

## The Flow Show

## Liquidity = Inequality

**Scores on the Doors:** oil 8.0%, commodities 4.0%, US dollar 2.2%, stocks 0.9%, cash 0.3%, HY bonds -0.2%, IG bonds -1.4%, gold -2.6%, gov bonds -2.9%, crypto -4.8% YTD.

**Winners & Losers:** asset/ETF winners... cannabis 28%, uranium 16%, Japan (unhedged) 8%, oil 8%, semis 7%, Magnificent Seven 4% vs losers... rare earths -19%, renewables -17%, electric vehicles -15%, China tech -11%, ARKK -12%, Korea -11% YTD.

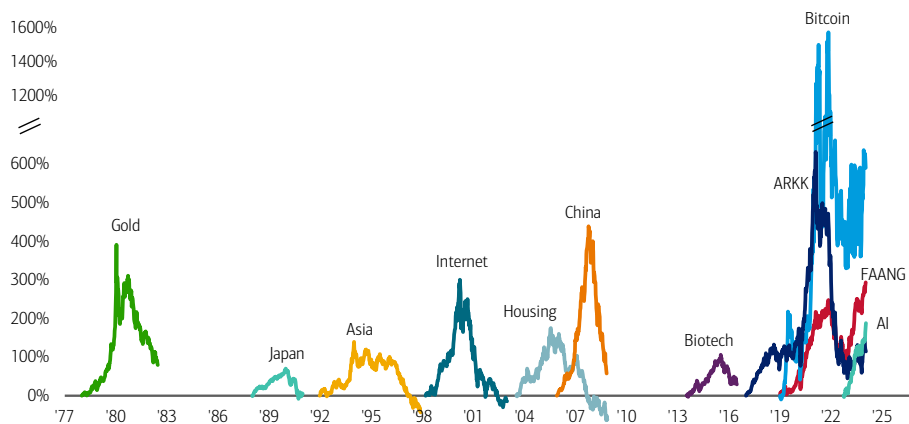
**Tale of the Tape:** record \$12.1bn inflows to EM equities (\$11.9bn to China) as PBoC eases after China stocks hit Oct'08 GFC lows & exodus of foreign investors; epic deflation of property stocks (Chart 4) makes China the world's most enticing contrarian long "trade" (no-one believes it's an "investment").

**The Price is Right:** Q4 US nominal GDP up hot 6% YoY, up sizzling 40% since COVID low (fastest expansion since stagflationary '70s – Chart 3)... the "government bubble" huge driver... fiscal deficit 7.5% of GDP under Biden, 6.6% under Trump, both biggest since Great Depression/WW2 (Chart 7)... neither likely to campaign on "balancing the budget".

**The Biggest Picture:** Goldilocks macro, Goldilocks yields (10-year UST 3¼% to 4¼%), US stocks surging to new highs driven by monopolistic tech as AI "baby bubble" grows (Chart 2); rates, penetration, regulation 3 catalysts that pop tech bulls/bubble; regulators on prowl but need US 10-year real rates back to 2¼% (currently 1¼%) to pop this one.

### Chart 2: Tech Bubbles popped by Rates, Penetration and/or Regulation

History of asset bubbles



Source: BofA Global Investment Strategy, Bloomberg

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More on page 2...

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Refer to important disclosures on page 10 to 12.

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Investment Strategy  
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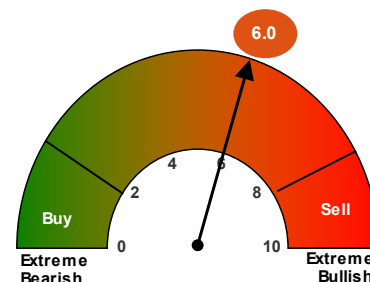
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### Chart 1: BofA Bull & Bear Indicator

Rises to 6.0 from 5.5



**Source:** BofA Global Investment Strategy The indicator identified above as the BofA Bull & Bear Indicator is intended to be an indicative metric 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. This indicator was not created to act as a benchmark.

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**Weekly Flows:** \$17.6bn to stocks, \$14.2bn to bonds, \$7.4bn to cash, \$0.4bn to gold.

**Flows to Know:**

- Gold: 1<sup>st</sup> inflow (\$0.4bn) in six weeks;
- IG bonds: 13<sup>th</sup> straight week of inflows (\$8.3bn), largest 4-week inflow (\$39.3bn) since Feb'21 (Chart 12);
- EM debt: 3<sup>rd</sup> straight week of outflows (\$0.9bn);
- Equities: big inflows (\$17.6bn), led by EM & US stocks;
- EM equities: record weekly inflow (\$12.1bn – Chart 11), led by...
- China equities: largest inflow (\$11.9bn) since Jul'15, 2<sup>nd</sup> highest inflow ever;
- Tech: 3<sup>rd</sup> straight weekly inflow (\$2.8bn – Chart 13), largest since Aug'23.

**BofA Private Clients:** \$3.4tn AUM... 60.2% stocks, 21.1% bonds, 11.9% cash; BofA private clients selling T-bills at largest clip since Nov'21 (Chart 8 - note allocation to cash + T-bills looks to have peaked at 15%, debt at largest clip since May'22, buying stocks at largest clip since Sep'22 (Charts 9-10); GWIM buying REITs, utilities, EM debt, selling HY, TIPS & high dividend ETFs.

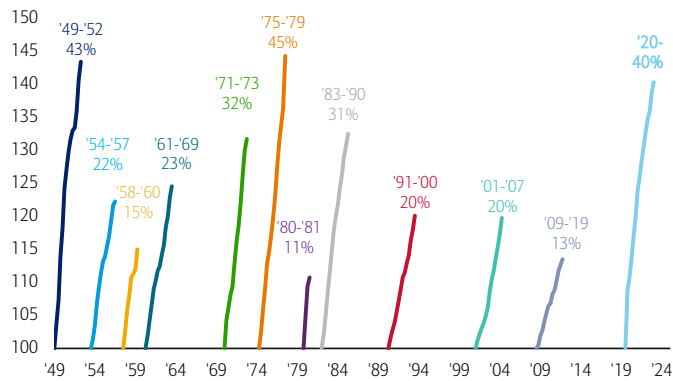
**BofA Bull & Bear Indicator:** surges from 5.5 to 6.0, highest since Jul'21, on strong inflows to stocks, strong equity market breadth (BofA Breadth Rule up to 44% from 7%) & strong credit technicals; BofA Bull & Bear Indicator heading to contrarian sell signal of 8 if BofA FMS cash levels drop from 4¼% to 4¼% & big outflows from EM debt reverse.

