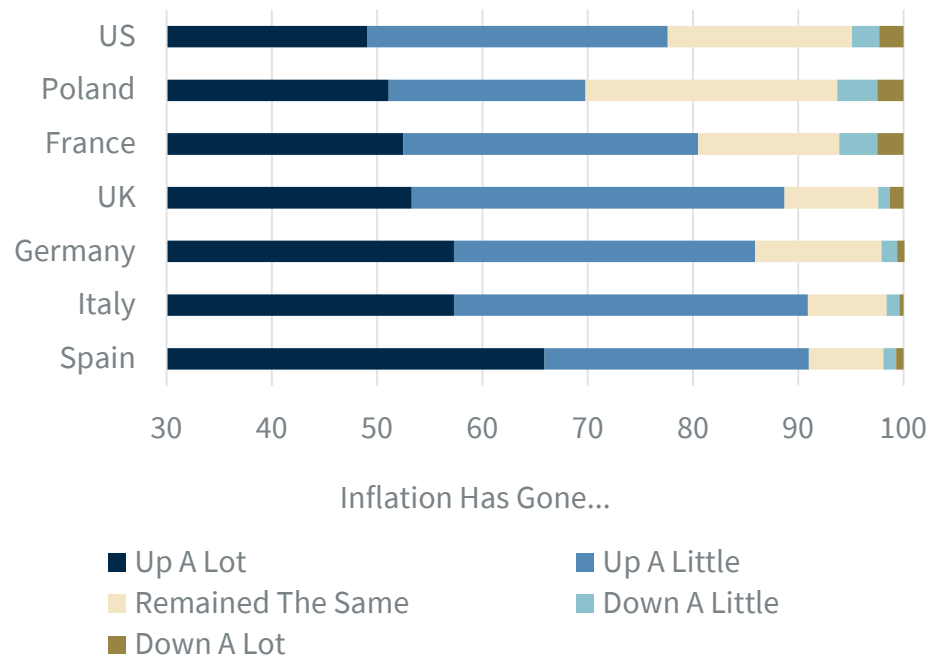
Source: Bloomberg, as of 4/1/2022.

THE IMPACT OF INFLATION AND WAGE INCREASES ARE MUTED

CONSUMER SENTIMENT IN EUROPE REFLECTS ECONOMIC CONCERNS AMID THE RUSSIA-UKRAINE CRISIS

- Despite the war worsening inflation, wages have not increased at the same pace seen in the US.
- Even before the crisis Europeans were expected to spend an additional \$720 on electricity bills for the year, and now energy costs are even higher. At the pump, European consumers are paying nearly double the prices causing discomfort in the US.

Inflationary Impact Is Felt By Consumers



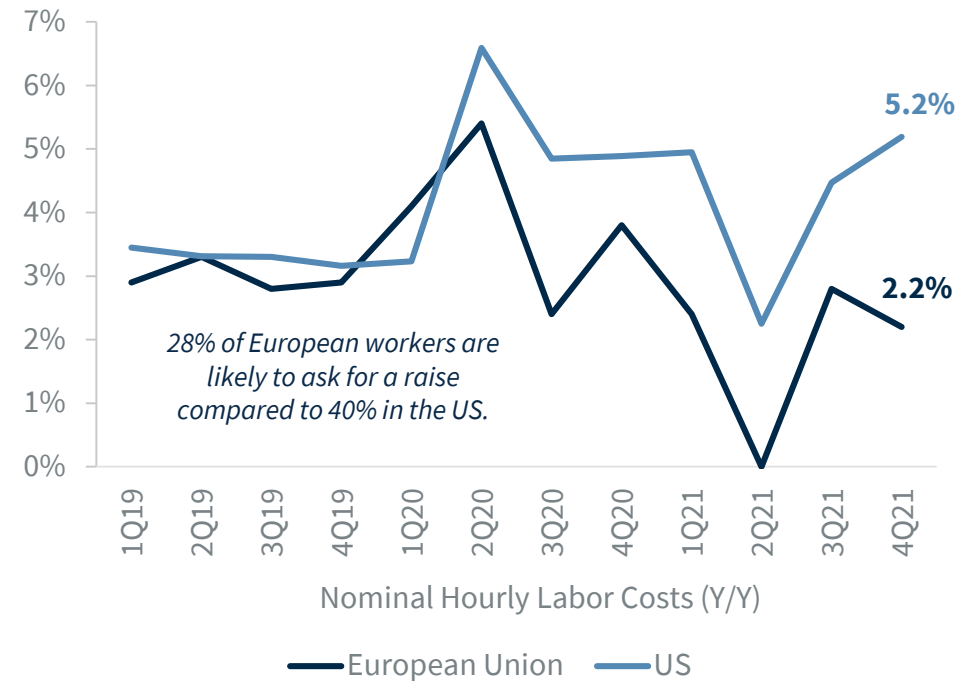
Average Price per
Gallon in Europe

\$7.55

Average Price per
Gallon in the US

\$4.32

Wage Increases Trending Below the US



Source: Bloomberg, as of 4/1/2022.

