

July 9, 2024

Dear Valued Investor,

LPL Research recently unveiled *Midyear Outlook 2024: Still Waiting for the Turn*, our semi-annual report which recaps where markets and the economy have been over the first half of 2024. We are excited to bring you a few of the key highlights today.

As we reach the halfway point of 2024, a sense of persistence defines the economic and market landscape. Trends from late 2023 have continued, with surprisingly resilient economic growth mixed with stubborn but decelerating inflation. The stock market thrived in this better-than-expected environment, having regained all the lost ground from 2022, while the bond market continues to grapple with policy uncertainty and remains largely range-bound.

While it's tempting to forecast a continuation of these trends, our analysis suggests an impending shift. The economy looks poised to cool down in the second half, while volatility is likely to rise – changes that will impact interest rates and markets.

In this environment, we are suggesting investors prioritize bonds and remain disciplined when it comes to stocks, as the ride in the second half of 2024 could be bumpier. In our view, steps should be taken to bolster portfolios against a market that may be a bit less friendly in the latter months of the year. By prioritizing income generation and remaining patient and disciplined with stocks, we believe investors can successfully navigate the upcoming potential uncertainty.

These are just some of the insights you'll find in *Midyear Outlook 2024*. To get more, including considerations and potential action steps to discuss with your financial professional, visit go.lpl.com/investormidyearoutlook. The insights provided, combined with guidance from a financial professional, will help you navigate upcoming turning points and continue to work toward achieving your goals.

We wish you a safe and enjoyable summer. As always, please reach out to your financial advisor with questions.

Sincerely,



Marc Zabicki, CFA
Chief Investment Officer
LPL Research

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All index data from FactSet.

The Standard & Poor's 500 Index (S&P500) is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

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