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CHIEF INVESTMENT OFFICE

Viewpoint

Conditions Are Building For A Year End Rally

November 2026

All data, projections and opinions are as of November 3, 2026 and subject to change.

IN BRIEF

- Conditions for a potential year-end rally are building, in our view. Multiple sources of uncertainty have converged recently, leading to sharp equity market volatility and rotation. Heading into the end of the year, we believe investor attention could shift from what could go wrong to what is going right, with solid economic growth, record margins and rising productivity back in focus.
- We remain constructive on Equities as the positive fundamental backdrop remains intact. The sharp downdrafts in Financials, parts of Industrials, higher-quality semiconductors within Technology and power-generation companies appear overdone, in our view. We would use periods of weakness as potential opportunities to rebalance portfolios while continuing to emphasize diversification across and within Equities, particularly as market rotation creates new pockets of market leadership.
- Higher yields continue to create attractive potential income opportunities across Fixed Income. With 10-year U.S. Treasury nominal yields near 5% and real yields above 2.5%, still near multi-year highs, all-in yields are compelling on both a nominal and inflation-adjusted basis. We favor moving out of cash and the front end of the curve to extend duration toward strategic targets.

We believe the conditions for a year-end rally in Equities are just beginning. The below-the-surface correction playing out over the last few months in which a majority of stocks in the S&P 500 Index fell about 15% to 20% from their peaks became exhausted recently, in our view. This recycling of capital has been buckling from too many concerns all hitting at once, which include expectations that the Federal Reserve (Fed) would be raising interest rates rather than cutting rates (even with the pause in October), the fact that oil and diesel prices climbed back toward 2026 highs, the midterm elections coming into focus and, most importantly, the new concerns gathering momentum about capital availability to drive the next phase of the Artificial Intelligence (AI) buildout. Investors have been focusing more on what could go wrong than on what is going right. Therefore, corporate earnings season has been more of a sideshow so far than the main stage act. Investor sentiment has shifted to "risk-off" in the last two months, which has shifted the market's valuation closer to 18X forward earnings estimates than the 22X at the beginning of the year. We believe we have both a time and positioning rotation at work. In other words, positioning in the AI buildout beneficiaries became too excessive at the same time investors were unable to digest too many concerns all at once. This dynamic can create sharp episodes of volatility beneath the indexes in which specific targeted areas, such as semiconductors, data center builders and AI architects, overwhelming the broader market.

CIO ASSET CLASS VIEWS

This month the Global Wealth & Investment Management Investment Strategy Committee (GWIM ISC) did not make any tactical asset allocation adjustments. We maintain an overweight to Equities with a preference for U.S. Equities relative to the rest of the world and still favor a significant allocation to bonds in a well-diversified portfolio. We would leverage market weaknesses and excessive strength to rebalance tactical exposures in Q4.

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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					

*Many products that pursue Alternative Investment strategies, specifically Private Equity, Private Credit 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.

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As Q4 corporate guidance and FY 2027 begin to unfold into November and midterm elections conclude, we expect the recycling and risk-off period to end and shift to focusing on the solid growth, record margins and the rising productivity narrative even if we inch closer into midcycle in the economy.

What Could Set The Stage For A Year-end Rally?	
The earnings-per-share (EPS) foundation remains solid and should become the focus again	Demand for 5% plus Treasury yields is strong which limits the sharp increases in yields
The market became its own governor on excessive momentum and speculation	Individual storylines below the indexes (AI adopters such as healthcare companies) are becoming more visible

What Market Trends Do We Expect?		
The AI buildout may increasingly favor profitable leaders and companies benefiting from broader AI adoption	A more measured AI buildout may allow adoption to catch up, while greater scrutiny of returns on investment could help temper speculation	Geopolitical risks remain but are expected to dissipate in early 2027
Economic growth to remain above average even as we shift to midcycle	An actively patient Fed is welcomed by the bond market	Short-term positioning appears increasingly cautious, with greater downside mitigation and AI bearishness at 2026 highs, in our view

Observations Across Capital Markets

- Recent weakness among higher-quality semiconductor leaders, power generation stocks and the Financial sector appears overdone
- Healthcare is emerging as a leader in AI adoption
- Defense stocks appear attractively valued again
- Equity market breadth across capitalization levels became too narrow in September
- Market performance suggests the economy may be transitioning toward midcycle
- Recent strength in Consumer Staples appears overdone relative to its valuation and growth profile
- Established enterprise software stocks appear to be moving beyond earlier AI-related concerns
- Cybersecurity stocks continue to attract investment flows, supported by greater visibility into solid long-term fundamentals
- Real and absolute yields appear attractive again, with investor demand increasing
- U.S. Dollar strength appears to be holding
- Commodity prices across industrial metals and energy may remain elevated for the foreseeable future
- Real Estate remains challenged by persistent supply-demand imbalances

Given our observations across the capital markets and our macro and asset class views overall, we remain overweight Equities. We believe the sharp downdraft in Financials, parts of Industrials, higher-quality semiconductors within Technology, and power generation companies is overdone. Following the Democratic sweep of Congress in the midterm elections, policy uncertainty could remain elevated in the short-term, though the potential for policy gridlock ahead has historically proven supportive for markets. We would use any resulting weakness as a potential opportunity to rebalance portfolios. We find 5%+ yields attractive. A diversified portfolio across the board that includes both AI builders and adopters with income generation through high-quality bonds helps to balance out “all the excessive concerns” that present themselves throughout this long innovation cycle. For qualified investors, alternative assets across the private markets are attractive for long-term investors. Finally, with above-average volatility in rates, currencies and individual stocks while we shift to a midcycle economic environment, the Hedge Fund potential opportunity set has increased, in our view.

CIO INVESTMENT DASHBOARD AS OF NOVEMBER 3, 2026

In our view, recent market rotation is consistent with a transition from early- to midcycle, where broader participation and greater dispersion could increasingly shape market returns. Even amid recent volatility, we believe the bull market remains supported by a resilient economy, broadening earnings growth and strong business investment. We continue to see the potential for a more durable expansion powered by accelerating productivity, infrastructure investment, energy transformation, and global shifts in defense and technology. Long-term investors should remain fully invested and diversified while using periods of volatility as potential opportunities to rebalance portfolios and put capital to work.

