

Capital Market Outlook

March 2, 2026

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

IN THIS ISSUE

Macro Strategy—Beyond Goods—The Expected Boom in China’s Knowledge-Intensive Exports: China’s trade is shifting from goods toward high-value, knowledge-intensive services such as information and communication technology (ICT), research & development (R&D), and Artificial Intelligence (AI), a transition that supports a positive outlook for China’s technology leaders.

Market View—In Times of Uncertainty, Choose Fundamentals Over Fear: Despite negative headlines and elevated uncertainty, market and economic fundamentals remain strong, countering fears around market breadth, tariffs, consumer health, and foreign investment. The key takeaway is to prioritize fundamentals over fear when navigating volatile markets.

Thought of the Week—The Sentiment-Spending Disconnect: Despite weak consumer sentiment, resilient spending, supportive hard data, and expected 2026 tailwinds point to a more constructive consumer and Equity outlook than surveys alone suggest.

From the CIO—Market Update: A Snapshot of Middle East Uncertainties and Market Effects: The aftershocks from the war in the Middle East will dictate price movements for multi-assets in the near-term. The duration of the conflict, and how broad, are key factors to monitor. Per the accompanying table, geopolitical events are headline-grabbing but not market-moving over the medium-term. We continue to emphasize the highest level of diversification in portfolios.

Major geopolitical events and subsequent S&P 500 price returns.

| Event | Date | 1 day | 1-month | 3-month | 6-month | 12-month |
|----------------------------|-----------|-------------|-------------|-------------|-------------|-------------|
| Cuban Missile Crisis | 16-Oct-62 | -0.3% | 5.4% | 13.3% | 21.1% | 27.8% |
| JFK Assassination | 22-Nov-63 | 4.0% | 6.7% | 11.5% | 16.0% | 23.9% |
| Six-Day War | 5-Jun-67 | 2.0% | 3.3% | 6.5% | 7.7% | 13.0% |
| Bretton Woods Collapse | 15-Aug-71 | 3.2% | 4.6% | -3.7% | 9.8% | 17.0% |
| Arab Oil Embargo | 19-Oct-73 | -1.0% | -8.6% | -13.3% | -14.9% | -34.4% |
| Iranian Shah Overthrown | 11-Feb-79 | 0.3% | 1.7% | 1.6% | 7.8% | 20.5% |
| Fall of Berlin Wall | 9-Nov-89 | 0.8% | 3.6% | -0.9% | 1.9% | -6.8% |
| Start of Gulf War | 17-Jan-91 | 1.3% | 12.5% | 19.1% | 16.2% | 27.7% |
| 9/11 Terrorist Attacks | 11-Sep-01 | -4.9% | -1.1% | 4.3% | 6.6% | -16.7% |
| Fukushima Nuclear Disaster | 11-Mar-11 | -0.6% | 1.5% | -2.6% | -11.5% | 5.1% |
| Russia Annexes Crimea | 20-Feb-14 | -0.2% | 1.8% | 1.8% | 8.0% | 14.7% |
| Brexit Vote | 23-Jun-16 | -3.6% | 2.9% | 2.4% | 7.1% | 15.4% |
| Russia-Ukraine Conflict | 24-Feb-22 | 2.2% | 5.4% | -8.1% | -3.4% | -7.4% |
| Israel-Hamas War | 7-Oct-23 | 0.6% | 1.3% | 9.0% | 20.8% | 33.5% |
| 12-Day War | 13-Jun-25 | 0.9% | 4.7% | 10.2% | 14.2% | -- |
| Average | | 0.3% | 3.1% | 3.4% | 7.2% | 9.5% |

Source: Bloomberg. Data as of March 1, 2026. If the market was closed on the event date, the date of the previous market close was referenced. The one-day return for the 9/11 attacks after reopening of the market was on 9/17/2001. The one-day return for the JFK assassination after the reopening of the market was on 11/26/1963. **FOR INFORMATIONAL PURPOSES ONLY.** Indexes are unmanaged and do not take into account fees or expenses. **Past performance is no guarantee of future results.** Please refer to important disclosures at the end of this report.

