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CHIEF INVESTMENT OFFICE

Capital Market Outlook

November 9, 2026

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IN THIS ISSUE

Macro Strategy—*Setting the Stage for 2027:* The U.S. equity market and economy have followed the typical midterm pattern of the presidential election cycle setting the stage for continued economic expansion and an ongoing but more tempered bull market in Equities in 2027. As usual, economic growth accelerated through the midterm year, reaching peak earnings momentum. The markets, however, anticipated this and are now looking forward to the slowing of earnings growth from this peak. The compression of price-to-earnings (P/E) ratio valuations reflects this coming deceleration in earnings growth, in our view. The slower but still healthy profits growth picture should support the bull market in 2027 as a maturing expansion spreads profits growth to more corners of the economy while tighter financial conditions spread credit problems into the weaker pockets of the economy. This transition from maximum accommodation to midcycle balance between accommodation and restraint should prevent economic overheating and obviate the need for overly restrictive monetary policy.

Market View—*China, the WTO and the Great Convergence No One Expected:* Twenty-five years ago this December, the West made one of the biggest economic bets of the modern era: It brought China into the World Trade Organization (WTO), convinced that membership would transform the communist giant into a more open and market-oriented economy. At the dawn of the 25th anniversary of China's WTO accession, the great irony is not how China became more like the West. It is how the West became more like China. Today, China sits at the center of global manufacturing and trade. Rather than dismantle its state-led, mercantilist economy, China has tacked in the other direction, notably under the leadership of Xi Jinping. For investors, the implications have been profound, with investment returns not only determined by traditional metrics like earnings, the cost of capital and valuations but also by geopolitics, energy costs, trade protectionism and national security. The "Commanding Heights"—or who controls the economy—have shifted from the private sector to the public sector. The consensus in 2001 was that the world would change China. Twenty-five years later, it's China that has changed the world. It's the great convergence no one saw coming.

The Ticker Tape—*Top Questions Answered Directly by Our Chief Investment Officer (CIO).*

- What are we reviewing to gauge the capital investment needed for the proposed Artificial Intelligence (AI) buildout and the return required to cover its costs?

Market Update: Equity indexes sold off Thursday, November 5 on concerns that a Democratic sweep could add short-term policy uncertainty around the AI buildout, deficits and oil, but we believe the growth and earnings backdrop remains supportive, and we would use weakness in Equities and Fixed Income as a potential opportunity to rebalance and reposition portfolios for 2027 as volatility starts to settle down.

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Portfolio Considerations

We believe conditions for a potential year-end rally are building, as investor focus may shift from the recent uncertainty, volatility and rotation toward solid economic growth, record margins and rising productivity.

We remain constructive on Equities given the supportive fundamental backdrop, and we view the recent sharp declines in Financials, parts of Industrials, higher-quality semiconductors and power generation as potentially overdone. We would use weakness as a potential opportunity to rebalance portfolios while emphasizing diversification as market rotation creates new pockets of leadership.

Higher yields, with 10-year Treasury yields near 5% and real yields above 2.5%, may offer attractive income potential, and we favor moving out of cash and the front end of the curve to extend duration.

Setting the Stage for 2027

Chief Investment Office, *Macro Strategy Team*

Typically, a new administration sets the stage in their first year with stimulative policy changes that play out in the second year after the new policies have been enacted into law and begin to have their impact. This pattern shows up in historical data with the average rate of gross domestic product (GDP) growth highest in the second year of presidential terms compared to the other three years of the presidential term. At the same time, equity market returns tend to be lowest on average in the second year of presidential terms, which seems to be at odds with the fact that growth is strongest.

This apparent inconsistency can be attributed to the fact that the stock market is a leading indicator that anticipates stronger growth and higher profits well before they actually arrive. Once they do, as they have in 2026, the markets are looking ahead to the inevitable slowing from the policy-induced peak in growth that typically arrives after the midterm election year. The midterms also create uncertainty about the subsequent policy environment which damps stocks ahead of the election only to be reversed on average once the elections are over and the outlook is clarified. This phenomenon is seen in the fact that on average the stock market has corrected about 20% ahead of midterms only to rise about 30% from that bottom in the year after.