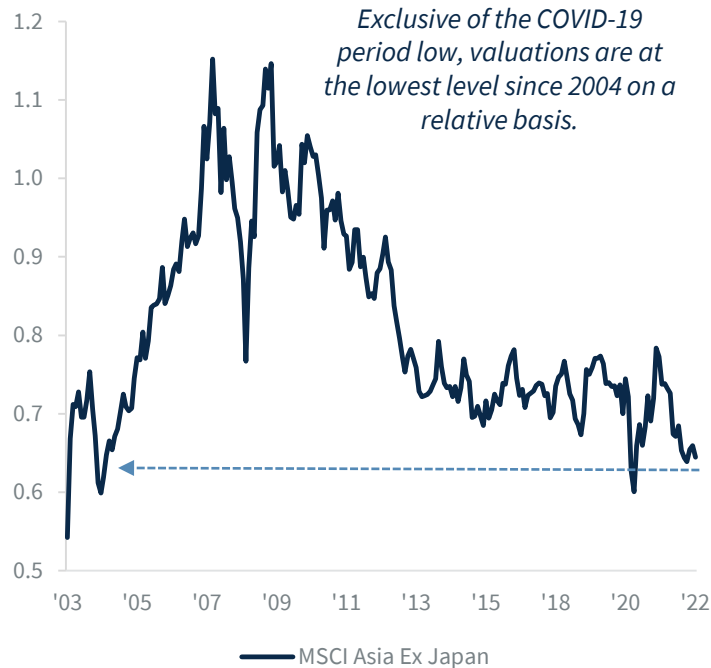
Source: FactSet. Data as of 12/31/2021.

ASIAN EMERGING MARKETS MAY BE AN AREA OF OPPORTUNITY

EMERGING MARKETS HAVE BEEN ADVERSELY IMPACTED BY RISING COMMODITY PRICES AND A RESURGENCE IN COVID CASES, BUT COMPELLING VALUATIONS MAY MAKE SELECT REGIONS AN AREA OF OPPORTUNITY FOR LONG-TERM INVESTORS

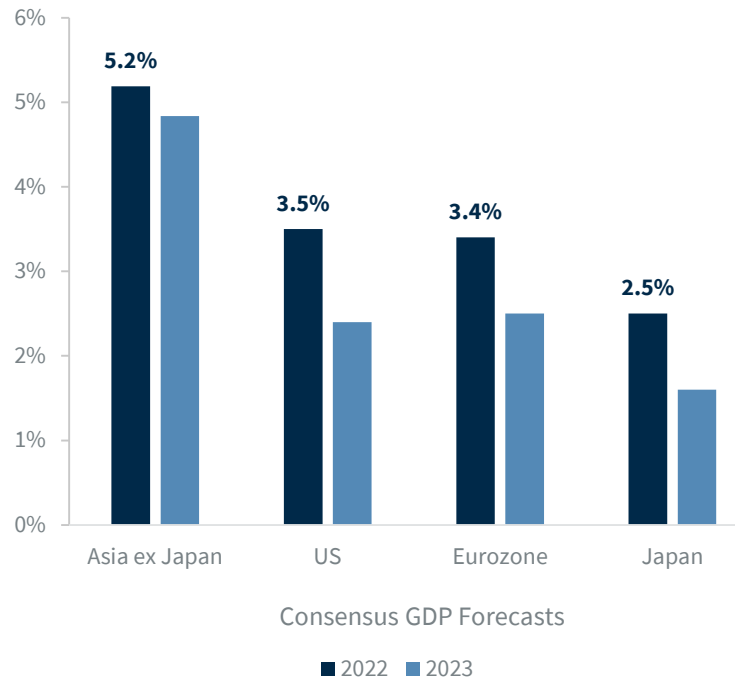
- Asian EM and Chinese equities should benefit from attractive valuations, plans for a departure from the zero tolerance COVID policy, and an easing of the Ukraine crisis.

