Apple Inc.

Passing the baton on Sep 1: Will Apple's risk appetite change under John Ternus?

Reiterate Rating: BUY | PO: 380.00 USD | Price: 316.83 USD

Extraordinary value creation under Tim Cook

Under Tim Cook, Apple has created market cap growth at a rate of roughly $32 million an hour, every hour, for nearly 15 years or a total of $4.5 trillion overall. Tim Cook took Apple from a company driven by a small number of product cycles into an institution capable of producing growth, cash flow, customer loyalty, and innovation at enormous scale and SKU complexity. Cook focused on driving growth in the installed base of devices, monetizing that base through services (Apple Pay, App Store, Apple Music, Apple TV+ etc.) with a focus on privacy. We expect much of the core of Apple to remain unchanged under incoming CEO John Ternus. Reit Buy on strong capital returns, eventually winner at AI at the edge & optionality from new products/markets.

From a cloud to an AI enabled future

The Tim Cook era saw the concurrent growth of the public cloud that enabled the use of cloud services like Uber, Maps etc that merged devices with useful services. We see the next era as one where devices combine AI features to become significant drivers of productivity. By combining Apple silicon, on-device processing, privacy, operating systems, personal context, and a vast installed base, Ternus could cement Apple's device dominance in an AI enabled era. Wearables (Glasses, ring, Airpods with cameras), smart home automation (extend TV to interface with home control and monitoring), virtual and physical personal assistants (including Robotics) could all be incremental areas of focus.

Can the risk taking appetite change?

Apple has moved away from a net cash neutral objective, which in our opinion, could signal a period of higher investment in R&D, Capex, and larger M&A. The latter two have not been emphasized in the Tim Cook era but AI could require Apple to move with a higher rate of change when the speed of innovation is accelerating with AI.

Scale of success makes hitting a home run harder

Apple is already so large, profitable, and deeply embedded in its customers' lives that incremental excellence may no longer be enough to redefine the company. Ternus's challenge will be to preserve the profitable machine Cook built while restoring a stronger sense of technological surprise.

Estimates (Sep) (US$)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
EPS	6.75	7.46	8.85	9.92	10.95
EPS Change (YoY)	10.1%	10.5%	18.6%	12.1%	10.4%
Consensus EPS (Bloomberg)			8.80	9.56	10.63
Consensus EPS (Visible Alpha)			8.83	9.50	10.56
DPS	0.99	1.02	1.07	1.12	1.18
Valuation (Sep)					
P/E	46.9x	42.5x	35.8x	31.9x	28.9x
Dividend Yield	0.3%	0.3%	0.3%	0.4%	0.4%
EV / EBITDA*	32.4x	30.1x	25.1x	23.5x	21.4x
Free Cash Flow Yield*	2.3%	2.1%	3.2%	3.3%	3.5%

* For full definitions of *iQmethod*[SM] measures, see page 4.

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 5 to 7. Analyst Certification on page 3. Price Objective Basis/Risk on page 3.

20 August 2026

Equity

Wamsi Mohan
Research Analyst
BofAS
+1 646 855 3854
wamsi.mohan@bofa.com

Ruplu Bhattacharya
Research Analyst
BofAS
+1 646 855 0315
ruplu.bhattacharya@bofa.com

Ryan Seungin Choi
Research Analyst
BofAS
+1 646 743 0587
ryan.choi2@bofa.com

Stock Data

Price	316.83 USD
Price Objective	380.00 USD
Date Established	26-May-2026
Investment Opinion	B-1-7
52-Week Range	223.78 USD - 344.57 USD
Mrkt Val (mn) / Shares Out (mn)	4,653,395 USD / 14,687.4
Free Float	98.0%
Average Daily Value (mn)	16205.35 USD
BofA Ticker / Exchange	AAPL / NAS
Bloomberg / Reuters	AAPL US / AAPL.OQ
ROE (2026E)	137.6%
Net Dbt to Eqty (Sep-2025A)	85.1%

Glossary:

SKU: stock keeping unit

*iQprofile*SM Apple Inc.

