



## SAN DIEGO SEND-OFF

Monday, March 31st, 2025

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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**La Jolla Private Wealth Group:** 2025 Forbes Best-In-State Wealth Management Teams. Source: Forbes.com. 2025 Forbes Best-in-State Wealth Management Teams: Awarded January 2025; Data compiled by SHOOK Research LLC based on the time period from 3/31/23-3/31/24. Fee paid for use of marketing materials. 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. 11,674 wealth management teams were considered for the rating; 5,331 (45.66% of candidates) were named 2025 Forbes Best-in-State Wealth Management Teams.

**At its March meeting, the Fed adopted a wait-and-see approach, holding rates steady but still eyeing 2 rate cuts in 2025**

## Fed Holds Rates Steady, Still Sees Two Cuts in 2025

Upper limit of the U.S. federal funds target rate range\*



\* Dotted lines indicate median projections of the upper limit of the appropriate target rate range at the end of the specified calendar year

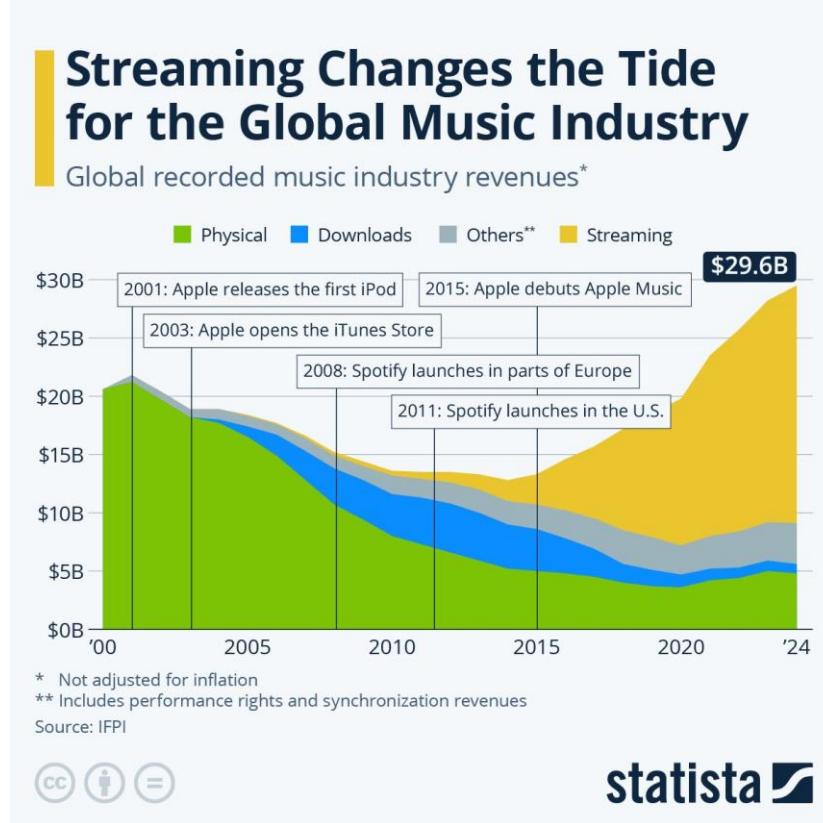
Source: U.S. Federal Reserve



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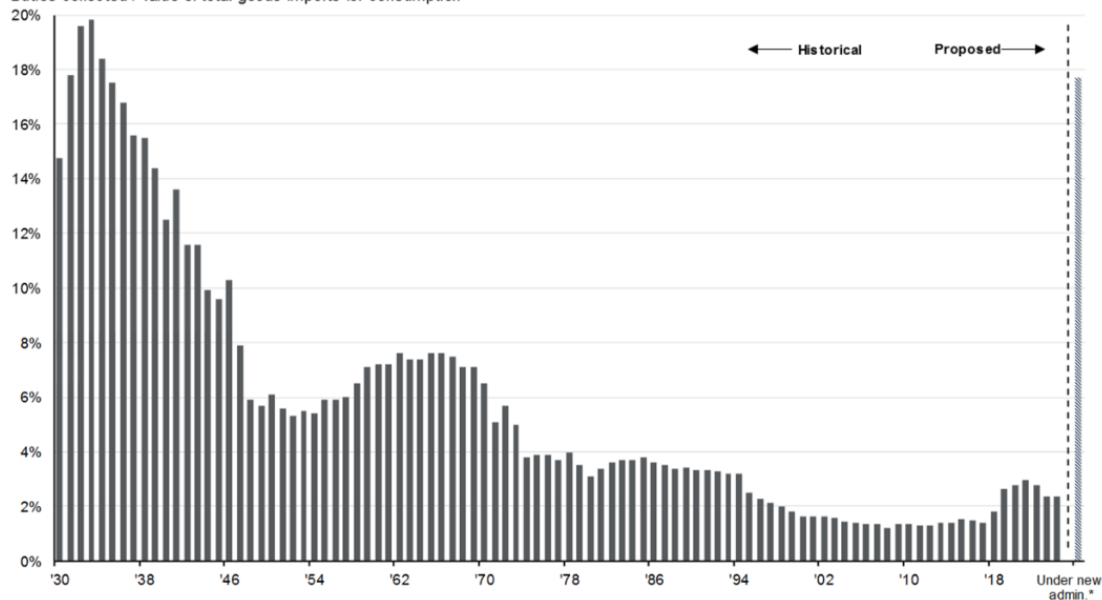
2024 recorded the 10<sup>th</sup> consecutive year of revenue growth for the music industry, after nearly 2 decades of gradual declines



