

## US 1

## US 1 scorecard

US 1

## US 1 list: Performance as of December 29, 2023

In this monthly performance report, we present the historical returns for the US 1 list since its inception on March 12, 2007. In addition to comparing performance to the benchmark S&P 500 index, we also include the top 3/bottom 3 stock performers and additions/deletions over the preceding three months as well as sector weights and composition of the current list. We expect to provide a monthly performance update.

**Exhibit 1: US 1 list performance as December 29, 2023**

Performance and risk metrics

Performance Period	US 1 Total Return	S&P 500 Total Return	Relative performance in percentage points (US Total Return vs. S&P 500 Total Return)
1 month	5.73%	4.54pp	1.19%
3 months	11.49%	11.69pp	-0.21%
Year to date	19.14%	26.29pp	-7.15%
12 months	19.14%	26.29pp	-7.15%
3 Year (annualized)	7.05%	10.00pp	-2.95%
5 Year (annualized)	14.65%	15.69pp	-1.03%
10 Year (annualized)	8.75%	12.03pp	-3.28%
Since inception (annualized)*	8.96%	9.71pp	-0.75%
2022	-16.15%	-18.11pp	1.96%
2021	22.81%	28.71pp	-5.89%
2020	22.80%	18.40pp	4.40%
2019	31.50%	31.49pp	0.01%

**Source:** BofA Global Research ††Dividends are not included in the US 1 price return results but are included in the US 1 total return results. The performance calculations under both methods do not reflect transaction costs or tax withholdings (except ADRs). If these costs had been reflected, the performance would have been lower. Past performance should not and cannot be viewed as an indicator of future performance. A complete performance record is available upon request. US 1 list was launched on March 12th '07. Prior to July 1 2020, the US1 list was maintained on an equal-weighted basis, and effective July 1 2020, the US 1 list is maintained on a market cap-weighted basis.

BofA GLOBAL RESEARCH

**Exhibit 2: Top 3/ Bottom 3 relative performers over the last 3 months ended December 29, 2023**

Top and bottom performers

Ticker	Company	Absolute performance	Relative performance vs. S&P 500 (in percentage points)
<b>Top 3</b>			
BLD	TopBuild	48.75%	37.52pp
BA	Boeing	35.99%	24.75pp
ANET	Arista Networks	28.04%	16.81pp
<b>Bottom 3</b>			
JAZZ	Jazz Pharmaceuticals	-4.98%	-16.21pp
HUM	Humana Inc	-5.90%	-17.14pp
SLB	Schlumberger	-10.74%	-21.97pp

**Source:** BofA Global Research. † Only stocks that were included in the list during the last 3 months were considered. Performance is measured on the basis of Price return. Past performance should not and cannot be viewed as an indicator of future performance.

BofA GLOBAL RESEARCH

**BofA Securities does and seeks to do business with issuers covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. Refer to important disclosures on page 8 to 10.**

12642258

Timestamp: 05 January 2024 06:38PM EST

05 January 2024

United States

US 1 Committee

BofAS

See Team Page for List of Analysts

## Additions & Deletions over the last three months

Stocks added, removed, and retained over the period of last three months

### Exhibit 3: List changes during the three months ended December 29, 2023

Additions, deletions, stocks retained

Ticker	Company	Analyst	Date added/removed	Price when added/removed
<b>Additions</b>				
USB	U.S. Bancorp	Poonawala,Ebrahim	4-Dec-23	39.49
UNP	Union Pacific	Hoexter,Ken	4-Dec-23	233.90
NFLX	Netflix	Reif Ehrlich,Jessica	15-Nov-23	461.94
SEE	Sealed Air Corp	Staphos,George	15-Nov-23	33.57
VRT	Vertiv	Obin,Andrew	15-Nov-23	43.50
FDX	FedEx Corp.	Hoexter,Ken	3-Oct-23	260.19
OWL	Blue Owl Capital	Siegenthaler,Craig	3-Oct-23	12.67
RNR	RenaissanceRe	Shanker,Joshua	3-Oct-23	196.93
<b>Deletions</b>				
ETN	Eaton Corp PLC	Obin,Andrew	15-Nov-23	225.65
IBKR	Interactive Brokers	Siegenthaler,Craig	15-Nov-23	80.18
WBD	Warner Bros.	Reif Ehrlich,Jessica	15-Nov-23	10.56
ON	ON Semiconductor	Arya,Vivek	1-Nov-23	64.84
ARRY	Array Technologies	Dumoulin-Smith,Julien	1-Nov-23	16.75
KNX	Knight-Swift	Hoexter,Ken	3-Oct-23	48.77
<b>Retained</b>				
COST	Costco	Ohmes,Robert	19-Dec-23	662.67
HUM	Humana Inc	Fischbeck,Kevin	1-Nov-23	489.36