iQ*method SM – Bus Performance

(US$ Millions)	2024A	2025A	2026E	2027E	2028E
Return on Capital Employed	55.0%	59.6%	64.2%	57.1%	51.8%
Return on Equity	187.3%	171.4%	137.6%	101.4%	77.5%
Operating Margin	34.5%	35.0%	36.8%	35.1%	36.0%
Free Cash Flow	108,807	98,767	146,857	152,243	162,590

iQ*method SM – Quality of Earnings

(US$ Millions)	2024A	2025A	2026E	2027E	2028E
Cash Realization Ratio	1.1x	1.0x	1.2x	1.2x	1.1x
Asset Replacement Ratio	0.8x	1.1x	0.7x	0.9x	0.9x
Tax Rate	14.4%	14.3%	15.6%	15.8%	15.6%
Net Debt-to-Equity Ratio	134.7%	85.1%	29.5%	-1.1%	-20.3%
Interest Cover	NM	NM	NM	NM	NM

Income Statement Data (Sep)

(US$ Millions)	2024A	2025A	2026E	2027E	2028E
Sales	391,035	416,161	477,099	533,253	570,646
% Change	2.0%	6.4%	14.6%	11.8%	7.0%
Gross Profit	182,787	197,489	235,154	254,643	277,391
% Change	6.8%	8.0%	19.1%	8.3%	8.9%
EBITDA	146,349	157,333	189,020	201,817	221,968
% Change	7.1%	7.5%	20.1%	6.8%	10.0%
Net Interest & Other Income	(232)	(330)	762	(107)	259
Net Income (Adjusted)	**103,982**	**112,010**	**130,298**	**143,922**	**156,221**
% Change	**7.2%**	**7.7%**	**16.3%**	**10.5%**	**8.5%**

Free Cash Flow Data (Sep)

(US$ Millions)	2024A	2025A	2026E	2027E	2028E
Net Income from Cont Operations (GAAP)	115,670	124,595	149,185	157,670	173,745
Depreciation & Amortization	11,445	11,698	13,324	14,563	16,485
Change in Working Capital	3,651	(25,000)	1,259	(9,316)	(13,374)
Deferred Taxation Charge	0	0	0	0	0
Other Adjustments, Net	(12,512)	189	(7,019)	2,657	0
Capital Expenditure	(9,447)	(12,715)	(9,892)	(13,331)	(14,266)
Free Cash Flow	**108,807**	**98,767**	**146,857**	**152,243**	**162,590**
% Change	**9.3%**	**-9.2%**	**48.7%**	**3.7%**	**6.8%**
Share / Issue Repurchase	(94,949)	(90,711)	(87,094)	(100,000)	(100,000)
Cost of Dividends Paid	(15,234)	(15,376)	(15,779)	(16,233)	(16,763)
Change in Debt	(9,958)	(6,451)	(8,146)	0	0

Balance Sheet Data (Sep)

(US$ Millions)	2024A	2025A	2026E	2027E	2028E
Cash & Equivalents	29,943	35,934	47,203	83,213	129,040
Trade Receivables	66,243	72,957	70,252	82,265	93,735
Other Current Assets	56,801	39,066	45,237	45,257	45,323
Property, Plant & Equipment	45,680	49,834	53,113	60,310	67,633
Other Non-Current Assets	166,313	161,450	182,996	183,955	184,923
Total Assets	**364,980**	**359,241**	**398,801**	**455,000**	**520,653**
Short-Term Debt	20,879	20,329	10,000	10,000	10,000
Other Current Liabilities	155,513	145,302	146,731	150,368	149,501
Long-Term Debt	85,750	78,328	71,340	71,340	71,340
Other Non-Current Liabilities	45,888	41,549	55,051	55,090	55,087
Total Liabilities	**308,030**	**285,508**	**283,122**	**286,798**	**285,928**
Total Equity	**56,950**	**73,733**	**115,679**	**168,201**	**234,725**
Total Equity & Liabilities	**364,980**	**359,241**	**398,801**	**455,000**	**520,653**

* For full definitions of *iQmethod*SM measures, see page 4.

