

Capital Market Outlook

December 9, 2024

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

IN THIS ISSUE

Macro Strategy—*Why Splendid Isolation Could Work Well for America and U.S.*

Investors: Globalization is in remission, while its opposite, isolationism, is being rekindled by nationalists around the world. The latter will help determine asset prices and returns for the remainder of the decade and beyond. We are entering a new era whereby portfolio construction must reckon with rising geopolitical risks and attendant policy preferences, aka trade tariffs, investment restrictions and the like. Most at risk in this new world are open, trade-dependent economies across Europe, Asia and much of the emerging market universe.

In contrast, with its copious natural resources, large internal markets, and modest trade dependences, in addition to global leadership in such key sectors as Technology and Finance, the U.S. economy is best positioned for a world in retrenchment. The markets understand this dynamic, and hence why U.S. Equities continue to handily outperform major indexes abroad. We expect more of the same in 2025.

Market View—Addressing Three Investor Apprehensions: While stocks ripped higher this year, nearly \$7 trillion in cash accumulated on the sidelines as investors weighed uncertainty about the U.S. presidential election, simmering geopolitical tensions, and a risk-free rate upwards of 4%. Even as cash yields become less compelling, some investors may still be hesitant to deploy excess dry powder amid concerns about the rally's durability, market concentration, and extended valuations. While wariness is understandable, avoiding the market altogether may be misguided.

Addressing these apprehensions, we find that there are a variety of factors that could keep the bull running in 2025, market broadening may gather steam as fundamentals improve across the “rest of the best,” and valuations may remain structurally elevated relative to history considering that this market has significantly different core drivers, factors and inputs than the ones of the past. Ultimately, while it's essential that investors maintain appropriate levels of cash in portfolios, it shouldn't be viewed as a long-term investment. We continue to emphasize the importance of maintaining a fully invested portfolio with a high level of diversification in 2025.

Thought of the Week—*Bond Market Verdict: Nothing To See Here (Yet), Please Move On.*

Treasury rates have risen since before the election but are all well within the 12-month declining trend and show no evidence of a significant breakout, for several reasons. The Federal Reserve (Fed) is still in a rate-cutting cycle. Market expectations for inflation are still fairly benign. The actual policies of the new administration that get implemented could have conflicting effects; for example, tariffs may be an inflationary pressure, but they may also slow consumption and therefore economic growth. At current nominal and real interest rates, valuations look good relative to their recent history and to other developed bond markets across the globe. We still suggest an appreciable allocation to Fixed Income in diversified portfolios.

MACRO STRATEGY ►

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MARKET VIEW ►

Emily Avioli
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THOUGHT OF THE WEEK ►

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MARKETS IN REVIEW ►

**Data as of 12/9/2024,
and subject to change**

Portfolio Considerations

We maintain our tactical Equity overweight relative to Fixed Income with the U.S. as our preferred Equity region relative to the rest of the world given a broad-based and continuous earnings recovery, resilient consumer, and a solid U.S. growth outlook.

Our highest conviction Fixed Income call remains that the yield curve will normalize as short rates move lower. With that in mind, investors should consider moving out investable cash in Fixed Income to their strategic duration target as cash yields are likely to decrease from here while the short-term backup in yields may be an opportunity.

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Why Splendid Isolation Could Work Well for America and U.S. Investors

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

Ariana Chiu, Wealth Management Analyst

“Splendid Isolation”: A policy of avoiding military and political engagements with other countries and maintaining limited cross-border commercial entanglements while focused primarily on domestic issues.

As card-carrying globalists, we are less than happy with a world economy becoming more closed than opened, more fractured than integrated, and more bound than unbound. Globalization is in remission, while its opposite, isolationism, is being rekindled by nationalists around the world, the U.S. included.

The comeback of isolationism will help determine asset prices and returns for the remainder of the decade and beyond. We are entering a new era whereby portfolio construction must reckon with rising geopolitical risks and attendant policy preferences that include trade tariffs, government subsidies, investment restrictions, anti-immigration initiatives, resource protectionism and domestic-focused industrial policies. Yes, market fundamentals matter to market returns, but investors must now discount the fact that nationalism (security) trumps economic efficiencies (profits).