Current readings on the key drivers of Equities for investors to consider, with arrows representing the recent trend:

Earnings		Our U.S. Equity overweight remains supported by a strong earnings outlook. S&P 500 earnings estimates have continued to move higher as Q3 reporting season progresses, with double-digit earnings growth expected in 2026 and 2027. The BofA Global Earnings Revision Ratio moderated to 1.01 in October but remained above the key 1.00 threshold, where earnings upgrades outnumber downgrades. Notably, Technology earnings revisions have improved despite recent weakness in AI-related stocks.
Valuations		U.S. equity market valuations have compressed from premium levels a year ago but remain elevated relative to long-term averages. Relative discounts in areas like Value and Emerging Markets (EM) continue to support potential opportunities for diversification.
U.S. Macro		The U.S. economy remains resilient, with the advance estimate of Q3 real gross domestic product (GDP) showing 3.4% annualized growth, supported by strength in business investment, consumer spending and government spending. Continued AI-related capital spending, positive wealth effects and stable job growth should continue to help support economic activity, even as higher energy prices and modest fiscal drag present headwinds. BofA Global Research forecasts real GDP growth of 2.4% in 2026 and 2.3% in 2027.
Global Growth		Global growth remains solid but uneven across regions. The AI investment cycle continues to provide an important tailwind, with the AI-related export boom supporting growth across Asia, particularly in Taiwan and Korea. China has also benefited from stronger exports, though domestic spillovers remain more limited amid structural and cyclical headwinds. Meanwhile, the European growth outlook remains softer as higher rates, tighter financial conditions and energy prices weigh on activity. BofA Global Research expects global real GDP growth of 3.3% in 2026 and 3.4% in 2027.
U.S. Monetary Policy / Inflation		The Federal Reserve held its benchmark policy rate at 3.75% to 4.00% in October. Recent data suggests the labor market remains balanced, while inflation continues to run above the Fed's 2% target. Price pressures, however, could moderate if the U.S. and Iran reach a diplomatic agreement and energy prices move lower. BofA Global Research maintains its forecasts for two additional 25 basis points (bps) hikes but now expects them to arrive at a quarterly pace in December 2026 and March 2027. Given the economy's continued resilience, some additional tightening should remain manageable.
Fiscal Policy		Fiscal policy remains supportive of corporate earnings and business investment, with tax incentives encouraging capital spending, and tariff refunds providing additional support for companies. While elevated defense spending and rising interest costs keep U.S. government debt levels in focus, healthy consumer and corporate balance sheets alongside resilient nominal growth should help keep debt manageable for now.
Corporate Credit		Credit spreads widened in October to their widest levels of the year but remain historically tight, reflecting continued economic resilience and healthy corporate fundamentals. While elevated issuance could create near-term technical pressure on spreads, credit conditions remain supportive of earnings and the broader Equity market backdrop.
Yield Curve		U.S. Treasury yields moved sharply higher in the first half of October, with the 10-year yield reaching its highest level since 2002 amid strong growth, hawkish Fed rhetoric and elevated AI-related debt issuance. Yields reversed in the second half of the month after the Fed held rates unchanged and weakness in AI-related stocks revived relative stability demand. The yield curve remains positively sloped but flattened during the month, suggesting the market is not overly concerned that the Fed is falling behind the curve. Nominal and real yields remain attractive from an income perspective.
Technical Indicators		Technicals weakened in late October as the S&P 500 fell below its 50- and 100-day moving averages amid a sharp drawdown in mega-cap AI Technology, though its cushion above its 200-day moving average suggests the longer-term uptrend remains intact. Market breadth improved as capital rotated into other parts of the market rather than retreating broadly, with the percent of S&P 500 constituents above their 200-day moving average improving to 66% from 43% at the end of September. The S&P 500 equal-weight also outperformed its market-cap counterpart in October by the widest monthly margin since 2009. The sharp shift in leadership reinforces the importance of diversification.
Investor Sentiment		Sentiment indicators remain mixed. October American Association of Individual Investors (AAII) survey results showed increased retail investor caution, with bears outnumbering bulls, though bearish sentiment remains below extreme pessimistic levels. The BofA Bull & Bear Indicator remains neutral at 7.1, below its 8.0 contrarian sell threshold, while BofA Global Fund Manager Survey cash levels remain in contrarian sell territory at 3.9%, below the 4.0% threshold.

Source: Chief Investment Office. Gradient slides go from positive green, yellow neutral and negative red factors to ISC views.

EQUITIES

We are overweight Equities. While crosscurrents in the economic landscape and near-term geopolitical risks remain, positive global growth, stronger-than-expected earnings and increased innovation keep us constructive on global Equities. We maintain an Equity overweight relative to our strategic targets.

We are overweight U.S. Equities. The U.S. remains our preferred Equity region, as it remains among the strongest and most innovative economies in the world and earnings growth continues to beat even the most bullish estimates. The S&P 500 is on track for an eighth consecutive quarter of double-digit year-over-year (YoY) EPS growth for Q3. Earnings strength continues to broaden, with all 11 S&P 500 sectors expected to see earnings growth accelerate for the full year 2026, according to FactSet. Index level valuations declined at the start of the U.S./Iran conflict, and, after partially recovering in the spring, have grinded slightly lower over the past couple of months.

Diversification across and within Equities has already proven to be valuable this year, especially in recent months as equity market rotations are driving new pockets of market leadership. Large-caps continue to exhibit strong fundamentals, strong earnings growth and the ability to generate substantial free cash flow (FCF). The recent increase in interest rates pared some of Small-caps' year-to-date (YTD) gains, but Small-caps are still well positioned for growth. Small- and Mid-caps are benefiting from a more constructive earnings outlook, an uptick in domestic manufacturing and increased capital markets activity. We emphasize the importance of incorporating both Large- and Small-caps into strategic portfolios.

We believe secular tailwinds related to innovation will continue to support Growth over the long term, but short-term volatility is typical of midcycle periods. However, we continue to emphasize the importance of avoiding overexposure to any one area of the market. Value-oriented Equities continue to trade at a relative valuation discount and may offer attractive defensive characteristics against a backdrop of elevated uncertainty. We maintain a barbell approach between Large-cap Value and Growth in portfolios as market dynamics evolve.

From a sector perspective, we continue to propose diversification across Equity sectors given elevated volatility and uncertainty. As market leadership broadens and capital expenditures (capex) trends are debated, we remain overweight Industrials, Financials and Healthcare while remaining more cautious on Communication Services, Real Estate and slower growth trends in Consumer Staples despite its defensive characteristics. Industrials are overweight as capex budgets continue to grow, 100% bonus depreciation has been enacted again, strong order backlogs and AI-oriented infrastructure plans are not slowing despite concerns about financing the AI capex plans. The overall outlook for Financials remains positive, especially for banks with tailwinds from deregulation, loan growth, net interest income (NII) growth, capital markets activity and reasonable valuations.

