

## SAN DIEGO SEND-OFF

Friday, December 29th, 2023

If you are receiving this email, it is because you are a client and/or friend of the La Jolla Private Wealth Group of Wells Fargo Advisors. The idea behind the *San Diego Send-Off* is to keep you abreast of interesting trends we are seeing in the market/world.

Best Regards,

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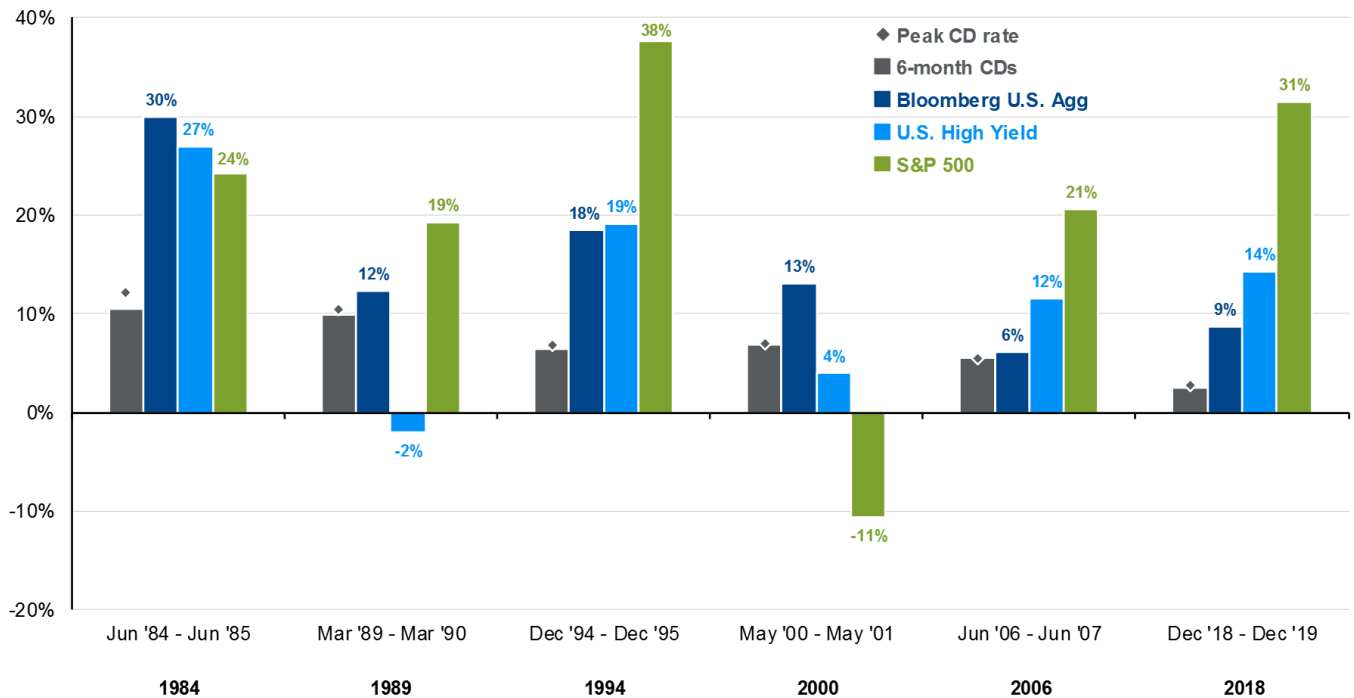
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**La Jolla Private Wealth Group: 2023 Forbes Best-In-State Wealth Management Teams.** The Forbes Best-In-State Wealth Management Teams rating algorithm is based on the previous year's industry experience, interviews, compliance records, assets under management, revenue and other criteria by SHOOK Research, LLC. Investment performance is not a criterion. Self-completed survey was used for rating. This rating is not related to the quality of the investment advice and based solely on the disclosed criteria. Fee paid for use of logo.

