

FX Quant Insight

Liberated risk-off

Key takeaways

- FX market saw classic risk-off dynamic last week; CARS model pauses trading after sufficient gains.
- Near-term USD outlook is mixed. We see best USD long is against SEK in G10 and CNH in EM.
- Best USD short is against JPY. Downtrend can continue to 140.56 if 145-handle support does not hold.

FX Signal of the Week: Bullish USD/SEK at 10.0695

Exhibit 1: Our signals are bearish SEK and CNH, and bullish JPY vs USD this week

Top signals from quant models

Section	Insight	Rationale
Option Flow	Bullish JPY	Option flow shows bullish continuation signal for the JPY.
Technical Matrix	Bearish SEK	Trend reversal signals for USDSEK and EURSEK.
CARS	Macro Shock	Remain in shock regime but halted trading after last week's gains.
Time Zone	Mixed USD	USD supply mainly came from outside of US trading hours last week.
EM FX	Bullish USD/CNH	Option flow and trend continuation signal are bullish USD/CNH

Source: BofA Global Research

BofA GLOBAL RESEARCH

Mixed USD signals after last week's market moves

US tariffs announcements on April 2 ensued a global shock. FX market exhibited classic risk-off dynamic last week. JPY and CHF rallied by more than 2% vs the USD. To the contrary, NOK and AUD sold off by more than 2% in G10. EURUSD rallied by 1.5%, in-line with our view ([Renewed EURUSD upside, 31 Mar '25](#)). Quant signals show mixed signals for the near-term outlook for the USD. After more than 1% gain last week, the CARS model would pause trading until the current risk-off shock dissipates. Time zone analysis shows US-based investors in fact did not sell the USD in recent days; any USD weakness over the past week has occurred outside of the US trading hours.

Best USD long vs SEK and CNH; best USD short is vs JPY

For USD bulls, our models see USDSEK and USDCNH respectively as the top G10 and EM pairs this week. USDSEK rallied above 10.00 at the end of last week; trend analysis now shows trend reversal signals for USDSEK and EURSEK (Exhibit 5). In EM, both option flow and spot uptrend continuation are bullish for USDCNH. For USD bears, if the current risk-off dynamic persists, we would expect USDJPY to break below the 145-handle support and we estimate the downtrend would likely continue its course until 140.56 (Exhibit 5). For USD bulls and bears alike, the near-term risk continues to be how the implementation of US tariffs and global retaliatory tariffs evolve in the coming days.

07 April 2025

G10 FX Strategy
Global

Howard Du, CFA
G10 FX Strategist
BofAS
+1 646 743 7017
yuhao.du@bofa.com

For more details on the construction of the quant signals, please refer to the [Global Rates and FX Primer: FX Quant Insight primer - 2024 15 July 2024](#).

CARS (model): Cross-Asset Regime Switching

SDR: Swap Data Repository

MAA: Moving Average Aggregator

UD: Up/Down volatility

RS: Residual Skew

ADX: Average Directional Movement Index

DMI: Directional Movement Index

SMA: Simple Moving Average

RV: relative value

Trading ideas and investment strategies discussed herein may give rise to significant risk and are not suitable for all investors. Investors should have experience in relevant markets and the financial resources to absorb any losses arising from applying these ideas or strategies.

BofA Securities does and seeks to do business with issuers covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Refer to important disclosures on page 7 to 8.

12814672

Timestamp: 07 April 2025 10:23AM EDT

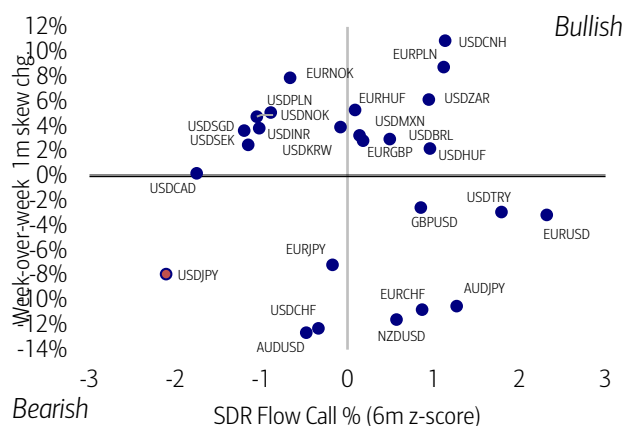
Option Flow Signals

Our options flow signals combine Event analysis framework ([FX Viewpoint: Vol-guided decisions 18 March 2021](#)) with SDR flows data ([FX Viewpoint: SDR: What do FX options flows tell us? 01 February 2021](#)) to gauge bullish and bearish sentiments.

To learn more about FX volatility and options please refer to our [FX Volatility Dashboard](#) as well as the FX Vol Dashboard Primer ([Global Rates and FX Primer: 09 March 2022](#)).