Q3 GDP data illustrate this pattern. Economic growth picked up through the first three quarters of 2026 to a peak of 3.4%. Consumer spending growth averaged 3.8% over the past six months, while the AI investment boom accelerated at a midteens growth rate. Private sector purchases were growing at just shy of a 5% growth rate. GDP growth is lower than that because imports of Asia produced technology-gear for the AI buildout are subtracting a good bit from that underlying 5% domestic demand growth pace.

The new policies aimed at helping consumers through lower taxes and investment incentives to spur private sector production have boosted growth as expected. Still, this acceleration is passing, and the fiscal boost is likely to fade in 2027. Profits naturally have followed this stronger GDP growth higher.

The upward trend in analysts' earnings revisions has started to roll over in our view, and, while earnings are still growing, the rate of growth is likely to slow from here. In simple terms, the second derivative of growth has turned negative. From way above trend toward trend growth is still sufficient for the bull market to continue.

Another aspect of this transition to midcycle aside from the fading midterm election boost from fiscal measures is the shift of monetary policy from maximum accommodation to a more neutral policy. The Fed's rate cuts helped the midterm acceleration in growth. Its shift to removing accommodation with rate hikes this year adds to the odds of some momentum loss in 2027. That's already apparent as Federal Reserve (Fed) Chair Warsh noted in his press conference after the September Federal Open Market Committee meeting. Weaker balance sheet borrowers have seen their spreads blow out as credit becomes more expensive. So far, the damage is confined to the lowest-quality borrowers. Before, these spreads were unusually low reflecting easy money conditions that are now normalizing. It's still early days in the new credit cycle.

Of course, how the market responds to this new Fed tightening cycle depends on how aggressively the Fed raises rates. Analysts at Ned Davis Research note the S&P 500 has gained an average of 4.4% in the first year of all postwar tightening cycles. This outcome varies considerably depending on the extent of the tightening. Aggressive tightening cycles have seen an average decline of 3.6% a year later, whereas gradual tightenings have seen a 10.5% average gain. In short, as one might expect, too much tightening can cause a decline in stocks. Currently, the market seems to anticipate a

Investment Implications

Equities should continue to outperform bonds in 2027 in our view, but performance is likely to shift in favor of higher-quality, less leveraged segments of the market as financial conditions tighten and earnings momentum slows, while the accelerating momentum of the early cycle transitions to midcycle cruise control.

December and March nudge up in rates to reverse the easings by the Powell Fed. This would be consistent with an ongoing equity bull market in 2027. Obviously, inflation will have a lot to say about whether a mild or aggressive tightening cycle is called for. With wage pressures benign, productivity strong and the early-cycle acceleration set to peak, we believe the odds of an aggressive tightening cycle that derails the bull market are low.

Other policy effects have shaped the current economic cycle. The shift toward more nationalistic trade policies with tariffs, for example, has drastically impacted the pattern of trade flows. U.S. imports from China have dropped from about 20% 10 years ago to less than 10%, according to research from Strategas. Nevertheless, contrary to concerns of a trade-induced recession, overall trade has continued to grow in line with the global economy. Rather than deglobalization, the world is undergoing a reglobalization into new trade spheres that better align with national interests.

According to McKinsey Quarterly, "The 2025 U.S. National Security Strategy, for example, reinforces economic and supply chain security, industrial capacity, technological leadership, and capital market strength as national priorities. China's latest five-year plan, meanwhile, includes technological self-reliance, economic stability and the modernization of core industries among its key pillars. In this environment, value creation is increasingly shaped by new trade corridors, growing defense spending, expansion of export controls and industrial policies, and shifting flows of foreign investment."[1] These new trade policies are an impetus for growth that is structural, helping to make for a strong investment cycle.