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Portfolio Considerations

With new highs expected for Equities ahead, investors should consider portfolio adjustments such as increasing exposure to Small-caps and Emerging Markets as well as diversified sector exposures where underweight, leveraging Fixed Income as a ballast while maintaining an Equity overweight, and adding to growth themes and Alternative Assets, for qualified investors, where appropriate.

We are constructive on Fixed Income overall but underweight in order to fund our Equity overweight. We continue to project range-bound yields given sticky inflation and real gross domestic product remaining near or above 2% for the next few years. However, we recognize potentially high volatility in either direction, especially given the expected change in Federal Reserve leadership later this year.

Beyond Goods—The Expected Boom in China’s Knowledge-Intensive Exports

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

Ariana Chiu, Assistant Vice President and Investment Strategist

No nation in the world exports as much merchandise as China. But having conquered global trade in goods, China is now rapidly moving up the global ranks as a leading exporter of knowledge-intensive services. This dynamic is one more reason why we remain constructive on China technology leaders for the long run. As we continue to emphasize to investors, the global race for technological supremacy is a two-horse race—between the U.S. and China. In terms of portfolio construction, own both—or technology leaders in the U.S. and China.

China’s new trade paradigm rests on rising exports of services like ICT, construction management, engineering services, data analytics, R&D, and, to a lesser degree, financial services and intellectual property rights. Add up these services, and China already ranks as the world’s sixth-largest exporter, up from 12th place in 2005 (Exhibit 1A).

The country now earns more from exports of ICT services (\$100 billion in 2024) than traditional export staples like toys (\$82 billion) and footwear (\$51 billion). Exports of “other business services”—a combination of consulting services, R&D, and technical-related activities—totaled \$113 billion in 2024, well ahead of exports of iron and steel (\$71 billion) and apparel (\$85 billion). And construction service exports in 2024 (\$34 billion) were greater than exports of glassware (\$25.5 billion) and pharmaceutical products (\$12 billion), as depicted in Exhibit 1B.

Service exports like construction have soared due in large part to China’s “One Belt, One Road” initiative. Since the program was announced in 2013, construction service exports have tripled, rising from \$10.7 billion in 2013 to \$33.6 billion in 2024. By ploughing billions of dollars into infrastructure projects around the world, China’s mega-development strategy has not only supercharged China’s exports of steel, cement, heavy equipment and other goods needed to build ports, highways, power plants and railways. It has also boosted service exports required to keep the ports, railways and power plants humming—think operations management contracts, digital monitoring systems, technical training, maintenance agreements, software upgrades, cloud computing capabilities and related service activities.

Similarly, when China’s leading telecommunication leaders install a 4G or 5G network in Pakistan, or a China’s technology giant builds a data center in Brazil, it’s not one and done. What typically follows are multiyear-managed-service agreements that include software updates, technical support, network maintenance and related activities that lock in the business for years—and drive growth in services trade. Indeed, export services of telecommunication, computer and information services have quadrupled just in the past decade, rising from 2015 (\$25.8 billion) to \$100 billion in 2024.

In addition, as China has moved up the value-added curve in exports of electrical vehicles, robots, drones, solar panels, and wind turbines, the expansion in knowledge-intensive service exports have followed. Each one of these products are highly digitalized and are accompanied with an array of recurring service requirements that only strengthens and fortifies China’s competitive position in various markets around the world.

Trade in hardware (goods) has led to more trade in software (services)—one pulls the other. In reality, this means that the export of electrical vehicles comes with software upgrades; the export of robots and drones comes with the export of cloud connectivity services and remote monitoring systems; and the export of solar panels and wind turbines comes with the exports of technical services and maintenance.

Services increasingly account for a rising value of China’s manufacturing exports. This represents a new front in China’s trade with the world—but it doesn’t end there.

Enter AI and China’s advances in open-source AI. More affordable and accessible to end users, DeepSeek’s large language models (LLM) and other iterations from China are gaining traction around the world, notably in Africa, Russia, the Middle East and other emerging markets. Indeed, the number of cumulative global downloads of China’s open-sourced AI models surpassed those of the U.S. last September, with the gap only widening since then (Exhibit 1C).

Portfolio Considerations

As China expands its knowledge-intensive exports and competes with the U.S.’ AI capabilities, portfolios have the potential to benefit from being exposed to technology leaders both in the U.S. and in China. We remain overweight Emerging Markets (EM) which are heavily levered to technology companies in Asian markets.