Source: BofA Global Research; \*prices don't adjust for normal cash dividends

BofA GLOBAL RESEARCH

**Exhibit 4: US 1 List**

Constituents of the US1 list, ordered by sector

Ticker	Company	Analyst	Sector	Rating	Date added to US 1 list	Change since addition (%)	* Current price	* Market Cap	** % proposed weight	Addition price
NFLX	Netflix	Reif Ehrlich, Jessica	Communication Services	C-1-9	15-Nov-23	5.40%	486.88	213.1	4.86%	461.94
AMZN	Amazon.com	Post, Justin	Consumer Discretionary	B-1-9	20-Jun-23	20.80%	151.94	1570.2	6.86%	125.78
BLD	TopBuild	Jadrosich, Rafe	Consumer Discretionary	B-1-9	27-Jul-23	40.68%	374.26	11.9	2.86%	266.04
HLT	Hilton Worldwide	Kelley, Shaun	Consumer Discretionary	B-1-7	11-Jul-23	19.67%	182.09	46.7	2.86%	152.16
LOW	Lowe's	Suzuki, Elizabeth L	Consumer Discretionary	B-1-7	3-Apr-23	9.10%	222.55	128.0	4.86%	203.99
SBUX	Starbucks	Senatore, Sara	Consumer Discretionary	B-1-7	17-Mar-23	-2.73%	96.01	109.1	4.86%	98.70
COST	Costco	Ohmes, Robert	Consumer Staples	B-1-7	19-Dec-23	-0.39%	660.08	292.9	4.86%	662.67
SLB	Schlumberger	Pant, Saurabh	Energy	C-1-7	20-Jul-23	-9.12%	52.04	74.1	2.86%	57.26
OWL	Blue Owl Capital	Siegenthaler, Craig	Financials	B-1-7	3-Oct-23	17.60%	14.90	21.0	2.86%	12.67
PGR	Progressive Corp	Shanker, Joshua	Financials	B-1-7	11-May-23	18.92%	159.28	93.2	2.86%	133.94
RNR	RenaissanceRe	Shanker, Joshua	Financials	B-1-7	3-Oct-23	-0.47%	196.00	10.3	2.86%	196.93
USB	U.S. Bancorp	Poonawala, Ebrahim	Financials	B-1-7	4-Dec-23	9.60%	43.28	67.4	2.86%	39.49
BSX	Boston Scientific	Steed, Travis	Health Care	B-1-9	17-Mar-23	20.56%	57.81	84.7	2.86%	47.95
HUM	Humana Inc	Fischbeck, Kevin	Health Care	B-1-7	1-Nov-23	-6.45%	457.81	56.4	2.86%	489.36
JAZZ	Jazz Pharmaceuticals	Gerberry, Jason	Health Care	B-1-9	22-Aug-23	-12.26%	123.00	7.7	2.86%	140.19
BA	Boeing	Epstein, Ronald J.	Industrials	B-1-9	14-Aug-23	10.12%	260.66	157.7	4.86%	236.71
FDX	FedEx Corp.	Hoexter, Ken	Industrials	B-1-7	3-Oct-23	-2.77%	252.97	63.2	2.86%	260.19
TRI	Thomson Reuters	Balsky, Heather	Industrials	A-1-7	3-Apr-23	11.57%	146.22	66.6	2.86%	131.06
UNP	Union Pacific	Hoexter, Ken	Industrials	B-1-7	4-Dec-23	5.01%	245.62	149.7	4.86%	233.90
VRT	Vertiv	Obin, Andrew	Industrials	C-1-7	15-Nov-23	10.41%	48.03	18.3	2.86%	43.50
ANET	Arista Networks	Liani, Tal	Information Technology	B-1-9	24-May-23	66.77%	235.51	73.3	2.86%	141.22
APH	Amphenol	Mohan, Wamsi	Information Technology	B-1-7	30-Jun-23	16.69%	99.13	59.3	2.86%	84.95
FTNT	Fortinet	Liani, Tal	Information Technology	B-1-9	29-Nov-23	9.20%	58.53	44.9	2.86%	53.60
MRVL	Marvell	Arya, Vivek	Information Technology	C-1-7	18-Jul-23	-8.29%	60.31	52.1	2.86%	65.76
MSFT	Microsoft	Sills, Brad	Information Technology	B-1-7	17-Mar-23	34.57%	376.04	2794.8	6.86%	279.43
SEE	Sealed Air Corp	Staphos, George	Materials	B-1-7	15-Nov-23	8.79%	36.52	5.3	2.86%	33.57
WELL	Welltower	Dennerlein, Joshua	Real Estate	B-1-7	14-Jun-23	10.58%	90.17	50.1	2.86%	81.54
PCG	PG&E Corp.	Durmoulin-Smith, Julien	Utilities	B-1-7	2-Feb-23	15.36%	18.03	38.5	2.86%	15.63