### With CD rates seemingly near a peak, it may be time to consider extending duration

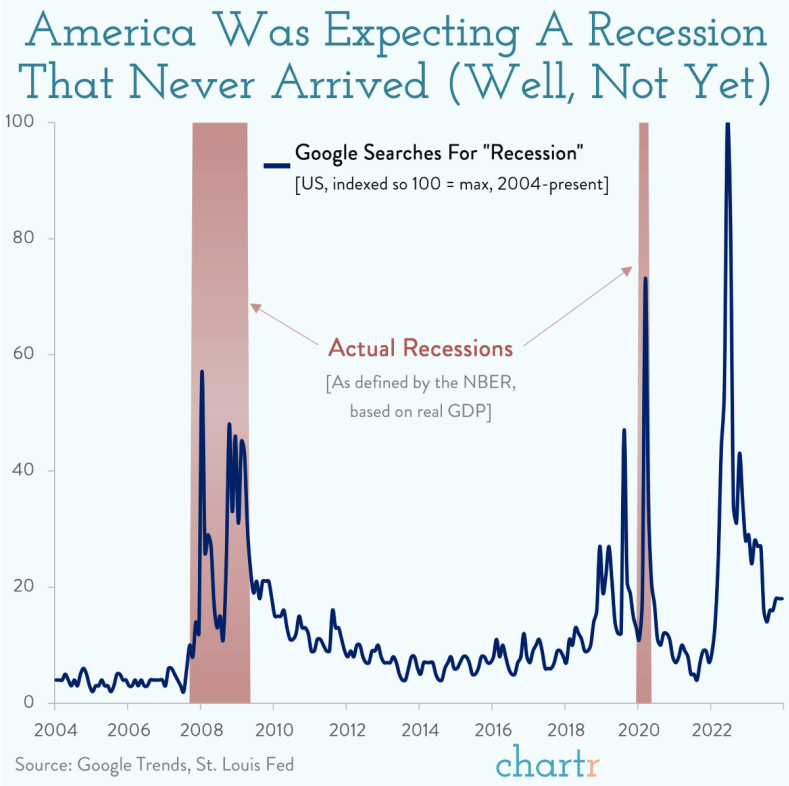
#### Investment opportunities outside of CDs

Peak 6-month certificate of deposit (CD) rate during previous rate hiking cycles and subsequent 12-month total returns