**Master & Servant:** “bonds the master, stocks the servant” very visibly in recent months (in a bubble there is role reversal)... Oct 30<sup>th</sup> Q4 US Treasury QRA (Quarterly Refunding Announcement... \$776bn vs consensus was \$852bn) was the catalyst for epic Wall St rally... yields sank from 5% to 4%, SPX 4.1k to 4.8k...; consensus for Q1 QRA Monday 29<sup>th</sup> (additional details released Wednesday 31<sup>st</sup>) is v large \$970bn of Treasury borrowing, so number well >\$1tn needed to dent risk rally.

**Liquidity = Inequality:** global central bank liquidity (Fed/ECB/BoE/BoJ + China FX reserves (Chart 5) surged from \$6tn in 2008 (pre-GFC) to \$29tn in Feb'22, then fell \$5tn to \$24tn by Oct'23... has since risen \$0.3tn (on higher China FX reserves); big picture is '22-'23 Quantitative Tightening ending and in '24 central bank liquidity flipping to Wall St positive; Wall St front-running central bank rate cuts & liquidity via 2010s playbook of “bubbles for the few, bears for the many”, big get bigger/small get smaller as investors favor companies with monopolistic ability to set prices, protect margins & market share, dictate future competition; inequality back on the rise... value of private sector financial assets (Wall St) relative to the value of the economy (Main St) rose from 4.3x in '09 to 6.3x by '21, dropped to low of 5.4x in '23, back up to 5.6% in Q4 (Chart 6).

**Chart 3: Fastest US GDP expansion since stagflationary 1970s**

US nominal GDP growth\*



Source: BofA Global Investment Strategy, Haver. \*US nominal GDP rebased to 100 as of last quarter of recession, growth measured 14 quarters into expansion cycle

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**Chart 4: Big China Easing... Property Stocks the trade**

Shanghai property index vs China policy rate cuts/hikes

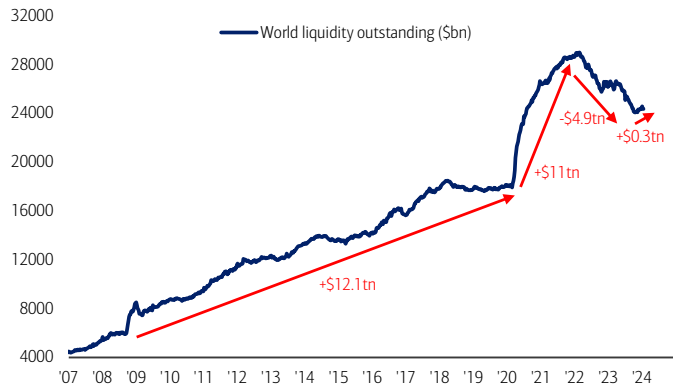


Source: BofA Global Investment Strategy, Bloomberg

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**Chart 5: Quantitative Tightening ending in '24**

World liquidity outstanding (\$bn)

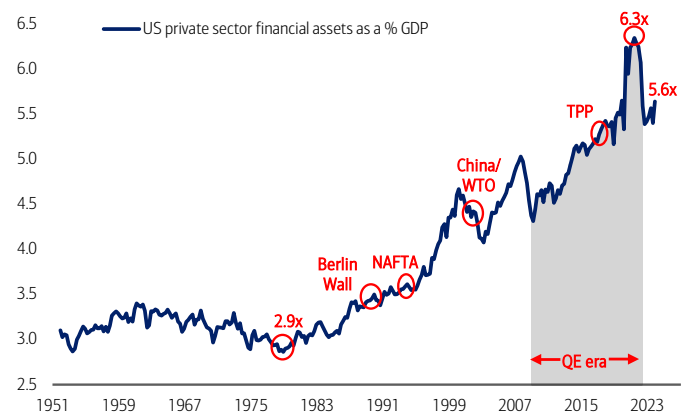


Source: BofA Global Investment Strategy, Bloomberg; World liquidity outstanding = total assets of the Fed/ECB/BoJ + BoE reserve balance + PBoC FX reserves

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**Chart 6: Wealth Inequality back on the rise**

