BofA SECURITIES

World at a Glance

Headline anxiety

25 February 2026

FX, Rates and Commodities
Global

Key forecasts in FX, rates and commodities

Supreme Court tariff decisions, a Fed chair nominee, and possible conflict with Iran are the latest headlines to jostle markets, yet leave the macro picture the same for now. Our forecasts for US10yr, EUR & our Econ team's Fed call stay unchanged since last month.

G10 FX: no changes to EUR, revisions in Asia

Our core baseline expectations for modest USD downside remain the same, including our EUR-USD forecast profile with 1.22 for end-2026. Since last month, we do have revisions for short-term JPY as well as our AUD-USD profile.

Interest rates: still expecting 4.25% for end-year US10yr

For the US in '26, our forecasts are rooted in resilient US growth / spending, sticky high inflation, & a cautious cutting Fed. Our forecasts are slightly below forwards. We do have revisions elsewhere in global yields since last month.

EM Asia: USD-CNY forecast 6.70 for end 3Q and 4Q

Since last month, we have revised our USD/CNY forecast to 6.70 for end 3Q and 4Q from 6.80, previously, to reflect China's large current account surplus and attendant appreciation pressure.

EEMEA: stronger EEMEA FX ahead but geopolitics a risk

We remain bullish EEMEA FX. The USD decline so far has been small compared to previous cycles + US CA deficit is large. We are bullish the TRY, PLN, CZK & ZAR. Election outcome will determine the HUF performance. We are positive on frontier FX.

LatAm: global trade tensions meet regional transitions

After the Supreme Court's tariff decision, LatAm continues to be a region with a lower effective US tariff than the effective global US tariff. Mexico retains a relative advantage, as most of its exports continue to qualify for exemption under the USMCA.

Commodities: revisions to nat gas and metals

We leave our oil price forecasts unchanged, but we cautiously raise our 2027 price forecast for Nat Gas. Meanwhile, we also change our precious metals forecasts, while also making revisions to industrial metals.

The World at a Glance (WAAG) is our flagship monthly publication, highlighting our key forecasts in FX, rates and commodities. This edition covers each of the G10 currencies, six major developed-market interest rates, the major EM currencies, and five key commodities.

John Shin
FX Strategist
BofAS
+1 646 855 2582
joong.s.shin@bofa.com

Pedro Diaz
Caribbean Economist
BofAS
pdiaz2@bofa.com

David Hauner, CFA >>
Global EM FI/FX Strategist
MLI (UK)
david.hauner@bofa.com

Claudio Irigoyen
Global Economist
BofAS
claudio.irigoyen@bofa.com

Claudio Piron
Emerging Asia FI/FX Strategist
Merrill Lynch (Singapore)
claudio.piron@bofa.com

Helen Qiao
China & Asia Economist
Merrill Lynch (Hong Kong)
helen.qiao@bofa.com

Michael Widmer
Commodity Strategist
MLI (UK)
michael.widmer@bofa.com

See Team Page for List of Analysts

Next edition

Wed 25 March 2026

Contents

World At A Glance

BofA GLOBAL RESEARCH

US rates: too cold to carry on

Mark Cabana, CFA
BofAS

Themes: stable rate forecasts

US rates have been range bound to slightly lower over recent months; we expect this to continue medium term but expect to be tested near term. Labor data has been improving and inflation stable since the start of the year. Former Fed governor Kevin Warsh was nominated to be Chairman of the Federal Reserve Board in early February. We expect the Fed to hold until Warsh assumes his role as Chair before cutting 50bps in 2H '26. Our near-term Fed expectations are lower than the Fed's own '26 projections.

Our favorite near-term market views: (1) **duration**: tactically paid June FOMC OIS on firm labor data, medium term long belly, given dovish Fed and US slowdown risk; (2) **inflation**: receive 5y real rates b/c Fed and upside inflation risk.

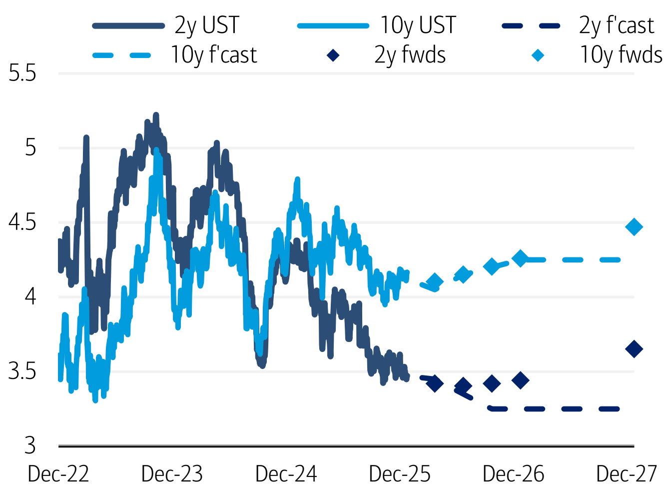
Forecasts: cautious cutting

For '26 our forecasts are rooted in resilient US growth / spending, sticky high inflation, and a cautious cutting Fed. Our end '26 forecasts are 3.25% for 2Y and 4.25% for 10Y. Our forecasts are slightly below forwards & rooted in our economists' expectations for Fed policy trough of 3-3.25% + economy that returns to trend by YE26.

Risks: tilted to downside

We continue to see risks of a decline in rates if growth / inflation slow materially and unemployment surprises to the upside. A more dovish Fed with a faster cutting cycle would also lower rates broadly. We see risks to a steeper UST curve and upside UST supply. Rates could rise if the labor market strengthens and inflation picks back up, but we maintain a high bar for any Fed hikes.

Exhibit 1: UST 2y & 10y forecasts vs forwards (%)
Our rates forecasts are still below forwards



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 2: Government bond yield forecasts (%)
Our forecast for year-end '26 of 10yT is 4.25%

	Q1 26	Q2 26	Q3 26	Q4 26
O/N SOFR	3.68	3.41	3.18	3.18
2y Govt	3.45	3.35	3.25	3.25
5y Govt	3.60	3.55	3.50	3.50
10y Govt	4.05	4.15	4.20	4.25
30y Govt	4.65	4.65	4.70	4.75

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 3: Swap rate forecasts (%)
Our forecast for year-end '26 of 10y swaps is 3.95%

	Q1 26	Q2 26	Q3 26	Q4 26
2y	3.35	3.25	3.15	3.15
5y	3.40	3.35	3.30	3.30
10y	3.75	3.85	3.90	3.95
30y	4.05	4.05	4.10	4.10

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

USD: no revisions to EUR, some in Asia

Alex Cohen
BofAS

John Shin
BofAS

Themes: after SCOTUS

While the dollar has appreciated broadly to start the year, the DXY still remains within its appx. 9-10 month trading range. Fundamentally, the overarching conditions of the US economy remain intact. Even the Supreme Court's decision to strike down IEEPA tariffs, followed by the Trump Administration's actions to reimpose tariffs under different authorities, did not subsantially shift market views despite adding another uncertainty shock. (See Global Watch, "SCOTUS strikes down IEEPA tariffs: What's next?", 20 February 2026.)

We ultimately would envision the net effect from tariffs as adding greater uncertainty overall coupled with diminished upside inflation risks and greater fiscal challenges, and thereby being net-negative for the USD, albeit with a high margin of error. The USD had seemingly found some form of equilibrium with tariffs, resulting in potential downside risks as uncertainty rises. (See US Viewpoint, "Remember, remember the 5th of November, 05 November 2025).

Forecasts: no changes in EUR, revisions to JPY and AUD

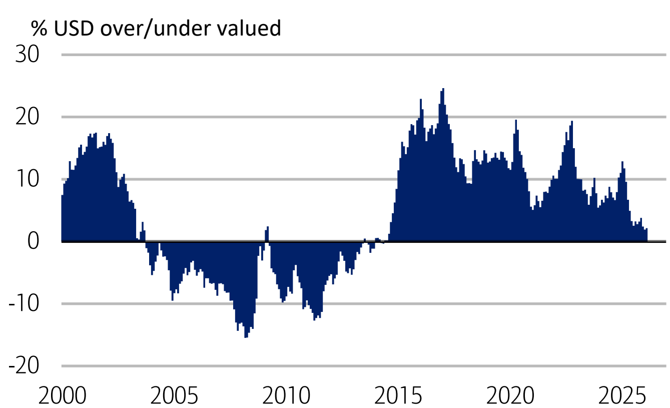
We continue to mostly forecast gradual USD depreciation over the course of 2026, as we still see the USD as modestly overvalued. Ultimately, we do not make any changes to our baseline EUR-USD forecast, which we see as drifting to 1.20 by Q2 and 1.22 by YE.

However, we do have revisions in Asia since our last monthly. We had revised our near-term JPY forecasts around their recent election (see: Japan Rates and FX Watch: Post-election yen strategy 04 February 2026). We also raised our AUD-USD forecast profile (see FX Viewpoint: AUD: Golden Grammy", 03 February 2026).

Risks: long list

Broader geopolitical risks continue to percolate in terms of potential near-term military action between the US and Iran. We see upside USD risks should US labor data continue to improve and/or if the Fed under new leadership from Kevin Warsh struggles to reach consensus on incrementally easier monetary policy.

Exhibit 4: USD still looks modestly overvalued
Real effective exchange rate for US relative to past ten year moving average



Source: Bloomberg; BofA Global Research.

BofA GLOBAL RESEARCH

Exhibit 5: USD forecasts
EUR forecast is 1.22 for the end of 2026

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-USD	1.17	1.20	1.21	1.22
USD-JPY	1.54	158	156	155

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 6: Major macro forecasts
Looking for more robust growth in 2026

	2025F	2026F	2027F
Real GDP (% yoy)	2.2	2.8	2.1
CPI (% yoy)	2.7	2.7	2.5
Policy Rate (end of period)	3.625	3.125	3.125
GenGov Bal (%/GDP)	-5.8	-5.8	-5.7
CurAct Bal (%/GDP)	-3.9	-3.5	-3.5

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

EU rates: changes in perception

Sphia Salim
MLI (UK)

Ronald Man
MLI (UK)

Themes: changes in perception

The sense of urgency for More Europe has increased given the geopolitical situation and deterioration of relations with the US. Focus is now on how much more progress can be made in the March EU Summit on the Letta and Draghi reports: savings and investment union; deepening the single market; and simplifying European Union rules for business. Meaningful progress could further enhance the role of euro assets on the global stage.

Our economists reassessed the euro area growth outlook: the 2026 GDP forecast was raised to 1.2% and the 2027 forecast lowered to 1.3%. These changes reflect expectations of Germany's fiscal-driven growth to be stronger this year and weaker thereafter. German fiscal spending is expected to peak in 2H 2026, but its composition is directed more towards consumption rather than proper investment.

Forecasts: cuts pushed back to 2027, 10y Bund peaking at 3% in 2H 2026

While growth is forecast to rise in 2026, inflation is still set to be below the target at least for the next two years. Our economists no longer expect a rate cut in March 2026, but two rate cuts in 1H 2027. We raised our 2026 euro rate profile to reflect these changes and see 10y Bund peaking at 3% in 2H 2026. Our 2027 profile is meaningfully below the forwards given our expected rate cuts vs market pricing in of hikes by then.

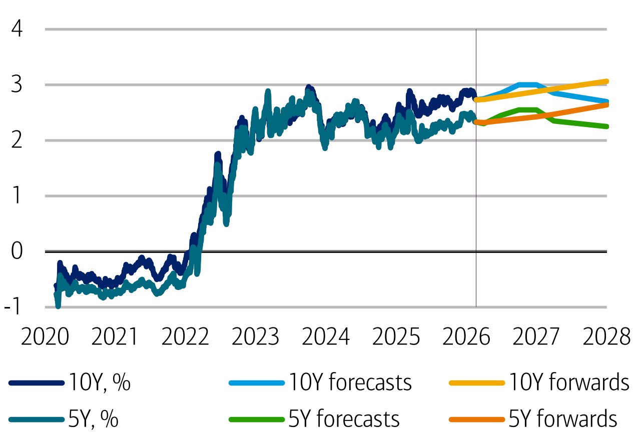
Stronger growth in 2H 2026 is likely to come with curve steepening pressures, as any rise in short tenors may be contained by low inflation. A worsening demand-supply outlook for German bonds is likely to sustain tightening pressures on swap spreads. We see further tightening in periphery spreads on structural flows, growth pick-up, and a still low vol environment; but current significant long positioning is a risk near-term.

Risks: German fiscal, uncertainty, risk-off, credit rating, receiving needs, supply

Downside risks are disappointing implementation of Germany's fiscal package, trade uncertainty resurfacing, and collapse in global equities. Upside risks are better than expected implementation and structural impact of Germany's fiscal package, low receiving needs from financial actors, more bond supply than expected, larger EU fiscal response to uncertainty shocks that stem from the US, negative rating decisions.

Exhibit 7: German rates – yield forecasts and forwards*

Our 2027 forecasts are below the forwards



Source: BofA Global Research, Bloomberg. *Forwards as of 20-Feb

BofA GLOBAL RESEARCH

Exhibit 8: Germany bond yield forecasts, %

We expect 10y Bund yields to trough through 2Q26 at 2.65%

	Q1 26	**Q2 26**	**Q3 26**	**Q4 26**
3m Euribor	2.00	2.05	2.10	2.15
2y Govt	2.00	2.15	2.20	2.15
5y Govt	2.30	2.45	2.55	2.55
10y Govt	2.75	2.85	3.00	3.00
30y Govt	3.35	3.50	3.60	3.65

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 9: Euribor swap rate forecasts, %

We incorporate the ECB forecasts

	Q1 26	**Q2 26**	**Q3 26**	**Q4 26**
2y	1.90	2.00	2.05	2.00
5y	2.15	2.25	2.35	2.35
10y	2.55	2.65	2.75	2.75
30y	2.90	3.05	3.15	3.20

Source: BofA Global Research

BofA GLOBAL RESEARCH

EUR: the delivery year

Michalis Rousakis
MLI (UK)

Themes: Upside risks on our new German growth forecasts
We stay bullish on EUR for 2026, except vs GBP and SEK. Our upward-revised German growth forecasts for this year strengthen our conviction and pose upside risks.

We previously flagged a lower bar for upside EUR surprises around German fiscal and European defence spending vs mid-'25: the initial euphoria among FX investors was followed by skepticism (see EUR Year Ahead '26: walking the walk 10 Dec '25). Focus shifted further away from Europe as "US exceptionalism" re-emerged as a theme in Q4.

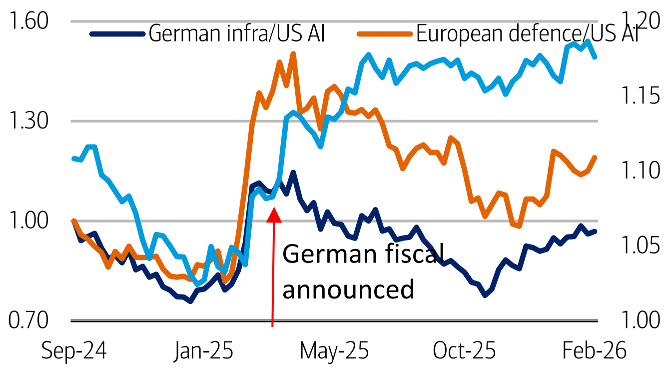
Our latest sentiment surveys reveal improving Investor sentiment around Germany and Europe: 39% of investors expect higher German growth this year vs consensus. Views on the theme of flows from the US into Europe have turned more balanced (see FX and Rates Sentiment Survey 13 Feb '26). And 85% expect EU equities to outperform the US over the next twelve months (see European Fund Manager Survey 17 Feb '26).

Our economists' German growth forecast revisions strengthen our conviction: we expect more front-loaded growth vs consensus over 2026 and 2027, with risks for even greater front-loading. Notably, we expect 2.5% sequential annualized growth in 2H '26 (see Germany Viewpoint 11 Feb '26). Meanwhile, we continue to anticipate much lower inflation in the Euro area vs the US. We stay focused on real rates, which have moved further in EUR's favour, with our higher Bunds forecasts adding to our conviction. We also still count on European asset managers' USD hedge ratios gradually increasing - more challenges to USD-US asset correlations could force faster adjustments (see Liquid Insight: Thoughts on the USD (and EUR) as the dust settles 5 Feb '26).

Forecasts: no changes. We are constructive and above consensus
We forecast EUR-USD at 1.22 by end-26 and 1.25 by end-27, up vs Bloomberg consensus median forecasts of 1.21 for both end-2026 and end-2027.

Risks: US data resilience, Fed independence, delays in German fiscal, France
Downside risks to our bullish EUR forecasts include US growth reacceleration, slow delivery of German fiscal, and higher energy prices, not least on geopolitics. Upside risks include acute Fed independence concerns, front-loaded German fiscal, and EU reforms.

Exhibit 10: Relative equity sentiment has been recovering
German infrastructure and European defence over US AI (EUR) momentum baskets and EURUSD (RHS)



Source: BofA Global Research, Bloomberg. Weekly data through Feb 20. We show relative equity baskets of German infrastructure and European defence over the US AI (in EUR), which we use as proxies for relative Europe/US sentiment. All three baskets rebased to 100 for Sep-2024.
BofA GLOBAL RESEARCH

Exhibit 11: EUR forecasts
Our forecast is 1.22 for EUR-USD at end of 2026

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-USD	1.17	1.20	1.21	1.22
EUR-JPY	180	190	189	189

Source: BofA Global Research estimates
BofA GLOBAL RESEARCH

Exhibit 12: Major macro forecasts
Growth soft in our 2026 outlook

	2025F	2026F	2027F
Real GDP (% yoy)	1.5	1.2	1.3
CPI (% yoy)	2.1	1.7	1.7
Policy Rate* (end period)	2.00	2.00	1.50
Gen Gov Bal (%/GDP)	-3.3	-3.6	-3.5
CurAct Bal (%/GDP)	2.3	2.3	2.1

Source: Bloomberg and BofA Global Research estimates
BofA GLOBAL RESEARCH

JP rates: Receding fiscal concerns

Tomonobu Yamashita
BofAS Japan

Key theme: PM Takaichi in no rush to pursue fiscal expansion
The special Diet session that began on 18 February will run for 150 days through 17 July, with deliberations on the FY2026 initial budget expected to be the main focus. Following the Lower House election, however, Prime Minister Takaichi's stance toward expansionary fiscal policy appears to have softened (see Liquid Insight: What are the key focuses of the special Diet session? 19 February 2026).

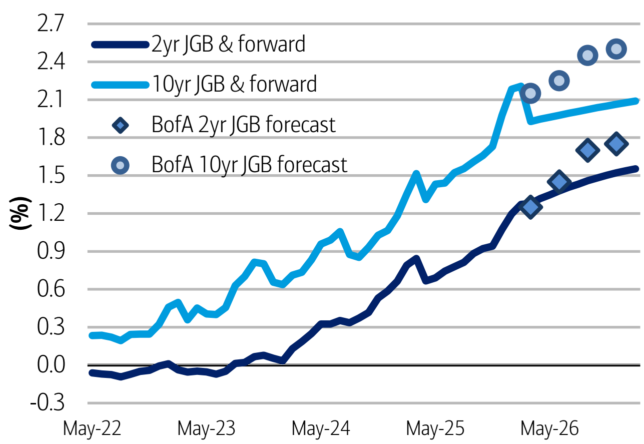
Given Takaichi's recent remarks, we do not expect a cut in the consumption tax during FY2026, and we also do not expect the initial budget to be raised substantially from the version approved by the Cabinet in December 2025.

Overall, near-term fiscal concerns in Japan have receded, while the market may price in additional BoJ hikes as USD/JPY begins to rise again (see Japan Viewpoint: Shifting risks to drive BoJ's earlier hikes and higher terminal rate 10 February 2026).

Forecast: we project a 2.5% 10-year JGB yield by end-2026
As our economists have raised their terminal rate assumption for this hiking cycle from 1.5% to 1.75%, we now forecast the 10-year JGB yield at 2.5% by end-2026, up from 2.25%. We expect further BoJ rate hikes to drive a gradual bear-flattening of the curve.

Risk: Takaichi administration may pressure the BoJ
PM Takaichi may pressure the BoJ to refrain from further rate hikes. In that scenario, the market could price out additional tightening.

Exhibit 13: Yen rates – JGB yield forecasts and forwards
Both the market and BofA anticipate a continued upward trajectory



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 14: Government bond yield forecasts
We forecast end-2026 10yr JGB yield at 2.5%

	Q1 26	Q2 26	Q3 26	Q4 26
TONA	0.73	0.98	1.23	1.23
2y Govt.	1.25	1.45	1.70	1.75
5y Govt	1.65	1.80	2.05	2.10
10y Govt	2.15	2.25	2.45	2.50
30y Govt	3.50	3.60	3.75	3.85

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 15: Swap rate forecasts
Our Japan 10yr swap rate end-2026 forecast is 2.3%

	Q1 26	Q2 26	Q3 26	Q4 26
2y	1.23	1.43	1.68	1.70
5y	1.60	1.75	1.95	2.00
10y	1.95	2.05	2.25	2.30

Source: BofA Global Research

BofA GLOBAL RESEARCH

JPY: hedge into fiscal year-end

Shusuke Yamada
BofAS Japan

Themes: "Buy Japan" vs structural outflows

Following the February 8 Lower House election, Japanese markets have taken on a clear "Japan-buying" tone, marked by higher equities, higher JGB prices, and a stronger yen. Our view going into the election was that, given the scope for FX intervention and additional pricing of a Bank of Japan (BoJ) rate hike, the risk-reward around the event skewed toward selling USD/JPY (see: Japan Rates and FX Watch: Post-election yen strategy 04 February 2026).

More recently, overseas investors have begun to discuss a potential "Japan-buying" scenario, which could provide short- to medium-term support for the yen. The current Japan-buying dynamic is undoubtedly positive for the yen and deserves acknowledgment. It also undeniably challenges our yen-weakness scenario. However, structural yen-selling is rooted in underlying trends-such as demographics and inflation-that are difficult to reverse, and at this stage we do not see them being meaningfully constrained. We therefore maintain our year-end USD/JPY forecast at 155.

For details, see Japan Rates and FX Viewpoint: When "Buy Japan" meets structural yen-selling 16 February 2026; FX Watch: Japan BoP: FX intervention & BoJ hikes vs. structural yen selling 09 February 2026.

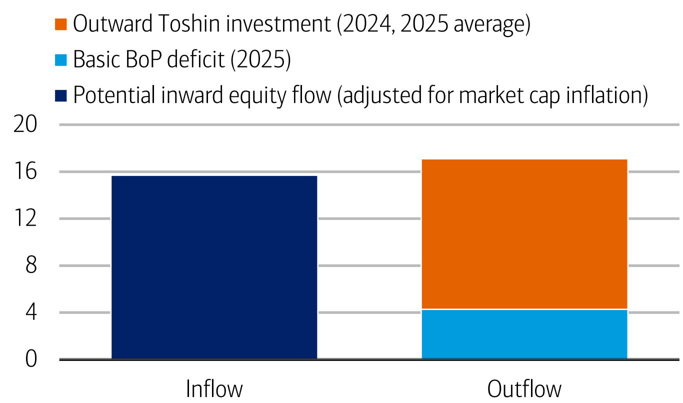
Forecasts: USD/JPY to rise after spring

We previously revised down our end-Mar forecast for USD/JPY from 160 to 154 on Feb while we kept our forecasts beyond 1Q26 (see: Japan Rates and FX Watch: Post-election yen strategy 04 February 2026). We still expect USD/JPY to mostly stay above 150 throughout 2026 and view its dip below 150 as a buying opportunity.

Risks: Return of "Sell Japan"

Although Japan-buying is the prevailing theme at present, Japan-selling temporarily dominated the narrative last year. Communications from Prime Minister Takaichi and Finance Minister Katayama emphasizing that the government will not rely on deficit-financed JGBs have helped stabilize yen rates, contributing to Japan-buying. Conversely, if fiscal expansion were to proceed without sufficient quality, the risk of a return to Japan-selling would rise.

Exhibit 16: Potential inward equity flows to Japan vs. the scale of structural yen-selling (annualized, ¥tn)*
Inward equity flows have the capacity to offset structural yen-selling



Source: BofA Global Research, Bloomberg, Haver

BofA GLOBAL RESEARCH

Exhibit 17: JPY forecasts
We look for 2026 year-end USD-JPY of 155

	Q1 26	Q2 26	Q3 26	Q4 26
USD-JPY	154	158	156	155
EUR-JPY	180	190	189	189

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 18: Major macro forecasts (CY)
Our economics team looks for end-2026 BOJ rate to be 1.25%

	2025F	2026F	2027F
Real GDP (% yoy)	1.1	0.7	0.8
CPI (% yoy)	3.2	1.9	2.2
Policy Rate (end of period)	0.75	1.25	1.75

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

UK rates: busy weeks ahead

Agne Stengeryte
MLI (UK)

Mark Capleton
MLI (UK)

Politics and the upcoming Spring Forecast in focus

Last week's labour market and inflation data releases on 17 and 18 February, respectively were consistent with our economists' expectation for a March Bank of England (BoE) cut, with softer labour conditions alongside moderating headline inflation supporting the baseline of two cuts in 2026, in March and June, taking Bank Rate to 3.25%. But the composition of the data suggested the evidence is not yet sufficient to warrant back-to-back cuts, pointing instead to a gradual easing path. This week, economic data release calendar will be relatively quiet, while the Gorton and Denton by-election on Thursday, 26 February, will be an important political event. But perhaps most importantly, all eyes now turn to the Spring Forecast on 3 March, with the latest borrowing numbers pointing to a potential overfund this fiscal year. If this persists through the end of the year, it should support our long UK rates positioning.

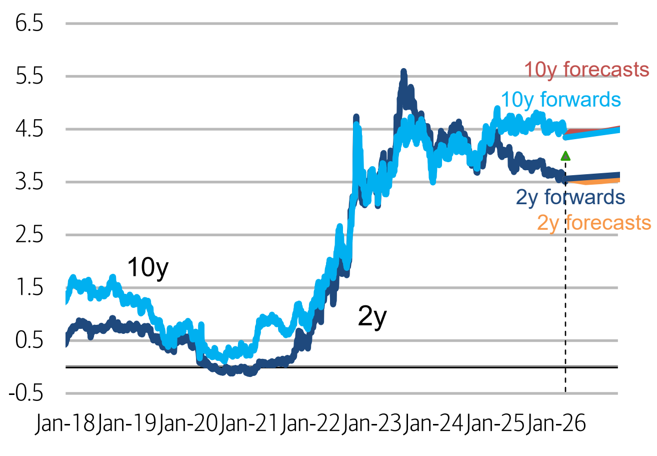
Forecast: staying constructive Gilts relative to swaps and cross-market

Our Bank Rate call implies 3m and 2y Sonia increasingly below the forwards in the first half of the year. Further out, our Sonia forecasts lie broadly in line with the forwards but exhibit slight underperformance in the belly of the curve. This can be remedied if the Debt Management office (DMO) addresses Gilt supply distribution on 3 March. We remain confident that our anticipated drop in Gilt supply in 2026-27 and the ongoing Weighted Average Maturity (WAM) shortening should support Gilts relative to Sonia and cross-market (Germany in particular).

Risks: Growth, inflation, fiscal and global trade remain in focus

Downside risks to our rate forecasts include a growth shock and/or greater/longer-lasting weakness in demand further mitigating inflationary pressures. Upside risks include greater persistence in domestic wage- and price-setting exacerbating the persistence of inflation and/or intensification of fiscal worries. Global trade and geopolitics will be important in the context of global growth prospects and uncertainty.

Exhibit 19: Gilt yield benchmark histories, forwards and forecasts, %
2y forecasts below the forwards; 10y slightly below the forwards



Source: Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 20: Government bond yield forecasts (%)
We project slightly rising 10y Sonia, in line with the forwards

	Q1 26	Q2 26	Q3 26	Q4 26
3m Sonia	3.45	3.25	3.25	3.25
2y Govt.	3.55	3.50	3.52	3.55
5y Govt	3.90	3.90	3.90	3.90
10y Govt	4.45	4.45	4.45	4.50
30y Govt	5.25	5.25	5.25	5.25

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 21: Sonia swap rate forecasts (%)
3m Sonia forecasts lie below the forwards in late 2025

	Q1 26	Q2 26	Q3 26	Q4 26
2y	3.30	3.25	3.27	3.30
5y	3.60	3.60	3.60	3.60
10y	4.00	4.00	4.00	4.05
30y	4.50	4.50	4.50	4.50

Source: BofA Global Research estimates.

BofA GLOBAL RESEARCH

GBP: Political Nemesis

Kamal Sharma
MLI (UK)

Themes: GBP old themes to haunt GBP

GBP's nemesis has returned once again in the form of political uncertainty and question marks over the leadership of the country. All other things being equal, the year had started off encouragingly for the UK: with macro data improving and political noise muted. However, such is the vulnerability of the pound to political uncertainty that recent news-flow has undone a large part of the good work for GBP. Further uncertainty lies ahead in the form of local elections at the end of May where we think political risk premium will rise and be a headwind for GBP. Uncertainty is high post May and remains a risk particularly if a leadership contest is triggered. This appears to be the consensus view and is a contributing factor to GBP underperformance. The contrarian view is that the PM survives the May tumult, which for us would pave the way for a meaningful GBP rally.

The key question is why this matters for GBP. Politics aside, the Achilles Heel for GBP has, and remains its fiscal position, which has been held together by the Fiscal Rule. Markets are questioning whether a change in the leadership of the Government will mean weaker adherence to those rules and potential fiscal profligacy. This is likely to manifest in a structurally higher idiosyncratic risk premium and weaker GBP as well as rising UK Term Premium. Against this backdrop, the BoE appears content to signal that it is approaching terminal rate setting which has helped place a floor under UK rates. We expect further easing in March and June though there are some risks to the final 25bps rate cut.

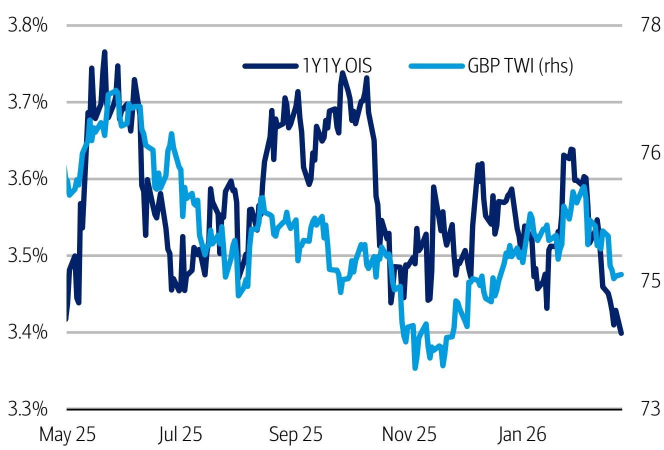
Forecasts: no changes

No changes.

Risks: all eyes on May local elections

The May Local Council elections pose the most significant risk to GBP should results lead to further question marks over the PM's leadership and question marks over the sustainability of the fiscal rules.

Exhibit 22: EUR/GBP vs 3mth normalized risk reversal
Terminal pricing has now found a floor



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 23: GBP forecasts
Our year-end 2026 EUR-GBP forecast is 0.84

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-GBP	0.86	0.85	0.84	0.84
GBP-USD	1.36	1.41	1.44	1.45

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 24: Major macro forecasts
BOE continues to cut interest rates

	2025F	2026F	2027F
Real GDP (% yoy)	1.3	1.2	1.4
CPI (% yoy)	3.4	2.2	2.0
Policy Rate (end of period)	3.75	3.25	3.25
Gen Gov Bal (%/GDP)	-4.5	-3.5	-3.0
CurAct Bal (%/GDP)	-3.7	-4.2	-4.2

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

CA rates: forecasts unchanged

Katie Craig
BofAS

Ralph Axel
BofAS

Themes: weak data and flatter CAD curve

Canadian economic data has been generally weak of late, supportive of our economist call for 50bp in BoC cuts in '26. While the market continues to price in a BoC largely on hold this year, the chances of a BoC cut are rising. Trade uncertatinty and tariffs from the US have structurally weakened the CA economy. The recent cancellation of IEEPA tariffs is likely a positive development for Canada, which had a blanket tariff of 35%. However, USMCA-compliant goods were exempt from those tariffs, leaving the effective tariff rate much lower. It is unclear if the 15% tariffs announced post IEEPA-ruling under Section 122 will include USMCA goods. Any preferential treatment through the USMCA would provide a relative benefit for CAD.

The rates market reaction to the tariff ruling has been relatively subdued, but weak economic data has driven the CAD 2s10s cuve 10bp flatter MTD, driven by the back-end.

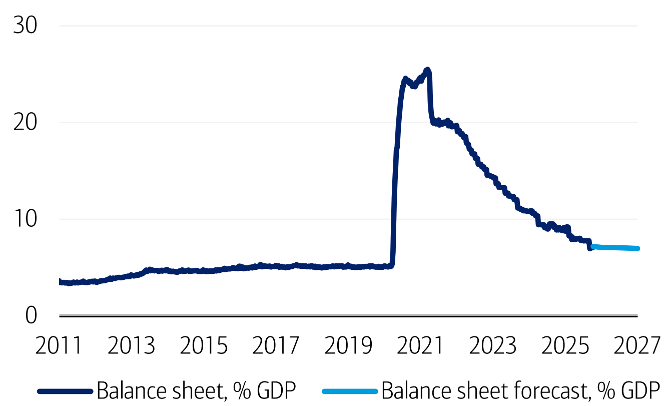
Forecasts: below forwards at the front-end

Our forecasts project CAD rates to fall below forwards, especially for front-end rates. We believe the market is underpricing risks of further BoC cuts and overpricing risks of the BoC lifting rates in mid 2026..

Risks: curve could flatten in slow down

Downside risks to growth and trade uncertainty may continue to weigh on back-end rates. But this should allow markets to then price more near-term BoC cuts, limiting the extent of curve flattening. If data comes in stronger, we could see more hikes priced into next year which could re-steepen the curve.

Exhibit 25: Bank of Canada balance sheet projection (CAD bn)
BoC is now buying bills to offset further decline in settlement balances



Source: BofA Global Research, Bloomberg, Bank of Canada

BofA GLOBAL RESEARCH

Exhibit 26: Government bond yield forecasts
2026 rate forecasts below forwards, especially for front-end rates

	Q1 26	Q2 26	Q3 26	Q4 26
2y	2.45	2.35	2.25	2.25
5y	2.95	2.85	2.75	2.75
10y	3.40	3.35	3.35	3.35

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 27: Swap rate forecasts
We see 10y swap spreads at 3.1% by YE '26

	Q1 26	Q2 26	Q3 26	Q4 26
2y	2.30	2.20	2.10	2.10
5y	2.75	2.65	2.55	2.55
10y	3.15	3.10	3.10	3.10

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

CAD: no changes

John Shin
BofAS

Themes: we see near-term upside risk for USD/CAD

For 2026, we keep our USDCAD forecast at 1.38 for first half of the year, and see the pair modestly drop back to 1.36 to end the year as economic conditions in Canada improve and trade uncertainty finally fades (Canada Year Ahead 2026, 01 December 2025). USDCAD briefly dropped toward a 1.36-handle at year-end 2025, largely on the back of narrowing nominal rate differential between the US and Canada. Into 2026, as US 2y yield increased on the back of more positive US data, the pair rose back above 1.38. Oil prices have also moved more in line with CAD, albeit inconsistently.

Looking ahead, we believe there is still more room for BoC rate hikes to get priced out in 2026, with risks also skewed more toward further rate cuts. To the contrary, we do not expect more Fed rate cuts to take place until after a new Chair is in place. As a result, rate differential may keep USD/CAD supported above 1.38 in the coming months.

At their last rate decision, the BoC did not provide explicit guidance on whether the next rate move will be a hike or cut, but it had further revised down the consumption forecasts for 2026 and 2027. (See Canada Watch: "BoC holds at 2.25%; we still expect cuts in 2026", 28 Jan 2026). in Q4. The growth outlook remains weak for Canada with elevated trade uncertainty, which should still weigh on CAD against global currencies, in our view.

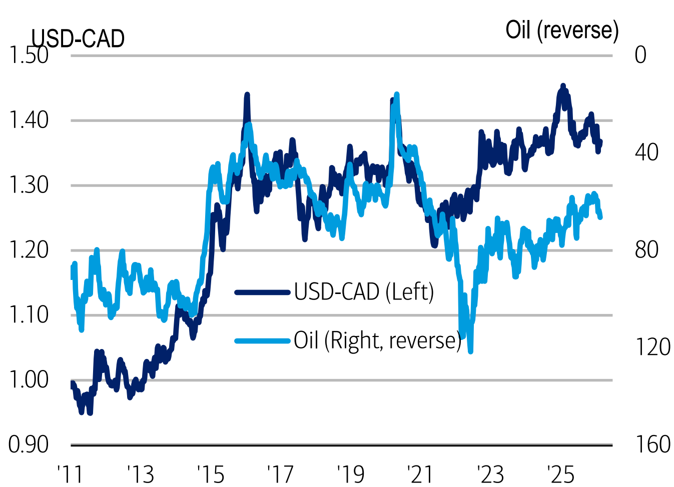
Forecast: expect more backloaded USD/CAD depreciation in 2026

No changes. We keep our forecast at 1.38 for first half of the year and see the pair falling again to 1.36 for 2026 year-end.

Risks: new tariffs shock or USMCA negotiation derails

New US tariffs or trade shocks could present USD upside risk to our downtrending USD/CAD forecast path for 2026.

Exhibit 28: USD-CAD recently moving with oil
USD-CAD and oil prices has lately had an inconsistent relationship



Source: BofA Global Research, Bloomberg.

BofA GLOBAL RESEARCH

Exhibit 29: USD/CAD FX forecast
We expect more backloaded USD/CAD selloff in 2026

	Q1 26	Q2 26	Q3 26	Q4 26
USD-CAD	1.38	1.38	1.37	1.36

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 30: Major macro forecasts
We see the next BoC rate move more likely to be a cut than a hike

	2025F	2026F	2027F
Real GDP (% yoy)	1.7	1.4	1.8
CPI (% yoy)	2.1	2.0	2.0
Policy Rate (end of period)	2.25	1.75	1.75

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

AU rates: CPI in focus

Oliver Levingston
Merrill Lynch (Australia)

AUD 10y rates too high

The RBA raised rates for the first time since 2023 in February and our economists forecast a second rate hike to end the cycle in May 2026. While 2026 rate pricing has moved closer to our base case (Exhibit 31), market pricing in 2027 and beyond implies rates will settle around the high-water mark of the previous cycle. 10y AUD yields are the highest in G10 and term premium is near the highest level in 15 years. We maintain our view that rates are unlikely to rise to 4.35% and restrictive policy will ultimately need to be unwound.

Rates remain well above our forecasts. The main reasons for the divergence are (1) we continue to see neutral cash rates around 3.5% so we do not think rate increases will be sustained over the medium run; and (2) we are more bullish on USTs than market forwards. In other words, G10 rates are likely to fall from here. Therefore we do not recommend fixing rates at this level.

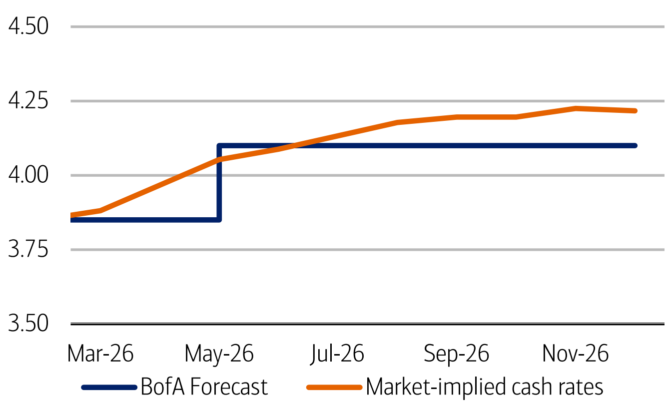
5s10s is too steep

We also note that 5s10s are unusually high at this point in the cycle. We use the spread between 6m OIS and overnight cash rates as a proxy for past hiking cycles (or expectation of hiking cycles). Since 2002, the average level for 5s10s curves during these periods is 20bp. Even after modest flattening pressure this week, 5s10s is trading around 36bp.

Near-term triggers for AU rate repricing

In the near term, there are two downside risks for AU rates: (1) the rates-sensitive parts of the housing market show possible signs of turning and the RBA will wait to see evidence of this policy transmission, which we anticipate will be forceful given most mortgages are floating-rate debt and AU household leverage is unusually high; (2) the risk that a weak labour print or soft 1Q CPI leads to a significant repricing of May RBA expectations is high. The RBA forecasts trimmed-mean inflation (q/q) will print 0.9% in 1Q, which is above every forecast in the RBA's recently published survey of market economists, including BofA (0.8% q/q, the highest forecast).

Exhibit 31: RBA cash rate – market expectations v BofA forecasts (%)
We expect cheaper front-end rates in 2026 but steepening in 2027



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 32: Government bond yield forecasts
RBA on hold = flatter curve, wide cross-market spreads vs USTs

	1Q 26	2Q 26	3Q 26	4Q 26
3m BBSW	3.85	4.10	4.10	4.10
2y Govt.	3.75	3.85	3.85	3.85
5y Govt	4.00	4.10	4.10	3.95
10y Govt	4.35	4.45	4.35	4.35

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 33: Swap rate forecasts
Swap spreads are likely to step down as supply steps up

	1Q 26	2Q 26	3Q 26	4Q 26
3y	3.85	3.95	3.95	3.95
10y	4.55	4.65	4.55	4.55

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

AUD: all that glitters...

Oliver Levingston
Merrill Lynch (Australia)

AUD: we recently raised our year-end forecasts

RBA policy rates are now higher than the US Fed's for the first time since 2017. We see further tailwinds from gradual increases in commodity prices and a fall in the dollar (especially vs Asia FX) boosting AUD/USD over the next few quarters. We raise our 4Q '26 and '27 AUD/USD forecast to 0.73 and note upside risks if weakness in AUD's historically strong beta to risk triggers a shift in AU super fund hedge ratios. Downside risk: crowded AUD longs.

Bullish on resources

Our commodity strategists see upside for the broader commodities index over the next few quarters. Assuming the historical beta to commodities remains stable, BofA commodity forecasts imply around 4% upside for trade-weighted AUD from current levels. See Exhibit 34. One of the challenges for AUD/USD has been the tight link between global iron ore market and China's sluggish property market. Our strategists also forecast iron ore will trade about 3% lower by year-end. Yet if history is any guide, a broad rally in the commodities basket should ultimately be bullish for AUD. Australian export prices are highly sensitive to global final demand, which is why AUD has a historically elevated beta to the broader commodities index vs iron ore specifically.

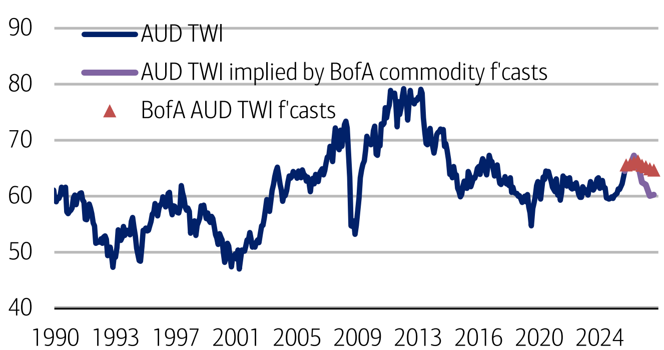
Debasement meets dedollarization

In Long AUD: the debasement trade in G10 FX,13 October 2025, we argued that AUD's uniquely high beta to precious metals, US equities and US inflation pricing suggests long AUD is an ideal debasement trade. We subsequently lowered our forecasts because of AUD's high beta to risk assets but price action in FX and equities suggests the risk of AUD/USD losing its high beta to risk sentiment is growing.

Changes in hedge ratios: tail risk, not our base case

To be clear, the hurdle for super funds to shift their hedge ratios has not been met. There are few examples of large or sustained falls in S&P 500 beyond April 2025 when AUD/USD fell through 0.60. Yet we remain alert to a scenario where US equities fall 10-15% and a coincident fall in the USD means AUD remains broadly stable. We would expect super funds to adjust their hedging programs in the aftermath, potentially sending AUD/USD higher in a move that could become self-reinforcing.

Exhibit 34: AUD TWI implied move and BofA AUD TWI forecasts (we raise our 4Q' 26 & '27 targets)
Assuming the 10y historical beta to RBA's index of commodity prices



Source: BofA Global Research, Bloomberg *note: AUD TWI implied derived from forecasts of RBA's ICP basket

BofA GLOBAL RESEARCH

Exhibit 35: AUD Forecasts
Our end-2026 AUD-USD forecast is 0.73

	Q1 26	Q2 26	Q3 26	Q4 26
AUD-USD	0.70	0.71	0.72	0.73
AUD-NZD	1.27	1.29	1.29	1.28

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 36: Major macro forecasts
We forecast growth recovering in 2026

Australia	2025F	2026F	2027F
Real GDP (% yoy)	1.9	2.0	1.8
CPI (% yoy)	2.8	3.7	2.8
Policy Rate (end of period)	3.60	4.10	3.60

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

NZD: more easing ahead

Oliver Levingston
Merrill Lynch (Australia)

Themes: RBNZ to leave rates at 2.25%

The RBNZ held the OCR at 2.25% last week but its statement and RBNZ communications were slightly more dovish than markets expected. The committee confirmed purhed back against a “premature normalization” of monetary conditions and we expect no hikes until Feb ’27.

Higher OCR track but dovish communications

The RBNZ's raised the OCR track slightly, suggesting a mild tightening bias but the statement highlighted the data dependent nature of their outlook, and how any policy normalization too soon could halt the economic recovery. The committee agreed that monetary policy would need to remain accommodative for some time to support a sustained recovery in the economy.

NZD – closer to neutral than before

Our expected path is 30bps below market expectation, a slightly narrower spread than before and we see NZD/USD stabilizing around current levels while AUD/NZD appreciates c. 1%.. Even still, positive carry should be generally supportive for AUD/NZD in ‘26/’27 and we continue to see risks skewed to the upside for AUD/NZD.

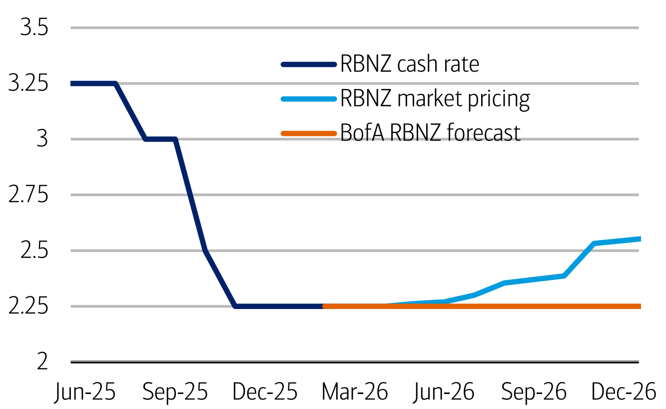
… but positioning remains a risk

Yet our FX and Rates Sentiment survey suggests BofA Securities’ global client base is more bullish NZD/USD than at any point since 2016. We remain alert to the risks of a sudden unwind. Near-term catalysts include the risk of a sudden spike in energy prices, which would be especially negative for (major energy importer) New Zealand. NZD/USD could be particularly vulnerable if a spike in energy had negative spillovers into equity markets, given NZD’s high beta to risk.

… and upside risks from the dairy sector have diminished

World dairy product prices have fallen to an 18-month low, reducing the risk of an export-driven rise in NZD. Upside risks for dairy prices like acceleration in dairy demand look improbable given China birth rates spiked in the Year of the Dragon (infant milk formula demand was pulled forward) and structural demand weakness from a fall in APAC (and global) fertility rates.

