

CHIEF INVESTMENT OFFICE

Capital Market Outlook

September 29, 2025

All data, projections and opinions are as of the date of this report and subject to change.

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Macro Strategy—*Taking Stock of À La Carte Globalization and the Investment Implications:*

The U.S.-led rules-based globalization of the past will likely not be prologue. Enter an age of à la carte globalization—a system less structured, more fragmented, and devoid of a single integrated framework. It entails more bilateralism versus multilateralism, wherein countries pick and choose new trade and security partners while opting out in other sensitive areas. In a world rife with geopolitical strife, strategic sectors including aerospace and defense, energy security, and technology and semiconductors stand to benefit. We maintain our preference for the U.S.

Market View—*Will Fed Rate Cuts Boost Emerging Markets (EM)?* For investors in EMs, shifts in the direction of Federal Reserve (Fed) policy have historically had significant implications for equity returns. But strong fundamentals are likely to make for a limited effect from the new Fed easing cycle across the bulk of the emerging world, while domestic drivers should be more important for the EM outlook over the period ahead.

Thought of the Week—*As Goes the High-Income Consumer, So Goes the U.S. Economy?*

April's near-20% correction in the S&P 500 stoked fears that the so-called "wealth effect" would turn on its head. Instead, the opposite transpired: with major equity indexes near all-time highs, U.S. household net worth surged to a record \$176 trillion in Q2. Thanks in part to massive equity and home price appreciation in recent years, higher-income households are faring well and propping up the U.S. consumer and, by extension, the U.S. economy.

From the CIO: *How the S&P 500 Has Performed Around Historical Federal Government Shutdowns*

Start of shutdown	Duration (days)	S&P500 price return			
		-3 months	+3 months	+6 months	+12 months
30-Sep-76	10	0.9%	1.6%	-6.4%	-8.3%
30-Sep-77	12	-3.6%	-1.6%	-7.6%	6.2%
31-Oct-77	8	-6.8%	-3.2%	5.8%	2.9%
30-Nov-77	8	-1.6%	-8.1%	2.6%	-1.1%
30-Sep-78	17	7.3%	-6.1%	-0.5%	6.6%
30-Sep-79	11	6.3%	-1.2%	-10.2%	15.6%
20-Nov-81	2	-5.8%	-8.3%	-5.6%	12.6%
30-Sep-82	1	9.9%	17.3%	25.9%	39.5%
17-Dec-82	3	12.2%	8.8%	23.0%	17.6%
10-Nov-83	3	1.8%	-5.5%	-2.7%	2.6%
30-Sep-84	2	8.7%	-0.2%	8.1%	9.2%
3-Oct-84	1	5.7%	1.8%	11.1%	13.3%
16-Oct-86	1	1.5%	10.8%	18.7%	24.4%
18-Dec-87	1	-20.9%	8.8%	8.6%	10.9%
5-Oct-90	3	-13.1%	3.0%	20.5%	22.4%
13-Nov-95	5	5.8%	11.7%	11.7%	23.6%
15-Dec-95	21	5.7%	4.1%	8.0%	18.2%
30-Sep-13	16	4.7%	9.5%	11.3%	17.3%
19-Jan-18	2	9.8%	-4.2%	-0.2%	-6.3%
21-Dec-18	34	-17.5%	15.8%	21.9%	33.4%

Source: U.S. House of Representatives, Chief Investment Office. Data as of September 29, 2025. Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

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Portfolio Considerations

Heading into the final four months of the year with inflation running above trend and the employment data producing mixed signals, we'd use any equity weakness to increase tactical positioning through the new growth cycle.

We maintain an overweight in Equities with a preference for the U.S. relative to the rest of the world. The profit cycle is likely to be extended by tailwinds from fiscal stimulus and deregulation, all supportive of economic growth and risk assets.

As for Fixed Income, higher nominal and real yields provide attractive compensation for inflation and market risk. Longer-term Fixed Income offers meaningful returns relative to cash and therefore diversifies Equity risk over time with more stable income.