US private sector financial assets as a % GDP

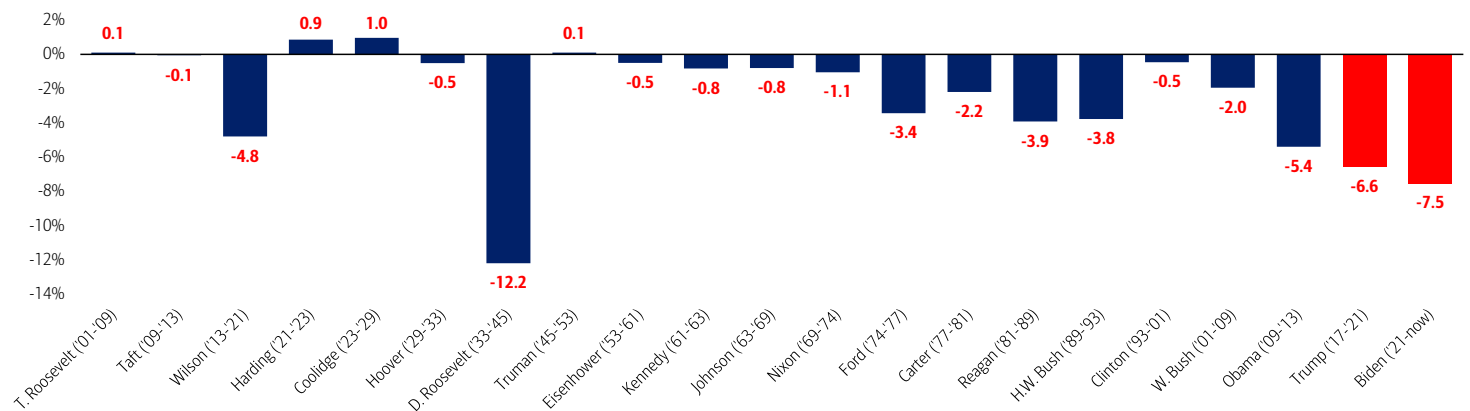


Source: BofA Global Investment Strategy, Haver

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**Chart 7: Biden & Trump Deficits highest since FDR**

US government budget balance (% GDP) under each administration since 1900

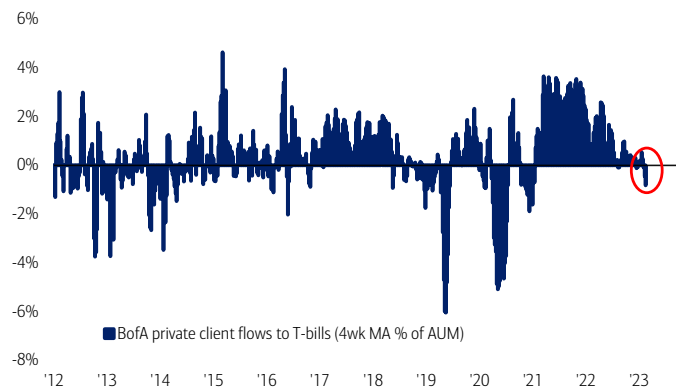


Source: BofA Global Investment Strategy, GFD Finaeon

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**Chart 8: BofA private client allocation to T-bills looks to have peaked**

BofA private client flows to T-bills (4wk MA % of AUM)

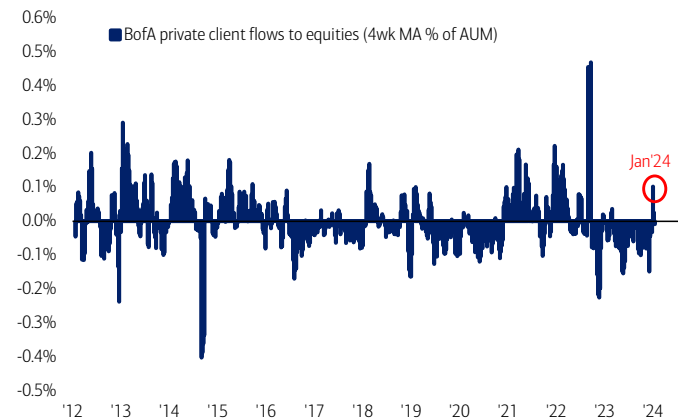


Source: BofA Global Investment Strategy, Haver

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**Chart 9: Buying of stocks at largest clip since Sep'22**

BofA private client flows to equities (4wk MA % of AUM)

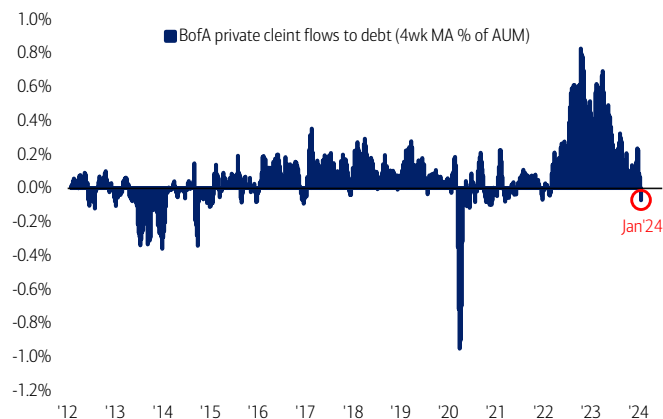


Source: BofA Global Investment Strategy

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**Chart 10: Selling of debt at largest clip since May'22**

BofA private client flows to debt (4wk MA % of AUM)

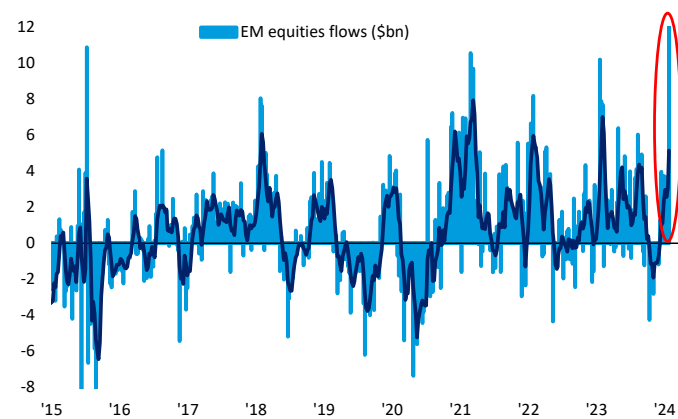


Source: BofA Global Investment Strategy

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**Chart 11: Largest weekly inflow to EM equities ever**

EM equities fund flows (weekly &amp; 4-week moving average, \$bn)

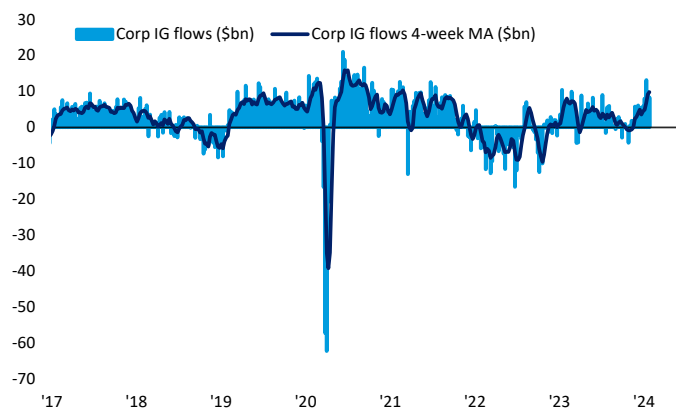


Source: BofA Global Investment Strategy

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**Chart 12: Largest 4-week inflow to IG bonds since Feb'21**

