

Morning Meeting Notes

QuickNotes

Morning Call

US EQUITIES RESEARCH

Rating Changes

[Avery Dennison](#) | UNDERPERFORM | AVY US | Mkt Cap:USD21,793mn |

George Staphos

Rating changes from Year Ahead '24: Upgrade BRC, PTVE, Downgrade AVY, BALL

- We summarize our rating changes for our recently published 2024 Year-Ahead report inside. We upgrade BRC (from Underperform) and...
- ...PTVE (from Neutral) to Buy on attractive growth stories and cheap relative valuations while we downgrade AVY (from Buy)...
- ...and Ball (from Neutral) to Underperform on valuation, given recent rallies. We see some remaining earnings/vol headwinds in 1H.

[Ball Corp](#) | UNDERPERFORM | BALL US | Mkt Cap:USD18,251mn | **George**

Staphos

Rating changes from Year Ahead '24: Upgrade BRC, PTVE, Downgrade AVY, BALL

- We summarize our rating changes for our recently published 2024 Year-Ahead report inside. We upgrade BRC (from Underperform) and...
- ...PTVE (from Neutral) to Buy on attractive growth stories and cheap relative valuations while we downgrade AVY (from Buy)...
- ...and Ball (from Neutral) to Underperform on valuation, given recent rallies. We see some remaining earnings/vol headwinds in 1H.

[Brady Corp - A](#) | BUY | BRC US | Mkt Cap:USD2,847mn | **Cashen Keeler****Rating changes from Year Ahead '24: Upgrade BRC, PTVE, Downgrade AVY, BALL**

- We summarize our rating changes for our recently published 2024 Year-Ahead report inside. We upgrade BRC (from Underperform) and...
- ...PTVE (from Neutral) to Buy on attractive growth stories and cheap relative valuations while we downgrade AVY (from Buy)...
- ...and Ball (from Neutral) to Underperform on valuation, given recent rallies. We see some remaining earnings/vol headwinds in 1H.

02 January 2024

Equity

United States

Investor Support
BofAS

Today's Events: Economic Indicators

N/A

Table of Contents

US EQUITIES RESEARCH	1
Rating Changes	1
PO Raised	3
PO Lowered	8
Significant EPS Change	8
Buy Reiterations	8
Macro & Strategy	10

QuickNotes is a list of today's Global Research activities. Please use the links to read the full Research report before making investment decisions. The reports also contain important disclosures.

[GoodRx](#) | UNDERPERFORM | GDRX US | Mkt Cap:USD2,781mn | Allen Lutz
Less volatility could mean more volatility for GoodRx: Downgrade to Underperform

- We downgrade GDRX to Underperform from Buy, driven by uncertainty created by recent competitive developments
- The combination of CVS' new pharmacy reimbursement model and new competition from PBMs/retailers creates...
- ...substantial uncertainty for GoodRx's future earnings profile. Our new PO is \$4.50, 8-9x CY24 EBITDA.

[Harmony Biosciences](#) | UNDERPERFORM | HRMY US | Mkt Cap:USD1,892mn
| Jason Gerberry

YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Ionis](#) | BUY | IONS US | Mkt Cap:USD7,258mn | Jason Gerberry

YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Pactiv Evergreen](#) | BUY | PTVE US | Mkt Cap:USD2,464mn | George Staphos

Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkkg & Paper/Forest. Pkkg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[ProKidney](#) | NEUTRAL | PROK US | Mkt Cap:USD413mn | Jason Gerberry

YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

PO Raised

[Alkermes](#) | NEUTRAL | ALKS US | Mkt Cap:USD4,629mn | Jason Gerberry
YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Amcor PLC](#) | UNDERPERFORM | AMCR US | Mkt Cap:USD13,872mn | George Staphos

Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[AptarGroup Inc.](#) | BUY | ATR US | Mkt Cap:USD8,123mn | George Staphos
Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[Arrowhead](#) | BUY | ARWR US | Mkt Cap:USD3,287mn | Jason Gerberry
YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Berry Global](#) | BUY | BERY US | Mkt Cap:USD8,100mn | George Staphos
Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus



[Bloomin Brands](#) | NEUTRAL | BLMN US | Mkt Cap:USD2,593mn | Sara Senatore
Restaurants Weekly: Most read of 2023

- For the week ended 12/29, the S&P Restaurant Index outperformed the market.
- Chart of the week: Digital ordering mix over time.
- Our restaurants valuation and KPI sheets can be found on page 7.