Taking Stock of À La Carte Globalization and the Investment Implications

Joseph P. Quinlan, Managing Director and Head of CIO Market Strategy

The era of seamless and integrated cross-border flows of capital, goods, data and people is over. The globalization of the past will likely not be prologue. Rather, we are entering an age of à la carte globalization. This entails a fragmented world economy owing to 1) the shifting strategic interests and political alliances of nations; 2) the restructuring and localization of global supply chains of multinationals; and 3) the reconfiguration of global capital flows as investors reprice risk. All of the above requires a rethinking associated with portfolio construction.

The globalization of the past rested on the overarching notion that countries and markets were destined to steadily integrate and converge under a “one-size-fits-all” U.S.-led rules-based system of free markets, privatization and unfettered cross-border flows of virtually everything. The “Commanding Heights” were controlled by the private sector; profits and economic efficiencies trumped geopolitics, allowing multinationals to optimize their production networks across multiple borders with little political interference. Rising global interdependence, in turn, was a deterrent to war and a catalyst for peace.

Times have changed.

The globalization of the future will be different, in our view—the system will be less structured, more fragmented and free-wheeling, and devoid of a single integrated framework. Rather than global economic convergence, countries and regions will likely diverge from each other. In this world, the primacy of geopolitics over profits means more trade tariffs, government subsidies, investment restrictions, anti-immigration initiatives, resource protectionism and domestic-focused industrial policies. It also entails more bilateralism versus multilateralism. And notably, we expect this world will be buffeted by the Great Power Rivalry between the U.S. and China, forcing many nations to pick and choose one great power over another.

Picking and choosing—or selectivity—is the hallmark of à la carte globalization. Indeed, how countries or companies select to adjust to the latest iteration of globalization—with a more protectionist U.S. at its core—will determine their future economic growth and market returns.

Since Liberation Day, April 2, and with the liberal global order in tatters, the world has scrambled to diversify its commercial stakes from the U.S., curating new economic and security partnerships and selectively engaging with some nations while strategically opting out with others.

To wit, the last few months have seen a plethora of bilateral deals, including those between Germany and Canada; the United Kingdom and India; Japan and the United Kingdom; China and Egypt; Japan and Australia; Saudi Arabia and Pakistan; Canada and the European Union (EU); the EU and Central Asia; the EU and Indonesia; South Korea and Poland. On it goes. The “Future of Investment and Trade Partnership” between Singapore, the United Arab Emirates (UAE), New Zealand and other potential partners that stretch from Asia to South America is another manifestation of à la carte globalization. Ditto for the free trade deal between Mercosur (which includes much of South America) and European states Iceland, Norway and Switzerland. Many of these deals were in the works before Liberation Day but have been accelerated/completed in just the past six months.

This is globalization à la carte: countries picking and choosing new trade and security partners, selectively engaging and hedging relationships, while opting out in other sensitive areas. Gone is the U.S.-led “one-size-fits-all” globalization that was easier to predict and easier to invest in.

Investment implications. À la carte globalization entails a more fluid and fractured investment environment—and one less predictable and more complicated for investors.

Investors must now view global diversification not only through the lens of economic cycles but also through ever-shifting geopolitical alignments and realignments. This creates particular challenges for the emerging markets since clumping a handful of emerging markets together as an asset class makes little sense today given the varying vulnerabilities of each nation to the unfolding new world order.

Portfolio Considerations

We continue to favor the U.S. over the rest of the world in portfolios because it is best positioned for a world more closed than opened. Technological innovation, copious resources, deep and sophisticated capital markets, and strength in defense are among reasons to stay long America.

Indeed, how various emerging markets position themselves and/or align themselves along the geopolitical fault lines of today will determine their future growth and investment prospects. Case in point is India—the once high-flying emerging market has been battered by higher U.S. tariffs owing to the U.S.’ annoyance over India’s purchasing of Russian energy. India’s choice—buy from Russia and get hammered by the U.S.—helps explain in part the nation’s underperformance this year relative to the broader MSCI Emerging Markets Index (Exhibit 1A).

Meanwhile, in a world rife with geopolitical strife and increasingly fragmented, the following strategic sectors stand out as solid core investments: aerospace and defense; critical minerals and industrial inputs; logistics and infrastructure; energy security; and technology and semiconductors.