Obviously, AI is a big spur for investment that has been facilitated by the new policies such as accelerated depreciation of capital expenditures (capex). McKinsey Research designates 18 arenas with cutting-edge industries they believe are driving the global growth story for the next couple of decades. They note companies headquartered in the U.S. and China account for about 90% of these arenas' market value today. U.S. companies account for 75% of the market capitalization within the 18 arenas and generate about 50% of revenues. Given its leading role in the arenas driving growth into the future, we believe the U.S. is well poised to outperform as the world moves into this new technological future. The 18 arenas are part of the economy growing by several multiples of the old economy segments and help explain why U.S. Equities have a persistent valuation premium over the rest of the world.

Because of the unusually rapid growth of these new technologies associated with the singularity, while earnings growth may decelerate from its peak, there are structural reasons to believe earnings are on a new, higher-growth trajectory and unlikely to revert fully back to historical norms. The new technologies have much higher margins than the old economy sectors. The combination of faster growth and higher margins bodes well for the equity market as these new arenas of future economic growth become a bigger part of the U.S. and global economies.

The midterms have changed views about the relative performance of some segments of the economy. For example, strong sentiment to slow the buildout of AI data centers was dramatically evident in the election results. Beneficiaries of the buildout are being revalued to reflect this slower growth. Disapproval of the Iran War was also registered in the results. Energy prices have dropped on hopes for a quicker end to the war. This in turn has lowered inflation expectations and interest rates. Overall, while the midterms have remixed relative performance between sectors they have not changed the outlook for continued solid growth and an ongoing bull market in equities.

[1] McKinsey Quarterly, Q3 2026, page 52.

MARKET VIEW

China, the WTO and the Great Convergence No One Expected

Joseph Quinlan, ***Managing Director and Head of Market Strategy***

Twenty-five years ago this December, the West made one of the biggest economic bets of the modern era: It brought China into the WTO, convinced that membership would transform the communist giant into a more open and market-oriented economy.

The logic seemed impeccable at the time. The Soviet Union had long been vanquished. American capitalism appeared triumphant. Free trade, deregulation, privatization and unfettered cross-border flows of goods, services, capital and labor were widely viewed as essential ingredients of economic prosperity. Globalization ruled.

Fold China into the rules-based system, the thinking went, and economic liberalization would gradually pull Beijing toward Western norms. China would become a willing participant in the U.S.-led global economic order. The world would change China, in other words.

Not quite. At the dawn of the 25th anniversary of China's WTO accession, the great irony is not how China became more like the West. It is how the West became more like China.

In the U.S., and across Europe and Asia, governments are increasingly embracing the elements of China's economic playbook, which range from state subsidies to the promotion of national champions to strategic industrial policies, among other initiatives antithetical to the global economic norms that prevailed when China joined the WTO.

The deployment of trade tariffs, the subsidization of semiconductor production, the promotion of domestic manufacturing, and the screening of foreign investment are no longer hallmarks of China alone. They are increasingly features of economic policymaking in the U.S., the one-time champion of globalization. The European Union, Japan, South Korea and other nations that once carried the flag for free trade and open markets have moved much in the same direction. Even the World Bank—a chief architect and guardian of Western-led globalization—has come around to blessing the merits of industrial policy, a strategy central to China's economic ascent.

To be sure, Washington has not embraced China's economic model wholesale. Neither have Brussels, Tokyo or Seoul. The political, economic and institutional differences between these systems and China's remain vast. But the direction—set by China—is unmistakable.

It was not supposed to be this way. To gain admission to the WTO, China made significant concessions over 15 years of negotiations. Beijing slashed tariffs on industrial goods and agricultural products. Various sectors—manufacturing, distribution, telecommunications, banking and autos—were gradually opened to foreign firms. Commercial laws and regulations were amended or written, including rules governing intellectual property rights. Nontariff barriers like quotas, import licenses, dual pricing and opaque industry standards were either eliminated or phased out. State-owned enterprises were reformed and restructured.

These concessions—and more—were taken as signs that China was serious about becoming a global stakeholder. It stoked optimism among senior U.S. officials that China was inevitably bound to converge and embrace Western economic norms. And, for a while, the bet seemed to pay off.