Attractive Valuations On A Relative Basis



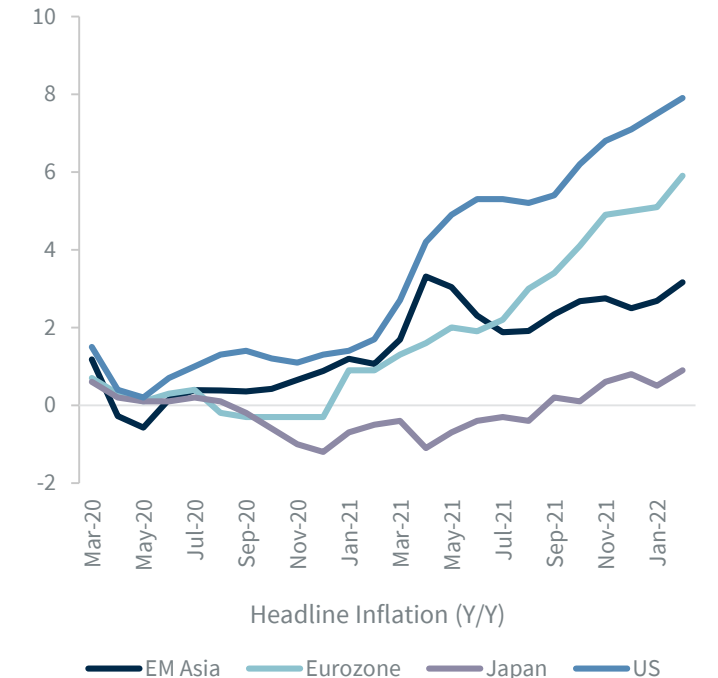
Source: FactSet. Data as of 3/28/2022.

Widening Economic Growth Gap



Source: FactSet. Data as of 3/28/2022.

Subdued Inflation Gives Central Banks Flexibility



Source: FactSet. Data as of 3/28/2022.



7 Commodities

You Say You Want An Energy Revolution,
Well You Know

INSIGHT:

The US is now much more energy-independent than it was during prior oil crises (e.g., 1970s). Even if the conflict persists in the upcoming months, there are alternative measures to ease the recent volatility in energy prices.

BOTTOM LINE:

The release of strategic reserves and increased production by OPEC and the US should help prices moderate by the end of the year. Higher energy prices should also accelerate the global development and adoption of alternative energy sources such as solar and wind.