We are neutral Information Technology (IT), Energy, Consumer Discretionary and Materials. IT has positive longer-term thematic exposure and earnings growth, but there are near-term concerns on capex funding. The outlook for the Energy sector is more muted given very strong performance YTD and ongoing uncertainty about the Middle East conflict, which has now entered its ninth month. We are neutral Materials on improved pricing and demand for commodities in general. We have underweight exposure to Utilities, Communication Services, Real Estate (RE) and Consumer Staples on weaker growth expectations in those sectors. The consumer backdrop remains mixed amid higher energy costs and fading tax refund benefits. Utilities provide the potential for multiyear earnings growth and are fairly valued but face local pressures and rising interest rates.

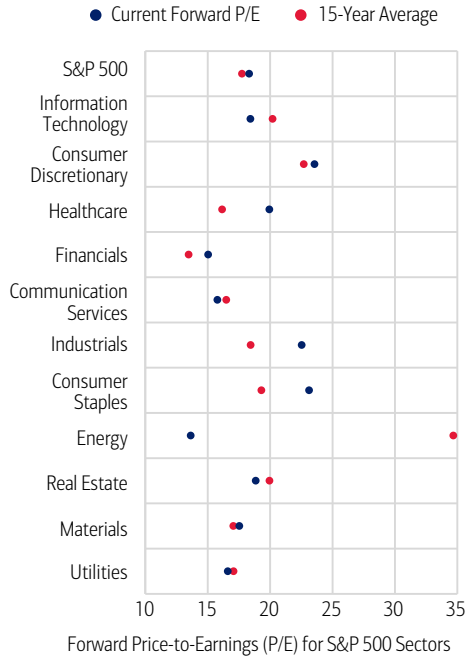
EQUITY WATCH LIST

- The outlook for AI investment and competition
- Monetary policy outlook and shifting expectations for interest rates
- Trajectory of Middle East conflict
- Impact of oil prices on inflation and the consumer
- Progression of global earnings estimates
- Evolving dynamics within Private Credit

RISK CONSIDERATIONS

- Protracted conflict in the Middle East and higher-for-longer oil prices posing a risk to earnings, inflation and capital expenditures (capex)
- Escalation in AI concerns due to an earnings miss, supply shock or tighter credit conditions
- Potential for a pullback in high-income consumer spending
- Sharper moves higher in U.S. interest rates. Global fiscal concerns, as well as sticky inflation and its potential impact on Fed policy ahead
- Geopolitical uncertainty and heightened global protectionism measures

Sector Valuations



Source: Bloomberg as of November 2, 2026. Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

We are slightly overweight Emerging Market Equities. We continue to view the Asia-Pacific as a major beneficiary of expected growth in IT-related capital spending and expanding AI adoption, with the region remaining heavily tilted toward IT hardware in Korea and Taiwan, in addition to more diversified exposure in China. Strong balance of payments positions also leave the region more resilient to external shocks. Latin America remains exposed to longer-term growth expected in demand for key materials used in technology and clean energy investment, in addition to fiscal uncertainty in Brazil. And smaller markets in Central and Eastern Europe should benefit from increased European Union (EU) fiscal outlays, including higher defense and infrastructure spending. The structural rise in EM consumer spending remains a big reason why we believe investors should consider maintaining a strategic allocation to EM Equities as appropriate, and convergence with developed economies should support GDP growth and corporate earnings over the longer term. We favor active[1] management when investing in EM, as fundamentals differ across countries based on fiscal capacity, credit quality, corporate governance and other factors.

We are slightly underweight International Developed Equities. European markets remain among the least exposed globally to technology-related market segments and are therefore likely to experience limited gains on a relative basis from growth in AI spending, while investor concerns remain over the fiscal outlook in France. Manufacturing-led EU economies also remain at risk from growing competition from China in key industries such as auto manufacturing and volatility in industrial energy costs but should benefit from higher fiscal outlays in defense and infrastructure. Corporate sector reforms remain a fundamental tailwind for Japan, with additional support from fiscal expansion and ongoing exchange rate competitiveness despite official currency market intervention. While we are less constructive on International Developed Equities, we believe long-term investors should maintain some strategic exposure, as appropriate, given that they trade at a discount relative to U.S. Equities, contain more of a balance between Value and Growth sectors, can offer attractive dividend yields and provide diversification from mega-cap Technology stocks.

FIXED INCOME

We remain slightly underweight Fixed Income within multi-asset class portfolios, primarily reflecting the need to fund an overweight in Equities. Within all-Fixed Income portfolios with low tax sensitivity, we are positioned neutral across sectors, supported by a constructive economic backdrop, historically tight credit spreads, but compelling all-in yields, despite a flight-to-quality rally in late October. In high tax-sensitivity-Fixed Income-only portfolios, we favor Investment-grade (IG) and High Yield (HY) tax-exempt over IG taxable.

Despite a recent recovery in muni yields relative to Treasurys, we believe the current relative-value case for Municipals remains compelling given attractive taxable-equivalent yields versus taxable IG and HY. Following the volatility in September, Fixed Income markets found some footing in October as Treasury yields retreated from their early-month highs. After peaking near 5.3% early in the month, the 10-year Treasury yield has pulled back to just under 5%, though yields across the curve remain elevated from a historical perspective. Economic data continued to point to a strong economy, with healthy consumer spending, and robust capital investment, while inflation remains stubbornly above the Fed's 2% target.

Fed Chair Warsh and the Federal Open Market Committee delivered a hawkish hold at the October meeting, keeping the fed funds target range at 3.75% to 4.00%, with two dissenters favoring another hike. As expected, Warsh offered little forward guidance but made clear that financial conditions are not yet tight, and markets are now pricing two additional rate hikes through mid-2027.

For investors, the takeaway is simple: Today's elevated yields are a potential opportunity. With 10-year nominal yields near 5% and real yields above 2.5%, still near multiyear highs, all-in yields are compelling on both a nominal and inflation-adjusted basis. We continue to

FIXED INCOME WATCH LIST

- Path of government spending and uncertainty about fiscal policies including tariffs
- U.S. short-term funding markets, with the interplay of quantitative tightening and drawdown of Treasury General Account
- Trend and level of U.S. nominal and real rates and inflation
- Fed and global central bank activity
- Global economic growth, especially with trade and geopolitical concerns
- Credit spreads and Muni/Treasury ratios

RISK CONSIDERATIONS

- Resilient or accelerating inflation
- Change in Fed policy stance
- Slowing economic growth or confidence based on uncertainty

[1] Active management is an investment strategy where a professional manager, team, or individual makes hands-on decisions to buy, hold, and sell assets with the goal of outperforming a market benchmark.

believe this is an opportunity to move out of cash and the front end of the curve and extend duration to an investor's strategic targets.