Source: BofA Global Research \* Price as of prior day close, market cap as of prior close. \*\* % proposed weight as of prior close. Weights may vary slightly due to rounding. XRW= extended review

BofA GLOBAL RESEARCH

## Sector weights

Sector weighting in the selection process is considered by the US 1 committee. However, the US 1 list is not required to reflect the weights of the S&P 500 or any other index. The goal of the US 1 committee is to select a portfolio of stocks that it expects will outperform the S&P 500. As a result, it is possible that certain sectors are favored over others based on industry dynamics, valuation, and cyclicalities, to name a few factors.

### Exhibit 5: Current portfolio weights by GICS sectors

Sector weights

GICS level 1 name	Weight in US 1	S&P 500
Communication Services	4.9%	8.9%
Consumer Discretionary	22.3%	11.1%
Consumer Staples	4.9%	6.8%
Energy	2.9%	4.0%
Financials	11.4%	12.6%
Health Care	8.6%	12.9%
Industrials	18.3%	8.7%
Materials	2.9%	2.4%
Real Estate	2.9%	2.5%
Technology	18.3%	28.0%
Utilities	2.9%	2.3%

Source: BofA Global Research; Weights may vary slightly due to rounding

BofA GLOBAL RESEARCH

## The US 1 list

The US 1 list is intended to represent a collection of our best investment ideas that are drawn from the universe of “Buy”-rated US listed stocks (including ADRs), covered by BofA Global Research fundamental equity research analysts. The list will be managed with a goal of providing superior investment performance over the long term.

### US 1 committee process

The US 1 committee consists of seven sector leads who will consolidate the best investment ideas from BofA Global Research Fundamental Equity analysts on an ongoing basis. Changes to the list will be determined by the sector leads, together with the US 1 committee head/deputy head, who are currently Nathan Zibilich and Ken Hoexter, respectively. The committee will also meet formally once per quarter.

### Performance calculation methodology

The US 1 performance calculation assumes the reinvestment of gross dividends into the list on the ex-dividend date (for ADRs, the US 1 performance calculation assumes the reinvestment of net dividends into the list on the ex-dividend date). The performance calculations do not reflect transaction costs or tax withholdings (except ADRs).

Changes to the US 1 list are announced via a published research report. For purposes of calculation of performance, the addition/removal price for a stock will be the closing price on the day the change is announced if the research report is published before noon ET. If the research report is published after noon ET, the addition/removal price for a stock will be the closing price on the following trading day.