As China lowered trade and investment barriers at the beginning of the century, U.S. goods exports soared. American firms poured capital into the mainland, attracted by an enormous labor pool, lower production costs and what would soon become one of the largest consumer markets in the world.

China's massive labor pool-cum-ballooning middle class paid off handsomely for Corporate America. U.S. affiliate income earned in China rose from just $1.6 billion (B) in 2001 to nearly $9B by 2010, making China one of the most profitable markets in the world for U.S. goods and services. American consumers, meanwhile, enjoyed the benefits of low-cost China imports. And debt-laden America benefited as China recycled its excess savings into U.S. Treasurys, helping to grease the financial wheels of America.

Investment Implications

We expect China will continue to rely on exports and investment to drive growth amid weak consumption and domestic demand. Manufacturing-heavy economies like Germany remain particularly exposed, reinforcing our neutral stance toward Europe in portfolios.

But just as WTO accession helped boost China's imports, it also supercharged China's export machine. Rather than shrink, as some optimists had predicted, America's merchandise trade deficit with China more than doubled between 2001 ($83.2B) and 2005 ($202.8B) and continued rising thereafter. As the decade wore on, U.S. manufacturing jobs and wages came under intense pressure owing to expanding China imports and the shift in U.S. production to lower-cost China. Entire supply chains migrated across the Pacific, decimating many manufacturing communities across the U.S.

China began producing and exporting at a scale the world had never experienced. In the span of just a decade, China's share of world manufacturing output soared from 8.7% in 2000 to 18.1% in 2010, when the nation eclipsed the U.S. as the world's largest manufacturer of goods. Four years later, China was outproducing all of Europe—and has never looked back (Exhibit 1A).

Today, China sits at the center of global manufacturing and trade, competing not simply in textiles, toys and other low-value products but also in more technology-driven industries like electric vehicles, drones, machinery and clean energy. China now accounts for roughly 28% of global manufacturing, according to the World Bank, well ahead of second place America (17%). Meanwhile, the nation's share of world exports—just 4% in 2001—now stands at 15%, roughly on par with the combined market share of second-place America and Germany (Exhibit 1B). The world is so awash with China goods that the nation is on course to post another annual merchandise trade surplus in excess of $1 trillion.

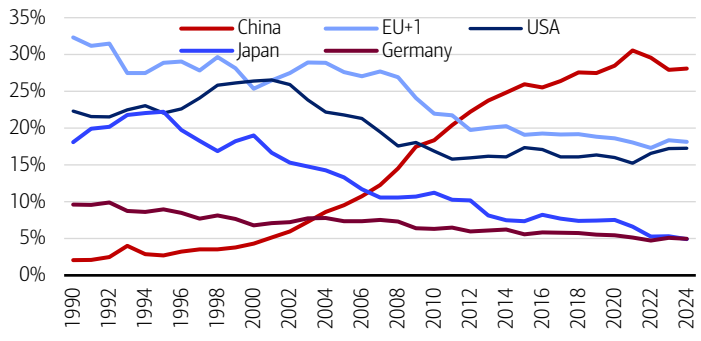
Not surprisingly, China's grip on world trade has significantly dimmed the brimming optimism that greeted the nation's WTO entry a quarter-century ago. Today, the consensus is that China's trade surplus has been aided and abetted by nonmarket practices and policies that include forced technology transfers, currency manipulations, state subsidies to industry, restrictions on foreign investment in strategic sectors, intellectual property infringements and resource protectionism. Rather than dismantle its state-led, nonmarket and mercantilist economy, China has tacked in the other direction, notably under the leadership of Xi Jinping.

For investors, the implications have been profound. We now live in a world where governments increasingly decide which industries are strategically indispensable, which technologies must remain domestically controlled and which companies require public financing. The "Commanding Heights"—or who controls the economy—have shifted from the private sector to the public sector. In this world, investment returns are not only determined by traditional metrics like earnings, the cost of capital and valuations but also by geopolitics, energy costs, trade protectionism and national security. The world today is far different from the world when China joined the WTO.