In multi-asset class portfolios, we are slightly underweight U.S. Corporates and High Yield, in favor of Equities. We remain slightly underweight IG and HY credit, reflecting historically tight spreads and a less compelling risk-reward profile relative to duration-matched Treasurys. The spread weakness we anticipated entering the fall has largely materialized, as credit underperformed during September and October amid higher Treasury yields and a heavy new issue calendar.

While spreads have widened off YTD tights, valuations remain historically rich, reflecting strong economic growth and healthy corporate fundamentals. Risks we are watching include releveraging trends within Technology and the hyperscalers in addition to trends in lower quality HY and leveraged loans.

Although fund flows have softened, we believe demand for high-quality Fixed Income should remain supported by attractive all-in yields. With yields on IG and HY markets still near multidecade highs—approximately 6% and 8%, respectively—the return outlook remains favorable given the strong historical relationship between starting yields and forward returns.

In multi-asset class portfolios, we remain slightly underweight U.S. Investment-grade Tax Exempt and U.S. High Yield Tax Exempt. While valuations have richened in October, for highly tax-sensitive investors, we continue to see compelling value in IG municipal bonds. The Bloomberg Municipal Bond Index currently yields approximately 4.2%, or roughly 7.1% on a taxable-equivalent basis for investors in the highest federal tax bracket. This compares favorably with many taxable Fixed Income alternatives, including IG and HY corporates, while offering materially lower credit risk.

Weakness in Municipals this Fall was driven largely by technical rather than fundamental factors, while seasonal reinvestment demand is expected to moderate and supply remains elevated, and municipal credit fundamentals remain broadly healthy and credit spreads justifiably remain near YTD tights.

We continue to see select mid-to-lower IG potential opportunities, particularly within healthcare, higher education and prepaid energy, where investors can earn incremental spread without materially increasing credit risk.

In multi-asset class portfolios, we remain slightly underweight U.S. Mortgage-backed Securities, in favor of Equities. Similarly to IG, Agency Mortgage-backed Securities (MBS) spreads have widened off their YTD tights and now trade in the mid-30 bps range. More recently, spread widening accelerated alongside a sharp rise in Treasury yields, increased expectations of Fed tightening, and elevated uncertainty surrounding inflation. These developments pushed interest rate volatility back toward levels last observed during the March geopolitical shock and subsequently weighed on MBS performance. While spreads now sit modestly above their 10-year historical average, current valuations offer more compelling risk-rewards relative to other high-quality Fixed Income sectors, including IG corporates.

ALTERNATIVE INVESTMENTS

CIO's Key Alternative Investment Principles

With their diverse strategies and historical progress, Alternative Investments (Alts) can potentially enhance portfolio resilience and long-term performance for qualified investors. However, unlike traditional assets, allocating to Alts is a long-term process constrained by liquidity. They should be viewed primarily as strategic holdings, with tactical opportunities playing only a secondary, incremental role for new investment.

- **Think long-term:** Illiquidity demands a multi-year horizon.
- **Invest consistently—even in downturns:** Pulling back during volatility can erode benefits and lead to underallocation.
- **Diversify:** Spread across strategies, managers and vintages.
- **Choose high-conviction managers:** Performance varies widely; manager selection matters.

Hedge Strategies: Aggregate performance declined modestly in September (-1.0%) and Q3 2026 (-0.6%) but remained positive YTD (+6.8%).[2] Performance was mixed across sectors in both periods, though macro and market neutral Equity Hedge (EH) strategies generally offset losses in other areas. Fundamental EH manager performance dispersion was notably pronounced.

October's market volatility brought repositioning and intramonth performance estimates sharply into focus. Equity market swings increased whipsaw risk among EH managers that generally assumed a more defensive posture by adding shorts and later cutting longs. Technology, Media and Telecommunications and Asia-focused managers look to be particularly exposed to the AI unwinds in October, giving back meaningful gains from earlier in the year. Special situations and relative value credit strategies contended with basis risk as lower-quality (i.e., CCC-rated bonds) credit continued to underperform higher-quality counterparts, especially in Europe where CCCs are on track to underperform BB-rated bonds by the widest margin since March 2020.

On a brighter note, hedged Event Driven strategies (e.g., merger arbitrage) generally held in better than the broader market.[3] We continue to find a combination of EH and Macro attractive as a balance of Growth-oriented, diversifying and market neutral orientations.

Private Equity: Coming into the year, expectations for lower rates supported hopes of a broader recovery in Private Equity (PE) activity. Instead, persistent inflation and a more restrictive rate environment have tempered that outlook. Following a 25 bps hike in September, the Fed held rates at 3.75% to 4.00% in October, signaling a continued focus on price stability. Even so, PE momentum improved in Q3, with U.S. deal value rising 20.9% quarter-over-quarter (QoQ) and deal count increasing 5.9%.[4] Larger transactions also reemerged, although add-ons still represent roughly three-quarters of buyout activity, reflecting continued selectivity and underwriting discipline.[5] Liquidity remains a key constraint, but conditions improved during the quarter. Exit value increased 50.4% QoQ, supported by stronger strategic mergers & acquisitions, while portfolio company performance has generally remained resilient, with recent PE returns increasingly reliant on earnings growth rather than multiple expansion.[6] The recovery remains concentrated, however, with transactions above $1 billion accounting for nearly 78% of Q3 exit value.[7] Continuation vehicles and other secondary solutions remain important liquidity tools, increasingly enabling sponsors to retain higher-conviction assets with additional Value-creation potential. Fundraising remains challenging and concentrated among managers with demonstrated realizations, while evergreen vehicles continue to gain share. AI is also becoming a more meaningful driver of underwriting and valuation dispersion, particularly in software. Following a sharp Q2 pullback, software deal value rebounded roughly 50% in Q3, even as deal count declined, highlighting continued selectivity. Sponsors have favored businesses with differentiated characteristics, including proprietary data or regulatory advantages, that may be less susceptible to AI disruption.