Most at risk in this new world of isolationism are open, trade-dependent economies across Europe, Asia and much of the emerging market universe (Exhibit 1A). These states are the most exposed to an inward-looking world losing its appetite for cross-border commerce—and is a key reason why we remain neutral on Emerging Markets (EM) and underweight non-U.S. developed nations. Europe appears among the most vulnerable of the developed markets, alongside China and Mexico in the emerging world.

In contrast, 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 economic autocracy/isolationism than the U.S.

To this point, America’s relatively self-contained, continent-sized economy is more closed than open, with U.S. exports of goods and services accounting for just 11% of U.S. gross domestic product (GDP) last year. At the other end of the spectrum are such nations as Germany, where exports account for 48% of GDP, South Korea (44%) and the Netherlands (112%).

Even though annual U.S. exports and imports are among the largest in the world, trade is more of a residual activity in the U.S. The driver of the U.S. economy, of course, are consumers, who not only account for roughly 70% of U.S. GDP but also a staggering 31.5% of overall global personal consumption, according to figures from the United Nations (UN). Annual consumption levels in the U.S. are greater than the next six nations combined (China, Japan, India, Germany, the U.K. and France).

No country in the world has the consumption power of the U.S., giving America an economic hedge in a world in retreat. Another hedge: a geographic bounty that includes copious supplies of natural resources, fertile soils, freshwater and forests. The Great Plains are the largest continuous mass of arable land in the world, the Great Lakes are the largest group of freshwater lakes on earth, and the Mississippi river system is an inland transportation network unrivaled on the planet.

American farmers are among the most productive in the world, and hence what U.S. consumers spent on food in 2022 (6.7% of total expenditures) was the lowest percentage on the planet.¹ Similarly, no country produces more crude oil than the U.S., which helps explain why energy costs in America are much lower than in Europe, Japan and China, all net energy importers.

In the end, countries with copious natural resources, large internal markets, and modest trade dependencies are well positioned to weather a more fractured world. Call it “splendid isolation.”

Portfolio Considerations

The shifting global policy landscape—which entails a more closed than open world economy—favors U.S. assets relative to the rest of the world.

¹ Organisation for Economic Co-operation and Development (OECD) data as of February 2024.

But it doesn't end there for America. 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.

Even at the corporate level, American firms are better suited for a more isolationist world. Yes, U.S. multinationals are at risk of rising trade and investment barriers around the world. However, it's worth noting the following: a U.S. multinational is composed of a U.S. parent and its foreign affiliate; of these two entities, the bulk of the operations of U.S. multinationals is overwhelmingly with parents or sunk in the U.S., not overseas. Indeed, according to the latest data from the Bureau of Economic Analysis, U.S. parents account for 68% of worldwide employment of U.S. multinationals, 76% of worldwide output, 81% of worldwide capital investment and 86% of all worldwide research & development expenditures. In other words, the operations of U.S. multinationals are U.S.-centric and already reflect "America first, the rest of the world second." They are hedged in a world retrenching.

All of the above gives the incoming administration an overwhelmingly strong hand to play relative to the rest of the world. The deck is stacked in favor of the U.S. We have what the world wants—markets, natural resources, skilled labor, capital, technology, first-rate universities, the world's reserve currency and omnipotent defense capabilities. The markets understand this dynamic, and hence why U.S. Equities continue to handily outperform major indexes abroad. Since the beginning of this decade, U.S. Equities (S&P 500) returned 87% to investors versus 12% returns of MSCI All-Country World Index ex-U.S., 19% returns in Japan (MSCI Japan Index), -25% for China (MSCI China Index) and flattish returns on the emerging world.