By region, rarely recognized by investors is the strength of the Western hemisphere.¹ Collectively, the region is an energy and agricultural superpower, leading the world in the production of soybeans, corn, meat and poultry, as well as sugar cane, wheat and cotton.

Water—the most precious commodity in the world—is also in abundance in the Western hemisphere. Ditto for silver and copper, critical industrial inputs in demand all over the world, and iron ore and alumina. In energy, it is a similar story—the nations of the Western hemisphere are collectively among the most important producers in the world when it comes to the production of ethanol, geothermal power, natural gas, oil and wind.

Another attraction: a budding middle class in Latin America, with nominal personal consumption expenditures totaling roughly \$4.7 trillion in 2023, more than double the level of consumer spending in the Middle East and Africa and more than one-third larger than spending in central Europe. On the whole, the Western hemisphere accounts for over 40% of global consumer spending; no other region of the world comes close to this level.

Taken together—the region’s copious physical endowments and expanding consumer market and labor force—overlayed with the Trump administration’s focus on making Latin America a stable and prosperous “sphere of influence”—all of these variables have converged to underpin more investor confidence in the region as the world economy fractures.

And finally, by country, we maintain our preference for U.S. Equities due in part to the simple fact that no country in the world is better disposed toward a more fragmented global economy than the U.S. America’s relatively self-contained, continent-sized economy is more closed than opened and is underpinned by the most powerful force on the planet: the U.S. consumer. Other U.S. strategic advantages include a technology sector that is among the most dynamic and innovative in the world; a deep and sophisticated capital markets, which, along with the U.S. dollar, helps grease the wheels of commerce at home; and the world’s most powerful military, which translates into relatively secure borders. Hence, America’s outperformance relative to the rest of the world over this decade (Exhibit 1B).

Looking ahead, and underpinning our conviction to stay long America, we believe that in a world of selective engagement—à la carte globalization—the U.S. will remain among the world’s most attractive targets or highly desired partners.

Exhibit 1: À La Carte Globalization Reflected in Market Returns.

1A) India has Underperformed the Emerging Markets this Year.

Total Return, Indexed to January 1, 2024 = 100



1B) America's Outperformance Versus the Rest of the World This Decade.

Total Return, Indexed to January 1, 2020 = 100

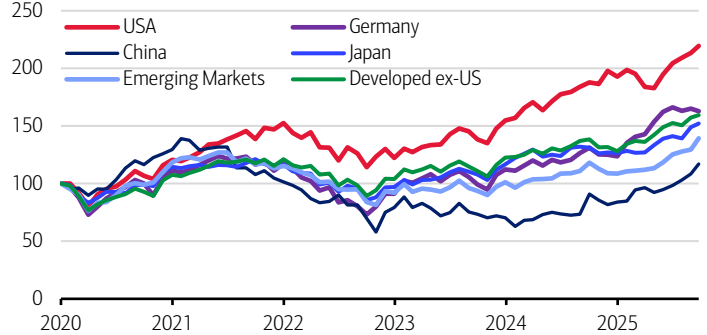


Exhibit 1A and 1B: MSCI Indexes used. Source: Bloomberg. Data as of September 24, 2025. Past performance is no guarantee of future results. Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

¹ Inclusive of North and South America.

Will Federal Reserve Rate Cuts Boost Emerging Markets?

Ehiwario Efeiyini, Director and Senior Investment Strategist

This month's 25 basis point (bps) policy rate cut by the Fed (its first since December 2024) most likely marked the beginning of a new easing phase that should extend into 2026. For investors in emerging markets (EM), shifts in the direction of Fed policy have historically had significant implications for equity returns. In past decades, U.S. monetary policy tightening to the extent seen in 2022 and 2023 has generally resulted in greater financial stress and often periods of crisis in emerging economies. And by contrast, periods of U.S. monetary easing have typically been associated with outperformance for EM Equities. The rolling crises of the mid- to late-1990s (in Mexico, southeast Asia and Russia) that followed the 1994 to 1995 tightening cycle clearly highlight the negative impact that Fed tightening has had on EM returns in the past. While the huge outperformance of EM Equities in the late 1980s and early 1990s, and again in the early to mid-2000s each followed periods of Fed monetary easing.