[Boise Cascade](#) | UNDERPERFORM | BCC US | Mkt Cap:USD5,115mn | George Staphos

Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[Crown Holdings](#) | BUY | CCK US | Mkt Cap:USD11,004mn | George Staphos
Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[Galapagos](#) | NEUTRAL | GLPG US | Mkt Cap:USD2,679mn | Jason Gerberry
YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Graphic Packaging](#) | BUY | GPK US | Mkt Cap:USD7,622mn | George Staphos
Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Greif Inc. | NEUTRAL | GEF US | Mkt Cap:USD3,811mn | George Staphos**Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

HudBay Minerals | NEUTRAL | HBM US | Mkt Cap:USD1,932mn | Lawson**Winder****2023 recap: a volatile year for precious metals, but it ended on a high note**

- We review Q4'23 and 2023 price performance for the precious metals, indices and the BofA-covered precious metal equities.
- Q4 saw a rebound with gold up 12%. Full-year 2023: gold 13%, equities higher on average (though up less than gold).
- We revise higher our PO for Hudbay Minerals to \$6.25/C\$8.50 and make several estimate changes (see pages 2-3).

IAMGOLD | BUY | IAG US | Mkt Cap:USD1,206mn | Lawson Winder**2023 recap: a volatile year for precious metals, but it ended on a high note**

- We review Q4'23 and 2023 price performance for the precious metals, indices and the BofA-covered precious metal equities.
- Q4 saw a rebound with gold up 12%. Full-year 2023: gold 13%, equities higher on average (though up less than gold).
- We revise higher our PO for Hudbay Minerals to \$6.25/C\$8.50 and make several estimate changes (see pages 2-3).

Intl Paper Co | UNDERPERFORM | IP US | Mkt Cap:USD12,584mn | George**Staphos****Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Intra-Cellular | BUY | ITCI US | Mkt Cap:USD6,893mn | Jason Gerberry**YA2024: Framing best opportunities within SMID Cap Biopharma**

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS



[Louisiana-Pacific](#) | UNDERPERFORM | LPX US | Mkt Cap:USD5,100mn |**George Staphos****Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[Organon](#) | UNDERPERFORM | OGN US | Mkt Cap:USD3,686mn | Jason**Gerberry****YA2024: Framing best opportunities within SMID Cap Biopharma**

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Packaging Corp](#) | NEUTRAL | PKG US | Mkt Cap:USD14,580mn | George**Staphos****Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

[Pan American](#) | BUY | PAAS US | Mkt Cap:USD5,951mn | Lawson Winder**2023 recap: a volatile year for precious metals, but it ended on a high note**

- We review Q4'23 and 2023 price performance for the precious metals, indices and the BofA-covered precious metal equities.
- Q4 saw a rebound with gold up 12%. Full-year 2023: gold 13%, equities higher on average (though up less than gold).
- We revise higher our PO for Hudbay Minerals to \$6.25/C\$8.50 and make several estimate changes (see pages 2-3).

[Sealed Air Corp](#) | BUY | SEE US | Mkt Cap:USD5,292mn | George Staphos**Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Silgan Holdings | BUY | SLGN US | Mkt Cap:USD5,000mn | George Staphos**Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Sonoco Products | BUY | SON US | Mkt Cap:USD5,631mn | George Staphos**Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Sylvamo | BUY | SLVM US | Mkt Cap:USD2,161mn | George Staphos**Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Vaxcyte | BUY | PCVX US | Mkt Cap:USD5,976mn | Jason Gerberry**YA2024: Framing best opportunities within SMID Cap Biopharma**

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

WestRock | BUY | WRK US | Mkt Cap:USD10,687mn | George Staphos**Year-ahead, 2024 – Trough on trough is what we crave**

- Launch YA 2024 for Pkgg & Paper/Forest. Pkgg should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus



[Xenon Pharma](#) | BUY | XENE US | Mkt Cap:USD3,448mn | Jason Gerberry

YA2024: Framing best opportunities within SMID Cap Biopharma

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

PO Lowered

[PotlatchDeltic Corp](#) | NEUTRAL | PCH US | Mkt Cap:USD3,947mn | George

Staphos

Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Significant EPS Change

[O-I Glass Inc](#) | BUY | OI US | Mkt Cap:USD2,534mn | George Staphos

Year-ahead, 2024 – Trough on trough is what we crave

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus

Buy Reiterations

Consumer Discretionary

[Crocs](#) | BUY | CROX US | Mkt Cap:USD5,658mn | Christopher Nardone

ICR preview: An intriguing setup to kick off the new year

- We expect CROX to preannounce 4Q results and provide an initial outlook for next year ahead of the ICR Conf next week
- Given the company's track record at ICR, we expect a positively biased 4Q preannouncement led by the core Crocs brand
- We think the risk/reward is skewed to the upside with the stock trading at 7.3x P/E and see upside to F24 operating margins