Private Credit: Redemption activity remains a focus for Private Credit (PC) nontraded Business Development Company (BDC) and interval fund strategies. Broadly, redemption requests declined in Q3 2026, although many strategies continued to face requests exceeding 5% of shares, with redemption levels moderating only modestly among larger, more mature strategies. These requests are partly driven by resubmissions from investors whose redemptions were prorated in prior quarters. While overall requests moderated in Q3, elevated levels suggest it may take several additional quarters for redemption activity to fall below the 5% caps. Institutional fundraising trends remain strong within PC, but inflows across nontraded BDCs have been challenged, with sales below Q1 2026 levels contributing to net outflows for many BDCs. We note

[2] HFR, Inc. HFRI Fund Weighted Composite Index as of September 30, 2026.
[3] MRGR US Equity and S&P Merger Arbitrage Index vs. Nasdaq 100 Index.
[4] PitchBook. Data as of October 30, 2026.
[5] ibid
[6] ibid
[7] ibid

HEDGE STRATEGIES

EH will likely benefit from decent equity dispersion, driving alpha generation. Micro-dominated markets should be better for stock selection. Hedged approach is appealing given high uncertainty.

Macro is appealing for low correlations to Equities/Fixed Income in uncertain policy environment.

+	**Equity Hedge**
	Event Driven
	Relative Value
+	**Macro**

PRIVATE EQUITY

Venture Capital/Growth Equity expected to benefit if AI theme proves durable. Early-stage capital also tied to trend of companies staying private for longer and incubating next gen tech disruptors.

Buyout expected to benefit from lower rates, though conflict-driven higher rates could dampen dealmaking opportunity set.

	Buyout
+	**Venture Capital/ Growth Equity**
	Special Situations

PRIVATE CREDIT

Neutral across PC. Direct Lending (DL) to see declining returns with lower rates and climbing credit losses. Primary focus on software exposure; geopolitical volatility could weigh further Potential positive: More PE deals should increase DL deployment potential opportunities, potentially with wider spreads.

	Direct Lending
	Subordinated Capital
	Asset Based/Specialty Finance

+ symbol indicates the strategies CIO views as having the most favorable opportunity set for new investment within the Alts asset classes.

that quarterly tender caps provide an important mechanism for managing portfolio liquidity and leverage and are supplemented by natural portfolio runoff, recurring income generation and liquid asset holdings. A normalization in redemption activity will be supported by a continuation of the current trends in PC, positive returns and broadly stable portfolio fundamentals, a combination that should support a recovery in fundraising and reduce redemption pressure over time.

Real Assets: Despite the challenging interest rate environment, Private Real Estate (PRE) continues to show signs of recovery, supported by improving fundamentals and better price discovery. The NCREIF Open-End Diversified Core Equity (ODCE) Index reported a preliminary 1.71% gross return in Q3 2026, up from 1.49% in Q2, with appreciation improving to 0.69% from 0.47%. The one-year gross return reached 5.46%, while the three-year annualized return turned positive at 0.58%. U.S. transaction activity also improved, with CBRE reporting property sales revenue up 37% YoY in Q3, led by industrial and retail. However, the recovery remains uneven across property types and sensitive to financing conditions. Looking ahead, net operating income growth, asset quality and property selection should become increasingly important drivers of returns. Higher rates could place renewed pressure on valuations, although significant repricing since 2022 and moderating supply growth may provide a more attractive starting point for new investment. Ongoing dispersion could favor managers who excel at sourcing, selecting and actively managing assets.

Private infrastructure remains resilient despite geopolitical uncertainty, elevated energy prices, inflation and higher bond yields. MSCI Global Private Infrastructure Asset Index Q1 2026 Results reported a 12.2% one-year gross total return through Q1 2026, while CBRE Infrastructure Quarterly Q3 2026 cites Cambridge Associates data showing core and core-plus infrastructure returning 10.4% and value-add 7.9% net of fees over the same period. Structural demand remains strongest across power, renewables and digital infrastructure, supported by AI-driven capital expenditure, electrification and energy-security needs. Growing local opposition and development constraints around data centers may create execution challenges while potentially strengthening the competitive position of established, well-resourced platforms able to navigate increasingly complex development requirements. In the U.S., electricity demand associated with AI and data-center development has contributed to a structural supply-demand imbalance in power markets. Recent performance also highlights rate sensitivity: Scientific Infra & Private Assets (SIPA) Q3 2026 infrastructure index results reported declines of 1.85% and 3.42% for the infra300 and infra100 indexes, respectively, as higher rates pressured valuations, while renewable infrastructure was roughly flat. This reinforces the importance of contracted cash flows, valuation discipline and asset selection. Infrastructure remains well positioned over the longer term, but return dispersion is likely to increase as capital concentrates around power and digital themes and higher financing costs weigh more heavily on development-oriented strategies.

As for Tangible Assets, despite oil price volatility, global growth remains solid with rising corporate profits evident around the world. The global economic expansion led by the U.S. is positive for commodity prices and is confirmed by the relative strength in Industrial metals prices like copper compared to precious metals prices like gold. Precious metals have undergone a sharp correction from their bubble peaks, and a long period of consolidation would not be surprising before their secular uptrend reasserts itself in a world of persistent positive inflation. The dollar is overvalued compared to major Asian currencies like the Japan yen and the China renminbi. A reversion toward fair value is just a matter of time in our view. An end to hostilities in the Middle East would provide a major additional positive boost to global growth and a likely collapse in oil prices from current levels.

REAL ASSETS

Infrastructure tied to global trends of energy demand and digitization, with inflation-hedge characteristics.

PRE should continue to stabilize with outlook improving; higher rates could slow recovery.

	Private Real Estate
+	**Infrastructure**

+ symbol indicates the strategies CIO views as having the most favorable opportunity set for new investment within the Alts asset classes.

MACRO STRATEGY

- U.S. growth continues paced by strong investment and solid consumer spending supported by low unemployment, positive wealth effects and income growth. Q3 GDP data show an acceleration in domestic private sector final demand to over a 4% real growth pace.
- Inflation has likely peaked, as wage pressures are slight, productivity gains are suppressing unit labor costs, and housing prices and rents are coming down from overheated extremes since immigration has slowed. Long-term inflation expectations are at levels consistent with the Fed's 2% inflation target.
- Corporate profit growth has broadened out around the world as the global expansion matures. Profit margins are rising with the increasing share of economic activity concentrated in high margin technology companies. The profit cycle is also broadening in other areas, helped by new tax and regulatory policies.