The list is rebalanced each time a stock is added or removed. The list is weighted based on market cap, and will allocate 2% for stocks with <\$100bn market cap, 4% for stocks with \$100-\$400bn market cap, and 6% for any stocks with greater than \$400bn market cap. To the extent that any security selection that causes the list allocation to exceed or fall short of 100%, this excess/shortfall will be allocated equally across all stocks in the list. In order to minimize excessive re-weighting of the US 1 list, the US 1 committee has implemented a buffer to the market cap threshold of +/-5% before any weight allocation changes are triggered upon rebalancing.

When a change to the list is published, the market cap of each security as of the close of the prior trading day will be published in the report.

The S&P 500 index is a capitalization-weighted index of 500 stocks and is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The US 1 list differs from the S&P 500 index in the following ways: (1) While sector weighting is considered, the US 1 list is not required to match the weights of the S&P 500 index or any other index. As such, there may be sectors with no representation in the US 1 list. (2) To be considered for the list, stocks must have an average daily trading volume of at least \$5 million in the six months preceding their selection for the list. Stocks do not have to meet this volume constraint for inclusion in the S&P 500 index. (3) The US 1 list is more exposed to stock-specific risk than the S&P 500 index. As a result of these differences, the US 1 list may experience higher volatility than its benchmark.

The US 1 list reflects strategic stock recommendations made by the BofA Global Research US 1 committee. As such, the performance results are model in nature and do not reflect actual transactions. The performance results of persons following the recommendations will differ for a variety of reasons, including differences related to incurring transaction costs, the receipt of dividends and other earnings, the time and price that stocks are acquired and disposed of and differences in the weighting of stocks. In addition, the results presented should not and cannot be viewed as an indicator of future performance.

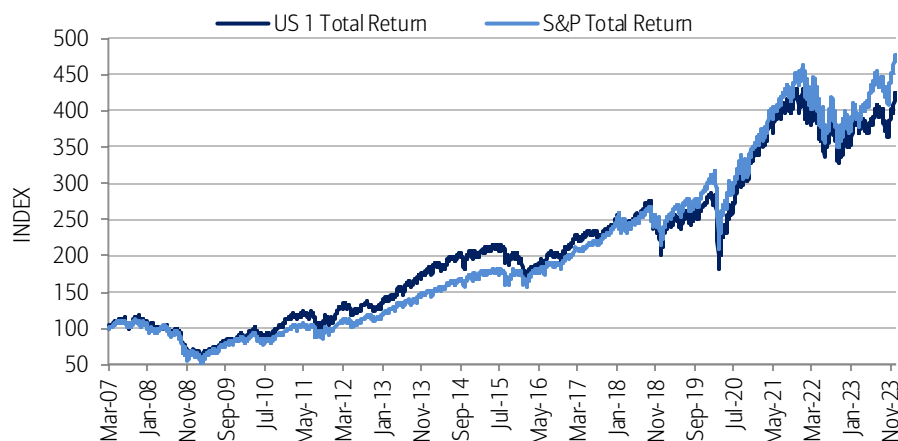
The performance of the US 1 list is calculated by the US 1 committee on a daily basis and checked by an independent third party.

## US 1 performance vs. S&P 500 since inception

We note that as of December 29, 2023, the US 1 performance, calculated on a total return basis, has risen by 322.90% since inception on March 12, 2007. In comparison, the S&P 500 total return index has risen by 374.52% over the same period.

### Exhibit 6: US 1 total return performance vs. S&P 500 since inception

Performance since inception



Source: BofA Global Research. Past performance should not and cannot be viewed as an indicator of future performance.

BofA GLOBAL RESEARCH

## US 1 Statistics

Below we show key characteristics of the list, including historical volatility and turnover, current average dividend yield, and market cap.