Exhibit 2: Demand for USDJPY put rose on global risk-off shock

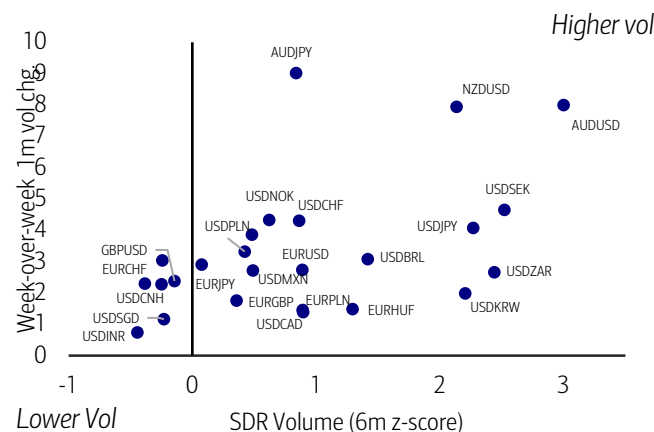
1m skew change vs call percentage z-score



Source: BofA Global Research, DTCC. Note: CNH flows are proxied by "CNY" flows in SDR.
BofA GLOBAL RESEARCH

Exhibit 3: FX implied vols broadly increased on global equity risk-off

1m implied vol change vs volume z-score



Source: BofA Global Research, DTCC. Note: CNH flows are proxied by "CNY" flows in SDR.
BofA GLOBAL RESEARCH

Exhibit 4: FX vol dynamics expect a continuation of bullish JPY and CHF trend vs global currencies

Event analysis signals after last week's spot and vol moves

Pair	Old spot	New spot	1m vol	1m vol chg	1y vol	1y vol chg	1y - 1m chg	Currency	Return vs USD	1m skew % chg vs USD	Signals
EURUSD	1.0816	1.0961	10.70	2.73	8.33	0.81	-1.93	EUR	1.33%	-4.49	EUR Bearish Contrarian
USDJPY	149.96	146.28	14.33	4.07	10.56	0.63	-3.44	JPY	2.48%	3.66	JPY Bullish Continuation
GBPUSD	1.2918	1.2823	9.50	2.38	8.43	0.69	-1.69	GBP	-0.74%	-1.82	GBP No Signal
USDCHF	0.8843	0.8541	11.13	4.30	8.43	1.25	-3.05	CHF	3.47%	8.02	CHF Bullish Continuation
AUDUSD	0.6247	0.6033	17.19	7.99	12.04	2.37	-5.62	AUD	-3.49%	-9.10	AUD Bearish Continuation
USDCAD	1.4387	1.4257	8.46	1.45	6.55	0.46	-1.00	CAD	0.91%	2.36	CAD No Signal
USDSEK	10.0395	10.1045	16.10	4.65	12.22	1.30	-3.35	SEK	-0.65%	-1.93	SEK No Signal
USDNOK	10.5099	10.9051	14.99	4.33	12.21	1.01	-3.32	NOK	-3.69%	-3.98	NOK Bearish Continuation
NZDUSD	0.5678	0.5576	17.36	7.94	11.94	2.20	-5.75	NZD	-1.81%	-8.25	NZD Bearish Continuation
USDSGD	1.3427	1.3465	6.46	1.16	5.87	0.50	-0.65	SGD	-0.28%	-3.08	SGD No Signal
USDKRW	1472.9	1465.0	10.44	1.98	9.62	0.73	-1.25	KRW	0.54%	-2.59	KRW No Signal
USDMXN	20.4711	20.6421	15.92	2.71	13.71	0.49	-2.22	MXN	-0.83%	0.65	MXN No Signal
USDTRY	37.9451	38.0106	20.01	-1.66	25.68	-0.65	1.00	TRY	-0.17%	-2.90	TRY No Signal
USDZAR	18.3227	19.3691	15.27	2.65	14.65	0.47	-2.19	ZAR	-5.55%	-3.21	ZAR Bearish Continuation
USDHUF	372.4	372.2	15.03	3.03	12.75	0.58	-2.45	HUF	0.05%	0.12	HUF No Signal
USDPLN	3.8735	3.9183	14.28	3.32	11.87	0.78	-2.54	PLN	-1.15%	-2.35	PLN Bearish Continuation

Source: BofA Global Research, Bloomberg.

The table shows the 1-year percentile and 1-week change in 1m and 1y implied vol, the 1y-1m spread, and the 1m 25 delta risk reversal as a percentage of the ATM. For a currency with a put skew, the rules for generating the signal column are the following:

[1] Bearish Continuation: Spot change < -1%, 1m vol change > 0.5%, 1y vol change > 0%, 1m skew chg. < -2; [2] Bearish Contrarian: Spot change > 1%, 1m skew change < -2;

[3] Bullish Continuation: Spot change > 2%, 1y-1m change < -0.1%, 1m skew change > 2; [4] Bullish Contrarian Spot change < -1%, 1m vol change < -0.2%, 1m skew chg. > 1.