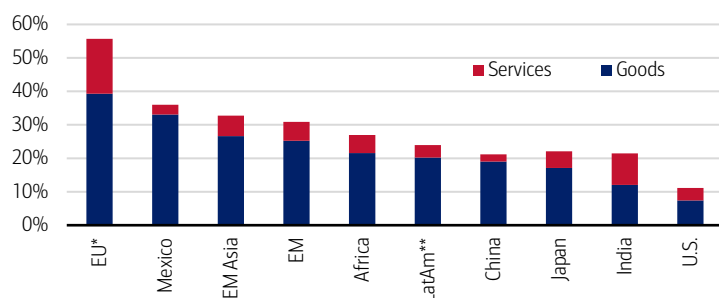
However, the new administration must be careful not to overplay its hand. The continued outperformance of U.S. Equities will depend in part on how deftly the next administration deploys the various tools at its disposal. Case in point: U.S. tariffs on China imports could be met by even more China export restrictions on key metals and minerals deemed critical yet in short supply in the U.S. Just last week, China, in retaliation against U.S. trade restrictions, banned the export of gallium, germanium, antimony and other metals, and could further tighten the commodity screws on the U.S. if bilateral trade relations continue to deteriorate.

In addition, an America bent on socially distancing itself from the rest of the world puts at risk large foreign capital inflows required to fund America's perennial federal budget deficit. For decades, America's savings deficit has been offset by importing the world's excess capital surplus, with foreign ownership of U.S. securities totaling a whopping \$29.1 trillion in Q2 2024 (Exhibit 1B). Minus these inflows, America's isolation might not be so "splendid." The same can be said if U.S. disengagement creates a world of disorder that undermines growth in Europe, the Middle East and Asia. The effects would ultimately ripple back to U.S. shores.

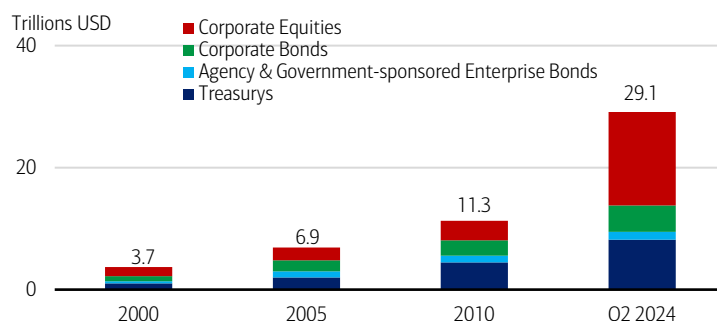
In the end, if there were ever an economy built for isolation, it is the U.S. Our hope is that the U.S. does not become a global dropout; if it does opt for retrenchment, the world will become a messier place, but with the U.S. still on top. Consider staying long America.

Exhibit 1: America: Less Reliant on Trade, More on Foreign Capital.

1A) Trade Dependence: Exports of Goods and Services as a Share of GDP.



1B) Foreign Ownership of U.S. Securities.



*European Union. ** Latin America. Exhibit 1A) Source: UN Trade and Development. Data refers to 2023, as of December 2024. Exhibit 1B). Source: Federal Reserve Board. Data as of September 18, 2024.

Addressing Three Investor Apprehensions

Emily Avioli, Vice President and Investment Strategist

The S&P 500 has defied even the most optimistic of expectations this year, achieving many a milestone along the way. But while stocks ripped higher, nearly \$7 trillion in cash accumulated on the sidelines as investors weighed uncertainty about the U.S. presidential election, simmering geopolitical tensions, and a risk-free rate upwards of 4% (Exhibit 2A).

Cash may become less attractive in 2025 as the Fed's gradual easing cycle is expected to continue. Even so, some investors may be hesitant to deploy excess dry powder amid concerns about the rally's durability, market concentration and extended valuations. While wariness is understandable, avoiding the market altogether may be misguided. Here, we address three common apprehensions that investors might have about putting cash to work in the year ahead.

