US Watch

November FOMC quick reaction: Dovish but still biased to hike

01 November 2023

Macro
United States

Aditya Bhave
US Economist
BofAS
+1 646 855 9929
aditya.bhave@bofa.com

Mark Cabana, CFA
Rates Strategist
BofAS
+1 646 855 9591
mark.cabana@bofa.com

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

US Economics
BofAS

Global Economics Rates & FX
BofAS

See Team Page for List of Analysts

FOMC: Federal Open Market Committee

Key takeaways

- The Fed maintained the target range for the Fed funds rate at 5.25-5.50%, and the statement leaned dovish.
- The press conference was similarly cautious, although Chair Powell left the door wide open for additional tightening.
- We retain our call for one more 25bp hike in December, although it has become an even closer call after today's meeting.

The decision: A dovish signal

As expected, the description of current economic conditions in the FOMC statement was upgraded to reflect the strength in 3Q GDP and the September jobs report. We think the FOMC is underscoring that its base case is that growth will slow going forward. Another change in the statement was in the second paragraph, in which financial tightening was cited in addition to credit tightening as a potential headwind to economic activity. The choice to add this concern to the statement is dovish on the margin.

Chair Powell did not break much new ground in his press conference, although again we thought it leaned dovish. Powell made four strong assertions that we thought were noteworthy. In terms of forward guidance, Powell downplayed the September Summary of Economic Projections but left the door wide open for another hike, either in December or later.

We retain our call for one more 25bp hike in December, although it has become an even closer call after today's meeting. Market pricing for another hike cumulatively through January dropped from nearly 50% as of this morning to around 35% as of this writing.

Market reaction

The Nov FOMC meeting did not change our outlook on rates: we recommend investors remain neutral duration, expect curve steepening (across nominal, real, & vol curves), and tighter swap spreads. The spread tightening bias has shifted towards shorter tenors on the UST curve driven by Treasury's Nov refunding decision to issue more bills vs coupons. We continue to believe investors should nibble on duration with 10Y rates near 5% but refrain from a more constructive duration stance until economic data moderates or risk assets reflect clearer negative feedback from high rates.

The statement was again very little changed, outside the nod to tighter financial conditions, and thus elicited little reaction in the USD. Overall Chair Powell's comments in the press conference did not deliver a more assertive hawkishness, which weighed marginally on the dollar throughout the press conference, with the DXY appx 0.25% lower on net post-statement, though little changed on the day.

Timestamp: 01 November 2023 04:42PM EDT

US Economics

A dovish statement

As expected, the description of current economic conditions in the FOMC statement was upgraded to reflect the strength in 3Q GDP and the September jobs report. The phrase "economic activity has been expanding at a solid pace" was replaced by "economic activity expanded at a strong pace in the third quarter". By referring to strong growth in the past tense, we think the FOMC is underscoring that its base case is that growth will slow going forward. This was our takeaway from Governor Waller and Chair Powell's comments a couple of weeks ago, as well. In terms of job growth, the statement notes that it has "moderated since earlier in the year". We struggle with this assertion because September's nonfarm payroll gains were the strongest since January.

The only other change in the statement was in the second paragraph, in which financial tightening was cited in addition to credit tightening as a potential headwind to economic activity. Several Fed speakers have raised concerns about financial tightening in recent months, but the choice to add this concern to the statement is dovish on the margin. There were no changes to the forward guidance language, which still emphasizes data dependence.

A cautious press conference

Chair Powell did not break much new ground in his press conference, although again we thought it leaned dovish. Powell made four strong assertions that we thought were noteworthy (and he repeated some of these a few times over). First, inflation expectations are anchored. He appears to be willing to look through the spike in one-year expectations in the October University of Michigan survey, as it was likely driven by gas prices. Instead, the Fed takes solace in stable long-term inflation expectations (unchanged at 3%). This makes sense to us.

Second, Powell asserted that a broad range of measures of r* suggest policy is restrictive, and we are seeing that in the rate-sensitive sectors of the economy. We are not so sure about this, since housing and some components of business investment have surprised to the upside this year, and durables spending has surged. Of course this could be a matter of "long and variable lags" in policy transmission, which would mean that there is more pain to come in these sectors. When asked about the strength in economic activity, Powell argued that potential growth could be higher in the near term because of supply factors, and excess savings might be understated. We agree on the latter. But the broad takeaway here is that Powell does not see the pickup in growth this year as necessarily indicative of insufficiently restrictive policy.

Third, Powell repeated his argument that risks have become more balanced after aggressive Fed tightening. No surprise here, but it is a reminder that the Fed would likely be willing to wait longer to get inflation back to 2 percent if that means avoiding a hard landing, as long as it feels inflation is on the right path.

Finally, on the labor market Powell noted positive developments in labor supply and stated that wages have not been responsible for price inflation in this cycle, although that could change over time. These suggests that the Fed might be willing to look through labor market tightness to a greater degree than we previously thought.

Beyond this, Powell was asked a couple of times to quantify the impact of financial tightening in terms of rate hikes. He did not provide a precise answer but he noted that it would depend on how persistent the tightening was and the degree to which it was not "endogenous", i.e. not simply a function of Fed expectations.