On this slide, we show the average tariff rate on U.S. goods imports over time

### Average tariff rate on U.S. goods imports for consumption

Duties collected / value of total goods imports for consumption



Source: Tax Foundation, United States International Trade Commission, U.S. Department of Commerce, J.P. Morgan Asset Management.

Imports for consumption: goods brought into a country for direct use or sale in the domestic market. \*Estimate is by the Tax Foundation as of October 2024 and assumes a 20% universal tariff as well as a 60% tariff on Chinese imports. May not be updated as of the latest announcements regarding tariffs and U.S. trade policy and is subject to change. Forecasts are based on current data and assumptions about future economic conditions. Actual results may differ materially due to changes in economic, market and other conditions. *Guide to the Markets – U.S.* Data are as of February 28, 2025.

In 9 corrections (10% decline) since 2010, the S&P 500 returned an average of 18% the following year, with only the 2022 correction followed by a further decline

## Corrections Are Often Followed by Strong Rebounds

12-month return of the S&P 500 after recent corrections\*



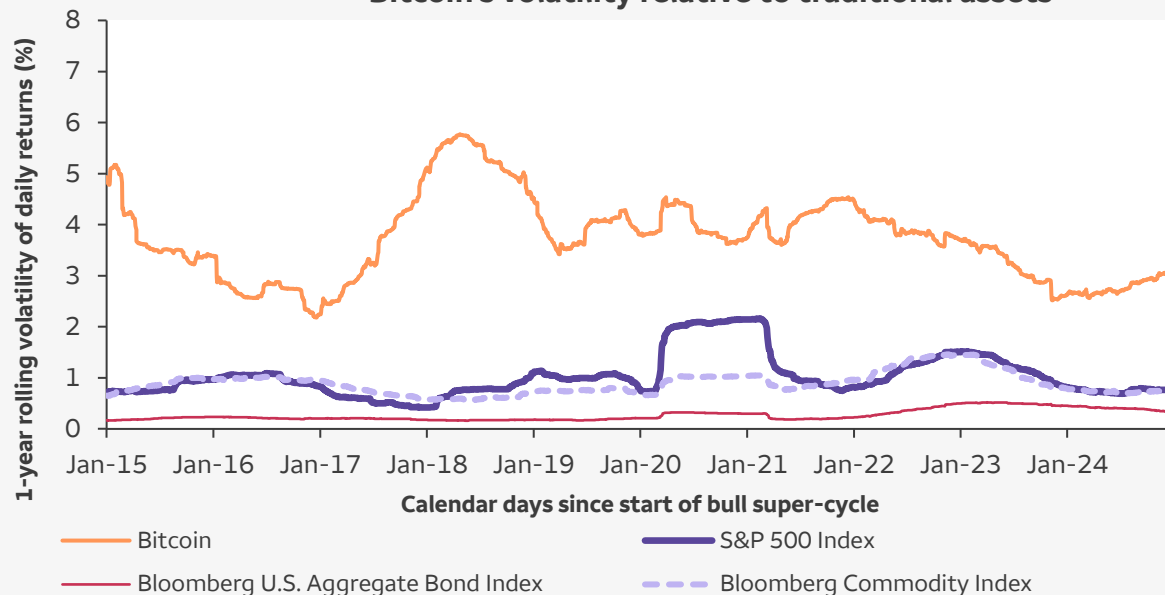
\* Corrections defined here as a 10-percent pullback from the S&P 500's latest bull-market high  
Source: The Motley Fool