### Exhibit 7: US 1 list statistics

Risk statistics

<b>Beta (Trailing 5-year)</b>	<b>1.02</b>
Std. Deviation (5-year Annualized)	19.88%
Dividend Yield (TTM)	0.99%
Avg. Market capitalization (\$MM)	227163
Portfolio Turnover (Avg. of all full calendar years, Annualized)	105.07%

Source: BofA Global Research

BofA GLOBAL RESEARCH

### Exhibit 8: US 1 list of advance/decline as of December 29, 2023

Stocks advancing vs. declining

Performance Period	No. of stocks	Advance	Decline
1 month	28	79%	21%
3 months	34	71%	29%
Year to date	53	60%	40%
12 months	53	60%	40%
3 Year (annualized)	117	55%	39%
5 Year (annualized)	166	60%	36%
10 Year (annualized)	292	55%	41%
Since inception (annualized)*	474	55%	43%

Past performance should not and cannot be viewed as an indicator of future performance.

Source: BofA Global Research.

BofA GLOBAL RESEARCH

**Exhibit 9: Monthly performance of US1 (trailing 5 years, through 12/29/2023)**

Monthly relative performance

Date	US 1 total return	S&P 500 total return	Relative Performance
January-19	12.38%	8.01%	4.37%
February-19	2.14%	3.21%	-1.07%
March-19	0.82%	1.94%	-1.12%
April-19	3.00%	4.05%	-1.05%
May-19	-7.10%	-6.35%	-0.74%
June-19	8.73%	7.05%	1.68%
July-19	1.15%	1.44%	-0.29%
August-19	-1.67%	-1.58%	-0.08%
September-19	1.58%	1.87%	-0.29%
October-19	1.16%	2.17%	-1.01%
November-19	3.81%	3.63%	0.18%
December-19	2.93%	3.02%	-0.08%
January-20	-3.76%	-0.04%	-3.72%
February-20	-9.19%	-8.23%	-0.96%
March-20	-15.08%	-12.35%	-2.73%
April-20	14.29%	12.82%	1.48%
May-20	7.76%	4.76%	2.99%
June-20	2.77%	1.99%	0.78%
July-20	8.84%	5.64%	3.21%
August-20	8.02%	7.19%	0.84%
September-20	-0.84%	-3.80%	2.96%
October-20	-1.64%	-2.66%	1.02%
November-20	9.58%	10.95%	-1.37%
December-20	4.02%	3.84%	0.18%
January-21	-1.00%	-1.01%	0.01%
February-21	4.11%	2.76%	1.35%
March-21	3.07%	4.38%	-1.31%
April-21	5.09%	5.34%	-0.24%
May-21	1.23%	0.70%	0.53%
June-21	2.92%	2.33%	0.58%
July-21	1.22%	2.38%	-1.16%
August-21	1.77%	3.04%	-1.27%
September-21	-3.76%	-4.65%	0.89%
October-21	6.21%	7.01%	-0.80%
November-21	-4.54%	-0.69%	-3.85%
December-21	5.06%	4.48%	0.58%
January-22	-4.74%	-5.17%	0.43%
February-22	-0.23%	-2.99%	2.76%
March-22	3.80%	3.71%	0.08%
April-22	-8.15%	-8.72%	0.57%
May-22	-1.55%	0.18%	-1.73%
June-22	-7.41%	-8.25%	0.84%
July-22	9.33%	9.22%	0.11%
August-22	-4.37%	-4.08%	-0.29%
September-22	-9.36%	-9.21%	-0.15%
October-22	7.12%	8.10%	-0.98%
November-22	5.67%	5.59%	0.08%
December-22	-5.35%	-5.76%	0.41%
January-23	8.24%	6.28%	1.96%
February-23	-1.25%	-2.44%	1.19%
March-23	2.70%	3.67%	-0.97%
April-23	-1.49%	1.56%	-3.05%
May-23	-3.45%	0.43%	-3.89%
June-23	5.80%	6.61%	-0.81%
July-23	3.28%	3.21%	0.07%
August-23	-0.83%	-1.59%	0.76%
September-23	-5.55%	-4.77%	-0.78%
October-23	-2.37%	-2.10%	-0.26%
November-23	8.00%	9.13%	-1.13%
December-23	5.73%	4.54%	1.19%

Source: BofA Global Research. Past performance should not and cannot be viewed as an indicator of future performance

BofA GLOBAL RESEARCH



## Special Disclosures

BofA Securities is currently acting as financial advisor to Energy Capital Partners Holdings LP and affiliated entities ("ECP"), minority-owned by funds managed by Blue Owl Capital Inc (formerly Dyal Capital Partners), in connection with its proposed sale of the Company which was announced on September 6, 2023. The proposed transaction is subject to approval by shareholders of Bridgepoint Group PLC. This research report is not intended to provide voting advice, serve as an endorsement of the proposed transaction, or result in the procurement, withholding or revocation of a proxy.