Parameters that triggered a bearish condition are colored in red; parameters that triggered a bullish condition are colored in green.

BofA GLOBAL RESEARCH



Technical Matrix

The Technical Matrix is a table of technical indicators ([Get to know even more technical strategy, 24 January 2022](#)) and BofA positioning analysis ([Global Rates and FX Primer: 01 October 2018](#)) that look at trend following and reversal signals. To learn more about a variety of technical strategies, please see [Technicals Explained primer](#), as well as our Quantifying Technicals publications for [the ADX](#) and [Bollinger indicators](#).

Exhibit 5: Trend analysis sees bullish reversal signals for the existing USDSEK and EURSEK downtrends

Technical matrix with positioning analysis and key levels to watch

		Spot	Positioning Trend	Bullish / Bearish	ADX Trend	Bollinger Bands	Next Support	Next Resistance	Trigger Level	Take-profit Level
USD	EURUSD	1.0968	↑	No Signal	Uptrend	None	1.0804	1.1214	1.0773	1.1143
	USDJPY	146.48	↓	Bearish	Transition	None	139.58	148.13	150.67	140.56
	GBPUSD	1.2823	↑	No Signal	Uptrend	Lower	1.2813	1.2924	1.2822	1.3349
	AUDUSD	0.6042	↓	Bearish	Range	Lower	0.5933	0.6170	0.6338	0.5966
	USDCHE	0.8554	↓	Bearish	Downtrend	Lower	0.8375	0.8699	0.8851	0.8419
	USDCAD	1.4257	↔	No Signal	Transition	None	1.4107	1.4269		
	NZDUSD	0.5584	↓	Bearish	Range	Lower	0.5516	0.5701	0.5715	0.5398
	USDSEK	10.10	↓	Bullish	Downtrend	None	9.6053	10.2612	10.31	9.62
	USDNOK	10.89	↓	No Signal	Uptrend	Upper	10.8616	10.9197	10.89	10.21
EUR	EURGBP	0.8553	↑	Slightly Bearish	Transition	Upper	0.8483	0.8645	0.8351	0.8553
	EURJPY	160.65	↔	No Signal	Range	None	160.77	162.25		
	EURAUD	1.8151	↑	Bullish	Uptrend	Upper	1.7486	1.8424	1.6621	1.8151
	EURCHF	0.9382	↔	No Signal	Range	Lower	0.9206	0.9421		
	EURCAD	1.5636	↑	Bearish	Uptrend	None	1.5335	1.5857	1.5254	1.5821
	EURNZD	1.9640	↑	Bullish	Uptrend	Upper	1.8905	1.9840	1.8428	1.9640
	EURSEK	11.08	↓	Bullish	Uptrend	None	10.6652	11.0905	11.08	10.60
	EURNOK	11.94	↓	No Signal	Uptrend	Upper	11.8004	12.1336	11.94	11.19
G10 Cross	AUDJPY	88.50	↓	Bearish	Transition	Lower	86.15	94.58	97.44	88.50
	AUDNZD	1.0820	↓	Bearish	Transition	Lower	1.0707	1.0888	1.1046	1.0820
	AUDCAD	0.8614	↓	Bearish	Downtrend	Lower	0.8565	0.8810	0.9077	0.8614
	NOKSEK	0.9275	↓	No Signal	Transition	Lower	0.9198	0.9497	0.9691	0.9118
	CADJPY	102.74	↓	No Signal	Downtrend	None	101.38	105.03	105.85	98.83
	GBPJPY	187.83	↓	No Signal	Range	Lower	180.11	190.81	192.96	182.44
	NZDJPY	81.80	↓	Bearish	Transition	Lower	80.31	85.73	87.93	81.80
	GBPCHE	1.0969	↔	No Signal	Range	Lower	1.0744	1.1101		
EM	USDMXN	20.65	↑	No Signal	Range	Upper	20.3791	21.2932	20.31	21.76
	USDBRL	5.8423	↓	No Signal	Range	Upper	5.8005	5.8905	5.8429	5.4865
	USDZAR	19.37	↑	Bullish	Transition	Upper	18.5224	19.4414	18.26	19.37
	EURPLN	4.2939	↑	Bullish	Transition	Upper	4.2850	4.3826	4.2368	4.2939
	EURHUF	407.91	↑	No Signal	Uptrend	Upper	406.94	416.65	404.24	415.29
	USDKRW	1465	↑	No Signal	Range	None	1451.56	1486.85	1451	1523
	USDINR	85.84	↔	No Signal	Downtrend	None	85.82	85.89		
	USDCNH	7.3202	↑	Bullish	Range	Upper	7.2837	7.3734	7.2704	7.4490

Data as of 04/07/25. Source: BofA Global Research, Bloomberg.