Exhibit 37: RBNZ market pricing vs BofA RBNZ forecast
We see lower policy rates than market pricing



Source: Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 38: BofA NZD forecasts
Our end-2026 NZD-USD forecast is 0.57

	Q1 26	Q2 26	Q3 26	Q4 26
NZD-USD	0.55	0.55	0.56	0.57
AUD-NZD	1.27	1.29	1.29	1.28

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 39: Major macro forecast
We forecast growth recovering in 2026

New Zealand	2025F	2026F	2027F
Real GDP (% yoy)	0.2	2.1	2.8
CPI (% yoy)	2.7	2.1	2.0
Policy Rate (end of period)	2.25	2.25	2.75

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

CHF: what goes up still goes up

Kamal Sharma
MLI (UK)

Themes: defying all forces

Another month and another strong showing for CHF which remains one of the best performing G10 currencies year-to-date. The challenges for the SNB are a familiar one but we sense that there is a denouement to this current period of CHF strength with the TWI approaching recent highs.

We have recently discussed the challenges that the SNB faces (see:FX Viewpoint: SNB: Time to think outside the box? 04 February 2026) and the lessons it can learn from other countries with similar macro characteristics. Singapore perhaps provides the closest comparison to Switzerland where the Monetary Authority of Singapore conducts policy exchange rate stability.

The valuation backdrop to CHF is well known and well versed. It remains the most overvalued currency in G10 and has so for a number of years. Yet despite this, there has been little indication that the trend will be reversed. Negative carry has not been enough to deter investors whilst the appetite to cut into negative seems low. For the SNB, FX interventions seem to be the most likely course of action.

The crucial nuance for the SNB is a broader perspective on CHF moves – a focus on TWI rather than bilateral moves. Given the reluctance of the SNB to push rates into negative territory, future interventions seem likely particularly if the TWI hits new highs.

Forecasts: no change in forecasts

No change in forecasts.

Risks: tariff disruptions

Another round of tariff turbulence is once again playing out; the risks, ahead of the US Mid-Term elections is for further global policy uncertainty which will enhance the roll of the safe haven status of the CHF.

Exhibit 40: CHF Real Effective Exchange Rate

TWI at all time highs my prompt an SNB response

Source: BofA Global Research, Bloomberg.

BofA GLOBAL RESEARCH

Exhibit 41: CHF forecasts

Our 2026 year-end EUR-CHF forecast is 0.96

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-CHF	0.94	0.94	0.95	0.96
USD-CHF	0.80	0.78	0.79	0.79

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 42: Major macro forecasts

Inflation again well below 2% in 2026

	2025F	2026F	2027F
Real GDP (% yoy)	1.2	1.1	1.5
CPI (% yoy)	0.2	0.4	0.7
Policy Rate (end of period)	0.00	0.00	0.00

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

NOK: excessive strength

Michalis Rousakis
MLI (UK)

Themes: Time to calm the bull. We prefer to buy it on dips

NOK has had an extraordinary start to the year, on par with AUD and outperforming the rest of G10. Our bias for NOK may be bullish, but we find its rally slightly overdone, with energy prices, Norges pricing, and stretched positioning potentially weighing on it in 1H.

The recent NOK outperformance has mainly been driven by the very hawkish January CPI print (50bp up vs Norges) and, relatedly, the very hawkish preliminary CPI estimate of Norway's wage committee (TBU), which led the market to almost price out Norges Bank rate cuts for this year. NOK has also been supported by oil prices, which rallied to over 70$/bbl from around 60$/bbl in early Jan. Of course, the broader macro background has been supportive for "high beta" currencies, amid solid US data, the German fiscal stimulus starting to show up in the data, and the Trump-Xi meeting likely going ahead.

However, we think markets have run a little ahead of themselves in the case of NOK for three reasons. First, while oil prices remain sensitive to the Iran-US standoff, our oil price bias remains bearish, with our commodities team expecting Brent to average 60$/bbl this year. Second, we still view a cut as more likely than a hike by Norges, and further NOK strength from here could prove self-limiting (see Europe Economic Weekly, 13 Feb 2026). Third, NOK longs look crowded, with EURNOK up/down vol hovering around the 80th percentile in the past week.

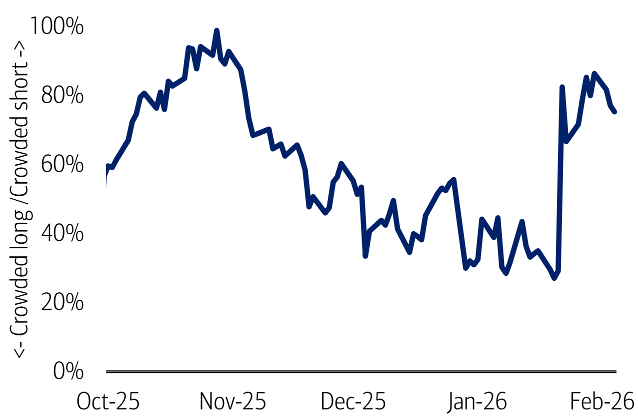
Forecasts: NOK likely to weaken in the short term; we prefer to buy it on dips

We continue forecast EUR-NOK at 11.30 at end-2026, with USD-NOK at 9.26 (EUR-USD 1.22). We expect NOK-SEK to trade around 0.93/0.94 this year.

Risks: Norges, US-Iran developments, Ukraine

Key risks to our bearish near-term forecast include growth acceleration in Norway or a spike in energy prices, potentially on US-Iran escalation. A Ukraine ceasefire, on the other hand, is a bearish risk, esp. if it comes alongside the partial lifting of sanctions.

Exhibit 43: Price action suggests EURNOK shorts are stretched
EURNOK 1m rolling up/down volatility, 1y percentile



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 44: NOK forecasts
Year-end EUR-NOK forecast of 11.30 in 2026

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-NOK	11.60	11.40	11.40	11.30
USD-NOK	9.91	9.50	9.42	9.26

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 45: Major macro forecasts
Norway recovery slower into 2026

	2025F	2026F	2027F
Real GDP (% yoy)	1.7	1.7	1.4
CPI (% yoy)	3.0	2.2	2.2
Policy Rate (end of period)	4.00	3.75	3.50

Source: Bloomberg and BofA Global Research estimates.

BofA GLOBAL RESEARCH

SEK turning neutral

Michalis Rousakis
MLI (UK)

Themes: How much strength can the Riksbank take?
SEK has rallied meaningfully this year, but we doubt SEK strength can extend near term. External conditions remain supportive, but a key takeaway from the Riksbank's Jan meeting is that continued SEK strength does not bode well for its inflation outlook.

The big macro picture remains positive for SEK. We forecast more USD weakness (EUR-USD at 1.22 by end-26), expecting US growth to remain solid, China to adopt easing measures in late 1Q/early 2Q and, more importantly, German growth to surprise consensus positively this year (see Germany Viewpoint 11 Feb '26).

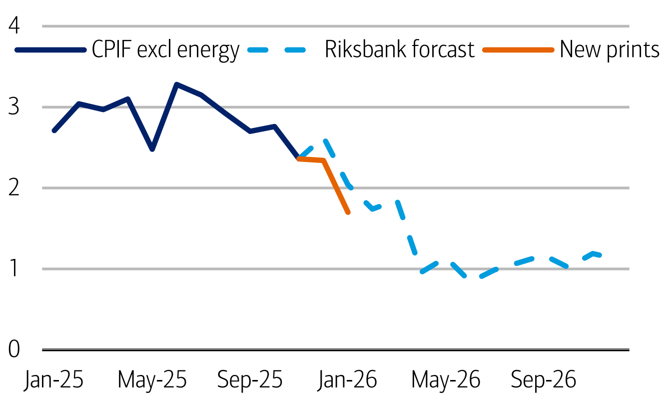
However, recent domestic development make us doubt SEK's rally will continue near term - we are neutral for now. CPIF inflation printed below target in January, with core 30bp below the Riksbank's forecast. Relatedly, the Riksbank's Jan meeting was dovish, with SEK taking centre stage in the minutes: the Riksbank said it likely underestimated SEK's disinflationary impact.

As a result, market pricing now suggests a cut is more likely than a hold this year after fully pricing a rate hike at the start of the year. Our base case remains for a hold but we do not count on the Riksbank helping SEK near term.

Forecasts: Very gradual appreciation towards year end
We continue to forecast EUR-SEK at 10.50 by year-end, with USD-SEK at 8.61. We see NOK/SEK somewhat lower, more because of potential NOK weakness than SEK strength.

Risks: European fiscal, Swedish consumer sentiment, Fed, Riksbank
Upside risks include a stronger than we expect rebound of the Swedish consumer and an earlier/faster than we expect growth acceleration in Germany. Downside risks include a more hawkish Fed and a more dovish Riksbank (we are keen to see how incoming governor Göran Hjelm impacts the balance of the board).

Exhibit 46: The Riksbank partly blames SEK appreciation for inflation undershooting their forecast
Riksbank CPIF forecast vs realized new prints



Source: Sveriges Riksbank, Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 47: SEK forecasts
Our EUR-SEK forecast at end-2026 is 10.50

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-SEK	10.80	10.70	10.60	10.50
USD-SEK	9.23	8.92	8.76	8.61

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 48: Major macro forecasts
The Riksbank is very serious about inflation

	2025F	2026F	2027F
Real GDP (% yoy)	1.8	2.1	1.9
CPI (% yoy)	2.7	1.2	1.7
Policy Rate (end of period)	1.75	1.75	1.75

Source: Bloomberg and BofA Global Research estimates

BofA GLOBAL RESEARCH

EM Asia

China: China meets growth target despite softer demand

Helen Qiao	Claudio Piron	Benson Wu	Xiaoqing Pi	Anna Zhou
+852 3508 3961	+65 6678 0401	+852 3508 5047	+852 3508 6584	+852 3508 3909

Growth meets 2025 target helped by net exports

China's GDP grew by 4.5% yoy in 4Q25, bringing full-year growth to 5.0% and meeting policymakers' targets. Sequentially, GDP grew by 1.2% qoq sa. Yet the GDP deflator is estimated to have remained negative for an 11th consecutive quarter at around –0.7% in 4Q. By sector, primary, secondary, and services industries expanded by 3.9%, 4.5%, and 5.4% yoy, respectively. From a contribution perspective, net exports accounted for 32.7% of total growth in 2025 (1.6pp), marking the highest contribution rate since 1997, while final consumption expenditure contributed 52% (2.6pp).

Industrial production (IP) rose by 5.2% yoy, underpinning the full-year gain at 5.9%. Within sectors, manufacturing was the standout performer, with output increasing 5.7% yoy in Dec.

Retail sales softened further in Dec, rising only 0.9% yoy. While the diminishing impact of consumer subsidies continued to weigh on home appliances and autos, the largest drag came from petroleum and fuel sales (-11% yoy) due to lower prices.

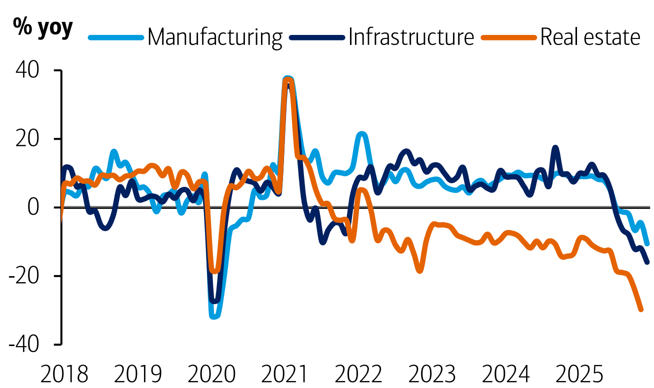
Fixed-asset investment (FAI) contracted by 16% yoy in Dec, weakening further and resulting in a full-year decline of -3.8%. The downturn in both infrastructure (-16.0% yoy) and manufacturing (-10.6% yoy) intensified in Dec.

Growth target met; near-term major stimulus still unlikely

China met its 2025 growth target, primarily due to strong exports and resilient industrial output, even as domestic demand continued to weaken. The record high net export contribution reflects both export resilience amid trade frictions and, more importantly, the depth of domestic demand, and import, weakness. That said, policy complacency from reaching the growth target is likely to delay meaningful stimulus until further deterioration becomes evident in the data. Aside from some targeted, sector specific measures to support infrastructure investment in the near term, we expect the window for broader policy easing to reopen only after mid Mar, once the Jan–Feb data are released. Any signs of softening exports or a more pronounced downturn in domestic demand could accelerate the case for more substantive policy support.

Exhibit 49: Both manufacturing and infrastructure FAI growth contracted further

FAI sector breakdown (2018-25)

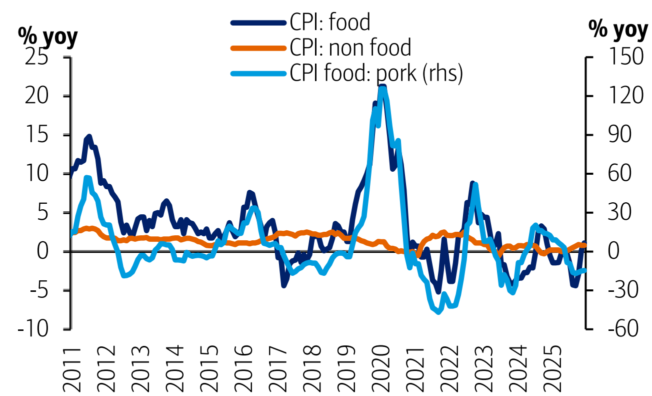


Source: BofA Global Research, CEIC, NBS

BofA GLOBAL RESEARCH

Exhibit 50: Dec food price rose by 1.1% yoy; non-food CPI inflation steady at 0.8% yoy

CPI inflation (2011-25)



Source: BofA Global Research, CEIC, NBS

BofA GLOBAL RESEARCH

Dec CPI inflation rose to 0.8% yoy, continued its mending path

Dec headline CPI inflation rose by 0.8% yoy (vs. 0.7% in Nov), boosted mainly by food prices (+1,1% yoy), especially from elevated vegetable prices (18.2%). PPI deflation narrowed to -1.9% yoy in Dec. It is encouraging to see CPI inflation at mending path. But if fresh food prices normalize, inflation may flatten again in 1Q.

Financial conditions tightened in Dec

The BofA China Financial Condition Indicator (FCI) tightened to 96.3 in Dec (vs. a revised reading of 95.6 in Nov), due to weak TSF growth in the last six months. New RMB loans (RMB908bn) and TSF (RMB2208bn) came in above estimates but remained subdued. The PBoC announced a 25bp cut to structural monetary policy tool interest rates and a new program for private enterprises. In our view, the targeted measures should reduce the likelihood of a near term broad based policy rate cut.

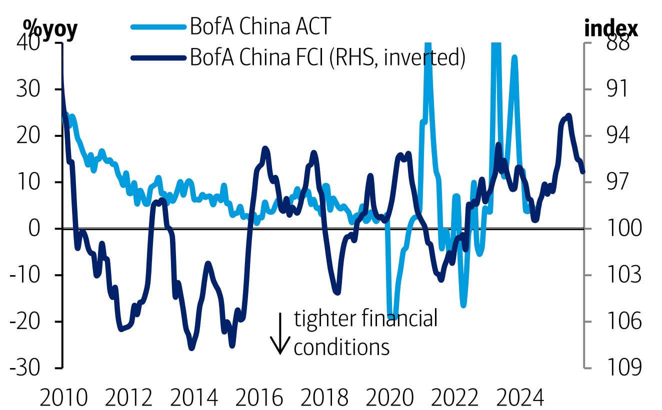
Strategy – USD/CNY appreciation to 6.70 end 3Q and 4Q 2026

We have revised our USD/CNY forecast to 6.70 for end 3Q and 4Q from 6.80, previously, to reflect China's large current account surplus and attendant appreciation pressure. Additionally, China's policy makers are signaling a bias for more appreciation with their daily fixings. CNY appreciation likely will remain manageable as real exchange rate valuations remain cheap and exporters are increasingly invoicing in CNY, thereby transferring some of the FX risk to global importers of Chinese goods.

From a flow perspective, we expect more USD selling from exporters in 2026. Recent US-China de-escalation improves exporters' outlook—our economists see 3% export growth next year despite a high base. Additionally, exporters' willingness to sell USD is rebounding since 1Q25 as RMB sentiment improved. Indeed, we expect exporter hedging to rise, as hedging costs fall due to US Fed cuts and rising forward points.

Even if deflation persists, fiscal stimulus—not monetary easing or CNY depreciation—will dominate. A possible April Trump-Xi summit favors CNY appreciation diplomacy. Depreciation offers little competitiveness gain as CNY is at decade lows in trade-weighted real terms, while risking US-China tensions and worsening price pressures.

Exhibit 51: Financial Condition Indicator tightened to 96.3 in Dec
BofA China FCI (2010-25)



Source: BofA Global Research, CEIC, WIND
Disclaimer: The indicators identified as BofA China **Activity Coincident Tracker** (ACT) and BofA China **Financial Condition Indicator** (FCI) above are intended to be indicative metrics only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These indicators were not created to act as benchmarks.

BofA GLOBAL RESEARCH

Exhibit 52: We expect CNY appreciate to 6.70 end 2026
USD/CNY forecasts (2026)

	Q1 26	Q2 26	Q3 26	Q4 26
USD-CNY	6.90	6.80	6.70	6.70

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 53: We expect 2026 annual GDP below 5.0%
We expect growth to moderate in 2026 and 2027

China	2025F	2026F	2027F
Real GDP (% yoy)	5.0	4.7	4.5
CPI (% yoy)	-0.1	0	0.5
7d OMO rate (eop)	1.4	1.2	1.2
Fiscal Bal (%/GDP)	-4.0	-4.0	-4.0
CurAct Bal (%/GDP)	3.3	2.9	2.0

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

India: Dissipating clouds of uncertainty

Rahul Bajoria
BofAS India

Abhay Gupta
Merrill Lynch (Singapore)

Smriti Mehra
BofAS India

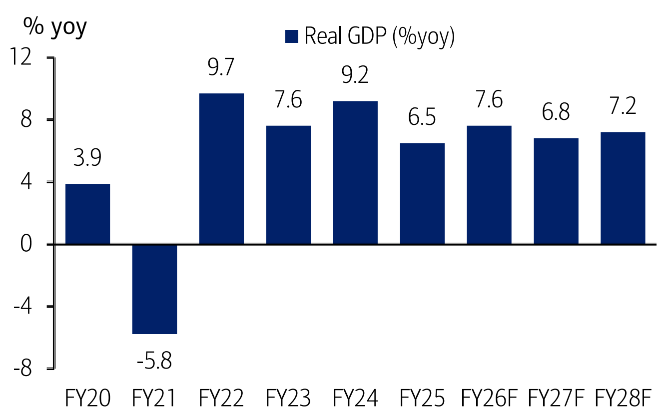
Growth: Uncertainty has been lowered post India-US deal

India's economic backdrop has remained strong with high frequency indicators continuing to point to strength. With one of the key overhangs now resolved following the announcement of the interim trade deal with the US that entailed India's tariffs to be lowered to 18% (likely by mid-March), we see growth upside risks to India's FY27 GDP projections of 6.8%, but we plan to undertake a thorough review before making any changes once the new GDP series is out (India Watch: India-US trade deal – Finally a breakthrough 03 February 2026). With the current strength in the both demand side indicators supported by the GST cuts, we see Q4 2025 India GDP at 7.5% yoy while the nominal growth should continue to remain tepid at 7.7%. However, it must be noted that this is projected using our current numbers and the the statistical ministry will provide a new GDP series with the revised base of 2022-23. This data base will have data from new sources like enhanced use of GST filings, e-Vahan data, payment transactions data among others. The new data set will be unveiled with back data for three years, i.e. from March 2023.

Inflation: New CPI, Old trends? forecasts lowered

The new CPI basket released on 12th Feb 2026 with the base year as 2024 was released that updated India's inflation basket after almost twelve years of using the old index with 2012 as its base year. We did an in-depth analysis by reconstructing a back series using the revised base and classification to examine the changes in past price trends. Broadly, we have concluded that the new index is fairly like the old index, in the sense that it does not show any dramatically different price trends: the five-year average for the back series is ~20bps lower than the 2012 series. Basis the changes in the CPI index, we have lowered our forecast to 4.3% in 2026 from 4.4% and 4.4% in 2027 from 4.6% (India Viewpoint: New CPI index: What do we know so far).

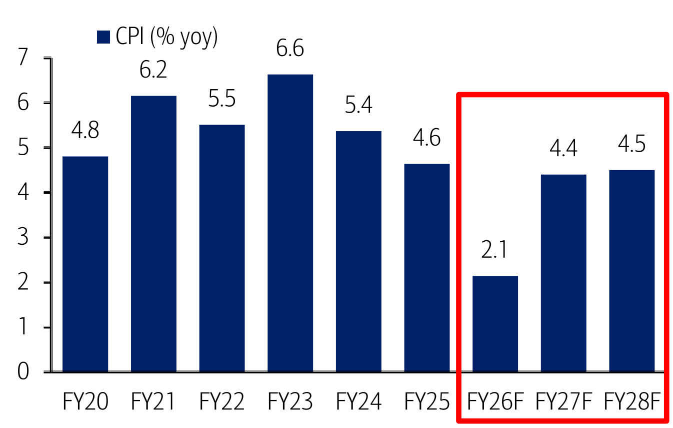
Exhibit 54: Real GDP forecasts – annual basis (FY terms)
GDP forecast upgraded for FY26 and FY27



Source: BofA Global Research, Haver

BofA GLOBAL RESEARCH

Exhibit 55: Headline inflation forecasts
Headline inflation to be at 2.1% yoy in FY26 and rise to 4.4% in FY27



Source: BofA Global Research, Haver

BofA GLOBAL RESEARCH

Monetary policy: Long pause ahead

The RBI delivered a neutral hold in February meeting keeping the repo rate unchanged at 5.25%. This came on the back of the recently concluded EU-FTA deals and the US-India deal. Keeping a positive bias on liquidity, the Governor maintained that they would take pre-emptive measures as and when required however, did not announce anything specific in the policy. RBI's guidance and near-term projections show no urgency on part of RBI to change policy parameters, but since they indicated they will wait for new economic data for GDP and inflation for FY27 assessment, we believe the RBI is essentially done with its rate cutting cycle, unless the GDP data releasing end of this month shows weaker economic trajectory than what the current GDP data suggests.

External:Services exports going strong, current account in check

India trade negotiation with the US finally achieved a breakthugh in the form of an interim trade deal which removed the punitive penaltives on India and brings the tariffs lower to 18% with India (i) agreeing to stop purchasing Russian crude oil, (ii) purchase more crude oil from US and Venezuela, (iii) commitment to purchase USD 500bn of US goods over a period of five years (USD 100bn annually). With the announcement, India's tariffs relative to its Asian peers fall dramatically (India Viewpoint: FAQs on US-India Trade Deal: What do we know so far). While the January trade data showed the deficit widening, it was driven by gold/silver imports. India's exports to US fell 22% yoy but we expect this to reverse in the coming months (India Watch: January Trade: Deficit widened while services getting stronger).

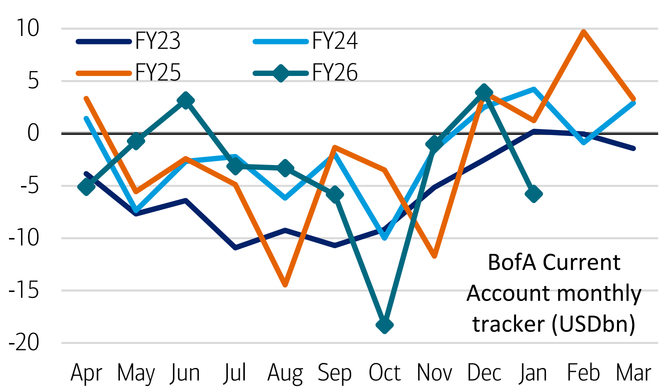
Strategy: Bullish on trade deal pivot and undervaluation gap

Macro backdrop has been improving for INR with stronger growth leading to FDI inflows, albeit with little success in restraining outward DI flows. But negative sentiment around tariffs has overridden the macro improvement and rather built-in significant risk-premium in INR in terms of valuation vs peers. One-way INR depreciation may have also fostered speculative demand for USDs and triggered under-hedging/over-hedging by exporters/importers respectively. We believe that recently announced trade deal would be a critical pivot for sentiment and flows, as visible in equity inflows since the announcements. Market concerns about reserves accumulation by RBI remain but we see lower chances of USD accumulation above 89/USD level due to large REER undervaluation and record high spot reserves. RBI's forward positions have been mostly rolled to longer tenor while spot reserves offer buffer against remaining maturities.

Fiscal-policy push for stimulating consumption via foregone tax revenues has added to the issuance pressure already prevalent from elevated states' bond supply. RBI's OMO debt purchases and liquidity injections would likely support demand for front-end bonds, but the curve is likely to steepen during such a move..

Exhibit 56: Monthly Current Account tracker (USD bn)

Monthly current account deficit moved sideways, trade deficit only expanded at the margin in Dec



Source: BofA Global Research, CEIC

BofA GLOBAL RESEARCH

Exhibit 57:INR forecasts for 2026

End-2026 forecast at 88/USD

	Q1 26	Q2 26	Q3 26	Q4 26
USD-INR	89.0	89.0	88.5	88.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 58: Major macro forecasts- (CY terms)

Growth-inflation balance continues to remain steady

India	2024	2025F	2026F
Real GDP (% yoy)	6.7	7.7	6.8
CPI (% yoy)	4.9	2.2	4.3
Policy Rate (end of period)	6.50	5.25	5.25
Fiscal Bal (%/GDP)	-4.7	-4.4	-4.4
Cur Act Bal (%/GDP)	-0.8	-0.6	-0.8

Source: BofA Global Research

BofA GLOBAL RESEARCH

Indonesia: All-in to support growth

Kai Wei Ang
Merrill Lynch (Singapore)

Abhay Gupta
Merrill Lynch (Singapore)

Rahul Bajoria
BofAS India

Policymakers see GDP growth stepping up in 2026…
The Indonesia Economic Outlook 2026 on 13th Feb provided greater clarity on government spending and Danantara's investment plans. However, discussions on fiscal revenues remain limited. Officials expect GDP growth to pick up from 5.4% in 4Q25 to 5.5-6% in 1Q26E. The key drivers are (1) jump in central government spending by 30% y/y, and (2) increased investment spending from Red-White cooperatives, affordable housing program and roll-out of 6 Danantara projects. Officials also express hopes that GDP could step-up from 5.1% in 2025 to 5.6% in 2026E

… with nutrition meal spending for 1Q26 > full year 2025…
…23.2K central kitchens have commenced operations, with another 13.7K applications under review. Disbursements are estimated at IDR 62tn in 1Q26E, exceeding the outturn for full year 2025 (IDR 52tn). The program's fiscal multiplier is estimated around 7x, with each kitchen seen generating 5 jobs and benefiting 5-10 suppliers.

…and Danantara now operating in "full execution" mode
On domestic investments, Danantara provided details of (1) 20 down-streaming projects worth $26bn this year, for which 6 projects worth $7bn were launched in early Feb 2026, and (2) 4 other "priority" programs spanning waste-to-energy, casutic soda, data centre and agriculture investments (with a major Australian Entity).

We access GDP against potential growth & micro data…
On our part, we monitor closely how GDP tracks against BI's potential growth estimate (5.8-6.2%) and other domestic demand indicators. Recent data showed a modest improvement, with car sales turning positive, motorcycle sales remaining firm, and MSME loans growth bottoming (but still at weak levels).

…see Hajj Village project expansion adding to FX needs…
Village project in Saudi Arabia. This would be on top of an earlier agreement for other acquisitions, which led to some FX conversion earlier (see Jan '26 BI Review). In this context, we note officials' discussions on 12th Feb (outside the forum) regarding efforts to improve FX demand-supply balance in the Hajj & Umrah sector. Total fund circulation is currently estimated at IDR 40tn ($2.4bn) presently, with cash outflows accounting for roughly 80%. Officials aim to (a) reduce the share of cash outflows to 50% - including proposed expansion of cross-border Quick Response Code Indonesia Standard (QRIS) payment code acceptance in Saudi Arabia, which would curb the need for large upfront FX conversions – and (b) to boost inbound tourism.

Revenue targets for 2026 seem a stretch presently…
At the present run-rate, projections for revenue to increase by 14% in 2026 seem a stretch. Revenue contribution from announced new measures is small, and includes higher duties for coal (IDR 20tn) and gold (IDR 3tn). Instead, key revenue strategies are centered around tax system modernization and stricter enforcement of tax compliance.

… and expect greater urgency on revenue measures
Although revenue plans were not discussed at the forum, we expect greater agency to strengthen tax administration and boost revenue collections in the coming months, amid increasing scrutiny from credit rating agencies. We note some progress in Jan 2026, with revenue jumping by around 30% y/y, albeit from a low base in 1Q25 due to technical disruptions during the rollout of new digital tax collection platform "Coretax".

If new measures are to be considered over the next 1-2 years, those that appear less challenge to implement, in our view, include: (i) Rationalizing business incentives and special tax treatments, (ii) Introducing new taxes on products deemed environmentally friendly. Discussions over the past years have centered around diapers, wet wipes and plastic utensils; and (iii) Broadening the VAT base by lowering the registration threshold and reducing exemptions.

Still scope for BI to bring policy rate closer to 4%

We still see scope for BI to cut policy rates in 2026, amid increasingly focus on promoting sustainable growth. Over the course of 2025, BI has aggressively lowered policy rates and stepped up measures across a broad range of policy levers, some of which are in coordination with Ministry of Finance (MOF). However, policy transmission to commercial bank lending rates remain somewhat weak thus far. Into 2026, headroom for liquidity measures seems rather limited, and thus imply possibly greater reliance on policy rate tool. Our base case is for BI to lower its policy rate to 4% by end-2026, and bringing it below the pre-pandemic low of 4.25%.

Strategy: Unfavorable seasonality ahead for IDR

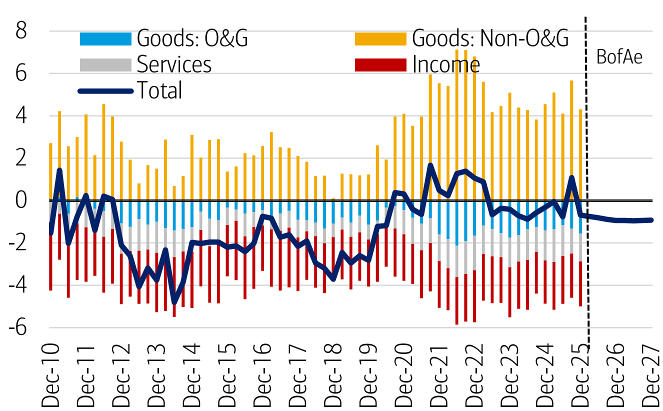
Indonesia's domestic fundamentals have improved over the last year in terms of trade surpluses and contained CAD. IDR also appears attractive on valuation after weakening against most regional peers last year. This was despite tighter regulations to improve USD supply in the onshore banking system from exporters and strong defense by BI to meet hedging demand from importers. We believe that the broader policy push toward expansionary policies to support growth remains marginally negative factor for IDR. That has narrowed front-end rate differentials and also led to concerns around a fiscal risk premium being priced into IDR. BI is closely monitoring IDR volatility, and recent DNDF maturities indicate consistent smoothing to slow the pace of IDR depreciation over the last few months. We believe BI may have to continue providing USD supply to the market in order to meet upcoming USD demand tied to festival-related travel and imports. That may keep IDR under pressure over the next month before heading into unfavorable 2Q seasonality due to dividend payments.

Indonesia bonds may benefit from further policy easing this year, but that would be contingent on BI being able to contain IDR weakness. More liquidity injections and macroprudential easing measures remain on the table, which would be supportive of front-end bonds. Fiscal concerns have returned to the forefront as last year's deficit tested the 3% deficit cap. The combination of monetary easing and long-term fiscal concerns would support further steepening of the curve.

Risks to both growth and inflation are to the upside (from low levels)

Risks to growth are to the upside, if implementation of domestic policies are executed well. Risk to inflation is also to the upside (from low levels), if negative output gap closes faster and exerts upward pressure on core inflation.

Exhibit 59: Current account balance (% of GDP)
We see current account deficit closer to 1% of GDP in 2026-27



Source: BofA Global Research, Haver

BofA GLOBAL RESEARCH

Exhibit 60: IDR forecasts for 2026
Forecast end-26 at 16,200/USD

	Q1 26	Q2 26	Q3 26	Q4 26
USD-IDR	16,500	16,400	16,300	16,200

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 61: Major macro forecasts
Indonesia's growth seen picking up

Indonesia	2025	2026F	2027F
Real GDP (% yoy)	5.1	5.3	5.5
CPI (% yoy)	1.9	2.5	2.7
Policy Rate (end of period)	4.75	4.00	4.00
Fiscal Bal (%/GDP)	-2.9	-2.8	-2.8
CurAct Bal (%/GDP)	-0.1	-0.8	-0.9

Source: BofA Global Research

BofA GLOBAL RESEARCH

Korea: Export resilience continues

Benson Wu
+852 3508 5047

Chun Him Cheung, CFA
+ 852 3508 3644

Ting Him Ho, CFA
+852 3508 8744

Macro: Export resilience contributed to record high 25' C/A surplus

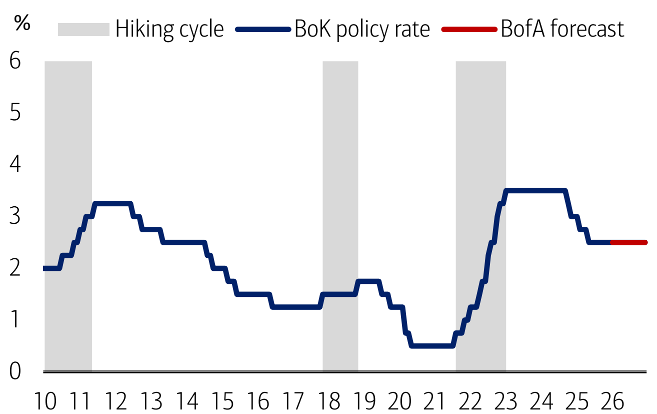
Growth divergence continued ahead of LNY holidays

While growth momentum rebounded in recent months, divergence between domestic demand and external demand growth continued ahead of Lunar New Year holidays. In Dec, headline IP moderated to 1.0% yoy (1.5% mom) in Dec from 1.2% in Nov, largely driven by the yoy slowdown in manufacturing sector (-1.7% yoy). Meanwhile, facility investment declined further (-9.8% yoy, -3.6% mom), and construction activities remained in contractionary zone (-4.5% yoy, +12% mom). Externally, export momentum accelerated as semi export reached US$20bn in Jan, surging by 103% yoy, the highest yoy growth on record. The Feb 20-day export data shows momentum is still accelerating, as per-day export grew by 47% yoy. Against the backdrop of AI frenzy, manufacturing PMI also accelerated further to 51.2 in Jan, largely on rising new orders (53.1 vs 51.0 previously).

Strong C/A surplus in 2025 offset by KFA outflow

Thanks to the resilient semi export, trade surplus reached USD137bn in 2025 (in BoP terms), driving annual current account (C/A) surplus to a historical high of USD123bn, or 6.8% of GDP (vs 5.3% of GDP in 2024). That said, the notable inflow was almost completely offset by elevated outflow in direct investment and portfolio investment, which amounted to USD25bn and USD89bn respectively. Notably, retail outflow to overseas equity reached USD31bn in 2025 and the trend continues in the start of 2026. Going ahead, we expect the ongoing US-Korea investment deal and NPS's hedging activities to be the two major factors driving USDKRW movement.

Exhibit 62: We expect no more cut in 2026, putting terminal rate at 2.5%
BoK's policy rate forecasts



Source: BofA Global Research estaimtes

BofA GLOBAL RESEARCH

Exhibit 63: We expect USDKRW to end at 1,395 by 4Q26
KRW forecasts

	Q1 26	Q2 26	Q3 26	Q4 26
USD-KRW	1,435	1,420	1,415	1,395

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 64: We expect real GDP growth to grow at 1.0% in 2025 before accelerating to 1.9% in 2026
Major macro forecasts

Korea	2025	2026F	2027F
Real GDP (% year-on-year)	1.0%	1.9%	2.1%
CPI (% year-on-year)	2.1%	2.1%	2.0%
Policy Rate (end of period)	2.50%	2.50%	2.50%
Fiscal Bal (%/GDP)	-2.4%	-1.0%	-2.1%
CurAct Bal (%/GDP)	6.6%	6.1%	5.2%

Source: BofA Global Research

BofA GLOBAL RESEARCH

Expect progress in US-Korea investment in 1Q

In late Jan, amid slow progress on Korea's US-bound investment commitments and ongoing non-tariff barriers affecting US goods and services, President Trump announced plans to raise tariffs on Korean imports to 25%, up from the current 15%. In response, Korea's National Assembly established a special committee in mid-Feb to advance the necessary legislation. With the recent momentum seen in the US-Japan investment agreement, we expect the Korean government to accelerate its own efforts. Following the set up of a special committee in mid-Feb, lawmakers expect that the legislation could be passed in early Mar.

Strategy: Fundamental moving towards Korean Won strength

After the large bouts of volatility beginning in 3Q25, the Korean won is starting to regain its footing, supported by a combination of factors: a very strong trade surplus (driven primarily by tech exports), explicit government measures to stabilize the currency (including NPS hedging and the Reshoring Investment Account legislation), the Bank of Korea's hawkish turn (marking the end of the cutting cycle), and forthcoming WGBI inflows starting in April 2026. Together with our expectation for a moderate weakening in the USD against global peers, we view the macro backdrop as favourable for the KRW through the remainder of 1H26.

Since 3Q25, another key driver of USDKRW has been the broader direction of USDJPY. With the Japanese election now behind us and the Bank of Japan demonstrating a greater willingness to support a stronger JPY, our G10 FX strategists have shifted to a near-term neutral stance on the yen. A stabilizing JPY should, in turn, help reinforce KRW strength and allow Korea's solid economic fundamentals to be more fully reflected in the currency.

Hong Kong: Accelerating growth momentum

Ting Him Ho, CFA
Merrill Lynch (Hong Kong)

Chun Him Cheung, CFA
Merrill Lynch (Hong Kong)

Macro: 4Q25 GDP surprised to upside; Annual growth reached 3.5% in 2025

4Q25 GDP surprised to upside again; 3.5% growth in 25’

Hong Kong’s 4Q25 growth edged higher to 3.8% yoy (from 3.7% previously), beating consensus once again. In sequential terms, growth expanded further by 1.0% qoq s.a. in 4Q from 0.9% previously, the fifth quarterly expansion in a row. As a result, 2025 annual GDP growth reached 3.5%. This would be the strongest number since 2017, if excluding the 6.5% in 2021 (due to the very weak base in 2020).

Resilient exports, rebound in investment, & continued consumption recovery

The acceleration in GDP growth in 4Q has been broad based, but external sector still showed the highest yoy growth., Goods export growth rose to 14.8% yoy (from 11.3% previously), while goods import growth was even stronger (17.8%). Export of services slightly moderated but remained strong (6.2%), likely on recovery in tourism and financial services.

Meanwhile, the recovery in domestic demand was eye-catching. Fixed capital formation rebounded by 11.2% yoy from 2.8%, the strongest yoy growth since 4Q23. Yet no detailed breakdown is available at the moment. Private consumption grew further by 2.1% yoy from 1.7 previously, although government consumption growth moderated to 1.7% yoy.

HK economy on track for a broad-based recovery in 26’

For almost a year, quarterly yoy growth has surprised to the upside. The number this time is once again consistent with the 4Q GDP in Taiwan released today, which surprised the consensus by a wide margin (Actual: 12.7% yoy, consensus: 8.8%). A common factor has been the strong regional export upcycle, as Taiwan benefits from the AI demand and Hong Kong benefits from the strong re-export activities, especially increased trade flow with Taiwan (and other Asian exporters).

Overall, growth momentum could stay strong in 2026, with a potential acceleration in domestic demand. Our property analysts recently upgraded their forecasts and now expect home prices to rise by 5-10% in 2026 and 5% in 2027 (equivalent to 20% from 2H25 to 2027 through this upcycle), supported by lower inventory and positive rental carry. This could imply further impetus to private consumption as we see in previous upcycles. Fiscal policy could also be looser than previously expected in FY26-27 (to be announced in late Feb), as surge in stocks and property stamp duties would relax the budget constraint. Taken together, we see upside risks to our 2.5% growth forecast in 2026.

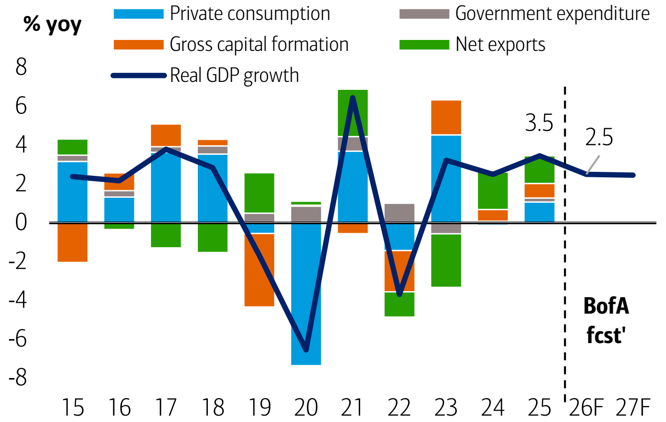
FX and Rates: HKD funding eases in 1Q26

HKD funding has been on a general path of decline since the start of 2026. Starting 2026, HKD funding has remained loose despite occasion periods in which the Hang Seng has rallied which in theory should increase equity leverage and funding pressure in the Hong Kong banking system.

Spot USDHKD currently at 7.82 despite the Fed remaining broadly in a cutting cycle for 2026. We view spot being relatively elevated in the band to reflect loose funding conditions locally as Hong Kong banks lend free. However, with 700 pips away from the strong-side of 7.75, there little risk of a near-term increase in aggregate balance. Hence, we think funding will likely normalize and tighten post Lunar New Year and spot USDHKD will move back closer towards the mid-point at 7.80.

Exhibit 65: We expect GDP growth to slightly decelerate from 3.5% in 2025 to 2.5% in 2026, with some upside risks

Revised Hong Kong growth forecasts



Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 66: We expect spot HKD to stay close to 7.75 in 2026

HKD forecasts

	Q1 26	Q2 26	Q3 26	Q4 26
USD-HKD	7.80	7.78	7.75	7.75

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 67: We expect GDP growth to slightly decelerate from 3.5% in 2025 to 2.5% in 2026, and CPI to moderately rise to 1.8% in 26'

Summary of major forecasts

Hong Kong	2025	2026F	2027F
Real GDP (% yoy)	3.5	2.5	2.5
CPI (% yoy)	1.4	1.8	1.9
Policy Rate (end of period)	4.00	3.50	3.50
Fiscal Bal (%/GDP)	-2.8	-2.1	-0.6
CurAct Bal (%/GDP)	9.7	6.2	5.6

Note: Policy rate refers to HKMA discount rate. Fiscal balance is consolidated balance of fiscal year.

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Malaysia: Strong growth; Steady policy

Kai Wei Ang
Merrill Lynch (Singapore)

Abhay Gupta
Merrill Lynch (Singapore)

Rahul Bajoria
BofAS India

Themes: Constructive growth and benign inflation outlook

GDP growth for 2025 was strong at 5.2%, and above the official forecast range from Oct 2025 (4-4.8%). We expect GDP growth for 2026 to hold up at 4.7%, on the back of (a) strong capex growth, as earlier step-up in investment approvals continue to be realized, (b) higher tourism receipts on the back of more active marketing efforts (2026 designated as "Visit Malaysia Year"), and (c) private consumption growth staying firm given healthy labour market conditions.

Some market participants view the constructive growth outlook warranting a reduction in the degree of monetary accommodation, and thus an imminent 25bps Overnight Policy Rate (OPR) hike. We do not see clear triggers for a hike this year as yet. Our measures for inflation persistence & pervasiveness (which BNM pays close attention to) should remain manageable for some time. Stronger MYR over the past year should also help to reduce input costs. That said, we see rising risk of a OPR hike in 1H27, in the event core inflation rises to ≥2.5% (currently: 2.3%) and growth momentum remains strong through end-2026.

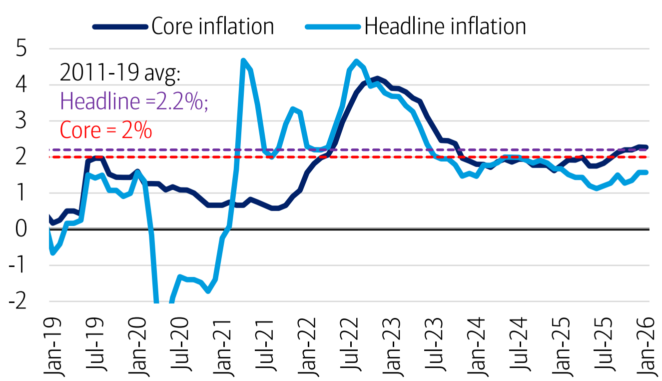
Strategy: Strong growth outturn supports appreciation

Malaysia has remained on a stronger footing versus regional peers on strong growth outturn and lower tariff impact on exports. That has reduced market expectations for any further easing by BNM and built up some chances of tightening in the rates curve. That would likely turn interest rate differentials in favor of further MYR appreciation by reducing the negative carry. BNM's oversight of exporters' USD conversion has also kept a lid on USD demand due to capital outflows. MYR has likely also benefitted from increasing hedge ratios on foreign assets of domestic investors. The key impediment to further appreciation may come from potential accumulation of FX reserves by BNM. This may be guided by a need to build a reserves buffer and also to inject durable liquidity into the banking system via spot intervention. So far, BNM comments don't indicate worries about elevated MYR NEER or loss of export competitiveness to peers.

Growth risks broadly balanced; Inflation risks to the upside (from low levels)

Risks to growth seem two-sided, and subject to global trade backdrop. Inflation risks are tilted to the upside, but only because inflation is coming from low levels.

Exhibit 68: Core and headline inflation (% yoy)
Inflation remain close to historical average



Source: BofA Global Research, Haver, DOSM

BofA GLOBAL RESEARCH

Exhibit 69: MYR forecasts over 2026
End-2026 forecast at 4.0/USD

	Q1 26	Q2 26	Q3 26	Q4 26
USD-MYR	4.15	4.10	4.05	4.00

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 70: Major macro forecasts
Macro conditions constructive amid strong growth and low inflation

Malaysia	2025	2026F	2027F
Real GDP (% yoy)	5.1	4.7	4.2
CPI (% yoy)	1.4	1.7	2.0
Policy Rate (end of period)	3.00	2.75	2.75
Fiscal Bal (%/GDP)	-3.7	-3.5	-3.2
CurAct Bal (%/GDP)	1.6	2.3	2.4

Source: BofA Global Research

BofA GLOBAL RESEARCH

Philippines: End of rate cuts?

Jojo Gonzales
Philippine Equity Partners

Abhay Gupta
Merrill Lynch (Singapore)

BSP cuts to 4.25%, seemingly leaving the door open to more

The Banko Sentral ng Pilipinas (BSP) cut its policy rate by 25bp in Feb-2026, to 4.25%. We think this may already be the terminal rate of the BSP, especially with inflation on an up-trend. However, the BSP seemed to leave the door open to further cuts, subject to conditions on business confidence, economic growth, and inflation. The BSP increased its 2026 average inflation estimate to 3.6%, from 3.2%. It also lowered its 2026E GDP growth estimate to 4.6%, from 5.4%. BofA places 2026E inflation and GDP growth at 3.0% and 4.6%, respectively.