And as an aside, open-source LLMs from China are not just surging in popularity in the emerging markets. They are also gaining popularity and adoption in the U.S. Cost-effective, high performing, and frequently updated—owing to these factors, 80% of U.S. AI startups rely on China’s open-source models instead of U.S. models.¹ Rising AI adoption rates of China models means more AI-enabling activities and more demand for China’s knowledge-intensive exports including ICT services, real-time data processing, predictive maintenance data analytics, systems integration and smart infrastructure management.

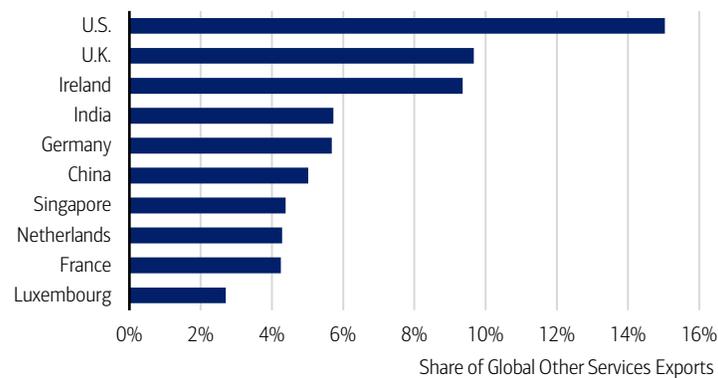
Given all the above, China’s trade in knowledge-intensive services has swung from a perennial deficit over much of this century to a surplus beginning around 2015 (Exhibit 1D). The surplus in trade in “other services” topped \$80 billion in 2024—and putting that number into perspective; when it comes to running a trade surplus in “other services” or construction and knowledge-intensive trade, China now ranks fourth in the world, trailing only the U.S., the U.K. and India. Within the category of “other services,” construction trade posted a surplus of \$25 billion in 2024; the trade surplus in ICT was a record \$60 billion; and the surplus in “other business services” including R&D totaled \$48 billion—also a record high.

More broadly, and for some context, China’s total service exports remain second fiddle to China’s trade in goods. In 2024, total service exports accounted for just 12.5% of goods exports in 2024. In addition, China still runs an overall deficit in total services owing to a large deficit in travel (visitors from China spending more overseas than foreign visitors spending in China) and a deficit in education receipts. It also runs a deficit in intellectual property royalties since the nation remains a net importer of intellectual property.

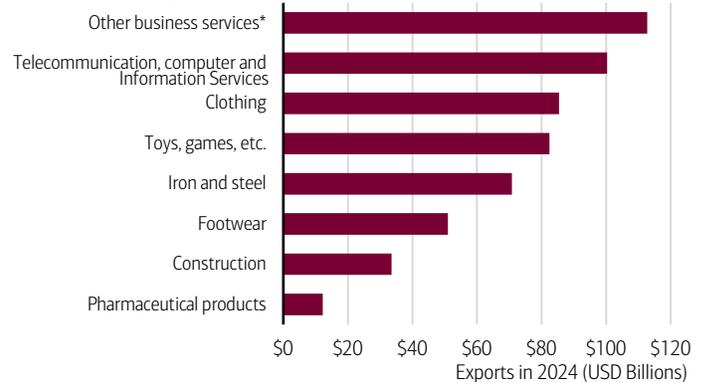
However, investors should see the big picture, which is this: China’s trade has entered a new phase—think not only high-end goods like electrical vehicles, robots and drones but also construction services and knowledge-intensive services exports that range from telecommunication platforms to AI-embedded capabilities. Against this backdrop, we remain constructive on China technology.

Exhibit 1: China’s New Trade Paradigm Rests on Services Exports.

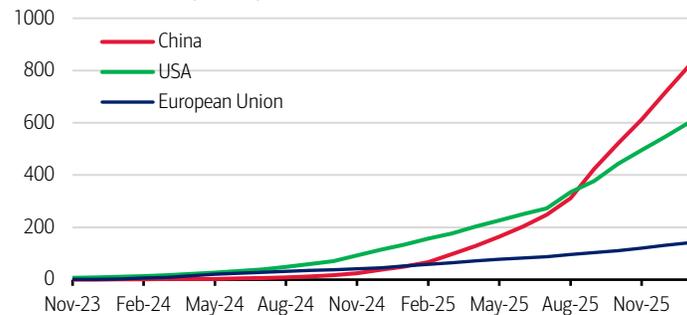
A) Top Exporters of “Other Services”*



B) China’s Services Exports Rival Goods Exports.