IG bond fund flows (weekly &amp; 4-week moving average, \$bn)

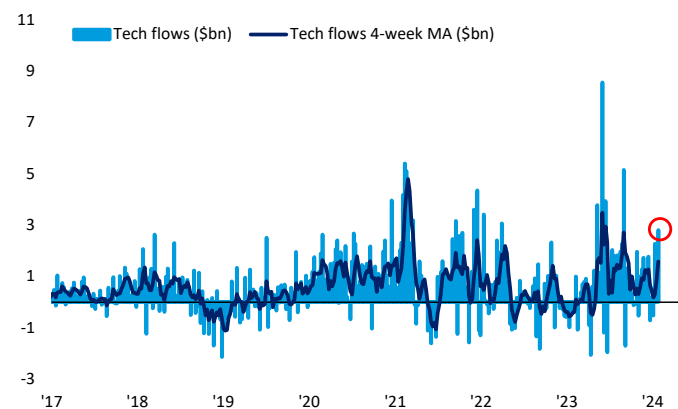


Source: BofA Global Investment Strategy, EPFR

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**Chart 13: Largest weekly inflow to tech funds since Aug'23**

Tech fund flows (weekly &amp; 4-week moving average, \$bn)



Source: BofA Global Investment Strategy, EPFR

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## Asset Class Flows (Table 1)

**Equities:** \$17.6bn inflow (\$27.8bn inflow to ETFs, \$10.1bn outflow from mutual funds)

**Bonds:** inflows past 5 weeks (\$14.2bn)

**Precious metals:** inflows resume (\$0.4bn)

## Fixed Income Flows (Chart 14)

**IG Bond** inflows past 13 weeks (\$8.3bn)

**HY Bond** inflows past 3 weeks (\$0.8bn)

**EM Debt** outflows past 3 weeks (\$0.9bn)

**Munis** inflows past 3 weeks (\$0.4bn)

**Govt/Tsy** inflows past 2 weeks (\$4.9bn)

**TIPS** outflows resume (\$0.4bn)

**Bank loan** inflows past 3 weeks (\$0.1bn)

## Equity Flows (Table 2)

**US:** inflows resume (\$5.3bn)

**Japan:** inflows past 2 weeks (\$0.5bn)

**Europe:** outflows past 4 weeks (\$1.9bn)

**EM:** inflows past 8 weeks, largest ever (\$12.1bn)

By style: inflows **US large cap** (\$3.9bn), outflows **US small cap** (0.2bn), **US growth** (\$1.4bn), **US value** (\$2.9bn).

By sector: inflows **tech** (\$2.8bn), **financials** (\$0.5bn), **com svcs** (\$0.1bn), outflows **real estate** (\$40mn), **hcare** (\$0.4bn), **consumer** (\$0.4bn), **utilities** (\$0.6bn), **energy** (\$0.7bn), **materials** (\$1.0bn).

**Table 1: Cumulative YTD flows by asset class**

Global flows by asset class, \$mn

	Wk % AUM	YTD	YTD %AUM
Equities	0.1%	17,217	0.1%
ETFs	0.3%	48,024	0.5%
LO	-0.1%	-30,754	-0.3%
Bonds	0.2%	52,861	0.7%
Commodities	0.0%	-1,925	-0.5%
Money-market	0.1%	156,012	1.8%

\*week of 01/24/2024: Source: EPFR Global

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**Table 2: EM equity inflows, DM equity outflows YTD**

Global equity flows by region, \$mn

	Wk % AUM	YTD
<b>Total Equities</b>	<b>0.1%</b>	<b>17,217</b>
long-only funds	-0.1%	-30,754
ETFs	0.3%	48,024
<b>Total EM</b>	<b>0.8%</b>	<b>20,569</b>
Brazil	-0.1%	-41
Russia	0.0%	-45
India	0.9%	17,158
China	3.4%	93,833
<b>Total DM</b>	<b>0.0%</b>	<b>-3,352</b>
US	0.1%	-3,905
Europe	-0.1%	-4,628
Japan	0.1%	1,945
International	0.0%	33,961

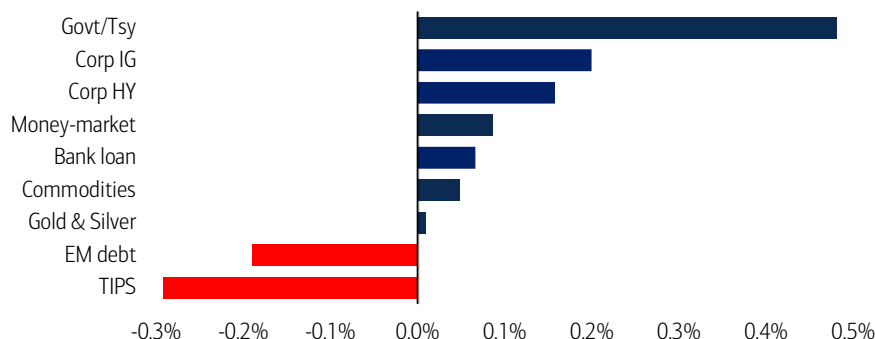
Total Equities = Total EM + Total DM

Source: EPFR Global

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**Chart 14: FICC inflows to Treasuries, IG & HY bonds, cash**