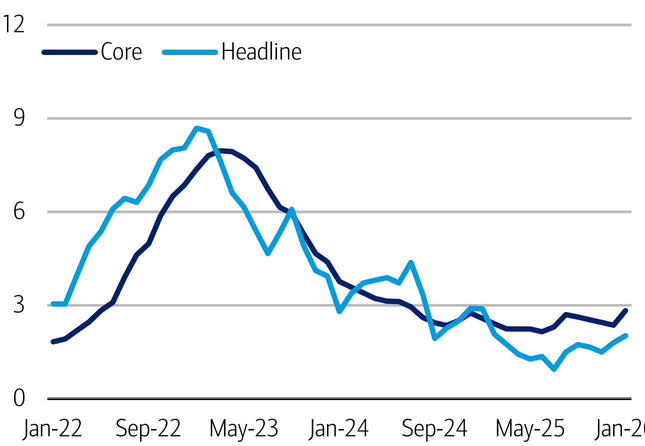
Inflation may be more cost-push

The increased inflation expectation of the BSP is rooted in cost-push concerns. The January inflation rate (+2.0% YoY, +0.7% MoM) was lifted not by food but by fuel, electricity and home maintenance costs. The peso also touched a new record low of P59.4/$ in mid-Jan and may have also contributed to inflation, at least for imported inputs. As 2026 infolds, we also anticipate some upward pressure on rice prices as the government resumed rice importation (following a 4Q hiatus coinciding with peak domestic harvest) and increased the rice tariff from 15% to 20%, to offer some protection to domestic producers.

Strategy – PHP supported by smoothing and exports strength

PHP's wide twin deficits have kept it on a weaker footing versus regional peers. Recent trade deficits have narrowed on encouraging trends in exports, which may improve the CA deficit over time. PHP may remain range-bound as BSP's focus on maintaining FX stability has capped the topside in USDPHP. During 2H25, BSP reduced smoothing under a new intervention framework to mitigate inflation impact of PHP weakness and contain only sharp moves. But as PHP tested closer to 60/USD, it appears that BSP's smoothing operations have been triggered. During this period, seasonal improvement in trade deficit during Feb'26 has also supported PHP. That would keep PHP range-bound for now while following broader USD moves. Over medium-term, we believe loose fiscal and monetary policies would lead to PHP weakness due to sustained wide twin-deficits..

Exhibit 71: Core, headline inflation bottomed in mid-2025
Core inflation was 2.8% in Jan-2026 and closer to the mid-point of the 2-4% inflation target range of the BSP. Headline inflation is at 2.0%, and rising



Source: CEIC data

BofA GLOBAL RESEARCH

Exhibit 72: PHP forecasts over 2026
PHP forecasted at 57.0/USD by end-2026

	Q1 26	Q2 26	Q3 26	Q4 26
USD-PHP	58.0	57.5	57.5	57.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 73: Major macro forecasts
We expect GDP growth to be fairly similar in 2025 and 2026

Philippines	2024	2025E	2026E
Real GDP (% yoy)	5.7	4.4	4.6
CPI (% yoy, base year 2012)	3.2	1.7	3.0
Policy Rate (end of period)	5.75	4.50	4.25
Fiscal Bal (%/GDP)	-5.7	-6.0	-6.1
CurAct Bal (%/GDP)	-3.8	-4.0	-4.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Singapore: Policy tightening underway

Kai Wei Ang
Merrill Lynch (Singapore)

Abhay Gupta
Merrill Lynch (Singapore)

Rahul Bajoria
BofAS India

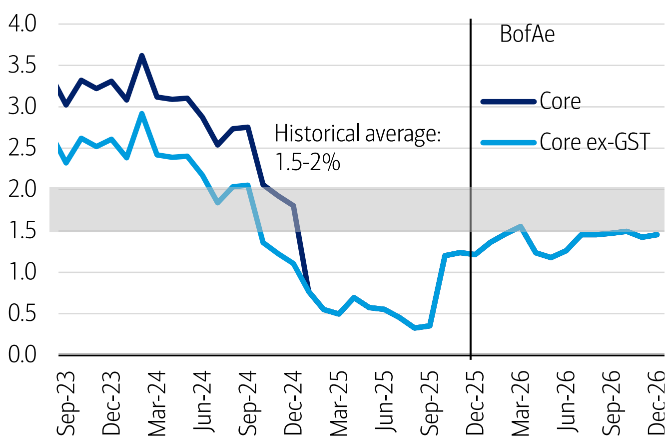
Themes: Growth conditions sanguine; MAS to commence policy tightening
GDP growth was strong at 5% in 2025, and above trend-pace growth of 2-3%. We expect GDP growth in 2026 to remain firm at 3.3% even against a high base. Key growth drivers include (1) generally healthy labour markets and household balance sheets, (2) manufacturing capacity addition (e.g. UMC, Micron, Novartis, AbbVie), and (3) tailwinds from tourism recovery, including lift from Chinese tourists avoiding travel to Japan. Meanwhile, Budget 2026 would provide further support to growth, with fiscal impulse for FY26 (Apr 2026 to Mar 2027) projected at +0.6% of GDP.

We think that MAS had set a low bar for near-term tightening, and our base case remains for MAS to steepen the S$NEER slope by 50bps each in Apr 2026 and Oct 2026. This would bring the "terminal" slope for this cycle to 1.5% p.a. Our expectation is premised on growth momentum holding up over the next few quarters, with continued positive output gap and firm wage growth seen lifting core inflation closer to historical average of 1.7-1.8% in 2027.

Strategy: Higher SNEER and rates to tighten policy
SNEER has moved higher toward a range of 1.5–1.7% above the midpoint on our model. This is based on hawkish policy guidance from MAS after growth data surprised to the upside. In a reversal of policy bias from last year, a hawkish tilt reduces need for MAS to keep financial conditions too loose. For time being, stronger SNEER has done the needful tightening but we believe higher rates would form part of the mix in order to facilitate further tightening and keeping SNEER elevated within the band. Otherwise, attractive carry on short SNEER would pull SNEER below the current levels. We like short SNEER on the back of high carry and negative correlation to USD weakness. Slope tightening in the April meeting would reduce the negative carry on SNEER and likely result in capital inflows that would support stronger SGD and SNEER.

Upside risk to growth and inflation
Singapore's economy is highly open; If global trade flows remain resilient, this could upside risks to our GDP forecasts. By extension, possibility of a more positive output gap in 2026 would exert upward pressure on medium-term inflation outlook.

Exhibit 74: Core inflation forecast
We see core inflation approaching historical average range in 2026



Source: BofA Global Research, Haver

BofA GLOBAL RESEARCH

Exhibit 75: SGD forecasts for 2026
End-2026 forecast at 1.25/USD

	Q1 26	Q2 26	Q3 26	Q4 26
USD-SGD	1.280	1.270	1.260	1.250

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 76: Major macro forecasts
We see growth staying above potential pace

Singapore	2025	2026F	2027F
Real GDP (% yoy)	5.0	3.6	2.4
CPI (% yoy)	0.9	1.8	1.5
Policy Rate (end of period)	-	-	-
Fiscal Bal (%/GDP)	1.3	0.5	0.2
CurAct Bal (%/GDP)	16.7	16.4	16.1

Source: BofA Global Research

BofA GLOBAL RESEARCH

Taiwan: surging exports in 2025

Xiaoqing Pi
Merrill Lynch (Hong Kong)

Chun Him Cheung, CFA
Merrill Lynch (Hong Kong)

Exports finished the year strong

Taiwan's exports rose 43.4% yoy in Dec, remaining elevated despite moderating from 56.0% yoy in Nov and coming in slightly below market expectations (consensus: 48%). Imports increased by 14.9% yoy (vs. 45.0% in Nov), resulting in a wider trade surplus of US$19.4bn. Export growth continued to be driven overwhelmingly by technology shipments, while non-tech exports softened further. For full-year 2025, exports surged 34.9% yoy, largely reflecting robust AI-related demand.

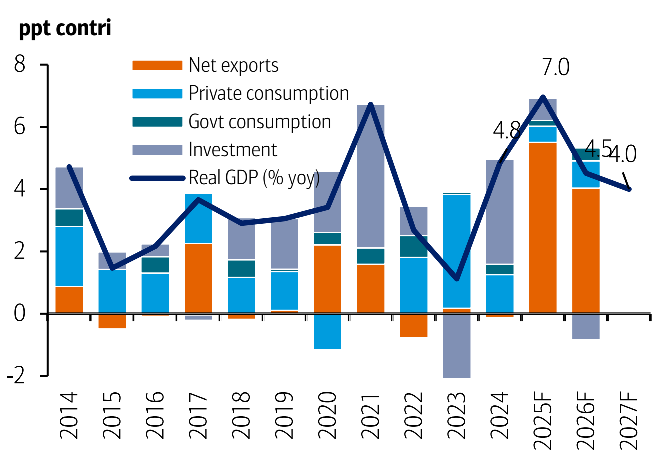
We expect AI-related demand to continue underpinning Taiwan's export performance into 2026, supporting overall economic growth amid sustained global AI investment. However, the outlook is clouded by prolonged trade negotiations with the US, alongside currency strength and potential tariff risks, which are likely to continue weighing on non-tech export sectors.

Strategy: TWD FX: Steady as she goes

Realized volatility in spot USDTWD has declined as the spot FX market experiences more balanced two-way flows, while volatility in the NDF points market has increased as life insurers structurally reduce their hedging in response to regulatory changes. However, despite these regulatory adjustments, we expect lifers' hedge ratios to settle at an average of around 40%. This implies that USDTWD forward-selling flow will continue, albeit at a reduced scale. As a result, we believe the fair value of NDF points has shifted higher compared with the period prior to the regulatory overhaul, but fair value should remain negative given Taiwan's status as a significant net creditor to the rest of the world.

Secondly, despite recent volatility in net inflows into Taiwanese assets, spot USDTWD has remained relatively stable. With lifers transitioning to a lower hedge ratio under the updated regulatory regime, we think the CBC has a strong incentive to maintain low realized volatility in USDTWD. We continue to expect USDTWD to move lower in 2026, consistent with our view of a broadly weaker global USD. However, the historical beta of USDTWD versus the broad USD index appears to have structurally declined, suggesting the currency will appreciate in a more gradual and predictable manner.

Exhibit 77: We expect 2025 GDP growth at 7.0% yoy
Taiwan GDP contribution by expenditure



Source: BofA Global Research, DGBAS

BofA GLOBAL RESEARCH

Exhibit 78: We expect USDTWD to edge lower in 2026
TWD forecasts

	Q1 26	Q2 26	Q3 26	Q4 26
USD-TWD	31.4	31.2	31.0	30.8

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 79: We continued to expect 4.5% GDP growth for 2026
Major macro forecasts

Taiwan	2025F	2026F	2027F
Real GDP (% yoy)	7.0	4.5	4.0
CPI (% yoy)	1.7	1.3	1.7
Policy Rate (end of period)	2.00	2.00	2.00
Fiscal Bal (%/GDP)	-1.6	-2.4	-2.0
CurAct Bal (%/GDP)	17.7	20.2	20.8

Source: BofA Global Research estimates

BofA GLOBAL RESEARC

Thailand: Upcoming election

Pipat Luengnaruemitchai
Kiatnakin Phatra Securities

Abhay Gupta
Merrill Lynch (Singapore)

Theme: Strong investment drives 4Q25 GDP upside surprise

Thailand's GDP grew faster than expected in 4Q25, expanding +2.5% YoY and +1.9% QoQSA, beating market forecasts. For the full year 2025, GDP grew +2.4% YoY. The service sector improved, led by a sharp surge in construction supported by rising private and public investment, particularly in infrastructure projects. Private consumption also strengthened, boosted by durable goods and vehicle purchases. However, tourism remained a drag as service exports fell due to declining tourist arrivals while manufacturing growth stayed weak. In addition, changes in inventory contributed a significant +1.4ppt to GDP growth in 4Q25. Excluding inventory, demand-side indicators grew by +1.1% YoY, broadly in line with market expectations.

The stronger-than-expected growth was mainly driven by an acceleration in investment and construction activity, which was largely supported by carry-over budget. If the strong fiscal spending continues, we expect this to provide upside risk to our 2026 GDP forecast and for the BOT to keep the policy rate unchanged during the February meeting.

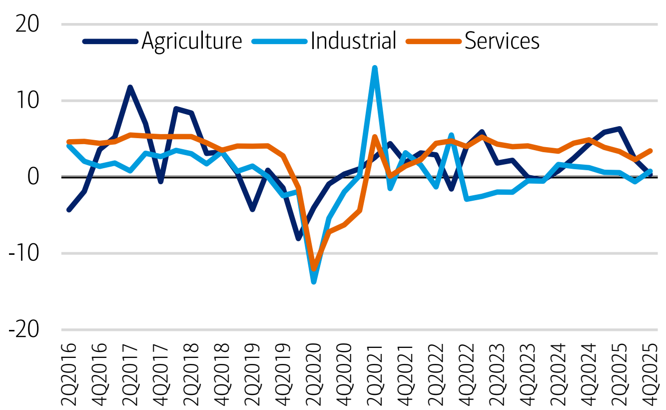
Key risk

Firstly, if rising political uncertainty causes any delay in elections certification and government formation, the budget process could be delayed for FY2027 which could create a drag on fiscal impulse that was crucial in lifting growth in 4Q2025. Secondly, contractions in credit growth continue which could create a future drag on consumer spending.

Strategy: Surging FDI flows and exports support THB

Positive surprise on growth and exports recently would likely improve sentiment, reduce chances of monetary easing and pare-back verbal rhetoric from the government against THB appreciation. Surging basic balance surplus on strong FDI inflows would ease any concerns about THB competitiveness and open-up room for further appreciation. Clear majority result in the recent election reduces political uncertainty and has already resulted in strong equity inflows. As THB gets closer to 31/USD, it would be important to watch for policy resistance and smoothing flows. Going into 2Q, we would also be wary of THB correction due to large negative CA seasonality from dividend outflows and low tourism season. Beyond that, surplus basic balance flows and broader USD weakness would support THB appreciation this year.

Chart 1: Thailand GDP growth by components (%YoY)
Services rebounded from construction while manufacturing stayed weak



Source: NESDC, KKPS

BofA GLOBAL RESEARCH

Exhibit 80: USD/THB forecasts for 2026
End-2026 forecast at 30/USD.

	Q1 26	Q2 26	Q3 26	Q4 26
USD-THB	30.7	30.5	30.3	30.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 81: Major macro forecasts
We look for GDP growth to slow over medium-term

Thailand	2025F	2026F	2027F
Real GDP (% yoy)	2.4	1.6	2.1
CPI (% yoy)	-0.1	0.9	1.0
Policy Rate (end of period)	1.25	1.00	1.25
Fiscal Bal (%/GDP)	-4.8	-4.3	-3.8
CurAct Bal (%/GDP)	3.1	1.6	1.9

Source: BofA Global Research

BofA GLOBAL RESEARCH

EEMEA

South Africa: Budget Preview: A turning point for fiscal stability

Tatonga Rusike
MLI (UK)

Budget 2026 Preview: consolidation gains

We expect no major tax hikes from the Finance Minister's 2026 Budget on 25 February. The main budget deficit is likely to improve to -3.8% of GDP from -4.1% in FY25 due to favourable revenue collection and a tighter grip on spending. Following the State of the Nation (SONA) presentation we will be closely watching spending risks: water infrastructure spending, making the temporary social relief distress (SRD) grant permanent, and SOE support.

25/26 fiscal deficit declining

The fiscal performance in 2025 fiscal year has been helped by higher growth in tax revenues, benefiting from a commodity boom in gold and other precious metals. The Medium Term Budget Policy Statement (MTBPS) targets are set to be outperformed even further. While revenues are largely in line with MTBPS revisions, there is likely to be a small miss. That is, corporate income tax (CIT) and VAT should meet MTBPS targets, but pay as you earn (PAYE) is set to under-collect by up to R10billion. The deficit reduction has been helped by underspending relative to targets. Overall expenditure is undershooting MTBPS targets by R40billion. R10 billion lower debt service partly contributes to this. Nominal expenditure growth is tracking 6% year on year.

Overall, we estimate the 2025/26 main budget deficit at -4.1% compared to the government baseline of -4.5%. Even so, we have assumed headroom of 0.2% of GDP increased spending to year-end by increasing the run rate above 7%. That means we could see a sub-4% print for the first time since 2016. This should become the new normal for the 2026 Budget and the medium term.

2026 budget baseline: staying on MTBPS path

The National Treasury (NT) has indicated 2026 is an important turning point for public finances. The large primary surplus is enough to stabilise debt. That means headline deficits of less than 4% and a primary surplus of at least 1.5% of GDP over the medium term. In our baseline, we estimate that the deficit will continue to trend lower at -3.8% of GDP relative to NT's -3.6%. We believe there is pressure to increase government spending, but there is also room to do so without jeopardising the fiscal framework. Both can be wins at the same time.

Our revenue assumptions are slightly conservative compared to NT's baseline: about R10 billion lower. We slow the pace of CIT and VAT revenue growth compared to 2025 fiscal year. We expect no new taxes after the VAT debacle in 2025/26, with the budget ultimately passed at third reading. But commodity revenues have helped ease pressures and led to a much lower deficit than originally anticipated. As a passive way of increasing tax revenue, the government is likely to continue using bracket creep (not adjusting personal income tax categories for inflation).

SOE support contained but entities not out of the woods

We don't expect new allocations for major SOEs such as Eskom. Eskom's R230 billion 3-year funding support is nearing completion (end of March 2026). Only R10 billion will still be outstanding, to be disbursed in 2028/29. Eskom is well positioned for the end of this support, as it has turned around some of its metrics. Electricity supply has improved, posting a profit for the first time in 8 years. However, there is no solution to the still-rising municipal debt, which could require government financial support. In September 2025, outstanding municipal debt to Eskom stood at over R100 billion.

Main risks – changes in global risk weakening ZAR

Main risks to our outlook are global risks- to changes in international oil prices or US policies (a less dovish Fed) that could lead to a stable USD and a weaker ZAR. Domestic risks could relate to GNU tensions that could weigh on financial markets and economic performance.

Exhibit 82: Quarterly Inflation, policy rate and exchange rate forecasts
We project stronger ZAR reaching at 15.6 by end of 2026.

	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quartetly CPI	3.5	3.5	3.4	3.8	3.8	3.7	3.4	3.1
Repo path	6.5	6.5	6.25	6	6	6	6	6
USD-ZAR	16.1	15.8	15.7	15.6	15.4	15.7	16.0	16.2

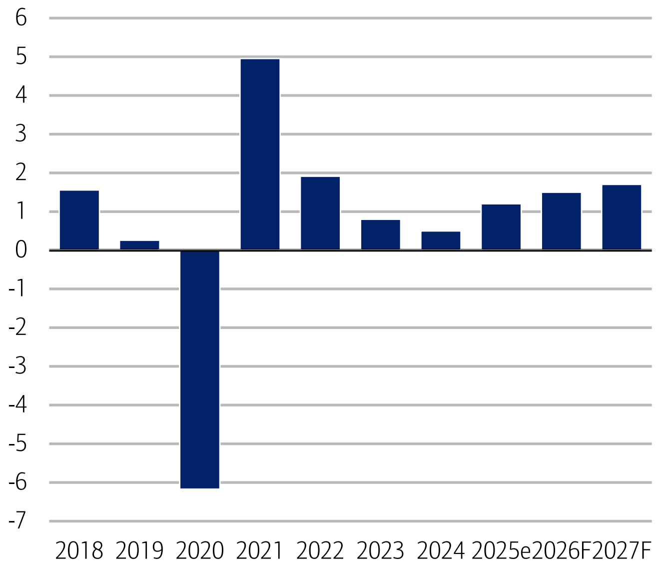
Source: BofA Global Research

BofA GLOBAL RESEARCH

Strategy: the ZAR to outperform forwards

A weaker dollar and undervaluation should support a stronger ZAR, which should also outperform the forwards. Improvements in terms-of-trade should also support the rand appreciation.

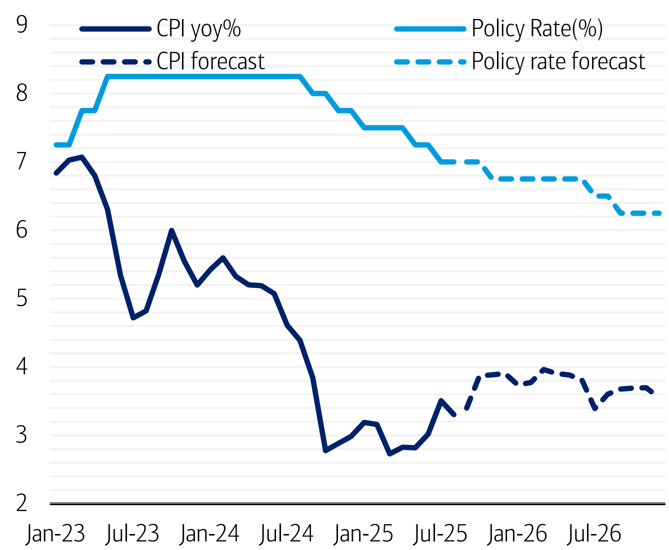
Exhibit 83: South Africa annual real GDP growth (%)
Real GDP growth set to improve to 1.5% in 2026, from 1.2% in 2025



Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 84: South Africa inflation and monetary policy outlook
Easing cycle to be resumed in 2H 26, year-end 2026 policy rate of 6.25%



Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Türkiye: March cut is not a done deal

Hande Kucuk
MLI (UK)

Themes: February inflation in focus

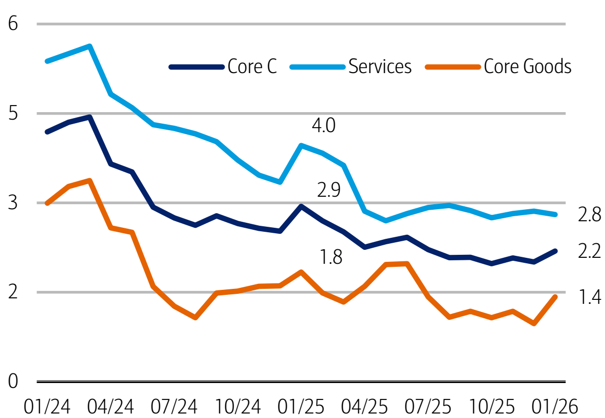
Following January's high print (4.84% mom), food-driven inflation pressures likely persisted in February (BofAe: 2.76% mom). Webtufe (web-scraped daily Turkish CPI) nowcasts point to 6.9% mom food inflation, driven by surging vegetable prices, dairy hikes and Ramadan seasonality. In SA terms, we expect headline inflation to ease to 2.8% mom from January's 2.9%. Any February print above last year's 2.27% mom would lift annual inflation. We expect 31.27% yoy (vs. 30.65% yoy in January and 30.89% yoy in December).

The CBRT sees these food pressures as largely temporary and expects vegetable prices to drop as supply normalises in Q2. In its first Inflation Report of the year (12 February), the Bank kept its interim inflation target at 16%, raising the forecast range slightly (to 15-21%) and signalling a tight stance. While Governor Karahan did not rule out further cuts, he stressed the importance of monthly prints in policy decisions, pointing to lower cuts in September and January in reaction to upside surprises in inflation. With our forecasts showing two-month cumulative inflation approaching 8%, and the risk of inflation expectations reacting to the most recent data, the case for a March cut has materially weakened, in our view. Moreover, upside risks related to geopolitical developments and their impact on oil prices have increased, and domestic demand has continued to grow at a solid pace into 1Q26.

March MPC is a close call

Given the recent communication (during Inflation Report presentation) implying a high bar for a pause, we expect a 50bp cut on 12 March (to 36.50%). This would slow the pace versus January's 100bp and December's 150bp. However, we do not rule out a pause in March — the details of the February print, leading indicators for March inflation, and geopolitical developments might tilt the probabilities in favour of a pause. Notwithstanding a smaller cut or a pause in March, we expect disinflation and rate cuts to continue in 2Q26 in the absence of a persistent oil price shock. We maintain our end-year forecasts for 24% yoy headline inflation and 31% policy rate, but with risks to the upside

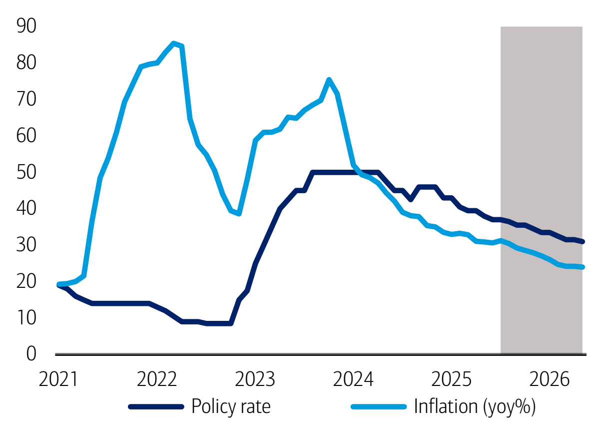
Exhibit 85: Monthly Core Inflation (%, SA)
Seasonally adjusted core inflation ticked up in January



Source: Turkstat, Haver

BofA GLOBAL RESEARCH

Exhibit 86: Inflation and rates forecasts (%)t
We see end-year inflation at 24% and policy rate at 31%



Source: BofA Global forecasts

BofA GLOBAL RESEARCH

High real rates support the demand for Turkish assets and reserve accumulation

As of 13 February, YTD inflows reached $7.3bn ($5.4bn into TURKGBs, $1.9bn equities), while banks' FX swap position (a proxy for carry trade) rose $3.4bn. Locals' FX and gold deposits grew $2.6bn YTD (+$5.9bn retail, -$3.3bn corporates), driven by gold. These inflows, along with higher gold prices, lifted reserves: gross reserves rose $17.9bn YTD ($2.6bn FX, $15.2bn gold) to $211.8bn, and net reserves ex swaps increased $14bn ($5bn FX, $9bn gold) to $81.6bn.

Current account financing remains manageable

We expect foreign portfolio investment to contribute more to the financing of the current account deficit this year. Current account balance was in a deficit of $25.2bn (1.6% of GDP) in 2025, and we expect it to widen to $33bn (1.8% of GDP) in 2026, remaining below historical averages at 3% of GDP. Upside risks related to oil prices, domestic demand and gold imports will be key to watch, but we expect the financing of the current account deficit to be manageable under the policy mix with high real rates and fiscal discipline.

Fiscal performance continues to improve

With primary expenditure growth aligned with inflation (32% yoy), and tax revenue growth remaining strong (49% yoy), the 12M trailing primary surplus reached 0.7% of GDP in January (from 0.4% in December, the highest since 2022). Meanwhile, 12M trailing fiscal balance was flat at -2.9% of GDP.

Forecasts

We see inflation at 24%, policy rate at 31% and growth at 4.3%.

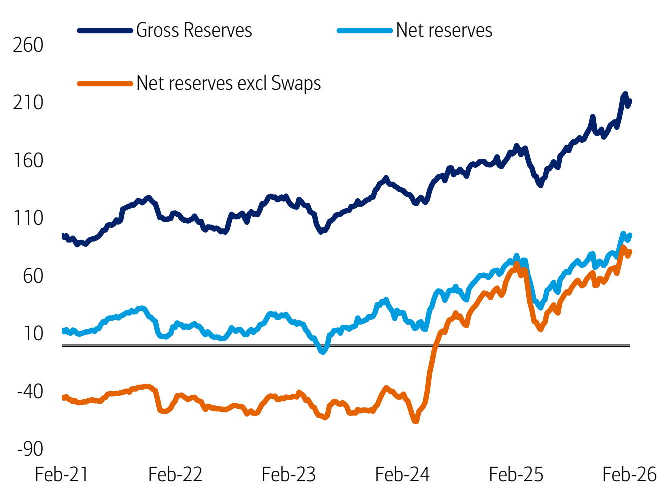
Main risks

Oil prices and geopolitical events.

Strategy: the TRY to outperform forwards

Our forecast remains below forwards. The central bank remains committed to real currency appreciation. Carry is high and macro policies are supportive for continuous adjustment. The central bank has enough reserves to support the currency.

Exhibit 87: Gross and net reserves ($ bn)
Gross and net reserves supported by inflows and gold prices



Source: CBRT, Haver

BofA GLOBAL RESEARCH

Exhibit 88: TRY forecasts
We expect TRY to appreciate in real terms

	Q1 26	Q2 26	Q3 26	Q4 26
USD-TRY	44.3	46.3	48.3	50.7

Source: BofA Global Research

BofA GLOBAL RESEARCH

Table 1: Major macro forecasts
High inflation and external financing needs weigh on medium term growth

Türkiye	2025F	2026F	2027F
Real GDP (% yoy)	3.8	4.3	4.7
CPI (% yoy)	30.9	24.0	21.0
Policy Rate (end of period)	38.0	31.0	26.0
Fiscal Bal (%/GDP)	-2.9	-3.1	-3.9
CurAct Bal (%/GDP)	-1.6	-1.8	-2.4

Source: BofA Global Research

BofA GLOBAL RESEARCH

Czechia: dovish turn despite sticky core

Mai Doan
MLI (UK)

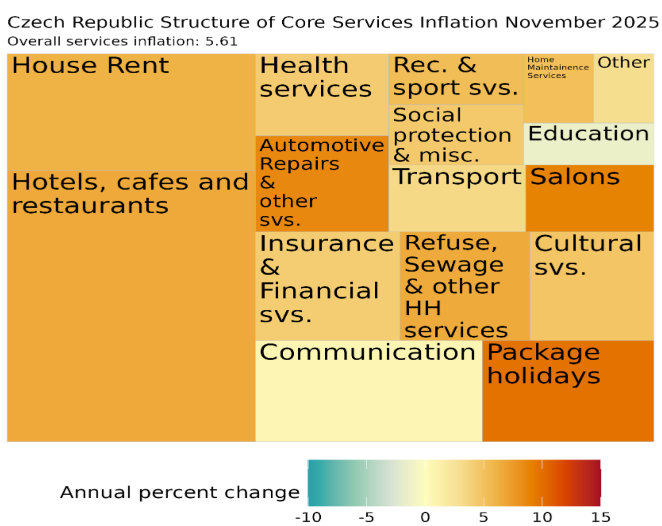
Themes: CPI to dip well below 2%, but CNB to stay cautious on fiscal risks
While the CNB insists it does not react to administrative measures, such as electricity price cuts or the abolition of TV/radio licence fees, we suspect the backdrop of headline CPI starting with a 1 under a Babis-led government have influenced Board sentiment and led to a dovish change recently. We recently lowered our terminal rate forecast to 3.0% from 3.50% accordingly. The next cut is likely in May as the central bank may need to see more disinflation progress.

Underlying CPI dynamics are not as positive as the January headline suggests. Headline CPI eased to 1.6% yoy in January from 2.1% previously. The government's decision to remove the renewable energy surcharge cut 0.2pp last month. While very low headline inflation could eventually help cool core inflation via expectations channel, this process will take time. For now, underlying pressures remain firm. Core CPI eased only slightly to 2.7% yoy in January from 2.8% yoy in December. Services inflation was stable at an elevated level at 4.5% yoy, while the closely monitored imputed rent component accelerated by 1pp to 5.1% year on year, the highest level in three years.

The new government will likely respect the 3% of GDP Maastricht deficit limit. The 2026 budget targets 2.2% of GDP in general government deficit. This is marginally up from 2.1% in 2025, though the composition of the budget is more pro-demand. Further fiscal easing is envisaged for 2027, including the abolition of TV/radio licence fees and a 2pp cut in the corporate income tax rate to 19%. At the same time, defence spending will be capped at 2% of GDP, well below the previous government's ambitions (2.35% of GDP in 2026, and up to 3.5% of GDP by 2030 in line with NATO's target). But overall, headline fiscal loosening remains moderate, with deficits likely staying below 3% of GDP.

Strategy: bullish koruna
Despite the CNB's cuts, we expect the koruna to outperform forwards driven by stronger EM sentiment.

Exhibit 89: **Czechia services CPI – hotspots still relatively widespread**
HICP services inflation component heatmap Nov 2025



Source: Breakdown using Eurostat's HICP, which is different from national CPI. Size of each cell reflects weight within services. Source: Haver, Eurostat, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 90: CZK forecasts
CZK to benefits from a strong EUR

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-CZK	24.1	24.0	23.6	23.5

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 91: Major macro forecasts
Sub-2% inflation opens room for rate cuts, despite sticky core CPI

Czech Rep	2025F	2026F	2027F
Real GDP (% yoy)	2.5	2.7	2.4
CPI (% yoy)	2.5	1.6	2.0
Policy rate (%, end of period)	3.50	3.00	3.00
Fiscal bal (%/GDP)	-2.0	-2.2	-2.7
CurAct bal (%/GDP)	0.7	1.0	0.7

Source: BofA Global Research

BofA GLOBAL RESEARCH

Egypt: FDI key to post-IMF outlook

Jean-Michel Saliba
MLI (UK)

View: positive

The United Arab Emirates (UAE) and Qatar Foreign Direct Investment (FDI) deals support the external outlook. We expect the IMF program to conclude in October 2026, with a risk that it goes off-track again for the 7th and 8th reviews. External funding needs are likely to be high over FY26. The risks are geopolitics, little Fx flexibility, reform slippage.

The 3Q25 current account balance stood at -US$3.2bn, and the deficit narrowed sequentially to US$12.8bn (2.8% of GDP) on a 12-month trailing basis, from a previous nominal peak of US$20.5bn (6.0% of GDP) in 4Q16. Net international reserves (NIRs) stood at US$52.6bn in January (6.3 months of import coverage), from US$33.2bn in September 2022. The Central Bank of Egypt (CBE) holds an additional US$13.4bn in Fx deposits not reported in reserves.

Sustaining the carry trade is likely to depend on Fx/monetary mix. Foreigners held US$44.9bn of T-bills in September 2025 (42% of stock), up from US$13.6bn in February 2024. Collateral (contingent liabilities) under external financing operations likely stood at US$24.5bn. Banks' Net Foreign Assets (NFAs) stood at US$12.2bn in December 2025.

Urban Consumer Price Inflation (CPI) inflation was 11.9% year-on-year (yoy) in Janaury. The inflation target is 7% (+/-2%) in 4Q26 and 5% (± 2%) in 4Q28. The gradual rate cut cycle could resume post-Ramadan, with a pace designed to ensure local debt rollover.

Fiscal consolidation is likely to be restored within the IMF program to help anchor debt dynamics. The primary surplus target is 3.5% of GDP in FY25, rising to 5.0% in FY27.

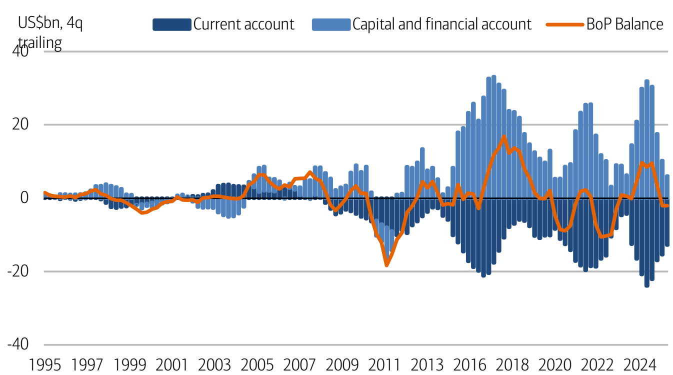
Forecasts: EGP range-bound short-term; weaker if major outfows

We expect Qatar FDI and IMF reviews passing will allow EGP to remain range-bound near-term, with risks for weakness and convertibility if there are major outflows. The implied EGP path in the IMF program suggests nominal depreciation in line with inflation differentials to maintain real competitiveness. Post-IMF in 2H26, USD/EGP may exhibit little flexibility. We expect the EGP to outperform the levels implied by NDFs.

Drivers

CBE Monetary Policy Committee meeting (2 April 2026), reform momentum, IMF Extended Fund Facility reviews, fiscal and Fx reserves data, Fx flexibility, geopolitics.

Exhibit 92: Egypt Balance of Payments dynamics
UAE and Qatar FDI deals boost balance of payments



Source: Haver, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 93: EGP forecasts
USD/EGP to remain range-bound near-term

	Q1 26	Q2 26	Q3 26	Q4 26
USD-EGP	47.0	47.0	47.0	47.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 94: Major macro forecasts
USD/EGP flexibility is key to narrow external imbalance

Egypt	2025E	2026F	2027F
Real GDP (% yoy)	4.0	4.2	4.5
CPI (% yoy, avg)	20.4	13.2	10.0
Policy Rate (end of period)	24.00	18.00	15.00
Fiscal Bal (%/GDP)	-8.5	-6.4	-6.0
CurAct Bal (%/GDP)	-4.4	-3.6	-2.5

Source: BofA Global Research. Fiscal Year (FY) based.

BofA GLOBAL RESEARCH

Hungary: elections close call, well priced

Mai Doan
MLI (UK)

Themes: NBH keen to cut but cautious, fiscal spending likely not too excessive
Uncertainty is high ahead of the 12 April general elections; the race appears too close to call. But we take some comfort from the central bank's continued caution toward easing and the diminishing likelihood of a major pre-election fiscal splurge as the voting date nears. This should cushion the risk of a sharp sell-off amid heavy positioning in Hungarian assets. Investor optimism around the Tisza party's momentum may keep near-term positioning supported, though we do not see good risk reward in adding more exposure at this stage.

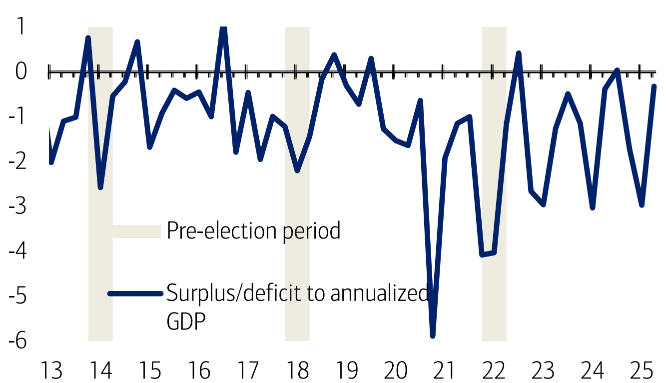
The January inflation print opened the door for near-term easing. But in the March decision, the NBH would need to weigh pre-election FX sensitivity. Adding depreciation pressure to the vote is unlikely to be the preferred risk-reward. Visibility is low, but for now we keep our YE2026 policy rate forecast at 5.75%.

The 2026 deficit will probably not overshoot the 5% of GDP target by a wide margin. With less than 2 months until elections, the marginal benefit (and the practical window) for fresh cash handouts appears limited. Looking beyond the vote, we expect fiscal consolidation regardless of the winner. Under a Fidesz-led government, the incentive to avoid EU budget scrutiny and ratings pressure argues for early spending restraint. Under a Tisza-led government, fiscal consolidation may be less forceful in the near term than under the Fidesz scenario. But EU, ratings agencies/markets will likely be more patient.

Tisza's stated priorities are very market friendly: restoring policy credibility; accelerating EU-funds absorption; and setting a credible path toward euro adoption. Investors will likely front-load expectations of all the good prospects if Tisza wins expectations. But execution will be the test later.

Strategy: the HUF is at the mercy of the election outcome
The election results should determine the fate of the HUF after 1Q. Our EURHUF forecast is the weighted average of the Tisza and Fidesz scenarios. In 1Q, the HUF is likely to weaken as we expect the market to reassess the probability of a Fidesz win after the current government implements measures to boost its popularity.

Exhibit 95: Hungary – fiscal deficits under Fidesz tend to deteriorate pre-elections, but some consolidation afterwards (highlighted)
Central government budget balance as % of annualized GDP



Elections in 2014, 2018, 2022. Source: Haver

BofA GLOBAL RESEARCH

Exhibit 96: HUF forecasts
The outlook is clouded by elections, but support for HUF from EUR strength and fading elections risk premium

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-HUF	387	380	375	370

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 97: Major macro forecasts
Macro outlook clouded by elections uncertainty

Hungary	2025F	2026F	2027F
Real GDP (% yoy)	0.3	2.2	2.5
CPI (% yoy)	4.4	2.7	3.0
Policy rate (%, eop)	6.50	5.75	5.00
Fiscal bal (%/GDP)	-5.0	-5.2	-4.7
CurAct bal (%/GDP)	1.6	1.4	1.7

Source: BofA Global Research

BofA GLOBAL RESEARCH

Kazakhstan: Where is VAT hike impact?

Vladimir Osakovskiy >>
Merrill Lynch (DIFC)

VAT hike seemed to have already been priced in

January CPI rose by close to its usual 1% mom (0.93% momsa), while annual inflation slowed to 12.2% yoy (from 12.3% yoy in Dec). With a 4pp VAT hike from January 1, 2026 the release came in some 1-2pp below our and market expectations. Such lack of VAT hike impact seems to suggest that bulk of it might have been priced in in 4Q25, which is also supported by regional VAT change experience. Thus, we note that inflation remained quite high in 4Q25 despite a generally disinflationary policy framework as well as a notable cut in utilities tariffs in October. The latter alone should have cut headline inflation by at least 100bp, which might have concealed broader inflationary impact of a planned VAT hike. (see: Kazakhstan Viewpoint: What is next? 11 February 2026)

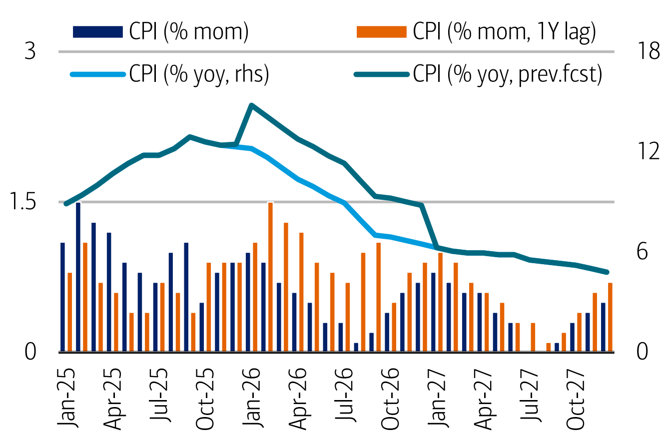
Smoother inflation path and easing later in the year

We admit thay part of VAT hike may yet to be priced over the next 1-2 months, which may still lift headline inflation in 1Q26. On top of that, the headline is yet to see delayed hike in utilities tariffs in 2Q26. However, even taking this into account we think that inflation has likely already peaked in late 2025 and will likely slow towards single digits by the end of this year. As a result, provided lack of new inflationary shocks as a baseline we expect National Bank to start its easing cycle from late 2Q26 or 3Q26 and expect a cumulative up to 400bp in cuts by the end of this year.

Quasi-fiscal spending plans – the key risk

Potential jump in quasi-sovereign spending is the key risk to our positive view on Kazakhstan investment case. In particular, National Hoding "Baiterek" KZT8tn ($14bn) in annual investment plans could easily offset fiscal consolidation and delay/reverse the normalization of growth/disinflation. However, actual implementation may differ from initial declarations, the program is focused on external borrowing as source of funding vs Oil Fund, the authorities will likely try to keep an overall disinflationary policy framework. All of these, we think, may help to support disinflationary trend in the economy. Thus, Baiterek has stated that it pans to borrow a total of $3bn this year, which is in line with 2025. The President also reiterates inflation as the key priority for the government.

Exhibit 98: Lack of VAT CPI spike smoothes out inflation path
Bulk of VAT impact might have been priced in 4Q25



Source: National Statistical Service, BofA Global Research estimates
BofA GLOBAL RESEARCH

Nigeria: reforms bearing results

Loic Porte
MLI (UK)

Tatonga Rusike
MLI (UK)

Power + tax reforms to come post Feb-27 elections

Our Nigeria trip on 2-4 Feb reaffirmed our positive views. 2026 is all about consolidation, following major reforms since 2023: the removal of fuel subsidies, floating naira, orthodox monetary policy, and oil sector laws. The '2.0 reforms' of the power sector (supply and tariffs) and tax are likely after the Feb-2027 elections.

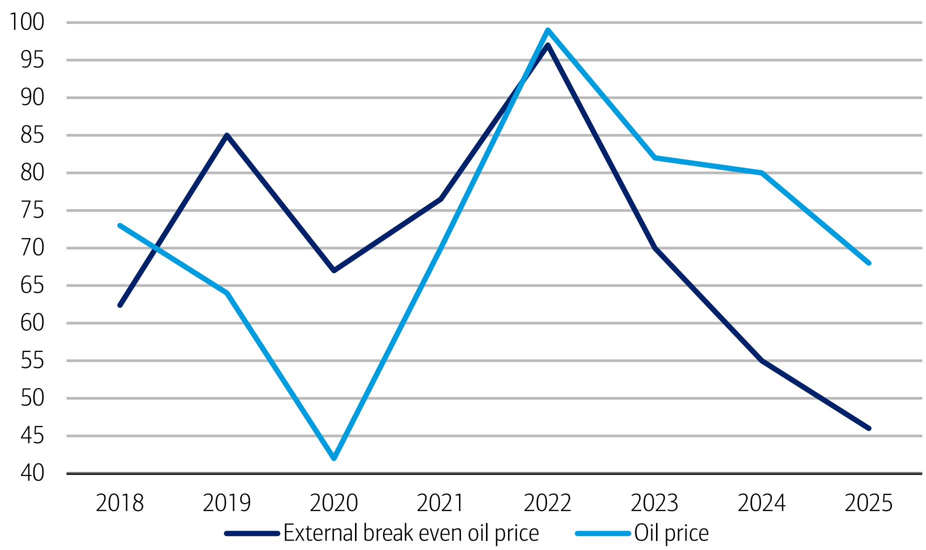
Cautious rate-cutting cycle – 100bp per meeting

Inflation is moderating, averaging 14% in 2026. The policy rate is still high at 27%, implying elevated positive real rates. However, we think the CBN will be cautious with its rate-cutting: 100bp per meeting, in line with local views.

External breakeven oil price comes down to $46

Hydrocarbon exports contribute 80% (from 90%) to total exports. The breakeven oil price to balance the current account improved to $46 in 2025 from about $55 in 2024. Gross FX reserves are at $46 billion and net FX reserves are now estimated at $30-35 billion. Locals see a strong NGN to 1300 per USD, while we keep it flat. Risks relate to the coming election season, FPI outflows on risk-off, and bearish oil price changes.

Exhibit 99: Nigeria external breakeven oil price
The oil price level to balance the current account has declined to $46 per barrel, from $55 in 2024



Source: BofA Global Research

BofA GLOBAL RESEARCH

Risks: a repeat of the Liberation Day sell-off could result in a weaker naira. However, the central bank appears better prepared for a risk-off scenario. It argues that in December 2025 alone, outflows of $1 billion from portfolio investors were all fully met, reflecting a more liquid market. CBN has developed a framework for FX intervention for both buying and selling. We think FX interventions, including selling, may come with an adjustment in spot prices. We see a generally flat naira but tilt towards mild deprecation as we approach year-end 2026 and into the Feb election season. Given that elections are conducted in February 2027, and a new government only formed from May, we think that positive catalysts for currency and inflows are likely to come later in 2H 27. As a result, the bias for naira could be weakening rather than continued nominal appreciation.

Exhibit 100: NGN forecasts

Risk-off could tilt USD-NGN towards mild depreciation rather than continued appreciation

	Q1 26	Q2 26	Q3 26	Q4 26	Q1 27	Q2 27
USD-NGN	1350	1357	1359	1372	1386	1400

Source: BofA Global Research

BofA GLOBAL RESEARCH

Cautious monetary policy rate-cutting cycle

The Central Bank of Nigeria has restored significant credibility through tight monetary policy, elimination of deficit financing via ways and means, and improved FX market management. Real rates are over 10%, reflecting a path to an easing cycle. CBN cut the policy rate by 50bp in September, taking it to 27%. Thereafter it held it unchanged at 27%. The November decision was a split vote reflecting a cautious central bank decision-making process.