Suffice it to say that the 25th anniversary of China's entry into the WTO won't be met with much celebration in the West. The consensus in 2001 was that the world would change China. Twenty-five years later, it's China that has changed the world. It's the great convergence no one saw coming.

Exhibit 1: 25 Years Later, China Has Changed the World.

A) Share of Global Manufacturing Value-Add (%).



B) Share of World Exports (%).

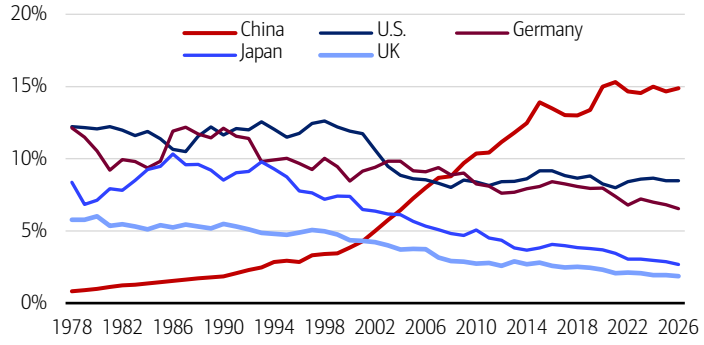


Exhibit 1A) Source: United Nations. Data through 2024, as of November 2026. Exhibit 1B) 2026 refers to year-to-date share through July. Source: International Monetary Fund. Data as of November 2026.

What are we reviewing to gauge the capital investment needed for the proposed Artificial Intelligence buildout and the return required to cover its costs?

Christopher Hyzy, *Chief Investment Officer*

Capex by the 15 largest data center developers are expected to top $1.4 trillion in 2027, which is somewhere between 3.5% and 4% of U.S. GDP. A large portion of the capital investment is earmarked for compute. The total capacity of gigawatts (GW) under construction is around 34GW of Informaton Technology capacity, with the U.S. accounting for approximately 70% of this, according to BloombergNEF. Given the massive compute investment, we continue to analyze closely the total debt financing announced, the approximate cost of capital of the capital providers, the associated revenues needed to match or exceed cost estimates, and the individual credit spreads (as well as credit default swaps spreads) of the larger hyperscalers and chip makers to better assess the overall return on investment of the AI buildout.

BloombergNEF estimates, that at the beginning of this year, the highest-rated data center bonds offered yields below 5%, which is now closer to around 7% today. In addition, AI-tied firms have raised over $460B in debt financing this year, which is more than double that from 2025. Finally, according to BloombergNEF and Bloomberg Intelligence, as of September 18, 2026, it is estimated that the 15 largest publicly listed data center companies would need to produce $2.5 trillion in revenues in 2032 in order to achieve a return on invested capital equal to the company-level weighted average cost of capital. This is about 5 times more than the expected revenue in 2026.

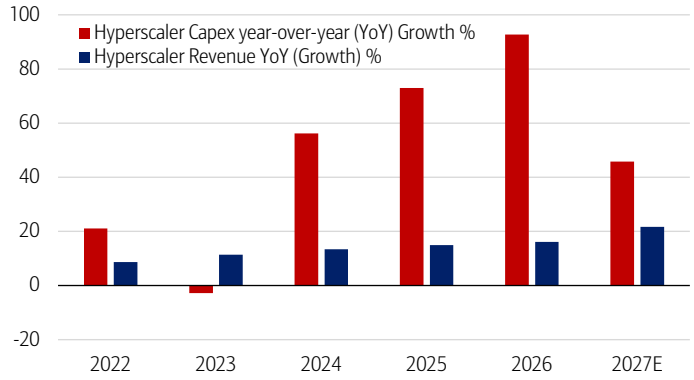
Recently, the concern across the capital markets is that there is not enough financing capital to go around in order to fund the expected buildout, which is one of the primary reasons why credit spreads have widened and yields have risen. We view this as a natural development of such large-scale infrastructure transformations. This is the reason why we continue to watch the overall health of balance sheets of the builders, the level of profitability and margins, and the order backlogs/cancellations in the next few years. We still believe we are closer to the middle of the AI buildout than to the end. Therefore, we view larger-scale weakness in the higher-quality segments of the AI chain as potential buying opportunities for investors who are underexposed to these areas.