Positioning uptrend has MAA > 60, downtrend MAA < 40. Positioning uptrend reversal likely if MAA/UD/RS > 80, continuation likely if UD, RS < 50. Positioning downtrend reversal likely if MAA/UD/RS < 20, and continuation likely if UD, RS > 50. UD and RS are 1y percentile and MAA is in %.

Positioning is bullish (green) if matrix shows downtrend reversal or uptrend continuation; Positioning is bearish (red) if matrix shows uptrend reversal or downtrend continuation.

Positioning is slightly bullish or slightly bearish (yellow) if only one of UD or RS supports the signal.

ADX downtrend if ADX > 25 and DMI+ is below DMI-. ADX uptrend if ADX > 25 and DMI+ is above DMI-. ADX shows Transition if ADX is between 20 and 25, and Range if ADX < 20. Cells in the ADX Trend column are colored with more intensity if the ADX trend signal matches the positioning signal. 14-day lookahead is used for the ADX indicators.

The Bollinger Bands column shows 'Upper' if spot is above the +2 std bollinger band, and 'Lower' if spot is below the -2 std band. 20-day SMA is used for Bollinger indicators.

Cells in Next Support and Next Resistance columns are colored if spot is within 0.5% of the support or resistance level.

For pairs in an existing uptrend or downtrend according to MAA, the Trigger Level shows the hypothetical spot level that would neutralize the existing trend in the next 2 weeks. The Take-profit Level shows the hypothetical spot level in the next 2 weeks that would suggest the trend has become too stretched according to the 2y z-score of the spot vs 50d SMA ratio.

For pairs current not in a prominent MAA trend, the Trigger Level shows the hypothetical spot level that would form a trend for the pair in the next two weeks. Pairs currently not in a prominent MAA trend would not have a Take-Profit Level.

BofA GLOBAL RESEARCH

CARS Signals

CARS ("cross-asset regime-switching") is a systematic model that makes weekly buy/sell decisions for G10 currencies based on cross-asset factors (equity, rates, and commodities). FX's relationship with other asset classes is not constant over time, and investors could flock to own haven currencies during shock periods. The CARS model chooses the most performing factor for the appropriate macro regime of the week ([FX Viewpoint: CARS model: weekly FX cross-asset drivers 22 June 2022](#)).

Exhibit 6: CARS model halts trading after sufficient gains from last week

CARS signals for a macro-shock week

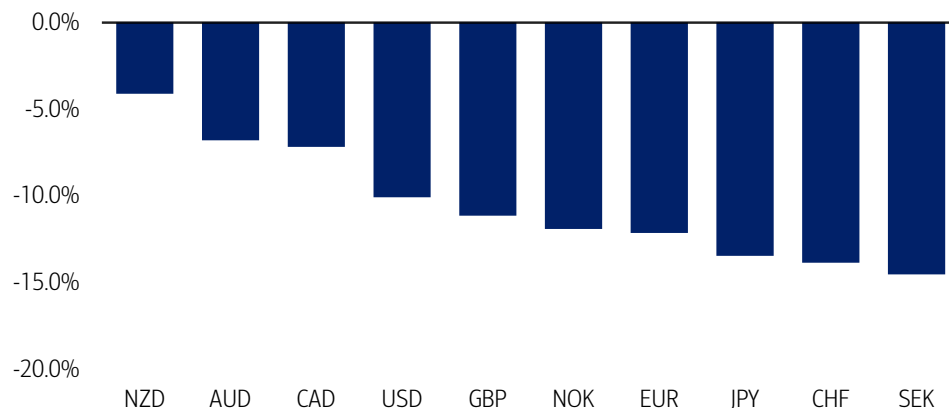
Currency	Bullish/Bearish	Equity Shock	Rates Shock	Global regime	z-score
EUR		-2.6	-2.1	Commodity Shock	-3.6
JPY		-3.6	-9.7	S&P 500	-3.4
GBP		-3.3	-1.9	US Treasury	-2.5
AUD		-3.1	-3.0		
CAD		-2.4	-1.4		
CHF		-3.1	-1.8		
NZD		-2.0	-2.2		
SEK		-3.8	-2.4		
NOK		-2.4	-2.3		

Source: BofA Global Research, Bloomberg. The chart shows bull/bear signals for G10 FX versus the USD based on cross-asset shocks. Factor cells are colored in red if equity/rates z-scores are below -1 and commodity z-score is below -2.