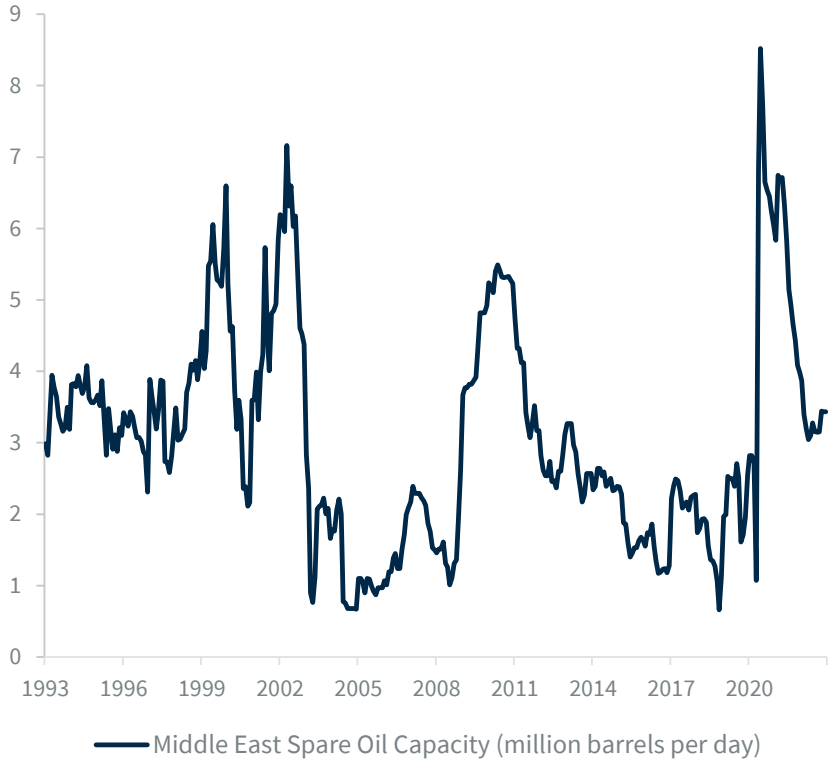
LIMITED UPSIDE FOR CRUDE OIL GOING FORWARD

INCREASED PRODUCTION SHOULD LIMIT THE RISE IN CRUDE OIL PRICES GOING FORWARD

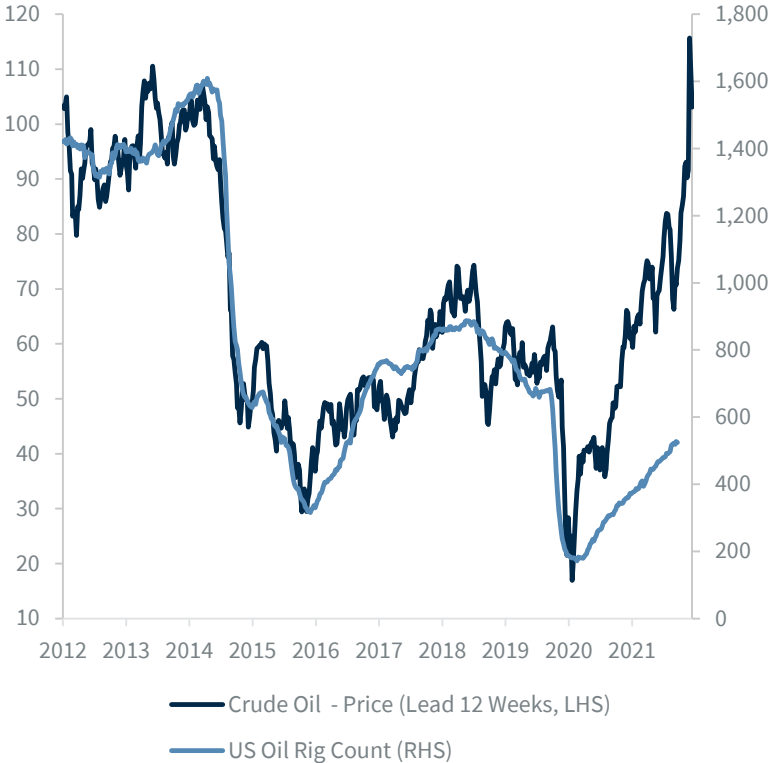
Global Production Continues to Move Higher



OPEC Spare Capacity Decreases as Production Boosted



Rigs Trailing the Price of Oil

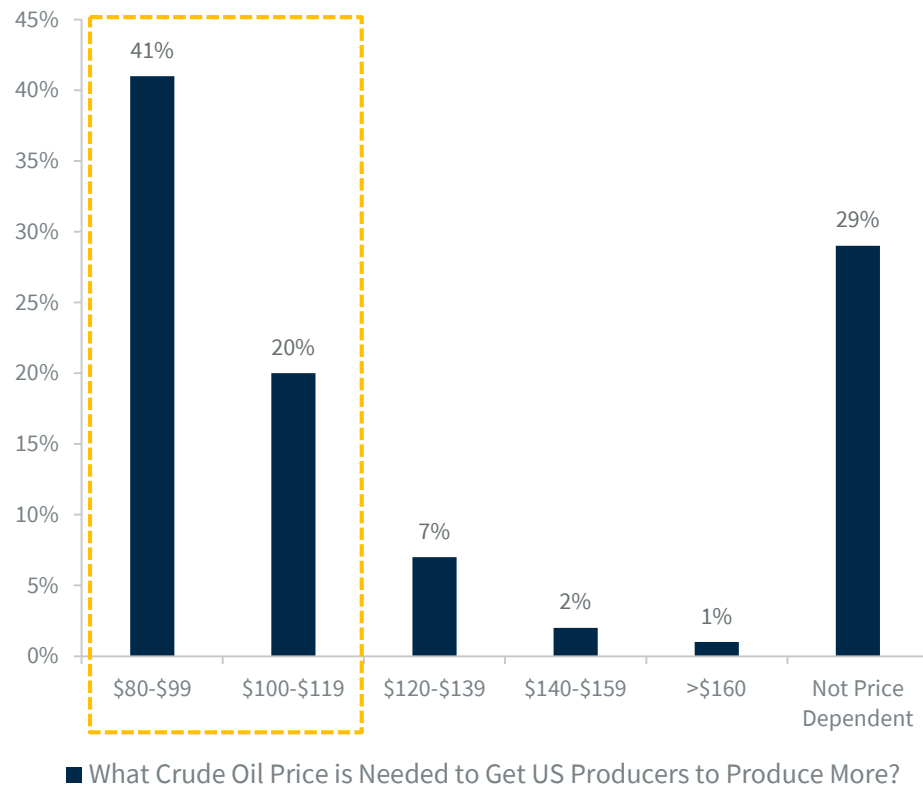


Source: FactSet. Data as of 3/31/2022.