But in the years since the 2008/2009 Global Financial Crisis, the association between Fed policy and EM returns appears to have weakened, with EM Equities proving less responsive to the direction of U.S. interest rates. Maximum Fed accommodation and successive rounds of quantitative easing in the period after the rate cutting cycle of 2007 to 2008 came alongside major underperformance for EM Equities during the first half of the 2010s. And in the earlier stages of the current economic cycle, EM returns were relatively resilient in the face of the most aggressive Fed rate hikes since the 1990s and have broadly kept pace with their developed ex-U.S. counterparts since the first Fed rate increase in 2022. This relative detachment from Fed policy in more recent years suggests a potential change in the interaction between U.S. rates and EM performance, and a departure from the typical relationship experienced in the past.

Historical crises in emerging economies sparked by Fed rate hikes have usually been characterized by capital flight, deleveraging and falling asset values. The rising U.S. interest rates attract capital away from riskier emerging countries (particularly those with large current account deficits) and reduce support for local EM asset prices and exchange rates. Associated strength in the U.S. dollar has typically been an additional hurdle. For those emerging economies with fixed exchange rates, a loss of export competitiveness with the rest of the world further undermines current account positions, forcing central banks to run down their foreign exchange reserves. And where exchange rates are floating, foreign currency debts rise in local currency terms, resulting in widespread defaults, debt downgrades, recessions and further exchange rate depreciation. Fed rate cutting cycles have seen this process operate in reverse, providing a boost for EM asset values.

But starting in the years that followed the 1997/1998 Asian financial crisis and continuing into the period since the global financial crisis, the fundamentals across much of the EM universe have markedly improved (alongside an increased market concentration in the Asia-Pacific region). Fixed exchange rates have largely been abandoned. EM foreign currency reserves have almost doubled as a share of gross domestic product (GDP) since the crisis years of the 1990s. And across 18 major emerging economies included in the MSCI Emerging Markets Index, the share of EM debt denominated in U.S. dollars has roughly halved in the past decade, led by the private sector across households and corporates (Exhibit 2A). As a result, emerging markets have become more insulated from the direction of Fed policy rates on a structural basis.

The impact from Fed policy has been further dampened in the current cycle given more balanced current account positions across the emerging world. Another key reason that EM equities held up relatively well during the early-cycle tightening phase is that current account deficits have shrunk or disappeared entirely for most countries. Close to 70% of the MSCI index market capitalization is now represented by countries in outright current account surplus, up by more than 10 percentage points from the taper tantrum period of a decade ago. And adding countries with only moderate deficits (of less than 3% of GDP) captures virtually the entire market capitalization of the index. The upshot is that EM has become less reliant on external funding over recent years, which has also limited the need to compete for global capital flows. The Fed raised rates by 525 bps over the course of its tightening campaign in 2022 to 2023. But over the same period, only three major emerging markets (the

Investment Implications

Fed monetary easing has historically been associated with outperformance in EM. We nonetheless observe a decreasing sensitivity in recent cycles as improving fundamentals have insulated emerging economies from Fed policy to a greater extent. Though some individual markets may benefit from the new easing cycle, we would expect a limited effect for the majority of the MSCI Emerging Market Index and maintain a neutral tactical view in our regional allocations.

deficit countries of Egypt, Turkey and Colombia) were forced to hike by more. This contrasts with the steep interest rate hikes required by emerging world monetary authorities during past cycles, especially in the crisis decades of the 1980s and 1990s.

Exhibit 2: Share of USD-Denominated Debt in Emerging Economies Has Fallen; Foreign Exchange Reserves Have Increased.

