

# MARKET SIGHT LINES



## Learnings From the Stifel Blueprint Conference

By Michael O’Keeffe, *Chief Investment Officer*



Every year or so, Stifel wealth colleagues, Stifel leadership, and other industry professionals gather for our Blueprint conference. The agenda includes time for one-on-one discussions, small group engagement, larger breakout sessions, and a few “main stage” sessions where all participants gather to learn. At our 2024 Blueprint conference last week, I had the privilege of moderating a “main stage” panel featuring Stifel thought leaders we affectionately call the “Stars of Stifel,” distinguished individuals – Barry Bannister, Dr. Lindsey Piegza, and Brian Gardner – who are frequent guests on financial news channels. In this week’s Sight|Lines, we share some of our learnings from the 2024 Stifel Blueprint conference.

### **THE TAKEAWAY: OPTIMISM, MARKET CAUTION, AND AN ELECTION TOSS-UP**

Blueprint is always filled with positive energy, and this year that was amplified by the potential for artificial intelligence (AI), even as some caution and election uncertainty were observed.

In summary:

- Stifel Chairman and CEO Ron Kruszewski shared an update on the firm’s growth over the last 25+ years, emphasizing our strong commitment to our clients and financial advisors.
- Ron hosted a powerful discussion with former White House Press Secretary Ari Fleischer about the 2024 U.S. election, highlighting a possible Washington, D.C. power flip, with Trump winning the presidency, Republicans taking the Senate, and Democrats the House.
- Barry, Lindsey, Brian, and I discussed the opportunities and risks associated with AI.
- Lindsey offered a generally positive view of the economy, even as she stressed that the Federal Reserve (Fed) wants to see cooler inflation and will set policy accordingly.
- Barry has a cautious equity outlook for the remainder of 2024, pointing out the market may be setting up for a 10% correction this year.
- Brian agreed with Ari Fleischer’s assessment of a potential “power flip” scenario, also highlighting just how close the elections are given current polling data.

## **IN-DEPTH: AI FUELS OPTIMISM, BUT THERE'S CAUTION ABOUT MARKETS, AND THE POTENTIAL FOR A POWER FLIP IN WASHINGTON, D.C.**

Each Blueprint is filled with excitement and positive energy, and this year was no exception. We discussed the potential for AI, but we also heard about caution for the markets and uncertainty around the U.S. election.

Going deeper:

- Stifel Chairman and CEO Ron Kruszewski shared his traditional “State of Stifel” presentation:
  - He highlighted Stifel’s positive growth over the last 25+ years and how far we’ve come.
  - He shared some of the recent improvements to our offerings for clients and financial advisors, including our [Stifel Wealth Tracker](#) application.
  - He emphasized Stifel’s strong continued commitment to our clients and financial advisors.
- Ron’s discussion with Ari Fleischer about the 2024 U.S. election was insightful, with Fleischer highlighting:
  - A possible power flip in the presidency, the Senate, and the House;
  - A one in three chance that President Biden will withdraw from the election;
  - A likely big voter turnout, with meaningful changes in demographic results; and
  - Many voters are hoping for a more a unifying leader in a future election.
- During the panel, Barry, Lindsey, Brian, and I discussed AI:
  - Lindsey highlighted that AI could help the global economy grow by an extra \$15+ trillion by 2030, even as the technology drives meaningful disruption in the job market.
  - Barry suggested AI optimism may have driven valuations too high.
  - Brian said Congress may take a “wait and see” approach before legislating AI controls or limitations.
- Lindsey offered a generally positive assessment of the current economy, but:
  - She sees tight Fed policy as sticky inflation persists.
  - She even sees a possibility the Fed may be forced to hike rates further to combat inflation.
- Barry called for a 10% correction this year as expectations for Fed rate cuts are pushed back further.
- While Brian also sees the potential for the “power flip” scenario, he suggested:
  - The possibility of an electoral vote tie, which would lead to the House electing the president and the Senate electing the vice president.
  - Senator Marco Rubio and Pennsylvania Governor Josh Shapiro as viable 2028 presidential candidates.

### **CONCLUSION**

Stifel wealth colleagues, Stifel leadership, and other industry professionals gather for our Blueprint conference every year or so, including one-on-one discussions, various breakout sessions, and a few “main stage” sessions for all participants. At the 2024 Blueprint conference last week, Barry Bannister, Dr. Lindsey Piegza, Brian Gardner, and I had a fun and insightful panel discussion on AI, the economy, the markets, and the election. There’s reason for both optimism and caution in the current environment, and we’ll keep both in mind as we continue our work for clients.

**Michael P. O’Keeffe, CFA** 

*Chief Investment Officer*

[michael.okeeffe@stifel.com](mailto:michael.okeeffe@stifel.com)

[www.stifelinsights.com](http://www.stifelinsights.com)

The information contained herein has been prepared from sources believed to be reliable but is not guaranteed by us and is not a complete summary or statement of all available data, nor is it considered an offer to buy or sell any securities referred to herein. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. There is no guarantee that the figures or opinions forecasted in this report will be realized or achieved. Employees of Stifel, Nicolaus & Company, Incorporated or its affiliates may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within. Past performance is no guarantee of future results. Indices are unmanaged, do not reflect fees or expenses, and you cannot invest directly in an index.

Asset allocation and diversification do not ensure a profit and may not protect against loss. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Due to their narrow focus, sector-based investments typically exhibit greater volatility. Small company stocks are typically more volatile and carry additional risks, since smaller companies generally are not as well established as larger companies. Property values can fall due to environmental, economic, or other reasons, and changes in interest rates can negatively impact the performance of real estate companies. When investing in bonds, it is important to note that as interest rates rise, bond prices will fall. The Standard & Poor's 500 index is a capitalization-weighted index that is generally considered representative of the U.S. large capitalization market. The Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange (NYSE) and the NASDAQ. The DJIA was invented by Charles Dow back in 1896. The MSCI EAFE index (Europe, Australasia, and the Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. VIX is a trademarked ticker symbol for the Chicago Board Options Exchange Market Volatility Index, a popular measure of the implied volatility of S&P 500 index options.