## 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 <sup>R1</sup>
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

<sup>R1</sup> 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.

One or more analysts contributing to this report owns stock of the covered issuer: Amazon.com, Amphenol, Arista Networks, Boeing, Boston Sci., Costco Wholesale, FedEx Corp., Hilton Worldwide, Humana Inc, Lowe's, Microsoft Corp, Netflix, Progressive Corp, Schlumberger, Sealed Air Corp., Starbucks, TopBuild, U.S. Bancorp, Union Pacific, Welltower. BofAS or one of its affiliates acts as a market maker for the equity securities recommended in the report: Amazon.com, Amphenol, Arista Networks, Blue Owl Capital, Boeing, Boston Scientific, Costco, FedEx Corp., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell, Microsoft, Netflix, PG&E Corp., Progressive Corp, RenaissanceRe, Schlumberger, Sealed Air Corp, Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. BofAS or an affiliate was a manager of a public offering of securities of this issuer within the last 12 months: Amphenol, Blue Owl Capital, Humana Inc, Lowe's, Marvell Tech, PG&E Corp., Renaissance Re, Sealed Air Corp., Starbucks, Union Pacific, Vertiv, Welltower. The issuer is or was, within the last 12 months, an investment banking client of BofAS and/or one of its affiliates: Amazon.com, Amphenol, Blue Owl Capital, Boeing, Boston Sci., Costco Wholesale, FedEx Corp., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, Netflix, PG&E Corp., Renaissance Re, Schlumberger, Sealed Air Corp., Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. BofAS or an affiliate has received compensation from the issuer for non-investment banking services or products within the past 12 months: Amazon.com, Amphenol, Arista Networks, Blue Owl Capital, Boeing, Boston Sci., Costco Wholesale, FedEx Corp., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, Netflix, PG&E Corp., Progressive Corp, Renaissance Re, Schlumberger, Sealed Air Corp., Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. The issuer is or was, within the last 12 months, a non-securities business client of BofAS and/or one of its affiliates: Amazon.com, Amphenol, Arista Networks, Blue Owl Capital, Boeing, Boston Sci., Costco Wholesale, FedEx Corp., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, Netflix, PG&E Corp., Progressive Corp, Schlumberger, Sealed Air Corp., Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. BofAS or an affiliate has received compensation for investment banking services from this issuer within the past 12 months: Amazon.com, Amphenol, Blue Owl Capital, Boston Sci., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, PG&E Corp., Renaissance Re, Schlumberger, Sealed Air Corp., Starbucks, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. BofAS or an affiliate expects to receive or intends to seek compensation for investment banking services from this issuer or an affiliate of the issuer within the next three months: Amazon.com, Amphenol, Blue Owl Capital, Boeing, Boston Sci., Costco Wholesale, FedEx Corp., Fortinet, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, Netflix, PG&E Corp., Schlumberger, Sealed Air Corp., Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Welltower. BofAS together with its affiliates beneficially owns one percent or more of the common stock of this issuer. If this report was issued on or after the 9th day of the month, it reflects the ownership position on the last day of the previous month. Reports issued before the 9th day of a month reflect the ownership position at the end of the second month preceding the date of the report: Amazon.com, Blue Owl Capital, Boeing, Boston Sci., Costco Wholesale, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, Netflix, Progressive Corp, Renaissance Re, Schlumberger, Sealed Air Corp., Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Welltower. BofAS or one of its affiliates is willing to sell to, or buy from, clients the common equity of the issuer on a principal basis: Amazon.com, Amphenol, Arista Networks, Blue Owl Capital, Boeing, Boston Scientific, Costco, FedEx Corp., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell, Microsoft, Netflix, PG&E Corp., Progressive Corp, RenaissanceRe, Schlumberger, Sealed Air Corp, Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. The issuer is or was, within the last 12 months, a securities business client (non-investment banking) of BofAS and/or one of its affiliates: Amazon.com, Amphenol, Arista Networks, Blue Owl Capital, Boeing, Boston Sci., Costco Wholesale, FedEx Corp., Fortinet, Hilton Worldwide, Humana Inc, Jazz Pharmaceuticals, Lowe's, Marvell Tech, Microsoft Corp, Netflix, PG&E Corp., Progressive Corp, Renaissance Re, Schlumberger, Sealed Air Corp., Starbucks, Thomson Reuters, TopBuild, U.S. Bancorp, Union Pacific, Vertiv, Welltower. Due to the nature of strategic analysis, the issuers or securities recommended or discussed in this report are not continuously followed. Accordingly, investors must regard this report as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or securities.