1. **The rally has run its course:** It's true that this rally has been nothing short of impressive. The S&P 500 logged a year-to-date (YTD) total return of 28.1% through November, marking the largest gain in the first 11 months of a year since 2013.² It's on track for two consecutive calendar years of 20%+ total returns, a feat that has not occurred since 1999. The index has booked 57 new all-time closing highs so far in 2024. It's also logged two "round number milestones" in unusually rapid succession—the S&P 500 crossed the 6,000 level just 276 days after closing above 5,000 for the first time, marking the shortest amount of time recorded between thousands level hurdles. On a total return basis, the index has now doubled in value since the start of the decade.

Investors are left questioning the durability of this bull on the heels of the torrid run-up. While risks remain, we see factors that could continue to sustain solid performance in the year ahead. Fundamentals are backing up gains, with earnings growth and dividends driving a greater share of total returns this year (Exhibit 2B). The improving profits picture should continue to provide a tailwind, with the S&P 500 on track for 10% earnings growth in 2024 and 15% in 2025.³ From a macro perspective, the consumer and the labor market remain on solid footing, and the economic growth outlook is increasingly supportive. Plus, some perspective: If the current cyclical bull market were to end now, it would still be among the smallest recorded in terms of both duration and magnitude. Equities ultimately have a sound foundation for continued strength moving forward, in our view.

2. **Markets are too concentrated:** Markets remain highly concentrated in a select few mega cap names, with the seven largest companies in the S&P 500 representing over 30% of the index's market cap and accounting for about 45% of this year's return.² Even so, signs of broadening have emerged. The S&P 500 Equal Weighted Index boasts a YTD total return of 20.2% and has outperformed the market cap weighted version by 3.1% since the second half of 2024 (2H) began (Exhibit 2C). All 11 sectors in the S&P 500 now have positive returns YTD, with Financials, Industrials and Utilities joining Technology, Communication Services and Consumer Discretionary as leaders of the pack. About 77% of companies in the S&P 500 Index are trading above their 200-day moving average, and 173 companies are outperforming the broader index this year. Unloved areas like Small-caps and Value have recently caught a tailwind, outperforming Large-cap and Growth by 7.1% and 4.1%, respectively, in the second half.²

We expect Equity markets to enter the next phase rebalancing in 2025, which would allow for broader participation as fundamentals improve across the "rest of the best." Broader earnings growth will be key to wider sector participation in the next leg of the Equity rally. Seven of the 11 S&P 500 sectors saw year-over-year (YoY) earnings growth in Q3, and all 11 sectors are expected to see positive YoY earnings growth by mid-2025. Areas like Small-caps and Mid-caps could get a boost from the constructive view on economic growth and the infrastructure buildout. We also see

Investment Implications

From a positioning perspective, it is imperative that investors maintain diversified portfolios with Cash, Equity and Fixed Income allocations that are in line with their long-term investment horizon and financial goals.

² Bloomberg. December 2, 2024.

³ FactSet. December 2, 2024.

the potential for disruptive innovation led by artificial intelligence (AI) to unfold across a variety of industry groups, helping to sustain margins and increase productivity. While markets remain historically concentrated, these elements are likely to support sustained broadening in the year ahead.

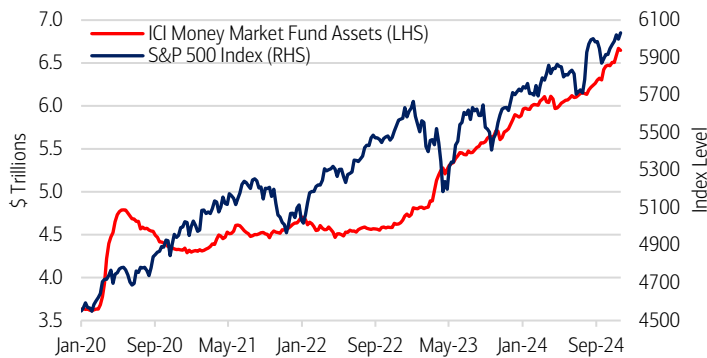
3. **Stocks are too expensive:** Equity valuations are admittedly stretched above long-term averages. But we would argue that they may remain structurally elevated relative to history considering that this market has significantly different core drivers, factors and inputs than the ones of the past. Since 1980, S&P 500 Index composition has shifted from 70% “asset-intensive” areas like manufacturing, financials and real estate to 50% “asset-light” innovation-oriented companies today (Exhibit 2D). “Asset-light” companies tend to have lower fixed costs for machinery, infrastructure and labor which translates into greater flexibility and more efficient use of capital to invest. Most companies are now technology driven, enhancing productivity and economies of scale on a much more rapid basis. Innovation can help enable companies to protect and advance profit margins. Markets are also less cyclical today, potentially reducing the frequency and severity of economic and profit cycle downturns. This confluence of factors could allow for higher normalized growth and above-average valuations moving forward.