BofA GLOBAL RESEARCH

Exhibit 7: Global equities were broadly lower last week

1-week global equity market returns



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

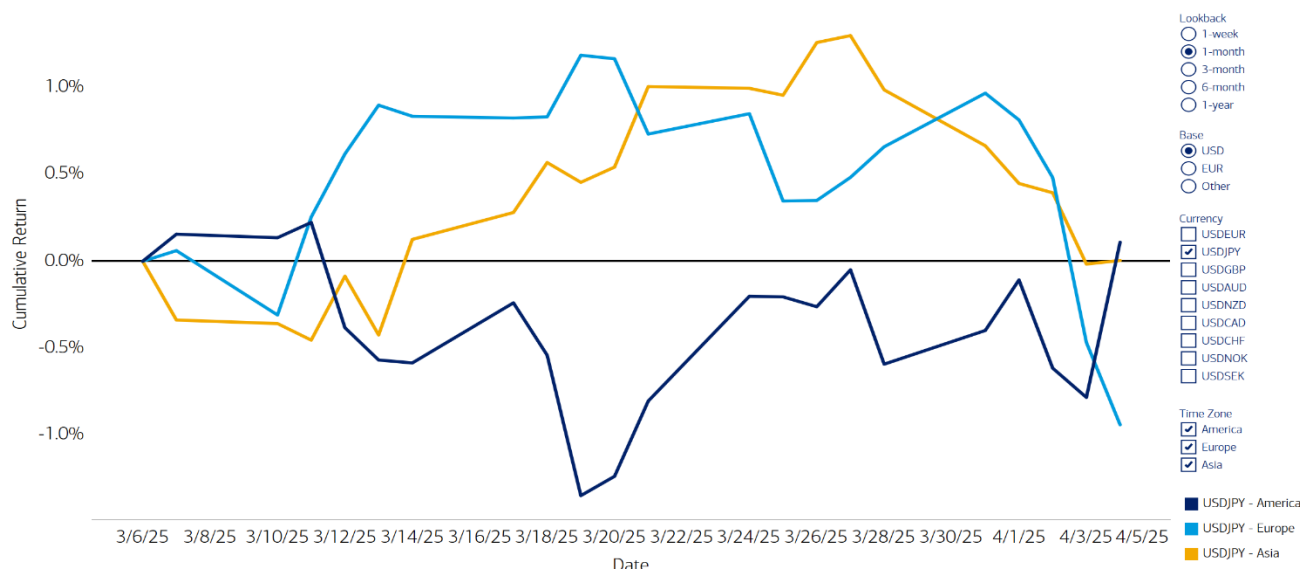


Interactive Time Zone

Expanding exhibits in the HTML view shows cumulative FX returns at different lookback periods, currency groupings, and time zones ([FX Watch: Interacting with time zones 06 July 2022](#)). Hours are shown in Coordinated Universal Time (UTC). We define America time zone as 1pm-12am UTC (8am-7pm EST), Europe time zone as between 8am-1pm UTC (3am-8am EST), and Asia time zone as between 12am to 8am UTC (7pm-3am EST).

Exhibit 8: US-based investors bought USD last week

Interactive time zone plot. For readers of the web-formatted version of this report, access interactive features of the visualization by clicking on the image. Use Google Chrome or Microsoft Edge browsers for the best experience



We denote America time zone as between 1pm to 12am UTC, Europe time zone as between 8am to 1pm UTC, and Asia time zone as between 12am to 8am UTC.

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 9: USD supply mainly came from outside of US trading hours last week

Interactive time zone plot. For readers of the web-formatted version of this report, access interactive features of the visualization by clicking on the image. Use Google Chrome or Microsoft Edge browsers for the best experience

	0am-3am	3am-6am	6am-9am	9am-12pm	12pm-3pm	3pm-6pm	6pm-9pm	9pm-0am	Lookback
USDEUR	-0.5%	-0.2%	0.1%	-0.9%	-0.2%	1.3%	-0.3%	0.0%	1-week
USDJPY	-0.7%	-0.6%	0.0%	-1.6%	0.1%	2.4%	-0.8%	-0.8%	1-month
USDGBP	-0.4%	-0.1%	0.4%	-0.4%	0.6%	0.8%	-0.2%	-0.1%	3-month
USDAUD	-0.1%	0.2%	1.7%	1.3%	0.3%	0.1%	-0.1%	0.2%	6-month
USDNZD	0.2%	0.0%	-0.1%	0.4%	0.3%	1.3%	-0.2%	0.7%	1-year
USDCAD	0.2%	0.0%	-0.2%	0.3%	-0.3%	0.3%	-0.6%	0.1%	
USDCHE	-0.8%	-0.6%	-0.4%	-1.3%	0.4%	1.4%	-0.5%	-0.3%	
USDNOK	-0.1%	0.1%	0.6%	1.0%	0.7%	0.8%	-0.3%	0.0%	
USDSEK	-0.9%	0.8%	-0.8%	1.6%	1.0%	-0.7%	-0.6%	-0.3%	

Hours are as of UTC. Currency pairs with greater loss over the lookback period are colored in darker red. Currency pairs with greater gain over the lookback period are colored in darker green. We denote America time zone as between 1pm to 12am UTC, Europe time zone as between 8am to 1pm UTC, and Asia time zone as between 12am to 8am UTC.