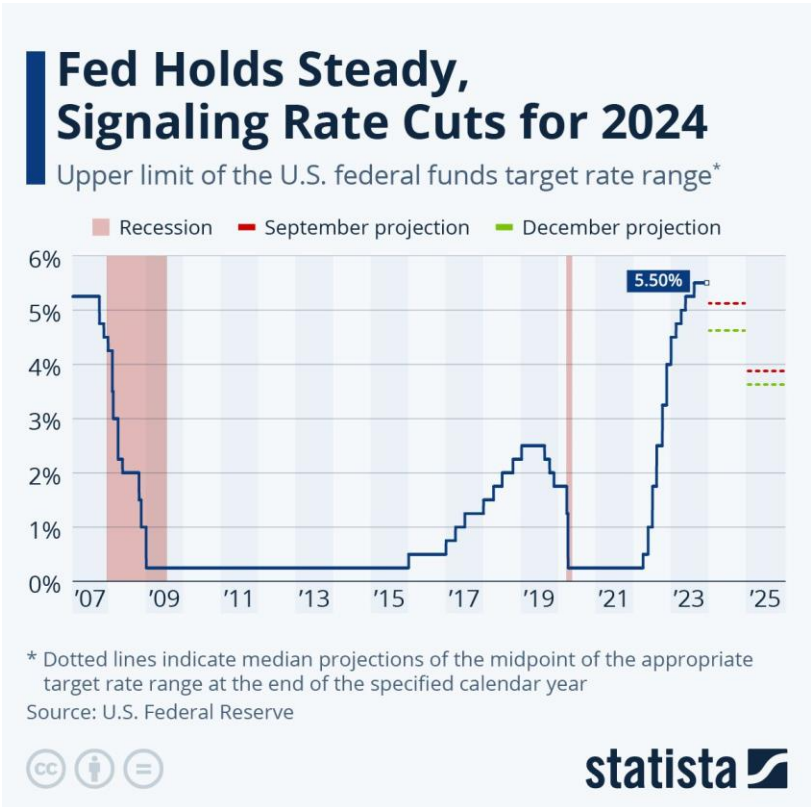


Source: Bloomberg, FactSet, Federal Reserve, Robert Shiller, J.P. Morgan Asset Management. U.S. High Yield: Bloomberg U.S. Corporate High Yield Index. The S&P 500 total return figure from the 1984 period was calculated using data from Robert Shiller. The analysis references the month in which the month-end 6-month CD rate peaked during previous rate hiking cycles. CD rate data prior to 2013 are sourced from the Federal Reserve, whereas data from 2013 to 2023 are sourced from Bloomberg. CD subsequent 12-month return calculation assumes reinvestment at the prevailing 6-month rate when the initial CD matures. *Guide to the Markets* - U.S. Data are as of October 31, 2023.

Bracing for...a soft landing?



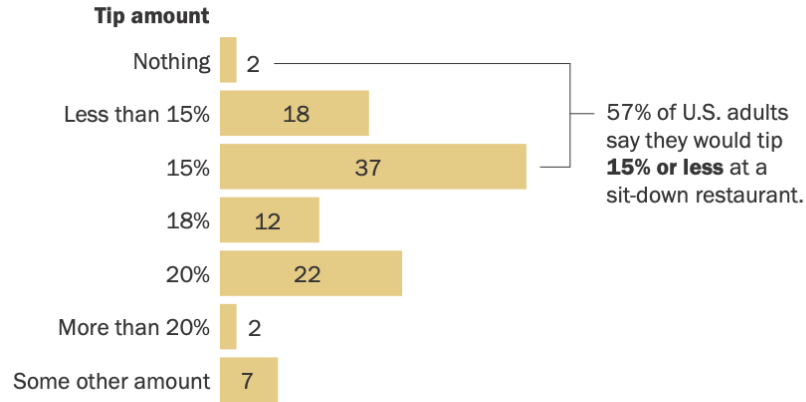
Fed chairman Jerome Powell indicated rate cuts are on the horizon for 2024



Majority of Americans would tip 15% or less for an average restaurant dining experience

**For a majority of Americans, a standard tip when dining at a sit-down restaurant is 15% or less**

% of U.S. adults who say they would leave \_\_\_ as a tip for an average meal at a sit-down restaurant