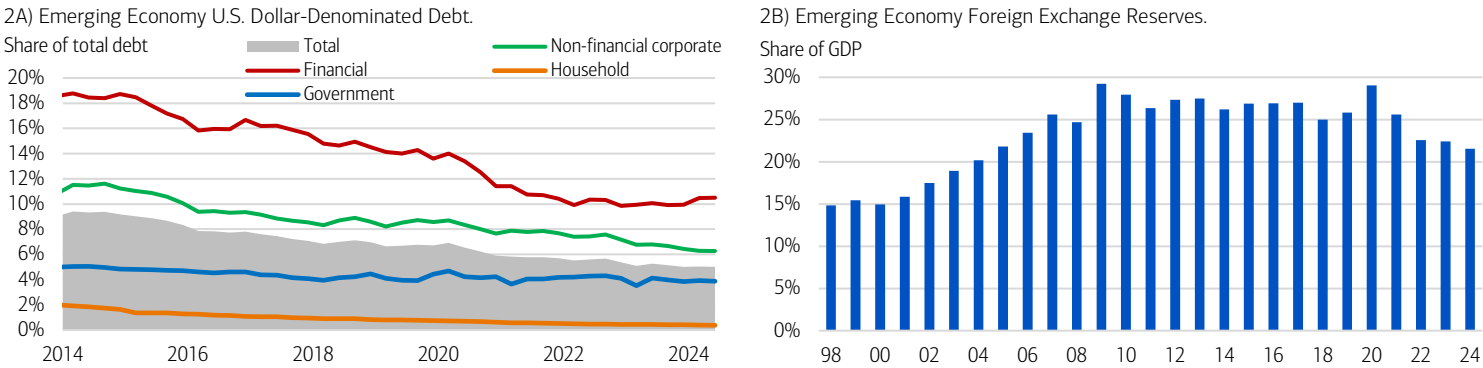
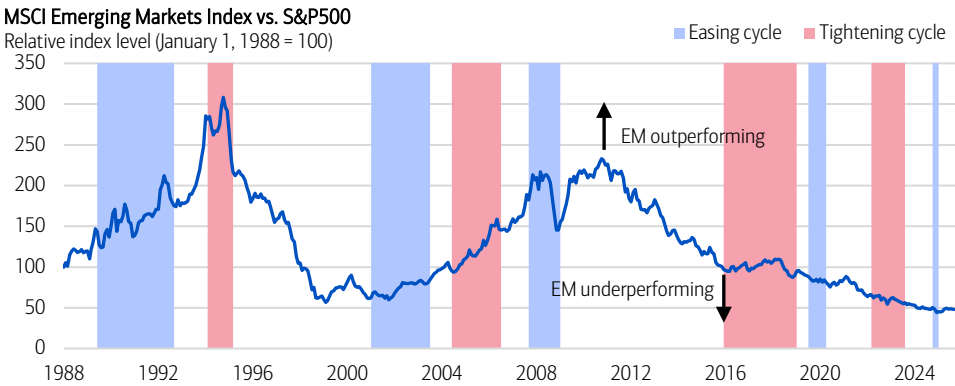


Exhibit 2A/2B) Source: Institute of International Finance; International Monetary Fund; World Bank; Bloomberg. Data as of 2024. Countries included: Brazil, Chile, China, Colombia, Czech Republic, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Poland, Russia, Saudi Arabia, South Africa, Thailand, Turkey (reserves also include Egypt, Philippines, Taiwan).

The result has been a relative insensitivity for EM returns to the direction of Fed policy in the current environment compared to previous years (Exhibit 3). And looking ahead, this implies that EM equities may not receive the same boost from Fed rate cuts as they have in the past. Domestic drivers should therefore be more important for the EM outlook over the period ahead. And since the tariff-driven volatility of the spring, exposure to growth in the Information Technology sector has favored a number of heavyweight markets in the Asia-Pacific region such as Korea, Taiwan and China, while domestic interest rate cuts across major individual markets including China, India, Korea, Mexico and South Africa have been a further source of support.

Exhibit 3: EM Equities Have Become Less Sensitive To Fed Policy In Recent Cycles.



