BofA SECURITIES

Global Fund Manager Survey

Bull Crash

BofA March Global Fund Manager Survey

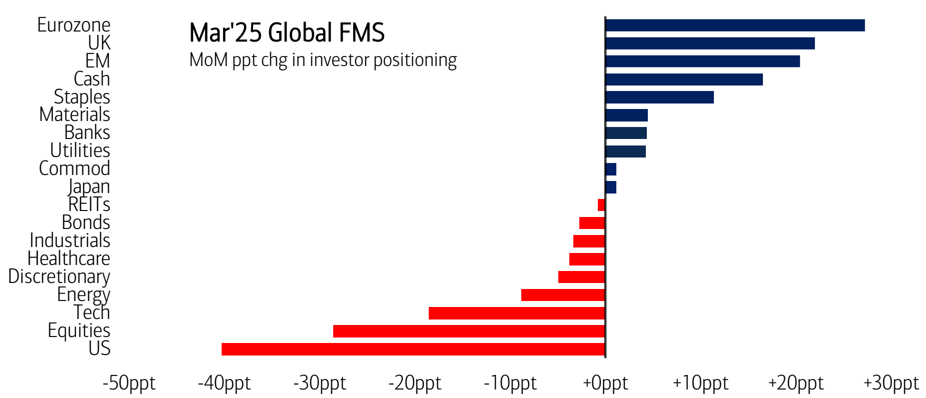
Bottom Line: 2nd biggest drop in global growth expectations ever, biggest drop in US equity allocation ever, biggest jump in cash allocation since Mar'20; stagflation, trade war, end of US exceptionalism drive "bull crash" in FMS sentiment, speed of which consistent with "end of equity correction"; that said, no one is long recession/bonds, FMS positioning nowhere near extreme bear/close-your-eyes-and-buy levels. Q2 SPX >6k requires reversal in inflation/trade war concerns, while recession would drive SPX <5k.

Macro, Risks, Crowds: expectations for higher global growth drop from -2% to -44%, driven by US, not China or EU; trade war = #1 tail risk say 55% but soft landing (64%) & Fed rate cuts (2-3 cuts say 68%) still consensus (just 11% expect hard landing); 40% say long Magnificent 7 = #1 crowded trade, but this down from 71% peak in Jul'24 and 69% of investors now say "US exceptionalism" has peaked.

Asset Allocation: cash jumps from 3.5% to 4.1% ending FMS "sell signal" triggered on Dec 17th; March FMS allocation to global equities slumps from +35% to -6% driven by US & tech (lowest exposure in 2 years – Chart 1); allocation to Eurozone stocks highest since Jul'21, to staples highest in 18 months, and banks now world's favorite sector; note March FMS shows biggest rotation to high vs low dividend stocks on record.

Contrarian Trades: for bulls expecting trade war & stagflation concerns to unwind – long stocks-short cash, long tech-short staples; for bears expecting US recession risk to increase – long bonds-short banks & Europe.

Chart 1: March FMS shows biggest drop in US equity allocation on record
Monthly change in FMS investor positioning



Source: BofA Global Fund Manager Survey

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18 March 2025

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Notes to Readers

Source for all tables and charts: BofA Fund Manager Survey, DataStream

Survey period 7th to 13th Mar 2025

205 panellists with $477bn AUM participated in the March survey. 171 participants with $426bn AUM responded to the Global FMS questions and 107 participants with $193bn AUM responded to the Regional FMS questions.

How to join the FMS panel

Investors/clients are encouraged to sign up to participate in the Survey. This can be done by contacting Michael Hartnett or your BofA sales representative.

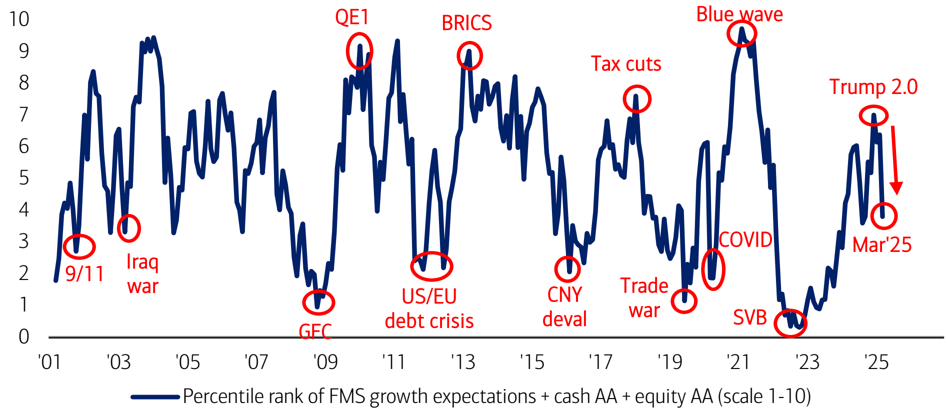
Participants in the survey will continue to receive the full set of monthly results but only for the relevant month in which they participate.

OW: overweight; UW: underweight

AA: asset allocation

Charts of the Month

Chart 2: Largest pullback in BofA Global FMS investor sentiment in 5 years
Percentile rank of FMS growth expectations, cash level, and equity allocation



Source: BofA Global Fund Manager Survey.

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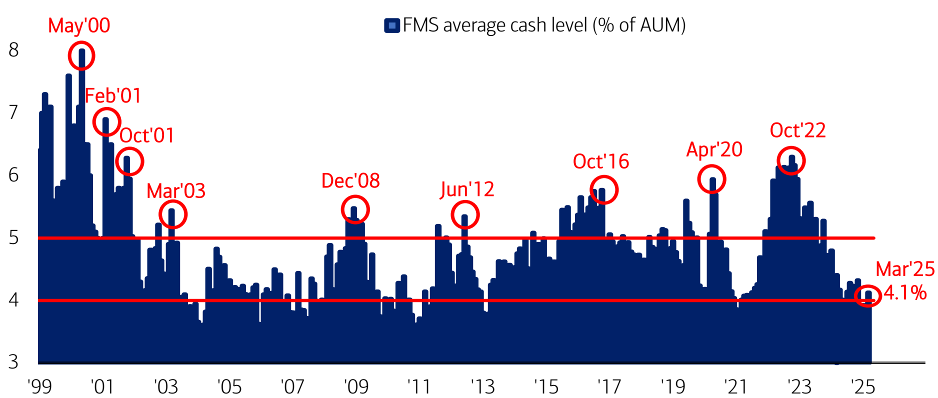
Our broadest measure of FMS sentiment, based on cash levels, equity allocation, global growth expectations fell to 3.8 in March from 6.4 in February, hitting a 7-month low.

This month's decline is the largest since Mar'20, and the 7th largest in the past 24 years, only surpassed by extreme bear sentiment observed around major market shocks (Aug'07, May'10, Aug'11, Mar'20).

Still, FMS sentiment nowhere near extreme bear as has retrenched from the uber-bull level of Dec'24 to a more neutral level in March.

Chart 3: FMS cash rises to 4.1% ending BofA FMS Cash Rule "sell" signal
BofA Global FMS average cash level (%)



Source: BofA Global Fund Manager Survey

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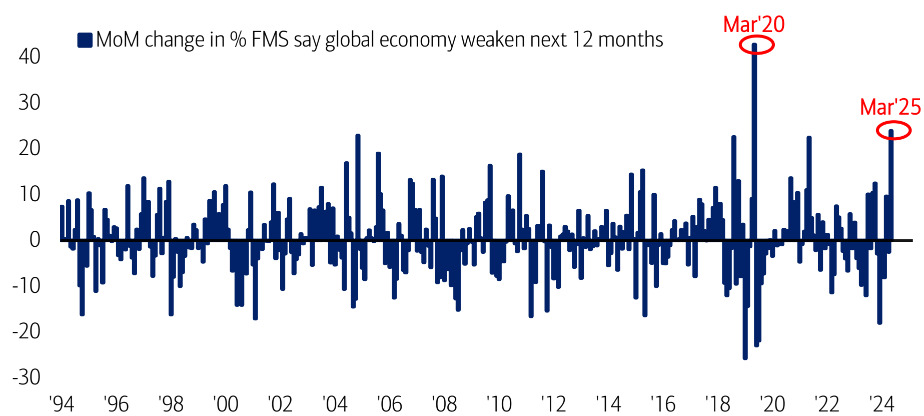
BofA FMS cash level rose 62bps (largest 1-month jump since Dec'21) from 3.5% to 4.1%...rise in cash level >4% ends "sell signal".

Note since BofA Global FMS Cash Rule "sell signal" triggered on Dec 17th, Magnificent 7 -20%, Nasdaq -14%, S&P 500 -9%, ACWI -5%, EFA +6%).

Chart 4: 2nd largest rise in global macro pessimism in past 31 years
Monthly change in % FMS expecting a weaker global economy in the next 12 months



Source: BofA Global Fund Manager Survey

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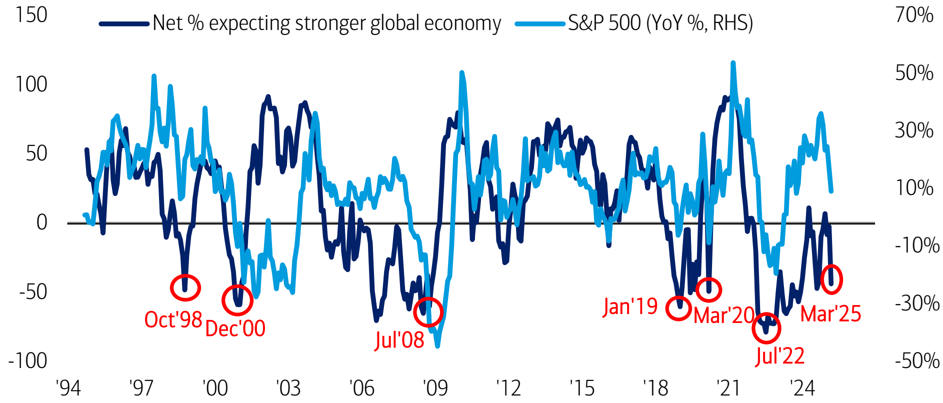
Cash levels rose as expectations for the global economy deteriorated...

March FMS saw the 2nd largest monthly rise in macro pessimism on record (data since 1994), with 63% of FMS participants expecting a weaker global economy in the next 12 months.

Chart 5: Worsening global growth outlook...bad news for stocks

Net % FMS expecting stronger global economy vs S&P 500 (YoY %)



Source: BofA Global Fund Manager Survey, Bloomberg

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Global growth expectations dropped to -44% in March (from -2% in Feb).

FMS conviction on global growth historically correlated to S&P 500 price action...pessimism on global growth outlook is bad news for stocks.

Chart 6: FMS most bullish China vs US growth since May'23

Net % of FMS expect stronger US & China economic growth

Source: BofA Global Fund Manager Survey

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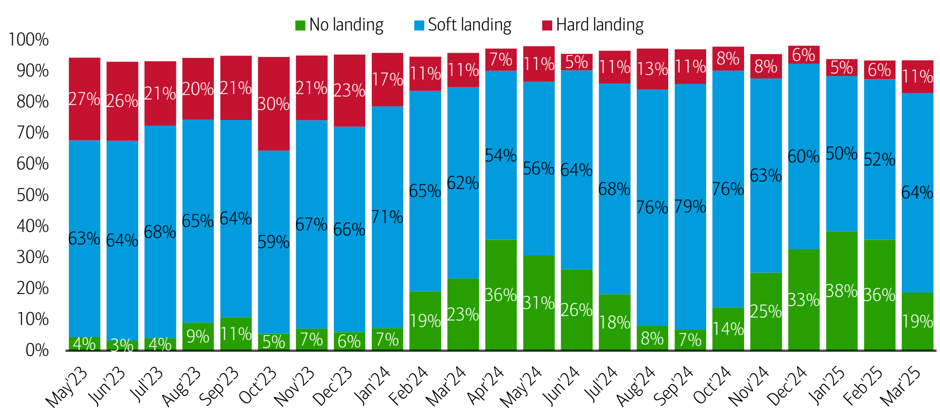
The rise in global economic growth pessimism was driven by a worsening outlook for the US economy. Conversely, China economic growth outlook brightened.

FMS expectations for the US economy fell to the lowest since May'23 (net -71%) while expectations for the Chinese economy continued to improve (net 28%).

Chart 7: 64% say "soft landing", 19% "no landing", 11% "hard landing"

What is the most likely outcome for the global economy in the next 12 months?