US PRODUCERS TO BE A DRIVER OF HIGHER PRODUCTION

AFTER EXHIBITING CAPITAL DISCIPLINE OVER RECENT YEARS, US PRODUCERS SHOULD INCREASE PRODUCTION

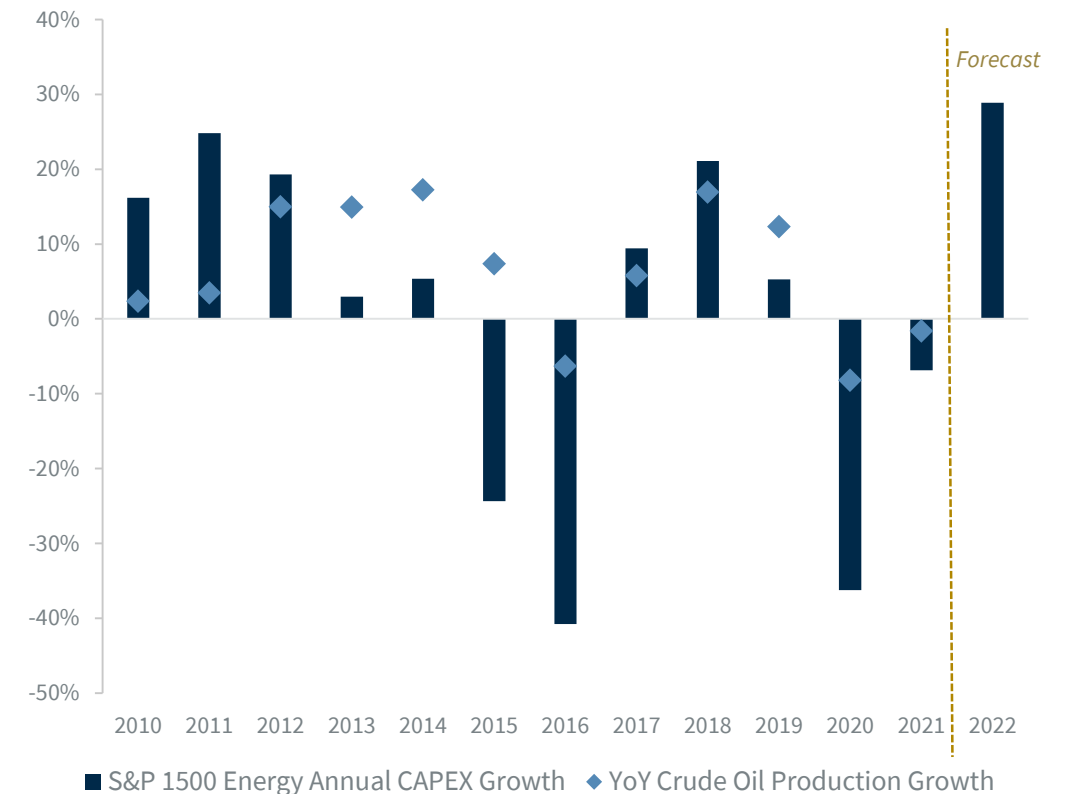
Price Point Where Producers Raise Production



75%
of Large Oil
Producers Expect to
Raise Production

79%
of Small Oil
Producers Expect to
Raise Production

Energy Capex to Move Higher



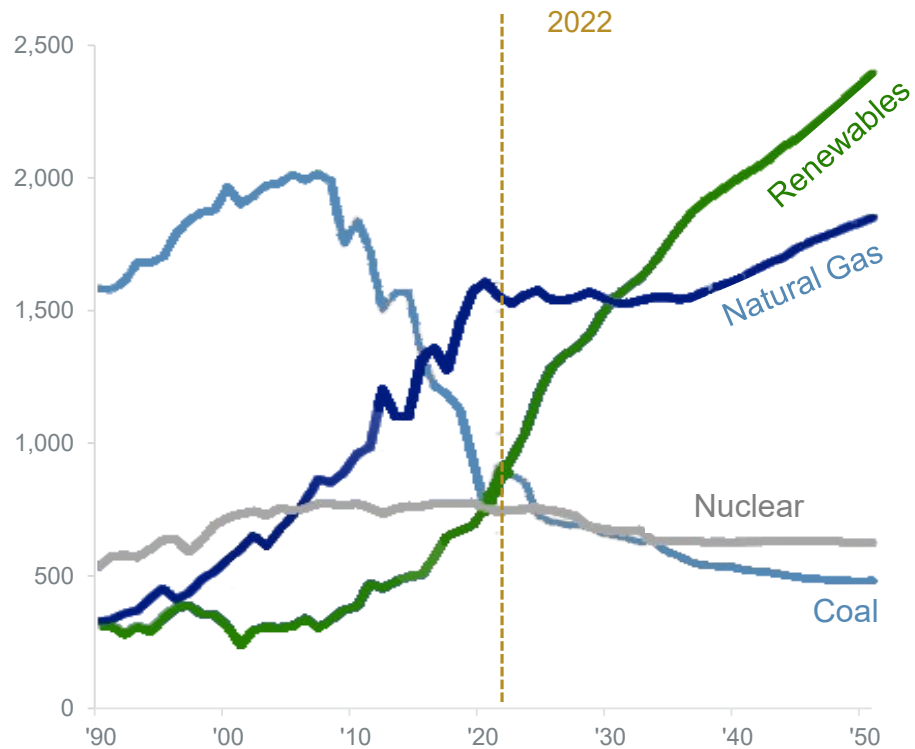
Source: FactSet. Data as of 3/31/2022.