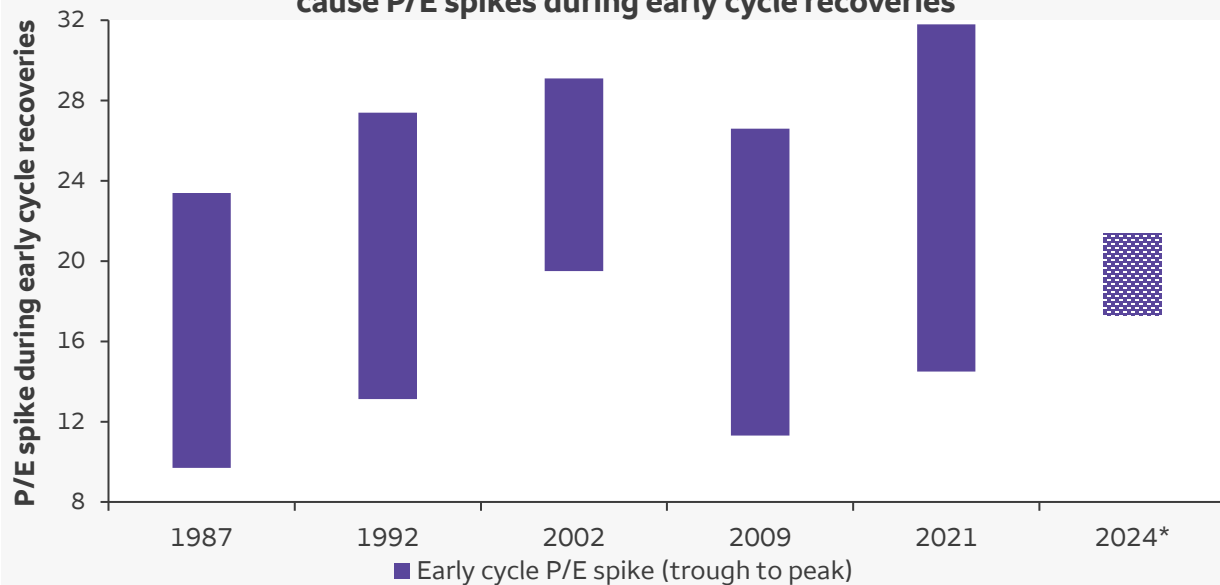


Note: The full question wording asked about a dining experience where the food and service are “both average, but not exceptional.” Those who did not answer are not shown.  
Source: Survey of U.S. adults conducted Aug. 7-27, 2023.  
“Tipping Culture in America: Public Sees a Changed Landscape”

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The time frame mismatch between forward-looking prices & backward-looking earnings can cause early cycle P/E spikes

**Stock prices typically rebound quicker than earnings, which can cause P/E spikes during early cycle recoveries**

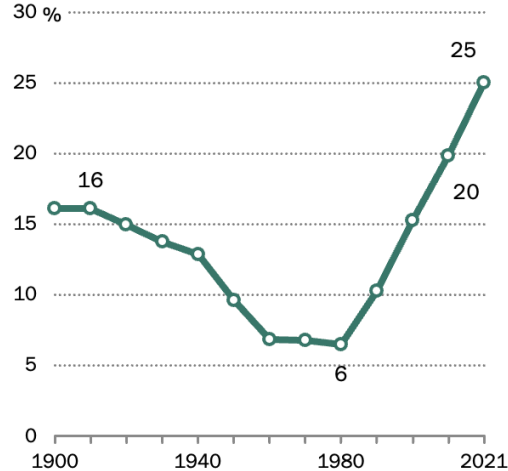


Sources: Bloomberg and Wells Fargo Investment Institute, as of September 30, 2023. The years on the x-axis represent the years in which the price-to-earnings (P/E) multiple peaked during the early cycle spike. \*2024 figures use the P/E low observed in 2022 and our forecasted P/E at year-end 2024. The S&P 500 Index is a market-capitalization-weighted index considered representative of the U.S. stock market. An index is unmanaged and not available for direct investment. Past performance is no guarantee of future results. Investing in stocks involves risk and their returns and risk levels can vary depending on prevailing market and economic conditions.