Source: BofA Global Fund Manager Survey

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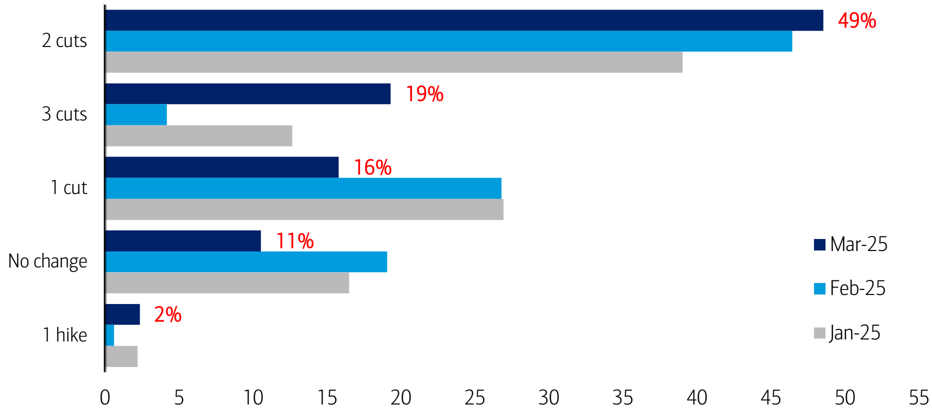
On global economic "landings"...March FMS saw a rotation away from "no landing" (fell to 19% from 36%) to "soft landing" expectations (rose to 64% from 52%).

Expectations of a "hard landing" remain a low 11% (compared to peak of 30% in Oct'23).

Chart 8: 68% of FMS investors expect 2 or 3 Fed rate cuts in '25
How will the Fed change the federal funds rate in 2025?



Source: BofA Global Fund Manager Survey.

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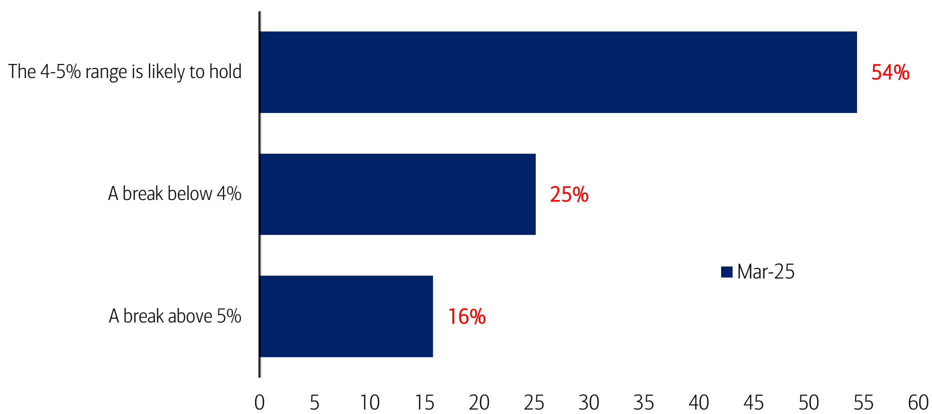
FMS investors still expect Fed rate cuts…68% expect 2 or 3 cuts in 2025 (up from 51% in Feb).

Chart 9: 54% of FMS expect 30Y Treasury yield stays in the 4%-5% range
The 4%-5% trading range for the 30-year US Treasury yield will in the next 12 months end with?



Source: BofA Global Fund Manager Survey.

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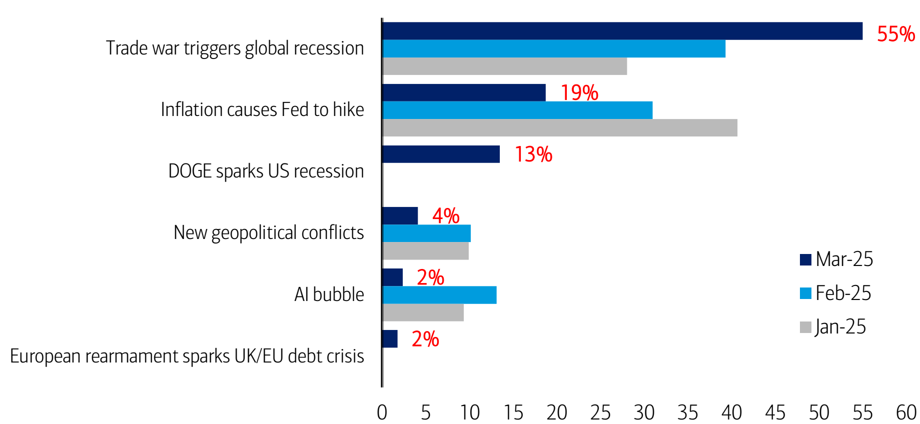
Just as very few expect a "hard landing"…7 out 10 FMS investors say no break below 4% for the 30-year Treasury yield.

Note also no increase to bond allocation…FMS investors net 13% UW bonds.

Chart 10: Biggest tail risks: #1 trade war, #2 inflation, #3 DOGE sparks US recession
What do you consider the biggest 'tail risk'?



Source: BofA Global Fund Manager Survey.

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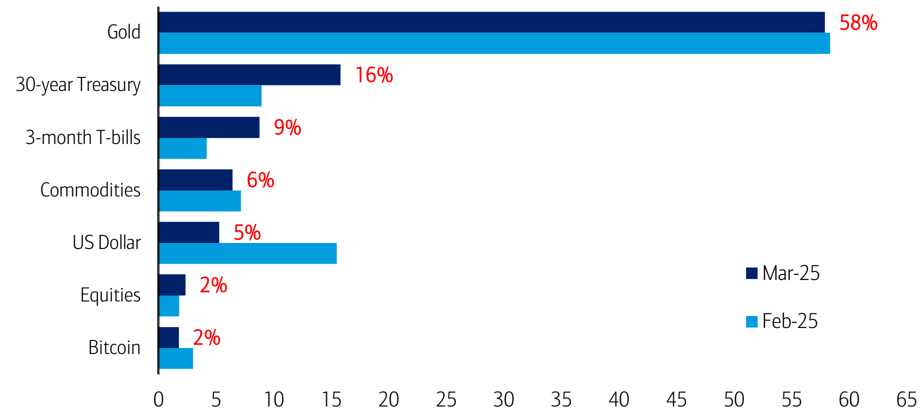
On tail risks…55% of March FMS investors say a recessionary trade war is the biggest 'tail risk', the highest 'tail risk' conviction since "Covid resurgence" in Apr'20.

19% of FMS investors continue to view "inflation causes Fed to hike" as the biggest 'tail risk' (down from 31% in Feb and 41% in Jan) while 13% are most concerned about the impact of the Department of Government Efficiency (DOGE) on the US economy.

Chart 11: 58% of FMS investors say gold performs best in a full-blown trade war
Which asset class would fare best under a full-blown trade war scenario?



Source: BofA Global Fund Manager Survey.

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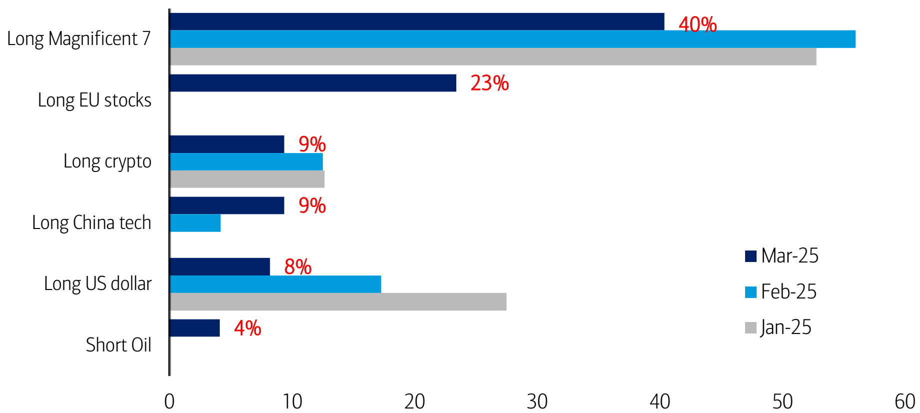
Under a full-blown trade war scenario, 58% of FMS investors continue to expect gold to be the best performing asset.

Chart 12: Most crowded trades: #1 Magnificent 7, #2 long EU stocks, #3 crypto
What do you think is currently the most crowded trade?



Source: BofA Global Fund Manager Survey.

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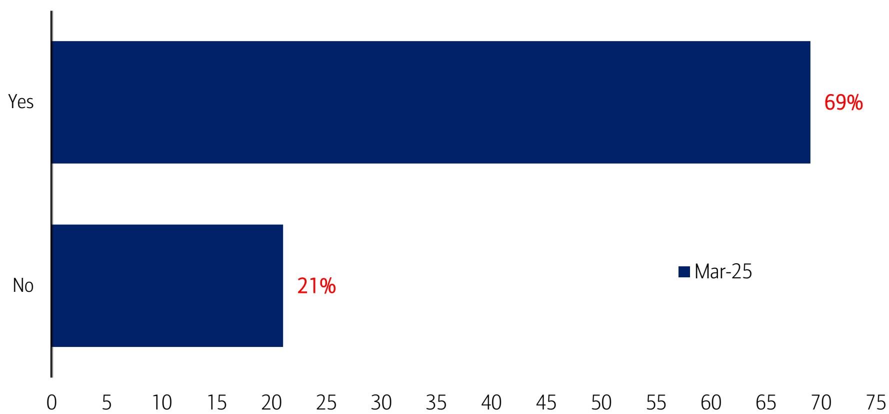
"Long Magnificent 7" remains the most crowded trade (40%), followed by "long EU stocks" and "long crypto".

Note "Long Magnificent 7" has remained the most crowded trade continuously since Apr'23, but the share of respondents has fallen to the lowest since Nov'23.

Chart 13: 69% of FMS investors say "US exceptionalism" has peaked
Do you think the theme of US exceptionalism has peaked?



Source: BofA Global Fund Manager Survey.

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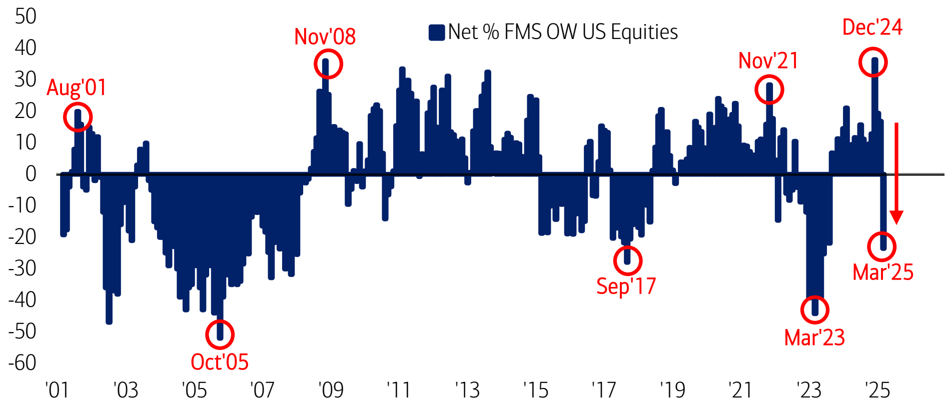
Big shift in investor perception of "US exceptionalism"...69% of March FMS investors say the theme has peaked.

Chart 14: Record rotation out of US stocks
Net % FMS overweight US equities



Source: BofA Global Fund Manager Survey.

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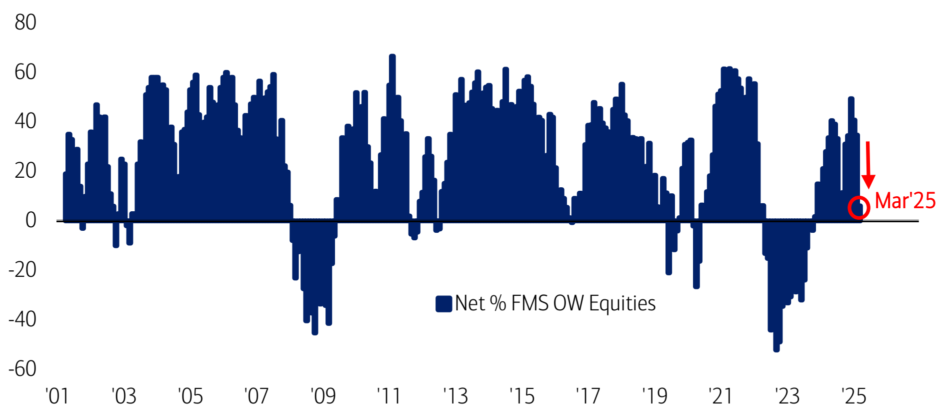
Peak US exceptionalism is reflected in record rotation out of US stocks…allocation fell 40ppt MoM to net 23% UW, the lowest allocation since Jun'23.