Source: Bloomberg; Chief Investment Office. Data as of August 2025. Price indices shown in USD terms. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

Fed policy is likely to be most beneficial for deficit countries in the emerging world, in addition to those with exchange rates still pegged to the U.S. dollar whose monetary authorities follow the Fed (i.e., the Gulf states of Saudi Arabi, UAE and Qatar). These markets could receive a boost from easier domestic financial conditions. But together those constituents account for only around 10% of MSCI Emerging Markets Index market capitalization. The broader pattern as we move into the final quarter of 2025 and look ahead into next year is likely to be that the current Fed rate cutting cycle proves to be less consequential for EM equity markets than in previous episodes. The steep rate hikes in 2022 to 2023 did not result in widespread economic weakness, financial instability or significant market underperformance. And by the same token, we would expect a limited impact from the new easing cycle across the bulk of the EM universe.

As Goes the High-Income Consumer, So Goes the U.S. Economy?

Ariana Chiu, Assistant Vice President and Wealth Management Analyst

April’s near-20% correction in the S&P 500 stoked concerns that the so-called “wealth effect” would turn on its head—that is, that U.S. households would see the value of their assets fall and thus pull back on spending. These concerns never materialized. In fact, the opposite transpired: With major U.S. Equity indexes near all-time highs, U.S. household net worth surged to a record \$176 trillion as of Q2 2025. U.S. consumption, meanwhile, has largely held up, as evidenced by still-strong retail sales and credit and debit card spending, according to Bank of America aggregated card data. Most recently, the final estimate of consumer spending growth in Q2 was upwardly revised from an annual rate of 1.6% to 2.5%, lifting GDP growth to its fastest pace in nearly two years.

Chief among the reasons for ongoing resilience in the U.S. consumer is Exhibit 4A: consumers in the top 10% of the income distribution now account for a record near-50% share of total U.S. consumer spending. That’s up from 37% thirty years ago.² In other words, though higher-income consumers have long accounted for more than their fair share of spending, their contribution has never been higher. This is in part thanks to appreciating equity and real estate prices; per latest estimates from the Fed, households making more than approximately \$150,000 own 87% of equities, 57% of real estate and 71% of household net worth in the U.S. Between an S&P 500 now up 86% since the start of the current bull market in October 2022 and home prices at record levels, it’s no wonder that the U.S. consumer—and, by extension, the U.S. economy—has defied investor expectations of wear-and-tear.

It certainly doesn’t hurt that the labor market, despite weaker nonfarm payrolls over the summer, has remained relatively intact. Layoffs are still low, and strong-income gains have translated to spending especially among higher-income households. Also reassuring is that, from a balance sheet perspective, household debt as a share of net worth now stands at just 11.9%, below the average over the last 10 years (13.9%) and technically the lowest share in over 60 years (Exhibit 4B). And as far as credit card debt goes, while real credit card debt for low-income consumers is now close to the level implied by its prepandemic trend, high-income consumers’ credit card debt has not even caught up to its prepandemic level.³

Investment Implications

At nearly 70% of GDP, the strength of the U.S. economy hinges on the U.S. consumer. Importantly, though, U.S. consumption is increasingly dominated by higher-income households. Thus, despite sticky inflation and weaker jobs data in recent months, spending has remained resilient. We expect this phenomenon to continue. Layoffs, real wage growth and equity appreciation are among factors to watch.

Exhibit 4: The Top 10% Effect: U.S. Consumer Still Healthy and Increasingly Driven by High-Income Households.

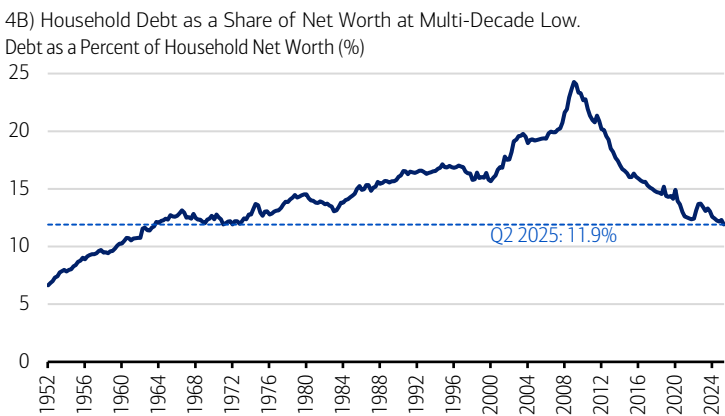
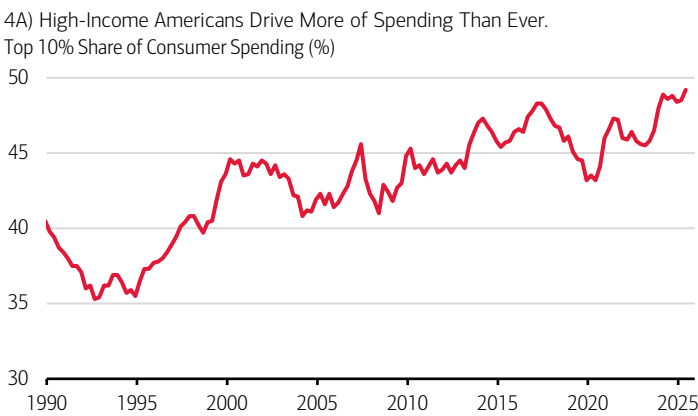