Given the large positive real rates and cautious cutting cycle, we expect a gradual easing cycle. We expect CBN to cut by 100bp at the next meeting and at each meeting thereafter – a cumulative 500bp, taking the policy rate to 22% at year-end. With inflation close to 14%, real rates remain largely positive. The size of cuts reflects a cautious central bank. Contrast this with Ghana, cutting by 200-250bp at a time.

Why is CBN cautious?

CBN is concerned about liquidity risks: fiscal spending risks in an election year and OMOs maturing during 2026. At previous meetings, the MPC noted a persistent build-up of excess liquidity in the banking system, largely due to fiscal releases from improved government revenues. As a result, the MPC tightened some reserve requirement ratios.

Fiscal risks ahead of the elections dominated discussions during our meetings. The authorities see the risks as contained: no central bank fiscal financing and prudent monitoring of revenues and expenditure. Other private participants see the 2026 budget as stimulus and a sign of fiscal loosening. The jury is still out and we will see how things develop during 2026. The central bank tends to be cautious and prefers to keep its monetary policy stance somewhat tight.

The monetary policy rate is not the only instrument used to influence financial markets and the real economy. CBN uses open market operations (OMO) bills, cash reserve requirements, standing facilities and liquidity ratios.

OMOs likely to stay for FPIs due to inverted yield curve

CBN is planning to gradually reduce the use of OMO bills attracting foreign inflows. Ideally, foreign investors would go into government treasury bonds with medium- to long-term tenor. However, the local yield curve is inverted and a pending withholding tax on local bonds makes the securities less attractive. It will take time to normalise the yield curve. That means CBN is likely to continue using OMOs and private placements to keep foreign portfolio investors in the local market.

Poland: disinflation trumps growth

Mai Doan
MLI (UK)

Themes: GDP solid, but persistent goods deflation to bring more rate cuts

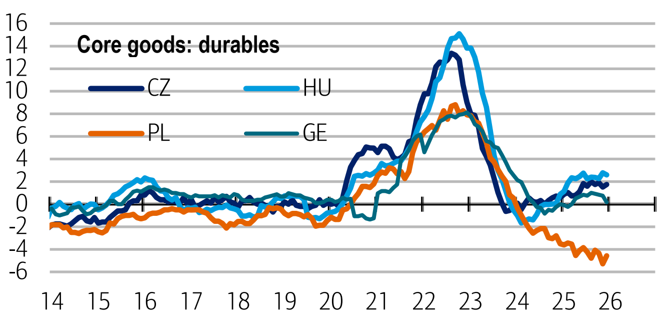
Growth is on track for another robust year above potential, owing to investments and exports recovery, while we see a sub-target inflation path as Chinese imports and local competition will likely dampen price growth. The National Bank of Poland (NBP) should have room to cut rates towards 3.0%, but near-term CPI uncertainty on basket revision may delay the easing decision somewhat. We recently lowered our CPI forecasts for 2026 to average around 2% due to food, energy, as well as core components. There are higher than usual uncertainty to CPI forecasting in the near term due to revisions to products classification (only in 2026) and basket weights (every year in 1Q). But we believe that there are persistent downward pressures on goods inflation in the coming months. Price growth has been decelerating across durables, semi-durables, and non-durable goods. We would attribute this downtrend to renewed domestic pricing competition and the China deflationary impact. While services inflation is still elevated at 5% yoy at end-2025, moderating momentum and limited wage pressures mean further gradual disinflation is likely ahead.

The economy is on a good track in 3.5-4% growth rate. 4Q GDP was solid at 4% yoy. In 2026, GDP will be supported by intensifying absorption of EU funds, and recovery in external demand (our EZ economists recently upgraded German GDP). Recovery funds will likely add 1.3pp to growth this year from a 0.4pp contribution in 2025. Corporate lending has risen sharply to reflect this favourable investment backdrop. With interest rates reduction, there should be further support for consumption and investment ahead. The budget deficit is still a key vulnerability for Poland, but financing/inflows suggest an overall still well managed situation in the coming year. The deficit could narrow to 6.5% of GDP in 2026 from slightly under 7% in 2025. Finance Ministry has funded over 30% of 2026 borrowing needs. Meanwhile, significant EU inflows can help with reducing the net supply from the sovereign (State treasuries and quasi-sovereign). Cohesion funds, recovery funds and SAFE loans amount to nearly EUR50bn in 2026, or c.5% of GDP.

Strategy: the zloty to outperform forwards

In the absence of global geopolitical escalation, we expect the zloty to outperform forwards, supported by strong EM sentiment and solid growth at home. While fiscal consolidation will not come until after the 2027 elections, we expect limited tax hikes this year to reduce the deficit slightly. The ruling KO alliance also faces fewer pressures to spend, given their improvement in recent polls. The inflow of SAFE loans also stems supply concerns.

Exhibit 101: Poland's durable goods deflation bucks regional trends since late 2024 – most likely due to Chinese imports
Durable goods inflation (% yoy)



Source: Haver, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 102: PLN forecasts
PLN to benefit from GDP resilience and stronger EUR outlook

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-PLN	4.22	4.23	4.20	4.18

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 103: Major macro forecasts
More NBP cuts ahead as CPI undershoots on goods inflation

Poland	2025F	2026F	2027F
Real GDP (% yoy)	3.5	3.8	2.7
CPI (% yoy)	3.6	2.1	2.4
Policy rate (%, eop)	4.00	3.00	3.50
Fiscal bal (%/GDP)	-6.8	-6.5	-6.3
CurAct bal (%/GDP)	-0.7	-1.5	-1.3

Source: BofA Global Research

BofA GLOBAL RESEARCH

Romania: – constructive trends priced in

Mai Doan
MLI (UK)

Themes: in the right direction, but still a fragile path

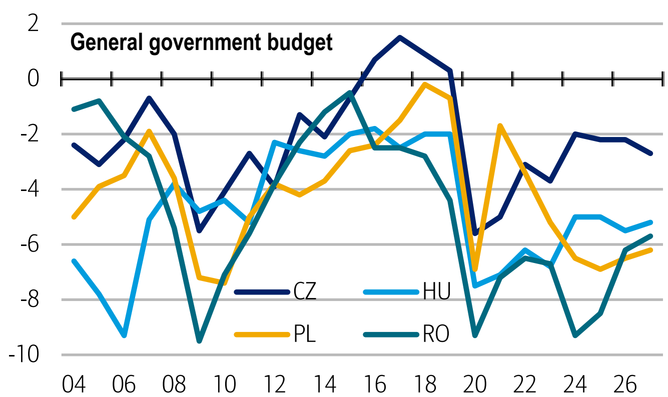
Fiscal execution has exceeded expectations, while Prime Minister Ilie Bolojan holds a clear commitment to government stability and to continuing the adjustment path, including effective absorption of EU recovery funds in 2026 and starting work on the 2027 budget later this year. Authorities also emphasize reducing funding costs and aim for an improved credit-rating outlook this year. The NBR remains cautious, but with disinflation taking hold more gradually than expected, the risk is a delay to the first cut to the summer vs our current baseline for May. We expect the RON to remain broadly stable into the summer given the NBR's focus on financial stability risks in a still elevated inflation environment.With a stable government, Romania should continue to benefit from the 2025 package and associated policy adjustment. The 2026 deficit target is set at 6.2% of GDP, better than market and rating-agency expectations of 6.5-7.0%. On a no-policy-change basis, a 5.7% of GDP deficit in 2027 looks achievable and is consistent with the medium-term plan agreed with the EU. The government intends to table the 2027 budget framework late this year, enhancing policy predictability through the 2027E political handover. Risks cluster more in 2028E given the election calendar.

The funding strategy prioritises lower yields through solid budget delivery and a disciplined issuance mix. Eurobond issuance is envisaged at EUR10bn gross (EUR7bn net). On local markets, demand from pension funds and banks appears ample. EU money remains a strong macro anchor for 2026–27. For 2026, inflows could amount to 4.5-5% of GDP. We see scope for credit ratings outlook to improve from late 2026.

Strategy: RON to remain stable

The substantial expected fiscal consolidation should open the door to a long local bond trade in Q1 or early Q2 this year, in our view. Better-than-expected fiscal performance has been driving interest in ROMGBs recently. Given still elevated inflation, the NBR is likely to stick to keeping the RON in a tight range until September, in our view. As a result, we expect the RON to outperform forwards. The government has executed on its proposed fiscal reforms, capped by the recent approval of the magistrates' pension reform. Eurobond supply restraint has been well communicated by FinMin over the past few months.

Exhibit 104: Romania – major turnaround in fiscal
General government budget balance (% GDP)



Source: Haver, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 105: RON forecasts
NBR to keep RON in tight range until summer due to high inflation

	Q1 26	Q2 26	Q3 26	Q4 26
EUR-RON	5.10	5.10	5.13	5.15

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 106: Major macro forecasts
Significant fiscal consolidation drags growth and boost CPI

Romania	2025F	2026F	2027F
Real GDP (% yoy)	0.6	1.0	2.7
CPI (% yoy)	7.3	7.0	3.2
Policy rate (%, eop)	6.50	5.25	4.50
Fiscal bal (%/GDP)	-8.1	-6.2	-5.8
CurAct bal (%/GDP)	-8.0	-6.9	-6.1

Source: BofA Global Research

BofA GLOBAL RESEARCH

Saudi Arabia: from megaprojects to AI

Jean-Michel Saliba
MLI (UK)

View: positive

We expect Saudi Arabia to register resilient non-hydrocarbon real Gross Domestic Product (GDP) growth. Near-term megaprojects could shelter non-hydrocarbon real GDP growth, with re-prioritization due to low oil prices. Investment is also shifting to Artificial Intelligence (AI). The path for Saudi oil production, prices in 2026 is uncertain.

We expect the fiscal deficit to remain elevated at 5.3% of GDP in 2026, only modestly declining to 4.6% of GDP in 2027. We assume central government spending will remain flattish in real terms (corresponding to small overspending versus budgetary targets). Our 2026 assumptions are consistent with crude oil production of 10.2mn bpd, oil prices of US$60/bbl, robust non-oil revenues and the lack of Performance-Linked Dividends by Saudi Aramco (but a small increase in the base dividend instead). We assume asset divestment by Saudi Aramco will be partly used to fund dividends in this environment and will not be used to upstream additional dividend distributions.

We estimate the central government fiscal breakeven oil price stood at cUS$95/bbl in 2025 and will likely decline to US$US89/bbl in 2026 if spending is contained and oil production increases. We estimate the 2026 budget implicit oil price assumptions stood at US$67/bbl.

We do not expect a material fiscal retrenchment by the general government unless there is a sustained drop in oil prices and increase in borrowing costs. We expect phase one of most megaprojects is likely remain on track, both in terms of delivery and financing.

Forecasts: USD peg to hold

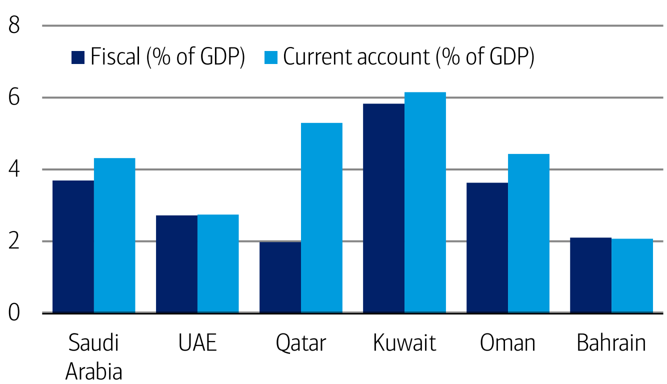
The USD peg is likely to hold on the back of still-high savings, but further fiscal adjustment would be needed if oil prices are low for a sustained period of time.

Drivers

Saudi Central Bank monthly bulletin, OPEC Group of Eight Meeting (1 March 2026), quarterly fiscal data report (April 2026), annual pre-budget statement (September 2026), annual budget statement (December 2026).

Exhibit 107: Sensitivity of fiscal and external accounts to US$10/bbl oil price swing

High sensitivity of macro accounts to oil prices



Source: Haver, Saudi Ministry of Finance, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 108: SAR forecasts

We expect the USD peg to hold

	Q1 26	Q2 26	Q3 26	Q4 26
USD-SAR	3.75	3.75	3.75	3.75

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 109: Major macro forecasts

Medium-term fiscal adjustment is ongoing

Saudi Arabia	2025F	2026F	2027F
Real GDP (% yoy)	4.6	3.9	3.1
CPI (% yoy)	2.0	2.0	2.0
Policy Rate (end of period)	4.25	3.50	3.50
Fiscal Bal (%/GDP)	-5.1	-5.3	-4.6
CurAct Bal (%/GDP)	-3.4	-5.0	-4.5

Source: BofA Global Research

BofA GLOBAL RESEARCH

LatAm

Brazil

David Beker
Merrill Lynch (Brazil)

Natacha Perez
Merrill Lynch (Brazil)

Gustavo Mendes
Merrill Lynch (Brazil)

Rare earths: a rare opportunity

Activity: GDP proxy grew 2.5% in 2025

December's Economic Activity Index (IBC Br) decreased 0.2% momsa (+3.1% yoy), following a 0.6% momsa expansion in November (+1.3% yoy). In 4Q25, activity accelerated to +0.4% qoqsa from 0.8% in the previous quarter, while ex agriculture activity improved to +0.3% qoqsa from 0.4% in 3Q. Compared with the same period in 2024—a reasonable proxy for GDP—IBC Br increased 1.7% yoy, consistent with 2.5% growth in 2025. Non-farm activities, which are more sensitive to interest rates, rose 1.6% yoy in the quarter and 1.8% on average in 2025. Our Activity Coincident Tracker continues to see a cool down in January, as it was estimated at -33pts.

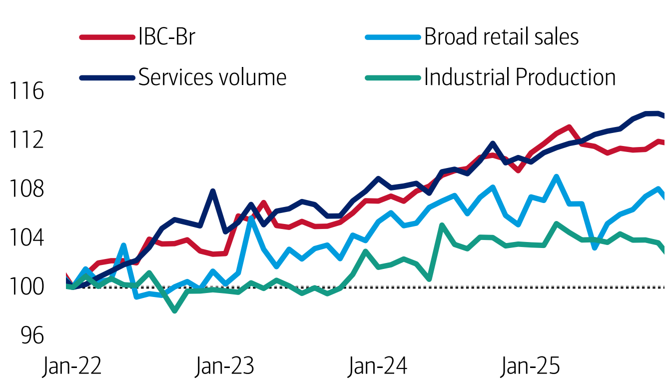
Inflation: moving sideways

Inflation in January was 0.33% mom, the same as in December. The print was in line with expectations (BofA: 0.33%, consensus: 0.32%). In 12 months, inflation reached 4.44% yoy, up from 4.26% previously. On a monthly basis, average core decelerated to 0.45% mom, from 0.46%, while on a yearly basis it decelerated to 4.44% yoy, from 4.60%. Core services accelerated to 0.57% mom, from 0.56%, while the yearly print decelerated to 5.57% yoy, from 5.88%. Inflation continues a benign trajectory. January's reading was overall neutral, as it was in line with expectation and was constant in monthly terms (0.33% mom). The print was influenced by one-off factors, such as gasoline and electricity prices, but the overall deflationary process persists, albeit at a slow pace. We expect inflation to end 2026 at 4.0%, and 2027 at 3.5%.

Monetary policy: Here we go for a 50bp cut in March

The BCB released the minutes of the last Copom meeting, after unanimously holding rates at 15.0%, and guiding for the beginning of the cutting cycle in the next meeting, on March. Overall, the tone of the minutes was neutral in comparison with the statement. On the one hand, the board acknowledged that the transmission of the monetary policy is working. On the other hand, it stated that rates would remain at a contractionary level until inflation expectations become anchored to the target. Finally, the board stated that "the magnitude and duration of the easing cycle will be determined over time". We continue to expect a 50bp cut in the next meeting and see Selic at 11.50% by 26YE and at 10.50% by 27YE.

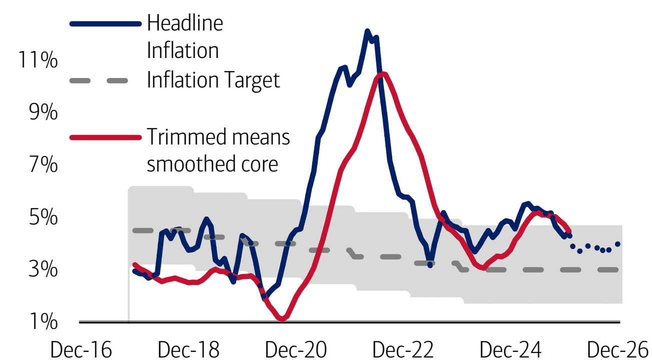
Exhibit 110: Activity in Dec-25 at a similar level than in Jan-25
High-frequency activity indicators (Jan-22 =100)



Source: IBGE, BCB

BofA GLOBAL RESEARCH

Exhibit 111: Inflation ended 2026 within the target range
Headline and core inflation (12m acc)



Source: IBGE, BCB

BofA GLOBAL RESEARCH

Fiscal policy: Three ways to spend a tax cut

Brazil implemented a reform on personal income tax (IRPF) starting January 1st. The overhaul raises disposable income for about 18 million people, by fully exempting those earning up to 5,000 reais per month and grants partial relief to those earning up to 7,000 reais. The reform shifts purchasing power toward households that are more sensitive to changes in take-home pay, creating a lift to near-term consumption. The IRPF overhaul is not designed as a traditional demand push. The tax relief at the lower end is largely financed by compensatory measures affecting higher-income taxpayers, keeping the overall fiscal stance broadly neutral. The macro impact therefore comes from redistribution, not from a material expansion of aggregate income.

The reform lands in a very different household environment from past income-support episodes. Financial conditions remain tight, leverage is elevated, and delinquency is still high after a prolonged period of restrictive rates. As a result, balance-sheet considerations play a more central role in household decisions, shaping how incremental income is allocated throughout 2026. Incremental spending is to be concentrated in essentials such as food at home, utilities, transport and personal care, while durables remain dependent on an eventual easing of credit conditions.

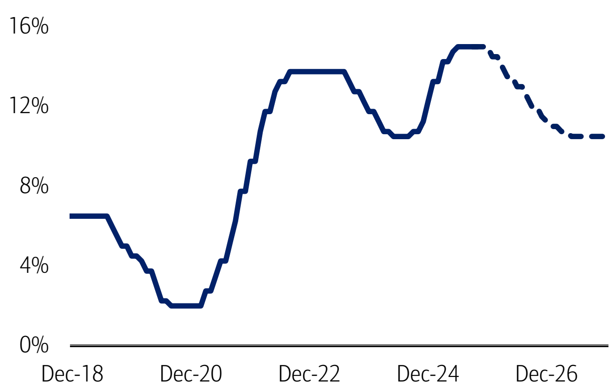
Two additional channels increasingly compete for disposable income. Online betting has become a low-friction outlet for small monthly gains, creating a leakage from traditional consumption. At the same time, falling prices for GLP-1 drugs after the March-2026 semaglutide patent expiration may redirect part of income toward non-discretionary healthcare spending instead of retail goods. As long as services inflation remains anchored and the IRPF reform is perceived as largely one-off, the demand pulse should not derail the disinflation process or force a policy response. In 2026, Brazil's consumer story is less about overheating and more about where income flows.

Rare earths - a rare opportunity

China retains a near-monopoly over rare earth (RE) separation cementing its dominance across alloys and permanent magnets despite only ~49% of reserves. Brazil holds ~23% of global REO reserves, but contributes <1% of output due to bottlenecks. A credible Brazilian scale-up hinges on easing processing constraints, attracting capital, and sequencing projects to move from raw exports to separation and refining value capture. For a more complete analysis, see LatAm Thematic: Can Brazil become the rare earths champion of the Western Hemisphere?

Exhibit 112: Selic cuts should start in Mar-26 with a 50bps clip

Brazil policy rate (per annum)



Source: BofA Global Research, BCB

BofA GLOBAL RESEARCH

Exhibit 113: We see BRL constant at a strong level due to weak USD

BRL Forecasts

Brazil	Q1 26	Q2 26	Q3 26	Q4 26
USD/BRL	5.25	5.25	5.25	5.25

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 114: GDP growth to decelerate ahead

Major macro forecasts

Brazil	2025F	2026F	2027F
Real GDP (% yoy)	2.5	2.0	1.8
CPI (% yoy)*	4.3	4.0	3.5
Policy Rate (eop)*	15.00	11.50	10.50
Fiscal Bal (%/GDP)	-8.3	-9.5	-9.0
CurAct Bal (%/GDP)	-3.0	-2.5	-2.2

Source: BCB, IBGE, BofA Global Research

BofA GLOBAL RESEARCH

Mexico

Carlos Capistran
BofAS

Christian Gonzalez
BofAS

Rebound without momentum

A strong finish to a weak year

Economic activity surprised to the upside at the end of last year. Flash GDP rose 3.2% qoq saar after a -1.2% contraction in 3Q (see report), supported by a broad-based rebound in industry and services (both +3.7% qoq saar). Industrial activity benefited from construction spending, while the acceleration in services may prove temporary (Exhibit 115). Agriculture contracted sharply and remains volatile. GDP grew 1.6% yoy in the quarter, and we estimate 0.6% growth for the full-year 2025.

But underlying data remains weak

Despite the strong headline figure, domestic demand softened again. Private consumption rose just 1.4% yoy in November and slipped at the margin, stalling the recovery and posing downside risks to final 4Q GDP. Remittances showed signs of stabilizing but still ended the year down 4.6% ytd, and even lower in MXN terms due to peso appreciation—another headwind for consumption. Investment fell 6.4% yoy, though monthly gains point to a tentative rebound from very depressed levels, mainly in construction. For all of 2025, investment fell sharply, driven largely by a collapse in public investment. Externally, exports continued to weaken—especially autos—while non-oil, non-auto exports were not strong enough to offset the drag. Consumer-goods imports remained firm, but flat-to-declining intermediate-goods imports signal growing pressure on industry amid trade uncertainty.

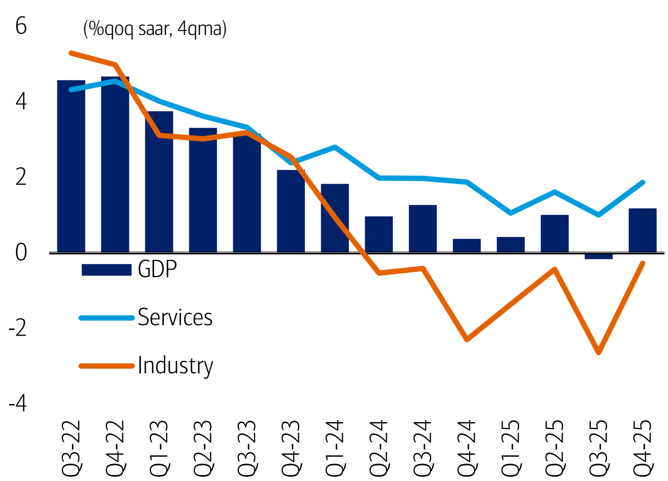
We expect economic activity to modestly improve in 2026

For 2026, we expect a modest improvement as fiscal drag fades and a potential fiscal tailwind emerges, with the government increasingly focuses on boosting growth and investment. We forecast 1.5% GDP growth, supported by the stronger-than-expected close to 2025, upside from the FIFA World Cup, and our constructive US outlook, although structural constraints remain (see report).

Investment: Pro-growth, but fiscally and inflationary challenging

On February 3, Mexico announced a major investment program through 2030 aimed at boosting economic growth (see report). The plan totals MX$5.6mm (around US$323.3bn,

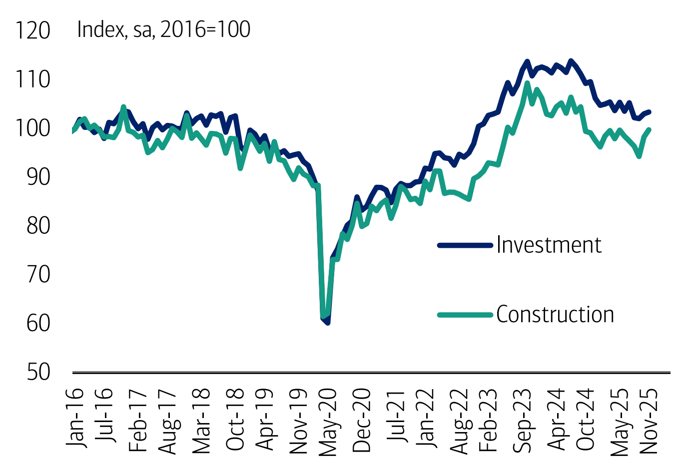
Exhibit 115: Services rebounded, supporting GDP, but industry still soft
Real GDP growth (%qoq saar, 4qma) (3Q22 – 4Q25)



Source: BofA Global Research, INEGI

BofA GLOBAL RESEARCH

Exhibit 116: Investment remains weak, but construction is improving
Investment (Index, sa, 2016=100) (2016-2025)



Source: BofA Global Research, INEGI

BofA GLOBAL RESEARCH

or 16.3% of GDP), including 1.9% of GDP in new investment for 2026 on top of already-budgeted infrastructure spending. Resources are concentrated in energy (54%), railways (16%), roads (14%), ports and health (6% each), water (3%), and education. Most spending would be executed directly by the government, with a smaller share through public-private partnerships in which the state would retain majority control; the specifics are not public yet. Despite the size of the announcement, uncertainty remains high around execution capacity, financing, and the extent of private-sector participation. The country clearly needs a push to investment (Exhibit 116). And we do expect investment to rise, but largely financed by the public sector, reinforcing our view that the fiscal deficit will likely exceed the 4.1% of GDP projected in the budget and move closer to 5%, with risks tilted higher. Additional fiscal resources could support growth and help revive weak investment, but the trade-offs are clearer: more cyclical stimulus in a structurally constrained economy could add to inflation pressures, especially given limited productivity gains and supply-side bottlenecks.

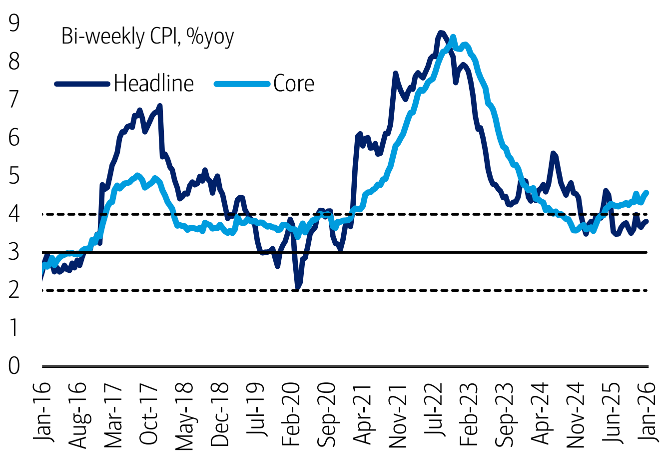
Headline and core inflation picked up in January

Both headline and core inflation rose in January, with core persistently above 4.0% (see report). Headline inflation reached 3.8%, up from 3.7% in December, largely due to the core component (Exhibit 117). Core inflation accelerated to 4.5% from 4.3%, driven mainly by merchandise. Services inflation also edged up to 4.5% from 4.4%. We expect core inflation to remain stubborn through 2026 due to excise taxes and tariffs implemented early in the year. We forecast 4.0% headline and 4.4% core inflation end-2026. Risks remain skewed to the upside, reflecting the World Cup and possible second-round effects from tariffs and taxes.

Banxico is on pause, but we expect cuts to 6% by end-2026

We maintain our forecast for Banxico to lower the policy rate to 6.00% by end-2026 (see report), assuming 25bp cuts every other meeting, beginning with a 25bp cut on March 26, following the February pause. Despite the strong end to 2025 and inflation above the target, we continue to expect below-potential growth and a negative output gap. We believe potential fiscal stimulus will not be seen by Banxico as a constraint, but rather as additional support for growth. A strong MXN also provides space for easing. While our base case remains more cuts than the market expects, the risk bias is tilted toward slower easing: if inflation continues to accelerate, Banxico could extend the pause.

Exhibit 117: Headline and core picked up in January
Bi-weekly headline and core inflation (%yoy) (2016-2026)



Source: BofA Global Research, INEGI

BofA GLOBAL RESEARCH

Exhibit 118: We expect USDMXN at 17.75 by end-2026
MXN forecasts

	Q1 26	Q2 26	Q3 26	Q4 26
USD-MXN	17.25	17.40	17.50	17.75

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 119: We expect Mexico to grow 1.5% in 2026
Major macro forecasts

	2025F	2026F	2027F
Real GDP (% yoy sa)	0.6	1.5	1.6
CPI (% yoy, eop)	3.69	4.02	4.37
Policy Rate (end of period)	7.00	6.00	6.00
Fiscal Bal (%/GDP)	-3.9	-4.0	-3.5
CurAct Bal (%/GDP)	-0.1	-0.2	0.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Argentina: Labor Reform

Sebastian Rondeau
BofAS

Reforms Agenda

The government is focusing on structural reforms, prioritizing labor modernization and tax simplification (after passing the budget). Discussions could also include further de-regulation and privatization. The strong performance of the ruling coalition and allies in the mid-term election support reforms, obtaining about 43% of the Lower House and 35% of the Senate.

Labor reform was approved by the Senate, but it could suffer some modifications in the Lower House. It seeks to dynamize the labor market by reducing hiring and severance costs, and labor litigation, simplifying collective bargaining, promoting formal jobs.

FX reserve accumulation takes off

BCRA is finally buying USD at a good pace, accumulating about $2bn so far this year. It expects to buy around $10bn this year due to a projected increase in demand for money, coming from very depressed levels. Simultaneously, BCRA launched a new FX system in which the top of the FX band depreciates with the inflation of 2 months ago (2.8% in February). This should avoid a real appreciation of the band ceiling. We expect Argentina to converge gradually to a more free-floating regime. The government should attempt to tap global bond markets in 1H, given large external debt maturities.

Argentina obtained a $3bn repo loan from international banks and used it to pay back FX bonds for about $4.3bn. It also cancelled the portion of UST swap used for about $2.5bn, after obtaining other multilateral support.

Virtuous cycle continuous

The end of election uncertainty led to a virtuous cycle in our view. Interest rates already plummeted (in both USD and pesos). EXD bonds rallied strongly, with yields dropping to around 9% and BCRA is buying USD. Activity is taking a bit longer to take off. We forecast GDP growth at 3% this year and 3.5% in 2027 (from 4.1% last year). Mining, energy, banking and IT should lead the recovery. Peso interest rates volatility remains elevated.

Inflation sticky amid ARS volatility

Inflation has inched up to 2.9% mom in January from an average 2.3% last year. This still shows a moderately low pass through from ARS depreciation. We forecast inflation down to 22% this year (vs 20% before), from 31.5% in 2025 and 118% in 2024. We see it down further to 13% in 2027 (12% before).

Exhibit 120: Major macro forecasts
Large recession in 2024

	2025F	2026F	2027F
Real GDP (% yoy sa)	4.1	3.0	3.0
CPI (% yoy)	31.5	22.4	13.2
Curr Acct Bal (%/GDP)	-1.4	-1.1	-1.6
Primary Fiscal Bal (%/GDP)	1.5	1.7	1.7
Policy Rate % (end-period)	30.0	na	na

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 121: Exchange Rate
USDARS, end of quarter.

	Q1 26	Q2 26	Q3 26	Q4 26
Exchange rate (USDARS)	1450	1550	1600	1700

Source: BofA Global Research

BofA GLOBAL RESEARCH

Chile: Sentiment improves

Sebastian Rondeau
BofAS

Kast economic proposals

Jose Kast (Right, Republicanos) will take office on March 11. The right parties together are close to a majority in Congress but will have to negotiate with the opposition. The new presidency starts in March.

Kast proposes aggressive spending cuts over $6bn (annual) to fix the fiscal deficit: 1) eliminate fraud in medical leave, public transportation, access to social security, scholarships, etc. 2) Improve efficiency in the public sector by eliminating programs that misuse resources. 3) Better management of public procurement. The potential minister of finance said that the fiscal adjustment could be slower than anticipated.

To stimulate investment, Kast proposes to eliminate the capital gains tax (on the sale of shares with low stock market presence). And to lower corporate tax rate for median and large enterprise from 27% to 23%. He also proposes to speed up environmental permits and eliminate unnecessary regulations. Tax reform discussion could start in April.

The fiscal deficit declined to 2.8% of GDP in 2025 (from 3% of GDP in 2024) due to mining tax revenue performance. The government budget increases spending over 2% real this year. The pension reform implies a 1% of GDP additional fiscal deficit in the medium term. The current account deficit would have declined to around 2.6% of GDP in 2025 (from a 10% peak in 3Q22) and could reach a balance this year amid very strong copper prices.

BCCh considered another 25bp cut

BCCh kept rates on hold in January after the cut done in December (when it revised the neutral range up 25bp to 3.75-4.75%). We forecast one last 25bp rate cut in March as BCCh minutes considered a cut in January. The economy is growing slightly above potential. We estimate GDP grew 2.3% in 2025 (from 2.6% in 2024) and project 2.5% growth this year and 2.6% in 2027. Inflation declined to 2.8% in January (below the 3% target) from 3.4% yoy in 2025 (though ex-volatiles is at 3.4%). We see inflation declining to 3% this year, as the electricity shock is left behind, and picking up to at 3.3% next year amid stronger demand.

Pension reform and regulations

The pension funds regulator is working towards new age-based pension portfolio benchmarks and launched a consultation to limit the amount of risk exposure to interest rate derivatives. The government is implementing the pension reform. It increases employer contributions by 7pp in 9 years (4.5pp to individual capitalization and 2.5pp to a social insurance fund) to increase pensions, (and a benefit depending on the years contributing). Universal pensions increase 17% (gradually).

Exhibit 122: Major macro forecasts
GDP growth potential

	2025F	2026F	2027F
GDP growth %	2.3	2.5	2.0
Inflation %	3.4	3.0	3.3
Current Acc. Balance % GDP	-2.3	-0.4	-1.6
Fiscal Balance % GDP	-2.5	-1.6	-1.6
Policy rate %	4.5	4.3	4.8

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 123: CLP forecasts
Volatile CLP

	Q1 26	Q2 26	Q3 26	Q4 26
USD-CLP	865	860	855	850

Source: BofA Global Research

BofA GLOBAL RESEARCH

Colombia

Alexander Müller
BofAS

Pedro Diaz
BofAS

Mired with economic and political risks

Economic activity is weakening; GDP growth was 0.5% qoq/saar in 4Q2025

The release of Colombia's 2025 GDP growth surprised to the downside. It was 2.6% compared to the 2.8% median expectation in the Bloomberg survey. Below the ~3% potential (uncertain parameter) which the central bank now estimates at 2.8% and going down to 2.7% by next year. Potential growth is falling because investment is depressed. The investment-to-GDP ratio fell to 16%, the lowest in two decades. Domestic demand, nevertheless, grew 3.9% in 2025, fueled by drivers that we consider to be undesirable and fragile (disproportionate minimum wage hikes and bloated government budgets). We forecast GDP growth of 2.4% and 2.8% for 2026 and 2027, respectively.

Fiscal picture continues to deteriorate

The 2026 Financing Plan, which will reveal 2025 results and guidance for 2026 (deficit, debt, funding needs & sources), is delayed. The autonomous fiscal council (CARF) is estimating the primary deficit widened to 3.4% of GDP in 2025 (from 2.4% in 2024). We estimate Colombia needs a primary balance close to zero to stabilize public debt. Last year, the central government's net debt ratio decreased to 58.9% of GDP (from 59.3% in 2024) – according to Ministry of Finance data – but this is attributable to one-offs; namely, liability management operations and exchange rate appreciation.

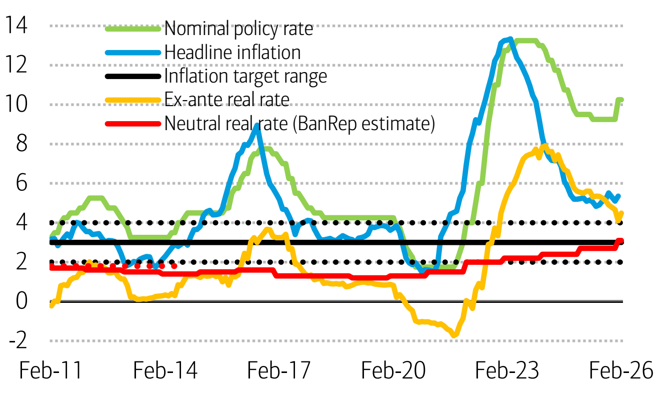
Central Bank (BanRep) seems likely to frontload to hiking cycle

BanRep has communicated it intends to rebuild the monetary policy stance as quick as feasible. That means, hiking the policy rate by no less than the increase of inflation expectations (200bp) observed between December and January (pre and post 24% minimum wage increase). Hence, we expect hikes of 100bp in June and 75bp in April, reaching a policy rate of 12% (terminal). For 2027, we foresee only shy steps of policy normalization (cuts of 25bp per quarter) with the policy rate ending the year at 11%. Still a tight stance; far from a nominal neutral rate of around 6.5%-7%.

Congress and presidential elections are key risk events

The Congress election will take place on 8 March (together with primaries of left- and right-wing coalitions), while the first round of the presidential election is scheduled for 31 May. If no candidate gets more than 50% of votes (most likely scenario), there will be a second round on 21 June. Colombia and Brazil are the two countries in LatAm where the incumbent left-wing candidates are running first in the presidential election polls.

Exhibit 124: BanRep has begun a tightening cycle in 2026
It hiked 100bp in January in response to a sharp rise in inflation expectations



Source: BofA Global Research, Statistics Agency (DANE), Central Bank (BanRep)
BofA GLOBAL RESEARCH

Exhibit 125: COP forecasts
Elections in March (Congress) and May (presidential) are key risk events

	Q1 26	Q2 26	Q3 26	Q4 26
USD-COP	3,700	3,750	3,775	3,800

Source: BofA Global Research
BofA GLOBAL RESEARCH

Exhibit 126: Major macro forecasts
Fiscal deficit will likely remain elevated in the next two years

	2025F	2026F	2027F
Real GDP (% yoy)	2.6	2.4	2.8
CPI (% yoy)	5.1	6.1	4.2
Policy Rate (%, eop)	9.25	12.00	11.00
Fiscal Bal. (%/GDP)	-6.5	-6.7	-5.9
Cur.Act. Bal. (%/GDP)	-2.6	-2.6	-2.7

Source: BofA Global Research
BofA GLOBAL RESEARCH

Peru: exports pose upward risks for GDP

Alexander Müller
BofAS

Pedro Diaz
BofAS

Peru's goods exports are booming, boosting economic growth

The economy is surprising to the upside. The monthly GDP proxy, which is highly consistent with quarterly GDP, indicates the economy expanded 3.4% in 2025. Private investment and exports are growing faster than GDP, amid a positive terms of trade shock (metal prices) and stronger business confidence. Employment and wages are also improving significantly, stimulating private consumption. We currently forecast GDP growth of 2.8% and 3% for 2026 and 2027, assuming the political crisis (and uncertainty associated to the presidential elections) will weigh down on activity. But the incoming data suggests there are upside risks to these forecasts.

Peru has risen to become Latam's fourth largest exporter of goods

Peru is standing on the right commodities (copper and gold). It's by far the country in Latam that benefits the most from high gold prices. Total gold exports (formal + informal) are around $24bn (~7% of GDP). In 2025 – for the first time in history – Peru surpassed Argentina as the 4th largest exporter of goods in Latin America, only below Brazil, Mexico, and Chile. Peruvian goods exports ($93bn) are 85% larger than Colombia's. Moreover, the export boom is not limited to mining. Agricultural exports are growing strongly (25% yoy in volume terms). Peruvian agricultural exports surpassed Chile's in 2025. Fruits like blueberries, avocados and grapes are the star products.

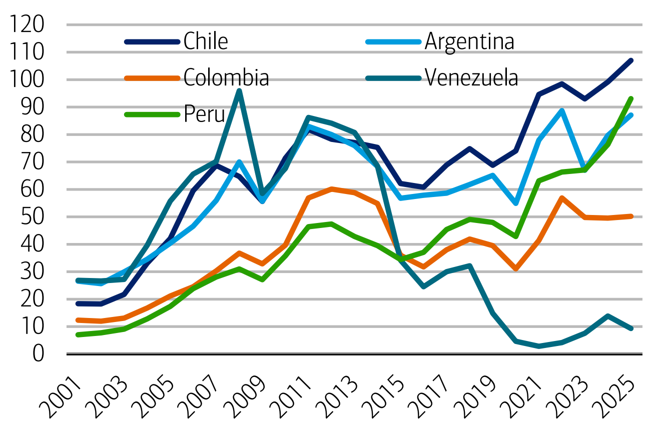
Record trade surplus is inducing appreciation pressure on the exchange rate

The central bank is actively intervening in the spot and derivatives market to lean against the appreciation pressure. The Central Bank (BCRP) is not targeting a level of the USDPEN. It never does, BCRP policymakers emphasize. They will let it adjust to fundamentals. We forecast the exchange rate at 3.30 soles to the dollar for year-end 2026 and 2027, significantly stronger than what is priced in forward contracts.

Political shock from Impeachment of President Jeri and swearing-in of Balcazar

Last week, President Jose Jeri was censored/impeached by Congress over corruption accusations. To replace him, Congress voted and elected Jose Maria Balcazar, from the left-wing Peru Libre political party, as the new interim president. His mandate will extend until 28 July. Thus, Peru will have nine presidents between 2018 and 2026.

Exhibit 127: Goods exports in LatAm (excluding Brazil and Mexico)
Peru displaced Argentina as the fourth largest exporter of goods in LatAm



Source: BofA Global Research, Haver

BofA GLOBAL RESEARCH

Exhibit 128: PEN forecasts
PEN is remarkably strong despite of the tiny rate differential with US

	Q1 26	Q2 26	Q3 26	Q4 26
USD-PEN	3.34	3.32	3.31	3.30

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 129: Major macro forecasts
Elections next year may put private investment decisions on hold

	2025F	2026F	2027F
Real GDP (% yoy)	3.4	2.8	3.0
CPI (% yoy)	1.5	2.0	2.0
Policy Rate (eop)	4.25	3.75	3.75
Fiscal Bal. (%/GDP)	-2.2	-2.0	-2.0
Cur.Act. Bal. (%/GDP)	3.1	2.1	2.0

Source: BofA Global Research

BofA GLOBAL RESEARCH

Uruguay: Easing

Sebastian Rondeau
BofAS

BCU easing beyond neutral? Government dislikes UYU appreciation.
BCU cut the policy rate by 100bp in January to 6.50%, after a 50bp cut in December (from a 9.25% peak in April), amid fast inflation progress and slow growth. BCU considered a rate around 7.5% was neutral territory. But it may continue cutting into expansionary bias, amid low inflation and UYU appreciation pressures. We forecast BCU will cut the policy rate to 6% this year. Simultaneously, the government announced it would intervene in the FX (most likely buying USD forward) to avoid a further appreciation of the UYU.

Inflation declined to 3.5% yoy in January (vs 3.7% in 2025 and 5.5% in 2024), within the target range (3-6%), the smallest since 2001, amid strong UYU. Inflation should remain around the target as BCU eases policy to avoid further disinflation and appreciation. We forecast inflation at 4% in 2026 and 4.5% in 2027. 12-month ahead inflation forecasts inched up to 4.5% from a 4.4% low (BCRA survey).

Activity slowing down

Activity slowed down in 3Q. GDP dropped 0.2% qoqsa and grew only 1.2% yoy, led by commerce and financial services. We estimate a 1.3% GDP growth in 2025 (vs the 3.5% GDP rebound in 2024 following weather normalization) and a 1.5% expansion this year, amid fiscal consolidation. Argentina could become a tailwind in 2026. FDI outlook remains positive, including potential investments in renewable energy and IT.

Fiscal consolidation this year

The new government will likely slowdown spending in 2026 to seek the 2.5% of GDP fiscal deficit in the medium-term (from 3.4% of GDP last year), seeking a stable debt-to-GDP ratio. The new budget proposes taxation of investments abroad and the domestic application of a global minimum tax of 15% for companies with over $800mn annual revenue. Uruguay initiated an evaluation with the IMF to improve its fiscal transparency.

Exhibit 130: Major macro forecasts
GDP slower

Uruguay	2025F	2026F	2027F
Real GDP (% yoy)	1.3	1.5	2.0
CPI (% yoy)	3.7	4.0	4.5
CurAct Bal (%/GDP)	-0.8	-0.8	-0.8
Fiscal Bal (%/GDP)	-3.4	-3.0	-2.5

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 131: UYU Forecast
UYU depreciation to slow?

	Q1 26	Q2 26	Q3 26	Q4 26
USD-UYU	39.1	39.4	39.4	39.5

Source: BofA Global Research

BofA GLOBAL RESEARCH

Venezuela

Sebastian Rondeau
BofAS

Oil Relief

US is working with Venezuela interim president on a common agenda

After the exit of Nicolas Maduro, the U.S. is working with Venezuela interim president Delcy Rodríguez on a joint agenda. US 3-step plan for Venezuela features 1) stabilization, 2) recovery and 3) managing the transition. The U.S. is managing Venezuelan sales of sanctioned oil (receiving up to 50 mnbpd short-term), which is being sold at market prices (protecting the revenues via a national emergency order).

Oil recovery phase: General Licenses

During the Recovery phase, the US will seek that oil companies have access to the country to invest over $100bn in 10 years to grow oil production to around 3mn bpd.

This month, the US has issued general licenses to US oil companies to trade and export the oil and to import diluents. US also has issued general licenses to companies already established in Venezuela enabling a broad range of operations and investments in the oil and gas sector (and could consider licenses for other companies). This departs from previous policies granting licenses on a case-by-case basis.

Major oil firms expressed mixed interest in Venezuela given challenges and arbitration debts. Chevron's Vice Chair said they could raise production by 50% in about two years, from current levels at about 240k bpd by upgrading their equipment. Repsol's CEO said they could triple their production in two-three years, from 45k bpd. ConocoPhillips's CEO said the company is still owed around $12bn from 2007 nationalization.

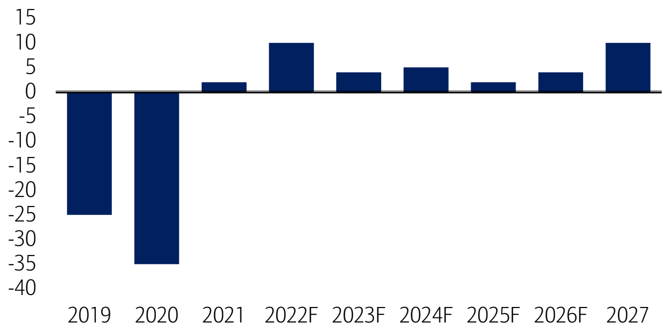
Oil production starts to recover

Oil production declined to 830kbpd in January, from a 924 kbpd average in 2025, amid tighter US restrictions and seizure of oil tankers. We expect oil production to recover to 1mnbpd average in 2026 amid improved access to oil markets, and above 1.2mnbpd in 2027. In a successful transition, we see oil production growing to 1,75mn to 2mn bpd by end 2030.

Inflation pressures amid low oil prices

We estimate inflation at 417% in 2025, amid faster depreciation of the currency (16% mom average last year) and lower oil prices. Before the discontinuation of CPI releases, inflation estimates had increased to 26% in May (more than 1,000% annualized). We expect inflation to decline to 230% this year, amid higher oil revenue.

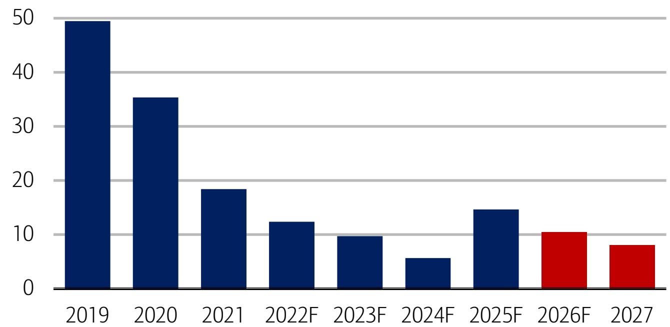
Exhibit 132: Venezuela: real GDP growth %
Activity recovers.