Chart 15: FMS equity allocation falls to lowest since Nov'23
Net % FMS overweight global equities



Source: BofA Global Fund Manager Survey.

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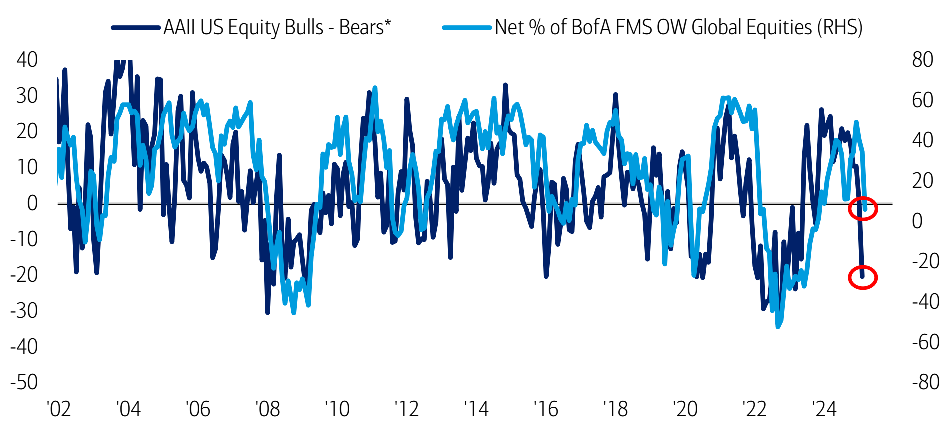
Optimism on global equities also slumped in March FMS…

Allocation to equities fell 29ppt MoM to net 6% OW, the lowest since Nov'23, the 5th largest monthly decline on record.

Note the rotation from equities was to cash (allocation rose 17ppt MoM to net 10% OW) *not* bonds (allocation fell 3ppt to net 13% UW).

Chart 16: Institutional equity sentiment still less bearish vs retail
BofA Global FMS Global Equity AA vs AAII US Bullish-Bearish sentiment



Source: BofA Global Fund Manager Survey, Bloomberg. *latest data point is Feb'25…monthly average of weekly American Association of Individual Investors data (bullish readings – bearish readings).

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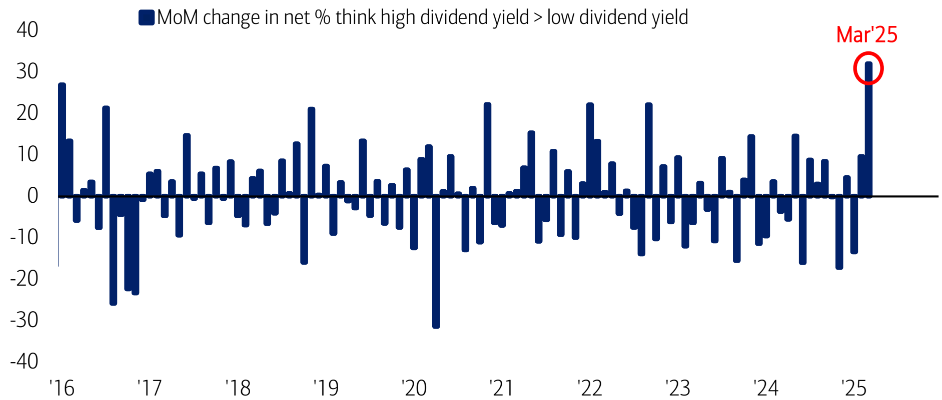
Institutional (FMS) allocation to equities has fallen from a bullish to neutral level and remains net overweight.

Meanwhile, retail enthusiasm (as measured by AAII) remains at v bearish levels.

Chart 17: Record rotation to high vs low dividend yield
MoM change in net % think high dividend yield will outperform low dividend yield



Source: BofA Global Fund Manager Survey.

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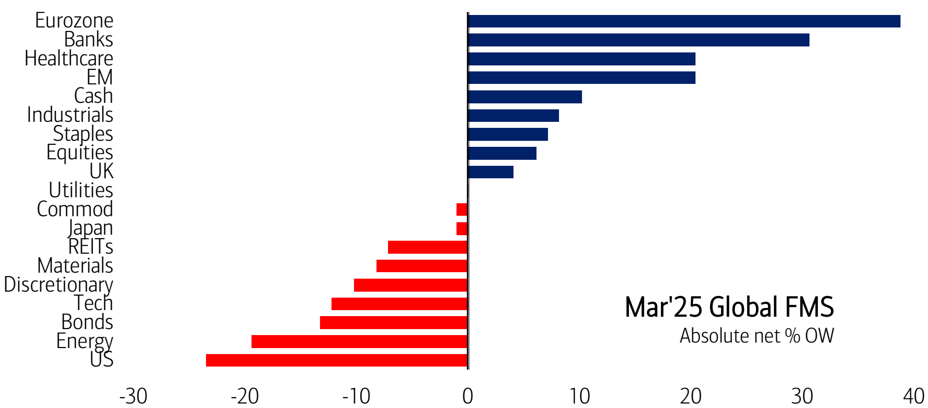
On styles…net 55% of FMS investors expect high dividend yield to outperform low dividend yield stocks, up 32ppt vs Feb (the largest monthly rotation on record).

Chart 18: FMS net OW Eurozone, banks, healthcare & EM vs. UW US, resources, bonds & tech
FMS absolute positioning (net % overweight)



Source: BofA Global Fund Manager Survey

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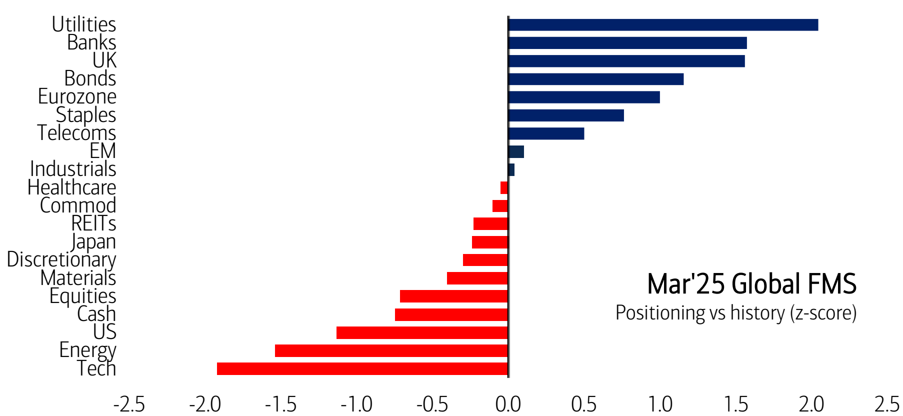
This chart shows absolute FMS investor positioning (net % overweight).

In March, investors are most overweight Eurozone, banks, healthcare, and Emerging Markets vs. most underweight US, resources (materials & energy), bonds, and tech.

Chart 19: FMS OW utilities, banks, UK vs UW tech, energy, US
FMS positioning vs history (z-score)



Source: BofA Global Fund Manager Survey

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This chart shows FMS investor positioning relative to the average long-term positioning (past ~20 years).

Relative to history, investors are overweight utilities, banks, and UK stocks…

…and are underweight tech, energy, and US stocks.

Table 1: S&P 500 correction/bear market & FMS metrics to watch

S&P 500 Corrections & Bear Markets

			FMS cash level			FMS net % OW Equities			FMS net % expect stronger economy		
Start	End	S&P 500 Correction	Start	End	Change (bps)	Start	End	Change (ppt)	Start	End	Change (ppt)
7/17/1998	8/31/1998	-19.3%	7.1	7.5	40bps	-	-		-7	-12	-5ppt
9/23/1998	10/8/1998	-10.0%	8.2	10.3	210bps	-	-		-24	-48	-25ppt
7/16/1999	10/15/1999	-12.1%	5.2	5.9	70bps	-	-		43	39	-5ppt
3/24/2000	10/9/2002	-49.1%	6.6	5.2	-139bps	-	-		41	37	-4ppt
11/27/2002	3/11/2003	-14.7%	4.6	5.4	80bps	3	-9	-12ppt	42	41	-1ppt
10/9/2007	3/9/2009	-56.8%	4.0	5.2	124bps	41	-41	-82ppt	-55	0	55ppt
4/23/2010	7/2/2010	-16.0%	3.5	4.4	84bps	52	11	-42ppt	61	-12	-73ppt
4/29/2011	10/3/2011	-19.4%	3.7	5.0	122bps	50	-7	-57ppt	27	-15	-41ppt
7/20/2015	8/25/2015	-12.2%	5.5	5.2	-30bps	42	41	-1ppt	42	37	-5ppt
11/3/2015	2/11/2016	-13.3%	4.9	5.6	78bps	43	5	-38ppt	35	-16	-51ppt
1/26/2018	2/8/2018	-10.2%	4.4	4.7	28bps	55	43	-12ppt	47	37	-10ppt
9/20/2018	12/24/2018	-19.8%	5.1	4.8	-30bps	22	16	-6ppt	-24	-53	-30ppt
2/19/2020	3/23/2020	-33.9%	4.0	5.1	109bps	33	-2	-35ppt	18	-49	-67ppt
1/3/2022	10/12/2022	-25.4%	5.0	6.3	130bps	55	-49	-104ppt	-1	-72	-71ppt
7/31/2023	10/27/2023	-10.3%	5.3	5.3	-3bps	-24	-4	20ppt	-60	-50	10ppt
2/19/2025	*Latest*	*-8.0%*	3.5	4.1	62bps	35	6	-29ppt	-2	-44	-41ppt
Correction	**average**	***-14.3%***	**5.2**	**5.8**	**59bps**	**30**	**12**	**-18ppt**	**17**	**-5**	**-21ppt**
Bear market	**average**	***-41.3%***	**4.9**	**5.4**	**56bps**	**43**	**-31**	**-74ppt**	**1**	**-21**	**-22ppt**

Source: BofA Global Investment Strategy, BofA Global Fund Manager Survey. *latest readings in light blue

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Since 1998 there have been 11 corrections (price declines >10%) in S&P 500, with an average price decline of 14.3% (equates to 5268 on S&P 500 today).