Investment Implications

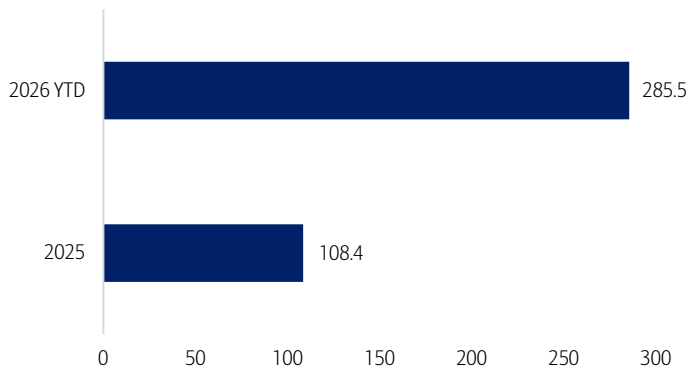
Financing concerns around the AI buildout have widened credit spreads and lifted yields, but we view this as a natural part of the cycle and view larger-scale weakness in the higher-quality segments of the AI chain as potential buying opportunities for investors who are underexposed to these areas..

Exhibit 2: Hyperscaler AI Investment and Revenue Growth May Converge as Debt Issuance Rises.

A) AI Investment and Revenue Growth Expected to Move Closer Together.



B) Debt Issuance Rising Among Major Hyperscalers.



E=estimates. Exhibits 2A) Source: Bloomberg. Data as of November 3, 2026. Exhibit 2B) Source: Bloomberg. Data as of November 3, 2026.

Equities

Equities	Total Return in USD (%) Current	WTD	MTD	YTD
DJIA	51,285.73	-0.9	-0.9	8.1
NASDAQ	24,579.42	-3.4	-3.4	6.3
S&P 500	7,376.86	-2.7	-2.7	8.8
S&P 400 Mid Cap	3,602.50	-1.6	-1.6	10.2
Russell 2000	2,754.11	-2.0	-2.0	12.0
MSCI World	4,739.93	-2.5	-2.5	8.1
MSCI EAFE	3,042.60	-1.8	-1.8	7.5
MSCI Emerging Markets	1,502.29	-4.1	-4.1	8.8

Fixed Income†

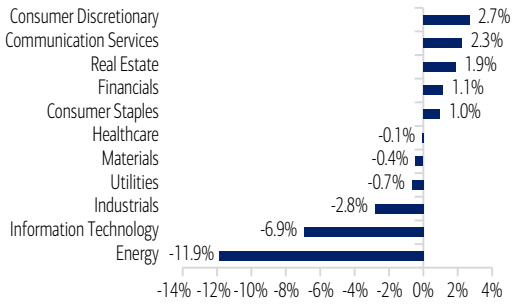
Fixed Income	Total Return in USD (%) Current	WTD	MTD	YTD
Corporate & Government	5.10	0.34	0.34	-0.30
Agencies	4.89	0.28	0.28	0.57
Municipals	4.09	0.92	0.92	0.43
U.S. Investment-Grade Credit	5.19	0.40	0.40	-0.15
International	5.75	0.41	0.41	-0.62
High Yield	8.21	0.40	0.40	0.80
90 Day Yield	4.10	4.08	4.08	3.63
2 Year Yield	4.51	4.59	4.59	3.47
10 Year Yield	4.86	4.93	4.93	4.17
30 Year Yield	5.26	5.31	5.31	4.84

Commodities & Currencies

Commodities	Total Return in USD (%) Current	WTD	MTD	YTD
Bloomberg Commodity	350.34	-4.5	-4.5	26.8
WTI Crude $/Barrel††	90.83	-12.8	-12.8	58.2
Gold Spot $/Ounce††	4070.8	5.1	5.1	-5.8