Source: FactSet. Data as of 3/31/2022.

THE RENEWABLE REVOLUTION CONTINUES

RIISING FOSSIL FUEL COST WILL CONTINUE TO BOOST THE RENEWABLE ENERGY REVOLUTION

Power Generation from Renewable Sources Forecast to Surge Over Coming Years

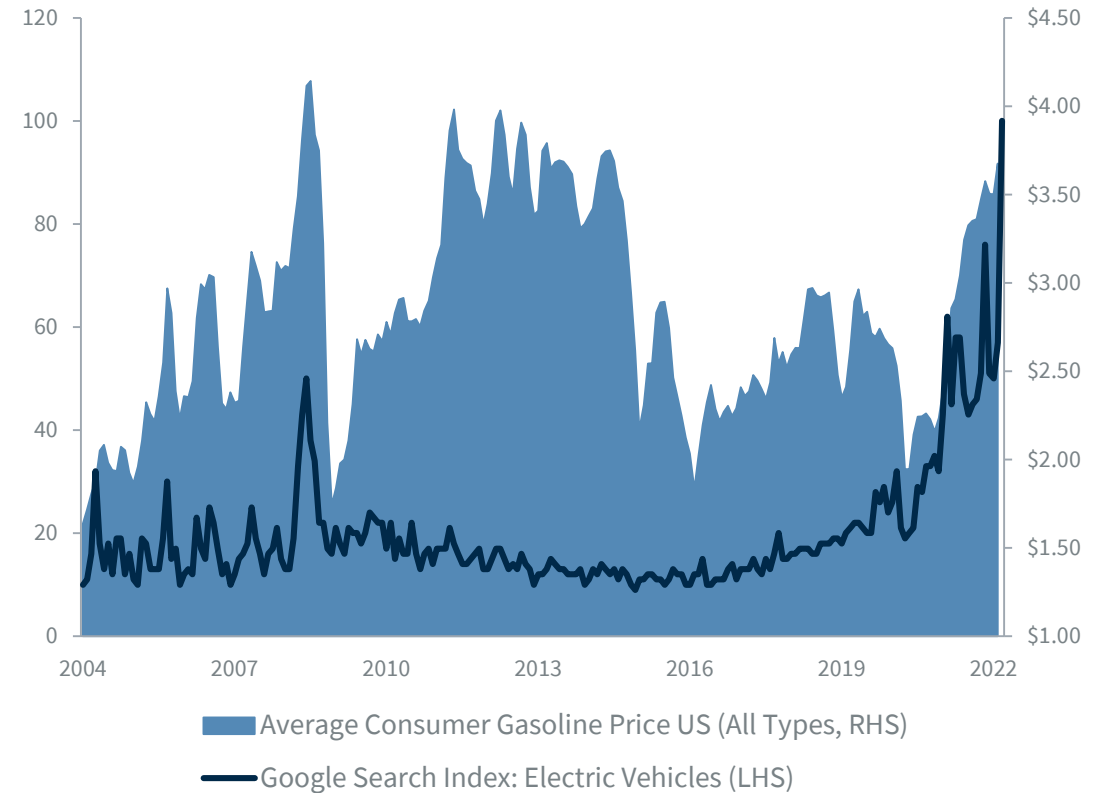


~\$95

2022 Year-End
Oil Price
Target

Source: FactSet. Data as of 3/31/2022.

Electric Vehicle Demand Increasing With Rising Gas Prices



Source: FactSet. Data as of 3/23/2022.



8

Asset Allocation

Get By With A Little Help From
Your Financial Advisor

INSIGHT:

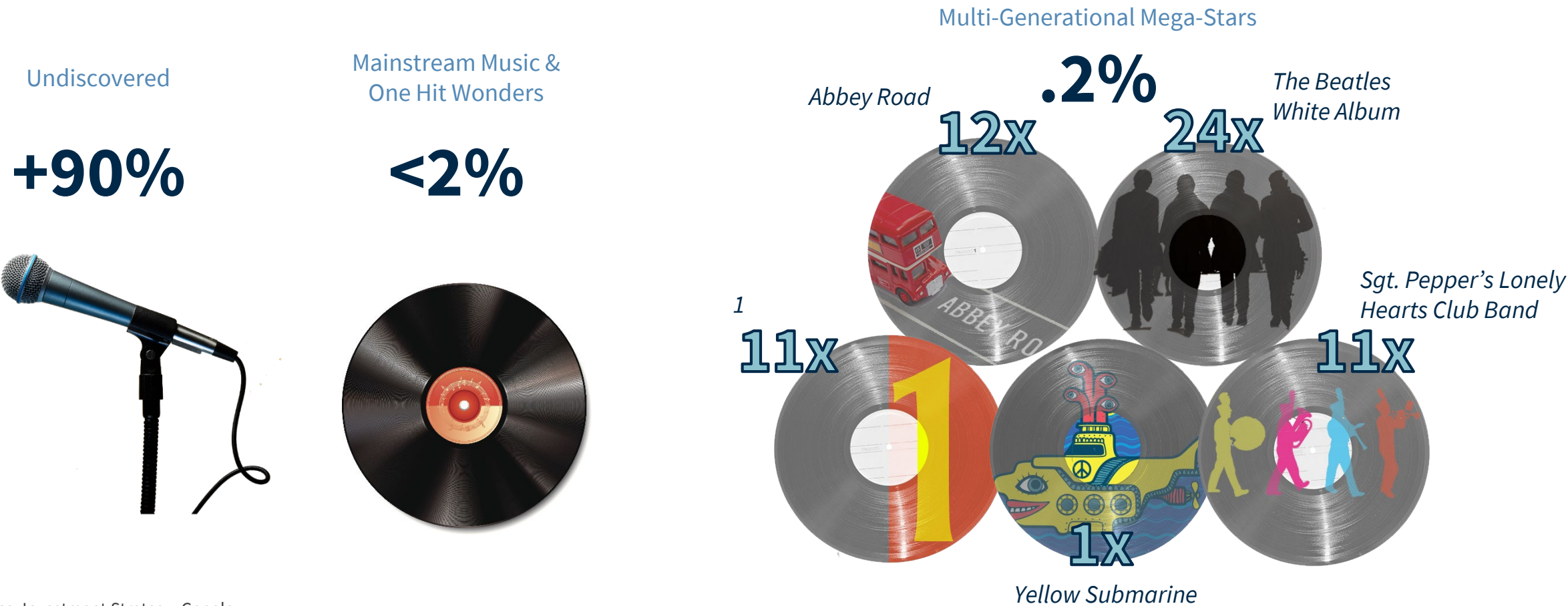
The combination of geopolitical tensions and the start of the Fed's tightening cycle has led to a volatile start to the year, and caused the S&P 500's first 10% pullback since the pandemic began.

BOTTOM LINE:

We remain hopeful for a peaceful resolution in Ukraine, which would validate the historical precedent of geopolitical conflicts being short-lived events so long as they do not coincide with a recession. In the meantime, investors should avoid emotionally-driven decisions, as they are typically detrimental to portfolio performance.

LESSONS LEARNED FROM THE MUSIC BUSINESS

THERE ARE MILLIONS OF MUSICIANS, BUT ONLY A FEW THOUSAND ARE EMPLOYED FULL-TIME AND EVEN FEWER ACHIEVE STARDOM



Source: Investment Strategy, Google.

ALL YOU NEED IS...