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Bitcoin's substantially higher volatility remains a risk of which investors should be aware of

## Bitcoin's volatility relative to traditional assets

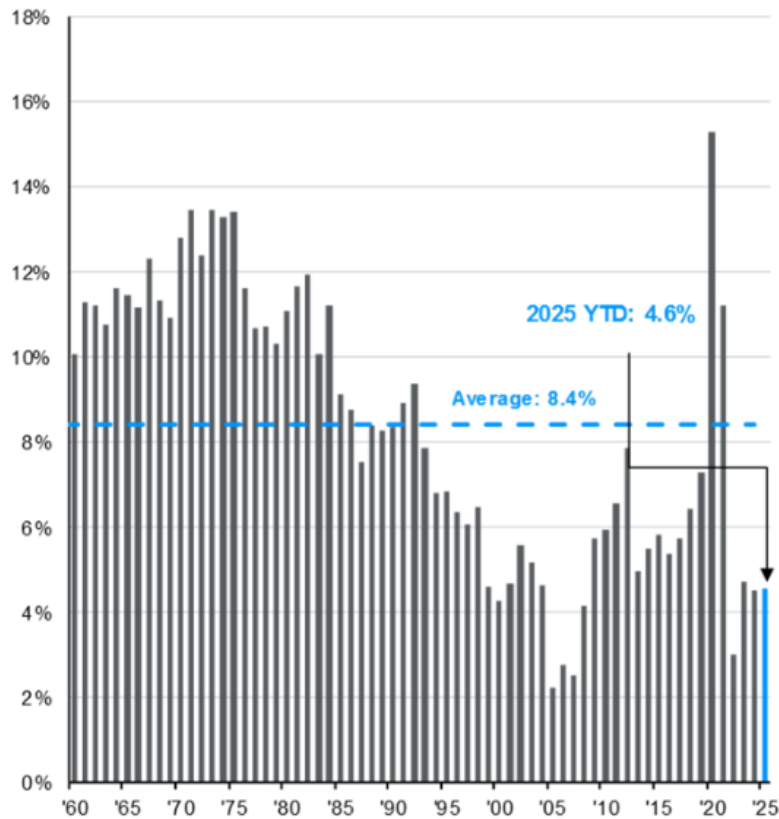


Sources: Bloomberg and Wells Fargo Investment Institute. Daily data from December 1, 2014, to December 31, 2024. Bitcoin represented by the bitcoin spot exchange rate versus the U.S. dollar. **Negative values are shaded in red in correlations table.** Correlation measures the degree to which asset classes move in sync; it does not measure the magnitude of that movement. There is no guarantee that future correlations between the Indexes will remain the same. Index returns do not represent investment performance or the results of actual trading. Index returns reflect general market results, assume the reinvestment of dividends and other distributions and do not reflect deduction for fees, expenses or taxes applicable to an actual investment. An index is unmanaged and not available for direct investment. Index correlations represent past performance. **Past performance is no guarantee of future results.** See following pages for risks and index definitions.

## Personal savings rates have dropped in recent years

### Personal saving rate

Personal savings as a % of disposable personal income, annual



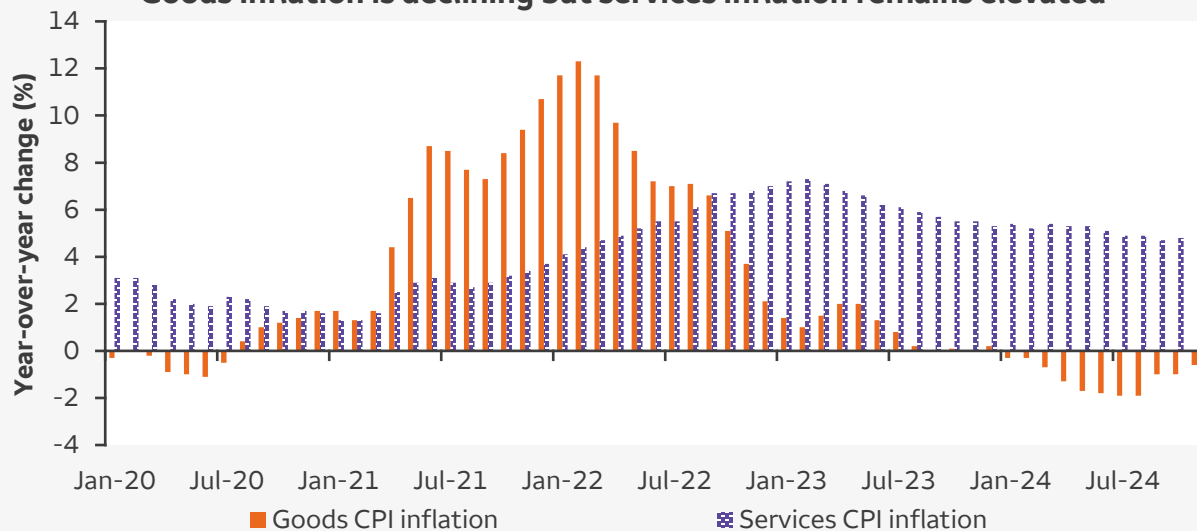
Source: BEA, Federal Reserve, J.P. Morgan Asset Management.