Weekly FICC flows as a % AUM



Source: EPFR Global

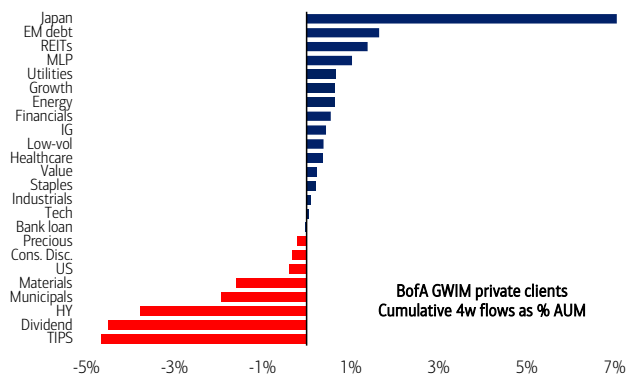
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# BofA private client flows & allocations

**Chart 15: Private clients bought Japan, EM debt, REITs ETFs**

BofA private clients 4-week ETF flows as % of AUM

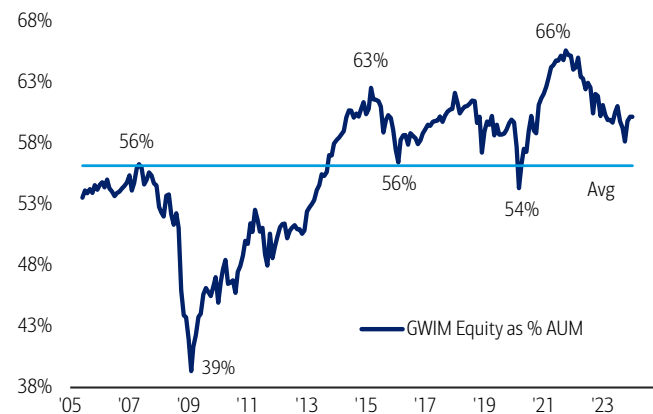


Source: BofA Global Investment Strategy

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**Chart 16: GWIM equity allocation at 60%**

BofA private client equity holdings as % of AUM

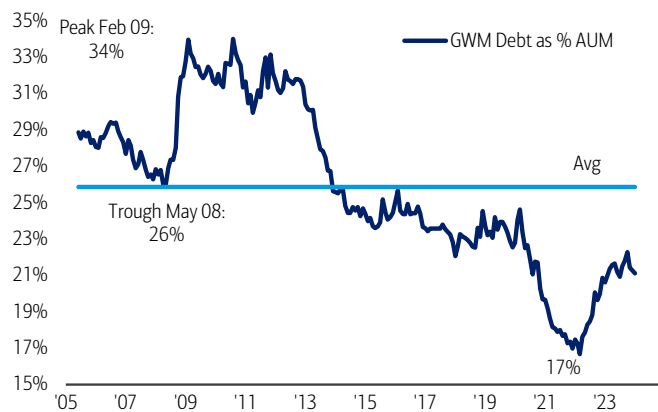


Source: BofA Global Investment Strategy

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**Chart 17: GWIM debt allocation at 21%**

BofA private client debt holdings as % of AUM

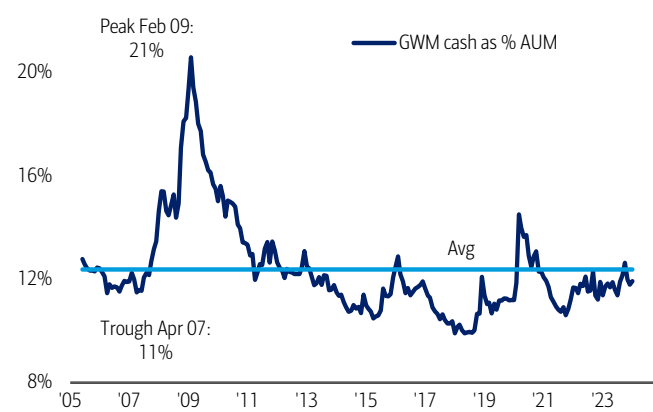


Source: BofA Global Investment Strategy

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**Chart 18: GWIM cash allocation at 19%**

BofA private client cash holdings as % of AUM

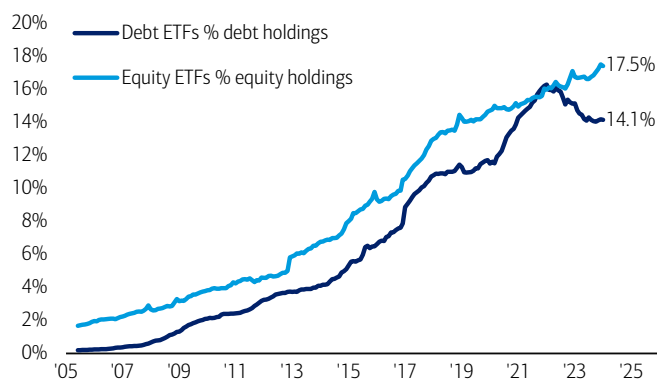


Source: BofA Global Investment Strategy

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**Chart 19: GWIM equity ETFs 17.5%, debt ETFs 14.1% of AUM**

BofA private client ETF holdings as % of AUM



Source: BofA Global Investment Strategy

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**Chart 20: Beta rising for GWIM top 10 stock holdings**

1-yr S&amp;P 500 beta for top 10 stocks held by BofA private clients



Source: BofA Global Investment Strategy

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# The Asset Class Quilt of Total Returns

