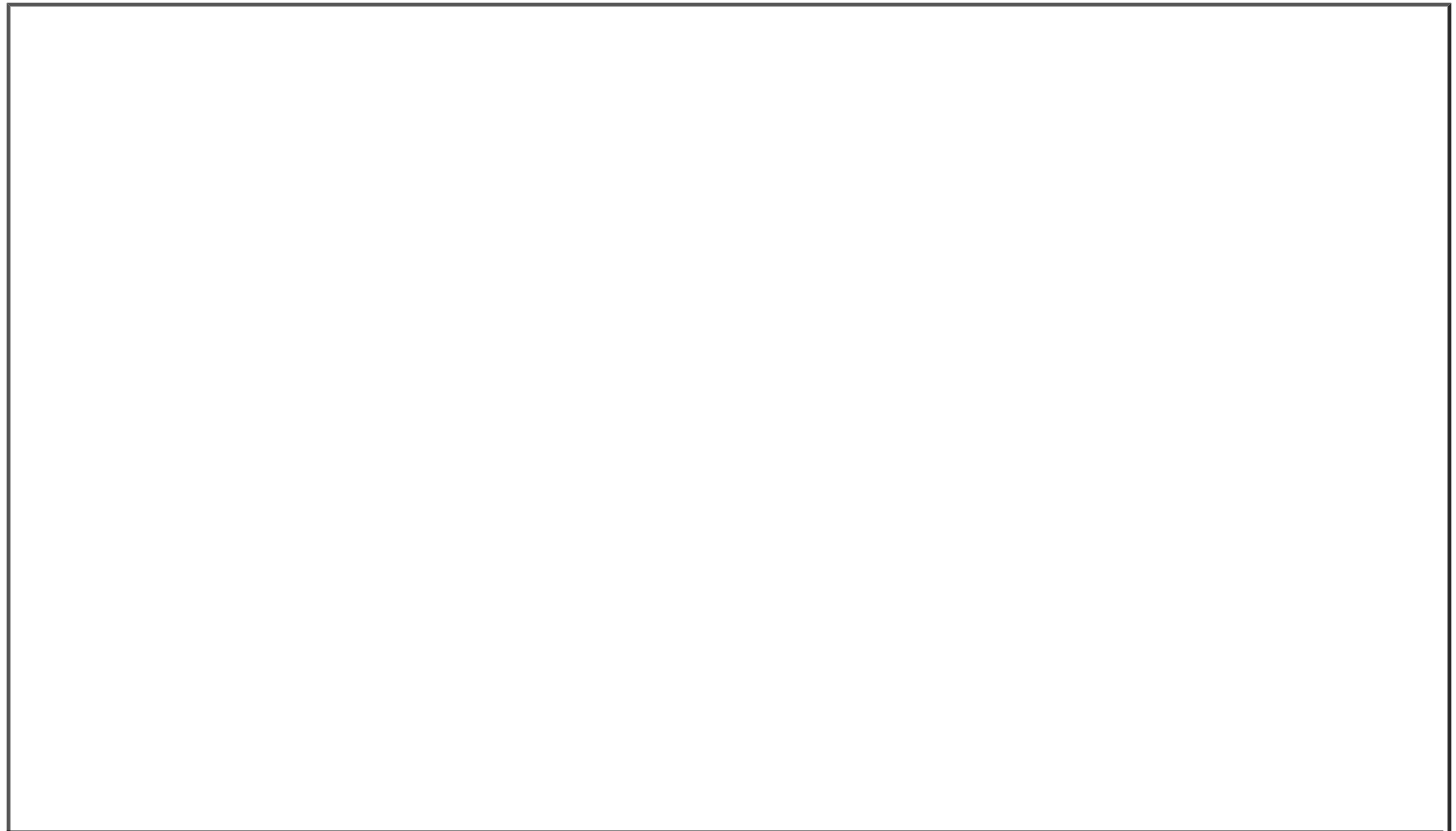


High Five – 2025 Outlook (Third of a Series)

THE LEAD | February 13, 2025



The hope is for enough positive GDP momentum to keep adding new jobs and improving productivity. December's labor report showed 256,000 job adds, and core CPI decelerating modestly to 3.2%. And while other inflation data remained stubbornly above the Fed's target, investors should draw confidence from a resilient backdrop. At a portfolio level, we have also seen companies adapt to higher-for-longer, keep cash levels robust.

Rate stability creates more certainty around valuations, which we expect to lead to meaningful pick-up in M&A activity. This builds on the trend we saw in 2024, when North American M&A reached over \$1.5 trillion by the end of Q3, not far off the 2023 full-year \$1.7 trillion total.

?? Read Jan 20th, 2025 Newsletter: [here](#)