\*YTD figure for 2025 reflects the year-over-year % change in spending from January 2024 to January 2025.

Guide to the Markets – U.S. Data are as of February 28, 2025.

## Services inflation remains elevated

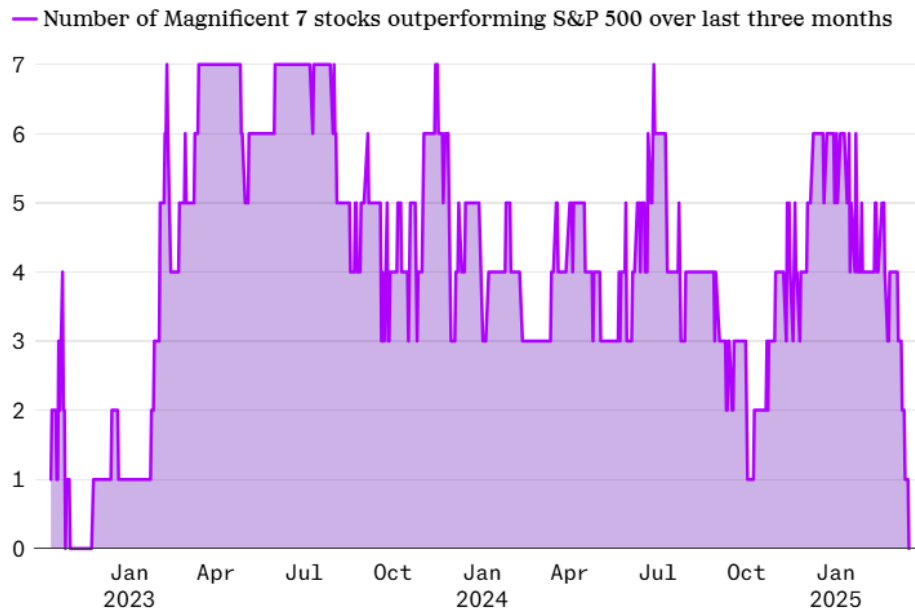
### Goods inflation is declining but services inflation remains elevated



Sources: Bloomberg, Bureau of Economic Analysis, U.S. Census Bureau, and Wells Fargo Investment Institute. Goods and Services Consumer Price Index (CPI) inflation: monthly data from January 1, 2020, to November 30, 2024. PCE components: monthly data from January 1, 1959, to November 30, 2024. PCE (personal consumption expenditure) tracks overall price changes for goods and services purchased by consumers. Services and all goods spending data is adjusted for inflation.

As of 3/19/25, zero “magnificent 7” stocks were outperforming the S&P 500 year-to-date

## A quarter without alpha from the Mag 7



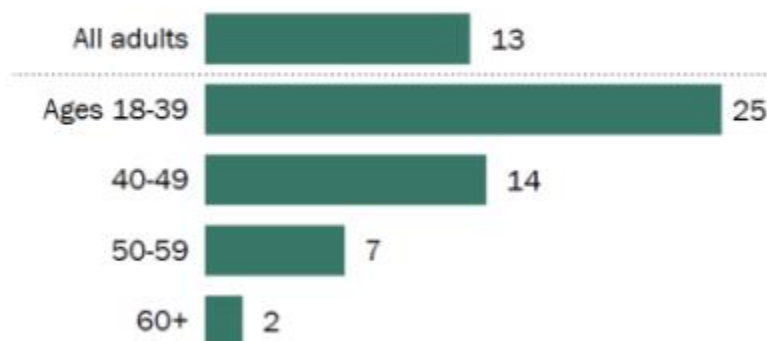
Source: Bloomberg

**Sherwood**

Student loan debt has increased in the U.S. as a greater share of young adults go to college and as the cost of higher education increases