**Chart 21: S&P 500 was the best performing asset of 2023**

Ranked cross asset returns by year since 2000

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*
Commodities 58.2%	US Treasuries 6.7%	Commodities 39.5%	MSCI EM 56.3%	REITS 32.0%	MSCI EM 34.5%	REITS 37.5%	MSCI EM 39.8%	US Treasuries 14.0%	MSCI EM 79.0%	Gold 29.2%	US Treasuries 9.8%	REITS 23.8%	S&P 500 32.4%	S&P 500 13.7%	S&P 500 1.4%	Commodities 17.5%	MSCI EM 37.8%	Cash 1.8%	S&P 500 31.5%	Gold 24.8%	Commodities 46.3%	Commodities 31.1%	S&P 500 26.3%	Commodities 2.5%
US Treasuries 13.4%	Global IG 4.6%	Gold 25.6%	MSCI EAFE 39.2%	Commodities 28.7%	Commodities 33.7%	MSCI EM 32.6%	Commodities 33.0%	Gold 4.3%	Global HY 62.0%	MSCI EM 19.2%	Gold 8.9%	Global HY 19.3%	MSCI EAFE 23.3%	REITS 11.7%	US Treasuries 0.8%	Global HY 14.8%	MSCI EAFE 25.9%	US Treasuries 0.8%	REITS 27.4%	MSCI EM 18.8%	REITS 37.1%	Cash 1.5%	MSCI EAFE 16.9%	S&P 500 2.5%
REITS 8.5%	Cash 4.4%	Global IG 14.9%	REITS 33.5%	MSCI EM 26.0%	Gold 17.8%	MSCI EAFE 26.9%	Gold 31.9%	Cash 2.1%	MSCI EAFE 32.5%	REITS 15.9%	Global IG 4.5%	MSCI EM 18.6%	Global HY 8.0%	US Treasuries 6.0%	Cash 0.1%	S&P 500 12.0%	S&P 500 22.0%	Gold -1.9%	MSCI EAFE 22.8%	S&P 500 18.4%	S&P 500 28.7%	Gold -0.8%	Global HY 13.4%	Cash 0.3%
Cash 6.2%	Global HY 3.1%	US Treasuries 11.6%	Commodities 30.1%	MSCI EAFE 20.7%	MSCI EAFE 14.0%	Gold 23.2%	MSCI EAFE 11.6%	Global IG -8.3%	REITS 31.7%	S&P 500 15.1%	Global HY 2.6%	MSCI EAFE 17.9%	REITS 0.7%	Global IG 3.2%	MSCI EAFE -0.8%	MSCI EM 11.2%	Gold 12.9%	Global HY -3.3%	Commodities 20.1%	Global IG 10.3%	MSCI EAFE 11.9%	US Treasuries -12.9%	Gold 12.7%	Global HY -0.3%
Global IG 3.1%	Gold -0.7%	Cash 1.8%	Global HY 30.7%	Global HY 12.4%	REITS 10.7%	S&P 500 15.8%	US Treasuries 9.1%	Global HY -27.9%	S&P 500 26.5%	Global HY 13.9%	S&P 500 2.1%	S&P 500 16.0%	Global IG 0.1%	Gold 0.1%	REITS -3.4%	Gold 8.6%	REITS 11.5%	Global IG -3.4%	MSCI EM 18.6%	MSCI EAFE 8.4%	Global HY 1.4%	Global HY -13.2%	REITS 11.3%	MSCI EAFE -0.8%
Gold -5.4%	MSCI EM -2.4%	Global HY -1.1%	S&P 500 28.7%	S&P 500 10.9%	S&P 500 4.9%	Global HY 13.5%	Global IG 7.3%	S&P 500 -37.0%	Commodities 26.1%	Commodities 13.3%	Cash 0.1%	Global IG 11.1%	Cash 0.1%	Cash 0.0%	Global IG -3.8%	Global IG 4.3%	Global HY 10.2%	REITS -3.9%	Gold 17.9%	US Treasuries 8.2%	Cash 0.0%	MSCI EAFE -13.9%	MSCI EM 10.1%	US Treasuries -1.5%
Global HY -5.8%	REITS -7.8%	REITS -2.4%	Gold 19.9%	Global IG 9.4%	Cash 3.1%	Global IG 7.2%	S&P 500 5.5%	Commodities -42.6%	Gold 25.0%	MSCI EAFE 8.2%	Commodities -2.6%	Gold 8.3%	Commodities -2.1%	Global HY -0.1%	Global HY -4.2%	REITS 1.3%	Global IG 9.3%	S&P 500 -4.3%	Global HY 13.7%	Global HY 8.0%	MSCI EM -2.3%	Global IG -16.7%	Global IG 9.5%	Global IG -1.6%
S&P 500 -9.1%	S&P 500 -11.9%	MSCI EM -6.0%	Global IG 14.5%	Gold 4.6%	US Treasuries 2.8%	Cash 4.9%	Cash 5.0%	MSCI EAFE -43.1%	Global IG 19.2%	Global IG 6.0%	REITS -9.4%	US Treasuries 2.2%	MSCI EM -2.3%	MSCI EM -1.8%	Gold -10.4%	US Treasuries 1.1%	Commodities 7.6%	Commodities -13.1%	Global IG 11.4%	Cash 0.5%	US Treasuries -2.4%	S&P 500 -18.1%	Cash 5.1%	Gold -2.1%
MSCI EAFE -14.0%	MSCI EAFE -21.2%	MSCI EAFE -15.7%	US Treasuries 2.3%	US Treasuries 3.5%	Global HY 1.5%	US Treasuries 3.1%	Global HY 3.0%	REITS -50.2%	Cash 0.2%	US Treasuries 5.9%	MSCI EAFE -11.7%	Cash 0.1%	US Treasuries -3.3%	MSCI EAFE -4.5%	MSCI EM -14.9%	MSCI EAFE 1.0%	US Treasuries 2.4%	MSCI EAFE -13.2%	US Treasuries 7.0%	REITS -4.4%	Global IG -3.0%	MSCI EM -19.8%	US Treasuries 3.9%	MSCI EM -4.0%
MSCI EM -30.6%	Commodities -21.4%	S&P 500 -22.1%	Cash 1.1%	Cash 1.3%	Global IG -3.0%	Commodities -0.2%	REITS -10.0%	MSCI EM -53.2%	US Treasuries -3.7%	Cash 0.1%	MSCI EM -18.2%	Commodities -0.3%	Gold -27.3%	Commodities -29.3%	Commodities -29.4%	Cash 0.3%	Cash 0.8%	MSCI EM -14.3%	Cash 2.2%	Commodities -15.0%	Gold -4.1%	REITS -25.2%	Commodities -3.5%	REITS -4.8%