Signals from BofA Global FMS that bulk of equity correction over…

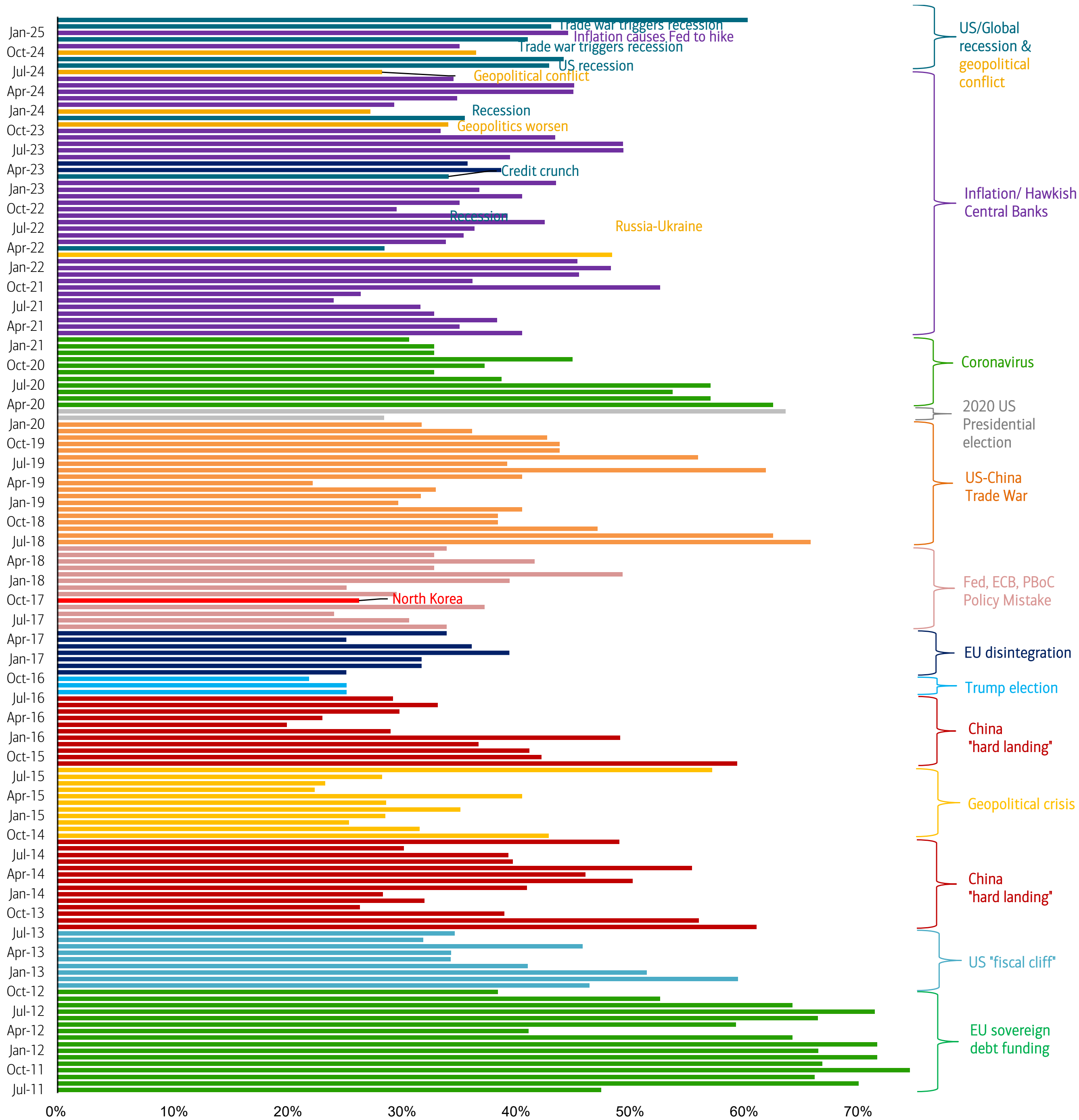
1. Cash levels rise >5% (triggers "buy signal") and/or rise by 60bps in 1-2 months…*March FMS cash up 62bps to 4.1%.*

2. Global growth expectations drop >20ppt in a month…*March FMS growth expectations down 41ppts to net -44%.*

3. Global equity allocation declines by >20ppt in a month…*March FMS equity AA fell 29ppts to net 6% OW.*

That said, no one is long recession/bonds, and FMS positioning is nowhere near extreme bear/close-your-eyes-and-buy levels.

Chart 20: Evolution of Global FMS "biggest tail risk"
History of Global FMS "biggest tail risk" answers



Source: BofA Global Fund Manager Survey

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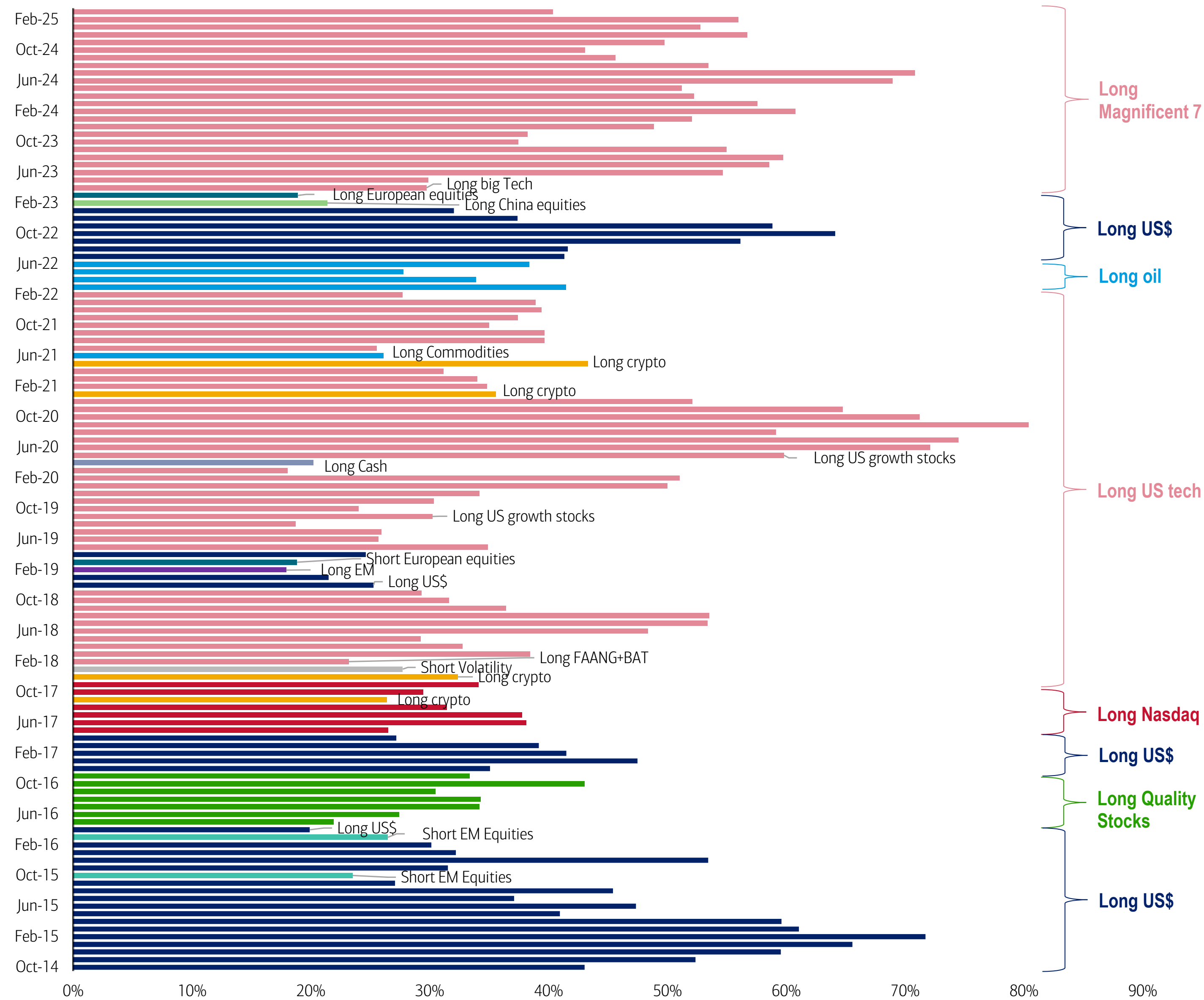
- This chart shows the full history of the biggest "tail risk" for markets from BofA's monthly Global Fund Manager Survey.
- The dominant concerns of investors since 2011 have been Eurozone debt, Chinese growth, populism, quantitative tightening & trade wars, global coronavirus, inflation, & central bank rate hikes; now geopolitics, trade war 2.0 and recession.
- The top "tail risk" is "trade war triggers global recession" at 55%.

Chart 21: Evolution of Global FMS "most crowded trade"

History of Global FMS "most crowded trade" answers



Source: BofA Global Fund Manager Survey

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- This chart shows the full history of the most "crowded trade" according to BofA's monthly Global Fund Manager Survey.
- The market leadership has been relatively narrow since 2013, shifting from high yielding debt; long US$; long Quality; long Tech; long Emerging Markets; long US Treasuries, long US tech & growth stocks, long Bitcoin, long commodities, long tech, long commodities, long US dollar, and long Magnificent Seven.
- Long Magnificent 7 is considered the most crowded trade (per 40% of investors) followed by #2 long EU stocks (23%), and #3 long crypto (9%).

BofA Global FMS Rules & Tools

The Global FMS Rules & Tools are designed to help investors determine risk appetite, rotation opportunities, and tactical entry points.

Table 2: BofA Global FMS Cash Rule and Bull & Bear Indicator
Current reading of BofA Global FMS Cash Rule and Bull & Bear Indicator

	Category	Current reading	Current signal
BofA Global FMS Cash Rule	Contrarian	4.1%	Neutral
Buy global equities when cash at or above 5.0%; sell when cash at or below 4.0%			
BofA Bull & Bear Indicator	Contrarian	5.2	Neutral
Buy global equities when the indicator falls below 2.0; sell when it rises above 8.0			

Source: BofA Global Investment Strategy

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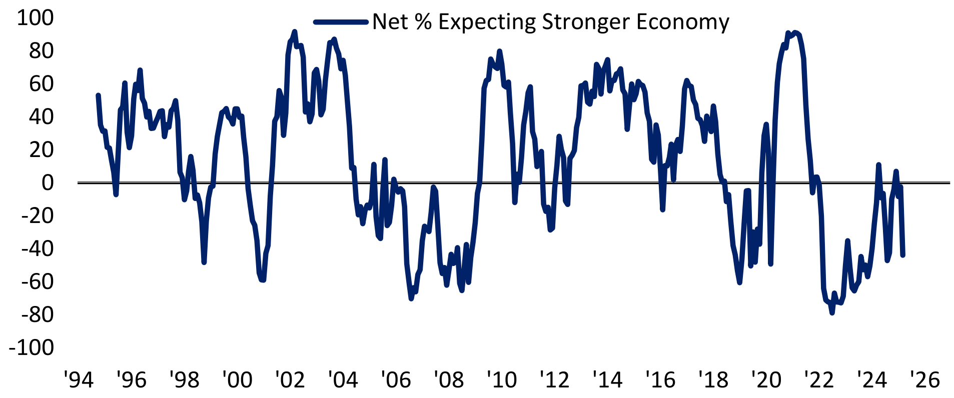
Disclaimer: The indicators identified as BofA Global FMS Cash Rule and BofA Bull & Bear Indicator above are intended to be indicative metrics only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These indicators were not created to act as a benchmark.

For full details please see: Global Investment Strategy: The BofA Global FMS Rules & Tools, 12 November 2020.

Investors on the Macro

Chart 22: Net % of FMS investors who see a stronger global economy in next 12 months
Net % of FMS investors expecting stronger economy



Source: BofA Global Fund Manager Survey

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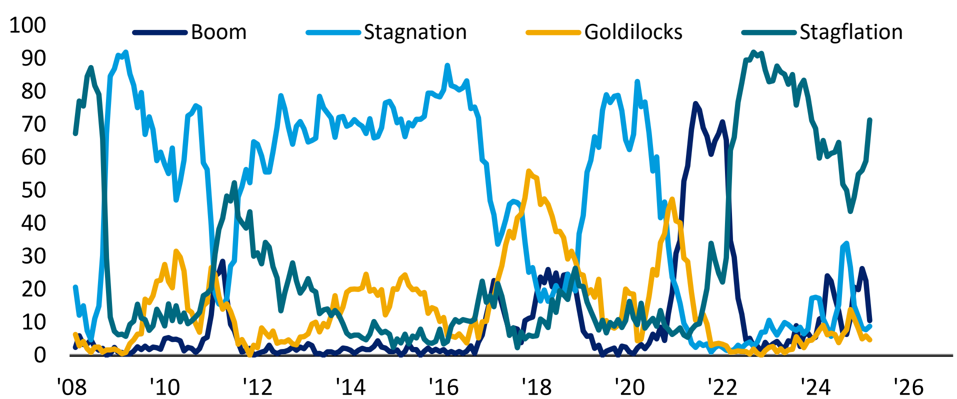
On the macro…

March FMS showed net 44% of investors expecting a weaker economy in the next 12 months (-42ppt MoM).

Chart 23: How FMS investors would describe the global economy over the next 12 months
FMS expectations for the global economy over the next 12 months?



Source: BofA Global Fund Manager Survey.

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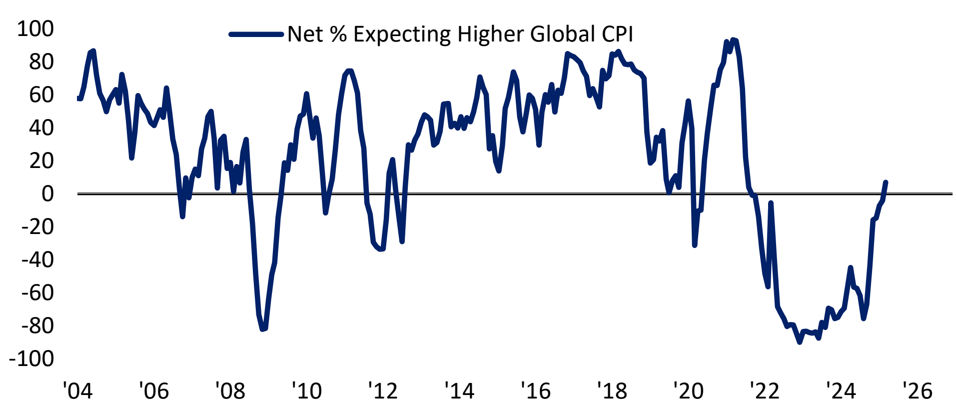
71% of FMS investors said they expect “stagflation” (below-trend growth & above-trend inflation)…highest since Nov’23.