Exhibit 4A) Source: Moody’s Analytics, Bloomberg. Data through Q2 2025, as of September 16, 2025. Exhibit 4B) Source: Federal Reserve. Data through Q2 2025, as of September 11, 2025.

Consumer headwinds persist for sure, namely that inflation has remained above the Fed’s 2% target for four years and counting and is unlikely to reach 2% for the foreseeable future. Yet as detailed above, the overwhelming message from the data is one of consumer resiliency. The equity markets too are sending the same message; with the Consumer Discretionary sector hovering near record highs on an equal-weighted basis, it’s hard to argue against the U.S. consumer.

² Moody’s Analytics, Federal Reserve, September 16, 2025.

³ Federal Reserve Bank of Boston, August 13, 2025.

Equities

Total Return in USD (%)				
	Current	WTD	MTD	YTD
DJIA	46,247.29	-0.1	1.7	10.1
NASDAQ	22,484.07	-0.6	4.8	17.0
S&P 500	6,643.70	-0.3	2.9	14.1
S&P 400 Mid Cap	3,267.79	-0.5	0.5	5.8
Russell 2000	2,434.32	-0.6	3.0	10.2
MSCI World	4,276.23	-0.4	2.4	16.5
MSCI EAFE	2,741.79	-0.4	0.8	23.8
MSCI Emerging Markets	1,325.58	-1.1	5.5	25.6

Fixed Income†

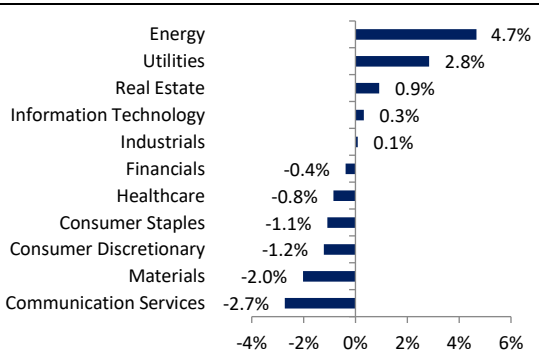
Total Return in USD (%)				
	Current	WTD	MTD	YTD
Corporate & Government	4.28	-0.27	0.82	5.68
Agencies	4.13	-0.14	0.35	4.73
Municipals	3.67	-0.41	2.20	2.52
U.S. Investment-Grade Credit	4.40	-0.28	0.87	5.90
International	4.84	-0.40	1.22	6.59
High Yield	6.71	-0.23	0.70	7.10
90 Day Yield	3.95	3.96	4.14	4.31
2 Year Yield	3.64	3.57	3.62	4.24
10 Year Yield	4.18	4.13	4.23	4.57
30 Year Yield	4.75	4.74	4.93	4.78

Commodities & Currencies

Total Return in USD (%)				
	Current	WTD	MTD	YTD
Commodities				
Bloomberg Commodity	262.06	2.1	2.6	9.8
WTI Crude \$/Barrel††	65.72	4.9	2.7	-8.4
Gold Spot \$/Ounce††	3759.98	2.0	9.0	43.3