Source: BofA Global Investment Strategy, Bloomberg. \*2024 YTD

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# BofA Rules & Tools

**Table 3: BofA Global Investment Strategy Proprietary Indicators**

Current reading of all BofA Global Investment Strategy Proprietary Indicators

Proprietary Indicators	Category	Current reading	Current signal	Duration of signal
<b>Contrarian</b>				
<b>BofA Bull &amp; Bear Indicator (B&amp;B)</b>	Contrarian	6.0	Neutral	1-3 months
Sell when investor sentiment > 8.0; Buy when investor sentiment < 2.0				
<b>BofA Global FMS Cash Indicator</b>	Contrarian	4.8%	Neutral	4 weeks
Buy when cash at or above 5.0%; Sell when cash at or below 4.0%				
<b>BofA Global Breadth Rule</b>	Contrarian	44.4%	Neutral	3 months
Buy when net 88% of markets in MSCI ACWI trading below 200-day moving & 50-day moving averages				
<b>BofA Global Flow Trading Rule</b>	Contrarian	0.3%	Neutral	8 weeks
Buy when outflows from global equities & HY > 1.0% AUM over 4wks; Sell when inflows > 1.0% AUM over 4wks				
<b>BofA EM Flow Trading Rule</b>	Contrarian	1.4%	Neutral	8 weeks
Buy when outflows from EM equities > 3.0% of AUM; Sell when inflows > 1.5% of AUM over 4 wks				
<b>Macro</b>				
<b>BofA Global EPS Growth Model</b>	Macro	-17%	EPS growth declining	6-12 months

Model indicates trend in year-on-year change in 12-month forward global EPS growth.

 Source: BofA Global Investment Strategy/ For a [guide to our trading models](#)

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## BofA Bull & Bear Indicator (B&B)

Our BofA Bull &amp; Bear Indicator is at 6.0 signal is Neutral.

**Chart 22: BofA Bull & Bear Indicator**

Rises to 6.0 from 5.5



Source: BofA Global Investment Strategy

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**Table 4: Table 5: BofA B&B Indicator**

BofA Bull &amp; Bear current component readings

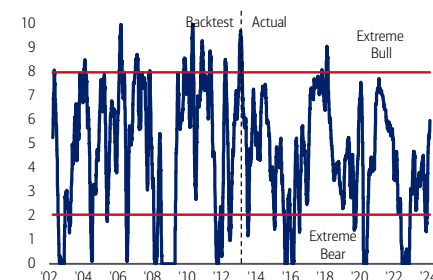
Components	Percentile	Sentiment
HF positioning	61%	Bullish
Credit mkt technicals	67%	Bullish
Equity market breadth	81%	V. Bullish
Equity flows	81%	V. Bullish
Bond flows	55%	Bullish
LO positioning	28%	Neutral

Source: BofA Global Investment Strategy, Bloomberg, EPFR Global, Lipper FMI, Global FMS, CFTC, MSCI

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**Chart 23: BofA Bull & Bear Indicator jumps from 5.5 to 6.0**

BofA Bull &amp; Bear Indicator since 2002



Source: BofA Global Investment Strategy, EPFR Global, FMS, CFTC, MSCI

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Disclaimer: The indicators identified above as the BofA Bull & Bear Indicator, MVP Model, BofA Global Breadth Rule, BofA EM Flow Trading Rule, BofA Global Flow Trading Rule, BofA Global FMS Macro Indicator, BofA Global FMS Cash Rule, Global Wave, Sell-Side Indicator, and Global Financial Stress Indicator 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 a benchmark.

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# 2024 Cross-Asset Winners & Losers

**Table 5: 2024 YTD ranked returns**

Year-to-date ranked cross asset returns

**Ranked Returns, USD-terms (2024)**

Assets		Equities		Sectors		Fixed Income		FX vs. USD		Commodities	
1 Oil	8.0%	1 Türkiye Equities	7.0%	1 ACWI Telecoms	6.1%	1 3-Month Treasury Bills	0.3%	1 Indian rupee	0.1%	1 WTI Crude Oil	8.0%
2 Japan Equities	2.8%	2 Greece Equities	4.5%	2 ACWI Info Tech	5.8%	2 2-year Treasury	0.2%	2 British pound	-0.2%	2 Brent Crude Oil	7.0%
3 US Equities	2.5%	3 Japan Equities	2.8%	3 ACWI BioTechnology	2.3%	3 US Corp HY	-0.1%	3 Chinese renminbi	-1.0%	3 Commodities	4.0%
4 US Dollar	2.2%	4 US Equities	2.5%	4 ACWI Healthcare	0.7%	4 CCC HY	-0.5%	4 Brazilian real	-1.2%	4 Natural Gas	2.3%
5 High Yield Bonds	-0.2%	5 India Equities	0.3%	5 ACWI Financials	0.2%	5 TIPS	-0.6%	5 Mexican peso	-1.3%	5 Iron Ore	2.1%
6 Investment Grade Bonds	-1.4%	6 Taiwan Equities	-0.1%	6 ACWI Industrials	-0.8%	6 BBB IG	-0.6%	6 Singapore dollar	-1.5%	6 Copper	0.2%
7 Europe Equities	-1.9%	7 Germany Equities	-1.3%	7 ACWI Banks	-0.8%	7 EM Corporate	-0.6%	7 Canadian dollar	-1.7%	7 Gold	-2.6%
8 Industrial Metals	-2.3%	8 Canada Equities	-1.5%	8 ACWI Energy	-1.3%	8 US Corp IG	-0.7%	8 Euro	-1.7%	8 Silver	-4.8%
9 EM Sovereign Bonds	-2.4%	9 Italy Equities	-2.3%	9 ACWI Consumer Staples	-1.4%	9 Treasury Master	-1.2%	9 Taiwanese dollar	-1.9%		
10 Gold	-2.6%	10 Switzerland Equities	-2.7%	10 ACWI Cons. Discretionary	-3.0%	10 European HY	-1.3%	10 Turkish lira	-2.5%		
11 Government Bonds	-2.9%	11 France Equities	-2.7%	11 ACWI Utilities	-3.7%	11 US Mortgage Master	-1.3%	11 Norwegian krone	-2.5%		
12 UK Equities	-3.0%	12 UK Equities	-3.0%	12 ACWI Real Estate	-4.4%	12 EM Sovereign	-2.4%	12 Indonesian rupiah	-2.7%		
13 EM Equities	-3.4%	13 Australia Equities	-3.6%	13 ACWI Materials	-6.0%	13 German Govt	-3.5%	13 South African rand	-2.7%		
14 Pacific Rim xJapan	-4.2%	14 Spain Equities	-3.6%			14 UK Govt	-4.1%	14 Swiss franc	-3.0%		
		15 Mexico Equities	-4.2%			15 Non-US IG Government	-4.2%	15 NZ dollar	-3.3%		
		16 Singapore Equities	-4.7%			16 30-year Treasury	-4.9%	16 Australian dollar	-3.3%		
		17 China Equities	-5.0%			17 Japan Govt	-5.4%	17 Swedish krona	-3.6%		
		18 Brazil Equities	-5.4%					18 Korean won	-3.6%		
		19 Hong Kong Equities	-6.5%					19 Japanese yen	-4.5%		
		20 S. Africa Equities	-7.4%					20 Bitcoin	-4.8%		
		21 Portugal Equities	-9.1%								
		22 Korea Equities	-10.7%								