11% of investors said “boom” (above-trend growth & above-trend inflation), down 12ppt MoM to a 5-month low.

9% said “stagnation” (below-trend growth & below-trend inflation).

Just 5% said “goldilocks” (above-trend growth & below-trend inflation).

Chart 24: Net % of FMS investors that think global CPI (in YoY terms) will be higher
Net % of FMS investors expecting higher inflation



Source: BofA Global Fund Manager Survey.

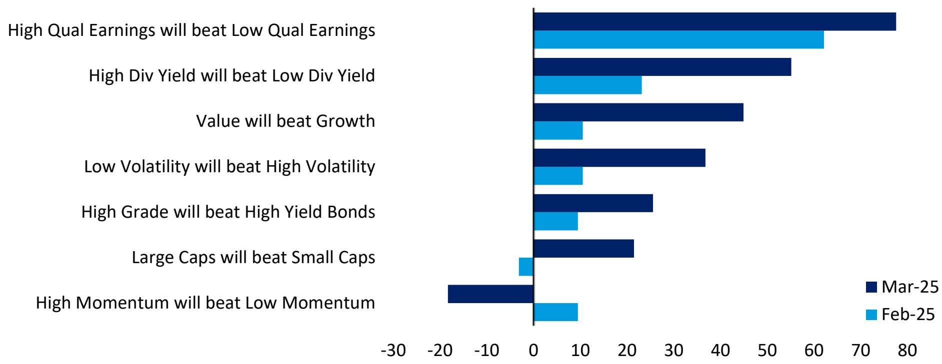
BofA GLOBAL RESEARCH

Net 7% expect global CPI to be higher in 12 months’ time.

For the first time since Aug’21, investors expect *higher* inflation.

Investor Risk Appetite

Chart 25: Expectations for investment performance over the next 12 months
Over the next 12 months, net % FMS investors think...



Source: BofA Global Fund Manager Survey

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Per March FMS ...

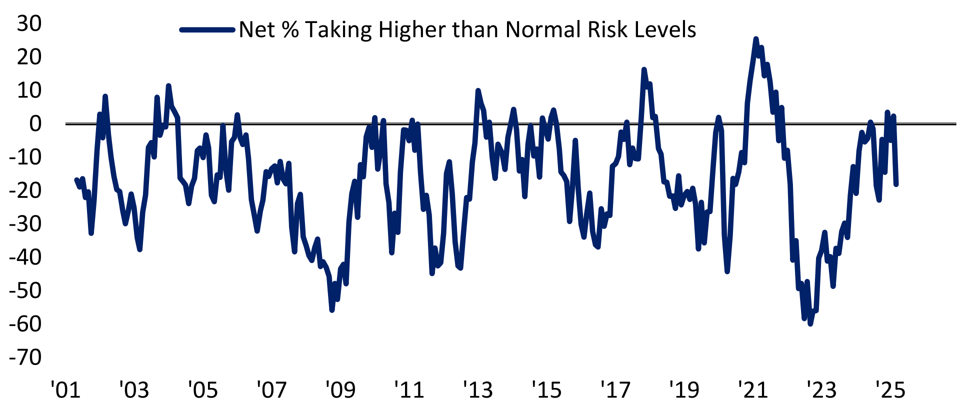
Net 78% say high-quality will outperform low-quality earnings...highest since Oct'22.

Net 55% say high dividend yield will outperform low dividend yield stocks...highest since Jan'23.

Net 45% expect value to outperform growth...most since Jan'23.

Net 21% expect large caps to beat small caps (vs net 3% small > large a month ago).

Chart 26: FMS investors taking higher than normal risk levels
What level of risk do you think you're currently taking relative to your benchmark?

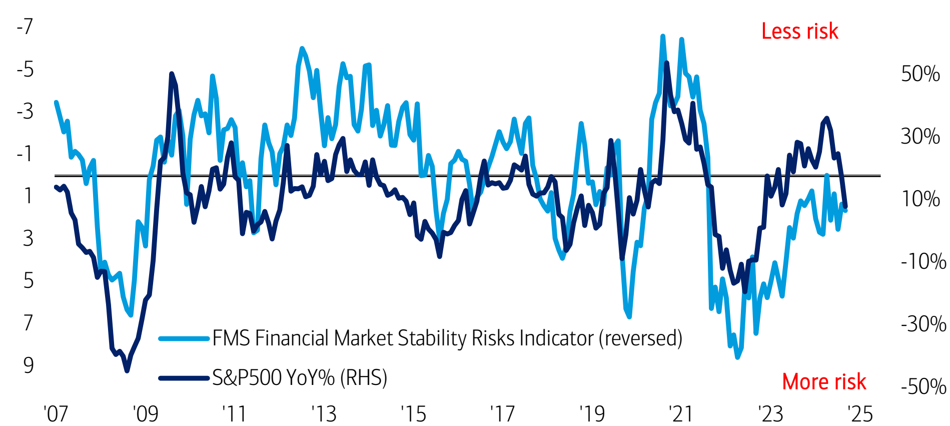


Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

Net 18% of FMS investors are taking lower than normal risk levels...lowest risk tolerance since Sep'24.

Chart 27: FMS Financial Market Stability Risks Indicator rises to 1.6
FMS Financial Market Stability Risks Indicator vs S&P 500 YoY %



Source: BofA Global Fund Manager Survey, Bloomberg

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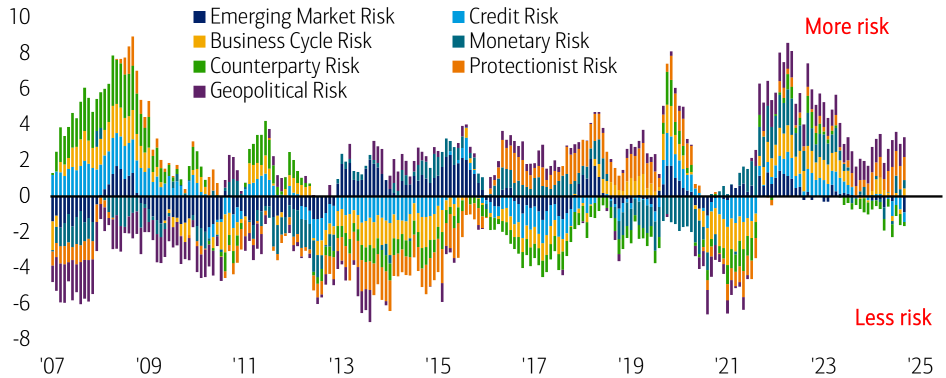
FMS Financial Market Stability Risks Indicator rises to 1.6 from 1.3.

The FMS Financial Market Stability Risks Indicator is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This indicator was not created to act as a benchmark.

More info and methodology on the FMS Financial Market Stability Risks Indicator can be found in the Nov'22 Global FMS.

Chart 28: FMS rating of potential risks to Financial Market Stability
Components of the FMS Financial Market Stability Risks Indicator



Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

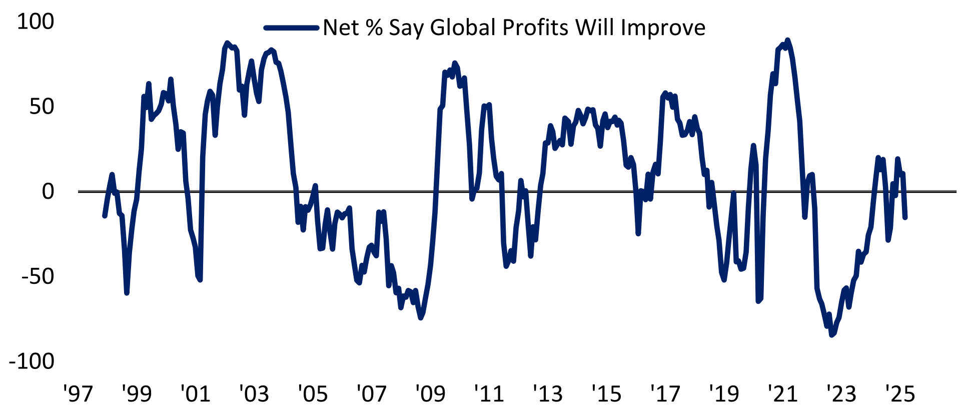
The chart shows the individual z-scores of each response to how FMS investors rated potential risks to financial market stability since '07.

6 out of the 8 underlying risk components rosed in March, led by business cycle risk (net 58% above normal.

Note a majority (net 4%) of FMS investors view emerging market risk as below normal for the 1st time since Feb'21.

Investors on EPS & Leverage

Chart 29: Net % of FMS investors that think global corporate profit growth will improve
Net % of FMS investors saying global profits will improve



Source: BofA Global Fund Manager Survey

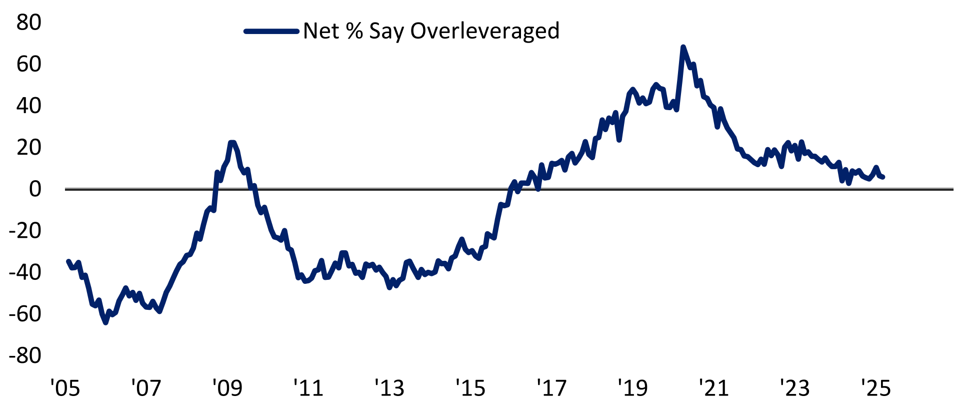
BofA GLOBAL RESEARCH

On corporates and profits…

Net 15% of FMS investors expect global profits to deteriorate in the next 12 months (vs. net 11% saying profits would *improve* last month).

Global profit expectations are at a 6-month low.

Chart 30: Net % of FMS investors that think corporate balance sheets are overleveraged
Net% of FMS investors saying companies are overleveraged

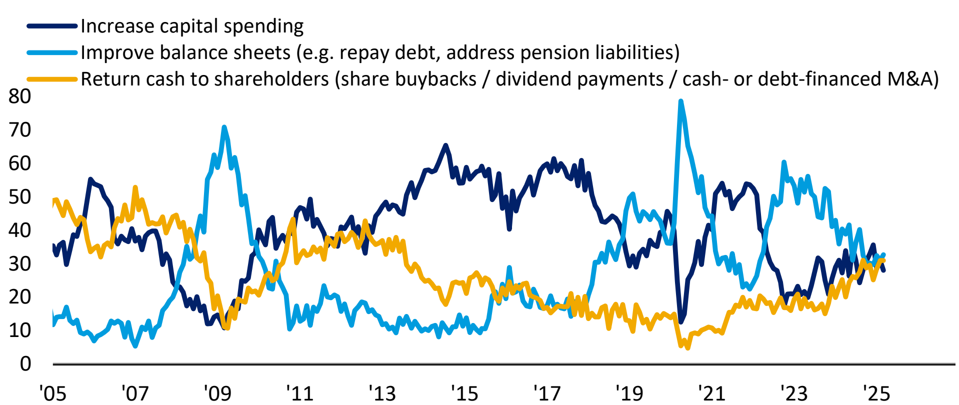


Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

Net 6% of FMS investors say companies are overleveraged (vs 7% in February).