Currencies	Total Return in USD (%) Current	Prior Week End	Prior Month End	2025 Year End
EUR/USD	1.11	1.12	1.12	1.17
USD/JPY	158.48	157.56	157.56	156.71
USD/CNH	6.67	6.65	6.65	6.98

S&P Sector Returns



Sources: Bloomberg, Factset. Total Returns from the period of 11/02/2026 to 11/06/2026. †Bloomberg Barclays Indices. ††Spot price returns. All data as of the 11/06/2026 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 11/06/2026)

Economic Forecasts	Q1 2026A	Q2 2026A	Q3 2026A	Q4 2026E	2026E	2027E
Real global GDP (% y/y annualized)	-	-	-	-	3.4	3.4
Real U.S. GDP (% q/q annualized)	2.5	2.2	3.4	2.3	2.4	2.3
CPI inflation (% y/y)	2.7	3.8	3.5	3.6	3.4	2.5
Core CPI inflation (% y/y)	2.5	2.7	2.5	2.8	2.6	2.7
Unemployment rate (%)	4.3	4.3	4.1	4.2	4.2	4.1
Fed funds rate, end period (%)	3.63	3.63	3.88	4.13	4.13	4.38

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 November 6, 2026.
Sources: BofA Global Research; GWIM ISC as of November 6, 2026.

Asset Class Weightings (as of 11/3/2026)

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 Private Credit Real Assets			●		
Cash					

CIO Equity Sector Views

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

* 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 November 3, 2026. 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.

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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.

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All 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.

Asset allocation, diversification and rebalancing do not ensure a profit or protect against loss in declining markets.

Investments have varying degrees of risk. Some of the risks involved with equity securities include the possibility that the value of the stocks may fluctuate in response to events specific to the companies or markets, as well as economic, political or social events in the U.S. or abroad. Small cap and mid cap companies pose special risks, including possible illiquidity and greater price volatility than funds consisting of larger, more established companies. Investing in fixed-income securities may involve certain risks, including the credit quality of individual issuers, possible prepayments, market or economic developments and yields and share price fluctuations due to changes in interest rates. When interest rates go up, bond prices typically drop, and vice versa. Investments in high-yield bonds (sometimes referred to as "junk bonds") offer the potential for high current income and attractive total return, but involves certain risks. Changes in economic conditions or other circumstances may adversely affect a junk bond issuer's ability to make principal and interest payments. Income from investing in municipal bonds is generally exempt from Federal and state taxes for residents of the issuing state. While the interest income is tax-exempt, any capital gains distributed are taxable to the investor. Income for some investors may be subject to the Federal Alternative Minimum Tax (AMT). Treasury bills are less volatile than longer-term fixed income securities and are guaranteed as to timely payment of principal and interest by the U.S. government. Bonds are subject to interest rate, inflation and credit risks. Investments in foreign securities (including ADRs) involve special risks, including foreign currency risk and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are magnified for investments made in emerging markets. Investments in a certain industry or sector may pose additional risk due to lack of diversification and sector concentration. There are special risks associated with an investment in commodities, such as gold, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors.

Alternative investments are speculative and involve a high degree of risk.

Alternative investments are intended for qualified investors only. Alternative Investments such as derivatives, hedge funds, private credit, private equity funds, and funds of funds can result in higher return potential but also higher loss potential. Changes in economic conditions or other circumstances may adversely affect your investments. Before you invest in alternative investments, you should consider your overall financial situation, how much money you have to invest, your need for liquidity, and your tolerance for risk.

Nonfinancial assets, such as closely held businesses, real estate, fine art, oil, gas and mineral properties, and timber, farm and ranch land, are complex in nature and involve risks including total loss of value. Special risk considerations include natural events (for example, earthquakes or fires), complex tax considerations, and lack of liquidity. Nonfinancial assets are not in the best interest of all investors. Always consult with your independent attorney, tax advisor, investment manager, and insurance agent for final recommendations and before changing or implementing any financial, tax, or estate planning strategy.

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