Total Return in USD (%)				
	Prior Week End	Prior Month End	2024 Year End	
Currencies				
EUR/USD	1.17	1.17	1.04	
USD/JPY	149.49	147.95	157.20	
USD/CNH	7.14	7.12	7.34	

S&P Sector Returns



Sources: Bloomberg, Factset. Total Returns from the period of 09/22/2025 to 09/26/2025. †Bloomberg Barclays Indices. ††Spot price returns. All data as of the 09/26/2025 close. Data would differ if a different time period was displayed. Short-term performance shown to illustrate more recent trend. **Past performance is no guarantee of future results.**

Economic Forecasts (as of 9/26/2025)

	Q1 2025A	Q2 2025A	Q3 2025E	Q4 2025E	2025E	2026E
Real global GDP (% y/y annualized)	-	-	-	-	3.1	3.0
Real U.S. GDP (% q/q annualized)	-0.6	3.8	1.5	1.6	1.8	1.8
CPI inflation (% y/y)	2.7	2.5	2.9	3.0	2.8	2.9
Core CPI inflation (% y/y)	3.1	2.8	3.1	3.1	3.0	2.9
Unemployment rate (%)	4.1	4.2	4.3	4.4	4.2	4.5
Fed funds rate, end period (%)	4.38	4.38	4.13	3.88	3.88	3.13

The forecasts in the table above are the base line view from BofA Global Research. The Global Wealth & Investment Management (GWIM) Investment Strategy Committee (ISC) may make adjustments to this view over the course of the year and can express upside/downside to these forecasts. Historical data is sourced from Bloomberg, FactSet, and Haver Analytics. **There can be no assurance that the forecasts will be achieved. Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance.**

A = Actual. E = Estimate. *Data as of September 26, 2025.
Sources: BofA Global Research; GWIM ISC as of September 26, 2025.

Asset Class Weightings (as of 9/2/2025)

Asset Class	CIO View		
	Underweight	Neutral	Overweight
Global Equities	●	●	●
U.S. Large-cap Growth	●	●	●
U.S. Large-cap Value	●	●	●
U.S. Small-cap Growth	●	●	●
U.S. Small-cap Value	●	●	●
International Developed	●	●	●
Emerging Markets	●	●	●
Global Fixed Income	●	●	●
U.S. Governments	●	●	●
U.S. Mortgages	●	●	●
U.S. Corporates	●	●	●
International Fixed Income	●	●	●
High Yield	●	●	●
U.S. Investment-grade	●	●	●
Tax Exempt	●	●	●
U.S. High Yield Tax Exempt	●	●	●
Alternative Investments*			
Hedge Strategies			
Private Equity & Credit			
Real Assets			
Cash			

*Many products that pursue Alternative Investment strategies, specifically Private Equity and Hedge Funds, are available only to qualified investors. CIO asset class views are relative to the CIO Strategic Asset Allocation (SAA) of a multi-asset portfolio. Source: Chief Investment Office as of September 2, 2025. All sector and asset allocation recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance. Not all recommendations will be in the best interest of all investors.

CIO Equity Sector Views

Sector	CIO View		
	Underweight	Neutral	Overweight
Financials	●	●	●
Utilities	●	●	●
Consumer Discretionary	●	●	●
Industrials	●	●	●
Communication Services	●	●	●
Information Technology	●	●	●
Real Estate	●	●	●
Healthcare	●	●	●
Consumer Staples	●	●	●
Materials	●	●	●
Energy	●	●	●

Index Definitions

Securities indexes assume reinvestment of all distributions and interest payments. Indexes are unmanaged and do not take into account fees or expenses. It is not possible to invest directly in an index. Indexes are all based in U.S. dollars.

S&P 500 Index is a stock market index tracking the stock performance of 500 leading companies listed on stock exchanges in the United States.

MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries.

MSCI India Index is designed to measure the performance of the large and mid cap segments of the Indian market.

MSCI USA Index is designed to measure the performance of the large and mid cap segments of the US market.

MSCI China Index captures large and mid cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs).

MSCI Germany Index is designed to measure the performance of the large and mid cap segments of the German market.

MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market.

MSCI Developed ex-U.S. (World) Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries--excluding the United States.

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