ECONOMIC FORECASTS (AS OF 10/30/2026)

	Q1 2026A	Q2 2026A	Q3 2026A	Q4 2026E	2026E	2027E
Real global GDP (% y/y annualized)	-	-	-	-	3.3	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	3.7	3.4	2.7
Core CPI inflation (% y/y*)	2.5	2.7	2.5	2.7	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 are the baseline 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. 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 November 3, 2026. Forecasts are subject to change. When assessing your portfolio in light of our current guidance, consider the tactical positioning around asset allocation in reference to your own individual risk tolerance, time horizon, objectives and liquidity needs. Certain investments may not be appropriate, given your specific circumstances and investment plan. Certain security types, like hedged strategies and private equity investments, are subject to eligibility and suitability criteria. Your advisor can help you customize your portfolio in light of your specific circumstances.

S&P 500 SCENARIOS BASED ON FORWARD PRICE-TO-EARNINGS (P/E) RATIO AND 2026 (EPS)

The table below provides a rough indication of where the S&P 500 Index's central tendency could be, given various scenarios for EPS in 2026 and P/E ratio multiples. These scenarios are not official price targets and are not meant to signal levels where portfolio actions may always be needed. However, during times of market volatility, it's useful to keep this basic framework in mind when considering whether to incrementally add to or trim risk from portfolios while staying invested in one's strategic asset allocation framework.

2026 EPS	EPS Forward P/E (Next 12 months)				
	19.0x	20.0x	21.0x	22.0x	23.0x
$395	7,505	7,900	8,295	8,690	9,085
$385	7,315	7,700	8,085	8,470	8,855
$375	7,125	7,500	7,875	8,250	8,625
$365	6,935	7,300	7,665	8,030	8,395
$355	6,745	7,100	7,455	7,810	8,165
$345	6,555	6,900	7,245	7,590	7,935
$335	6,365	6,700	7,035	7,370	7,705

For illustrative purposes only. Source: Chief Investment Office as of November 3, 2026.

CIO ASSET CLASS VIEWS AS OF NOVEMBER 3, 2026

Asset Class	CIO View: Underweight		Neutral		Overweight	
Global Equities				●		We are overweight Equities and continue to view weakness as a potential buying opportunity for long-term investors. We are overweight the U.S., overweight EM, and underweight International Developed.
U.S. Large-cap Growth				●		Large-caps continue to look attractive on solid fundamentals, strong FCF and the ability to produce healthy shareholder payouts. We maintain an equal balance between Large-cap Value and Large-cap Growth in portfolios.
U.S. Large-cap Value				●		
U.S. Small-cap Growth				●		Small-caps are supported by improved earnings, potential deregulation, increased domestic manufacturing and an uptick in merger & acquisitions activity. We continue to suggest a balance of Value and Growth factors.
U.S. Small-cap Value				●		
International Developed		●				Europe is likely to see limited relative gains from expansion in AI given lack of market exposure, but local defense and infrastructure spending remain supportive. Japan should benefit from domestic structural reforms, fiscal expansion and competitive exchange rate.

Asset Class	CIO View: Underweight		Neutral		Overweight	
Emerging Markets				●		We are slightly overweight EM overall, with the heavyweight Asia region particularly well positioned to benefit from exposure to global IT investment spending and AI adoption. Latin America is exposed to growth in key materials used in technology and clean energy investment.
International						
North America				●		The U.S. remains our preferred region relative to the rest of the world amid balance sheet strength, better fundamentals for consumer spending and healthy shareholder payouts.
Eurozone			●			Expansionary fiscal policy combined with attractive relative valuations are potential market tailwinds. Exposure to growth in AI spending is limited, while risks remain from volatility in energy prices, sovereign debt concerns and growing competition with China in key industries.
U.K.		●				Fiscal uncertainty under current government policy agenda represents a potential headwind for the corporate sector over the medium term. Limited market exposure to growth in AI spending.
Japan				●		Shareholder-friendly deployment of corporate cash remains a fundamental source of support. Large fiscal expansion is an additional tailwind alongside low interest rates and ongoing exchange rate competitiveness.
Asia Pac ex-Japan*		●				Regional outlook dampened by slower domestic demand in China and its impact on regional resource and service exports.
Global Fixed Income		●				Yields are attractive, providing good diversification for multi-asset class portfolios and reasonable income. Neutral duration recommended.
U.S. Governments		●				Nominal and real yields remain attractive across the curve relative to the last several decades. A Treasury allocation for liquidity, principal preservation, and diversification is advised, as Treasurys provide the best short-term diversification benefits to Equities among Fixed Income sectors. Rate volatility has increased and may remain high.
U.S. Mortgages		●				After reaching a multi-year low in January, MBS spreads have widened meaningfully throughout the year driven by an aggressive rate sell-off, shifting Fed expectations and rising interest rate volatility. Spreads are now in the mid-30s, modestly above their 10-year historical average, which improves their relative attractiveness to Treasurys and IG corporate bonds.
U.S. Corporates		●				IG spreads have exhibited modest widening in September and October primarily driven by interest rate volatility, new issuance and AI concerns. That said, outside of select sectors such as Technology, valuations are still rich. All-in yields are very attractive and should continue to support demand. As we look toward year-end, our primary concern about valuations is technical rather than fundamental, as heavy new issuance is likely to persist.
International Fixed Income		●				International rates markets are at normal valuation levels on a U.S. dollar-hedged basis.
High Yield		●				Similar to IG, HY spreads have widened but valuations still remain expensive. However, a positive macroeconomic environment may limit spread volatility and credit losses as default rates have begun to improve modestly. This leaves us comfortable at a neutral positioning. Within a HY allocation, we continue to suggest a balanced mix between loans and bonds, with a slight preference for bonds.
U.S. Investment-grade Tax Exempt		●				Recent rate volatility has created attractive entry points across the IG muni curve, particularly beyond 10 years, where taxable-equivalent yields near 8% exceed most taxable alternatives. Fundamentals remain solid, supported by positive ratings momentum (upgrades > downgrades), strong balance sheets, and stable revenues, though reduced federal funding and rising costs may increase sector dispersion. While spreads remain near tighter end of recent ranges, select lower IG credits offer incremental spread income and a buffer against higher yields.
U.S. High Yield Tax Exempt		●				HY munis currently appear reasonably valued relative to IG, providing a potential opportunity for HY outperformance if economic conditions remain favorable.