Source: BofA Global Research.

BofA GLOBAL RESEARCH

Exhibit 133: Venezuela Inflation monthly average %
Inflation resurfaces



Source: BofA Global Research. Observatorio Venezolano de Finanzas.

BofA GLOBAL RESEARCH

Commodities

Oil: Medium-term oil outlook

Francisco Blanch
MLPF&S

Oil defined by soft balances, China stocks, geopolitics

Brent prices have been on a steady decline after hitting $128/bbl in 2022 and may see more downward pressure this year and next as supply keeps exceeding demand. Oil has traded in backwardation, helped by low commercial inventories, Chinese strategic petroleum reserve (SPR) purchases, and geopolitical tensions. And even as oil has become trapped at sea due to sanctions, OPEC+ proactively prevented a large glut. Risks around demand, sanctions relief, robust non-OPEC+ growth, or rising OPEC+ volumes could tilt the balance lower for prices. Thus, we maintain our forecast that Brent will average $60/bbl or so this year, down from $68 in 2025 and $62 in 2027.

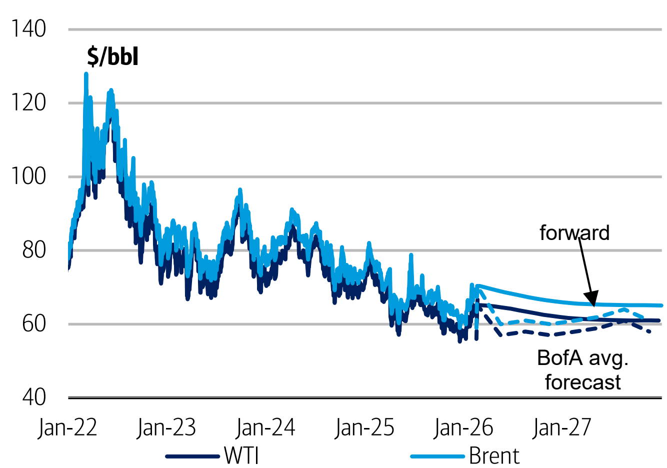
We see Brent crude prices averaging $60-80/bbl into 2031

While the surplus this year and next could push Brent at times below $60/bbl, we still expect oil prices to average between $60/bbl and $80/bbl through 2031 to keep the market balanced, up from the $50-70/bbl band we forecast during the 2016-2021 period. As a reference, prompt and 5-year forward Brent prices averaged ~$80/bbl and ~$67/bbl, respectively, in the past five years. We see global consumption growth nearing roughly 1mn b/d this year and next and then slowing down into the end of the decade to reach 108mn b/d by 2031, up just 4mn b/d from 2025 levels. This means one-third of the demand growth over the next 6 years should occur in 2026 and 2027.

Demand set to peak in the 2030s as supply is still ample

Against slower oil demand growth, annual non-OPEC supply should expand by an average of 400k b/d in 2026-31 on slower US shale, significantly below the historical average of 1.5mn b/d in 2020-25. Oil balances imply that OPEC+ spare capacity should near 3.4mn b/d through 2031, a little higher than the ~3mn b/d capacity of the past 20 years. Thus, a big price spike seems unlikely, barring large supply disruptions. In contrast, a potential peace deal in Ukraine, sanctions relief in Iran or Venezuela, or a major recession could all push oil prices towards the lower end of our range or even force it down despite rising cost inflation.

Exhibit 134: We now expect prices to trade slightly below the forward strip
Crude oil price forecast versus forwards ($/bbl)



Source: Bloomberg, BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 135: Crude oil forecasts
Brent and WTI forecasts ($/bbl)

	1Q26	2Q26	3Q26	4Q26
WTI	56	57	58	57
Brent	59	60	61	60

Source: BofA Global Research

BofA GLOBAL RESEARCH

Nat gas: Fern flips the script for US gas

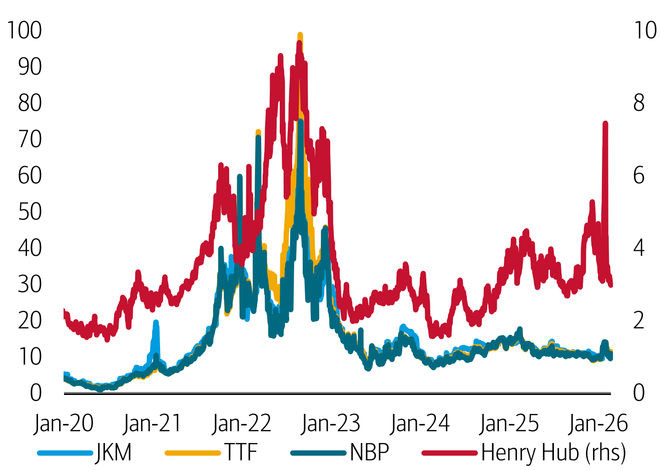
Francisco Blanch
MLPF&S

Fern tested US gas system in late January but the market is back to normal…
In mid-Jan a combination of mild weather and production growth weighed on gas prices but by late-Jan the weather forecasts flipped from mild to extremely cold. The record gas draws were met with a spike in Henry futures as well as physical gas and electricity prices. The peak cold and freeze-offs coincided with the February futures expiration, which likely exacerbated the price volatility. The high gas prices signaled an increase in imports from Canada, reduction in LNG feedgas demand, and increased coal and oil-fired generation to help balance gas through the cold event. Now the gas curve is nearly back to pre-Fern levels, as if nothing really happened. Fern has proven to be a great natural experiment as to how flexible and resilient the US energy markets are, with minimal disruption to the US economy.

We increase our bal-26 price forecast on storage deficit…
The Energy Information Administration (EIA) reported a record weekly draw of 360 Bcf in late January and the past 3 weeks withdrew a record 851 Bcf. The mid-January storage surplus of 177 Bcf has quickly flipped to a deficit of 130 Bcf. We believe spreads like April/January should tighten as storage capacity holders rush to refill inventories this spring to take advantage of the wide spreads. The power sector is likely the most efficient means to balance the US natural gas market over the coming months. As such we raise our summer Henry Hub price forecast to $4/mmbtu a level we feel would motivate the power sector to switch from gas to coal-fired generation to put gas storage on pace to end the summer with at least 3.8 Tcf.

…& raise '27 est. to reflect supply concerns for next winter
Even though gas rigs have increased YTD and E&Ps (exploration and production companies) have a history of growing production in front of demand, we cautiously raise our 2027 price forecast to $4/mmbtu from $3.75/mmbtu prior to keep E&Ps on pace for sufficient gas supply next winter. In fact, some E&Ps are already planning to be "data center" ready. Given the long history of gas E&Ps outperforming expectations, the US is likely left with too much natural gas supply in 2027, but given the recent gas price spike we believe at this point it is better to be safe than sorry.

Exhibit 136: Winter storm Fern caused a large jump in HH prices in January
Global natural gas prices ($/MMBtu)



Source: Bloomberg

BofA GLOBAL RESEARCH

Exhibit 137: We raise our forecast after Fern tightened US balances
Nat gas forecasts ($/MMBtu)

	Q1 26	Q2 26	Q3 26	Q4 26
US nat gas	4.80	3.85	4.10	4.45

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Gold: The rally continues

Michael Widmer
MLI (UK)

Themes: macro remains supportive

Going into 2026, we highlighted gold, silver, copper and aluminium as our top picks. Yet, prices rallied much faster than we had anticipated, and this could not be justified with fundamentals alone. Expecting a pullback, we held back marking-to-market forecasts higher. After the recent correction, especially in the precious metals, we see a risk that prices remain choppy near term, but we also know that many market participants had been looking for a pullback to re-initiate long positions. Indeed, there are a few supportive gold market dynamics: the US fiscal outlook is still challenging, there are concerns about longer-dated rates (uncertainty over whether Warsh will reduce the size of the balance does not help here) and ultimately, there is also an expectation that USD will decline further.

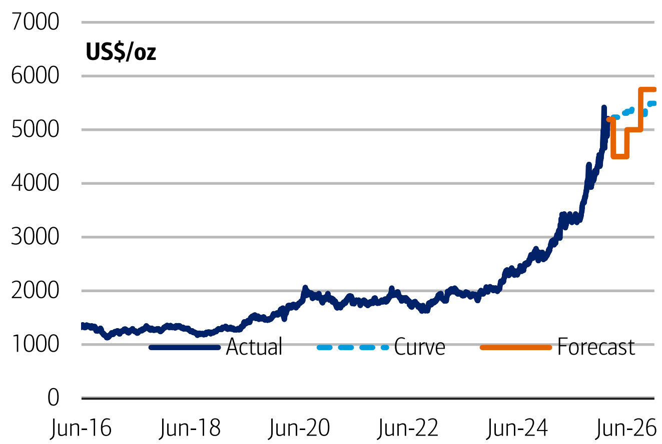
Forecasts: $6,000/oz is possible in 2026

We have been bullish gold since the metal was trading below $2,000/oz. The initial upgrade was driven by concerns over the US deficit. Since then, a series of developments have added momentum to the rally, which could take gold above $6,000/oz in the coming months; fundamentals on the physical market are somewhat shaky but still supportive: central banks may be on the sidelines near-term, but we don't think they are done with diversifying reserves yet.

Risks: US fiscal consolidation

While we are bullish into 2H26, we follow a few scenarios closely that could increase headwinds to the yellow metal. There is, for instance, uncertainty on how the second half of the Trump presidency might shape up after the mid-term elections and whether the administration will be able to implement policies as easily going forward. We think US fiscal consolidation, reduced geopolitical tensions, and a return to collaborative inter-governmental relations are key risks.

Exhibit 138: Forecast vs Forwards
Futures price in higher gold quotations



Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Exhibit 139: Gold and silver forecasts ($/oz)
Gold and Silver rising into Q3 26

	Q1 26	Q2 26	Q3 26	Q4 26
Gold	4,700	4,500	5,000	5,750
Silver	75.00	65.00	75.00	85.00

Source: BofA Global Research estimates

BofA GLOBAL RESEARCH

Copper: strategic stockpiling

Michael Widmer
MLI (UK)

Themes: Governments could set "soft" floor under metals prices

Governments are increasingly focused on critical mineral supply chains. Indeed, the latest USGS critical minerals list now includes all base metals, along with major precious metals ex-gold and battery materials. The US aims to build strategic stocks on all of those. This may set a "soft" floor under prices, and even if governments seek to subdue volatility spikes, markets may remain very choppy as consumer try navigate a lack of surpluses. Beyond that, tariffs were the tool of choice in the US to fortify supply chains, but their success in resurrecting them (e.g., US aluminium supply) has been limited.

Hence, we note that tariffs were no longer the main theme when the White House recently announced the results of the Section 232 critical minerals investigation. Import restrictions and minimum prices have come more into focus. Their effectiveness will likely depend somewhat on the individual raw materials and market sizes.

Forecasts: Strategic stockpilers could end up the marginal buyer

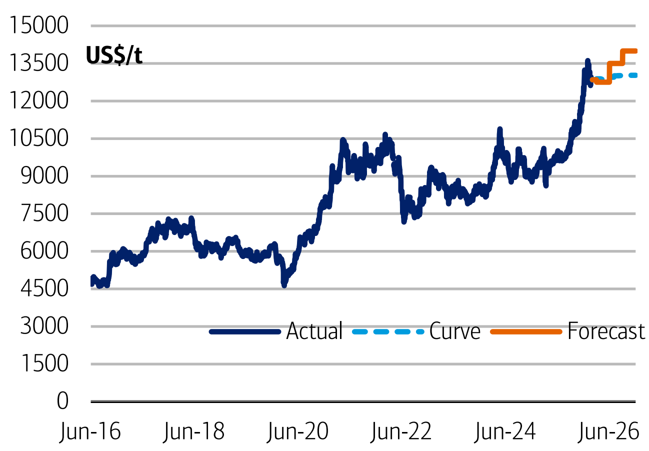
With "Project Vault", Trump's administration has launched a strategic, commercial stockpiling initiative set up as a public-private partnership, seeded with a US$10 billion EXIM (Export-Import) Bank loan and nearly US$2 billion in private-sector investment. The initiative is set to invest in all the raw materials on the United States Geological Survey's (USGS) critical minerals list and will take cues from manufacturers on stockpiling needs. Project Vault will procure minerals on the global market to build an initial inventory, so this will introduce a buyer to the market that hadn't' been there before.

China Nonferrous Metals Association has also floated the idea of a strategic copper stockpiling mechanism, which seems a little unusual to us, with copper prices close to record highs. In short, even if copper demand is somewhat lacklustre at present, we believe that strategic global competition for metals should keep price supported.

Risks: China weakens

An escalation of the US/ China trade dispute would be bearish.

Exhibit 140: Forecast vs Forwards
We see further upside to copper in 2026



Source: Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 141: Copper forecasts
We are cautious near-term, but see further upside into 2026

	Q1 26	Q2 26	Q3 26	Q4 26
US$/t	12,500	12,750	13,500	14,000
USc/lb	567	578	612	635

Source: Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Aluminum: consumers have to pay up

Michael Widmer
MLI (UK)

Themes: Subdued manufacturing demand, but tight supply still

Economic pressures are showing up in many of the usual indicators. Headline PMIs, a proxy for the strength of metals demand, highlight that manufacturing remains subdued in China, the US and Europe. Similarly, our real-time demand indicators show activity in metals-consuming sectors is weak. In China, this has been heavily influenced by a slowdown in grid spending, while uncertainty over economic policies is weighing on sentiment in the US. Meanwhile, European demand has increased tentatively, albeit from a low baseline.

Against this backdrop, metals prices have rallied. Why? Aluminium availability has been tight. While markets are waiting for a dip after the rally, a rebound in demand later this year could make markets even tighter, pushing prices higher and curves into deeper backwardation.

Forecasts: Aluminium consumers have to pay up on tight liquidity

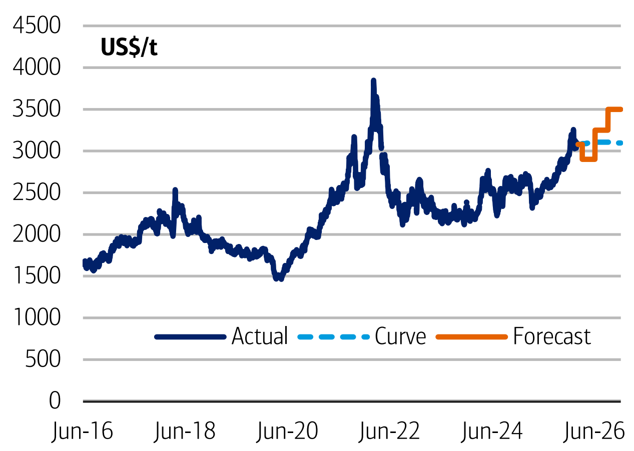
On time spreads, London Metal Exchange (LME) aluminium inventories have fallen in recent years. The lack of physical liquidity is an increasing challenge given the LME runs physically settled contracts, so time spreads have been volatile and flipped into backwardation. Increased competition for sparse metals units has also been visible off-exchange. Indeed, premia (paid on top of exchange-quoted prices and an indicator of regional market tightness) are now rallying in both the US and Europe.

As a result, US consumers have to even pay a small mark-up on the 50% tariffs. How is this possible? Supply is a critical issue, with global output growth slowing from around 5% in the past decade to 1.2% YoY in CY25 and 0.5% YoY in December. Indonesia's aluminium units have so far not made a difference and this is unlikely to change near term, in our view. Hence, with demand potentially recovering, there is a risk that aluminium fundamentals get even tighter.

Risks: economy does not re-accelerate

Continued subdued demand growth is the key risk to our constructive outlook.

Exhibit 142: Forecast vs Forwards
We see further upside in aluminium



Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 143: Aluminum forecasts
Aluminium fundamentals look bullish

	Q1 26	Q2 26	Q3 26	Q4 26
US$/t	3,000	2,900	3,250	3,500
USc/lb	136	132	147	159

Source: BofA Global Research

BofA GLOBAL RESEARCH

Appendix

GEMs Macro Forecasts

Exhibit 144: GDP growth and CPI inflation

Emerging markets growth expected at 4.4% in 2026

	Real GDP growth (% yoy)					CPI Inflation (%)				
		2026F		2027F			2026F		2027F	
	2025F	BofA	Chg.	BofA	Chg.	2025F	BofA	Chg.	BofA	Chg.
GEMs	4.6	4.4	-	4.4	-	2.3	2.5	-	2.6	-
GEMs (ex. China)	4.4	4.3	-	4.4	-	3.9	4.1	-	3.9	-
GEM-10	4.9	4.7	0.1	4.7	0.1	2.7	2.8	0.1	3.1	0.2
Global	3.6	3.5	0.1	3.4	-	2.4	2.4	-	2.4	-
US	2.2	2.8	-	2.1	-	2.7	2.7	-	2.5	0.1
Euro area	1.5	1.2	0.2	1.3	(0.1)	2.1	1.7	0.1	1.7	0.1
Japan	1.1	0.7	-	0.8		3.2	1.9	-	2.2	0.1
Asia	5.5	5.1	0.1	5.0	-	0.9	1.5	-	1.9	(0.1)
China	5.0	4.7	-	4.5	-	0.0	0.1	-	0.8	-
Hong Kong	3.2	2.5	-	2.4	-	1.4	1.8	-	1.9	-
India	7.7	6.8	-	7.2	-	2.2	4.3	(0.1)	4.4	(0.2)
Indonesia	5.1	5.3	-	5.5	-	1.9	2.5	(0.2)	2.7	(0.3)
Korea	1.0	1.9	-	2.1	-	2.1	2.1	-	2.0	-
Malaysia	5.2	4.7	0.5	4.2	0.2	1.4	1.7	(0.1)	2.0	-
Philippines	4.4	4.6	(1.0)	5.0	(0.5)	1.7	3.0	-	3.3	-
Singapore	5.0	3.6	1.6	2.4	-	0.9	1.8	0.2	1.5	0.1
Taiwan	8.7	8.0	3.5	4.0	1.5	1.7	1.6	0.3	2.0	0.3
Thailand	2.0	1.6	-	2.1	-	0.0	0.5	-	0.7	-
EEMEA	3.5	3.7	-	3.6	-	7.3	5.1	(0.2)	4.3	(0.1)
Czech R.	2.7	2.4	0.2	2.4	(0.1)	2.5	1.4	(0.5)	2.1	(0.3)
Egypt	4.0	4.0	-	4.5	-	20.4	13.2	-	10.0	-
Hungary	0.6	2.7	-	2.5	-	4.4	2.7	(0.1)	3.0	(0.5)
Israel	3.3	4.2	-	4.0	-	3.1	2.5	-	2.2	-
Nigeria	3.9	4.2	-	4.0	-	20.0	14.0	(1.0)	12.0	-
Poland	3.6	3.8	0.2	2.7	-	3.6	2.0	(0.4)	2.4	(0.3)
Romania	1.0	1.5	-	2.8	-	7.3	6.4	(0.1)	3.2	-
Saudi Arabia	4.6	3.9	-	3.1	-	2.0	2.0	-	2.0	-
South Africa	1.4	1.5	-	1.7	-	3.2	3.4	(0.2)	3.6	0.2
Türkiye	3.7	4.3	-	4.7	-	34.9	26.8	-	22.0	-
Ukraine	2.5	7.0	-	6.0	-	13.4	5.0	-	5.0	-
LatAm*	2.3	2.3	0.1	2.2	(0.1)	3.7	3.9	-	3.7	0.1
Argentina	4.1	3.0	(0.5)	3.0	-	31.5	22.4	2.1	13.2	1.2
Brazil	2.5	2.0	-	1.8	-	4.3	4.0	-	3.5	-
Chile	2.3	2.5	0.3	2.0	-	3.4	3.0	(0.1)	3.3	0.2
Colombia	2.6	2.4	-	2.8	-	5.1	6.1	0.1	4.2	-
Costa Rica	4.6	4.0	0.2	4.0	-	-1.2	2.0	-	3.0	-
Dominican Rep	2.1	4.0	-	4.0	-	5.0	4.2	-	3.9	-
Ecuador	3.3	2.5	-	2.3	-	1.3	1.8	-	1.8	-
El Salvador	3.5	3.3	-	3.3	-	0.9	2.0	-	2.0	-
Guatemala	4.0	3.8	-	3.7	-	1.7	2.8	-	3.1	-
Mexico	0.6	1.5	0.3	1.6	(0.2)	3.7	4.0	(0.1)	4.4	0.1
Panama	4.3	4.0	-	5.0	-	0.3	2.3	-	2.6	-
Peru	3.4	2.8	-	3.0	-	1.5	2.0	0.1	2.0	-
Uruguay	1.3	1.5	(0.3)	2.0	-	3.7	4.0	(0.5)	4.5	-
Venezuela	2.0	4.0	3.0	10.0	9.0	416.5	231	-	154	-

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 145: Current Account and Monetary Policy Rate
Monetary policy rates overall expected to decline in 2026

	Current Account balance (% of GDP)					Monetary policy rate (%)						
		2026F		2027F			2026F			2027F		
	2025F	BofA	Chg.	BofA	Chg.	Current	BofA	Chg.	Bloomberg Consensus	BofA	Chg.	Bloomberg Consensus
GEMs	1.9	1.8	-	1.5	(0.1)	-	-	-	-	-	-	-
GEMs (ex. China)	0.8	0.8	-	0.8	0.1						-	
GEM-10	1.7	1.5	0.1	1.3	0.1	-	-	-	-	-	-	-
Global	-	-	-	-	-	3.74	3.34	-	-	3.23	-	-
US	-3.9	-3.5	-	-3.5	-	3.625	3.125	-	3.25	3.125	-	3.23
Euro area	2.3	2.3	(0.1)	2.1	-	2.15	2.15	-	2.2	1.65	-	2.2
Japan	4.3	4.2	-	4.1	-	0.75	1.25	-	1.10	1.75	-	1.30
Asia	3.3	2.9	-	2.5	-	-	-	-	-	-	-	-
China	3.4	2.9	-	2.5	-	1.50	1.20	-	-	1.20	-	-
Hong Kong	13.5	11.7	-	11.2	-	4.00	3.50	-	-	3.50	-	-
India	-0.6	-0.8	-	-0.7	-	5.25	5.25	0.25	5.21	5.75	-	5.38
Indonesia	-0.1	-0.8	-	-0.9	(0.1)	4.75	4.00	-	4.41	4.00	-	4.57
Korea	5.9	5.0	-	2.0	-	2.50	2.50	0.25	2.42	2.50	0.25	2.43
Malaysia	1.6	2.3	0.3	2.4	0.6	2.75	2.75	-	2.77	2.75	-	2.81
Philippines	-4.0	-4.0	(0.4)	-3.6	-	4.25	4.25	(0.25)	4.12	4.50	-	4.15
Singapore	16.7	16.4	0.1	16.1	(0.3)	-	-	-	-	-	-	-
Taiwan	19.1	22.2	1.8	15.7	-	2.00	2.00	-	2.02	2.25	0.25	2.02
Thailand	2.5	1.6	-	1.9	-	1.25	1.00	-	1.01	1.25	-	1.03
EEMEA	-1.3	-0.5	-	0.0	(0.1)	-	-	-	-	-		-
Czech R.	0.5	0.4	-	0.6	-	3.50	3.00	(0.50)	3.38	3.50	(1.00)	3.29
Egypt	-4.4	-3.7	(0.1)	-2.6	(0.1)	19.00	17.00	(1.00)	-	14.00	(1.00)	-
Hungary	1.6	1.4	-	1.6	(0.1)	6.50	5.75	-	5.68	5.00	-	5.03
Israel	3.6	4.2	-	4.7	-	4.00	3.25	-	3.38	3.25	-	3.25
Nigeria	5.3	4.1	0.3			26.50	21.00	1.00	21.00	16.00	-	16.50
Poland	-1.4	-1.6	(0.1)	-1.4	(0.1)	4.00	3.00	(0.75)	3.39	3.50	(0.25)	3.43
Romania	-8.4	-7.6	-	-7.0	-	6.50	5.25	0.25	5.65	4.50	-	4.43
Saudi Arabia	-3.4	-5.0	-	-4.5	-	4.25	3.50	-	-	3.50	-	-
South Africa	-0.6	0.5	1.5	0.0	1.1	6.75	6.00	(0.25)	6.21	6.00	-	5.95
Türkiye	-1.5	-1.8	-	-2.0	-	37.00	31.00	0.50	28.97	25.50	5.50	22.17
Ukraine	-7.1	-7.1	-	-5.5	-	15.00	11.00	-	12.58	9.00	-	11.10
LatAm	-1.3	-1.1	0.4	-1.2	0.3	-	-	-		-		
Argentina	-1.4	-1.1	0.3	-1.6	0.1	--	--	--	--	--	--	--
Brazil	-3.0	-2.5	-	-2.2	-	15.00	11.50	0.25	12.24	10.50	-	10.39
Chile	-2.3	-0.4	(1.3)	-1.6	(1.7)	4.50	4.25	(0.25)	4.27	4.75	0.25	4.22
Colombia	-2.6	-2.6	-	-2.7	-	10.25	12.00	1.00	10.25	11.00	1.00	9.22
Costa Rica	-1.2	-1.5	-	-1.5	-	3.25	3.25	-	-	3.25	-	-
Dominican Rep	-2.9	-3.0	-	-3.3	-	5.25	5.25	-	-	4.50	-	-
Ecuador	6.0	4.0	-	2.5	-	-	-	-	-	-	-	-
El Salvador	-1.8	-2.0	-	-2.5	-	-	-	-	-	-	-	-
Guatemala	4.0	3.5	-	3.0	-	3.50	3.00	-	-	3.00	-	-
Mexico	-0.1	-0.2	0.4	0.0	0.3	7.00	6.00	-	6.50	6.00	-	6.38
Panama	2.0	1.5	-	1.0	-	-	-	-	-	-	-	-
Peru	3.1	2.1	-	2.0	-	4.25	3.75	-	4.03	3.75	-	4.15
Uruguay	-0.8	-0.8	-	-0.8	-	6.50	6.00	(1.00)	-	7.00	-	-
Venezuela	-5.6	-2.7	(3.3)	-5.5	(6.6)	-	-	-	-	-	-	-

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

GEMs Consolidated Macro Indicators

Exhibit 146: GEMs
Consolidated Macro Indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
GEMs										
Nominal GDP (US$ bn)	31.544	32.259	31.484	36.962	38.349	39.687	40.798	42.913	47.074	50.871
Real GDP growth (% yoy)										
Weighted by PPP-GDP	4.9	4.0	-2.0	7.4	4.2	4.6	4.2	4.6	4.4	4.4
Weighted by current exchange rates	4.9	4.0	-1.4	7.5	4.0	4.4	4.0	4.3	4.2	4.1
Median	3.3	2.8	-5.5	6.5	4.7	2.7	2.7	3.4	3.8	3.0
CPI inflation (% yoy, ave)										
Weighted by PPP-GDP	3.2	3.2	3.2	3.2	4.9	3.9	3.5	3.5	2.2	2.4
Weighted by current exchange rates	2.8	3.0	2.9	2.8	4.4	3.1	2.5	1.5	1.7	2.1
Median	2.2	2.8	2.5	3.9	7.0	4.2	2.6	2.2	2.5	3.0
Trade balance (US$ bn)	296.7	303.7	322.0	462.1	485.2	578.5	482.8	586.8	571.0	481.1
Exports (US$ bn)	3.730	4.082	3.904	3.809	4.776	5.126	4.769	4.958	4.864	4.952
Imports (US$ bn)	3.433	3.778	3.582	3.347	4.291	4.548	4.286	4.371	4.293	4.471
Current account balance (US$ bn)	58.1	265.6	713.5	692.7	545.0	458.9	605.7	815.6	835.8	785.9
Current account balance (% of GDP)	0.2	0.8	2.3	1.9	1.4	1.2	1.5	1.9	1.8	1.5
International reserves (US$ bn)	7.358	7.539	8.073	8.388	7.878	8.227	8.334	8.717	9.039	9.290
Gross government debt (% of GDP)	55.0	58.3	69.3	69.1	70.2	73.1	74.8	76.2	79.6	81.9
Gov. budget balance (% of GDP)	-2.6	-2.7	-4.9	-3.6	-3.1	-4.1	-4.0	-4.3	-4.1	-4.0
Asia										
Nominal GDP (US$ bn)	22.256	22.908	22.973	27.210	27.705	28.105	29.034	30.206	32.704	35.472
Real GDP growth (% yoy)										
Weighted by PPP-GDP	6.2	5.1	-0.8	7.7	4.3	5.7	5.1	5.2	5.1	5.0
Weighted by current exchange rates	6.1	5.1	0.1	7.7	3.8	5.3	4.8	5.0	4.7	4.6
Median	4.5	3.6	-4.6	5.1	4.7	3.4	4.7	4.8	4.4	3.2
CPI inflation (% yoy, ave)										
Weighted by PPP-GDP	2.4	2.7	2.9	2.0	3.6	2.1	1.7	0.9	1.5	2.0
Weighted by current exchange rates	2.2	2.6	2.5	1.7	3.1	1.5	1.2	0.6	1.0	1.4
Median	1.8	1.9	0.5	1.9	4.6	3.2	2.3	1.6	1.8	1.9
Trade balance (US$ bn)	229.6	203.8	231.8	365.4	384.2	547.8	460.3	498.8	509.5	480.3
Exports (US$ bn)	2.531	2.752	2.625	2.650	3.354	3.550	3.243	3.359	3.244	3.304
Imports (US$ bn)	2.301	2.548	2.394	2.285	2.970	3.002	2.782	2.860	2.735	2.824
Current account balance (US$ bn)	211.5	323.4	593.9	654.3	667.1	506.8	768.8	983.2	954.0	880.3
Current account balance (% of GDP)	1.0	1.4	2.6	2.4	2.4	1.8	2.6	3.3	2.9	2.5
International reserves (US$ bn)	5.524	5.675	6.160	6.358	5.896	6.151	6.180	6.411	6.648	6.858
Gross government debt (% of GDP)	58.8	63.7	75.7	76.3	78.1	82.3	84.0	85.4	90.1	94.0
Gov. budget balance (% of GDP)	-2.2	-2.6	-4.5	-3.9	-3.2	-3.6	-3.2	-3.7	-3.6	-3.7
EEMEA										
Nominal GDP (US$ bn)	4.149	4.337	4.386	4.947	5.182	5.407	5.463	6.002	6.882	7.569
Real GDP growth (% yoy)										
Weighted by PPP-GDP	3.5	3.1	-2.2	6.0	4.1	2.6	2.5	3.5	3.7	3.6
Weighted by current exchange rates	3.5	3.0	-2.8	6.2	4.9	2.1	2.3	3.3	3.7	3.5
Median	3.3	3.8	-3.8	5.5	4.4	1.8	2.4	3.3	3.9	3.1
CPI inflation (% yoy, ave)										
Weighted by PPP-GDP	5.8	4.9	4.3	4.8	8.2	10.0	10.3	15.0	11.1	9.2
Weighted by current exchange rates	5.3	4.2	4.2	4.9	8.5	9.2	8.4	4.6	2.6	3.3
Median	4.5	3.8	3.3	4.6	13.7	10.7	3.7	3.6	2.7	3.2
Trade balance (US$ bn)	-6.6	29.9	9.8	-8.0	12.7	-55.9	-106.1	-68.3	-79.9	-146.0
Exports (US$ bn)	629	711	671	614	756	789	738	780	799	796
Imports (US$ bn)	636	681	661	622	743	845	844	848	879	942
Current account balance (US$ bn)	-19.5	39.4	122.0	123.1	11.2	37.1	-86.3	-80.9	-33.4	-0.2
Current account balance (% of GDP)	-0.5	0.9	2.8	2.5	0.2	0.7	-1.6	-1.3	-0.5	0.0
International reserves (US$ bn)	1.006	1.052	1.079	1.162	1.162	1.224	1.283	1.344	1.403	1.429
Gross government debt (% of GDP)	40.3	39.0	44.7	45.0	47.0	47.1	47.0	48.2	48.6	49.1
Gov. budget balance (% of GDP)	-2.7	-2.2	-3.9	-1.9	-2.4	-5.1	-6.9	-6.6	-5.1	-4.2
LatAm										
Nominal GDP (US$ bn)	5.138.9	5.013.9	4.124.7	4.804.7	5.461.7	6.175.7	6.301.9	6.705.2	7.488.5	7.830.5
Real GDP growth (% yoy)										
Weighted by PPP-GDP	1.7	0.8	-6.6	7.7	4.1	2.2	2.1	2.3	2.3	2.2
Weighted by current exchange rates	1.2	0.3	-6.9	7.5	4.0	2.2	2.1	2.2	2.2	2.3
Median	2.5	1.7	-7.9	9.9	5.0	2.7	2.9	3.0	2.9	3.0
CPI inflation (% yoy, ave)										
Weighted by PPP-GDP	3.6	3.4	3.4	7.8	7.7	4.7	4.2	3.7	3.9	3.7
Weighted by current exchange rates	3.6	3.5	3.5	8.0	7.6	4.5	4.2	3.7	3.9	3.7
Median	2.2	2.9	2.5	6.3	7.9	3.5	2.6	2.6	2.9	3.2
Trade balance (US$ bn)	73.7	70.0	80.4	104.7	88.3	86.6	128.6	156.3	143.5	143.1
Exports (US$ bn)	569.9	618.5	607.2	545.7	666.3	787.3	788.6	819.2	838.4	871.3
Imports (US$ bn)	496.2	548.5	526.7	441.0	578.1	700.7	660.0	662.9	694.9	728.2
Current account balance (US$ bn)	-134.0	-97.2	-2.5	-84.7	-133.3	-85.0	-76.8	-86.7	-84.8	-94.1
Current account balance (% of GDP)	-2.6	-1.9	-0.1	-1.8	-2.4	-1.4	-1.2	-1.3	-1.1	-1.2
International reserves (US$ bn)	828.0	812.1	832.9	868.0	820.2	851.7	871.2	961.9	987.6	1.002.7
Gross government debt (% of GDP)	55.8	56.9	69.0	63.8	60.2	59.7	63.3	63.7	63.1	57.0
Gov. budget balance (% of GDP)	-4.3	-3.7	-8.5	-4.1	-3.4	-5.4	-5.4	-4.8	-5.3	-4.9

Source: BofA Global Research

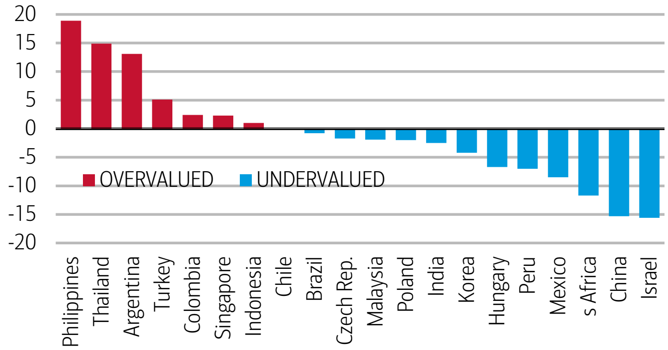
BofA GLOBAL RESEARCH

GEMs FX Compass and CA Imbalances

BofA FX Compass is our long-term fundamental valuation model for 20 EM countries. As part of our modeling framework, we estimate the gap between the forecast and equilibrium CA balance.

Exhibit 147: FX Compass Long Term Valuations

Trade-weighted valuations vs REER fair values

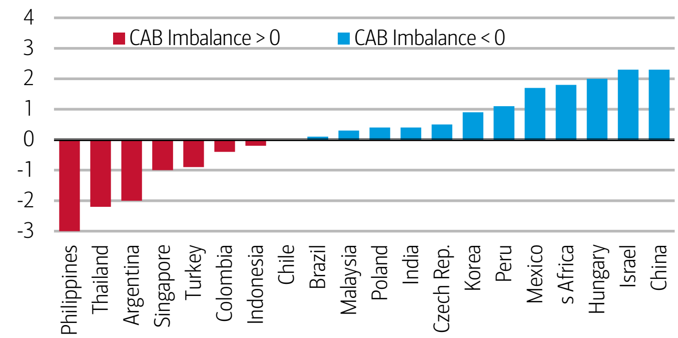


BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 148: Current Account Imbalances

Gap between forecast and equilibrium CAB (forecasted minus long-term equilibrium)



BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 149: FX Compass

Long term currency valuation

Country	Fair Value vs USD (or EUR) 1/	Spot vs USD (or EUR) 1/	Bilateral Misalignment vs USD (or EUR) 1/	Trade-weighted Misalignment (%) 2/
Asia			3.9	1.6
China	6.35	6.9	-8.8	-15.3
India	92.03	90.96	1.2	-2.5
Indonesia	17467	16874	3.4	1
Korea	1415	1447	-2.3	-4.2
Malaysia	3.95	3.9	1.1	-1.9
Philippines	70.37	58.14	17.4	18.9
Singapore	1.33	1.27	4.8	2.3
Thailand	36.51	31.18	14.6	14.9
EEMEA			-4.6	-5.4
Czech Rep. 1/	23.56	24.25	-2.9	-1.7
Hungary 1/	351	379	-8.1	-6.7
Israel	2.76	3.13	-13.5	-15.6
Poland 1/	4.08	4.22	-3.6	-2
South Africa	14.98	16.15	-7.8	-11.7
Türkiye	47.88	43.84	8.4	5.1
LatAm			1.3	-0.1
Argentina	1615	1391	13.9	13.1
Brazil	5.39	5.22	3.3	-0.8
Chile	876	866	1.2	-0.1
Colombia	3821	3697	3.3	2.4
Mexico	16.04	17.25	-7.5	-8.5
Peru	3.16	3.36	-6.2	-7
Average			0.6	-1

Note 1/ CZK, HUF and PLN are quoted against the EUR. Fair values are updated using forecasts. Spot is for February 20 ,2026. Note 2/ REER valuation is trade-weighted deviation of current REER (October estimate) from Compass fair values. **Source:** BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 150: Estimated current account imbalance

CA imbalance

Country	Forecasted CA 2025-2027	Long-term CA	CAB Imbalance
Asia	2.5	2.8	-0.3
China	2.7	0.4	2.3
India	-1.5	-1.9	0.4
Indonesia	-0.8	-0.6	-0.2
Korea	3.5	2.6	0.9
Malaysia	1.9	1.6	0.3
Philippines	-3.8	-0.8	-3.0
Singapore	16.4	17.3	-1.0
Thailand	1.8	4.0	-2.2
EEMEA	0.6	-0.4	1.0
Czech Rep. 1/	0.5	0.0	0.5
Hungary 1/	2.0	0.0	2.0
Israel	4.4	2.1	2.3
Poland 1/	-1.6	-2.0	0.4
South Africa	0.3	-1.5	1.8
Türkiye	-1.9	-1.0	-0.9
LatAm	-0.9	-1.0	0.1
Argentina	-1.4	0.6	-2.0
Brazil	-2.4	-2.5	0.1
Chile	-1.0	-1.0	0.0
Colombia	-2.7	-2.3	-0.4
Mexico	-0.1	-1.7	1.7
Peru	2.1	1.0	1.1
Average	0.9	0.7	0.2

Note: CA denotes current account balance as a % of GDP. A negative misalignment indicates the currency is overvalued. **Source:** BofA Global Research

BofA GLOBAL RESEARCH

GEMs Tables – Asia

Exhibit 151: China
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023F	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	14,149	14,559	14,998	18,201	18,315	18,273	18,781	19,490	21,123	22,891
GDP per capita (US$)	9,887	10,126	10,402	12,615	12,665	12,963	13,336	13,867	15,059	16,352
Unemployment rate (%)[1]	4.7	5.2	5.1	5.1	6.1	5.3	5.1	5.2	5.2	5.2
Population (millions)	1,405	1,410	1,412	1,413	1,412	1,410	1,408	1,405	1,403	1,400
Economic Activity										
Real GDP growth (% yoy)	6.8	6.1	2.3	8.6	3.1	5.4	5.0	5.0	4.7	4.5
Domestic demand growth (% yoy)	7.5	5.4	1.6	7.0	2.7	6.3	3.6	3.8	4.5	4.7
Real investment growth (% yoy)	6.8	4.1	4.1	4.0	2.7	3.3	3.1	3.6	4.2	4.2
Real consumption growth (% yoy)	8.1	6.4	-0.2	9.3	2.8	8.5	3.9	4.4	4.6	5.0
Real private consumption growth (% yoy)	7.4	6.1	-1.9	12.0	1.7	9.0	5.2	4.0	4.4	4.8
Real government consumption growth (% yoy)	9.6	7.0	3.8	3.5	5.3	7.3	0.9	3.5	5.2	5.5
Real export growth (% yoy)	3.8	0.5	2.4	17.7	-1.6	0.9	14.3	5.0	2.7	1.0
Real import growth (% yoy)	8.1	0.4	5.5	10.4	-5.7	4.5	2.0	-0.5	0.5	0.5
Prices										
CPI inflation (% yoy, eop)	1.9	4.5	0.2	1.5	1.8	-0.3	0.2	0.0	0.1	0.8
CPI inflation (% yoy, avg)	2.1	2.9	2.5	0.9	2.0	0.2	0.2	-0.1	0.0	0.5
Nominal wages (% yoy)	10.9	9.8	7.6	9.7	6.7	5.8	5	4.8	5.0	5.3
Nominal exchange rate (vs. USD, eop)	6.86	6.98	6.53	6.36	6.90	7.10	7.30	7.10	6.80	6.70
Nominal exchange rate (vs. USD, avg)	6.62	6.91	6.90	6.45	6.74	7.08	7.18	7.18	6.91	6.71
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-	-	-		
Monetary Sector2										
Monetary base growth (% yoy)	2.8	-2.0	1.9	-0.3	9.6	7.8	-5.4	2.0	2.5	2.5
Broad money growth (% yoy)	8.1	8.7	10.1	9.0	11.8	9.7	13.0	8.0	8.5	8.7
Credit extension to private sector (% yoy)	13.5	12.3	12.8	11.6	11.1	10.6	7.6	6.5	7.0	7.2
Central bank policy rate (%, eop)[3]	2.55	2.50	2.20	2.20	2.00	1.80	1.50	1.40	1.20	1.20
1-month interbank rate (%, eop)	3.46	3.30	3.31	3.18	-	-	1.96			
Long-term yield (%, eop)	3.20	3.14	3.14	2.78	2.80	2.65	1.69	1.75	1.60	1.60
External Sector										
Current account balance (% of GDP)	0.2	0.7	1.7	1.9	2.4	1.4	2.3	3.3	2.9	2.5
Current account balance (US$ bn)	24	103	249	353	443	253	424	637	616	576
Trade balance (US$ bn)	380	393	511	563	665	594	768	950	952	958
Exports, f.o.b. (US$ bn)	2,417	2,387	2,510	3,216	3,347	3,179	3,409	3,577	3,641	3,665
main export										
Imports, c.i.f. (US$ bn)	2,037	1,994	1,999	2,653	2,682	2,585	2,641	2,627	2,689	2,706
Service balance (US$ bn)	-292	-261	-153	-101	-87	-208	-229	-199	-221	-240
Income balance (US$ bn)	-61	-39	-118	-124	-154	-134	-130	-129	-129	-157
Foreign direct investment (US$ bn)	138	141	149	181	189	163	116	105	103	108
International reserves (US$ bn)	3,073	3,108	3,217	3,250	3,128	3,238	3,202	3,330	3,430	3,533
Public Sector										
Central gov. primary budget balance (% of GDP)	-	-	-	-	-	-	-	-	-	-
Central gov. budget balance (% of GDP)	-	-	-	-	-	-	-	-	-	-
Consolidated gov. primary budget balance (% of GDP)	-1.8	-1.9	-2.7	-2.2	-1.8	-2.9	-2.1	-3.0	-3.0	-3.0
Consolidated public sector balance (% of GDP)[4]	-2.6	-2.8	-3.7	-3.1	-2.8	-3.8	-3.0	-4.0	-4.0	-4.0
Central gov. revenues (% of GDP)[5]	19.9	19.3	18.0	17.6	16.8	16.8	16.3	15.7	15.5	14.9
Debt Indicators										
Gross external debt (% of GDP)	14.0	14.2	16.0	15.1	13.4	13.4	12.9	11.9	12.0	12.3
Public (% of GDP)	1.9	2.1	2.8	3.2	2.8	3.0	2.7	2.6	2.6	2.6
Private (% of GDP)	12.2	12.1	13.2	11.9	10.6	10.4	10.1	9.3	9.4	9.7
Gross government debt (% of GDP)	63.7	70.6	83.3	84.2	88.5	94.8	102.9	109.7	118.0	125.4
Domestic (% of GDP)	63.5	70.4	83.1	83.9	88.2	94.5	102.6	99.7	102.2	104.7
External (% of GDP)	0.1	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
External debt amortizations (US$ bn)	-	-	-	-	-	-	-	-		
External debt interest payments (US$ bn)	-	-	-	-	-	-	-	-		
External debt service (% of XGS)	-	-	-	-	-	-	-	-		
Savings - Investment Balance										
Savings (% of GDP)	44.1	43.5	44.6	45.2	45.5	43.2	43.4	43.7	43.4	43.3
Investment (% of GDP)	43.4	42.6	42.3	42.7	42.4	41.1	40.6	39.8	40.0	40.3

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	4.9	4.5	4.4	4.5	4.8	4.8	4.7	4.6	4.3	4.2
Real GDP growth (% qoq, sa, annualized)	4.5	4.5	4.4	4.8	5.5	4.7	4.0	4.3	4.2	4.4
CPI inflation (% yoy, eop)	-0.2	0.0	0.1	-0.2	-0.1	0.1	0.2	0.4	0.6	0.8
Central bank policy rate (%, eop)	1.40	1.40	1.40	1.30	1.20	1.20	1.20	1.20	1.20	1.20
Nominal exchange rate (vs. USD, eop)	7.10	7.10	7.00	6.90	6.80	6.80	6.70	6.70	6.70	6.70
Current account balance (US$ bn)	169.5	173.8	121.3	126.0	186.4	182.6	111.0	114.4	172.0	178.3