Long-Term
Approach

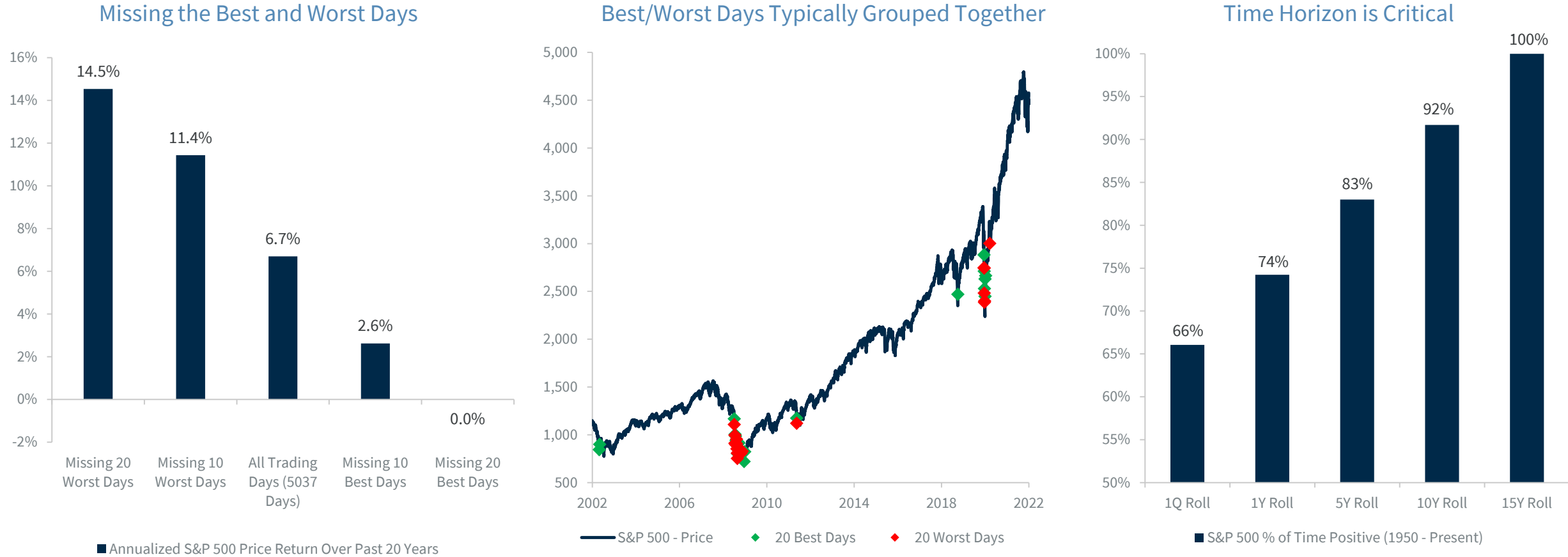
Objectives To Set
Optimal Allocation

Vision Not Clouded
By Volatility

Evaluate Risk
Tolerance

GETTING BY WITH A LITTLE HELP FROM MY FRIENDS

HAVING A PLAN AND NOT PANIC SELLING REMAINS CRITICAL



Source: FactSet. Data as of 3/31/2022.

UPCOMING WEBINARS



MAY 2 | 4:00 PM

Monthly Investment Strategy Webinar

This presentation will discuss recent market and economic trends and impacts.

SOCIAL MEDIA



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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. Investing in emerging markets can be riskier than investing in well-established foreign 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.

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.

WEST TEXAS INTERMEDIATE | West Texas Intermediate can refer to a grade or a mix of crude oil, and/or the spot price, the futures price, or the assessed price for that oil; colloquially WTI usually refers to the price of the New York Mercantile Exchange WTI Crude Oil futures contract or the contract itself.

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.

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.

CAPEX | CAPEX Capital Expenditures are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment. CapEx is often used to undertake new projects or investments by a company.

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.

HIGH YIELD | **Bloomberg US Corporate High Yield Total Return Index:** The index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below.

CREDIT | **Bloomberg US Credit Total Return Index:** The index measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities.

US DOLLAR | The U.S. Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies, often referred to as a basket of U.S. trade partners' currencies. The Index goes up when the U.S. dollar gains "strength" (value) when compared to other currencies.

200 DAY MOVING AVERAGE | The 200-day moving average is a popular technical indicator which investors use to analyze price trends. It is simply a security's average closing price over the last 200 days

US INDEXES AND EQUITY SECTORS DEFINITION

S&P 500 | The **S&P 500 Total Return Index**: The index is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

RUSSELL 2000 | **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.

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.

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.

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.

GERMAN BUND | A bund is a debt security issued by Germany's federal government, and it is the German equivalent of a U.S. Treasury bond.

SMALL CAP | Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. The prices of small company stocks may be subject to more volatility than those of large company stocks.

LARGE-CAP STOCK | also known as big caps are shares that trade for corporations with a market capitalization of \$10 billion or more. Large-cap stocks tend to be less volatile during rough markets as investors fly to quality and stability and become more risk-averse

MSCI AC WORLD EX-US | **The MSCI AC ex USA** Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 26 Emerging Markets (EM) countries*. With 2,215 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

LATAM | **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.

ASIA 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.

COMMODITIES DEFINITION

BLOOMBERG COMMODITY INDEX | Bloomberg Commodity Index is a commodity group sub index of the Bloomberg CITR. The index is composed of futures contracts on crude oil, heating oil, unleaded gasoline and natural gas. It reflects the return on fully collateralized futures positions and is quoted in USD.

WTI | West Texas Intermediate can refer to a grade or a mix of crude oil, and/or the spot price, the futures price, or the assessed price for that oil; colloquially WTI usually refers to the price of the New York Mercantile Exchange WTI Crude Oil futures contract or the contract itself.

BLOOMBERG EMERGING MARKETS AGGREGATE BOND INDEX | The Bloomberg s Emerging Markets Aggregate Bond Index is a flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

BLOOMBERG INDUSTRIAL METALS SUBINDEX | The Index is composed of future contracts on aluminum, copper, nickel, and zinc. The index reflect the return of the underlying commodity future price movements only and is quoted in USD.

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