## A quarter of U.S. adults under 40 have student loan debt

*% of U.S. adults with outstanding student loan debt from their own education*



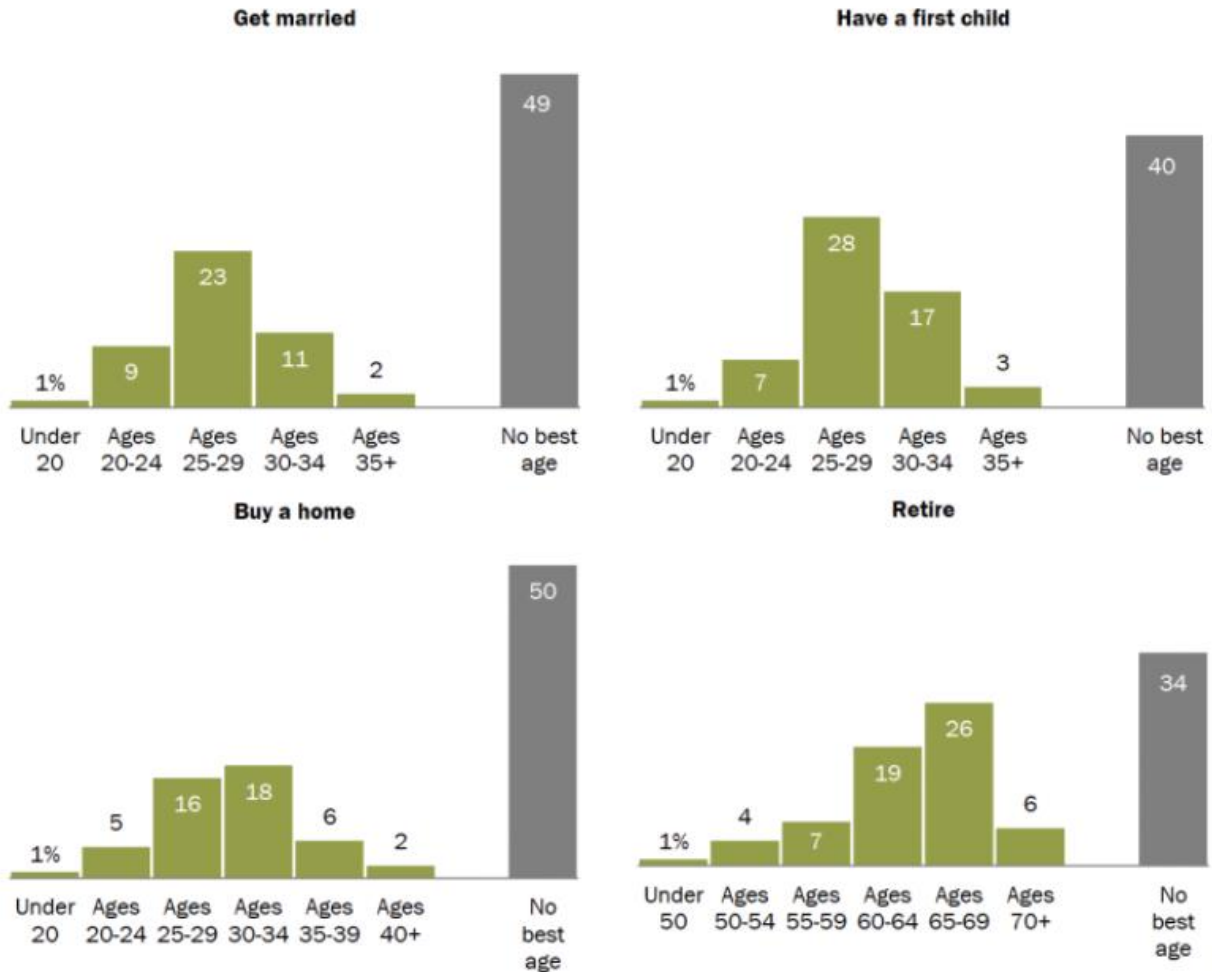
Source: Pew Research Center analysis of Federal Reserve Board's 2023 Survey of Household Economics and Decisionmaking.

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## Best age to get married, have a child, buy a home and retire? Here's what Americans say

### For many Americans, there is no best age to reach life milestones

% of U.S. adults who say the best age to reach each life milestone is ...



Notes: Those who said "Never" or did not answer are not shown.

Source: Survey of U.S. adults conducted April 1-7, 2024.

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