C) Downloads of China’s Open-Source AI Models Have Surpassed That of the U.S. Cumulative Downloads (Millions)



D) China’s Trade Balance in “Other Services.”

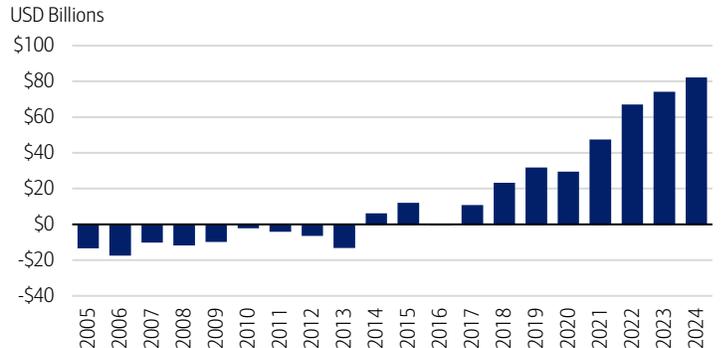


Exhibit 1A) *Includes construction, insurance and pension services, financial services, charges for use of intellectual property, telecommunication/computer/information services, other business services, recreational services, and government goods and services. Source: World Trade Organization (WTO). Data as of February 2026. Exhibit 1B) *Includes R&D, consulting services, and trade and technical-related services. Source: WTO; International Trade Centre. Data as of February 2026. Exhibit 1C) Source: The ATOM Project, Hugging Face. Data as of February 24, 2026. Exhibit 1D) Source: WTO. Data as of February 2026.

¹ “80% of AI start-ups applying for VC funding with Andreessen Horowitz are using Chinese Open-source AI.”, European Central Station, 2025.

In Times of Uncertainty, Choose Fundamentals Over Fear

Ariana Chiu, Assistant Vice President and Investment Strategist

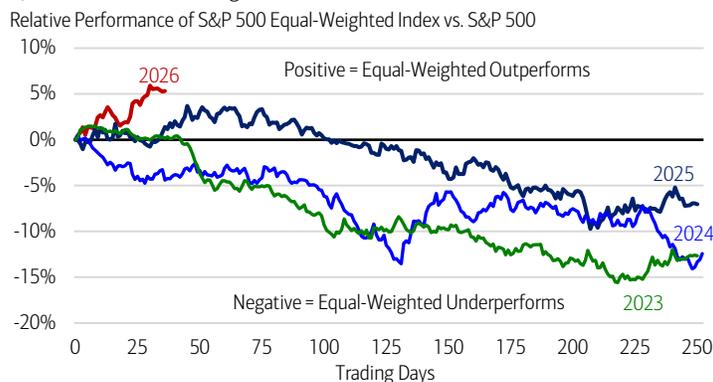
In today’s attention economy, it’s easy to get distracted by the nonstop stream of (usually negative) headlines. But as investors, and especially in times of heightened uncertainty, it’s important to remember that underlying fundamentals ultimately drive the economy and markets. While risks certainly remain, there’s a lot to like about what’s taking place in the global economy and markets. Fundamentals are still largely intact—a fact that doesn’t tend to go viral or make front-page news. Below we address some common current fears and why fundamentals suggest otherwise.

On fear that this bull market is too narrow to last... Concerns surrounding U.S. equity market concentration and the return on AI investment (or lack thereof) continue to swirl. As recent volatility suggests, AI now has a long list of fears attached to it, ranging from the belief that agentic AI will lead to mass white collar unemployment and a global recession to the fear that limited AI adoption will end in massive overinvestment and abandoned data centers.