In terms of forward guidance, Powell downplayed the September Summary of Economic Projections but left the door wide open for another hike, either in December or later. He said the Fed still has a bias to hike in the sense that it is only considering the question of whether to hike or hold at this stage. Policymakers have not yet gotten to the question of how long the Fed should stay at the neutral rate. The question is whether markets will continue to give the Fed the optionality to hike given that the statement and the rest of the press conference was otherwise rather dovish.

Final hike in December

We retain our call for one more 25bp hike in December, although it has become an even closer call after today's meeting. Market pricing for another hike cumulatively through January dropped from nearly 50% as of this morning to around 35% as of this writing.

US Rates

The rates market interpreted FOMC communications as dovish. The UST curve bull steepened in response to Fed communications, which emphasized a desire to proceed carefully given recent tightening of financial & credit conditions. Chair Powell reiterated with relatively strong conviction that policy is currently at a restrictive level and reflected a diminished hiking bias from the Fed.

The Nov FOMC meeting did not change our outlook on rates: we recommend investors remain neutral duration, expect curve steepening (across nominal, real, and vol curves), and tighter swap spreads. The spread tightening bias has shifted towards shorter tenors on the UST curve driven by Treasury's Nov refunding decision to issue more bills vs coupons. We continue to believe investors should nibble on duration with 10Y rates near 5% but refrain from a more constructive duration stance until economic data moderates or risk assets reflect clearer negative feedback from high rates.

There were no changes to the setting of Fed administered rates or quantitative tightening (QT). Chair Powell suggested that reserves are currently abundant, which implies a desire to continue QT well beyond the exhaustion of Fed overnight reverse repurchase agreement (ON RRP) balances. We believe commercial bank behavior implies they are currently liquidity strained; banks are paying up and issuing large time deposits to increase their cash holdings. If banks continue with this behavior we believe reserve scarcity may be achieved faster than the Fed expects. We believe QT will not be able to run much beyond the depletion of the Fed ON RRP facility, which we expect to happen in 2H '24 or early '25.

FX

Going into today's FOMC, the market was in search of fresh policy guidance, with a "hawkish hold" seen as a likely outcome for today. The statement was again very little changed, outside the nod to tighter financial conditions, and thus elicited little reaction in the USD. Overall Chair Powell's comments in the press conference did not deliver a more assertive hawkishness, noting the Fed's already restrictive stance and downplaying of the additional hike penciled into the September Summary of Economic Projections (SEP). This weighed marginally on the dollar throughout the press conference, with the DXY appx 0.25% lower on net post-statement, though little changed on the day.

Chair Powell was non-committal on December, where market pricing was pared back by about 3 basis points from prior to the meeting. Powell underscored the 2 more inflation and employment reports as well as additional time to assess persistence of tighter financial conditions as key factors he would be looking at going into the next meeting. These events collectively are likely to be more meaningful for the USD over the remainder of the year.

Disclosures

Important Disclosures

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

Other Important Disclosures

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

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.
Rule 144A securities may be offered or sold only to persons in the U.S. who are Qualified Institutional Buyers within the meaning of Rule 144A under the Securities Act of 1933, as amended.
SECURITIES OR OTHER FINANCIAL INSTRUMENTS DISCUSSED HEREIN MAY BE RATED BELOW INVESTMENT GRADE AND SHOULD THEREFORE ONLY BE CONSIDERED FOR INCLUSION IN ACCOUNTS QUALIFIED FOR SPECULATIVE INVESTMENT.
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.
The securities or other financial instruments discussed in this report may be traded over-the-counter. Retail sales and/or distribution of this report may be made only in states where these instruments are exempt from registration or have been qualified for sale.
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.
This report, and the securities or other financial instruments discussed herein, may not be eligible for distribution or sale in all countries or to certain categories of investors, including retail investors.
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 Service Board; 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 (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 Investment Industry Regulatory Organization of Canada; Merrill Lynch (Mexico): Merrill Lynch Mexico, SA de CV, Casa de Bolsa, regulated by the Comisión Nacional Bancaria y de Valores; Merrill Lynch (Argentina): Merrill Lynch Argentina SA, regulated by Comisión Nacional 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 the tax status of financial instruments discussed herein is not intended to provide tax advice or to be used by anyone to provide tax advice. Investors are urged to seek tax advice based on their particular circumstances from an independent tax professional.

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

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

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

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

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

Research Analysts

US Economics

Michael Gapen
US Economist
BofAS
+1 646 855 3270
michael.gapen@bofa.com

Aditya Bhave
US and Global Economist
BofAS
+1 646 855 9929
aditya.bhave@bofa.com

Stephen Juneau
US Economist
BofAS
+1 646 855 7254
stephen.juneau@bofa.com

Shruti Mishra
US and Global Economist
BofAS
+1 646 855 1040
smishra44@bofa.com

Jeseo Park
US and Global Economist
BofAS
+1 646 855 8688
jeseo.park@bofa.com