Health Care

[Exelixis](#) | BUY | EXEL US | Mkt Cap:USD7,460mn | Jason Gerberry
US Biopharmaceuticals

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

[Teva Pharmaceuticals](#) | BUY | TEVA US | Mkt Cap:USD11,703mn | Jason Gerberry
US Biopharmaceuticals

- In this report, we provide our YA24 outlook for our SMID cap biotech and spec pharma coverage with themes company views
- Big picture, sector fundamentals remain solid measured by R&D productivity and external validation measured by M&A activity
- We are more constructive on the broader group vs. prior years given sector tailwinds. Top picks: PCVX, TEVA, ITCI, TARS

Real Estate

[Weyerhaeuser Co](#) | BUY | WY US | Mkt Cap:USD25,924mn | George Staphos
Packaging & Paper/Forest Products

- Launch YA 2024 for Pkgs & Paper/Forest. Pkgs should have easier earnings, vol comps in 2024, and more attractive valn v. ...
- paper/forest. We prefer value, cyclical, turnarounds, lower qual given BofA Strategy view. Upgrade PTVE and BRC to Buy ...
- On valn, margin/earnings improvement. Downgrade AVY and BALL to Underperform largely on valn given recent rally, our ests v. consensus



Macro & Strategy

[FX Alpha](#) | Kamal Sharma

Buy EUR/CHF

- We take opp to fade recent vol spike in EUR/CHF buying opening a 1x1.5 ratio call spread in EUR/CHF. Trade costs 0.53% EUR
- SNB symmetric reaction function implies intervention to weaken CHF or (more likely) less FX sales to taper balance sheet
- CHF strength on TWI basis not as important as once was as a tool to ring fence Swiss economy from global inflation

[Global Earnings Revision Ratio](#) | Nigel Tupper

Positive end to 2023

- The Global Earnings Revision Ratio jumped in December from 0.66 to 0.82 to end 2023 with positive momentum.
- The Ratio improved the most in Asia ex-Japan, and also improved in Japan, the US, and Emerging Markets.
- By global sector, the Ratio is highest for Insurance, Diversified Financials, and Banks, and remains lowest for Materials.

[Sell Side Indicator](#) | Savita Subramanian

Wall St. is now halfway over the wall of worry

- Our Sell Side Indicator (SSI) increased 100bp to 54.6% in December, hitting its highest level in 1.5 years.
- The SSI is now firmly "Neutral", halfway between its contrarian "Buy" and "Sell" thresholds.
- Despite considerable improvement from last January, our SSI has yet to fully recover from its decline in 2022.

[Global Performance Monitor](#) | Nigel Tupper

Wild 2023, positive 2024

- Global equities rallied 20.1% in 2023. The performance roller coaster was driven by policy, wars, AI mania, and seasonality.
- In 2023, global equities rallied 9.4%, then fell -7.6%, rallied 15.5%, fell -11.0%, before rallying 15.5% into year-end.
- 2024 starts on a positive note as DM central banks appear set to ease, and China is focused on halting the downturn.

[Systematic Flows Monitor](#) | Global Equity Derivatives Rsch

CTAs entering 2024 long equities, long bonds, short USD, short commodities

- US Treasury bonds up now five weeks in a row and CTAs could continue to provide support
- Trend follower equity positioning in stretched territory
- CTAs look to add to USD short positions in the near term, in particular versus longs in JPY and CAD

Disclosures

Important Disclosures

FUNDAMENTAL EQUITY OPINION KEY: Opinions include a Volatility Risk Rating, an Investment Rating and an Income Rating. **VOLATILITY RISK RATINGS**, indicators of potential price fluctuation, are: A - Low, B - Medium and C - High. **INVESTMENT RATINGS** reflect the analyst's assessment of both a stock's absolute total return potential as well as its attractiveness for investment relative to other stocks within its Coverage Cluster (defined below). Our investment ratings are: 1 - Buy stocks are expected to have a total return of at least 10% and are the most attractive stocks in the coverage cluster; 2 - Neutral stocks are expected to remain flat or increase in value and are less attractive than Buy rated stocks and 3 - Underperform stocks are the least attractive stocks in a coverage cluster. An investment rating of 6 (No Rating) indicates that a stock is no longer trading on the basis of fundamentals. Analysts assign investment ratings considering, among other things, the 0-12 month total return expectation for a stock and the firm's guidelines for ratings dispersions (shown in the table below). The current price objective for a stock should be referenced to better understand the total return expectation at any given time. The price objective reflects the analyst's view of the potential price appreciation (depreciation).

Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R1}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R1} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

INCOME RATINGS, indicators of potential cash dividends, are: 7 - same/higher (dividend considered to be secure), 8 - same/lower (dividend not considered to be secure) and 9 - pays no cash dividend. **Coverage Cluster** is comprised of stocks covered by a single analyst or two or more analysts sharing a common industry, sector, region or other classification(s). A stock's coverage cluster is included in the most recent BofA Global Research report referencing the stock.

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.

"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 Information:

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.bofam.com/BofASEdisclaimer; BofA Europe (Milan): Bank of America Europe Designated Activity Company, Milan Branch, regulated by the Bank of Italy, the European Central Bank (ECB) and the Central Bank of Ireland (CBI); BofA Europe (Frankfurt): Bank of America Europe Designated Activity Company, Frankfurt Branch regulated by BaFin, the ECB and the CBI; BofA Europe (Madrid): Bank of America Europe Designated Activity Company, Sucursal en España, regulated by the Bank of Spain, the ECB and the CBI; Merrill Lynch (Australia): Merrill Lynch Equities (Australia) Limited, regulated by the Australian Securities and Investments Commission; Merrill Lynch (Hong Kong): Merrill Lynch (Asia Pacific) Limited, regulated by the Hong Kong Securities and Futures Commission (HKSF); Merrill Lynch (Singapore): Merrill Lynch (Singapore) Pte Ltd, regulated by the Monetary Authority of Singapore (MAS); Merrill Lynch (Canada): Merrill Lynch Canada Inc, regulated by the Canadian Investment Regulatory Organization; Merrill Lynch (Mexico): Merrill Lynch Mexico, SA de CV, Casa de Bolsa, regulated by the Comisión Nacional Bancaria y de Valores; 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 HKSF; is issued and distributed in Taiwan by Merrill Lynch (Taiwan); is issued and distributed in India by BofAS India; and is issued and distributed in Singapore to institutional investors and/or accredited investors (each as defined under the Financial Advisers Regulations) by Merrill Lynch (Singapore) (Company Registration No 198602883D). Merrill Lynch (Singapore) is regulated by MAS. Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795), AFS License 235132 (MLEA) distributes this information in Australia only to 'Wholesale' clients as defined by s.761G of the Corporations Act 2001. With the exception of Bank of America N.A., Australia Branch, neither MLEA nor any of its affiliates involved in preparing this information is an Authorised Deposit-Taking Institution under the Banking Act 1959 nor regulated by the Australian Prudential Regulation Authority. No approval is required for publication or distribution of this information in Brazil and its local distribution is by Merrill Lynch (Brazil) in accordance with applicable regulations. Merrill Lynch (DIFC) is authorized and regulated by the DFSA. Information prepared and issued by Merrill Lynch (DIFC) is done so in accordance with the requirements of the DFSA conduct of business rules. BofA Europe (Frankfurt) distributes this information in Germany and is regulated by BaFin, the ECB and the CBI. BofA Securities entities, including BofA Europe and BofASE (France), may outsource/delegate the marketing and/or provision of certain research services or aspects of research services to other branches or members of the BofA Securities group. You may be contacted by a different BofA Securities entity acting for and on behalf of your service provider where permitted by applicable law. This does not change your service provider. Please refer to the [Electronic Communications Disclaimers](#) for further information.

This information has been prepared and issued by BofAS and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofAS and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for

information distributed to BofAS and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofAS and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information. For clients that are not accredited investors, expert investors or institutional investors Merrill Lynch (Singapore) Pte Ltd accepts full responsibility for the contents of this information distributed to such clients in Singapore.

General Investment Related Disclosures:

Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent of BofA Securities. This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other financial instrument or any derivative related to such securities or instruments (e.g., options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of, and is not directed to, any specific person(s). This document and its content do not constitute, and should not be considered to constitute, investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this document.

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

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

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

Copyright and General Information:

Copyright 2024 Bank of America Corporation. All rights reserved. iQdatabase® is a registered service mark of Bank of America Corporation. This information is prepared for the use of BofA Securities clients and may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of BofA Securities. BofA Global Research information is distributed simultaneously to internal and client websites and other portals by BofA Securities and is not publicly-available material. Any unauthorized use or disclosure is prohibited. Receipt and review of this information constitutes your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained herein (including any investment recommendations, estimates or price targets) without first obtaining express permission from an authorized officer of BofA Securities.

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

This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofAS or 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.

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.