The wall of worry is high, and yet the average stock in the S&P 500 has fared surprisingly well over the last few months. So far in 2026, the equal-weighted S&P 500 has outperformed its market cap-weighted counterpart by the widest margin since 1992,² a stark departure from three consecutive years of ultra-narrow performance (Exhibit 2A). Breadth is at record levels, as Exhibit 2B highlights, with more than 320 companies in the S&P 500 outperforming the broader index year-to-date (including none of the Magnificent 7³). Strength from areas of the market outside of technology have pulled their weight since last November—hence an S&P 500 just 1% to 2% off an all-time high despite industries like software in bear market territory. Internals still look good for the broader index, with 68% of stocks above their 200-day moving average. All of this is good news for the sustainability of this bull market.

Exhibit 2: The Broadening is Finally Here.

A) 2026: Year of the Average Stock?



B) Record Breadth After 3 Years of Ultra-Narrow Performance.

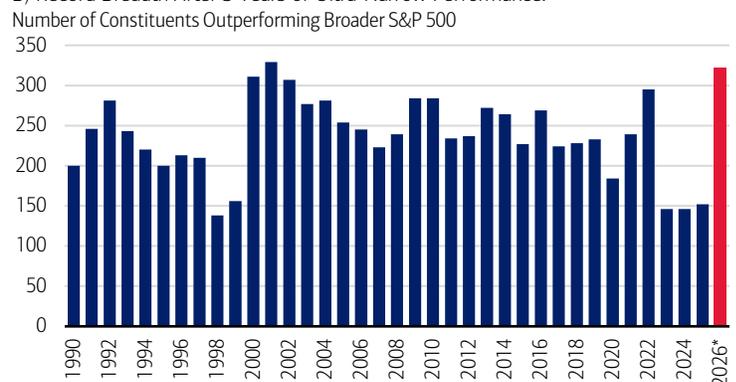


Exhibit 2A) Source: Bloomberg. Data as of February 24, 2026. Exhibit 2B) *Year-to-date. Source: Bloomberg. Data as of February 24, 2026. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

On fear that renewed tariff uncertainty will cripple corporate America... With the Supreme Court’s decision on February 20, IEEPA tariffs have been replaced with Section 122 tariffs for the next 150 days. While lower tariffs for countries like China and Brazil are good news in the near term for many companies, it’s clear that tariff uncertainty will continue to be a feature of 2026. Alternative authorities to the International Emergency Economic Powers Act are likely to keep the effective tariff rate well above where it averaged prior to 2025 (around 2.2% over the prior 10 years⁴). Meanwhile, lengthy sector- and country-specific investigations will make tariff implementation more cumbersome.

With that said, it shouldn’t be lost on investors that corporate America managed record profit margins and earnings growth through the Liberation Day (April 2) shakeout. Q4

² Refers to the first 36 trading days of the year. Bloomberg. Data as of February 24, 2026.

³ Apple, Amazon, Alphabet, Nvidia, Meta, Microsoft, and Tesla

⁴ U.S. International Trade Commission.

Portfolio Considerations

With U.S. Equities churning under the surface, we urge investors to take advantage of broadening fundamentals in portfolios, increasing exposure to areas like Small-caps and EMs for those who are underweight and maintaining diversified exposure to Value and Growth. Demand for U.S. securities should remain robust this year, and a gradual weakening rather than disorderly downfall of the dollar is likely.

earnings growth for the S&P 500 is tracking at 14% year-over-year (YoY), marking the fifth straight quarter of double-digit earnings growth or its longest such streak since 2018. Well-diversified investors are also benefitting from a broadening in profits not only across sectors but also along the cap spectrum and to the rest of the world. Hence our preference in portfolios for Small-caps, EMs, and a balance of Value and Growth.

On fear that household balance sheets, particularly among lower-income consumers, are deteriorating... It's no secret that spending in the U.S. has been increasingly top-heavy, not only by income but also by education and age. Spending of college graduates has grown about 2.4% faster than that of nongraduates since 2023.⁵ Meanwhile, those aged 55 and older now account for some 45% of overall U.S. consumption, up from less than 30% at the start of the century.⁶ It's hardly an even playing field out there.