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 152: India

Selected economic and financial indicators

	CY 2018	CY 2019	CY 2020E	CY2021 E	CY2022 E	CY2023 E	CY2024 E	CY2025E	CY2026E	CY2027E
Summary Data										
Nominal GDP (US$ bn)	2,734.0	2,805	2,602	3,088	3,349	3,543	3,849	4,030	4,262	4,688
GDP per capita (US$)	2,081	2,114	1,941	2,278	2,447	2,562	2,759	2,860	2,995	3,262
Unemployment rate (%)										
Population (millions)	1,314	1,327	1,341	1,355	1,369	1,383	1,395	1,409	1,423	1,437
Economic Activity										
Real GDP growth (% yoy)	7.3	4.6	-5.9	9.4	7.0	8.8	6.7	7.7	6.8	7.2
Domestic demand growth (% yoy)	9.3	4.9	-7.7	13.6	8.1	6.3	6.7	6.9	6.7	7.0
Real investment growth (% yoy)	13.6	2.8	-10.7	19.9	8.7	8.7	6.2	7.9	6.3	6.7
Real consumption growth (% yoy)										
Real private consumption growth (% yoy)	7.5	6.3	-6.6	11.9	8.6	4.5	7.3	7.3	7.0	7.1
Real government consumption growth (% yoy)	6.7	4.0	-4.6	4.3	3.1	8.9	4.8	1.1	6.4	7.7
Real export growth (% yoy)	10.4	1.6	-10.7	25.3	13.4	2.5	7.4	5.8	6.5	7.0
Real import growth (% yoy)	14.4	0.0	-16.4	24.5	11.4	10.4	1.9	5.2	6.5	6.0
Prices										
CPI inflation (% yoy, eop)	2.1	7.4	4.6	5.7	5.7	5.7	5.2	2.0	4.1	4.0
CPI inflation (% yoy, avg)	3.9	3.7	6.6	5.1	6.7	5.7	4.9	2.2	4.4	4.6
WPI inflation (% yoy, eop)										
WPI inflation (% yoy, avg)										
Nominal wages (% yoy)										
Nominal exchange rate (vs USD, eop)										
Nominal exchange rate (vs USD, avg)										
Bilateral real exchange rate (% yoy, + dep)										
Monetary Sector										
Monetary Base growth (% yoy)										
Broad Money growth (% yoy)										
Credit extension to private sector (% yoy)										
Central bank policy rate (%, eop)	6.50	5.15	4.00	4.00	6.25	6.50	6.50	5.25	5.00	5.75
1-month interbank rate -Call rate (%)										
Long-term yield (%)										
External Sector										
Current Account balance (% of GDP)	-2.4	-1.1	1.3	-1.1	-2.4	-0.9	-0.8	-0.6	-0.8	-0.7
Current Account balance (US$ bn)	-65.6	-29.8	32.7	-33.4	-79.0	-32.0	-32.2	-25.7	-37.3	-35.0
Trade Balance (US$ bn)	-186.7	-157.7	-95.5	-176.7	-267.2	-245.5	-279.8	-307.1	-323.8	-320.0
Exports, f.o.b. (US$ bn)										
main export										
other										
Imports, c.i.f. (US$ bn)										
Service balance (US$ bn)	80.8	84.2	87.1	102.7	132.5	159.1	178.2	206.4	215.2	220.0
Income balance (US$ bn)	40.3	43.7	41.1	40.6	55.6	54.4	69.4	75.0	71.4	65.0
Foreign direct investment (US$ bn)	30.7	37.5	53.2	27.5	35.4	14.2	2.9	9.1	14.0	20.0
International reserves (US$ bn)	396.0	459.9	585.8	633.6	562.7	622.5	635.7	680.5	708.0	713.0
Public Sector										
Central Gov. Primary Budget Balance (% of GDP)										
Central Gov. Budget Balance (% of GDP)	-3.4	-4.6	-9.2	-6.7	-6.5	-5.8	-4.9	-4.4	-4.4	-4.4
Consolidated Gov. Primary Budget Balance (% of GDP)										
Consolidated Public Sector Balance (% of GDP)	-5.8	-7.2	-13.1	-9.5	-9.6	-8.6	-7.8	-7.6	-7.6	-7.6
Central gov. revenues (% of GDP)										
Debt Indicators										
Gross External Debt (% of GDP)	19.1	28.2	27.0	27.5	24.0	23.7	25.6	28.5	25.3	24.5
Public (% of GDP)										
Private (% of GDP)										
Gross government debt (% of GDP)	70.1	73.7	89.5	88.3	84.4	84.0	82.9	81.5	80.9	79.8
Domestic (% of GDP)										
External (% of GDP)										
Savings - Investment Balance										
Savings (% of GDP)										
Investment (% of GDP)										
Memorandum Items										
Agro GDP (% yoy)										
Non-agro GDP (% yoy)										

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	8.2	7.5	7.0	6.7	6.6	7.0	7.0	7.5	7.2	7.4
Real GDP growth (% q/q saar)	8.4	6.1	6.6	5.4	7.9	8.1	6.4	7.6	6.7	8.9
CPI Inflation (% yoy, eop)	1.4	2.0	4.1	4.8	5.2	4.1	4.6	4.5	5.0	4.0
CPI inflation (% yoy, avg)	1.7	1.0	3.6	4.8	4.9	4.8	4.5	4.5	5.0	4.0
Central bank policy rate (%, eop)	5.50	5.25	5.00	5.00	5.00	5.00	5.00	5.25	5.50	5.50
Nominal exchange rate (vs USD, eop)										
Current account balance (US$ bn)	-13.41	-23.37	9.17	-4.95	-14.82	-26.65	9.40	-4.95	-14.82	-26.65

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 153: Indonesia

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023F	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	1,042	1,119	1,059	1,187	1,319	1,371	1,396	1,538	1,681	1,815
GDP per capita (US$)	3,946	4,193	3,920	4,351	4,783	4,920	4,958	5,406	5,851	6,260
Unemployment rate (%)	5.2	5.1	6.0	6.4	5.8	5.4	4.9	4.8	4.7	4.6
Population (millions)	264.2	266.9	270.2	272.7	275.8	278.7	281.6	284.4	287.2	289.9
Economic Activity										
Real GDP growth (% yoy)	5.2	5.0	-2.1	3.7	5.3	5.0	5.0	5.1	5.3	5.5
Domestic demand growth (% yoy)	6.3	4.0	-3.8	2.9	3.8	4.9	6.0	5.1	5.1	5.3
Real investment growth (% yoy)	6.7	4.5	-5.0	3.8	3.9	3.8	4.6	4.8	5.0	5.3
Real consumption growth (% yoy)	5.1	4.9	-2.1	2.3	3.7	4.7	5.3	5.2	5.4	5.5
Real private consumption growth (% yoy)	5.1	5.2	-2.7	2.0	5.0	4.9	5.1	5.1	5.2	5.3
Real government consumption growth (% yoy)	4.8	3.3	2.1	4.3	-4.4	3.0	6.6	6.0	6.5	7.0
Real export growth (% yoy)	6.5	-0.5	-8.4	18.0	16.2	1.3	6.5	4.2	5.3	5.5
Real import growth (% yoy)	12.1	-7.1	-17.6	24.9	15.0	-1.6	7.9	4.3	5.0	5.0
Prices										
CPI inflation (% yoy, eop)	3.1	2.6	1.7	1.9	5.5	2.6	1.6	2.9	2.6	3.0
CPI inflation (% yoy, avg)	3.3	2.8	2.0	1.6	4.1	3.7	2.3	1.9	2.9	2.9
Nominal wages (% yoy)	1.6	4.7	-1.2	-1.9	7.3	3.3	5.0	5.0	5.0	5.0
Nominal exchange rate (vs. USD, eop)	14,380	13,883	14,050	14,253	15,568	15,389	16,267			
Nominal exchange rate (vs. USD, avg)	14,231	14,138	14,538	14,292	14,852	15,238	15,859			16,400.0
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-	-	-		
Monetary Sector										
Monetary base growth (% yoy)	4.8	7.4	18.5	23.0	14.3	2.6	6.1	-		
Broad money growth (% yoy)	6.3	6.5	12.5	14.0	8.4	3.5	4.8	-		
Credit extension to private sector (% yoy)	11.7	5.9	-2.6	4.9	11.0	10.3	9.7	-		
Central bank policy rate (%, eop)	6.00	5.00	3.75	3.50	5.50	6.00	6.00	4.75	4.00	4.00
1-month interbank rate (%, eop)	7.54	5.44	3.81	3.55	6.20	6.65	6.62	5.40	4.65	4.65
Long-term yield (%, eop)	7.9	7.1	5.9	6.4	6.9	6.5	7.0	-		
External Sector										
Current account balance (% of GDP)	-2.9	-2.7	-0.4	0.3	1.0	-0.2	-0.6	0.0	-0.8	-0.8
Current account balance (US$ bn)	-30.6	-30.3	-4.4	3.5	13.2	-2.0	-8.7	0.4	-13.0	-12.8
Trade balance (US$ bn)	-0.2	3.5	28.3	43.8	62.7	46.3	39.8	49.9	37.8	38.6
Exports, f.o.b. (US$ bn)	180.7	168.5	163.4	232.8	292.5	257.7	263.1	-		
main export - oil and gas	24.0	21.7	16.4	31.5	54.5	42.8	0.0			
Imports, c.i.f. (US$ bn)	181.0	164.9	135.1	189.0	229.9	211.4	223.3			
Service balance (US$ bn)	-6.5	-7.6	-9.8	-14.6	-20.0	-17.7	-18.6	-17.7	-20.8	-21.4
Income balance (US$ bn)	-23.9	-26.1	-23.0	-25.7	-29.5	-30.6	-29.9	-31.8	-30.0	-30.0
Foreign direct investment (US$ bn)	20.6	23.9	18.6	21.1	25.4	21.5	24.7	24.0	24.0	24.0
International reserves (US$ bn)	120.7	129.2	135.9	144.9	137.2	146.4	155.7	150.0	155.0	160.0
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.1	-0.5	-4.1	-2.5	-0.4	0.5	-0.3	-0.9	-0.7	-0.7
Central gov. budget balance (% of GDP)	-1.8	-2.2	-6.1	-4.6	-2.4	-1.6	-2.3	-2.9	-2.7	-2.7
Consolidated gov. primary budget balance (% of GDP)	-	-	-	-	-	-	-	-		
Consolidated public sector balance (% of GDP)	-	-	-	-	-	-	-	-		
Central gov. revenues (% of GDP)	13.1	12.4	10.7	11.8	13.5	13.3	-	-		
Debt Indicators										
Gross external debt (% of GDP)	36.0	36.1	39.4	34.9	29.9	29.7	-	-		
Public (% of GDP)	17.9	18.1	19.8	17.6	14.8	15.3	-	-		
Private (% of GDP)	18.1	17.9	19.6	17.3	15.1	14.3	-	-		
Gross government debt (% of GDP)	29.8	30.2	39.3	40.7	39.5	39.0	39.5	39.5	39.5	39.5
Domestic (% of GDP)	16.3	17.8	25.4	27.8	27.4	27.4	-	-		
External (% of GDP)	13.5	12.4	13.9	12.9	12.1	11.5	-	-		
External debt amortizations (US$ bn)	-	-	-	-	-	-	-	-		
External debt Interest payments (US$ bn)	-	-	-	-	-	-	-	-		
External debt service (% of XGS)	-	-	-	-	-	-	-	-		
Savings - Investment Balance										
Savings (% of GDP)	31.6	31.1	31.9	31.7	30.7	30.2	30.8	29.9	29.1	29.1
Investment (% of GDP)	34.6	33.8	32.3	31.4	29.7	30.3	31.4	29.9	29.9	29.9

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	5.0	5.4	5.3	5.3	5.4	5.4	5.5	5.4	5.6	5.6
Real GDP growth (% qoq, sa, annualized)	4.3	6.1	4.9	6.6	3.6	6.6	5.3	6.1	4.5	6.6
CPI inflation (% yoy, eop)	2.7	2.9	3.2	2.8	2.6	2.6	2.8	3.0	3.0	3.0
Central bank policy rate (%, eop)	4.75	4.75	4.50	4.25	4.00	4.00	4.00	4.00	4.00	4.00
Nominal exchange rate (vs. USD, eop)	16600	16500	16500	16400	16400	16300				
Current account balance (US$ bn)	3.0	-2.2	-3.3	-3.3	-3.3	-3.3	-3.1	-3.2	-3.2	-3.3

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 154: Korea

Selected economic and financial indicators

	2018	2019	2020	2021F	2022F	2023	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	1824.9	1751.3	1748.7	1940.3	1800.6	1837.8	1841.4	1818.7	1900.8	2064.9
GDP per capita (US$)	35,373	33,836	33,732	37,479	34,848	35,541	35,584	35,193	36,831	40072.0
Unemployment rate (%)1	3.9	3.8	4.0	3.6	2.9	2.7	2.8	3.0	3.0	4.0
Population (millions)	51.6	51.8	51.8	51.8	51.7	51.7	51.8	51.7	51.6	51.5
Economic Activity										
Real GDP growth (% yoy)	2.9	2.2	-0.7	4.3	2.6	1.4	2.0	1.0	1.9	2.1
Domestic demand growth (% yoy)	2.0	1.5	-1.3	3.7	2.7	1.4	0.2	0.2	2.3	2.1
Real investment growth (% yoy)	-2.2	-2.1	3.5	3.2	-0.5	1.1	-0.8	-2.8	2.4	2.7
Real consumption growth (% yoy)	3.7	3.2	-2.2	4.1	4.1	1.7	1.4	1.7	2.0	1.8
Real private consumption growth (% yoy)	3.2	2.1	-4.8	3.6	4.1	1.8	1.1	1.3	2.0	1.8
Real government consumption growth (% yoy)	5.3	6.4	5.1	5.5	4.0	1.3	2.1	2.7	2.1	1.8
Real export growth (% yoy)	4.0	0.2	-1.7	11.1	3.4	3.1	6.8	4.2	3.2	1.8
Real import growth (% yoy)	1.7	-1.9	-3.1	10.1	3.5	3.1	2.5	4.0	2.7	2.0
Prices										
CPI inflation (% yoy, eop)	1.3	0.7	0.6	3.7	5.0	3.2	1.9	2.0	2.1	1.8
CPI inflation (% yoy, avg)	1.5	0.4	0.5	2.5	5.1	3.6	2.3	2.1	2.1	2.0
Nominal wages (% yoy)	5.1	3.4	0.6	5.0	4.7	2.3	2.5	2.5	2.5	2.5
Nominal exchange rate (vs. USD, eop)	1118.1	1157.8	1088.0	1185.5	1267.3	1289.4	1470.0	1450.0	1395.0	1335.0
Nominal exchange rate (vs. USD, avg)	1100.2	1165.4	1180.3	1144.0	1291.4	1305.7	1363.4	1422.6	1416.3	1357.5
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-	-	-	-	-
Monetary sector										
Narrow money growth (% yoy)	4.9	4.3	20.8	21.0	4.0	-10.5	3.5	7.0	6.0	6.0
Broad money growth (% yoy)	6.3	7.0	9.3	11.7	8.5	2.9	6.0	7.7	7.4	6.5
Credit extension to private sector (% yoy)	7.9	9.0	9.1	11.3	6.9	4.0	4.9	7.2	6.9	6.0
Central bank policy rate (%, eop)	1.75	1.25	0.50	1.00	3.25	3.50	3.00	2.50	2.50	2.50
1-month interbank rate (%, eop)	1.82	1.33	0.60	1.15	3.47	3.65	3.12	2.65	2.40	2.40
Long-term yield (%, eop)	1.9	1.7	1.7	2.3	3.7	3.2	2.9	3.5	3.3	3.3
External sector										
Current account balance (% of GDP)	4.2	3.4	4.3	4.4	1.4	1.9	5.4	5.9	5.0	2.0
Current account balance (US$ bn)	77.5	59.7	75.9	85.2	25.8	35.5	99.0	107.7	95.8	41.0
Trade balance (US$ bn)	110.1	79.8	80.6	75.7	15.6	34.2	100.1	112.3	113.2	117.2
Exports, f.o.b. (US$ bn)	626.3	556.7	517.9	649.5	694.3	645.6	696.2	700.1	714.4	727.2
main export	-	-	-	-	-	-	-	-	-	-
Imports, c.i.f. (US$ bn)	516.2	476.9	437.3	573.7	678.7	611.4	596.1	587.7	601.1	610.0
Service balance (US$ bn)	-29.4	-26.8	-14.7	-5.3	-7.3	-26.1	-23.7	-30.8	-31.5	-32.7
Income balance (US$ bn)	-3.3	6.7	10.0	14.8	17.5	27.3	22.6	26.2	14.1	5.3
Foreign direct investment (US$ bn)	26.0	25.6	26.1	43.9	40.8	19.4	33.4	28.7	60.7	60.8
International reserves (US$ bn)	393.3	397.9	430.1	438.3	399.0	395.6	391.9	404.9	438.3	474.4
Public sector										
Central gov. primary budget balance (% of GDP)	-	-	-	-	-	-	-	-	-	-
Central gov. budget balance (% of GDP)	0.8	0.0	-4.1	-4.1	-3.0	-0.5	-1.7	-2.4	-1.0	-2.1
Consolidated gov. primary budget balance (% of GDP)	-	-	-	-	-	-	-	-	-	-
Consolidated public sector balance (% of GDP)	-	-	-	-	-	-	-	-	-	-
Central gov. revenues (% of GDP)										
Debt indicators										
Gross external debt (% of GDP)	25.6	28.5	33.4	35.0	39.9	38.0	38.3	40.8	41.0	39.6
Public (% of GDP)	4.9	5.6	7.4	8.0	9.3	8.8	9.8	10.5	10.5	10.2
Private (% of GDP)	20.7	22.9	26.0	27.0	30.6	29.1	28.5	30.3	30.5	29.4
Gross government debt (% of GDP)	41.6	44.0	49.2	49.8	48.1	50.4	0.0	0.0	0.0	0.0
Domestic (% of GDP)	-	-	-	-	-	-	-	-	-	-
External (% of GDP)	-	-	-	-	-	-	-	-	-	-
External debt amortizations (US$ bn)	-	-	-	-	-	-	-	-	-	-
External debt interest payments (US$ bn)	-	-	-	-	-	-	-	-	-	-
External debt service (% of XGS)	-	-	-	-	-	-	-	-	-	-
Savings - Investment Balance										
Savings (% of GDP)	35.5	34.2	35.6	36.4	34.1	33.5	35.3	35.3	35.3	35.2
Investment (% of GDP)	30.5	30.0	30.9	31.2	31.6	31.6	30.6	30.7	30.9	31.0

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	1.7	1.8	2.6	2.1	1.3	1.7	1.6	2.0	2.2	2.4
Real GDP growth (% qoq, sa, annualized)	4.7	0.5	2.5	0.8	1.6	1.9	2.3	2.5	2.4	2.3
CPI inflation (% yoy, eop)	2.1	2.0	1.9	2.1	2.4	2.1	2.1	2.1	1.9	1.8
Central bank policy rate (%, eop)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Nominal exchange rate (vs. USD, eop)	1402	1450	1435	1420	1415	1395	1380	1365	1350	1335
Current account balance (US$ bn)	26.6	23.7	25.3	24.0	23.6	23.0	22.6	22.6	22.4	22.2

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 155: Hong Kong

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023F	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	361.8	363.1	345.0	369.0	358.7	381.1	407.2	425	446	464
GDP per capita (US$)	48,545	48,365	46,117	49,774	48,834	50,573	54,120	56,193	58,711	60,810
Economic Activity and Prices										
Real GDP growth (% yoy)	2.8	-1.7	-6.5	6.5	-3.7	3.2	2.5	3.2	2.5	2.4
CPI inflation (% yoy, avg)	2.4	2.9	0.3	1.6	1.9	2.1	1.7	1.4	1.8	1.9
Nominal exchange rate (vs. USD, eop)	7.83	7.79	7.75	7.80	7.81	7.81	7.76	7.83	7.75	7.80
Nominal exchange rate (vs. USD, avg)	7.84	7.84	7.76	7.77	7.83	7.83	7.80	7.83	7.78	7.80
Central bank policy rate (%, eop)[1]	2.75	2.49	0.50	0.50	4.75	5.75	4.75	4.25	3.50	3.50
External Sector										
Current account balance (% of GDP)	3.8	5.8	6.8	11.7	10.3	8.5	13.1	13.5	11.7	11.2
Current account balance (US$ bn)	13.6	21.0	23.5	43.2	37.1	32.3	53.4	57.5	52.1	52.1
Trade balance (US$ bn)	-71.7	-54.2	-43.8	-44.1	-49.8	-59.3	-48.5	-50.3	-48.7	-47.4
Exports, f.o.b. (US$ bn)	531.3	509.7	507.1	639.1	579.8	534.5	583.1	663.3	678.5	693.6
Imports, c.i.f. (US$ bn)	603.0	563.9	550.9	683.2	629.6	593.8	631.6	713.5	727.2	740.9
International reserves (US$ bn)	415.1	423.4	475.3	478.7	404.1	411.4	407.9	409.8	434.9	461.6
Public Sector										
Central gov. primary budget balance (% of GDP) -	-	-	-	-	-	-	-	-		
Central gov. budget balance (% of GDP)	4.9	2.1	-1.4	-9.0	0.7	-4.7	-3.2	-2.8	-2.1	-0.6
Debt Indicators										
Gross external debt (% of GDP)	468	461	519	507	496	484	469	472	472	476
Public (% of GDP)	0.9	0.9	0.7	2.3	1.6	3.9	3.7	3.7	3.7	3.8
Private (% of GDP)	468	460	518	505	494	481	466	468	468	472
Gross government debt (% of GDP)	4.2	3.8	5.7	8.3	-	-	-	-	-	-
Domestic (% of GDP)	-	-	-	-	-	-	-	-	-	-
External (% of GDP)	-	-	-	-	-	-	-	-	-	-

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 156: Philippines

Selected economic and financial indicators

	2018	2019	2020	2021	2022F	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	341	384	371	381	395	439	455	468	520	562
GDP per capita (US$)	3,228	3,580	3,406	3,342	3,419	3,742	3,804	3,840	4,228	4,496
Economic Activity and Prices										
Real GDP growth (% yoy)	6.2	6.0	(9.5)	5.9	7.6	5.6	5.7	4.8	5.6	5.5
CPI inflation (% yoy, avg)	5.2	2.4	2.4	3.9	5.8	6.0	3.2	1.8	3.0	3.2
Nominal exchange rate (vs. USD, eop)	52.6	50.8	48.5	51.0	55.7	55.4	58.0	56.0	55.0	56.0
Nominal exchange rate (vs. USD, avg)	51.0	50.9	49.7	49.8	54.5	55.6	56.7	57.0	55.5	55.5
Central bank policy rate (%, eop)	4.75	4.00	2.00	2.00	5.50	6.50	5.75	4.75	4.50	4.50
External Sector										
Current account balance (% of GDP)	(2.3)	(0.8)	3.1	(1.6)	(4.6)	(2.8)	(3.8)	(4.1)	(3.6)	(3.3)
Current account balance (US$ bn)	(8.9)	(3.0)	11.6	(5.9)	(18.3)	(12.4)	(17.5)	(19.0)	(18.5)	(18.5)
Trade balance (US$ bn)	(43.5)	(40.7)	(24.6)	(42.2)	(58.2)	(52.6)	(54.3)	(58.8)	(62.9)	(66.1)
Exports, f.o.b. (US$ bn)	69.3	70.9	65.21	74.7	79.0	73.6	73.3	75.1	77.8	81.7
Imports, c.i.f. (US$ bn)	112.8	111.6	89.81	116.9	137.2	126.2	127.6	134.0	140.7	147.7
International reserves (US$ bn)	79.2	87.6	110.1	108.0	96.1	100.0	106.0	101.0	100.0	98.0
Public Sector										
Central gov. primary budget balance (% of GDP)	(1.2)	(1.6)	(6.0)	(7.1)	(6.4)	(5.3)	(5.0)	(4.5)	(4.0)	(3.9)
Central gov. budget balance (% of GDP)	(3.2)	(3.6)	(7.6)	(8.6)	(7.3)	(6.1)	(5.3)	(4.9)	(4.5)	(4.3)
Debt Indicators										
Gross external debt (% of GDP)										
Public (% of GDP)										
Private (% of GDP)										
Gross government debt (% of GDP)	42.7	40.8	39.0							
Domestic (% of GDP)	27.8	26.594	25.7							
External (% of GDP)	14.9	14.206	13.3							

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 157: Malaysia
Selected economic and financial indicators

	2018	2019	2020	2021	2022F	2023	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	359.0	365.3	337.7	373.9	408.0	399.7	426.3	468.3	505.8	546.2
GDP per capita (US$)	11,133	11,280								
Unemployment rate (%)	3.3	3.3	4.5	4.7	3.8	3.4	3.2	3.0	2.9	2.9
Population (millions)	32.2	32.4	32.4	32.6	32.7	33.4	34.4	34.7	35.4	35.4
Economic Activity										
Real GDP growth (% yoy)	4.8	4.4	-5.5	3.3	9.0	3.5	5.1	4.9	4.2	4.0
Domestic demand growth (% yoy)	4.7	3.9	-4.8	3.8	9.7	5.0	4.9	5.6	5.3	4.5
Real investment growth (% yoy)	1.4	-2.1	-14.4	-0.7	6.8	5.4	12.0	10.0	7.8	5.0
Real consumption growth (% yoy)	7.1	6.6	-2.6	2.5	10.3	4.4	5.0	4.8	4.7	4.5
Real private consumption growth (% yoy)	8.0	7.7	-3.9	1.8	11.4	4.6	5.1	4.9	4.8	4.5
Real government consumption growth (% yoy)	3.4	1.5	4.1	5.8	5.6	3.4	4.7	4.5	4.3	4.3
Real export growth (% yoy)	1.9	-1.0	-8.6	18.5	14.5	-7.9	8.3	2.2	2.9	3.7
Real import growth (% yoy)	1.5	-2.4	-7.9	21.2	16.0	-6.8	8.2	3.0	4.5	4.5
Prices										
CPI inflation (% yoy, eop)	0.2	1.0	-1.4	3.2	3.8	1.5	1.7	0.1	1.7	2.3
CPI inflation (% yoy, avg)	1.0	0.7	-1.1	2.5	3.4	2.5	1.8	1.4	1.8	2.0
Nominal wages (% yoy)	3.7	2.6	-2.1	1.4	9.4	9.4	10.4	9.0	8.0	8.0
Nominal exchange rate (vs. USD, eop)	4.14	4.09	4.01	4.18	4.41	4.59	4.47	4.50	4.45	4.45
Nominal exchange rate (vs. USD, avg)	4.04	4.14	4.20	4.14	4.40	4.56	4.58	4.51	4.46	4.46
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-	-			
Monetary Sector										
Monetary base growth (% yoy)	1.2	5.8	15.7	10.4	4.3	5.9	4.4			
Broad money growth (% yoy)[1]	9.1	3.5	4.0	6.4	4.3	6.0	3.6			
Credit extension to private sector (% yoy)[2]	7.7	3.9	3.4	4.5	5.7	5.3	5.5			
Central bank policy rate (%)	3.25	3.00	1.75	1.75	2.75	3.00	3.00	2.75	2.75	2.75
3-month interbank rate (%)	3.69	3.35	1.94	2.05	3.68	3.77	3.73	3.35	3.35	3.35
Long-term yield (%)[3]	4.08	3.62	2.81	3.27	4.08	3.85	3.83			
External Sector										
Current account balance (% of GDP)	2.2	3.5	4.2	3.9	3.2	1.1	1.4	2.1	2.0	1.8
Current account balance (US$ bn)	8.0	12.8	14.1	14.5	13.0	4.4	6.1	10.0	10.0	10.0
Trade balance (US$ bn)	28.4	30.1	32.7	42.9	42.6	28.7	25.0	32.5	33.0	33.5
Exports, f.o.b. (US$ bn)	205.9	197.4	185.8	242.8	281.3	232.1	248.3	230.0	232.0	234.0
main export	54.6	53.5	56.9	67.9	88.1	85.0	84.8	-		
Imports, c.i.f. (US$ bn)	177.4	167.2	153.1	200.0	238.7	203.4	223.3	197.5	199.0	200.5
Service balance (US$ bn)	-4.3	-2.6	-11.2	-15.9	-13.2	-9.7	-2.6	-6.0	-6.0	-6.0
Income balance (US$ bn)	-16.1	-14.7	-7.4	-12.5	-16.3	-14.7	-16.4	-16.5	-17.0	-17.5
Foreign direct Investment (US$ bn)	8.3	9.1	4.0	20.3	15.0	9.7	17.8	20.0	17.0	15.0
International reserves (US$ bn)	101.4	103.6	107.6	116.9	114.7	113.5	116.2	125.5	130.0	135.0
Price of main export commodity - Crude Palm Oil (RM/ton avg)	2,235	2,119	2,765	4,417	5,126	3,829	4,213			
Public Sector										
Central gov. primary budget balance (% of GDP)	-1.6	-1.2	-3.7	-3.9	-3.2	-2.5	-1.5	-0.9	-0.7	-0.4
Central gov. budget balance (% of GDP)	-3.7	-3.4	-6.2	-6.4	-5.5	-5.0	-4.3	-3.7	-3.5	-3.2
Consolidated gov. primary budget balance (% of GDP)	-	-	-	-	-	-	-			
Consolidated public sector balance (% of GDP)	-2.9	-3.4	-7.3	-8.3	-6.0	-5.9	-	-		
Central gov. revenues (% of GDP)	16.1	17.5	15.9	15.1	16.4	17.3	16.8	-		
Debt Indicators										
Gross external debt (% of GDP)	63.8	62.6	67.6	69.8	63.8	69.3	69.9	-	-	-
Public (% of GDP)	20.7	20.7	24.6	26.0	21.1	22.1	21.1	-	-	-
Private (% of GDP)	43.0	42.0	42.9	43.7	42.7	47.3	48.8	-	-	-
Gross government debt (% of GDP)	51.2	52.4	62.0	63.3	60.1	64.3	64.6	-	-	-
Domestic (% of GDP)	49.7	50.5	60.0	61.3	58.5	62.6	63.1	-	-	-
External (% of GDP)	1.5	1.9	2.0	1.9	1.6	1.6	1.4	-	-	-
External debt amortizations (US$ bn)	-	-	-	-	-	-	-	-	-	-
External debt interest payments (US$ bn)	-	-	-	-	-	-	-	-	-	-
External debt service (% of XGS)	-	-	-	-	-	-	-	-	-	-
Savings - Investment Balance										
Savings (% of GDP)	26.1	24.5	23.8	26.0	26.8	23.9	23.4	24.6	24.9	25.3
Investment (% of GDP)	23.9	21.0	19.7	22.1	23.6	22.8	22.0	22.5	23.0	23.5

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	5.2	5.7	5.6	4.3	3.0	3.9	3.5	4.1	4.5	3.8
Real GDP growth (% qoq, sa, annualized)	9.8	0.2	4.1	4.1	4.1	4.1	2.0	6.1	5.7	1.6
CPI inflation (% yoy, eop)	1.5	1.7	1.8	2.0	1.8	1.7	1.8	1.9	2.1	2.3
Central bank policy rate (%, eop)	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Nominal exchange rate (vs. USD, eop)	4.22	4.06	4.50	4.45	4.45	4.45				
Current account balance (US$ bn)	2.9	2.9	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 158: Singapore

Selected economic and financial indicators

	2018	2019	2020	2021F	2022F	2023	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	376.8	377.0	349.6	436.4	509.0	505.5	547.4	553.4	581.1	610.2
GDP per capita (US$)	66,819	66,095	61,495	80,026	90,287	85,422	90,678	90,727	93,727	96,851
Unemployment Rate (%)	2.1	2.2	3.0	2.7	2.1	1.9	2.0	2.0	2.0	2.0
Population (millions)	5.6	5.7	5.7	5.5	5.6	5.9	6.0	6.1	6.2	6.3
Economic Activity										
Real GDP growth (% yoy)	3.5	1.3	-3.8	9.8	4.1	1.8	4.4	4.8	2.0	2.4
Domestic demand growth (% yoy)	4.0	2.8	-7.9	6.3	6.6	4.1	5.6	4.1	2.3	2.7
Real investment growth (% yoy)	-5.0	2.5	-14.0	23.2	4.7	-0.9	2.9	3.0	2.6	2.9
Real consumption growth (% yoy)	4.0	2.8	-7.9	6.3	6.6	4.1	5.6	4.6	2.1	2.6
Real private consumption growth (% yoy)	4.3	2.7	-13.6	7.2	9.7	4.9	4.8	4.8	2.1	2.6
Real government consumption growth (% yoy)	2.9	3.4	13.2	3.9	-2.3	1.8	8.3	4.0	2.2	2.4
Real export growth (% yoy)	8.3	0.0	-0.4	8.8	4.9	5.7	5.4	4.3	3.5	4.2
Real import growth (% yoy)	7.8	-0.1	-2.0	8.9	5.8	5.3	6.6	3.3	3.8	4.3
Prices										
CPI inflation (% yoy, eop)	0.5	0.8	0.0	4.0	6.5	3.7	1.6	1.2	1.6	1.5
CPI inflation (% yoy, avg)	0.4	0.6	-0.2	2.3	6.1	4.8	2.4	0.9	1.8	1.5
Nominal wages (% yoy)	3.5	2.6	1.4	3.6	6.8	5.3	4.0	4.0	4.0	4.0
Nominal exchange rate (vs. USD, eop)	1.36	1.35	1.32	1.35	1.34	1.32	1.36	1.31	1.30	
Nominal exchange rate (vs. USD, avg)	1.35	1.36	1.38	1.34	1.38	1.34	1.34	1.31	1.30	
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-	-			
Monetary Sector										
Monetary base growth (% yoy)	0.1	3.6	32.8	-	-10.7	2.1	8.8 -			
Broad money growth (% yoy)[1]	3.9	5.0	13.2	-	1.8	4.6	6.0 -			
Credit extension to private sector (% yoy)[2]	3.0	3.1	-2.0	-	-2.3	-2.3	-2.3 -			
Central bank policy rate (%, eop)	-	-	-	-	-	-	-	-		
3-month interbank rate (%, eop)	1.46	1.26	0.17	0.19	3.03	3.70	3.03	-		
Long-term yield (%, eop)[3]	2.04	1.74	0.84	1.67	3.09	2.71	2.86	-		
External Sector										
Current account balance (% of GDP)	16.0	16.0	17.5	19.8	18.4	17.7	17.5	16.3	16.3	16.4
Current account balance (US$ bn)	81.2	82.5	84.3	116.1	129.3	120.0	128.3	90.0	95.0	100.0
Trade balance (US$ bn)	140.3	131.4	141.9	162.8	220.7	211.1	197.9	160.0	165.0	170.0
Exports, f.o.b. (US$ bn)	621.0	601.3	575.7	689.2	837.9	751.2	779.1	570.0	580.0	590.0
Electronic exports (US$ bn)	-	-	-	-	-	- -				
Imports, c.i.f. (US$ bn)	480.7	469.9	433.9	526.4	617.2	540.1	581.1	410.0	415.0	420.0
Service balance (US$ bn)	10.9	20.4	10.0	49.9	59.1	42.9	59.4	60.0	60.0	60.0
Income balance (US$ bn)	-70.0	-69.4	-67.6	-96.6	-150.6	-134.0	-129.0	-130.0	-130.0	-130.0
Foreign direct investment (US$ bn)	81.2	105.3	78.4	138.5	140.8	157.9	160.0			
International reserves (US$ bn)	287.7	279.5	362.3	417.9	289.5	351.0	371.4	409.2	429.2	449.2
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.8	-0.2	-3.9	-2.0	-2.0	-0.3	0.5	1.0	1.1	0.0
Central gov. budget balance (% of GDP)	0.7	0.2	-10.5	0.2	-0.1	-0.9	0.4	0.9	1.0	0.3
Consolidated gov. primary budget balance (% of GDP)	-	-	-	-	-	-	-			
Consolidated public sector balance (% of GDP)	-	-	-	-	-	-	-			
Central gov. revenues (% of GDP)	14.4	14.5	13.7	13.4	13.0	15.0	-			
Debt Indicators										
Gross external debt (% of GDP)	411.0	425.3	488.9	430.2	377.7	408.6	407.1			
Public (% of GDP)	-	-	-	-	-	-	-			
Private (% of GDP)	411.0	425.3	488.9	430.2	377.7	408.6	407.1			
Gross government debt (% of GDP)	107.5	124.7	146.3	132.6	153.9	169.5	173.1			
Domestic (% of GDP)	107.5	124.7	146.3	132.6	153.9	169.5	173.1			
External (% of GDP)	-	-	-	-	-	-	-			
External debt amortizations (US$ bn)	-	-	-	-	-	-	-			
External debt Interest payments (US$ bn)	-	-	-	-	-	-	-			
External debt service (% of XGS)	-	-	-	-	-	-	-			
Savings - Investment Balance										
Savings (% of GDP)	40.7	40.6	39.5	43.8	40.6	38.9	39.7	-	-	
Investment (% of GDP)	24.7	24.6	22.9	24.0	22.2	21.2	22.2	-	-	
Memorandum Items										
Lending to housing (% yoy)	5.9	1.0	2.4	-	-	-	-			
Central gov. expenditure (% of GDP)	15.2	14.7	17.7	20.0	15.6	14.9	-			

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	4.3	5.7	4.3	3.1	1.0	-0.3	2.4	2.4	2.4	2.4
Real GDP growth (% qoq, sa, annualized)	10.1	7.8	-7.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
CPI inflation (% yoy, eop)	0.7	1.2	1.8	1.9	1.8	1.6	1.5	1.5	1.5	1.5
Central bank policy rate (%, eop)										
Nominal exchange rate (vs. USD, eop)	1.32	1.32	1.31	1.31	1.30	1.30				
Current Account balance (US$ bn)	26.0	26.0	23.8	23.8	23.8	23.8	25.0	25.0	25.0	25

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 159: Taiwan

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	610	612	677	778	762	757	797	894	958	1,031
GDP per capita (US$)			28,549	32,944	32,625	32,325	34,063	38,523	41,290	46,978
Economic Activity and Prices										
Real GDP growth (% yoy)	2.8	3.1	3.4	6.7	2.7	1.1	4.8	7.0	4.5	4.0
CPI inflation (% yoy, avg)	1.4	0.6	-0.2	2.0	2.9	2.5	2.2	1.6	1.3	1.7
Nominal exchange rate (vs. USD, eop)	30.7	30.1	28.5	27.7	30.7	30.7	32.8	30.8	30.0	29.1
Nominal exchange rate (vs. USD, avg)	30.1	30.9	29.6	28.0	29.8	31.1	32.1	31.1	30.4	29.5
Central bank policy rate (%, eop)	1.38	1.38	1.13	1.13	1.75	1.88	2.00	2.00	2.00	2.00
External Sector										
Current account balance (% of GDP)	11.6	10.7	14.4	15.3	13.2	14.0				
Current account balance (US$ bn)	70.9	65.7	97.6	118.3	101.4	105.8	112.6	157.6	186.2	202.8
Trade balance (US$ bn)	49.2	43.5	59.0	64.4	51.3	80.8	80.6	129.4	155.3	168.9
Exports, f.o.b. (US$ bn)	334.0	329.2	345.1	446.4	479.4	432.4	475.0	631.6	702.0	777.1
Imports, c.i.f. (US$ bn)	284.8	285.7	286.1	382.0	428.1	351.6	394.4	502.2	546.7	608.2
International reserves (US$ bn)	462	478	530	548	555	571	577	595	600	
Public Sector										
Central gov. primary budget balance (% of GDP)	0.1	0.6	-0.3	1.3	1.2	-2.4	0.7	-1.2	-2.0	-2.0
Central gov. budget balance (% of GDP)	-0.3	0.1	-0.7	0.8	0.8	-2.9	0.2	-1.6	-2.4	-2.0
Debt Indicators										
Gross external debt (% of GDP)	31.4	30.2	28.0	27.4	26.4	27.3	27.6	25.4	23.7	
Public (% of GDP)	0.0	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.1	
Private (% of GDP)	31.4	30.1	27.8	27.2	26.2	27.2	27.5	25.3	23.6	
Gross government debt (% of GDP)	33.9	32.7	32.1	30.2	29.5	29.0	29.0	28.7	28.7	
Domestic (% of GDP)	-	-	-	-	-	-	-			
External (% of GDP)	-	-	-	-	-	-	-			

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 160: Thailand

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	506.4	543.9	477.0	477.2	475.2	497.0	511.5	523.7	537.4	554.0
GDP per capita (US$)	7624.3	8161.3	7133.9	7112.1	7058.9	7357.2	7546.8	7726.9	7927.8	8173.5
Economic Activity and Prices										
Real GDP growth (% yoy)	4.2	2.3	-6.3	1.5	2.7	2.0	2.5	2.0	1.6	2.1
CPI inflation (% yoy, avg)	-0.9	0.7	-0.9	1.2	6.1	1.6	0.4	0.0	0.5	0.7
Nominal exchange rate (vs. USD, eop)	32.3	29.9	30.5	33.0	31.0	34.0	34.0	32.0	31.0	31.0
Nominal exchange rate (vs. USD, avg)	32.3	31.0	31.3	32.1	35.0	34.7	34.7	32.0	31.0	31.0
Central bank policy rate (%, eop)	1.8	1.3	0.5	0.5	1.0	2.50	2.50	1.50	1.00	1.25
External Sector										
Current account balance (% of GDP)	5.6	6.8	8.1	-3.7	-3.0	1.4	2.2	2.5	1.6	1.9
Current account balance (US$ bn)	28.4	37.0	40.8	-18.5	-15.7	7.4	11.1	13.0	8.8	10.7
Trade balance (US$ bn)	22.4	26.7	40.9	32.4	13.5	19.4	17.2	19.4	15.1	15.8
Exports, f.o.b. (US$ bn)	251.1	242.7	227.0	270.6	285.2	280.7	293.3	311.9	314.9	321.9
Imports, c.i.f. (US$ bn)	228.7	216.0	186.1	238.2	271.6	261.4	276.1	292.5	299.8	306.1
International reserves (US$ bn)	205.6	224.3	258.1	239.5	216.3	218.0	221.9	223.3	227.3	233.4
Public Sector										
Central gov. primary budget balance (% of GDP)	-1.5	-1.9	-6.6	-8.0	-4.2	-2.1	-3.1	-4.6	-4.5	-3.82
Central gov. budget Balance (% of GDP)	-3.0	-3.0	-7.1	-9.0	-5.8	-3.6	-4.4	-3.8	-3.7	-3.0
Debt Indicators										
Gross external debt (% of GDP)	32.2	31.6	na	na	na	na	na	na	na	na
Public (% of GDP)	7.1	7.0	na	na	na	na	na	na	na	na
Private (% of GDP)	25.2	24.6	na	na	na	na	na	na	na	na
Gross government debt (% of GDP)	41.9	41.1	49.4	58.4	60.5	62.3	63.2	66.8	69.7	71.7
Domestic (% of GDP)	40.3	39.8	48.5	57.3	59.5	61.6	62.5	na	na	na
External (% of GDP)	1.6	1.3	0.9	1.1	1.0	0.9	0.7	na	na	na

Source: BofA Global Research

BofA GLOBAL RESEARCH

GEMs Tables – EEMEA

Exhibit 161: Poland

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	595	603	606	689	696	813	918	1,052	1,179	1,293
GDP per capita (US$)	15,481	15,699	15,908	18,182	18,422	21,600	24,477	28,164	31,709	34,909
Unemployment rate (%)	3.9	3.3	3.2	3.4	2.9	2.8	2.9	3.0	2.8	2.9
Population (millions)	38.4	38.4	38.1	37.9	37.8	37.6	37.5	37.3	37.2	37.0
Economic Activity										
Real GDP growth (% yoy)	6.2	4.6	-2.0	6.8	5.6	0.2	3.0	3.6	3.8	2.7
Domestic demand growth (% yoy)	6.7	3.6	-2.9	8.1	5.1	-3.1	3.8	6.0	4.6	2.2
Real investment growth (% yoy)	15.8	1.9	-7.8	16.6	9.3	-16.9	2.7	13.8	9.5	-0.5
Real consumption growth (% yoy)	4.4	4.0	-1.5	6.0	3.9	0.9	4.1	4.1	3.4	3.0
Real private consumption growth (% yoy)	4.6	3.4	-3.4	6.3	4.9	-0.3	2.9	3.8	3.5	3.0
Real government consumption growth (% yoy)	3.8	6.1	4.5	5.0	1.2	4.6	7.7	5.0	3.0	3.0
Real export growth (% yoy)	6.8	5.3	-1.1	12.4	7.3	3.7	1.9	2.0	3.5	4.2
Real import growth (% yoy)	7.6	3.2	-2.6	16.2	6.8	-1.4	4.4	4.3	4.9	3.5
Prices										
CPI inflation (% yoy, eop)	1.1	3.4	2.4	8.6	16.6	6.2	4.7	2.4	2.3	2.4
CPI inflation (% yoy, avg)	1.7	2.3	3.4	5.1	14.3	11.6	3.7	3.6	2.0	2.4
Nominal wages (% yoy)	7.1	6.6	4.8	8.6	12.9	11.9	11.2	-	-	
Nominal exchange rate (vs EUR, eop)	4.30	4.26	4.61	4.60	4.69	4.35	4.27	4.23	4.18	4.15
Nominal exchange rate (vs EUR, avg)	4.26	4.30	4.44	4.57	4.69	4.54	4.31	4.24	4.21	4.17
Bilateral real exchange rate (% yoy, + dep)	0.2	-0.2	0.2	0.3	-2.7	-8.4	-6.7	-	-	-
Monetary Sector										
Monetary base growth (% yoy, eop)1	11.7	14.1	32.6	12.6	-8.1	6.3	10.3	6.7	-	-
Broad money growth (% yoy, eop)	9.2	8.3	16.4	8.9	5.4	8.5	9.3	8.6	-	-
Credit extension to private sector (% yoy, eop)	7.5	5.2	0.3	5.5	1.6	-0.5	4.8	6.5	-	-
Central bank policy rate (%, eop)	1.50	1.50	0.10	1.75	6.75	5.75	5.75	4.00	3.00	3.50
1-month interbank rate (%, eop)2	1.64	1.63	0.20	2.23	6.93	5.80	5.81	4.06	-	-
Long-term yield (%, eop)3	2.9	2.0	1.3	3.4	6.6	5.2	5.7	5.2	-	-
External Sector										
Current account balance (% of GDP)	-2.0	-0.3	2.4	-1.3	-2.2	1.5	0.3	-1.4	-1.6	-1.4
Current account balance (US$ bn)	-10.6	-5.4	9.0	-9.9	-17.4	11.0	-8.3	-22.8	-19.2	-18.7
Trade balance (US$ bn)	-13.3	-4.9	8.0	-9.1	-23.2	5.1	-6.7	-17.7	-23.9	-22.4
Exports, f.o.b. (US$ bn)	242	247	252	312	342	363	361	384	422.3	458.7
main export	-	-	-	-	-	-	-	-	-	-
Imports, c.i.f. (US$ bn)	256	252	244	321	365	358	367	402	446.2	481.1
Service balance (US$, bn)	25.3	26.9	26.0	31.3	37.9	42.7	43.4	42.7	49.0	52.5
Income balance (US$, bn)	-25.2	-24.9	-22.5	-30.3	-27.4	-33.1	-30.8	-36.9	-41.6	-45.9
Foreign direct investment (US$ bn)	17.4	13.6	15.2	27.3	28.7	23.4	10.5	-	-	-
International reserves (US$ bn)	117	128	154	166	167	194	223	271	307	335
Public Sector										
Central gov. primary budget balance (% of GDP)	0.7	0.1	-6.9	-0.8	-1.9	-2.7	-5.1	-	-	-
Central gov. budget balance (% of GDP)	-0.5	-1.1	-7.8	-1.8	-3.0	-4.1	-6.7	-	-	-
Consolidated gov. primary budget balance (% of GDP)	1.2	0.6	-5.6	-0.6	-1.8	-3.1	-4.3	-	-	-
Consolidated public sector balance (% of GDP)	-0.2	-0.7	-6.9	-1.7	-3.4	-5.2	-6.5	-6.8	-6.6	-6.2
General gov. revenues (% of GDP)	40.8	40.7	40.9	41.9	39.9	41.7	43.0	-	-	-
Debt Indicators										
Gross external debt (% of GDP)	61.1	59.0	62.4	53.2	53.9	53.1	50.3	-	-	-
Public (% of GDP)	24.1	21.5	22.1	17.4	17.1	17.5	17.9	-	-	-
Private (% of GDP)	37.1	37.5	40.3	35.9	36.8	35.7	32.3	-	-	-
Gross government debt (% of GDP)	48.2	45.2	56.6	53.0	48.8	49.5	55.1	58.9	63.5	67.7
Domestic (% of GDP)	26.4	26.1	36.9	38.2	34.7	35.2	40.1	-	-	-
External (% of GDP)	21.9	19.1	19.6	14.8	14.1	14.3	15.0	-	-	-
External debt amortizations (US$ bn)	-	-	-	-	-	-	-	-	-	-
External debt interest payments (US$ bn)	-	-	-	-	-	-	-	-	-	-
External debt service (% of XGS)	-	-	-	-	-	-	-	-	-	-
Savings - Investment Balance										
Savings (% of GDP)	19.5	20.4	21.2	20.5	19.8	19.2	18.1	-	-	-
Investment (% of GDP)	21.4	20.7	18.8	21.8	22.1	17.7	17.8	-	-	-