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Options Risk Statement

Options and other related derivatives instruments are considered unsuitable for many investors. Options strategy is by definition governed by a finite duration. The most severe risks associated with general options trading are total loss of capital invested and delivery/assignment risk, all which can occur in a short period.





Disclosures

Important Disclosures

BofA Global Research personnel (including the analyst(s) responsible for this report) receive compensation based upon, among other factors, the overall profitability of Bank of America Corporation, including profits derived from investment banking. The analyst(s) responsible for this report may also receive compensation based upon, among other factors, the overall profitability of the Bank's sales and trading businesses relating to the class of securities or financial instruments for which such analyst is responsible. BofA Securities fixed income analysts regularly interact with sales and trading desk personnel in connection with their research, including to ascertain pricing and liquidity in the fixed income markets.

Other Important Disclosures

Prices are indicative and for information purposes only. Except as otherwise stated in the report, for any recommendation in relation to an equity security, the price referenced is the publicly traded price of the security as of close of business on the day prior to the date of the report or, if the report is published during intraday trading, the price referenced is indicative of the traded price as of the date and time of the report and in relation to a debt security (including equity preferred and CDS), prices are indicative as of the date and time of the report and are from various sources including BofA Securities trading desks.

The date and time of completion of the production of any recommendation in this report shall be the date and time of dissemination of this report as recorded in the report timestamp.

Recipients who are not institutional investors or market professionals should seek the advice of their independent financial advisor before considering information in this report in connection with any investment decision, or for a necessary explanation of its contents.

Officers of BofA or one or more of its affiliates (other than research analysts) may have a financial interest in securities of the issuer(s) or in related investments.

Refer to [BofA Global Research policies relating to conflicts of interest](#).

"BofA Securities" includes BofA Securities, Inc. ("BofAS") and its affiliates. Investors should contact their BofA Securities representative or Merrill Global Wealth Management financial advisor if they have questions concerning this report or concerning the appropriateness of any investment idea described herein for such investor. "BofA Securities" is a global brand for BofA Global Research.

Information relating to Non-US affiliates of BofA Securities and Distribution of Affiliate Research Reports:

BofAS and/or Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") may in the future distribute, information of the following non-US affiliates in the US (short name: legal name, regulator): Merrill Lynch (South Africa): Merrill Lynch South Africa (Pty) Ltd., regulated by the Financial Sector Conduct Authority; MLI (UK): Merrill Lynch International, regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA); BofASE (France): BofA Securities Europe SA is authorized by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers (AMF). BofA Securities Europe SA ("BofASE") with registered address at 51, rue La Boétie, 75008 Paris is registered under no 842 602 690 RCS Paris. In accordance with the provisions of French Code Monétaire et Financier (Monetary and Financial Code), BofASE is an établissement de crédit et d'investissement (credit and investment institution) that is authorised and supervised by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers. BofASE's share capital can be found at www.bofamli.com/BofASEdisclaimer; BofA Europe (Milan): Bank of America Europe Designated Activity Company, Milan Branch, regulated by the Bank of Italy, the European Central Bank (ECB) and the Central Bank of Ireland (CBI); BofA Europe (Frankfurt): Bank of America Europe Designated Activity Company, Frankfurt Branch regulated by BaFin, the ECB and the CBI; BofA Europe (Madrid): Bank of America Europe Designated Activity Company, Sucursal en España, regulated by the Bank of Spain, the ECB and the CBI; Merrill Lynch (Australia): Merrill Lynch Equities (Australia) Limited, regulated by the Australian Securities and Investments Commission; Merrill Lynch (Hong Kong): Merrill Lynch (Asia Pacific) Limited, regulated by the Hong Kong Securities and Futures Commission (HKSF); Merrill Lynch (Singapore): Merrill Lynch (Singapore) Pte Ltd, regulated by the Monetary Authority of Singapore (MAS); Merrill Lynch (Canada): Merrill Lynch Canada Inc, regulated by the Canadian Investment Regulatory Organization; Merrill Lynch (Mexico): Merrill Lynch Mexico, SA de CV, Casa de Bolsa, regulated by the Comisión Nacional Bancaria y de Valores; BofAS Japan: BofA Securities Japan Co., Ltd., regulated by the Financial Services Agency; Merrill Lynch (Seoul): Merrill Lynch International, LLC Seoul Branch, regulated by the Financial Supervisory Service; Merrill Lynch (Taiwan): Merrill Lynch Securities (Taiwan) Ltd., regulated by the Securities and Futures Bureau; BofAS India: BofA Securities India Limited, regulated by the Securities and Exchange Board of India (SEBI); Merrill Lynch (Israel): Merrill Lynch Israel Limited, regulated by Israel Securities Authority; Merrill Lynch (DIFC): Merrill Lynch International (DIFC Branch), regulated by the Dubai Financial Services Authority (DFSA); Merrill Lynch (Brazil): Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários, regulated by Comissão de Valores Mobiliários; Merrill Lynch KSA Company: Merrill Lynch Kingdom of Saudi Arabia Company, regulated by the Capital Market Authority. This information has been approved for publication and is distributed in the United Kingdom (UK) to professional clients and eligible counterparties (as each is defined in the rules of the FCA and the PRA) by MLI (UK), which is authorized by the PRA and regulated by the FCA and the PRA - details about the extent of our regulation by the FCA and PRA are available from us on request; has been approved for publication and is distributed in the European Economic Area (EEA) by BofASE (France), which is authorized by the ACPR and regulated by the ACPR and the AMF; has been considered and distributed in Japan by BofAS Japan, a registered securities dealer under the Financial Instruments and Exchange Act in Japan, or its permitted affiliates; is issued and distributed in Hong Kong by Merrill Lynch (Hong Kong) which is regulated by HKSF; is issued and distributed in Taiwan by Merrill Lynch (Taiwan); is issued and distributed in India by BofAS India; and is issued and distributed in Singapore to institutional investors and/or accredited investors (each as defined under the Financial Advisers Regulations) by Merrill Lynch (Singapore) (Company Registration No 198602883D). Merrill Lynch (Singapore) is regulated by MAS. Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795), AFS License 235132 (MLEA) distributes this information in Australia only to 'Wholesale' clients as defined by s.761G of the Corporations Act 2001. With the exception of Bank of America N.A., Australia Branch, neither MLEA nor any of its affiliates involved in preparing this information is an Authorised Deposit-Taking Institution under the Banking Act 1959 nor regulated by the Australian Prudential Regulation Authority. No approval is required for publication or distribution of this information in Brazil and its local distribution is by Merrill Lynch (Brazil) in accordance with applicable regulations. Merrill Lynch (DIFC) is authorized and regulated by the DFSA. Information prepared and issued by Merrill Lynch (DIFC) is done so in accordance with the requirements of the DFSA conduct of business rules. BofA Europe (Frankfurt) distributes this information in Germany and is regulated by BaFin, the ECB and the CBI. BofA Securities entities, including BofA Europe and BofASE (France), may outsource/delegate the marketing and/or provision of certain research services or aspects of research services to other branches or members of the BofA Securities group. You may be contacted by a different BofA Securities entity acting for and on behalf of your service provider where permitted by applicable law. This does not change your service provider. Please refer to the [Electronic Communications Disclaimers](#) for further information.