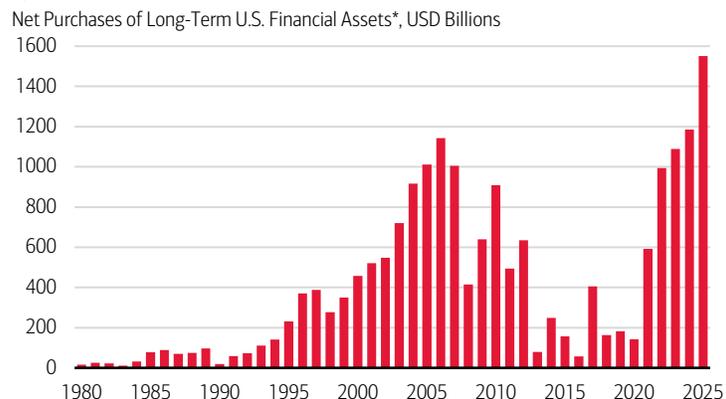
However, data from the Federal Reserve continues to suggest balance sheets are strong—not just in aggregate or among wealthier households but across income cohorts. To wit, debt as a share of household net worth among the bottom 20% of households by income currently stands at 16.1%, having gradually declined from 20% at the start of the decade and technically now at the lowest level since 1999. A similar pattern can be observed across income quintiles. In other words, though higher prices have weighed on lower-income households and while delinquency rates bear watching, consumer balance sheets across the income spectrum are still in historically solid shape.

And finally, on fear that foreign investors are bailing on the U.S.... Like in 2025, the narrative that foreign investors are abandoning U.S. assets on macro/geopolitical developments has gripped headlines this year. Yet there has been little evidence of this in the latest data from the Treasury Department, which showed that foreign investors purchased a record net \$1.55 trillion of long-term U.S. financial assets in 2025—a stunning 31% increase from \$1.18 trillion in 2024 (Exhibit 3A). Included were \$720 billion of net equity purchases and \$409 billion in Treasury notes and bonds. Foreign demand has proven strong to start the year too; 19% of January's note and bond auctions were allotted to foreign accounts, the highest share in three years.⁷

Indeed, the “sell America” trade has been more bark than bite. The decline in the dollar, now 8% below where it entered 2025 on a real trade-weighted basis, has primarily reflected foreign investors from Asia and Europe hedging their dollar exposure after a decade of robust U.S. returns. So far this year, the greenback has declined more than 1% in trade-weighted terms but remains overvalued (Exhibit 3B). We expect the dollar to strengthen in the near-term given conflict in the Middle East before resuming a slightly weaker path. Don't buy into the fear that foreigners have given up on U.S. assets.

Exhibit 3: Fade the Foreign Buyer Strike.

A) So Much for the "Sell America" Trade.



B) Dollar Remains Overvalued on a Historical Basis.



Exhibit 3A) *Includes Equities, Treasuries, Agencies, and Corporates. Source: U.S. Treasury. Data as of February 24, 2026. Exhibit 3B) Source: Bloomberg, Federal Reserve. Data as of February 24, 2026.

⁵ Federal Reserve Bank of New York. Data through December 2025 as of February 3, 2026.

⁶ Moody's Analytics. Q3 2025 data as of February 24, 2026.

⁷ U.S. Treasury. Data as of February 24, 2026.

The Sentiment-Spending Disconnect

Theadora Lamprecht, Assistant Vice President and Investment Strategist

The U.S. consumer backdrop is increasingly defined by a divergence between ‘soft’ data and ‘hard’ data: sentiment remains subdued, while spending continues to prove more resilient than expected.

Sentiment is cautious but may be nearing an inflection point for markets. Survey-based measures, such as the Conference Board Consumer Confidence Index and University of Michigan Consumer Sentiment Index, remain below pre-pandemic levels, reflecting persistent concerns about affordability. Households may be employed and earning but remain uneasy about real purchasing power.

Even so, there are emerging bright spots. The Conference Board’s February reading came in above expectations at 91.2, up from the prior month’s upwardly revised 89.0. Labor market perceptions remain constructive: a greater number of participants said that jobs were “plentiful” (28%) compared to “hard to get” (21%). For investors, periods of depressed sentiment have historically created favorable entry points for Equities. Across the past seven major peaks and troughs in the University of Michigan Index, average 12-month forward S&P 500 returns following a sentiment peak were roughly 4.3%, compared with a whopping 25.0% following a trough. In other words, when consumer confidence reaches extreme lows, subsequent equity market performance has tended to be meaningfully stronger (Exhibit 4).