*Asia Pac ex-Japan refers to the geographic area surrounding the Pacific Ocean. The Asia Pac ex-Japan covers the western shores of North America and South America, and the shores of Australia, eastern Asia and the islands of the Pacific. Tactical qualitative investment strategy weightings are relative in nature versus the strategic weightings for a fully diversified portfolio. Weightings are based on the relative attractiveness of each asset class. Tactical strategy weightings are for a 12- to 18-month time horizon. CIO asset class views are relative to the CIO Strategic Asset Allocation (SAA) of a multi-asset portfolio. Because economic and market conditions change, recommended allocations may vary in the future. Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns. 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 AS OF NOVEMBER 3, 2026

The CIO Equity sector view is developed by applying a multi-input process combining the CIO's factor views and fundamental bottom-up industry outlook with top-down macro-economic changes and trends. The factor approach emphasizes valuation and momentum as key inputs, with a fundamental overlay taking into consideration forward-looking views of growth, profits, policy, events and sentiment as well as inclusion of certain investment themes. BofA Global Research's sector strategy views are also captured as an input into the CIO process. Our sector views are developed with a 12- to 18-month outlook but are revisited monthly by the GWIM Investment Strategy Committee.

Sector	CIO View Underweight		Neutral		Overweight	
Industrials	•	•	•	•	●	Capex budgets continue to grow, some uncertainties have been removed, 100% bonus depreciation has been enacted again, strong order backlogs and infrastructure plans are accelerating compared to recent years. Longer term there are multiple thematic drivers for Industrials over the next three to five years, including multiyear backlogs for commercial aerospace, evolution of generative AI, increased power demand and improving outlooks for defense budgets outside the U.S. Valuation is elevated, and momentum recently stalled, particularly across early-cycle stocks, Indexes of industrial and manufacturing activity reported several months of expansion and growth, with participation broadening across a large number of firms. **Risk Considerations: 1) short-cycle recovery timing still debated though appears supportive, 2) inflation resurgence drives up input costs, pressuring margins, 3) continued supply chain stress.**
Financials	•	•	•	•	●	We see multiple potential catalysts in the second half of 2026 as investment banking and equity/debt capital markets activity was robust in 1H and should have continued momentum in the second half for the largest banks. We expect increased mergers & acquisitions activity among regionals supported by deregulation and a positive net interest income outlook. Robust loan growth and a steeper yield curve, portend record NII for second half which should mostly fall to the bottom-line. Solid earnings from the large digital payment networks highlight a resilient consumer base and strong net inflows & realizations for alternative asset managers suggest headline risk around private credit software investments might be overdone. Risks include persistent geopolitical headline risk, the possibility of Fed rate hikes, and a lower EPS growth outlook compared to the broader market. That said, we do not think deregulatory benefits are baked into consensus estimates. Overall, valuation is attractive, and earnings-driven momentum should continue to improve despite near term headwinds. **Risk Considerations: 1) a persistently inverted yield curve, 2) interest rate volatility, 3) private credit overhang, 4) lost market share to non-bank lenders.**
Healthcare	•	•	•	●	•	The fundamental landscape surrounding the healthcare space is holding up better than many anticipated and, in fact, is gradually improving. Utilization trends and procedural volumes remain solid, funding for new biotech and pharmaceutical research projects is improving, cost trends are not accelerating over projected estimates, and capital budgets appear to be under less pressure than was feared just a few quarters ago. Policy headwinds have become less of an overhang for the Healthcare sector in recent quarters with drug pricing agreements reached in 2025. We view any near-term volatility around midterm election results as short-term in nature. We maintain strong conviction in Large Biopharma and Small- and Mid-cap Biotech. Our conviction is growing in Medtech and Life Science tools after recent underperformance, and they look to be more intriguing areas for investment. Diagnostics and certain areas within Managed Care/Providers are areas to be selective. We remain optimistic on the long-term outlook for the Healthcare sector amid demographic changes, innovative pipelines and a focus on driving down cost to consumers. Valuation is attractive and momentum has improved in recent months. **Risk Considerations: 1) policy changes that materially impact companies' profitability; 2) a slowdown in innovation; 3) margin and profitability pressures resulting from increased tariffs or higher labor/supply costs.**
Consumer Discretionary	•	•	●	•	•	While consumer spending remains resilient, there are a number of potential macroeconomic headwinds. With prior tax-related tailwinds fading, earnings growth is expected to moderate in the latter half of the year, given elevated cost pressures, and an increasingly value-conscious consumer. In addition, potential for higher interest rates could pressure discretionary spending across parts of the sector, while elevated energy prices and ongoing geopolitical tensions continue to weigh on consumer sentiment and purchasing power. Sector valuations also remain elevated relative to both historical levels and other sectors, and concentration risk remains significant, with the three largest companies accounting for roughly 60% of the sector. Balancing out these concerns, a relatively solid job market, healthy wage growth, the wealth effect from a buoyant equity market and continued strength in consumer spending trends provide a supportive backdrop. **Risk Considerations: 1) the potential for an economic slowdown, 2) prolonged spikes in energy prices or interest rates, 3) weakness in the job market, and 4) one or more of the three companies that make up around 60% of the sector have a significant pullback.**
Information Technology	•	•	●	•	•	We remain neutral on the IT sector due to elevated valuations, crowded positioning and margin risks, despite strong earnings growth and AI-driven flows. Despite weakness in software, the long-term outlook remains positive for Cloud, AI, data centers and semiconductors, but investors should focus on high-quality companies and add on market weakness. **Risk Considerations: 1) China exposure and trade wars, 2) supply chain constraints, 3) AI monetization and overspend.**