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (sa, % yoy)	4.0	-	-	-	-	-	-	-	-	-
Real GDP growth (sa, % qoq, annualized)	3.6	-	-	-	-	-	-	-	-	-
CPI inflation (% yoy, eop)	2.9	2.4	-	-	-	-	-	-	-	-
Central bank policy rate (%, eop)	4.75	4.00	3.50	3.25	3.00	3.00	3.00	3.00	3.00	3.50
Nominal exchange rate (vs EUR, eop)	5.17	6.17	4.27	4.23	4.20	4.18	4.15	4.15	4.15	4.15
Current account balance (US$ bn)	-4.9	.	.	-	-	-	.	-	-	-

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 162: South Africa
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025e	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	405	389	338	420	407	381	401	430	500	539
GDP per capita (US$)	6956	6583	5631	6924	6640	6133	6365	6731	7721	8217
Unemployment rate (%)	27	29	29	34	34	32	33	34	34	34
Population (millions)	58.2	59.1	60.0	60.6	61.4	62.2	63.0	63.9	64.7	65.6
Economic Activity										
Real GDP growth (% yoy)	1.6	0.3	-6.2	4.9	2.1	0.8	0.5	1.4	1.5	1.7
Domestic demand growth (% yoy)	2.0	1.3	-7.8	4.9	3.9	0.5	-0.6	1.5	1.9	1.5
Real investment growth (% yoy)	-1.2	-1.7	-14.8	-0.3	5.9	3.0	-3.9	-2.2	2.7	1.7
Real consumption growth (% yoy)	2.7	1.4	-4.5	4.7	2.2	0.6	0.7	2.2	2.3	1.9
Real private consumption growth (% yoy)	3.2	1.3	-6.1	6.0	2.6	0.2	1.0	2.9	2.6	2.3
Real government consumption growth (% yoy)	1.1	1.8	0.9	0.6	0.7	1.9	-0.1	-0.2	0.9	0.7
Real export growth (% yoy)	2.7	-3.3	-12.0	9.7	7.8	5.1	-2.8	-1.4	1.7	2.2
Real import growth (% yoy)	3.5	0.6	-17.6	9.7	15.0	3.9	-6.4	0.4	1.9	1.4
Prices										
CPI inflation (% yoy, eop)	4.6	4.0	3.0	5.9	7.6	5.2	2.9	3.6	3.6	3.3
CPI inflation (% yoy, avg)	4.5	4.1	3.2	4.6	7.0	6.1	4.4	3.2	3.4	3.6
Nominal wages (% yoy)	5.0	4.6	-1.9	6.3	5.3	5.8	4.8	4.6	4.6	4.6
Nominal exchange rate (vs USD, eop)	14.4	14.0	14.7	15.9	17.0	18.5	18.7	16.6	15.6	16.0
Nominal exchange rate (vs USD, avg)	13.2	14.5	16.5	14.8	16.4	18.5	18.3	17.5	16.2	15.8
Bilateral real exchange rate (% yoy, + dep)	-2.4	0.2	9.1	-5.8	-1.9	4.6	-5.3	-7.5	-11.1	-5.9
Monetary Sector										
Monetary base growth (% yoy)	9.1	4.2	3.6	5.3	14.0	8.9	27.5	3.2	3.4	3.6
Broad money growth (% yoy)	5.6	6.1	9.4	5.7	8.6	7.6	6.7	3.2	3.4	3.6
Credit extension to private sector (% yoy)	5.1	6.1	3.6	2.4	7.7	5.0	3.8	4.2	4.4	4.6
Central bank policy rate (%, eop)	6.8	6.5	3.5	3.8	7.00	8.25	7.75	6.75	6.00	6.00
1-month interbank rate (%, eop)	7.0	6.6	3.5	3.7	7.1	8.3	7.7	6.6	6.1	6.1
Long-term yield (%, eop)1	9.4	9.0	9.7	9.9	11.3	11.3	10.3	8.6	7.8	7.8
External Sector										
Current account balance (% of GDP)	-2.9	-2.6	2.0	3.7	-0.3	-1.1	-0.7	-0.6	0.5	0.0
Current account balance (US$ bn)	-11.9	-10.1	6.7	15.7	-1.3	-4.1	-2.6	-2.5	2.4	0.2
Trade balance (US$ bn)	2.0	2.5	17.6	30.6	14.2	7.6	11.7	10.1	14.9	12.7
Exports, f.o.b. (US$ bn)	94.4	90.0	84.7	121.7	123.8	112.4	111.4	115.4	119.9	114.9
main export	17.4	15.4	7.8	22.6	21.5	0.0	0.0	13.0	13.0	13.0
Imports, c.i.f. (US$ bn)	92.4	87.4	67.1	91.1	109.5	104.8	99.7	105.3	105.0	102.3
Service balance (US$ bn)	0.1	-0.6	-2.7	-4.4	-5.6	-4.4	-3.9	-3.7	-4.5	-4.5
Income balance (US$ bn)	-11.3	-9.7	-5.6	-8.0	-8.5	-5.1	-7.9	-8.9	-8.0	-8.0
Foreign direct investment (US$ bn)	1.4	2.0	5.0	40.1	6.9	6.7	3.6	-0.6	3.0	3.0
International reserves (US$ bn)	46.5	48.9	47.4	50.3	53.2	54.2	54.9	58.4	57.4	57.8
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.9	-2.5	-5.7	-0.9	0.0	0.5	0.9	1.3	1.8	2.0
Central gov. budget balance (% of GDP)	-4.3	-6.1	-9.8	-5.1	-4.6	-4.6	-4.3	-4.1	-3.8	-3.7
Consolidated gov. primary budget balance (% of GDP)	-0.9	-2.5	-5.7	-0.9	0.0	0.6	0.6	1.2	1.5	1.8
Consolidated public sector balance (% of GDP)	-3.6	-5.0	-9.9	-4.6	-3.6	-4.4	-4.6	-4.3	-4.0	-3.9
Central gov. revenues (% of GDP)	23.5	23.6	22.1	24.7	25.1	24.3	24.6	25.6	25.8	25.7
Debt Indicators										
Gross external debt (% of GDP)	42.6	47.6	50.4	38.2	40.3	41.5	42.0	44.0	46.0	48.0
Public (% of GDP)	22.5	26.6	30.8	23.8	23.5	24.5	24.8	25.8	26.8	27.8
Private (% of GDP)	20.1	21.0	19.6	14.5	16.8	17.0	17.1	18.1	19.1	20.1
Gross government debt (% of GDP)	51.5	57.2	70.1	67.6	70.4	74.1	76.9	78.1	76.8	77.1
Domestic (% of GDP)	46.1	50.4	63.1	61.1	62.2	65.8	68.7	69.0	66.7	66.0
External (% of GDP)	5.4	6.8	7.0	6.5	8.2	8.3	8.1	9.1	10.1	11.1
External debt amortizations (US$ bn)	46.4	44.5	41.9	60.2	61.3	63.3	65.3	67.3	69.3	71.3
External debt interest payments (US$ bn)	6.6	6.5	6.0	7.3	7.1	7.4	7.9	8.2	8.4	8.7
External debt service (% of XGS)	56.2	56.7	56.6	55.5	55.2	62.9	65.7	65.3	64.8	69.5
Savings - Investment Balance										
Savings (% of GDP)	13.2	13.3	14.4	16.5	15.0	13.1	12.9	13.0	13.0	13.0
Investment (% of GDP)	15.9	15.9	12.4	12.7	15.3	14.2	13.6	13.5	12.5	13.0

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	1.9	1.9	2.1	1.5	1.3	1.3	1.4	1.5	1.7	1.9
Real GDP growth (% qoq, sa, annualized)	2.0	1.4	1.3	1.2	1.2	1.4	1.9	1.7	2.0	1.8
CPI inflation (% yoy, eop)	3.4	3.6	3.6	3.4	3.3	3.4	3.4	3.2	3.1	2.9
Central bank policy rate (%, eop)	7	6.75	6.5	6.5	6.25	6	6	6	6	6
Nominal exchange rate (vs USD, eop)	17.3	16.6	16.6	16.4	16.0	15.6	15.4	15.7	16.0	16
Current account balance (US$ bn)	-0.8	0.3	-2.0	0.1	-0.6	0.4	-2.0	0.4	-0.5	0.61

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 163: Czech Republic
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	252	257	251	291	303	345	347	388	438	481
GDP per capita (US$)	23,691	24,017	23,498	27,678	27,940	31,662	31,819	35,525	40,106	44,108
Economic Activity and Prices										
Real GDP growth (% yoy)	2.8	3.5	-5.3	4.0	2.9	0.2	1.1	2.7	2.4	2.4
CPI inflation (% yoy, avg)	2.1	2.8	3.2	3.8	15.1	10.7	2.4	2.5	1.4	2.1
Nominal exchange rate (vs EUR, eop)	25.7	25.4	26.2	24.9	24.1	24.7	25.2	24.2	23.5	23.3
Nominal exchange rate (vs EUR, avg)	25.6	25.7	26.5	25.6	24.6	24.0	25.1	24.7	23.9	23.4
Central bank policy rate (%, eop)	1.75	2.00	0.25	3.75	7.00	6.75	4.00	3.50	3.00	3.50
External Sector										
Current account balance (% of GDP)	0.4	0.3	1.8	-2.1	-4.7	-0.1	1.7	0.5	0.4	0.6
Current account balance (US$ bn)	1.0	0.9	4.4	-6.0	-14.2	-0.4	6.1	2.1	1.9	2.8
Trade balance (US$ bn)	9.3	10.5	12.1	5.1	- 1.0	13.1	18.0	15.3	16.6	18.7
Exports, f.o.b. (US$ bn)	161	156	144	175	185	197	197	219	254	286
Imports, c.i.f. (US$ bn)	152	146	132	169	186	183	179	204	237	267
International reserves (US$ bn)	143	150	166	174	140	148	146	169	176	187
Public Sector										
General gov. primary budget balance (% of GDP)	1.6	0.96	-4.9	-4.2	-2.0	-2.4	-0.9	-	-	-
General gov. budget balance (% of GDP)	0.9	0.3	-5.6	-5.0	-3.1	-3.7	-2.2	-2.2	-2.7	-3.2
Debt Indicators										
Gross external debt (% of GDP)	77.8	75.5	80.3	71.9	68.1	62.3	61.9	-	-	-
Public (% of GDP)	15.5	14.8	16.8	16.4	16.8	13.2	13.1	-	-	-
Private (% of GDP)	62.4	60.7	63.5	55.5	51.3	49.1	48.8	-	-	-
Gross government debt (% of GDP)	31.7	29.6	36.9	40.7	42.5	42.2	43.3	43.4	44.5	45.8
Domestic (% of GDP)	19.3	17.7	23.3	28.9	30.5	31.7	32.9	-	-	-
External (% of GDP)	12.4	11.9	13.6	11.8	12.0	10.5	10.4	-	-	-

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 164: Egypt
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	261.0	317.7	382.4	424.4	475.2	397.4	385.7	352.4	428.3	505.4
GDP per capita (US$)	2,688	3,213	3,801	4,157	4,587	3,777	3,618	3,241	3,862	4,468
Economic Activity and Prices										
Real GDP growth (% yoy)	5.3	5.5	3.6	3.3	6.7	3.8	2.4	4.0	4.2	4.5
CPI inflation (% yoy, avg)	21.6	13.9	5.7	4.5	8.5	24.4	33.3	20.4	13.2	10.0
Nominal exchange rate (vs USD, eop)	17.50	16.69	16.16	15.70	18.79	30.90	48.03	49.50	47.00	47.00
Nominal exchange rate (vs USD, avg)	17.88	17.61	16.09	15.70	16.50	25.79	36.27	49.71	48.25	47.00
Central bank policy rate (%, eop)	16.75	15.75	9.25	8.25	11.25	18.25	27.25	24.00	17.00	14.00
External Sector										
Current account balance (% of GDP)	-2.3	-3.4	-2.9	-4.3	-3.5	-1.2	-5.4	-4.4	-3.7	-2.6
Current account balance (US$ bn)	-6.0	-10.9	-11.2	-18.4	-16.6	-4.7	-20.8	-15.4	-15.7	-13.0
Trade balance (US$ bn)	-37.3	-38.0	-36.5	-42.1	-43.4	-31.2	-39.6	-51.0	-50.5	-37.0
Exports, f.o.b. (US$ bn)	25.8	28.5	26.4	28.7	43.9	39.6	32.6	40.2	42.8	39.0
Imports, c.i.f. (US$ bn)	63.1	66.5	62.8	70.7	87.3	70.8	72.1	91.2	93.3	76.0
International reserves (US$ bn)	44.3	44.5	38.2	40.6	33.4	34.8	46.4	48.5	50.0	52.0
Public Sector										
Central gov. primary budget balance (% of GDP)	0.1	1.8	1.7	1.4	1.3	1.5	6.1	3.5	4.5	4.5
Central gov. budget balance (% of GDP)	-9.3	-7.7	-7.5	-7.1	-6.2	-6.0	-3.6	-8.5	-6.4	-6.0
Debt Indicators										
Gross external debt (% of GDP)	35.5	34.2	32.3	32.5	32.8	41.8	41.2	40.5	37.6	36.5
Public (% of GDP)	28.4	26.8	25.4	25.5	25.9	32.3	31.6	30.9	28.0	27.0
Private (% of GDP)	7.1	7.4	6.9	7.0	6.8	9.6	9.6	9.6	9.6	9.6
Gross government debt (% of GDP)	92.5	85.8	82.8	87.9	88.3	95.2	90.1	86.7	81.7	78.7
Domestic (% of GDP)	74.4	68.9	64.8	68.9	68.9	70.1	62.8	60.1	58.0	56.1
External (% of GDP)	18.1	16.9	18.0	19.0	19.5	25.1	27.3	26.6	23.7	22.6

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 165: Hungary
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	161	165	158	183	178	213	222	241	282	309
GDP per capita (US$)	16,617	17,021	16,419	19,070	18,498	22,187	23,262	25,417	29,885	32,853
Economic Activity and Prices										
Real GDP growth (% yoy)	5.6	5.1	-4.5	7.1	4.3	-0.8	0.6	0.6	2.7	2.5
CPI inflation (% yoy, avg)	2.8	3.3	3.3	5.1	14.6	17.1	3.7	4.4	2.7	3.0
Nominal exchange rate (vs EUR, eop)	322	331	365	369	400	383	410	385	370	360
Nominal exchange rate (vs EUR, avg)	319	325	351	359	391	382	396	398	378	365
Central bank policy rate* (%, eop)	0.90	0.90	0.60	2.40	13.00	10.75	6.50	6.50	5.75	5.00
External Sector										
Current account balance (% of GDP)	0.3	-0.6	-1.1	-4.4	-9.0	0.0	1.6	1.6	1.4	1.6
Current account balance (US$ bn)	0.5	-1.0	-1.7	-8.0	-16.0	0.0	3.5	3.8	3.9	5.0
Trade balance (US$ bn)	-2.9	-4.3	-2.1	-6.0	-16.8	-1.3	-1.4	-2.4	-	-
Exports, f.o.b. (US$ bn)	105	104	101	119	128	136	129	136	-	-
Imports, c.i.f. (US$ bn)	107	108	103	125	145	137	131	139	-	-
International reserves (US$ bn)	31.4	31.8	41.4	43.5	41.2	45.7	46.5	56.7	79.5	95.3
Public Sector										
General gov. primary budget balance (% of GDP)	0.3	0.2	-5.2	-4.9	-3.3	-2.1	0.0	-	-	-
General gov. budget balance (% of GDP)	-2.0	-2.0	-7.5	-7.1	-6.2	-6.8	-4.9	-5.0	-5.5	-4.8
Debt Indicators										
Gross external debt (% of GDP)	99.4	97.0	149.5	155.3	152.5	129.1	138.4	-	-	-
Public (% of GDP)	28.9	27.5	37.3	34.7	35.8	37.6	34.1	-	-	-
Private (% of GDP)	70.5	69.5	112.2	120.5	116.7	91.5	104.2	-	-	-
Gross government debt (% of GDP)	68.8	65.0	78.7	76.2	73.8	73.4	73.8	74.0	75.7	78.1
Domestic (% of GDP)	41.0	38.7	47.5	51.8	49.9	46.0	48.5	-	-	-
External (% of GDP)	27.8	26.2	31.2	24.4	23.9	27.4	25.3	-	-	-

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 166: Kazakkhstan
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023F	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	173.0	176.0	168.1	193.0	224.2	259.6	285.6	307.3	337.4	358.5
GDP per capita (US$)	9402.6	9444.5	8902.4	10091.0	11583.1	13257.7	14415.6	14905.0	16838.6	17668.8
Economic Activity and Prices										
Real GDP growth (% yoy)	4.1	4.5	-2.5	4.3	2.9	4.8	4.8	6.3	4.0	4.3
CPI inflation (% yoy, avg)	6.0	5.3	6.8	8.0	15.0	14.8	8.8	11.4	11.0	4.8
Nominal exchange rate (vs USD, eop)	375.2	381.2	420.7	431.7	461.0	453.6	524.5	507.1	520.0	520.0
Nominal exchange rate (vs USD, avg)	344.7	382.7	413.0	425.9	460.1	456.2	470.1	521.5	513.5	520.0
Central bank policy rate (%, eop)	9.25	9.25	9.00	9.75	16.75	15.75	15.25	18.00	14.00	10.00
External Sector										
Current account balance (% of GDP)	-1.0	-4.0	-6.5	-1.4	2.9	-3.6	-1.7	-4.0	-2.9	-3.0
Current account balance (US$ bn)	-1.8	-7.0	-11.0	-2.7	6.4	-9.4	-5.0	-11.8	-10.0	-10.6
Trade balance (US$ bn)	19.2	14.9	2.7	22.2	35.0	19.8	17.6	11.5	9.1	13.7
Exports, f.o.b. (US$ bn)	66.4	67.3	49.3	71.6	85.6	80.3	78.8	77.5	76.9	82.8
Imports, c.i.f. (US$ bn)	47.2	52.4	46.6	49.5	50.6	60.4	61.2	65.9	67.8	69.1
International reserves (US$ bn)	30.9	29.0	35.6	34.4	35.1	36.0	45.8	65.7	70.0	60.0
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.5	-0.9	-2.9	-1.9	-0.8	-0.7	-0.9	-1.0	-0.5	-1.3
Central gov. budget balance (% of GDP)	-1.4	-1.9	-4.0	-3.1	-2.1	-2.4	-2.5	-2.7	-2.2	-3.0
Debt Indicators										
Gross external debt (% of GDP)	92.7	90.7	97.6	85.0	71.7	62.7	57.0	57.7	51.8	50.6
Public (% of GDP)	7.1	7.6	9.1	9.5	6.9	5.4	4.6	5.6	5.3	5.5
Private (% of GDP)	85.6	83.1	88.5	75.5	64.7	57.3	52.4	52.1	46.4	45.1
Gross government debt (% of GDP)	24.3	23.7	27.0	26.5	23.9	20.4	22.1	24.6	23.5	25.1
Domestic (% of GDP)	15.6	14.5	17.0	17.2	15.3	13.1	15.6	17.7	17.1	18.4
External (% of GDP)	8.7	9.2	10.0	9.3	8.7	7.3	6.4	6.9	6.5	6.7

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 167: Nigeria
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025e	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	643	668	600	610	648	488	252	312	410	473
GDP per capita (US$)	3139	3190	2802	2791	2903	2140	1084	1311	1690	1909
Economic Activity and Prices										
Real GDP growth (% yoy)	0.8	5.5	-6.8	0.9	4.4	3.9	3.4	3.9	4.2	4.0
CPI inflation (% yoy, avg)	12.1	11.4	13.2	17.0	18.8	24.7	33.2	20.0	14.0	12.0
Nominal exchange rate (vs USD, eop)	307.0	307.0	379.5	414.9	461.0	911.7	1544	1440	1372	1428
Nominal exchange rate (vs USD, avg)	306.1	306.9	356.9	408.0	429.8	724.2	1520	1498	1359	1407
Central bank policy rate (%, eop)	14.00	13.50	11.50	11.50	16.50	18.75	27.50	27.00	21.00	16.00
External Sector										
Current account balance (% of GDP)	1.1	-2.0	-2.9	-0.6	0.2	1.3	6.8	5.3	4.1	
Current account balance (US$ bn)	7.3	-13.7	-16.0	-3.3	1.1	6.4	17.2	16.6	16.8	
Trade balance (US$ bn)										
Exports, f.o.b. (US$ bn)	61.2	65.0	35.9	46.9	64.2	55.8	53.0	58.2	59.0	
Imports, f.o.b. (US$ bn)	40.8	75.8	52.3	51.4	58.2	47.7	39.8	40.6	40.9	
International reserves (US$ bn)	42.6	38.1	36.5	40.2	37.1	32.9	40.9	45.5	49.0	50.0
Public Sector										
Central gov. primary budget balance (% of GDP)	-1.8	-2.0	-1.9	-2.0	-1.7	-0.2	0.7	-0.9	-1.0	-0.2
Central gov. budget balance (% of GDP)	-1.8	-2.4	-3.0	-2.9	-3.4	-3.9	-2.0	-4.0	-4.5	-2.9
Debt Indicators										
Gross external debt (% of GDP)	3.9	4.4	5.9	6.4	6.7	10.8	18.3	18.4	18.7	18.9
Public (% of GDP)	-	-	-							
Private (% of GDP)	-	-	-							
Gross government debt (% of GDP)	20.4	21.4	25.7	26.6	29.8	36.3	39.3	36.4	35.0	35.3
Domestic (% of GDP)	12.9	12.6	13.1	13.5	13.6	23.6	25.6	23.6	22.8	22.9
External (% of GDP)	3.9	4.4	5.9	6.4	6.7	10.8	18.3	18.4	18.7	18.9

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 168: Romania
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024F	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	243	252	252	287	296	351	384	428	478	515
GDP per capita (US$)	12,464	12,956	13,022	14,903	15,562	18,408	20,142	22,466	25,146	27,131
Economic Activity and Prices										
Real GDP growth (% yoy)	6.1	3.9	-3.7	5.5	4.0	2.4	0.9	1.0	1.5	2.8
CPI inflation (% yoy, avg)	4.6	3.8	2.6	5.0	13.7	10.5	5.6	7.3	6.4	3.2
Nominal exchange rate (vs EUR, eop)	4.66	4.78	4.87	4.95	4.95	4.97	4.97	5.10	5.15	5.25
Nominal exchange rate (vs EUR, avg)	4.65	4.75	4.84	4.92	4.93	4.95	4.97	5.07	5.18	6.18
Central bank policy rate (%, eop)	2.50	2.50	1.50	1.75	6.75	7.00	6.50	6.50	5.25	4.50
External Sector										
Current account balance (% of GDP)	-4.6	-4.9	-5.1	-7.2	-9.5	-6.6	-8.3	-8.4	-7.6	-7.0
Current account balance (US$ bn)	-11.2	-12.2	-12.8	-20.6	-28.3	-23.2	-31.8	-36.1	-36.3	-36.3
Trade balance (US$ bn)	-18.1	-20.0	-21.6	-27.4	-33.8	-31.4	-35.6	-	-	-
Exports, f.o.b. (US$ bn)	73.0	70.6	65.7	83.1	90.6	93.6	93.4	-	-	-
Imports, c.i.f. (US$ bn)	91.2	90.6	87.3	110.4	124.4	125.0	129.0	-	-	-
International reserves (US$ bn)	42.1	42.1	52.2	51.9	55.8	72.9	73.2	-	-	-
Public Sector										
General gov. primary budget balance (% of GDP)	-1.8	-3.3	-8.0	-5.8	-5.1	-4.7	-6.9	-	-	-
General gov. budget balance (% of GDP)	-2.8	-4.3	-9.2	-7.1	-6.4	-6.6	-9.3	-8.1	-6.2	-5.8
Debt Indicators										
Gross external debt (% of GDP)	49.6	51.0	64.2	56.3	55.3	57.7	55.1	-	-	-
Public (% of GDP)	20.2	20.2	29.0	28.1	25.2	29.3	31.4	-	-	-
Private (% of GDP)	29.3	30.8	35.3	28.2	30.1	28.4	23.6	-	-	-
Gross government debt (% of GDP)	34.4	35.0	46.6	48.3	47.9	48.9	54.6	58.5	60.4	62.8
Domestic (% of GDP)	14.7	15.3	18.2	21.6	23.9	20.6	24.4	-	-	-
External (% of GDP)	19.7	19.6	28.4	26.7	24.0	28.3	30.2	-	-	-

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 169: Saudi Arabia
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	887	889	768	983	1,239	1,219	1,254	1,275	1,314	1,386
GDP per capita (US$)	29,360	29,567	24,339	31,921	38,510	36,157	35,528	34,505	33,937	34,140
Economic Activity and Prices										
Real GDP growth (% yoy)	3.2	1.7	-3.8	6.5	12.0	0.5	2.6	4.6	3.9	3.1
CPI inflation (% yoy, avg)	2.5	-1.2	3.4	3.1	2.5	2.3	1.7	2.0	2.0	2.0
Nominal exchange rate (vs. USD, eop)	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Nominal exchange rate (vs. USD, avg)	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Central bank policy rate (%, eop)	3.00	2.25	1.00	1.00	5.00	6.00	5.00	4.25	3.50	3.50
External Sector										
Current account balance (% of GDP)	8.2	4.3	-3.3	4.1	12.1	2.9	-0.5	-3.4	-5.0	-4.5
Current account balance (US$ bn)	73.0	38.5	-25.5	40.5	150.4	35.1	-5.7	-42.8	-65.4	-61.8
Trade balance (US$ bn)	168.7	121.3	47.9	136.5	235.3	128.2	90.3	54.5	34.9	41.5
Exports, f.o.b. (US$ bn)	294.4	261.6	173.9	276.2	411.2	320.2	305.6	273.7	266.0	278.7
Imports, f.o.b. (US$ bn)	125.6	140.3	125.9	139.7	175.9	192.0	215.3	219.1	231.1	237.2
International reserves (US$ bn)	496	499	453	455	459	436	437	421	404	389
Public Sector										
Central gov. primary budget balance (% of GDP)	-4.8	-3.3	-9.4	-1.3	2.9	-0.9	-1.5	-4.0	-4.0	-3.1
Central gov. budget balance (% of GDP)	-5.2	-4.0	-10.2	-2.0	2.2	-1.8	-2.5	-5.1	-5.3	-4.6
Debt Indicators										
Gross external debt (% of GDP)	15.8	19.6	29.4	27.3	21.3	24.5	29.5	31.1	32.3	32.4
Public (% of GDP)	-	-	-	-	-	-	-	-	-	-
Private (% of GDP)	-	-	-	-	-	-	-	-	-	-
Gross government debt (% of GDP)	16.8	20.3	29.6	25.5	21.3	23.0	25.9	30.6	35.0	37.7
Domestic (% of GDP)	9.2	11.2	17.5	15.2	13.2	14.1	15.7	18.5	21.1	22.8
External (% of GDP)	7.7	9.2	12.2	10.3	8.1	8.9	10.2	12.0	13.8	14.9

Source: BofA Global Research

BofA GLOBAL RESEARCH

GEMs Tables – LatAm

Exhibit 170: Argentina

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	505.2	427.8	327.5	401.2	500.8	488.0	588.2	640.5	685.4	719.7
GDP per capita (US$)	11,353	9,507	7,203	8,731	10,782	10,395	12,396	13,354	14,140	14,689
Unemployment rate (%)	9.6	11.0	12.0	7.0	7.0	6.0	6.4	6.6	6.5	6.5
Population (millions)	44.5	45.0	45.5	46.0	46.4	46.9	47.5	48.0	48.5	49.0
Economic Activity										
Real GDP growth (% yoy)	-2.6	-2.0	-9.9	10.4	5.3	-1.6	-1.3	4.1	3.0	3.0
Domestic demand growth (% yoy)	-2.9	-8.0	-11.0	13.2	8.9	0.5	-5.8	9.4	5.1	5.6
Real investment growth (% yoy)	-5.7	-16.0	-13.1	34.0	11.2	-2.0	-17.2	22.8	10.9	12.4
Real consumption growth (% yoy)	-2.2	-6.2	-10.6	9.1	8.3	1.1	-3.1	6.6	3.7	3.8
Real private consumption growth (% yoy)	-2.2	-6.1	-12.2	9.5	9.4	1.0	-2.9	7.8	4.3	4.5
Real government consumption growth (% yoy)	-1.9	-6.4	-2.0	7.1	3.0	1.5	-3.8	0.0	0.3	0.0
Real export growth (% yoy)	0.6	9.8	-17.4	8.5	4.6	-7.5	19.8	1.6	2.5	3.4
Real import growth (% yoy)	-4.5	-18.7	-17.2	18.6	17.8	1.7	-10.2	29.3	8.4	10.6
Prices										
National inflation (% yoy)*	47.6	53.8	36.1	50.9	94.8	211.4	117.8	31.5	22.4	13.2
National inflation (% avg)*	34.3	53.5	42.0	48.4	72.4	133.5	219.9	41.9	27.6	16.7
Nominal wages (% yoy)	29.7	40.9	33.0	49.5	90.4	206.4	110.5	39.3	19.4	14.2
Nominal exchange rate (vs. USD, eop)	37.7	59.9	84.1	102.7	177.1	808.5	1,031.0	1,451.6	1,700.0	1,876.5
Nominal exchange rate (vs. USD, avg)	29.3	49.3	71.6	95.8	133.6	317.2	924.4	1,266.1	1,561.5	1,794.2
Bilateral real exchange rate (% yoy, + dep)	39.6	5.7	4.6	-13.4	-5.8	52.4	-39.7	10.2	-2.4	-0.6
Monetary Sector										
Monetary base growth (% yoy)	27.0	40.7	92.7	65.0	95.1	206.4	114.8	87.0	26.1	16.6
Broad money growth (% yoy)	12.0	29.7	92.7	65.0	95.1	206.4	114.8	87.0	26.1	16.6
Credit extension to private sector (% yoy)	32.6	19.3	52.7	65.0	95.1	206.4	114.8	87.0	26.1	16.6
Central bank policy rate (%, eop)	59.3	63.0	40.0	40.0	75.0	100.0	32.0	30.0	na	na
1-month interbank rate (%, eop)	44.5	47.3	36.0	32.0	67.0	92.0	29.4	30.0	25.0	20.0
Long-term yield (%, eop)	-	-	-	-	-	-				
External Sector										
Current account balance (% of GDP)	-5.4	-0.8	0.8	1.7	-0.8	-4.3	1.0	-1.4	-1.1	-1.6
Current account balance (US$ bn)	-27.1	-3.5	2.7	6.6	-4.1	-21.0	5.7	-8.7	-7.8	-11.4
Trade balance (US$ bn)	-0.7	18.2	14.6	18.7	12.4	-2.9	22.4	15.2	15.4	14.5
Exports, f.o.b. (US$ bn)	61.8	65.2	54.9	78.0	88.5	66.8	79.8	87.1	88.0	90.0
main export - Soybeans	na	na	na	na	na	na	na	na	na	na
Imports, f.o.b. (US$ bn)	62.5	46.9	40.3	59.3	76.2	69.8	57.4	71.9	72.6	75.5
Service balance (US$, bn)	-8.9	-4.8	-2.5	-3.7	-6.8	-6.4	-5.8	-11.0	-9.9	-10.4
Income balance (US$, bn)	-17.4	-16.9	-9.4	-8.4	-9.6	-11.6	-11.0	-13.0	-13.4	-15.5
Foreign direct investment (US$ bn)	10.0	5.1	3.7	5.1	13.1	20.9	8.9	9.3	10.0	10.0
International reserves (US$ bn)	65.8	44.8	39.4	39.7	44.6	23.1	30.0	41.0	49.0	53.0
Price of main export commodity - Soybean	na	na	na	na	na					
Public Sector										
Central gov. primary budget balance (% of GDP)	-2.7	-1.0	-6.4	-3.5	-2.0	-2.7	1.8	1.5	1.7	1.7
Central gov. budget balance (% of GDP)	-5.7	-4.0	-9.4	-5.0	-3.8	-5.9	0.3	0.1	0.2	0.2
Consolidated gov. primary budget balance (% of GDP)	na	na	na	na	na					
Consolidated public sector balance (% of GDP)	-6.0	-4.3	-9.7	-5.3	-3.8	-5.9	0.3	0.1	0.2	
Central gov. revenues (% of GDP)	18.0	18.1	17.6	18.1	18.3					
Debt Indicators										
Gross external debt (% of GDP)	45.5	52.3	75.1	62.4	57.4					
Public (% of GDP)	26.4	28.9	37.3	31.0	28.5					
Private (% of GDP)	19.0	23.4	37.8	31.4	28.9					
Gross government debt (% of GDP)	66.0	75.4	102.2	90.1	79.2	76.0	78.2	71.6	68.9	
Domestic (% of GDP)	39.4									
External (% of GDP)	24.1									
Savings - Investment Balance										
Savings (% of GDP)	-	-	17.8	18.3	18.3					
Investment (% of GDP)	-	-	16.7	16.2	17.2					
Memoradum Items										
Gran Buenos Aires Inflation - Indec (% yoy)*	-	-	-	-	-					
Central gov. primary budget balance (% of GDP)**	-	-	-	-	-					

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (%, yoy)	3.3	1.2	1.4	2.8	3.5	4.3	4.0	3.5	3.2	3.1
Real GDP growth (%, qoq, sa, annualized)	1.1	0.5	4.3	5.0	4.0	3.6	3.2	3.0	3.0	3.0
National inflation (% yoy, eop)	31.8	31.5	29.3	28.8	26.7	22.4	19.1	16.7	15.5	13.2
Central bank policy rate (%, eop)										
Nominal exchange rate (vs USD, eop)	1,380	1,452	1,500	1,550	1,600	1,700	1,743	1,786	1,831	1,876
Current account balance (US$ bn)	-1.6	1.1	-3.5	-0.2	-2.3	-1.9	-3.9	-1.1	-3.1	-3.3

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 171: Brazil

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	1916	1873	1476	1670	1952	2191	2178	2280	2548	2717
GDP per capita (US$)	9278	9008	7054	7951	9255	10350	10247	10685	11892	12638
Unemployment Rate (%) (PNAD)*	12.4	12.0	13.5	13.5	9.5	8.0	6.9	6.0	6.4	6.2
Population (millions)	207	208	209	210	211	212	213	213	214	215
Economic Activity										
Real GDP growth (% yoy)	1.8	1.2	-3.3	4.8	3.0	3.2	3.4	2.5	2.0	1.8
Domestic demand growth (% yoy)	2.5	2.2	-3.9	4.8	3.2	2.2	4.6	3.0	2.1	2.0
Real investment growth (% yoy)	5.2	4.0	-1.7	12.9	1.1	-3.0	7.3	6.5	1.0	1.0
Real consumption growth (% yoy)	2.0	1.8	-4.4	3.2	3.7	3.3	4.1	2.0	2.3	2.2
Real private consumption growth (% yoy)	2.4	2.6	-4.6	3.0	4.1	3.2	4.8	2.6	2.4	2.5
Real government consumption growth (% yoy)	0.8	-0.5	-3.7	4.2	2.1	3.8	1.9	1.0	2.1	1.1
Real export growth (% yoy)	4.1	-2.6	-2.3	4.4	5.7	8.9	2.9	7.0	4.0	8.0
Real import growth (% yoy)	7.7	1.3	-9.5	13.8	1.0	-1.2	14.7	10.0	4.5	9.0
Prices										
CPI inflation (% yoy, eop)	3.7	4.3	4.5	10.1	5.8	4.6	4.8	4.3	4.0	3.5
CPI inflation (% yoy, avg)	3.7	3.7	3.2	8.3	9.3	4.6	4.4	5.0	3.9	3.7
Nominal wages (% yoy)	5.5	3.7	6.8	-1.5	14.6	7.8	9.3	9.7	5.9	4.6
Nominal exchange rate (vs USD, eop)	3.87	4.03	5.20	5.58	5.22	4.84	6.19	5.50	5.25	5.25
Nominal exchange rate (vs USD, avg)	3.68	3.94	5.24	5.41	5.14	4.98	5.47	5.57	5.26	5.25
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-	-	-	-	-
Monetary Sector										
Monetary base growth (% yoy)	1.8	4.8	36.3	-5.2	2.6	0.7	6.7	6.7	6.0	5.3
Broad money growth (% yoy)	6.9	9.1	43.2	1.9	-1.2	-0.2	10.4	9.0	8.0	5.0
Credit extension to private sector (% yoy)	5.1	6.5	15.7	16.4	14.5	8.1	9.5	8.0	6.0	7.0
Central bank policy rate (%, eop)	6.50	4.50	2.00	9.25	13.75	11.75	12.25	15.00	11.50	10.50
1-month interbank rate (%, eop)	6.40	4.40	1.90	9.15	13.65	11.65	12.15	14.90	11.40	10.40
Long-term yield (%, eop)	-	-	-	-	-	-	-	-	-	-
External Sector										
Current account balance (% of GDP)	-2.8	-3.5	-1.7	-2.4	-2.2	-1.2	-3.0	-3.0	-2.5	-2.2
Current account balance (US$ bn)	-53.8	-65.0	-24.9	-40.4	-42.2	-27.1	-66.2	-68.8	-64.4	-60.2
Trade balance (US$ bn)	44.3	29.6	35.7	42.3	51.5	92.3	65.8	60.0	66.7	74.7
Exports, f.o.b. (US$ bn)	239.5	225.8	210.7	284.0	340.2	343.8	339.9	350.9	345.5	356.4
main export	-	-	-	-	-	-	-	-	-	-
Imports, c.i.f. (US$ bn)	195.2	196.2	175.0	241.7	288.7	251.5	274.0	290.9	278.8	281.7
Service balance (US$, bn)	-39.3	-38.5	-24.7	-27.0	-40.9	-43.8	-55.2	-52.9	-59.1	-60.9
Income balance (US$, bn)	-58.8	-56.1	-35.9	-55.8	-52.8	-75.6	-76.8	-75.8	-72.0	-74.0
Foreign direct investment (US$ bn)	78.2	69.2	38.3	46.4	74.6	62.8	74.1	77.7	74.0	75.5
Intercompany Loans (US$, bn)	20.8	5.5	4.7	-0.4	17.5	9.9	9.5	9.9	9.5	9.6
International reserves (US$ bn)	374.7	356.9	355.6	362.2	324.7	355.0	329.7	358.2	360.0	360.0
Public Sector										
Central gov. primary budget balance (% of GDP)	-1.7	-1.2	-9.8	-0.4	0.5	-2.4	-0.4	-0.5	-0.5	-0.6
Central gov. budget balance (% of GDP)	-6.1	-5.4	-13.3	-4.9	-4.4	-8.0	-7.7	-7.5	-8.9	-8.4
Consolidated gov. primary budget balance (% of GDP)	-1.5	-0.8	-9.2	0.7	1.2	-2.3	-0.4	-0.4	-0.4	-0.5
Consolidated public sector balance (% of GDP)	-7.0	-5.8	-13.3	-4.3	-4.6	-8.8	-8.5	-8.3	-9.5	-9.0
Central gov. revenues (% of GDP)	21.3	22.1	19.3	21.4	23.0	21.5	22.8	22.8	22.9	22.6
Debt Indicators										
Gross external debt (% of GDP)	16.7	17.2	20.9	19.5	16.4	15.6	15.9	16559.9	14.3	13.4
Public (% of GDP)	6.7	6.6	8.3	7.9	6.2	5.8	5.8	6083.3	5.4	5.0
Private (% of GDP)	10.0	10.6	12.6	11.6	10.2	9.8	10.1	10476.6	8.9	8.4
Gross government debt (% of GDP)	75.3	74.4	86.9	77.3	71.7	73.8	76.5	78.7	82.2	85.1
Domestic (% of GDP)	65.7	65.0	76.1	66.6	62.7	65.1	66.2	68.4	72.6	75.1
External (% of GDP)	9.6	9.4	10.8	10.7	9.0	8.8	10.3	10.2	9.7	10.0
External debt amortizations (US$ bn)	110.2	92.7	93.5	80.0	94.7	112.3	121.9	121.3	125.0	125.0
External debt interest payments (US$ bn)	15.2	18.5	11.9	11.9	11.9	19.7	19.7	19.8	21.0	21.0
External debt service (% of XGS)	52.4	49.3	50.0	32.4	31.4	38.4	41.7	40.2	42.3	41.0
Savings - Investment Balance										
Savings (% of GDP)	12.3	12.0	14.9	15.5	15.6	15.2	14.0	14.5	14.7	14.7
Investment (% of GDP)	15.1	15.5	16.6	17.9	17.8	16.4	17.0	17.5	17.2	16.9

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (%, yoy)	1.8	2.1	1.9	2.2	1.9	2.2	2.9	1.3	1.8	1.6
Real GDP growth (%, qoq, sa, annualized)	0.4	1.6	3.0	2.5	1.0	3.4	4.1	-2.4	3.6	1.9
CPI inflation (% yoy, eop)	5.2	4.3	3.7	3.8	3.6	4.0	3.9	3.7	3.6	3.5
Central bank policy rate (%, eop)	15.00	15.00	14.50	13.50	12.50	11.50	10.75	10.50	10.50	10.50
Nominal exchange rate (vs USD, eop)	5.32	5.50	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Current account balance (US$ bn)	-21.4	-13.7	-18.5	-12.5	-12.8	-20.6	-17.7	-11.4	-11.5	-19.6

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 172: Mexico

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025	2026 F	2027 F
Summary Data										
Nominal GDP (US$ bn)	1,265	1,300	1,086	1,309	1,483	1,832	1,778	1,868	2,125	2,151
GDP per capita (US$)	10,092	10,269	8,500	10,152	11,399	13,963	13,436	14,009	15,815	15,890
Unemployment rate (%)	3.3	3.5	4.4	4.1	3.3	2.8	2.7	2.6	2.6	2.9
Population (millions)	125.3	126.6	127.8	129.0	130.1	131.2	132.3	133.4	134.4	135.3
Economic Activity										
Real GDP growth (% yoy)	2.0	-0.4	-8.6	6.3	3.7	3.1	1.1	0.6	1.5	1.6
Domestic demand growth (% yoy)	1.2	-0.6	-10.9	8.1	5.0	5.8	2.9	-1.1	1.0	1.3
Real investment growth (% yoy)	0.7	-4.4	-17.3	10.4	7.4	13.8	3.6	-6.4	0.0	2.2
Real consumption growth (% yoy)	1.7	0.5	-8.7	7.2	4.4	3.9	2.6	0.5	1.3	1.1
Real private consumption growth (% yoy)	1.5	0.9	-10.0	8.6	4.8	4.2	2.4	0.4	1.2	1.1
Real government consumption growth (% yoy)	3.1	-1.8	-0.7	-0.5	2.0	2.4	3.7	1.1	1.9	0.9
Real export growth (% yoy)	6.5	1.3	-7.2	7.3	9.6	-7.1	3.0	7.9	4.6	5.1
Real import growth (% yoy)	5.5	-1.0	-12.3	16.2	8.6	3.7	2.7	1.6	5.1	4.1
Prices										
CPI inflation (% yoy, eop)	4.8	2.8	3.2	7.4	7.8	4.7	4.2	3.7	4.0	4.4
CPI inflation (% yoy, avg)	4.9	3.6	3.4	5.7	7.9	5.5	4.7	3.8	3.7	4.2
Nominal wages (% yoy)	5.7	6.7	7.3	7.2	10.8	10.9	9.6	7.3	7.0	7.0
Nominal exchange rate (vs USD, eop)	19.65	18.93	19.91	20.53	19.50	16.97	20.83	18.01	17.75	18.50
Nominal exchange rate (vs USD, avg)	19.11	19.33	22.17	20.38	19.91	17.39	18.85	18.88	17.48	18.29
Bilateral real exchange rate (% yoy, + dep)	5.8	-5.0	4.2	5.0	-6.7	-12.0	17.5	-10.5	-2.5	2.4
Monetary Sector										
Monetary base growth (% yoy)	8.3	4.1	21.6	15.2	10.6	9.6	11.2	7.6	5.5	6.5
Broad money growth (% yoy)	6.6	7.0	11.0	9.7	10.0	10.4	13.6	7.5	4.0	5.0
Credit extension to private sector (% yoy)	10.3	5.7	0.6	4.3	12.6	12.7	12.6	6.9	8.8	10.9
Central bank policy rate (%, eop)	8.25	7.25	4.25	5.50	10.50	11.25	10.00	7.00	6.00	6.00
1-month interbank rate (%, eop)	8.59	7.56	4.48	5.72	10.77	11.50	10.25	7.38	6.31	6.31
Long-term yield (%, eop)	8.84	6.81	5.39	7.53	8.73	8.46	9.38	8.19	7.25	7.25
External Sector										
Current account balance (% of GDP)	-2.1	-0.3	2.5	-0.3	-1.3	-0.7	-0.9	-0.1	-0.2	0.0
Current account balance (US$ bn)	-25.9	-3.9	26.9	-4.5	-18.7	-12.5	-16.7	-2.0	-3.4	0.5
Trade balance (US$ bn)	-13.8	5.2	34.2	-10.7	-28.3	-12.4	-18.6	0.7	-4.1	3.8
Exports, f.o.b. (US$ bn)	451.1	460.9	417.3	495.3	578.2	593.6	618.3	657.3	713.3	782.8
Main export - Autos	118.4	125.1	102.8	116.5	140.3	161.7	165.4	155.6	169.4	182.8
Imports, c.i.f. (US$ bn)	464.8	455.8	383.2	506.0	606.5	605.9	636.9	656.6	717.4	779.0
Service balance (US$ bn)	-13.8	-9.4	-12.4	-12.4	-15.5	-19.6	-9.1	-8.8	-8.7	-9.8
Income balance (US$ bn)	1.7	0.4	5.2	18.6	25.1	19.4	10.9	6.1	9.4	6.5
Foreign direct investment (US$ bn)	37.9	29.9	31.5	35.6	39.2	30.7	45.5	46.0	40.0	39.0
International reserves (US$ bn)	174.6	180.8	195.7	202.4	199.1	212.8	228.8	252.1	260.0	270.0
Remittances (US$ bn)	34.4	37.3	41.7	52.5	58.9	63.3	64.7	61.8	61.0	61.0
Price of main export commodity - oil (US$ per barrel)	62.1	56.1	35.7	64.7	89.3	71.2	70.6	61.6	58.1	60.1
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.1	0.1	-0.1	-1.1	-1.1	-1.1	-2.5	-1.9	-0.7	-0.7
Central gov. budget balance (% of GDP)	-2.0	-2.0	-2.5	-3.1	-3.4	-3.8	-5.6	-5.1	-3.7	-3.7
Consolidated gov. primary budget balance (% of GDP)	0.6	1.1	0.1	-0.3	-0.4	-0.1	-1.5	-0.1	-0.1	0.0
Consolidated public sector balance (% of GDP)	-2.0	-1.6	-2.8	-2.8	-3.2	-3.3	-5.0	-3.9	-4.0	-3.5
Public sector borrowing requirements (% of GDP)	-2.1	-2.3	-3.8	-3.7	-4.3	-4.3	-5.8	-4.8	-4.9	-5.0
Central gov. revenues (% of GDP)	16.0	15.9	17.0	16.2	16.2	16.4	16.5	17.0	16.4	16.4
Debt Indicators										
Gross external debt (% of GDP)	25.4	23.7	27.9	25.8	21.1	17.0	19.7	18.4	21.9	21.9
Public (% of GDP)	16.5	15.4	18.5	17.1	14.3	11.4	13.4	12.2	15.9	15.7
Private (% of GDP)	9.0	8.4	9.3	8.8	6.8	5.5	6.3	6.2	6.0	6.2
Gross government debt (% of GDP)	45.6	45.5	51.7	50.5	48.2	47.3	54.1	55.8	57.4	57.4
Domestic (% of GDP)	29.1	30.1	33.1	33.4	33.9	35.9	40.7	43.6	41.5	41.7
External (% of GDP)	16.5	15.4	18.5	17.1	14.3	11.4	13.4	12.2	15.9	15.7
External debt amortizations (US$ bn)	7.6	23.0	18.4	22.2	13.4	8.1	4.2	6.0	9.5	8.2
External debt interest payments (US$ bn)	7.3	7.8	8.0	8.8	8.4	8.7	7.6	6.0	8.0	7.7
External debt service (% of XGS)	3.3	6.7	6.3	6.2	3.8	2.8	1.9	1.8	2.5	2.0
Savings - Investment Balance										
Savings (% of GDP)	21.3	20.6	20.8	20.1	19.5	18.9	17.7	17.8	18.0	18.4
Investment (% of GDP)	23.1	22.1	20.0	20.8	21.6	23.8	24.4	22.7	22.3	22.4