Chart 31: What would you most like to see companies do with cash flow?
What FMS investors would most like to see companies do with cash flow



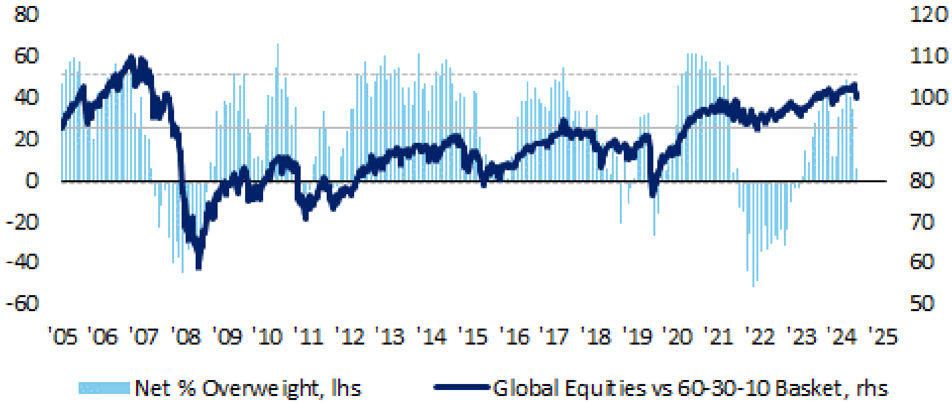
Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

Asked what companies should do with cash flow…33% said to improve balance sheets (7-month high), 31% said return cash to shareholders (matching 12-year high) and 28% said increase capital spending.

FMS Asset Allocation

Chart 32: Net % AA Say they are overweight Equities
Net% of FMS investors overweight equities



Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

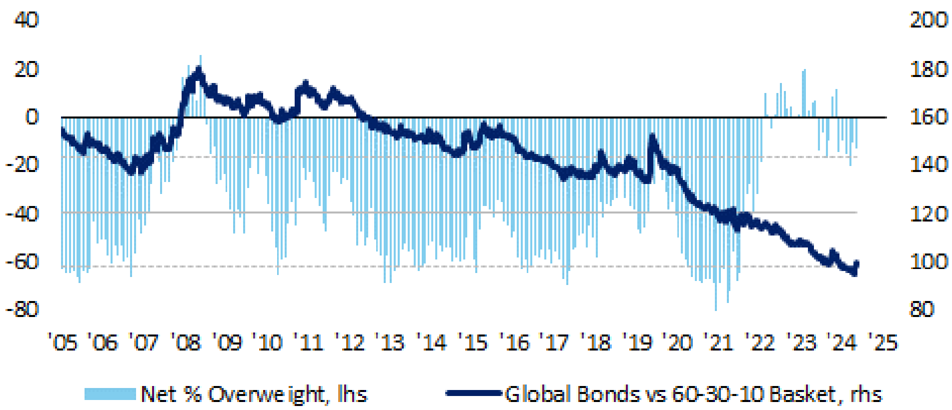
On asset allocation…

FMS equity allocation dropped 29ppt MoM to net 6% OW…biggest monthly drop since Jul'22, and 5th largest on record.

Equity allocation is now the lowest since Nov'23.

Current allocation is 0.7 stdev below its long-term average.

Chart 33: Net % AA Say they are overweight Bonds
Net% of FMS investors overweight bonds



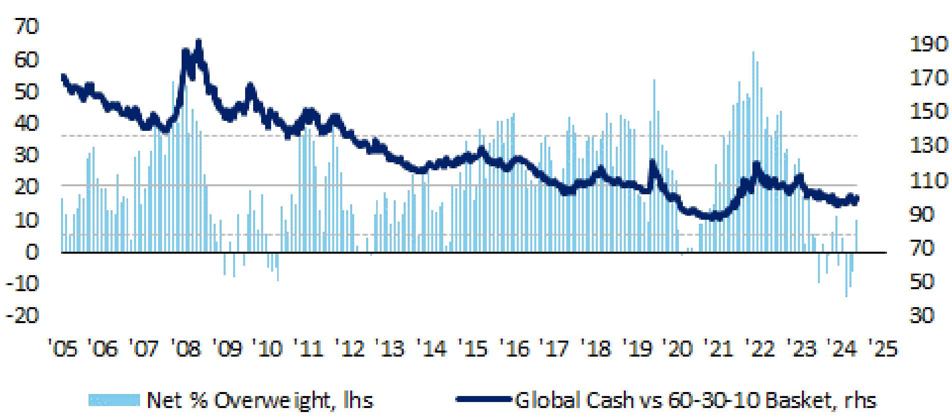
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS bond allocation is net 13% underweight (from net 11% UW last month).

Current allocation is 1.2 stdev above its long-term average.

Chart 34: Net % AA Say they are overweight Cash
Net% of FMS investors overweight cash



Source: BofA Global Fund Manager Survey, Datastream

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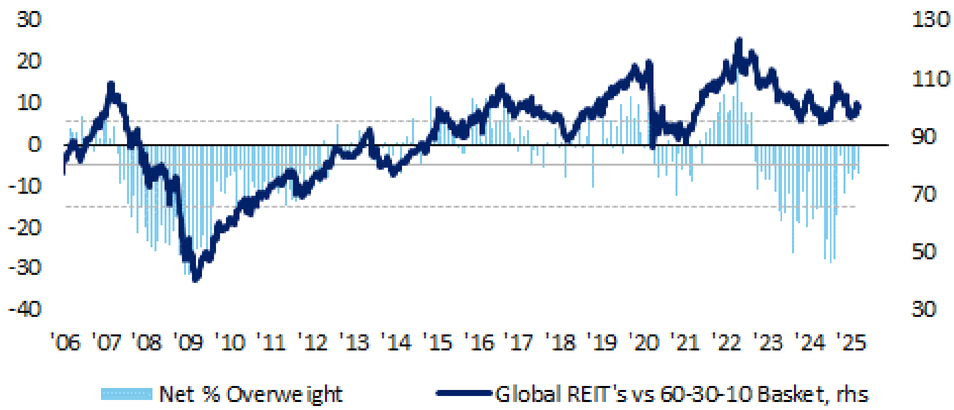
FMS cash allocation jumped from net 6% underweight to net 10% overweight, largest MoM increase since Mar'20.

Cash allocation is at a 6-month high.

Current allocation is 0.7 stdev below its long-term average.

Chart 35: Net % AA Say they are overweight Real Estate
Net% of FMS investors overweight Real Estate



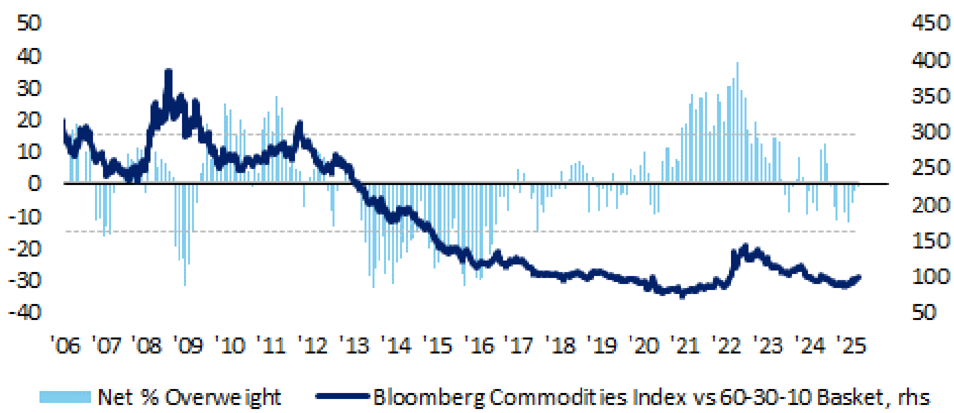
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS real estate allocation is net 7% underweight (vs. net 6% UW a month ago).

Current allocation is 0.2 stdev below its long-term average.

Chart 36: Net % AA Say they are overweight Commodities
Net% of FMS investors overweight commodities



Source: BofA Global Fund Manager Survey, Datastream.

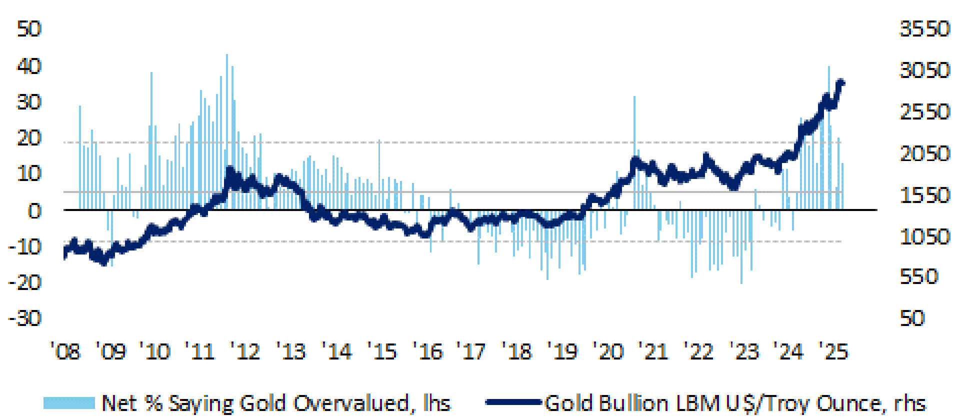
BofA GLOBAL RESEARCH

FMS commodities allocation is net 1% underweight (vs. net 2% UW a month ago).

Commodities allocation is at a 5-month high.

Current allocation is 0.1 stdev below its long-term average.

Chart 37: Gold Valuation and Gold Price ($/oz)
Net% of FMS investors saying gold overvalued



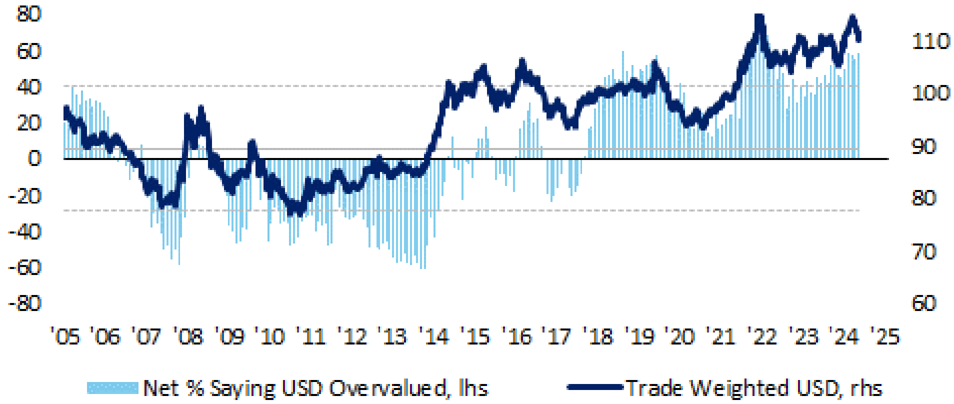
Source: BofA Global Fund Manager Survey, Datastream.

BofA GLOBAL RESEARCH

Net 13% of FMS investors say gold is overvalued, -7ppt MoM.

Currencies extremes

Chart 38: USD Valuation and Trade weighted index
Net% of FMS investors saying USD overvalued



Source: BofA Global Fund Manager Survey, Datastream

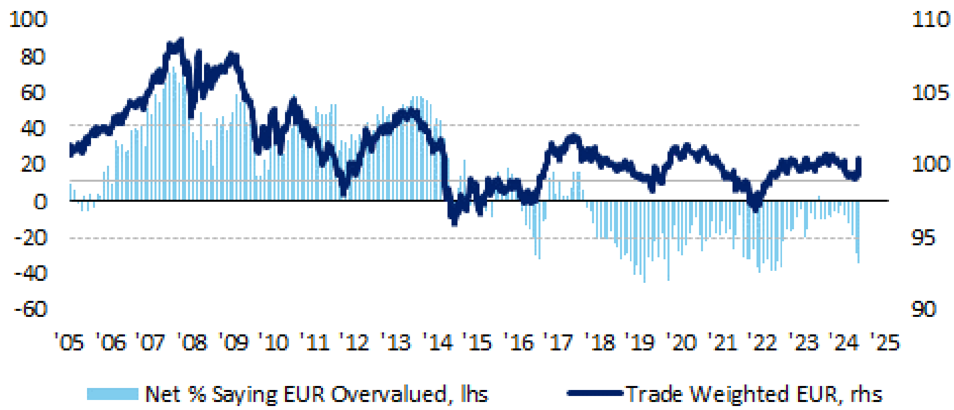
BofA GLOBAL RESEARCH

On currencies…

Net 59% of FMS investors say US$ is overvalued (up 3ppt MoM)…highest since Apr'23.

Current valuation is 1.5 stdev above the long-term average.