Sector	CIO View: Underweight	Neutral	Overweight	
Energy		●		We remain neutral on the Energy the sector despite concerns at the beginning of 2026 on the growing oil and liquefied natural gas supply outlooks, the conflict in U.S./Iran has quickly erased that excess supply. Damage to energy infrastructure in the Middle East will take some time to fix. Continue to emphasize refiners and upstream companies that are low-cost producers with high FCF, balance sheet strength and low break-even oil prices. Energy stocks still provide attractive valuations and strong dividends with positive momentum. **Risk Considerations: 1) lower oil and natural gas commodity prices, 2) slower global energy demand.**
Materials		●		There is improved pricing and demand for commodities in general, and specifically for metals and mining and more recently for chemicals due to supply disruptions. Longer-term concerns remain regarding too much new capacity in the future for petrochemicals and commodity chemicals which could turn very quickly. We still see some longer-term tailwinds for demand, such as AI growth and power buildouts for copper demand and strong investment flows into precious metals. The underlying sector valuation and momentum is neutral. **Risk Considerations: 1) slower global economic growth, 2) weaker residential and non-residential construction, 3) oversupplied materials markets.**
Utilities			●	The need to accelerate investment in electrical infrastructure is a clear tailwind for the sector, however, policy and affordability concerns leave us cautious, and we reduced exposure to Utilities in September. Data center development is expected to drive higher demand for power in coming years but is increasingly meeting resistance in many jurisdictions. Slowing buildout could delay or reduce planned investment by Utilities, pressuring earnings growth. Valuation screens as neutral based on historical levels, relative to the rest of the market. **Risk Considerations: 1) affordability concerns driving adverse regulatory or legislative solutions, 2) slower power demand growth than forecast, 3) power outage events.**
Communication Services			●	Communication Services sector faces pressure from weaker operating cash flow and FCF trends amid aggressive capital spending increases. While valuations for top companies are rich, overall sector valuation is aligned with the market, and momentum remains neutral. **Risk Considerations: 1) regulatory and anti-trust risks, 2) capex ramps for AI investments that limit EPS and FCF, 3) lower engagement pressuring growth.**
Real Estate			●	We continue to be selective in Real Estate exposure. Furthermore, risks are rising for downward pressure on rental rates as lease contracts expire and new contracts are negotiated. Continue to emphasize longer-term secular trends in healthcare, data centers, communication infrastructure (towers), storage and industrial RE. Valuation is fair and momentum recently improved. **Risk Considerations: 1) spike in interest rates and borrowing costs, 2) declining demand for CRE in oversupplied markets, 3) workout problems.**
Consumer Staples	●			Consumer Staples are facing headwinds from tariffs, higher input costs, and weaker earnings growth, while consumers increasingly trade down and favor private labels, pressuring branded product profitability. Given muted category demand, premium valuations, the expiration of tariff-related benefits, and ongoing energy cost pressures, we remain cautious on the sector heading into year-end. **Risk Considerations: 1) soft demand across consumer-packaged goods, 2) consumer trade down and substitution, 3) ongoing growth in private label and store brands.**

Source: Chief Investment Office. 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 THEMATIC INVESTING AS OF NOVEMBER 3, 2026

The following themes and subthemes encapsulate the Chief Investment Office's thinking on some of the most convincing undercurrents of future areas of growth around: Transformative Innovation, Resilient Infrastructure, Future Security and Changing Demographics. These themes carry long-term implications for economic growth, the cost of capital and global earnings. We'd consider exposure to these themes a key ingredient to investing.

Transformative Innovation

Generative Artificial Intelligence: Power demand/generation, productivity wave

Robotics/Automation: Industrial/service robotics

Digitization: Cloud computing, data analytics, digital payments, internet of things, augmented reality and virtual reality, electrified transportation

Resilient Infrastructure

Energy Addition: Nuclear renaissance, solar, natural gas generation, hydrogen, battery storage

Utility Infrastructure: Data centers, grid (transmission/distribution), thermal management, water management, power generation

Supply Chain Reconfiguration: Onshoring/nearshoring buildout

Future Security

Aerospace & Defense: Remilitarization, space, drones

Cybersecurity: Network security, cloud evolution/security, endpoint security

Resource Protectionism: Food/agriculture/commodity scarcity (water), natural resources, metals/mining

Changing Demographics

Healthcare Innovation: Aging, longevity, drug discovery, biotechnology (gene therapy, personalized medicine)

Great Wealth Transfer: Wealth creation, NextGen consumer/investor base

Global Labor Force Distribution: Immigration/migration, global fertility bust, automation "cobots"

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 includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the index focuses on the large-cap segment of the market, with approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market.

Bloomberg Municipal Bond Index covers the USD-denominated long-term tax exempt bond market.

Nasdaq Index is a stock market index that tracks the performance of thousands of stocks traded on the Nasdaq stock exchange.

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

NCREIF Open End Diversified Core Equity Index is a capitalization-weighted, time-weighted benchmark index tracking the investment returns of private, institutional core real estate funds in the U.S.

MSCI Global Private Infrastructure Asset Index is to accurately and objectively measure the performance of direct private infrastructure investments market.

Scientific Infra & Private Assets (SIPA) Infrastructure Index maintains the Index and calculates the Index levels and performance shown or discussed but does not manage actual assets.

Scientific Infra & Private Assets (SIPA) infra300 Index tracks the monthly performance of 300 unlisted infrastructure companies.

Scientific Infra & Private Assets (SIPA) infra100 indexes measure the performance of the largest 100 companies in the respective segments of the global infrastructure market.

HFRI Hedge Fund Weighted Composite Index provides the most extensive representation of the hedge fund universe, as it includes more than 1,000 constituents.

MRGR U.S. Equity Index tracks an index of developed-market equities involved in merger deals, with long exposure to target firms and short exposure to acquiring firms.

S&P Merger Arbitrage Index seeks to provide a risk arbitrage strategy that exploits commonly observed price changes associated with a global selection of publicly announced mergers, acquisitions and other corporate reorganizations.

Nasdaq 100 Index is a stock market index that tracks 100 of the largest non-financial companies listed on the Nasdaq stock exchange.

S&P 500 sub-sectors and industry groups Global Industry Classification Standard (GICS®)/S&P 500 Total Return Index, including Information Technology Total Return (TR) USD; Consumer Discretionary TR USD; Industrials TR USD; Real Estate TR USD; Communication Services TR USD; Materials TR USD; Financials TR USD; Consumer Staples TR USD; Utilities TR USD; Energy TR USD; Healthcare TR USD.

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Dividend payments are not guaranteed, and are paid only when declared by an issuer's board of directors. The amount of a dividend payment, if any, can vary over time.

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. Bonds are subject to interest rate, inflation and credit risks. Municipal securities can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes, or the rights of municipal security holders. 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. 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. 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. Mortgage-backed securities are subject to credit risk and the risk that the mortgages will be prepaid, so that portfolio management may be faced with replenishing the portfolio in a possibly disadvantageous interest rate environment. 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. Investments in real estate securities can be subject to fluctuations in the value of the underlying properties, the effect of economic conditions on real estate values, changes in interest rates, and risk related to renting properties, such as rental defaults. There are special risks associated with an investment in commodities, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors. Investing in Gold involves special risks, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes, and the impact of adverse political or financial factors.

Investments in Infrastructure Assets will be subject to risks incidental to owning and operating infrastructure projects, including risks associated with the general economic climate, geographic or market concentration, government regulations and fluctuations in interest rates. The industries targeted for investment may be highly regulated by governmental agencies. Such regulations may impact an investor's ability to acquire, dispose of and/or manage investments.

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 equity funds, private credit 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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