A record-high share of 40yr olds in the U.S. have never been married

**One-quarter of U.S. 40-year-olds have never married, a record high**

*% of 40-year-olds who had never married*

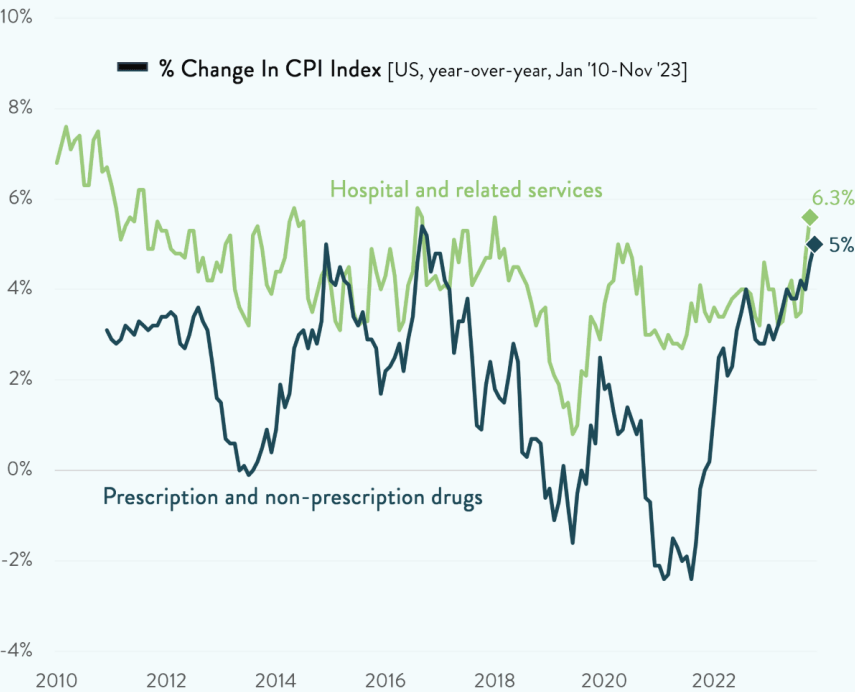


Note: Data labels shown for 1910, 1980, 2010 and 2021.  
Source: Pew Research Center analysis of 1900-2000 decennial census and 2010 and 2021 American Community Survey (IPUMS).

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The cost of medication has seen its steepest rise since Oct 2016, with prices up 5% year over year

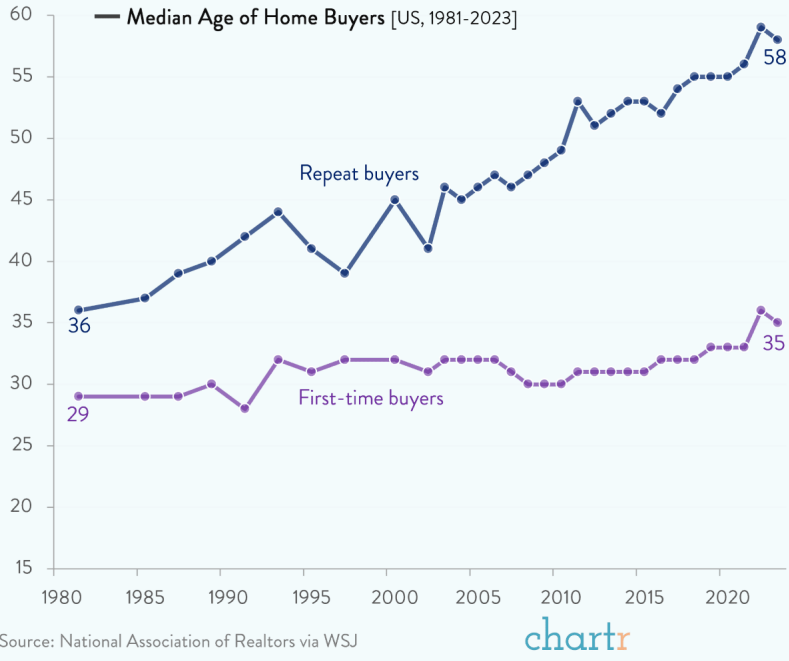
Cost Of Healthcare Services And Products Continues To Rise In The US



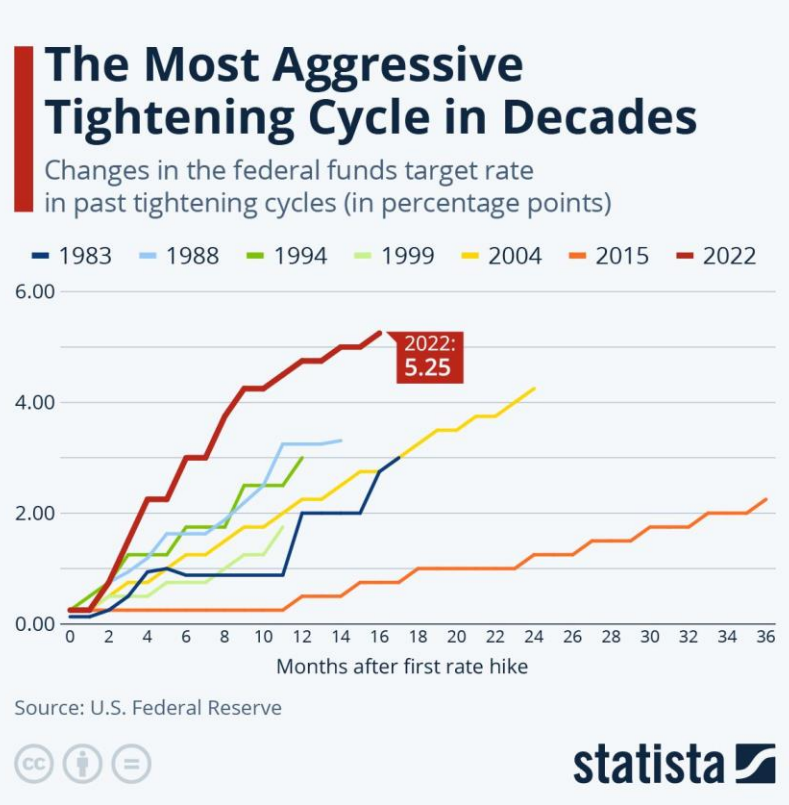
Source: Labor Department via WSJ **chart**r