At these elevated valuation levels, pullbacks could be seen as an opportunity to add to Equities in diversified portfolios. Investors could also consider incorporating areas that are trading at a relative discount, like Value and Small-cap. If lump-sum investing feels intimidating, dollar-cost averaging may provide a more comfortable alternative.

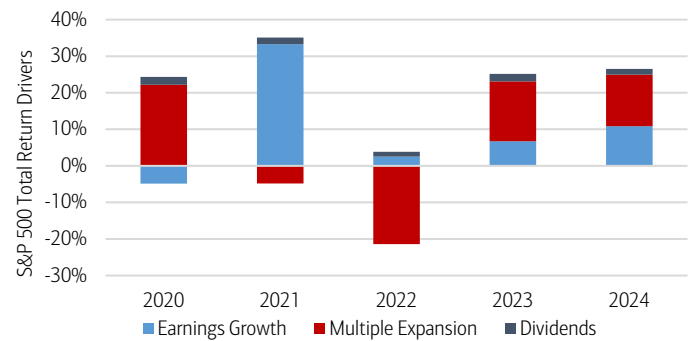
The Bottom Line: While it’s essential that investors maintain appropriate levels of cash in portfolios, it shouldn’t be viewed as a long-term investment. Sitting on the sidelines over time could potentially lead to missed opportunities for returns. Looking ahead to 2025, we continue to emphasize the importance of maintaining a fully invested portfolio with a high level of diversification.

Exhibit 2: Earnings Growth, Better Breadth, and A Shift Towards Innovation May Encourage Investors on the Sidelines.

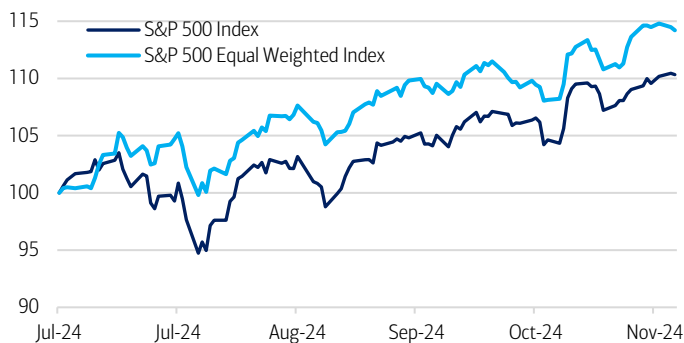
2A) Assets in money market funds have risen alongside the S&P 500.



2B) Earnings and dividends are helping to drive total returns.



2C) The S&P 500 Equal Weighted Index has outperformed the S&P 500 in the second half.



2D) S&P 500 composition has shifted toward innovation.