Source: BofA Global Investment Strategy, Bloomberg, as of 25 Jan 2024.

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**Table 6: The Overbought & Oversold**

Ranked deviation from 200-day moving averages in US dollar terms

**Ranked Deviation from 200-Day Moving Average, USD-terms**

Assets		Equities		Sectors		Fixed Income		FX vs. USD		Commodities	
1 US Equities	11.2%	1 India Equities	12.4%	1 ACWI Info Tech	17.5%	1 CCC HY	6.8%	1 Norwegian krone	2.2%	1 Iron Ore	15.4%
2 Japan Equities	9.1%	2 Greece Equities	11.4%	2 ACWI Telecoms	13.3%	2 European HY	5.9%	2 Swiss franc	2.1%	2 Gold	2.6%
3 High Yield Bonds	5.9%	3 US Equities	11.2%	3 ACWI Financials	9.2%	3 US Corp HY	5.9%	3 Swedish krona	2.0%	3 Copper	2.3%
4 Europe Equities	4.6%	4 Taiwan Equities	10.6%	4 ACWI BioTechnology	8.8%	4 BBB IG	4.9%	4 British pound	1.2%	4 Brent Crude Oil	1.0%
5 EM Sov Bonds	4.3%	5 Japan Equities	9.1%	5 ACWI Banks	8.6%	5 US Corp IG	4.3%	5 Mexican peso	0.8%	5 WTI Crude Oil	0.0%
6 Investment Grade Bonds	4.1%	6 Brazil Equities	8.5%	6 ACWI Industrials	7.6%	6 EM Sovereign	4.3%	6 Taiwanese dollar	0.5%	6 Silver	-2.7%
7 Pacific Rim xJapan	2.9%	7 Mexico Equities	7.4%	7 ACWI Healthcare	3.7%	7 EM Corporate	3.9%	7 Singapore dollar	0.5%	7 Natural Gas	-4.3%
8 Gold	2.9%	8 Australia Equities	7.3%	8 ACWI Cons. Discretionary	3.2%	8 US Mortgage Master	2.6%	8 NZ dollar	0.4%	8 Platinum	-6.7%
9 UK Equities	2.0%	9 Italy Equities	7.0%	9 ACWI Materials	0.8%	9 UK Govt	2.5%	9 Australian dollar	0.2%		
10 EM Equities	1.7%	10 Canada Equities	6.6%	10 ACWI Energy	0.3%	10 German Govt	2.3%	10 Chinese renminbi	0.1%		
11 Industrial Metals	1.5%	11 Türkiye Equities	5.9%	11 ACWI Real Estate	-0.4%	11 2-year Treasury	2.0%	11 Brazilian real	0.1%		
12 Government Bonds	1.0%	12 Germany Equities	5.2%	12 ACWI Consumer Staples	-1.1%	12 3-Month Treasury Bills	2.0%	12 Canadian dollar	0.1%		
13 US Dollar	0.1%	13 Spain Equities	5.1%	13 ACWI Utilities	-1.2%	13 Treasury Master	1.7%	13 Euro	0.0%		
14 Oil	0.0%	14 France Equities	2.5%			14 TIPS	1.5%	14 Russian ruble	0.0%		
		15 Switzerland Equities	2.5%			15 Non-US IG Government	0.4%	15 Indian rupee	-0.4%		
		16 UK Equities	2.0%			16 30-year Treasury	-1.1%	16 South African rand	-0.7%		
		17 Russia Equities	0.0%			17 Japan Govt	-1.3%	17 Korean won	-1.4%		
		18 S. Africa Equities	-0.5%					18 Japanese yen	-2.3%		
		19 Singapore Equities	-1.2%					19 Indonesian rupiah	-3.4%		
		20 Korea Equities	-2.4%					20 Turkish lira	-13.1%		
		21 Portugal Equities	-2.7%					21 Argentine peso	-53.3%		
		22 Hong Kong Equities	-8.6%								
		23 China Equities	-9.4%								

Source: BofA Global Investment Strategy, Bloomberg, as of 25 Jan'24.

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## Acronyms

FMS – Fund Manager Survey  
 GWIM – Global Wealth and Investment Management  
 MMF – Money Market Fund  
 YCC – Yield Curve Control  
 QE – Quantitative Easing  
 QT – Quantitative Tightening  
 S&L – Savings & Loan  
 FCI – Financial conditions index  
 AUM – Assets Under Management  
 U-rate – unemployment rate  
 n.b. – “nota bene”...Latin for “pay attention to”

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