Spending remains strong. According to the Bureau of Economic Analysis, personal consumption expenditures continue to expand, with services spending providing notable support. Internal Bank of America Institute data tells a similar story: Total credit/debit card spending per household increased 2.6% YoY in January, the largest increase since February 2024. Additionally, consumption remains the largest contributor to GDP growth.

Positive after-tax wage growth and wealth effects have sustained higher-income discretionary spending. Wage growth dispersion between higher- and lower-income cohorts hasn’t widened further from last fall’s peak, and despite some uptick in credit-card delinquencies, median checking/savings balances remain above inflation-adjusted 2019 levels. Also, tax refunds are expected to be 26% higher compared to 2025, with over 36% of consumers⁸ using refunds to pay down debts. This should shore up the consumer balance sheet and boost spending.

Looking ahead: The consumer outlook may prove more constructive than sentiment alone suggests. Historically, sentiment tends to lag underlying economic improvements, and we see many tailwinds for the consumer; the labor market remains stable, gas prices are around \$3.00 per gallon, below their five-year average of \$3.40, and a wave of fiscal stimulus is expected to hit accounts, all of which should broaden purchasing power across cohorts. These catalysts may allow perceptions to begin to catch-up with consumption.

Exhibit 4: Low Sentiment Leads to Positive 12-month Forward Returns.

University of Michigan Consumer Sentiment Index Peaks/Troughs and S&P 500 Index 12-month Forward Returns Percentage.



Source: Bloomberg; Fidelity Investments. Price returns used. Data as of February 28, 2026. **Past performance is no guarantee of future results.** Please refer to index definitions at the end of this report. It is not possible to invest directly in an index.

⁸ Bank of America Institute. Survey conducted in early February 2026 of 1,007 individual owing more than two types of debt to gain insights into the types of debt owed and payment behavior, including how they prioritize debt payments.

Portfolio Considerations

With a resilient consumer base, a relatively solid job market, and additional fiscal stimulus expected in the first half of 2026, we remain slightly overweight the Consumer Discretionary sector. Households continue to adjust their budgets to prioritize experiences and essentials, with higher-income consumers further supported by wealth effects from rising home values and equity portfolios. Conversely, we maintain a slight underweight in Consumer Staples as ongoing trade-down behavior and rising preference for private-label products continue to pressure margins and profitability for branded manufacturers.

Asset Class Weightings (as of 2/3/2026)

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

CIO Equity Sector Views

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

*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 February 3, 2026. All sector and asset allocation recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance. Not all recommendations will be in the best interest of all investors.

Economic Forecasts (as of 2/27/2026)

| | Q4 2025A | 2025A | Q1 2026E | Q2 2026E | Q3 2026E | Q4 2026E | 2026E |
|------------------------------------|----------|-------|----------|----------|----------|----------|-------|
| Real global GDP (% y/y annualized) | - | 3.6* | - | - | - | - | 3.5 |
| Real U.S. GDP (% q/q annualized) | 1.4* | 2.2* | 2.6 | 3.0 | 2.0 | 2.0 | 2.8 |
| CPI inflation (% y/y) | 2.7 | 2.7* | 2.5 | 3.0 | 2.7 | 2.6 | 2.7 |
| Core CPI inflation (% y/y) | 2.7 | 2.9* | 2.6 | 2.8 | 2.6 | 2.7 | 2.7 |
| Unemployment rate (%) | 4.5 | 4.3* | 4.5 | 4.5 | 4.4 | 4.3 | 4.4 |
| Fed funds rate, end period (%) | 3.63 | 3.63 | 3.63 | 3.38 | 3.13 | 3.13 | 3.13 |

The forecasts in the table above are the base line view from BofA Global Research. The Global Wealth & Investment Management (GWIM) Investment Strategy Committee (ISC) may make adjustments to this view over the course of the year and can express upside/downside to these forecasts. Historical data is sourced from Bloomberg, FactSet, and Haver Analytics.

There can be no assurance that the forecasts will be achieved. Economic or financial forecasts are inherently limited and should not be relied on as indicators of future investment performance.

A = Actual. E/* = Estimate. Data as of February 27, 2026.

Sources: BofA Global Research; GWIM ISC as of February 27, 2026.