1<sup>st</sup>-time buyers made up 32% of the US property market this year, down from the 38% avg historically

# Maturing Market: Home Buyers In The US Have Been Getting Older



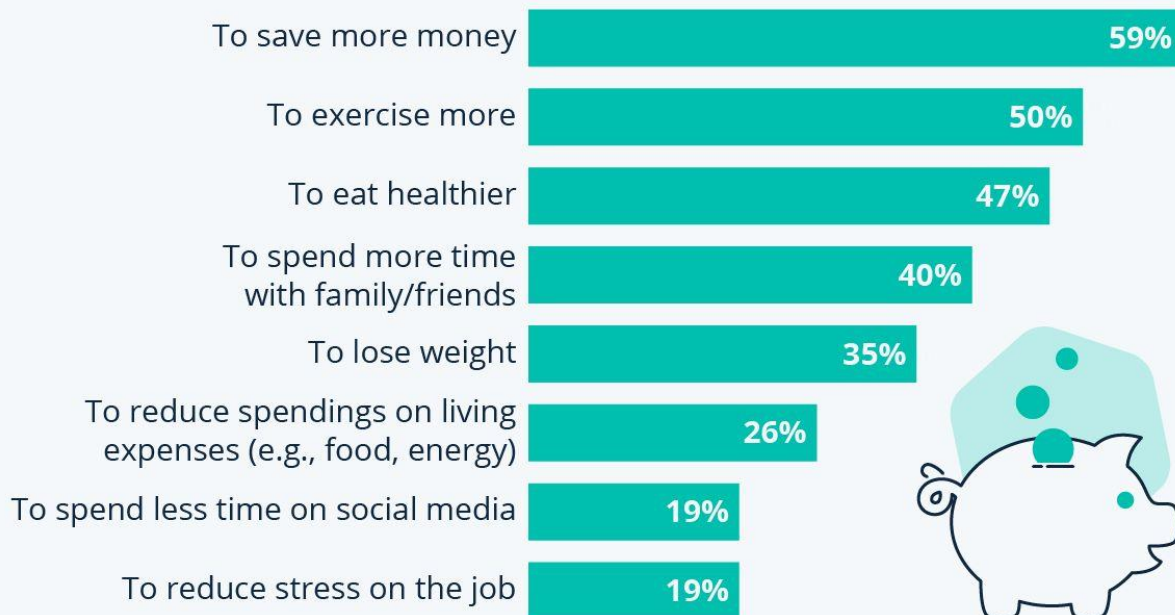
Between March 2022 and July 2023, the Fed raised the Fed Funds target rate by 525 basis points



Americans want to save more money in 2024

# America's Top New Year's Resolutions for 2024

Most common New Year's resolutions among U.S. respondents who have made one or several



417 U.S. respondents (18-64 y/o) surveyed Oct. 19-29, 2023  
Source: Statista Consumer Insights



## [Articles of the month:](#)

### **Top five portfolio ideas to help you prepare for 2024**

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### **Gen X's Retirement Problem**

[Click Here to Read](#)

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