Chart 39: EUR valuation and Trade weighted index
Net% of FMS investors saying EUR overvalued



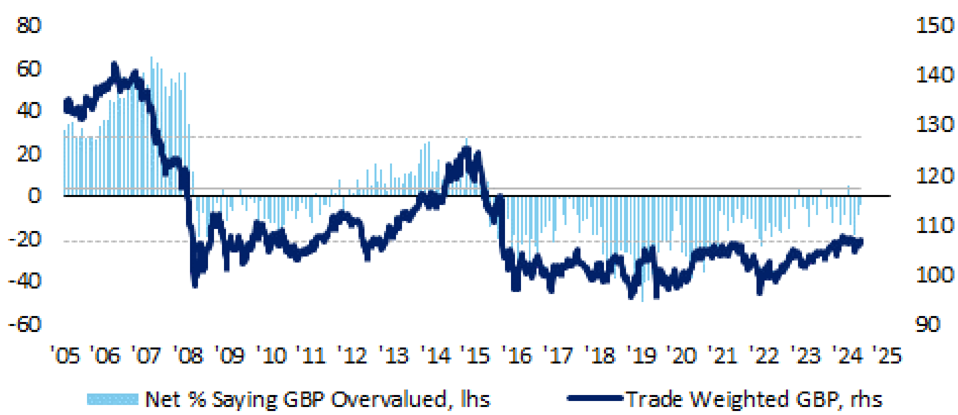
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

Net 34% of FMS investors say EUR is undervalued (up 6ppt MoM)…most since Apr'23.

Current valuation is 1.4 stdev below the long-term average.

Chart 40: GBP valuation and Trade weighted index
Net % of FMS investors saying GBP overvalued



Source: BofA Global Fund Manager Survey, Datastream

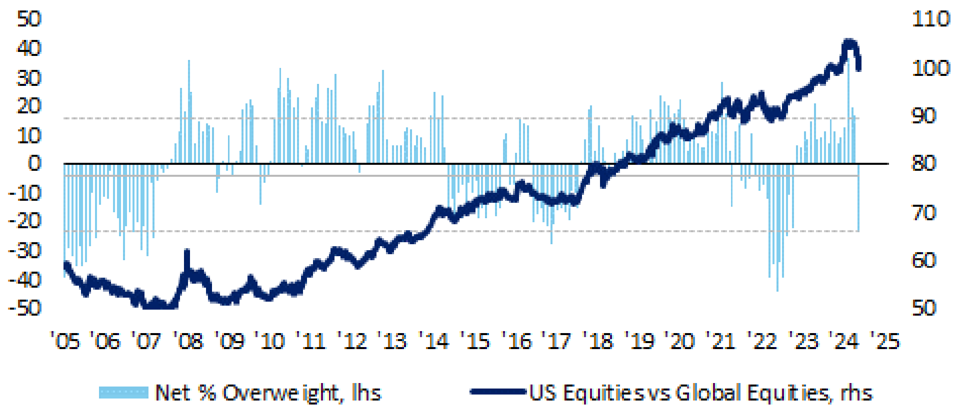
BofA GLOBAL RESEARCH

Net 4% of FMS investors think GBP is undervalued (vs. 8% a month ago).

Current valuation is 0.3 stdev below the long-term average.

Investor Regional Equity Allocation

Chart 41: Net % AA Say they are overweight US Equities
Net% of FMS investors overweight US equities



Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

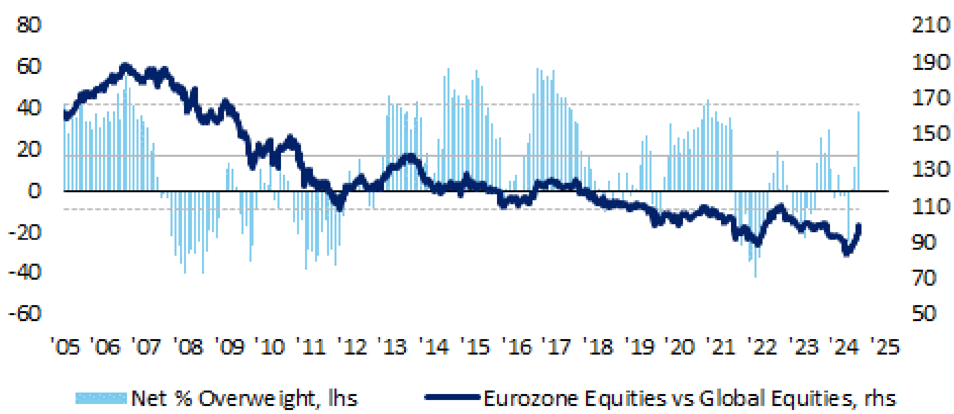
On regional equity allocation…

FMS investors are net 23% underweight US equities, lowest allocation since Jun'23.

US equity allocation dropped 40ppt in March… biggest monthly decline on record.

Current allocation is 1.0 stdev below its long-term average.

Chart 42: Net % AA Say they are overweight Eurozone Equities
Net% of FMS investors overweight EU equities



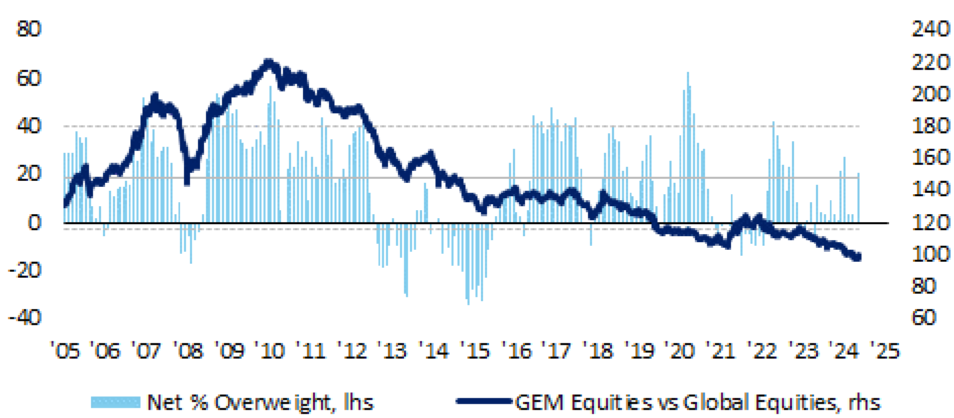
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

Allocation to Eurozone equities jumped 27ppt MoM to net 39% overweight… highest since Jul'21.

Current allocation is 0.9 stdev above its long-term average.

Chart 43: Net % AA Say they are overweight EM Equities
Net% of FMS investors overweight EM equities



Source: BofA Global Fund Manager Survey, Datastream

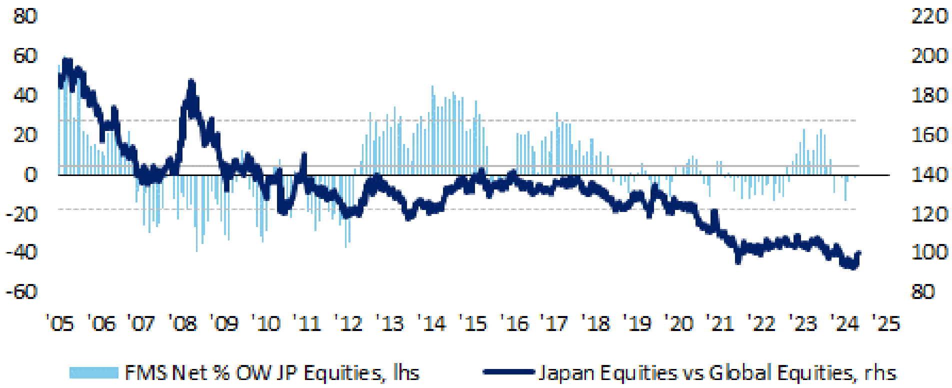
BofA GLOBAL RESEARCH

FMS investors are net 20% overweight EM stocks, up 20ppt MoM.

EM equity allocation is highest since Nov'24.

Current allocation is 0.1 stdev above its long-term average.

Chart 44: Net % AA Say they are overweight Japanese Equities
Net% of FMS investors overweight Japanese equities



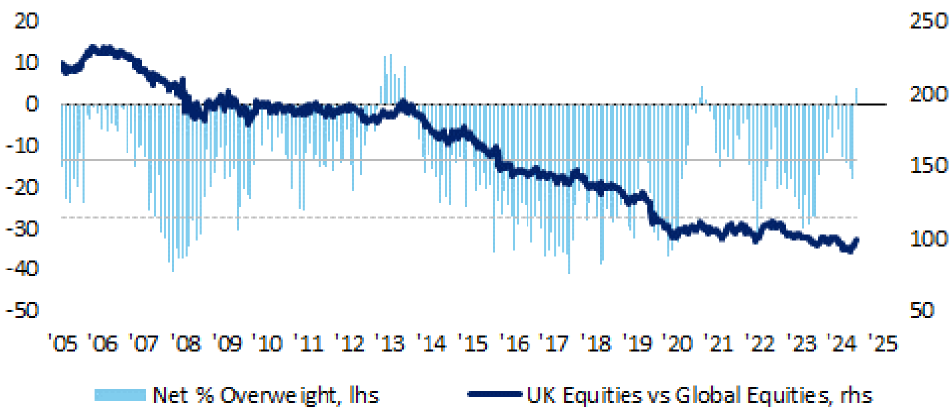
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net 1% underweight Japanese equities (vs net 2% a month ago).

Current allocation is 0.2 stdev below its long-term average.

Chart 45: Net % AA Say they are overweight UK Equities
Net% of FMS investors overweight UK equities



Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

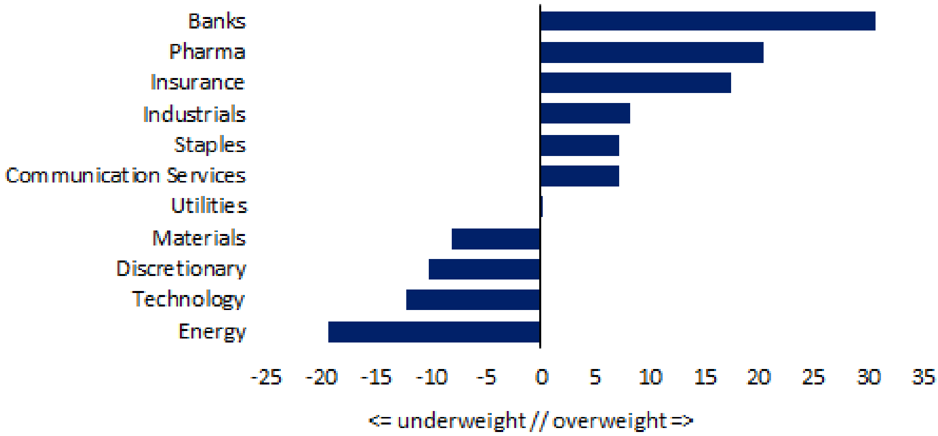
FMS investors are net 4% overweight UK equities, up 22ppt MoM to highest allocation since Jun'21.

Current allocation is 1.3 stdev above its long-term average.

Investor Sector Allocation

Chart 46: Global Sector Sentiment

Net % overweight (% saying overweight - % saying underweight)



Source: BofA Global Fund Manager Survey

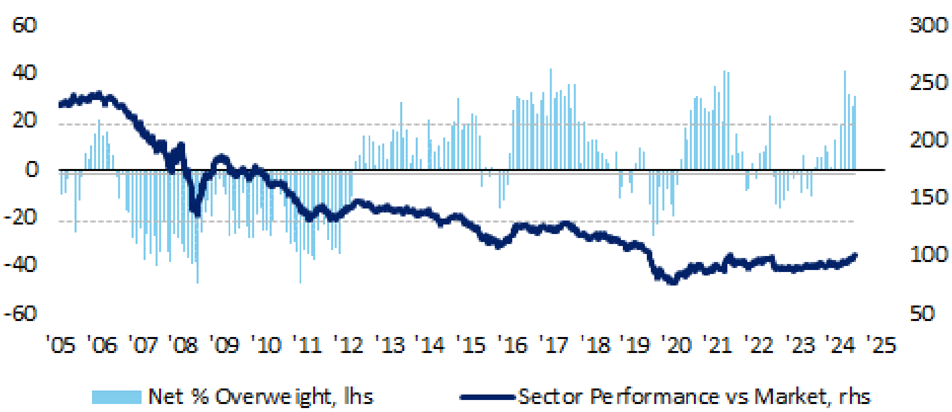
BofA GLOBAL RESEARCH

March saw FMS investors increasing allocation to staples, insurance, and telecom, and reducing allocation to tech, energy, and consumer discretionary.