Equities

| | Total Return in USD (%) | | | |
|-----------------------|-------------------------|------|------|------|
| | Current | WTD | MTD | YTD |
| DJIA | 48,977.92 | -1.3 | 0.3 | 2.1 |
| NASDAQ | 22,668.21 | -0.9 | -3.3 | -2.4 |
| S&P 500 | 6,878.88 | -0.4 | -0.8 | 0.7 |
| S&P 400 Mid Cap | 3,575.27 | -0.9 | 4.1 | 8.3 |
| Russell 2000 | 2,632.36 | -1.2 | 0.8 | 6.2 |
| MSCI World | 4,556.79 | 0.1 | 0.7 | 3.0 |
| MSCI EAFE | 3,179.91 | 1.2 | 4.6 | 10.1 |
| MSCI Emerging Markets | 1,610.70 | 2.8 | 5.5 | 14.8 |

Commodities & Currencies

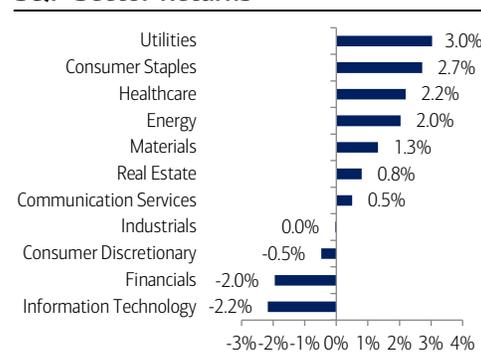
| Commodities | Total Return in USD (%) | | | |
|-----------------------------------|-------------------------|-----|-----|------|
| | Current | WTD | MTD | YTD |
| Bloomberg Commodity | 308.23 | 1.7 | 1.1 | 11.6 |
| WTI Crude \$/Barrel ^{††} | 67.02 | 0.9 | 2.8 | 16.7 |
| Gold Spot \$/Ounce ^{††} | 5278.93 | 3.4 | 7.9 | 22.2 |

| Currencies | Total Return in USD (%) | | | |
|------------|-------------------------|----------------|-----------------|---------------|
| | Current | Prior Week End | Prior Month End | 2024 Year End |
| EUR/USD | 1.18 | 1.18 | 1.19 | 1.17 |
| USD/JPY | 156.05 | 155.05 | 154.78 | 156.71 |
| USD/CNH | 6.86 | 6.90 | 6.96 | 6.98 |

Fixed Income[†]

| | Total Return in USD (%) | | | |
|------------------------------|-------------------------|-------|------|------|
| | Current | WTD | MTD | YTD |
| Corporate & Government | 4.09 | 0.52 | 1.64 | 1.64 |
| Agencies | 3.83 | 0.42 | 1.11 | 1.23 |
| Municipals | 3.29 | 0.33 | 1.25 | 2.20 |
| U.S. Investment-Grade Credit | 4.16 | 0.54 | 1.64 | 1.75 |
| International | 4.73 | 0.21 | 1.29 | 1.47 |
| High Yield | 6.71 | -0.22 | 0.19 | 0.69 |
| 90 Day Yield | 3.66 | 3.67 | 3.65 | 3.63 |
| 2 Year Yield | 3.37 | 3.48 | 3.52 | 3.47 |
| 10 Year Yield | 3.94 | 4.08 | 4.24 | 4.17 |
| 30 Year Yield | 4.61 | 4.72 | 4.87 | 4.84 |

S&P Sector Returns



Sources: Bloomberg, Factset. Total Returns from the period of 2/23/2026 to 2/27/2026. [†]Bloomberg Barclays Indices. ^{††}Spot price returns. All data as of the 2/27/2026 close. Data would differ if a different time period was displayed. Short-term performance shown to illustrate more recent trend. **Past performance is no guarantee of future results.**

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/Market-cap Weighted Index is a stock market index tracking the stock performance of 500 leading companies listed on stock exchanges in the United States.

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.

Conference Board Consumer Confidence Index is a barometer of the health of the U.S. economy from the perspective of the consumer. The index is based on consumers' perceptions of current business and employment conditions, as well as their expectations for six months hence regarding business conditions, employment, and income.

University of Michigan Consumer Sentiment Index is a monthly survey of consumer confidence levels in the United States conducted by the University of Michigan.

Important Disclosures

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

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

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

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

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

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