This information has been prepared and issued by BofAS and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofAS and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for information distributed to BofAS and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofAS and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information. For clients that are not accredited investors, expert investors or institutional investors Merrill Lynch (Singapore) Pte Ltd accepts full responsibility for the contents of this information distributed to such clients in Singapore.

General Investment Related Disclosures:

Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent of BofA Securities. This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other financial instrument or any derivative related to such securities or instruments (e.g., options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of, and is not directed to, any specific person(s). This document and its content do not constitute, and should not be considered to constitute,

investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this document.

Securities and other financial instruments referred to herein, or recommended, offered or sold by BofA Securities, are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of any insured depository institution (including, Bank of America, N.A.). Investments in general and, derivatives, in particular, involve numerous risks, including, among others, market risk, counterparty default risk and liquidity risk. No security, financial instrument or derivative is suitable for all investors. Digital assets are extremely speculative, volatile and are largely unregulated. In some cases, securities and other financial instruments may be difficult to value or sell and reliable information about the value or risks related to the security or financial instrument may be difficult to obtain. Investors should note that income from such securities and other financial instruments, if any, may fluctuate and that price or value of such securities and instruments may rise or fall and, in some cases, investors may lose their entire principal investment. Past performance is not necessarily a guide to future performance. Levels and basis for taxation may change.

Futures and options are not appropriate for all investors. Such financial instruments may expire worthless. Before investing in futures or options, clients must receive the appropriate risk disclosure documents. Investment strategies explained in this report may not be appropriate at all times. Costs of such strategies do not include commission or margin expenses.

BofA Securities is aware that the implementation of the ideas expressed in this report may depend upon an investor's ability to "short" securities or other financial instruments and that such action may be limited by regulations prohibiting or restricting "shortselling" in many jurisdictions. Investors are urged to seek advice regarding the applicability of such regulations prior to executing any short idea contained in this report.

Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. Investors in such securities and instruments effectively assume currency risk.

BofAS or one of its affiliates is a regular issuer of traded financial instruments linked to securities that may have been recommended in this report. BofAS or one of its affiliates may, at any time, hold a trading position (long or short) in the securities and financial instruments discussed in this report.

BofA Securities, through business units other than BofA Global Research, may have issued and may in the future issue trading ideas or recommendations that are inconsistent with, and reach different conclusions from, the information presented herein. Such ideas or recommendations may reflect different time frames, assumptions, views and analytical methods of the persons who prepared them, and BofA Securities is under no obligation to ensure that such other trading ideas or recommendations are brought to the attention of any recipient of this information.