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	-0.2	1.2	1.3	1.3	2.0	1.5	1.6	1.6	1.6	1.8
Real GDP growth (% qoq, sa, annualized)	-1.1	3.2	1.3	2.0	1.7	1.0	1.7	1.8	1.8	1.8
CPI inflation (% yoy, eop)	3.8	3.7	4.1	3.0	3.7	4.0	4.1	4.2	4.4	4.4
Central bank policy rate (%, eop)	7.50	7.00	6.75	6.50	6.25	6.00	6.00	6.00	6.00	6.00
Nominal exchange rate (vs USD, eop)	18.31	18.01	17.25	17.40	17.50	17.75	18.00	18.25	18.40	18.50
Current account balance (US$ bn)	2.3	9.8	3.3	-11.4	-4.2	8.9	3.8	-7.8	-5.6	10.1

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 173: Venezuela

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn, Exch rate adjusted since 2015)	104.9	78.7	51.1	52.1	57.4	59.7	62.6	82.2	97.4	112.0
GDP per capita (US$)	3,630	2,758	1,798	1,839	2,028	2,115	2,227	2,931	3,484	4,017
Unemployment rate (%)	12.0	12.0	12.0	12.0	12.0	12.0	10.0	10.0	10.0	10.0
Population (millions)	28.9	28.5	28.4	28.4	28.3	28.2	28.1	28.0	28.0	27.9
Economic Activity										
Real GDP growth (% yoy)	-20.0	-25.0	-35.0	2.0	10.0	4.0	5.0	2.0	4.0	10.0
Domestic demand growth (% yoy)	-22.0	-27.5	-38.5	2.2	11.0	4.4	5.5	2.2	4.4	11
Real investment growth (% yoy)	-40.0	-50.0	-70.0	4.0	20.0	8	10	4	8	20
Real consumption growth (% yoy)	-20.0	-25.0	-35.0	2.0	10.0	4	5	2	4	10
Real private consumption growth (% yoy)	-20.0	-25.0	-35.0	2.0	10.0	4	5	2	4	10
Real government consumption growth (% yoy)	-21.0	-26.3	-36.8	2.1	10.5	4.2	5.25	2.1	4.2	10.5
Real export growth (% yoy)	-40.0	-42.5	-38.5	3.0	15.0	6	7.5	3	6	15
Real import growth (% yoy)	-40.0	-42.5	-38.5	2.2	11.0	4.4	5.5	2.2	4.4	11
Prices										
CPI inflation (% yoy, eop)	1698488	12341	3687	660	305	205	94	417	231	154
CPI inflation (% yoy, avg)	523290	1259565	3639	1374	482	255	149	255	324	193
Nominal wages (% yoy)	180979	1234	2581	726	320	215	99	437	236	157
Nominal exchange rate (vs USD, eop)	638	39368	1107199	5	17	36	52	296	963	2402
Nominal exchange rate (vs USD, avg)	638	39368	-	-	-					
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-					
Monetary Sector										
Monetary base growth (% yoy)	43950	7200	1200	400	394	230	122	336	278	173
Broad money growth (% yoy)	43945	5000	1300	600	394	230	122	336	278	173
Credit extension to private sector (% yoy)	41755	5000	1300	600	394	230	122	336	278	173
Central bank policy rate (%, eop)	-	-	-	-	-					
1-month interbank rate (%, eop)	-	-	-	-	-					
Long-term yield (%, eop)	-	-	-	-	-					
External Sector										
Current account balance (% of GDP)	10.9	7.2	2.1	1.2	2.0	-0.1	2.4	-5.6	-2.7	-5.5
Current account balance (US$ bn)	11.4	5.7	1.1	0.6	1.1	0.0	1.5	-4.6	-2.6	-6.2
Trade balance (US$ bn)	15.5	9.2	0.1	2.0	2.6	1.4	4.8	-2.0	-1.5	-4.0
Exports, f.o.b. (US$ bn)	25.7	15.2	6.1	10.0	16.2	12.8	22.5	18.3	21.7	24.9
Main export - Oil	23.3	13.8	6.0	7.0	13.5	10.7	18.8	14.8	18.0	20.9
Imports, f.o.b. (US$ bn)	10.2	6.0	6.0	8.0	13.6	11.4	17.7	20.2	23.2	28.9
Service balance (US$ bn)	-4.3	-4.3	-3.0	-4.0	-4.0	-4.4	-6.8	-4.1	-4.4	-5.1
Income balance (US$ bn)	0.2	0.8	1.5	2.0	2.5	3.0	3.5	1.5	3.3	2.9
Foreign direct investment (US$ bn)	-	-	-	-	-					
International reserves (US$ bn)	7.0	7.5	7.0	6.0	10.0	10.0	10.0	14.0	14.0	14.0
Price of main export commodity - oil (US$ per barrel)	64.5	57.5	43.8							
Public Sector										
Central gov. primary budget balance (% of GDP)	-	-	-	-	-	-				
Central gov. budget balance (% of GDP)	-	-	-	-	-	-				
Consolidated gov. primary budget balance (% of GDP)	-	-	-	-	-	-				
Consolidated public sector balance (% of GDP)*	-	-	-	-	-	-				
Central gov. revenues (% of GDP)	-	-	-	-	-	-				
Debt Indicators										
Gross external debt (% of GDP)	140.1	-	-	-	-	-				
Public (% of GDP)	121.9	-	-	-	-	-				
Private (% of GDP)	18.1	-	-	-	-	-				
Gross government debt (% of GDP)	44.5	-	-	-	-	-				
Domestic (% of GDP)	0.1	-	-	-	-	-				
External (% of GDP)	44.4	-	-	-	-	-				
External debt amortizations (US$ bn)	3.7	-	-	-	-	-				
External debt interest payments (US$ bn)	3.3	-	-	-	-	-				
External debt service (% of XGS)	27.1	-	-	-	-	-				
Savings - Investment Balance										
Savings (% of GDP)	-	-	-	-	-	-				
Investment (% of GDP)	-	-	-	-	-	-				

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 174: Chile

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	297.6	279.2	253.1	316.6	300.6	335.5	318.6	339.9	387.9	420.2
GDP per capita (US$)	15,871	14,615	13,008	16,087	15,158	16,806	15,849	16,792	19,028	20,470
Unemployment rate (%)	7.4	7.2	11.2	7.2	8.0	8.8	8.5	8.4	8.0	8.0
Population (millions)	18.8	19.1	19.5	19.7	19.8	20.0	20.1	20.2	20.4	20.5
Economic Activity										
Real GDP growth (% yoy)	3.7	0.9	-5.8	11.7	2.4	0.2	2.6	2.3	2.5	2.0
Domestic demand growth (% yoy)	4.0	1.6	-7.9	18.5	3.0	-3.3	0.8	3.5	5.0	4.5
Real investment growth (% yoy)	5.1	4.4	-11.5	15.7	2.8	-1.1	-1.4	6.7	7.6	3.8
Real consumption growth (% yoy)	3.7	0.8	-6.8	19.3	3.1	-3.9	1.4	2.6	4.2	4.7
Real private consumption growth (% yoy)	3.8	1.0	-7.5	20.8	2.9	-5.2	1.0	1.8	5.1	5.7
Real government consumption growth (% yoy)	3.3	-0.2	-3.9	13.8	4.1	1.7	3.0	5.1	0.6	1.3
Real export growth (% yoy)	5.3	-2.6	-3.2	-1.4	1.4	-0.3	6.6	3.4	0.4	2.7
Real import growth (% yoy)	8.1	-2.4	-12.7	31.8	0.9	-12.0	2.5	10.8	9.6	8.7
Prices										
CPI inflation (% yoy, eop)	2.1	3.0	3.0	7.2	12.8	3.4	4.5	3.4	3.0	3.3
CPI inflation (% yoy, avg)	2.3	2.3	3.0	4.5	11.6	7.3	3.9	4.2	3.2	3.2
Nominal wages (% yoy)	4.5	4.6	3.7	7.0	11.8	7.7	7.0	4.4	4.0	4.3
Nominal exchange rate (vs USD, eop)	696	745	711	852	851	881	995	916	850	850
Nominal exchange rate (vs USD, avg)	641	703	792	760	874	840	944	943	871	850
Bilateral real exchange rate (% yoy, + dep)	-	-	-	-	-	-				
Monetary Sector										
Monetary base growth (% yoy)	1.7	9.2	145.3	11.4	6.8	-4.8	7.7	5.9	5.6	5.3
Broad money growth (% yoy)	11.2	9.4	6.9	11.4	6.8	2.7	6.1	5.9	5.6	5.3
Credit extension to private sector (% yoy)	10.1	9.4	2.5	7.9	-0.5	2.8	5.0	4.9	5.6	5.3
Central bank policy rate (%, eop)	2.75	1.75	0.50	4.00	11.25	8.25	5.00	4.50	4.25	4.75
1-month interbank rate (%, eop)	4.10	4.08	3.16	6.07	13.35	10.54				
Long-term yield (%, eop)	6.00	5.50	5.50	6.00	6.00	6.00				
External Sector										
Current account balance (% of GDP)	-3.9	-3.7	-1.7	-6.4	-9.0	-3.5	-1.5	-2.3	-0.4	-1.6
Current account balance (US$ bn)	-11.6	-10.5	-4.3	-20.3	-27.1	-11.9	-4.9	-7.7	-1.5	-6.5
Trade balance (US$ bn)	4.2	3.0	18.4	10.5	3.8	15.3	21.0	18.2	24.4	19.4
Exports, f.o.b. (US$ bn)	74.7	68.8	73.5	94.8	98.5	94.6	99.2	105.4	122.2	128.3
main export - Copper	35.6	32.5	38.0	52.7	44.7	43.3	49.7	56.3	70.6	76.1
Imports, f.o.b. (US$ bn)	70.5	65.8	55.1	84.3	94.7	79.2	78.1	87.2	97.8	108.9
Service balance (US$, bn)	-4.7	-5.1	-5.0	-12.3	-14.8	-10.8	-9.1	-9.1	-9.1	-9.1
Income balance (US$, bn)	-11.2	-8.3	-10.0	-21.3	-16.1	-16.4	-16.7	-16.7	-16.7	-16.7
Foreign direct investment (US$ bn)	7.8	12.6	8.5	15.9	20.9	15.5	9.6	9.6	9.6	9.6
International reserves (US$ bn)	39.9	40.7	39.2	51.3	39.2	46.0	45.0	45.0	45.0	45.0
Price of main export commodity - copper (¢/lb)	295.9	272.3	272.8	423.8	400.2	387.9	414.2	481.9	422.7	
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.8	-1.9	-6.3	-6.8	2.1	-1.3	-1.7	-1.2	-0.2	-0.2
Central gov. budget balance (% of GDP)	-1.7	-2.9	-7.3	-7.7	1.1	-2.4	-3.0	-2.5	-1.6	-1.6
Consolidated gov. primary budget balance (% of GDP)	-1.1	-2.3	-7.9	-7.4	2.1	-1.3	-1.7	-1.2	-0.2	
Consolidated public sector balance (% of GDP)	-1.5	-2.7	-8.5	-8.3	1.1	-2.4	-3.0	-2.5	-1.6	
Central gov. revenues (% of GDP)	21.9	21.5	19.9	23.9	25.9	22.7	22.4	22.8	22.7	
Debt Indicators										
Gross external debt (% of GDP)	62.0	70.9	82.3	83.5	86.5	76.4				
Public (% of GDP)	8.3	10.7	13.7	13.5	14.5	17.2				
Private (% of GDP)	53.7	60.3	68.7	70.0	72.0	59.1				
Gross government debt (% of GDP)	25.6	28.2	32.5	36.3	43.3	39.4	42.3	44.2		
Domestic (% of GDP)	17.3	17.5	18.8	22.5	27.7	26.0	27.9	29.2		
External (% of GDP)	8.3	10.7	13.7	13.8	15.6	13.4	14.4	15.0		
External debt amortizations (US$ bn)	-	-	-	-	-	-				
External debt interest payments (US$ bn)	-	-	-	-	-	-				
External debt service (% of XGS)	-	-	-	-	-	-				
Savings - Investment Balance										
Savings (% of GDP)	18.2	19.2	22.2	-	-	-				
Investment (% of GDP)	21.5	22.9	20.9	-	-	-				

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (%, yoy)	1.9	1.6	1.5	1.8	2.6	2.8	2.5	2.2	2.1	2.0
Real GDP growth (%, qoq, sa, annualized)	-0.6	1.3	3.5	2.9	2.4	2.4	2.0	2.0	2.0	2.0
CPI inflation (% yoy, eop)	4.4	3.4	2.4	3.1	2.5	3.1	3.1	3.1	3.1	3.1
Central bank policy rate (%, eop)	4.75	4.50	4.25	4.25	4.25	4.25	4.50	4.75	4.75	4.75
Nominal exchange rate (vs USD, eop)	963	910	880	870	860	850	850	850	850	850
Current account balance (US$ bn)										

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 175: Colombia
Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	334	323	271	314	346	369	420	459	537	555
GDP per capita (US$)	6,922	6,535	5,382	6,140	6,704	7,070	7,976	8,640	10,035	10,306
Unemployment rate (%)	10.0	10.9	16.7	13.8	11.2	10.2	10.3	9.0	9.2	9.0
Population (millions)	48.3	49.4	50.4	51.1	51.7	52.2	52.7	53.1	53.5	53.8
Economic Activity										
Real GDP growth (% yoy)	2.6	3.2	-7.2	10.8	7.3	0.8	1.5	2.6	2.4	2.8
Domestic demand growth (% yoy)	3.5	4.0	-7.6	13.4	10.2	-2.4	1.6	3.9	2.9	3.2
Real investment growth (% yoy)	1.5	3.0	-20.7	11.6	16.0	-16.1	2.4	2.1	5.0	5.6
Real consumption growth (% yoy)	4.0	4.3	-4.2	13.8	9.0	0.7	1.5	4.2	2.5	2.7
Real private consumption growth (% yoy)	3.2	4.1	-5.0	14.7	10.8	0.5	1.6	3.6	2.6	2.8
Real government consumption growth (% yoy)	7.4	5.3	-0.8	9.8	1.0	1.6	0.6	7.1	2.4	2.3
Real export growth (% yoy)	0.6	3.1	-22.5	14.6	12.5	3.1	0.4	1.8	2.5	3.5
Real import growth (% yoy)	5.8	7.3	-20.1	26.7	24.0	-10.0	1.2	8.4	4.1	4.9
Prices										
CPI inflation (% yoy, eop)	3.2	3.8	1.6	5.6	13.1	9.3	5.2	5.1	6.1	4.2
CPI inflation (% yoy, avg)	3.2	3.5	2.5	3.5	10.2	11.8	6.6	5.1	5.7	3.7
Nominal wages (% yoy)	7.0	5.9	6.0	6.0	3.5	10.1	16.0	7.0	6.0	5.0
Nominal exchange rate (vs. USD, eop)	3,250	3,277	3,430	4,080	4,853	3,855	4,406	3,778	3,800	4,000
Nominal exchange rate (vs. USD, avg)	2,956	3,281	3,693	3,807	4,347	4,319	4,155	3,995	3,756	3,925
Bilateral real exchange rate (% yoy, + dep)	7.5	-0.6	4.4	20.6	11.9	-21.6	12.0	-17.0	-3.1	3.5
Monetary Sector										
Monetary base growth (% yoy)	10.4	12.3	20.5	9.6	6.4	1.0	11.7	6.1	11.3	7.5
Broad money growth (% yoy)	5.6	7.8	13.9	12.0	14.0	-1.2	10.3	4.7	10.0	6.5
Credit extension to private sector (% yoy)	4.4	7.8	2.2	10.9	17.5	2.5	2.0	5.7	11.0	6.0
Central bank policy rate (%, eop)	4.25	4.25	1.75	3.00	12.00	13.00	9.50	9.25	12.00	11.00
1-month interbank rate (%, eop)	4.11	4.11	1.71	2.97	11.23	12.34	9.21	8.96	11.71	10.71
Long-term yield (%, eop)	6.8	6.3	5.4	8.2	13.0	10.8	11.3	10.0	9.25	9.0
External Sector										
Current account balance (% of GDP)	-4.2	-4.6	-3.4	-5.6	-6.0	-2.2	-1.7	-2.6	-2.6	-2.7
Current account balance (US$ bn)	-14.0	-14.8	-9.3	-17.9	-20.9	-8.3	-7.3	-11.9	-14.0	-15.0
Trade balance (US$ bn)	-6.4	-9.9	-8.9	-14.0	-12.2	-6.8	-9.2	-11.4	-11.6	-11.9
Exports, f.o.b. (US$ bn)	43.0	40.7	32.3	42.7	59.5	52.6	53.2	54.0	55.3	57.1
Main export - Oil (US$ bn)	16.8	16.0	8.8	13.5	18.7	15.8	15.5	15.2	14.5	14.0
Imports, f.o.b. (US$ bn)	49.4	50.5	41.2	56.7	71.7	59.4	60.1	65.1	66.6	68.7
Service balance (US$ bn)	-4.2	-4.3	-4.2	-6.0	-3.9	-1.0	-0.4	-0.6	-0.7	-0.8
Income balance (US$ bn)	-3.5	-0.7	3.8	2.1	-4.8	-0.5	2.3	0.0	-1.0	-1.1
Foreign direct investment (US$ bn)	11.3	14.0	7.5	9.6	17.2	17.1	14.6	17.0	19.9	20.5
International reserves (US$ bn)	48.4	53.2	59.0	58.6	57.3	59.6	62.8	64.0	65.2	66.4
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.3	0.4	-5.0	-3.6	-1.0	-0.3	-2.4	-3.4	-2.7	-1.7
Central gov. budget balance (% of GDP)	-3.1	-2.5	-7.8	-7.0	-5.3	-4.2	-6.7	-6.5	-6.7	-5.9
Consolidated gov. primary budget balance (% of GDP)	0.1	0.5	-5.3	-5.2	-1.4	1.6	-1.2	-1.9	-1.2	-0.2
Consolidated public sector balance (% of GDP)	-2.6	-2.4	-7.6	-7.1	-6.0	-2.7	-5.9	-5.7	-5.9	-5.1
Central gov. revenues (% of GDP)	15.1	16.2	15.3	16.1	16.2	18.7	16.5	17.0	17.3	17.6
Debt Indicators										
Gross external debt (% of GDP)	39.5	42.9	57.0	53.9	53.1	53.6	56.5	59.7	62.1	62.6
Public (% of GDP)	21.8	22.9	33.2	32.2	30.2	30.9	32.7	34.8	36.1	35.5
Private (% of GDP)	17.7	20.1	23.8	21.7	22.9	22.8	23.8	24.9	26.0	27.1
Gross government debt (% of GDP)	48.0	47.2	62.1	60.7	59.3	54.7	59.9	59.0	61.1	63.2
Domestic (% of GDP)	31.4	31.3	39.0	36.2	34.5	35.3	38.8	35.7	36.5	39.2
External (% of GDP)	16.6	16.0	23.0	24.5	24.8	19.4	21.1	23.3	24.6	24.0
External debt amortizations (US$ bn)	15.7	13.2	14.6	15.1	19.3	15.7	16.5	18.6	21.8	22.0
External debt interest payments (US$ bn)	5.8	7.5	6.5	6.9	11.7	12.1	12.7	12.1	11.6	12.0
External debt service (% of XGS)	40.0	40.5	55.2	43.1	42.3	40.6	42.5	44.0	46.7	45.9
Savings - Investment Balance										
Savings (% of GDP)	17.0	16.8	15.7	13.3	13.7	11.2	11.7	10.8	11.1	12.1
Investment (% of GDP)	21.2	21.4	19.1	18.9	19.8	13.5	13.5	13.4	13.7	14.8

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	3.6	2.3	2.3	2.4	2.0	2.8	2.9	3.0	2.8	2.6
Real GDP growth (% qoq, sa, annualized)	5.2	0.5	2.0	2.0	3.6	3.6	2.4	2.4	2.8	2.8
CPI inflation (% yoy, eop)	5.2	5.1	5.5	5.8	5.8	6.1	5.6	5.1	4.6	4.2
Central bank policy rate (%, eop)	9.25	9.25	11.25	12.00	12.00	12.00	11.75	11.50	11.25	11.00
Nominal exchange rate (vs. USD, eop)	3,920	3,778	3,700	3,750	3,775	3,800	3,850	3,900	3,950	4,000
Current account balance (US$ bn)	-3.3	-4.0	-2.4	-2.9	-3.6	-4.3	-2.5	-3.0	-3.7	-4.5

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 176: Peru

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	229.9	236.5	209.7	229.9	248.5	272.5	295.8	340.9	381.3	400.3
GDP per capita (US$)									10,971	11,405
Unemployment rate (%)	6.7	6.6	13.9	10.9	7.7	6.8	6.5	6.0	6.1	6.0
Population (millions)	31.6	32.1	32.6	33.0	33.4	33.7	34.1	34.4	34.8	35.1
Economic Activity										
Real GDP growth (% yoy)	4.0	2.2	-10.9	13.4	2.8	-0.4	3.5	3.4	2.8	3.0
Domestic demand growth (% yoy)	3.6	2.8	-9.3	13.9	2.4	-1.0	4.0	5.8	3.1	3.0
Real investment growth (% yoy)	3.4	0.8	-17.3	25.0	0.7	-7.7	9.3	14.1	2.9	4.0
Real consumption growth (% yoy)	3.6	3.4	-7.0	11.1	2.9	0.9	2.7	3.5	3.1	2.6
Real private consumption growth (% yoy)	3.8	3.2	-9.9	12.5	3.5	0.1	2.8	3.6	3.3	2.8
Real government consumption growth (% yoy)	2.4	4.3	7.9	4.8	-0.2	4.9	2.1	2.8	2.4	2.3
Real export growth (% yoy)	2.9	0.9	-19.8	12.7	5.5	4.1	6.6	4.4	2.3	2.4
Real import growth (% yoy)	1.3	3.1	-13.6	14.8	3.6	1.3	8.4	12.8	3.2	3.6
Prices										
CPI inflation (% yoy, eop)	2.2	1.9	2.0	6.4	8.5	3.2	2.0	1.5	2.0	2.0
CPI inflation (% yoy, avg)	1.3	2.1	1.8	4.0	7.9	6.3	2.4	1.5	1.8	1.9
Nominal wages (% yoy)	-0.3	4.6	-12.4	3.5	11.5	7.1	5.8	6.0	5.5	5.8
Nominal exchange rate (vs USD, eop)	3.38	3.32	3.62	3.98	3.81	3.71	3.77	3.36	3.30	3.30
Nominal exchange rate (vs USD, avg)	3.29	3.34	3.50	3.88	3.84	3.75	3.76	3.51	3.32	3.30
Bilateral real exchange rate (% yoy, + dep)	3.9	-1.4	8.7	10.5	-4.7	-2.7	2.5	-10.0	-1.4	0.4
Monetary Sector										
Monetary base growth (% yoy)	7.3	5.2	33.2	13.1	-4.4	-3.2	10.7	5.9	5.8	6.0
Broad money growth (% yoy)	5.3	9.1	32.0	0.3	-1.1	1.2	10.4	6.5	6.2	6.2
Credit extension to private sector (% yoy)	9.0	7.0	12.8	5.7	2.5	0.5	1.2	4.9	4.6	5.0
Central bank policy rate (%, eop)	2.75	2.25	0.25	2.50	7.50	6.75	5.00	4.25	3.75	3.75
1-month interbank rate (%, eop)	2.75	2.25	0.23	2.25	7.45	6.86	4.95	4.20	3.70	3.70
Long-term yield (%, eop)	5.64	4.21	3.51	5.90	7.97	6.68	6.69	6.00	6.00	6.00
External Sector										
Current account balance (% of GDP)	-1.1	-0.6	0.9	-2.0	-4.1	0.7	2.1	3.1	2.1	2.0
Current account balance (US$ bn)	-2.6	-1.4	1.9	-4.7	-10.1	1.8	6.3	10.7	8.0	8.0
Trade balance (US$ bn)	7.2	6.9	8.1	15.1	10.2	17.7	23.8	34.6	30.0	30.9
Exports, f.o.b. (US$ bn)	49.1	48.0	42.8	63.1	66.2	67.5	73.1	93.1	88.0	88.1
Main export - Copper	14.9	14.0	13.0	20.7	19.7	23.4	23.9	28.1	33.4	36.0
Imports, f.o.b. (US$ bn)	41.9	41.1	34.7	48.0	56.0	49.8	49.3	58.5	58.0	57.2
Service balance (US$ bn)	-3.3	-3.9	-4.9	-7.6	-8.8	-7.7	-7.8	-8.2	-6.5	-7.0
Income balance (US$ bn)	-6.5	-4.4	-1.3	-12.2	-11.4	-8.1	-9.7	-15.6	-15.5	-16.5
Foreign direct investment (US$ bn)	5.9	4.8	0.7	7.1	11.2	4.3	6.8	11.8	12.0	12.5
International reserves (US$ bn)	60.1	68.3	74.7	78.5	71.9	71.0	83.3	90.2	92.2	93.0
Price of main export commodity - Copper (US$/ton)	296	273	280	422	398	383	415	448	533	621
Public Sector										
Central gov. primary budget balance (% of GDP)	-0.8	-0.9	-7.9	-2.0	-0.8	-2.1	-1.8	-1.0	-0.8	-0.8
Central gov. budget balance (% of GDP)	-2.0	-2.1	-9.3	-3.4	-2.2	-3.6	-3.4	-2.5	-2.3	-2.3
Consolidated gov. primary budget balance (% of GDP)	-0.9	-0.2	-7.3	-1.0	-0.1	-1.1	-1.8	-0.6	-0.4	-0.4
Consolidated public sector balance (% of GDP)	-2.3	-1.6	-8.9	-2.5	-1.7	-2.8	-3.5	-2.2	-2.0	-2.0
Central gov. revenues (% of GDP)	16.0	16.3	14.7	17.9	19.2	16.8	16.3	17.0	17.2	17.5
Debt Indicators										
Gross external debt (% of GDP)	30.5	31.3	38.7	40.8	37.7	35.0	36.9	37.4	37.7	38.3
Public (% of GDP)	15.3	16.8	23.6	26.7	24.6	22.6	23.9	24.6	24.8	25.0
Private (% of GDP)	15.2	14.5	15.1	14.1	13.2	12.4	13.0	12.8	12.9	13.3
Gross government debt (% of GDP)	25.5	26.5	34.5	35.9	33.9	32.9	32.7	30.2	30.3	30.7
Domestic (% of GDP)	16.7	18.1	19.7	16.4	16.3	17.1	15.6	12.4	12.3	12.5
External (% of GDP)	8.8	8.4	14.8	19.4	17.6	15.8	17.1	17.8	18.0	18.2
External debt amortizations (US$ bn)	7.0	6.0	5.7	4.0	3.3	5.0	3.9	5.4	5.6	5.7
External debt interest payments (US$ bn)	3.4	2.8	2.9	2.8	2.9	3.8	4.7	4.8	5.1	5.0
External debt service (% of XGS)	18.8	16.2	18.9	10.2	8.7	12.0	11.0	12.3	12.4	11.9
Savings - Investment Balance										
Savings (% of GDP)	20.0	19.7	19.2	18.8	16.8	18.1	22.6	25.4	25.1	22.5
Investment (% of GDP)	21.1	20.3	18.3	20.9	20.8	17.4	20.4	22.3	23.0	20.5

	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
Quarterly Economic Forecasts										
Real GDP growth (% yoy)	3.8	3.2	3.0	2.8	2.4	3.0	3.1	3.2	2.9	2.6
Real GDP growth (% qoq, sa, annualized)	5.6	1.5	2.0	2.0	4.1	4.1	2.4	2.4	2.8	2.8
CPI inflation (% yoy, eop)	1.4	1.5	1.7	1.5	2.1	2.0	1.9	2.0	2.0	2.0
Central bank policy rate (%, eop)	4.25	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Nominal exchange rate (vs USD, eop)	3.47	3.36	3.34	3.32	3.31	3.30	3.30	3.30	3.30	3.30
Current account balance (US$ bn)	2.6	2.4	1.0	0.9	2.8	2.7	1.0	0.9	2.8	2.7

Source: BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 177: Uruguay

Selected economic and financial indicators

	2018	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F
Summary Data										
Nominal GDP (US$ bn)	64.6	61.3	53.6	61.4	70.2	77.3	80.9	84.5	92.6	96.3
GDP per capita (thous US$)	18.4	17.4	15.2	17.3	19.7	21.7	22.6	23.5	25.7	26.6
Economic Activity and Prices										
Real GDP growth (% yoy)	0.5	0.4	-6.1	5.3	4.7	0.4	3.1	1.3	1.5	2.0
CPI inflation (% yoy, eop)	8	8.8	9.4	8.0	8.3	5.1	5.5	3.7	4.0	4.5
Nominal exchange rate (vs USD, eop)	32.4	37.4	42.4	44.7	39.9	38.9	43.7	39.1	39.5	38.6
Nominal exchange rate (vs USD, avg)	30.7	35.3	42	43.6	41.2	38.8	40.3	40.9	39.3	39.1
Central Bank policy rate (%, eop)	-	-	4.5	5.8	11.5	9.0	8.8	7.5	6.0	7.0
External Sector										
Current account balance (% of GDP)	-0.4	1.6	-0.8	-2.5	-3.7	-3.3	-1.0	-0.8	-0.8	-0.8
Current account balance (US$ bn)	-0.3	1	-0.4	-1.5	-2.6	-2.6	-0.8	-0.7	-0.7	-0.7
Trade balance (US$ bn)	3.3	3.8	2.4	4.5	4.2	2.7	4.1	4.3	4.3	4.3
Exports, f.o.b. (US$ bn)	17.1	17.1	13.6	19.4	23.6	22.1	23.2	24.2	25.1	25.1
Imports, f.o.b. (US$ bn)	13.8	13.3	11.2	14.9	19.4	19.3	19.1	19.9	20.9	20.9
International reserves (US$ bn)	16.5	15.1	15.8	16.0	16.5	16.0	17.4	18.4	19.4	20.4
Public Sector										
Non financial public sector. primary budget balance (% of GDP)	-0.6	-1.6	-2.9	-1.1	-1.0	-1.3	-1.0	-1.3	-0.9	-0.4
Non financial public sector overall budget balance (% of GDP)	-3.1	-3.8	-5.4	-3.2	-3.0	-3.3	-3.1	-3.4	-3.0	-2.5
Debt Indicators										
Gross external debt (% of GDP)	-	-	-	-	-	-	-	-		
Public (% of GDP)	-	-	-	-	-	-	-	-		
Private (% of GDP)	-	-	-	-	-	-	-	-		
Gross government debt (% of GDP)	55.6	57.2	67.6	61.1	62.0	64.2	64.8	54.7	55.2	55.2
Domestic (% of GDP)	29	27.5	32.2	29.1	-	-				
External (% of GDP)	26.6	29.7	35.4	32.0	-	-				

Source: BofA Global Research

BofA GLOBAL RESEARCH

Yield forecasts

Exhibit 178: Government Bond Yield and Swap Rate Forecasts
Developed Market Forecasts

		Mar-26	Jun-26	Sep-26	Dec-26	Dec-27
Bond yields						
US	O/N SOFR	3.68	3.41	3.18	3.18	3.18
	2y	3.45	3.35	3.25	3.25	3.25
	5y	3.60	3.55	3.50	3.50	3.50
	10y	4.05	4.15	4.20	4.25	4.25
	30y	4.65	4.65	4.70	4.75	4.75
Germany	3m Euribor	2.00	2.05	2.10	2.15	1.65
	2y	2.00	2.15	2.20	2.15	1.90
	5y	2.30	2.45	2.55	2.55	2.25
	10y	2.75	2.85	3.00	3.00	2.70
	30y	3.35	3.50	3.60	3.65	3.35
Japan	TONA	0.73	0.98	1.23	1.23	1.73
	2yr	1.25	1.45	1.70	1.75	2.00
	5yr	1.65	1.80	2.05	2.10	2.30
	10yr	2.15	2.25	2.45	2.50	2.70
	30yr	3.50	3.60	3.75	3.85	3.90
UK	2yr	3.55	3.50	3.52	3.55	3.65
	5yr	3.90	3.90	3.90	3.90	4.00
	10yr	4.45	4.45	4.45	4.50	4.70
	30yr	5.25	5.25	5.25	5.25	5.25
Canada	2yr	2.45	2.35	2.25	2.25	2.50
	5yr	2.95	2.85	2.75	2.75	3.00
	10yr	3.40	3.35	3.35	3.35	3.50
Australia	3m BBSW	3.85	4.10	4.10	4.10	3.35
	2y	3.75	3.85	3.85	3.85	3.70
	5y	4.00	4.10	4.10	3.95	4.25
	10y	4.35	4.45	4.35	4.35	4.75
Swap rates		Mar-26	Jun-26	Sep-26	Dec-26	Dec-27
US	2y	3.35	3.25	3.15	3.15	3.05
	5y	3.40	3.35	3.30	3.30	3.20
	10y	3.75	3.85	3.90	3.95	4.10
Euribor	2y	1.90	2.00	2.05	2.00	1.75
	5y	2.15	2.25	2.35	2.35	2.05
	10y	2.55	2.65	2.75	2.75	2.45
Japan	2y	1.23	1.43	1.68	1.70	1.93
	5y	1.60	1.75	1.95	2.00	2.18
	10y	1.95	2.05	2.25	2.30	2.48
UK	2y	3.30	3.25	3.27	3.30	3.40
	5y	3.60	3.60	3.60	3.60	3.70
	10y	4.00	4.00	4.00	4.05	4.25
Canada	2y	2.30	2.20	2.10	2.10	2.35
	5y	2.75	2.65	2.55	2.55	2.80
	10y	3.15	3.10	3.10	3.10	3.25
Australia	3y	3.85	3.95	3.95	3.95	3.55
	10y	4.55	4.65	4.55	4.55	4.35

Source: BofA Global Research

BofA GLOBAL RESEARCH

Global FX Forecasts

Exhibit 179: G10 FX Forecasts
Our end-2026 EUR-USD forecast is 1.22

	Spot	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
G3									
EUR-USD	1.18	1.17	1.20	1.21	1.22	1.23	1.24	1.25	1.25
USD-JPY	157	154	158	156	155	153	150	150	150
EUR-JPY	185	180	190	189	189	188	186	188	188
Dollar Bloc									
USD-CAD	1.37	1.38	1.38	1.37	1.36	1.35	1.35	1.35	1.35
AUD-USD	0.71	0.70	0.71	0.72	0.73	0.73	0.73	0.73	0.73
NZD-USD	0.60	0.55	0.55	0.56	0.57	0.58	0.58	0.58	0.58
Europe									
EUR-GBP	0.87	0.86	0.85	0.84	0.84	0.84	0.84	0.83	0.83
GBP-USD	1.35	1.36	1.41	1.44	1.45	1.46	1.48	1.51	1.51
EUR-CHF	0.91	0.94	0.94	0.95	0.96	0.97	0.98	0.98	0.98
USD-CHF	0.78	0.80	0.78	0.79	0.79	0.79	0.79	0.78	0.78
EUR-SEK	10.68	10.80	10.70	10.60	10.50	10.40	10.30	10.30	10.30
USD-SEK	9.07	9.23	8.92	8.76	8.61	8.46	8.31	8.24	8.24
EUR-NOK	11.31	11.60	11.40	11.40	11.30	11.00	10.90	10.80	10.70
USD-NOK	9.61	9.91	9.50	9.42	9.26	8.94	8.79	8.64	8.56

Forecast as of Feb-25-2026. Spot exchange rate as of Feb-25-2026. The left of the currency pair is the denominator of the exchange rate. **Source:** BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 180: EM FX Forecasts
Our end-2026 USD-CNY forecast is 6.70

	Spot	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
Latin America									
USD-BRL	5.15	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
USD-MXN	17.18	17.25	17.40	17.50	17.75	18.00	18.25	18.40	18.50
USD-CLP	858	865	860	855	850	850	850	850	850
USD-COP	3,707	3,700	3,750	3,775	3,800	3,850	3,900	3,950	4,000
USD-ARS	1380	1,450	1,550	1,600	1,700	1,750	1,800	1,850	1,900
USD-PEN	3.36	3.34	3.32	3.31	3.30	3.30	3.30	3.30	3.30
Emerging Europe									
EUR-PLN	4.22	4.22	4.23	4.20	4.18	4.15	4.15	4.15	4.15
EUR-HUF	376	387	380	375	370	365	360	360	360
EUR-CZK	24.22	24.10	24.00	23.60	23.50	23.50	23.40	23.30	23.30
USD-ZAR	15.90	16.10	15.80	15.70	15.60	15.40	15.70	16.00	16.20
USD-TRY	43.87	44.30	46.30	48.30	50.70	52.70	54.70	56.80	58.80
EUR-RON	5.09	5.10	5.10	5.13	5.15	5.17	5.20	5.23	5.25
USD-EGP	47.91	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00
USD-ILS	3.10	3.22	3.20	3.18	3.15	3.15	3.15	3.15	3.15
USD-AED	3.67	3.67	3.67	3.67	3.67	3.67	3.67	3.67	3.67
USD-KWD	0.31	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
USD-SAR	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
USD-QAR	3.65	3.64	3.64	3.64	3.64	3.64	3.64	3.64	3.64
Asian Bloc									
USD-KRW	1,431	1,435	1,420	1,415	1,395	1,380	1,365	1,350	1,335
USD-TWD	31.32	31.40	31.20	31.00	30.80	30.60	30.40	30.20	30.00
USD-SGD	1.27	1.28	1.27	1.26	1.25	1.25	1.24	1.24	1.23
USD-THB	31.10	30.70	30.50	30.30	30.00	30.00	30.00	30.00	30.00
USD-HKD	7.82	7.80	7.78	7.75	7.75	7.75	7.75	7.75	7.75
USD-CNY	6.87	6.90	6.80	6.70	6.70	6.70	6.70	6.60	6.60
USD-IDR	16800	16,500	16,400	16,300	16,200	16,200	16,200	16,200	16,200
USD-PHP	57.52	58.00	57.50	57.50	57.00	57.00	57.00	57.00	57.00
USD-MYR	3.89	4.15	4.10	4.05	4.00	4.00	4.00	4.00	4.00
USD-INR	90.96	89.00	89.00	88.50	88.00	88.00	88.00	88.00	88.00

Forecast as of Feb-25-2026. Spot exchange rate as of Feb-25-2026. The left of the currency pair is the denominator of the exchange rate. **Source:** BofA Global Research

BofA GLOBAL RESEARCH

Commodities forecasts

Exhibit 181: BofA Global Research Commodity Price Forecasts

	units	1Q26F	2Q26F	3Q26F	4Q26F	2026	1Q27F	2Q27F	3Q27F	4Q27F	2027
WTI Crude Oil	($/bbl)	56	57	58	57	57	58	59	61	58	59
Brent Crude Oil	($/bbl)	59	60	61	60	60	61	62	64	61	62
US Natural Gas	($/MMBtu)	4.80	3.85	4.10	4.45	4.30	4.60	3.60	3.70	4.10	4.00
Aluminium	$/t	3000	2900	3250	3500	3163	3500				3625
Copper	$/t	12500	12750	13500	14000	13187	15000				15500
Gold	$/oz	4700	4500	5000	5750	4988	5200				4925
Silver	$/oz	75	65	75	85	75	75				71

Source: Bloomberg, BofA Global Research estimates

BofA GLOBAL RESEARCH

Special Disclosures

Some of the securities discussed herein should only be considered for inclusion in accounts qualified for high risk investment.

Disclosures

Important Disclosures

Due to the nature of strategic analysis, the issuers or securities recommended or discussed in this report are not continuously followed. Accordingly, investors must regard this report as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or securities.
FX trading involves significant risk. Investor should have experience in FX markets and have financial resources to absorb any losses arising from applying such strategies.
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.

This report may refer to fixed income securities or other financial instruments that may not be offered or sold in one or more states or jurisdictions, or to certain categories of investors, including retail investors. Readers of this report are advised that any discussion, recommendation or other mention of such instruments is not a solicitation or offer to transact in such instruments. Investors should contact their BofA Securities representative or Merrill Global Wealth Management financial advisor for information relating to such instruments.
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 BofAS 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.
Individuals identified as economists do not function as research analysts under U.S. law and reports prepared by them are not research reports under applicable U.S. rules and regulations. Macroeconomic analysis is considered investment research for purposes of distribution in the U.K. under the rules of the Financial Conduct Authority.
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.bofaml.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 (Zurich): Bank of America Europe Designated Activity Company, Zurich Branch, regulated by the Swiss Financial Market Supervisory Authority FINMA, the ECB and 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 (HKSFC); 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 HKSFC; 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:

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

Research Analysts

FX, Rates and Commodities

John Shin
FX Strategist
BofAS
+1 646 855 2582
joong.s.shin@bofa.com

G10 FX Strategy

Adarsh Sinha
FX and Rates Strategist
Merrill Lynch (Hong Kong)
adarsh.sinha@bofa.com

Kamal Sharma
FX Strategist
MLI (UK)
ksharma32@bofa.com

Shusuke Yamada, CFA
FX/Rates Strategist
BofAS Japan
shusuke.yamada@bofa.com

Michalis Rousakis
FX Strategist
MLI (UK)
michalis.rousakis@bofa.com

Alex Cohen, CFA
FX Strategist
BofAS
alex.cohen2@bofa.com

Global Rates Strategy

Ralf Preusser, CFA
Rates Strategist
MLI (UK)
+44 20 7995 7331
ralf.preusser@bofa.com

Ralph Axel
Rates Strategist
BofAS
ralph.axel@bofa.com

Bruno Braizinha, CFA
Rates Strategist
BofAS
bruno.braizinha@bofa.com

Mark Cabana, CFA
Rates Strategist
BofAS
mark.cabana@bofa.com

Mark Capleton
Rates Strategist
MLI (UK)
mark.capleton@bofa.com

Oliver Levingston
FX and Rates Strategist
Merrill Lynch (Hong Kong)
oliver.levingston@bofa.com

Ronald Man
Rates Strategist
MLI (UK)
ronald.man@bofa.com

Sphia Salim
Rates Strategist
MLI (UK)
sphia.salim@bofa.com

Tomonobu Yamashita
Rates Strategist
BofAS Japan
tomonobu.yamashita@bofa.com

Agne Stengeryte, CFA
Rates Strategist
MLI (UK)
agne.stengeryte@bofa.com

Meghan Swiber, CFA
Rates Strategist
BofAS
meghan.swiber@bofa.com

Global Economics

Claudio Irigoyen
Global Economist
BofAS
+1 646 855 1734
claudio.irigoyen@bofa.com

Antonio Gabriel
Global Economist
BofAS
antonio.gabriel@bofa.com

Global EM Strategy

David Hauner, CFA >>
Global EM FI/FX Strategist
MLI (UK)
+44 20 7996 1241
david.hauner@bofa.com

Raghav Adlakha
EM Quant/Sovereign Strategist
MLI (UK)
raghav.adlakha@bofa.com

Emerging Asia FI & FX Strategy and Economics

Helen Qiao
China & Asia Economist
Merrill Lynch (Hong Kong)
+852 3508 3961
helen.qiao@bofa.com

Claudio Piron
Emerging Asia FI/FX Strategist
Merrill Lynch (Singapore)
claudio.piron@bofa.com

Rahul Bajoria
India & ASEAN Economist
BofAS India
rahul.bajoria@bofa.com

Jojo Gonzales ^^
Research Analyst
Philippine Equity Partners
jojo.gonzales@pep.com.ph

Xiaoqing Pi
Greater China Economist
Merrill Lynch (Hong Kong)
xiaoqing.pi@bofa.com

Abhay Gupta
Emerging Asia FI/FX Strategist
Merrill Lynch (Singapore)
abhay.gupta2@bofa.com

Pipat Luengnaruemitchai
Emerging Asia Economist
Kiatnakin Phatra Securities
pipat.luen@kkpfg.com

Benson Wu, CFA
China & Korea Economist
Merrill Lynch (Hong Kong)
benson.wu@bofa.com

Ting Him Ho, CFA
Asia Economist
Merrill Lynch (Hong Kong)
tinghim.ho@bofa.com

Kai Wei Ang
ASEAN Economist
Merrill Lynch (Singapore)
kaiwei.ang@bofa.com

Chun Him Cheung, CFA
Emerging Asia FI/FX Strategist
Merrill Lynch (Hong Kong)
chunhim.cheung@bofa.com

Anna Zhou
China & Asia Economist
Merrill Lynch (Hong Kong)
anna.zhou@bofa.com

EEMEA Cross Asset Strategy and Economics

Mai Doan
CEE Economist
MLI (UK)
+44 20 7995 9597
mai.doan@bofa.com

Vladimir Osakovskiy >>
EM Sovereign FI/EQ strategist
Merrill Lynch (DIFC)
+971 4 425 8291
vladimir.osakovskiy@bofa.com

Jean-Michel Saliba
EEMEA Econ Head/MENA Economist
MLI (UK)
+44 20 7995 8568
jean-michel.saliba@bofa.com

Mikhail Liluashvili
EEMEA Local Markets Strategist
MLI (UK)
+44 20 7996 1142
mikhail.liluashvili@bofa.com

Tatonga Rusike
Sub-Saharan Africa Economist
MLI (UK)
tatonga.rusike@bofa.com

Merveille Paja
EEMEA Sovereign FI Strategist
MLI (UK)
merveille.paja@bofa.com

Latin America FI & FX Strategy and Economics

David Beker >>
Bz Econ/FI & LatAm EQ Strategy
Merrill Lynch (Brazil)
+55 11 2188 4371
david.beker@bofa.com

Jane Brauer
Sovereign Debt FI Strategist
BofAS
+1 646 743 3747
jane.brauer@bofa.com

Carlos Capistran
LatAm and Canada Economist
BofAS
+1 646 743 2921
carlos.capistran@bofa.com

Pedro Diaz
Caribbean Economist
BofAS
pdiaz2@bofa.com

Christian Gonzalez Rojas
LatAm Local Markets Strategist
BofAS
christian.gonzalezrojas@bofa.com

Gustavo Mendes
Brazil Economist
Merrill Lynch (Brazil)
gustavo.mendes@bofa.com

Alexander Muller
Andean(ex-Ven) Carib Economist
BofAS
alexander.muller@bofa.com

Lucas Martin, CFA
Sovereign Debt FI Strategist
BofAS
lucas.martin@bofa.com

Natacha Perez
Brazil Economist
Merrill Lynch (Brazil)
natacha.perez@bofa.com

Sebastian Rondeau
Southern Cone & Venz Economist
BofAS
sebastian.rondeau@bofa.com

Ezequiel Aguirre
LatAm FI/FX Strategist
BofAS
ezequiel.aguirre2@bofa.com

Global Commodity Research

Francisco Blanch
Commodity & Deriv Strategist
BofA Europe (Madrid)
+34 91 514 3070
francisco.blanch@bofa.com

Michael Widmer
Commodity Strategist
MLI (UK)
michael.widmer@bofa.com