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.

## Other Important Disclosures

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

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

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

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

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

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

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

BofAS and/or Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") may in the future distribute, information of the following non-US affiliates in the US (short name: legal name, regulator): Merrill Lynch (South Africa): Merrill Lynch South Africa (Pty) Ltd., regulated by The Financial 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](http://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.

This report may contain a short-term trading idea or recommendation, which highlights a specific near-term catalyst or event impacting the issuer or the market that is anticipated to have a short-term price impact on the equity securities of the issuer. Short-term trading ideas and recommendations are different from and do not affect a stock's fundamental equity rating, which reflects both a longer term total return expectation and attractiveness for investment relative to other stocks within its Coverage Cluster. Short-term trading ideas and recommendations may be more or less positive than a stock's fundamental equity rating.

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 herein. Investors in such securities and instruments, including ADRs, 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.

#### **BofA ESGMeter Methodology:**

ESGMeter is a proprietary metric based on quantitative analysis and fundamental analyst inputs that reflects our assessment of a company's Environmental, Social and Governance-related attributes. The ESGMeter is intended to indicate a company's likelihood of experiencing stronger financial stability (higher return on equity and lower earnings and price volatility) over the next three years relative to peer group. There are three ESGMeter levels - Low, Medium, and High - which indicate whether a company has attributes most likely to translate into superior financial stability (in the case of a High level) or weaker financial stability (in the case of a Low level) over the next three years relative to its peer group. A Medium level suggests that a company exhibits ESG characteristics that are likely associated with financial stability results in line with its peer group over the next three years. Full details of our methodology, financial stability definition and disclaimers are available at [BofA ESGMeter methodology](#). ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of the BofA Global Research fundamental equity analyst's investment rating, volatility risk rating, income rating or price objective for that company.

#### **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.

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.

Subject to the quiet period applicable under laws of the various jurisdictions in which we distribute research reports and other legal and BofA Securities policy-related restrictions on the publication of research reports, fundamental equity reports are produced on a regular basis as necessary to keep the investment recommendation current.

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

## Chairperson

**Nathan Zibilich, CFA**  
Research Analyst  
BofAS  
+1 646 855 0810

**Ken Hoexter**  
Research Analyst  
BofAS  
+1 646 855 1498

## Committee

**Tazeen Ahmad**  
Research Analyst  
BofAS  
+1 646 855 4236

**Vivek Arya**  
Research Analyst  
BofAS  
+1 646 855 1755

**David W. Barden, CFA**  
Research Analyst  
BofAS  
+1 646 855 1320

**Joshua Dennerlein**  
Research Analyst  
BofAS  
+1 646 855 1681

**Shaun C. Kelley**  
Research Analyst  
BofAS  
+1 646 855 1005

**Elizabeth L Suzuki**  
Research Analyst  
BofAS  
+1 646 855 2547

**Joshua Shanker**  
Research Analyst  
BofAS  
+1 347 821 9017

**Andrew Shields, CFA**  
Portfolio Strategist  
BofAS  
[andrew.shields@bofa.com](mailto:andrew.shields@bofa.com)

**Julia Saravalle, CFA**  
Portfolio Strategist  
BofAS  
[julia.saravalle@bofa.com](mailto:julia.saravalle@bofa.com)