In the event that the recipient received this information pursuant to a contract between the recipient and BofAS for the provision of research services for a separate fee, and in connection therewith BofAS may be deemed to be acting as an investment adviser, such status relates, if at all, solely to the person with whom BofAS has contracted directly and does not extend beyond the delivery of this report (unless otherwise agreed specifically in writing by BofAS). If such recipient uses the services of BofAS in connection with the sale or purchase of a security referred to herein, BofAS may act as principal for its own account or as agent for another person. BofAS is and continues to act solely as a broker-dealer in connection with the execution of any transactions, including transactions in any securities referred to herein.

Copyright and General Information:

Copyright 2025 Bank of America Corporation. All rights reserved. IQdatabase® is a registered service mark of Bank of America Corporation. This information is prepared for the use of BofA Securities clients and may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of BofA Securities. This document and its content is provided solely for informational purposes and cannot be used for training or developing artificial intelligence (AI) models or as an input in any AI application (collectively, an AI tool). Any attempt to utilize this document or any of its content in connection with an AI tool without explicit written permission from BofA Global Research is strictly prohibited. BofA Global Research information is distributed simultaneously to internal and client websites and other portals by BofA Securities and is not publicly-available material. Any unauthorized use or disclosure is prohibited. Receipt and review of this information constitutes your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained herein (including any investment recommendations, estimates or price targets) without first obtaining express permission from an authorized officer of BofA Securities.

Materials prepared by BofA Global Research personnel are based on public information. Facts and views presented in this material have not been reviewed by, and may not reflect information known to, professionals in other business areas of BofA Securities, including investment banking personnel. BofA Securities has established information barriers between BofA Global Research and certain business groups. As a result, BofA Securities does not disclose certain client relationships with, or compensation received from, such issuers. To the extent this material discusses any legal proceeding or issues, it has not been prepared as nor is it intended to express any legal conclusion, opinion or advice. Investors should consult their own legal advisers as to issues of law relating to the subject matter of this material. BofA Global Research personnel's knowledge of legal proceedings in which any BofA Securities entity and/or its directors, officers and employees may be plaintiffs, defendants, co-defendants or co-plaintiffs with or involving issuers mentioned in this material is based on public information. Facts and views presented in this material that relate to any such proceedings have not been reviewed by, discussed with, and may not reflect information known to, professionals in other business areas of BofA Securities in connection with the legal proceedings or matters relevant to such proceedings.

This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofAS any of its affiliates or their research analysts has any authority whatsoever to make any representation or warranty on behalf of the issuer(s). BofA Global Research policy prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer prior to the publication of a research report containing such rating, recommendation or investment thesis.

Any information relating to sustainability in this material is limited as discussed herein and is not intended to provide a comprehensive view on any sustainability claim with respect to any issuer or security.

Any information relating to the tax status of financial instruments discussed herein is not intended to provide tax advice or to be used by anyone to provide tax advice. Investors are urged to seek tax advice based on their particular circumstances from an independent tax professional.

The information herein (other than disclosure information relating to BofA Securities and its affiliates) was obtained from various sources and we do not guarantee its accuracy. This information may contain links to third-party websites. BofA Securities is not responsible for the content of any third-party website or any linked content contained in a third-party website. Content contained on such third-party websites is not part of this information and is not incorporated by reference. The inclusion of a link does not imply any endorsement by or any affiliation with BofA Securities. Access to any third-party website is at your own risk, and you should always review the terms and privacy policies at third-party websites before submitting any personal information to them. BofA Securities is not responsible for such terms and privacy policies and expressly disclaims any liability for them.

All opinions, projections and estimates constitute the judgment of the author as of the date of publication and are subject to change without notice. Prices also are subject to change without notice. BofA Securities is under no obligation to update this information and BofA Securities ability to publish information on the subject issuer(s) in the future is subject to applicable quiet periods. You should therefore assume that BofA Securities will not update any fact, circumstance or opinion contained herein.

Certain outstanding reports or investment opinions relating to securities, financial instruments and/or issuers may no longer be current. Always refer to the most recent research report relating to an issuer prior to making an investment decision.

In some cases, an issuer may be classified as Restricted or may be Under Review or Extended Review. In each case, investors should consider any investment opinion relating to such issuer (or its security and/or financial instruments) to be suspended or withdrawn and should not rely on the analyses and investment opinion(s) pertaining to such issuer (or its securities and/or financial instruments) nor should the analyses or opinion(s) be considered a solicitation of any kind. Sales persons and financial advisors affiliated with BofAS or any of its affiliates may not solicit purchases of securities or financial instruments that are Restricted or Under Review and may only solicit securities under Extended Review in accordance with firm policies.

Neither BofA Securities nor any officer or employee of BofA Securities accepts any liability whatsoever for any direct, indirect or consequential damages or losses arising from any use of this information.