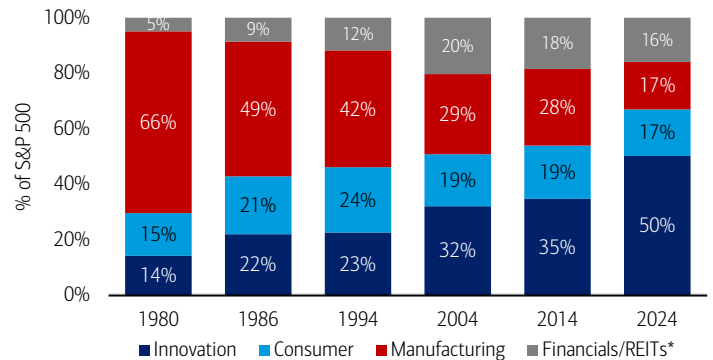


Exhibit 2A) Investment Company Institute (ICI). Source: Bloomberg. Data as of December 2, 2024. Exhibit 2B). Source: Bloomberg. Data as of December 2, 2024. Exhibit 2C). Source: Bloomberg. Data as of December 2, 2024. Exhibit 2D). *REITs=Real Estate Investment Trusts. Source: Bloomberg. Data as of December 2, 2024. Performance results are extremely short term and do not provide an adequate basis for evaluating performance potential over varying market conditions or economic cycles. **It is not possible to invest directly in an index. Please refer to index definitions at the end of this report. Past performance is no guarantee of future results.**

Bond Market Verdict: Nothing To See Here (Yet), Please Move On

Matthew Diczok, Managing Director and Head of Fixed Income Strategy

Leading into and through the elections, there was a notable increase in longer-term interest rates. Short-end yields dropped as the Fed began lowering rates, but Treasury yields from two to thirty years increased by 81 basis points (bps) on average from trough to peak.⁴ Some observers noted this as the market reflecting serious concerns over tariffs, higher deficits/debt, and higher inflation from the new administration.

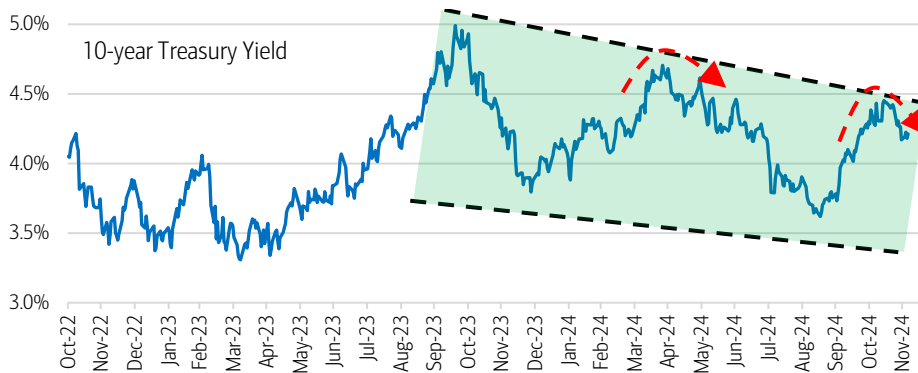
This does not seem to be the case, in our opinion. Using the 10-year as a proxy, the sell-off is a classic “counter-trend” move in a still declining near-term trend in rates, consistent with a Fed rate cut cycle. The move is well within the 12-month range, and the recent high (4.45%) failed to achieve or exceed the previous two recent peaks (5% October-2023, 4.7% April-2024) which—for now—confirms the intact trend.

There are several reasons for this. First, the Fed is still expected to cut rates another around 100 bps, albeit at a slower pace. The primary determinant of long-term rates is short-term rates, and a Fed rate cut cycle appropriate for the economic conditions provides downward gravity on rates, all things being equal. Secondly, the market is not explicitly factoring in higher inflation. Five-year consumer price index (CPI) expectations are 2.4%, implying that the Fed’s 2% personal consumption expenditures (PCE) target is well within reach (CPI is generally around 0.3% to 0.4% above PCE). While those inflation expectations have moved slightly higher, they are also nowhere near breaking out; the peak in 5-year inflation expectations was 135 bps higher at 3.73% in early 2022. Third, as discussed elsewhere, the actual policies that get implemented versus campaign talking points and—importantly—how they interact with each other are not clear and, in many aspects, have conflicting implications. For example, tariffs are not necessarily long-term inflationary. Artificially higher prices due to taxes (which is what a tariff is) reduces consumption, as buyers adjust behavior to deal with higher prices (e.g., shift demand to substitutes, reduce spending elsewhere.) For tariffs to lead to sustained inflation, consumers need to have more disposable income, borrow more or have very positive sentiment about future wages to absorb higher prices and turn inflationary pressures in one subset of goods to overall inflation in an economy. Finally, with approximately 2% real (inflation-adjusted) rates across the curve, U.S. real rates look good on an absolute basis and relative to the rest of the world (0.9% in the U.K., 0.4% in Germany and -0.8% in Japan.) We continue to find the bond market fairly valued, recommending a neutral duration and a sizable allocation to Fixed Income in diversified portfolios.