FMS investors are the most (net) overweight banks, healthcare, and insurance, and the most (net) underweight energy, tech, and consumer discretionary.

Chart 47: Global Banks

Net % of FMS investors overweight banks



Source: BofA Global Fund Manager Survey, Datastream

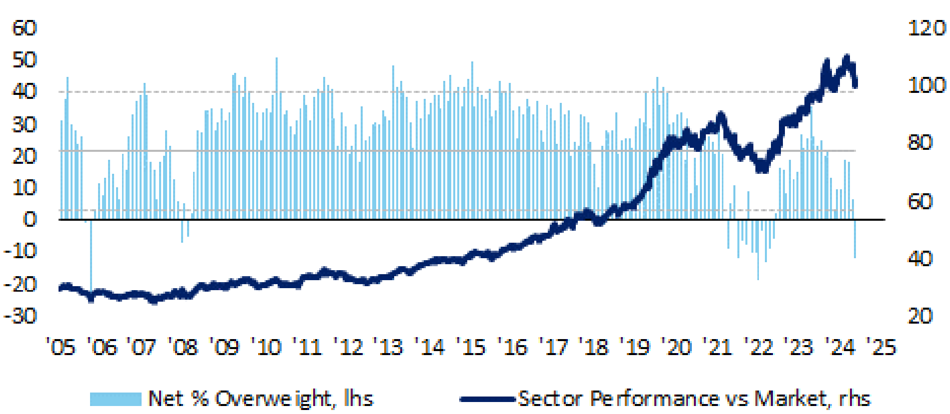
BofA GLOBAL RESEARCH

FMS investors are net 31% overweight banks, up 5ppt MoM.

Current reading is 1.6 stdev above its long-term average.

Chart 48: Global Technology

Net % of FMS investors overweight technology



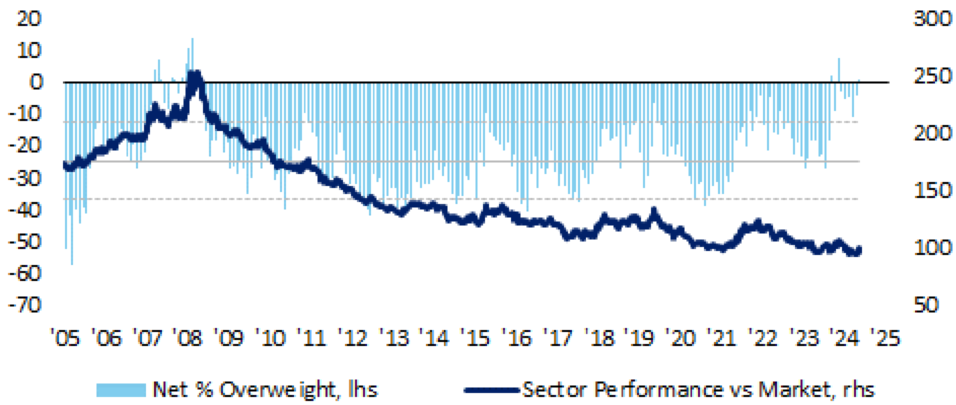
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net 12% underweight technology, -18ppt MoM to lowest allocation since Jan'23.

Current reading is 1.9 stdev below its long-term average.

Chart 49: Global Utilities
Net % of FMS investors overweight utilities



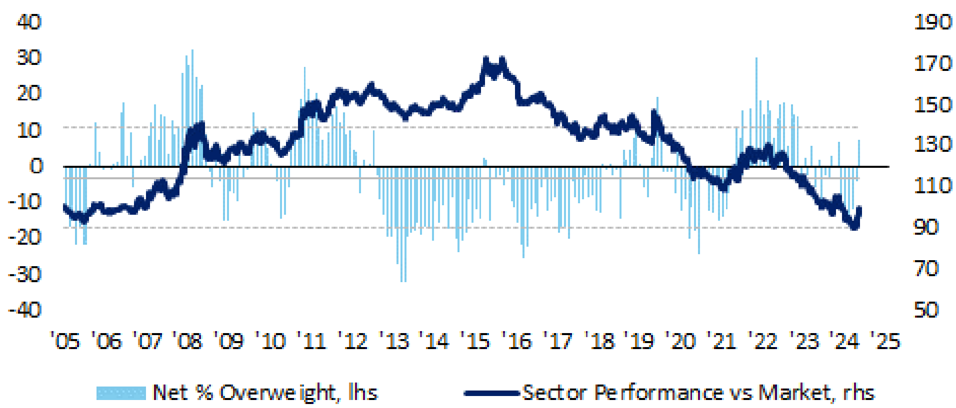
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net neutral utilities (vs. net 4% UW last month).

Current reading is 2.0 stdev above its long-term average.

Chart 50: Global Consumer Staples
Net % of FMS investors overweight consumer staples



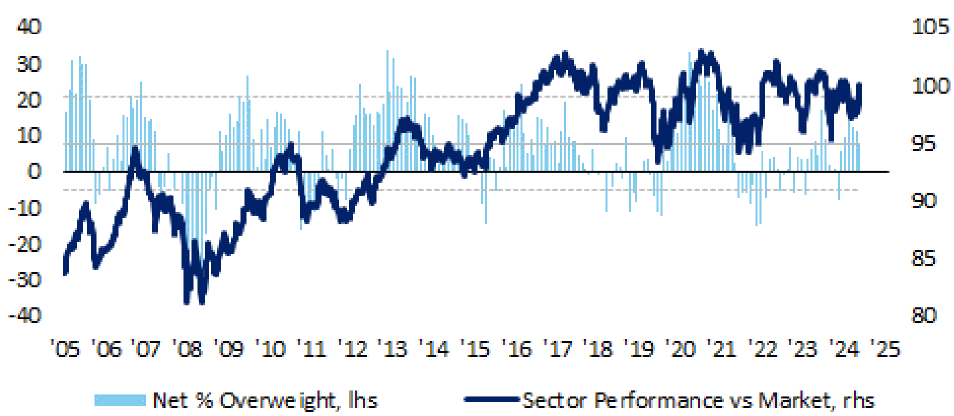
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net 7% overweight staples…highest allocation since Sep'23.

Current reading is 0.7 stdev above its long-term average.

Chart 51: Global Industrials
Net % of FMS investors overweight industrials



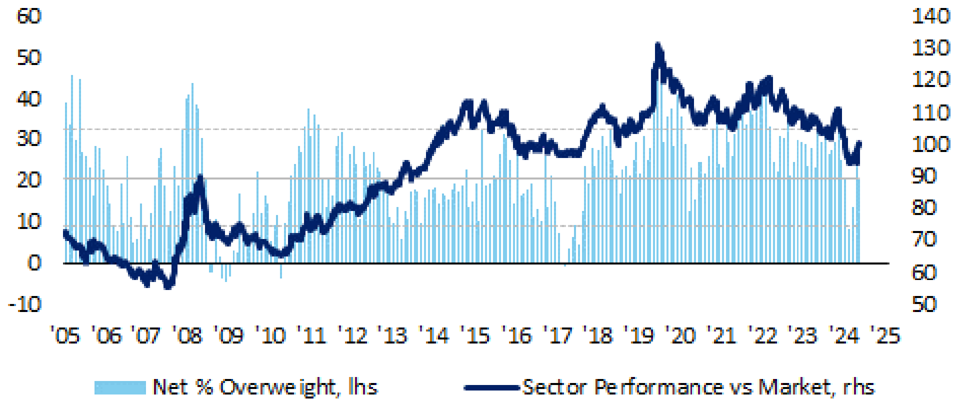
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net 8% overweight industrials (-4ppt MoM to a 5-month low).

Current reading is in line with its long-term average.

Chart 52: Global Healthcare
Net% of FMS investors overweight healthcare



Source: BofA Global Fund Manager Survey, Datastream

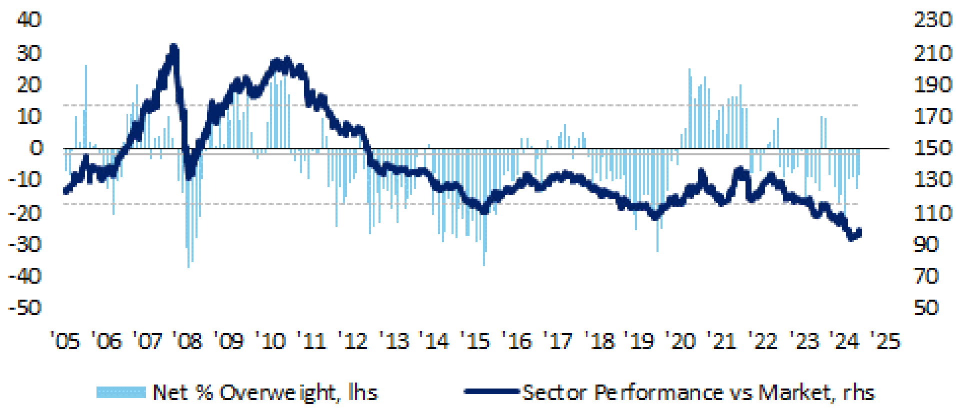
BofA GLOBAL RESEARCH

FMS investors are net 20% overweight healthcare (-4ppt MoM).

Allocation to healthcare has been consistently overweight since Jan'18.

Current reading is in line with its long-term average.

Chart 53: Global Materials
Net% of FMS investors overweight materials



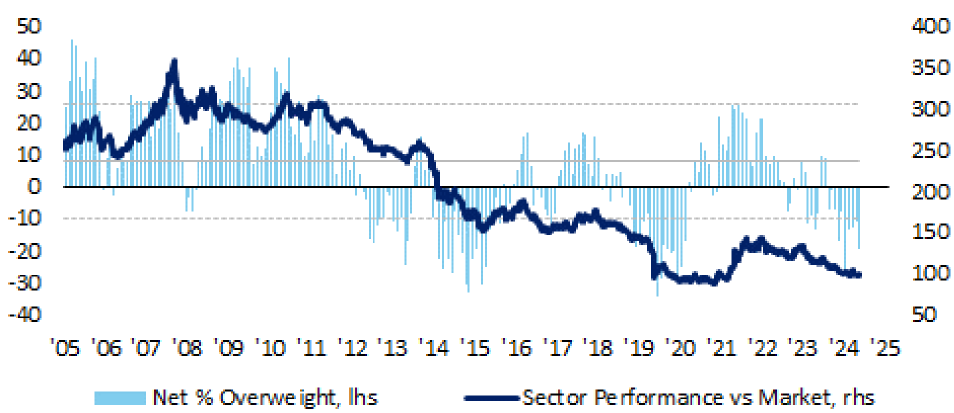
Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net 8% underweight materials (from net 13% UW a month ago).

Current reading is 0.4 stdev below its long-term average.

Chart 54: Global Energy
Net% of FMS investors overweight energy



Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

FMS investors are net 19% underweight energy (4-month low in allocation).

Current reading is 1.5 stdev below its long-term average.

Global survey demographics data

Table 3: Position / Institution / Approach to Global Equity Strategy
Position / Institution / Approach to Global Equity Strategy

	Mar-25	Feb-25	Jan-25
Structure of the panel - by position			
Chief Investment Officer	31	31	36
Asset Allocator / Strategist / Economist	55	62	58
Portfolio Manager	79	69	81
Other	6	6	7
Structure of the Panel - by expertise			
Global Specialists Only	98	95	103
Regional Specialists with a Global View	73	73	79
Total # of Respondents to Global Questions	171	168	182
Which of the Following Best Describes the Type of Money You are Running?			
Institutional funds (e.g. pension funds / insurance companies)	56	48	52
Hedge funds / proprietary trading desks	18	21	15
Mutual funds / unit trusts / investment trusts	71	76	90
None of the above	26	23	25
What Do You Estimate to be the Total Current Value of Assets Under Your Direct Control?			
Up to $250mn	32	29	28
Around $500mn	19	20	24
Around $1bn	28	34	26
Around $2.5bn	21	16	23
Around $5bn	11	12	18
Around $7.5bn	7	8	8
Around $10bn or more	22	19	26
No funds under my direct control	31	30	29
Total (USD bn)	426	401	513
What best describes your investment time horizon at this moment?			
3 months or less	56	57	62
6 months	41	44	30
9 months	16	15	17
12 months or more	55	50	70
Weighted average	7.3	7.0	7.6
Don't know	3	2	3

Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

Disclosures

Important Disclosures

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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.

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