Portfolio Considerations

At an average of 2% real rates across the Treasury curve, current valuations appropriately compensate investors for a wide variety of potential economic outcomes and look attractive in a global context. As valuations of risk assets continue to remain high, maintaining a high proportion of high-quality Fixed Income in a multi-asset class portfolio is a way to diversify macro risk, in our opinion, and we suggest a neutral duration with an eye to potentially lengthening duration if 10-year rates retest a level of within 4.5% to 5%, or 2.5% real rates.

Exhibit 3: The Rise In Yields Is Well Within The Recent 12-Month Range, Not A Breakout Significantly Higher.



Source: Bloomberg. Data as of November 29, 2024. **Past performance is no guarantee of future results.**

⁴ Source for all data: Bloomberg, Chief Investment Office. As of December 5, 2024.

Equities

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
DJIA	44,642.52	-0.5	-0.5	20.6
NASDAQ	19,859.77	3.4	3.4	33.2
S&P 500	6,090.27	1.0	1.0	29.3
S&P 400 Mid Cap	3,331.37	-1.0	-1.0	21.4
Russell 2000	2,409.00	-1.0	-1.0	20.3
MSCI World	3,855.07	1.2	1.2	23.3
MSCI EAFE	2,354.96	1.7	1.7	8.1
MSCI Emerging Markets	1,105.08	2.5	2.5	10.3

Fixed Income†

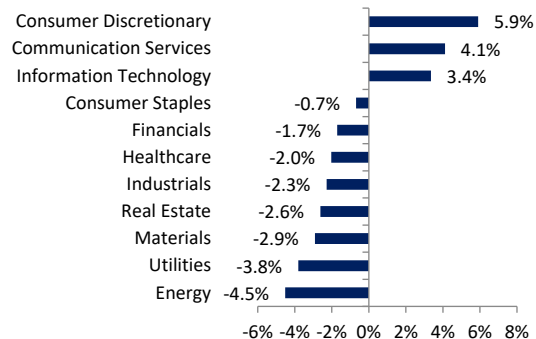
	Total Return in USD (%)			
	Current	WTD	MTD	YTD
Corporate & Government	4.47	0.42	0.42	3.32
Agencies	4.38	0.27	0.27	3.96
Municipals	3.39	0.33	0.33	2.88
U.S. Investment Grade Credit	4.58	0.45	0.45	3.40
International	4.98	0.50	0.50	4.66
High Yield	7.05	0.42	0.42	9.11
90 Day Yield	4.39	4.49	4.49	5.33
2 Year Yield	4.10	4.15	4.15	4.25
10 Year Yield	4.15	4.17	4.17	3.88
30 Year Yield	4.34	4.36	4.36	4.03

Commodities & Currencies

	Total Return in USD (%)			
	Current	WTD	MTD	YTD
Commodities	234.83	-0.6	-0.6	3.7
Bloomberg Commodity	67.20	-1.2	-1.2	-6.2
WTI Crude \$/Barrel††	2633.37	-0.4	-0.4	27.6
Gold Spot \$/Ounce††				

	Total Return in USD (%)			
	Current	Prior Week End	Prior Month End	2022 Year End
Currencies	1.06	1.06	1.06	1.10
EUR/USD	150.00	149.77	149.77	141.04
USD/JPY	7.28	7.25	7.25	7.13
USD/CNH				

S&P Sector Returns



Sources: Bloomberg, Factset. Total Returns from the period of 12/6/2024 to 12/6/2024. †Bloomberg Barclays Indices. ††Spot price returns. All data as of the 12/6/2024 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 12/6/2024)

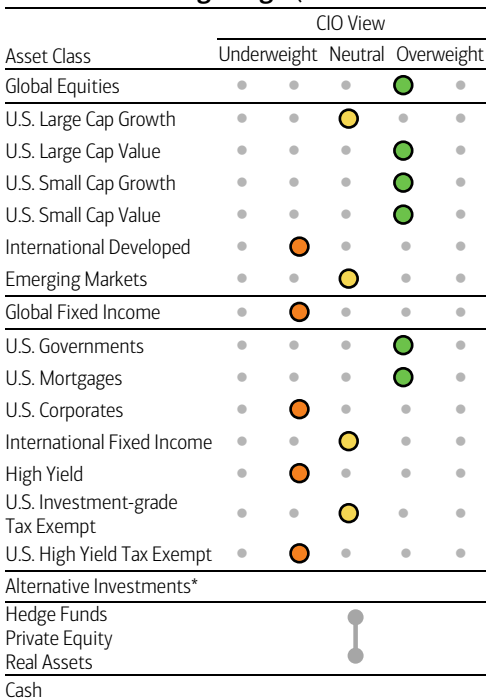
	Q4 2024E	2024E	Q1 2025E	Q2 2025E	Q3 2025E	Q4 2025E	2025E
Real global GDP (% y/y annualized)	-	3.1	-	-	-	-	3.2
Real U.S. GDP (% q/q annualized)	2.0	2.7	1.6	3.0	2.8	2.0	2.4
CPI inflation (% y/y)	2.6	2.9	3.2**	3.2**	2.6**	2.6	2.4
Core CPI inflation (% y/y)	3.2**	3.4**	3.8**	3.4**	3.2**	3.2**	3.0**
Unemployment rate (%)	4.2**	4.0**	3.8**	4.0**	4.2**	4.2**	4.3**
Fed funds rate, end period (%)	4.38	4.38	5.33	5.33	4.83	4.38	3.88

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.**

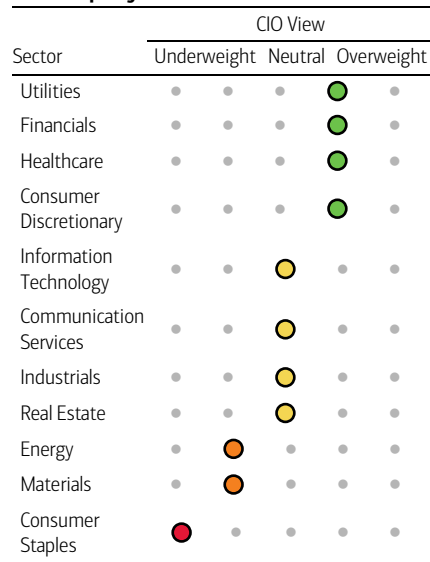
A = Actual. E/* = Estimate.

Sources: BofA Global Research; GWIM ISC as of December 6, 2024.

Asset Class Weightings (as of 12/3/2024)



CIO Equity Sector Views



*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 December 3, 2024. 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.

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 market-capitalization-weighted index that is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

S&P 500 Index Total Return is the investment return received each year, including dividends, when holding the S&P 500 index. The S&P 500 index is a basket of 500 large US stocks, weighted by market cap, and is the most widely followed index representing the US stock market.

S&P 500 Equal Weighted Index is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

MSCI All-Country World Index is a global equity index that measures the performance of large- and mid-cap stocks in developed and emerging markets.

Consumer Price Index is a price index, the price of a weighted average market basket of consumer goods and services purchased by households.

MSCI Japan Index designed to measure the performance of the large and mid cap segments of the Japanese market. With 198 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

MSCI China Index captures large and mid cap representation across China A shares, H shares, B shares, Red chips, P chips and foreign listings. With 598 constituents, the index covers about 85% of this China equity universe.

MSCI Emerging Markets Index captures large- and mid-cap representation across 24 Emerging Markets countries. With 1,277 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.

Important Disclosures

Investing involves risk, including the possible loss of principal. Past performance is no guarantee of future results.

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