Company Sector

IT Hardware

Company Description

Apple Inc. (AAPL) designs, manufactures, and markets consumer electronics and computers, and has developed its own proprietary iOS, Mac OS, TvOS and Watch OS operating systems and related software platform/ecosystem. Revenues are principally derived from the iPhone line of smartphones, Services, hardware sales of the Macintosh family of notebook and desktop computers, iPad tablets, and wearables.

Investment Rationale

Our Buy rating on Apple is based on 1) expected strong iPhone upgrade cycle in F26, F27 driven by the need for latest hardware to enable Gen AI features, 2) higher growth in Services revenue, 3) higher margins from more internally developed silicon, 4) continuing capital returns, 5) AI features that can drive higher institutional ownership, and 6) risk around legal issues being manageable.

Stock Data

Average Daily Volume	51,148,420

Quarterly Earnings Estimates

	2025	2026
Q1	2.40A	2.84A
Q2	1.65A	2.01A
Q3	1.57A	2.02E
Q4	1.85A	1.97E

Price objective basis & risk

Apple Inc. (AAPL)

Our PO of $380 is based on 37x our C27E EPS of $10.32. Our target multiple compares to the 5-year historical range of 19-35x (median 27x). We believe a multiple above the higher end of the historical range is justified given the significant opportunity in agentic AI as well as a multi-year upgrade cycle, large cash balance and opportunity to diversify into new end markets, improving mix and diversity of services.

Downside risks are a) weaker iPhone cycle on consumer spending risk, b) weaker near-term services trajectory where App Store & Licensing can decelerate, c) execution on agentic Siri, d) iPads/Macs reverting to pre-COVID levels, e) stronger dollar, f) antitrust lawsuit. Other risks are negative impact to licensing revenues from competing AI related search, potential trade conflicts, tariffs, longer iPhone replacement cycles, commoditization in the smartphone market, intensifying competition in the tablet market, ability to manage beat and raise expectations for EPS estimates, and requirement to maintain pace of product innovation.

Upside risks are a) stronger sales of Pro iPhone models which can help average selling price and help the mix of the business, b) est. revisions can be lower vs. peers, c) potential new products (AR/VR), and services (advertising). Other upside risks are stronger than expected iPhone cycle, gross margin upside from better mix of higher end iPhones, tailwinds from lower memory costs, and a faster than expected recovery in emerging markets.

Analyst Certification

I, Wamsi Mohan, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

US - IT Hardware and Technology Supply Chain Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Amphenol	APH	APH US	Wamsi Mohan
	Apple Inc.	AAPL	AAPL US	Wamsi Mohan
	Bel Fuse Inc.	BELFB	BELFB US	Wamsi Mohan
	Celestica Inc.	CLS	CLS US	Ruplu Bhattacharya
	Celestica Inc.	YCLS	CLS CN	Ruplu Bhattacharya
	Corning Inc.	GLW	GLW US	Wamsi Mohan
	Dell Technologies Inc.	DELL	DELL US	Wamsi Mohan
	DigitalOcean	DOCN	DOCN US	Wamsi Mohan
	Flex Ltd.	FLEX	FLEX US	Ruplu Bhattacharya
	Hewlett-Packard Enterprise	HPE	HPE US	Wamsi Mohan
	Ingram Micro Holding Corporation	INGM	INGM US	Ruplu Bhattacharya
	International Business Machines Corp.	IBM	IBM US	Wamsi Mohan
	Jabil Inc.	JBL	JBL US	Ruplu Bhattacharya
	Nutanix Inc	NTNX	NTNX US	Wamsi Mohan
	Sandisk Corporation	SNDK	SNDK US	Wamsi Mohan
	Seagate Technology	STX	STX US	Wamsi Mohan
	TD Synnex Corp	SNX	SNX US	Ruplu Bhattacharya
	TE Connectivity Plc.	TEL	TEL US	Wamsi Mohan
	Western Digital Corporation	WDC	WDC US	Wamsi Mohan

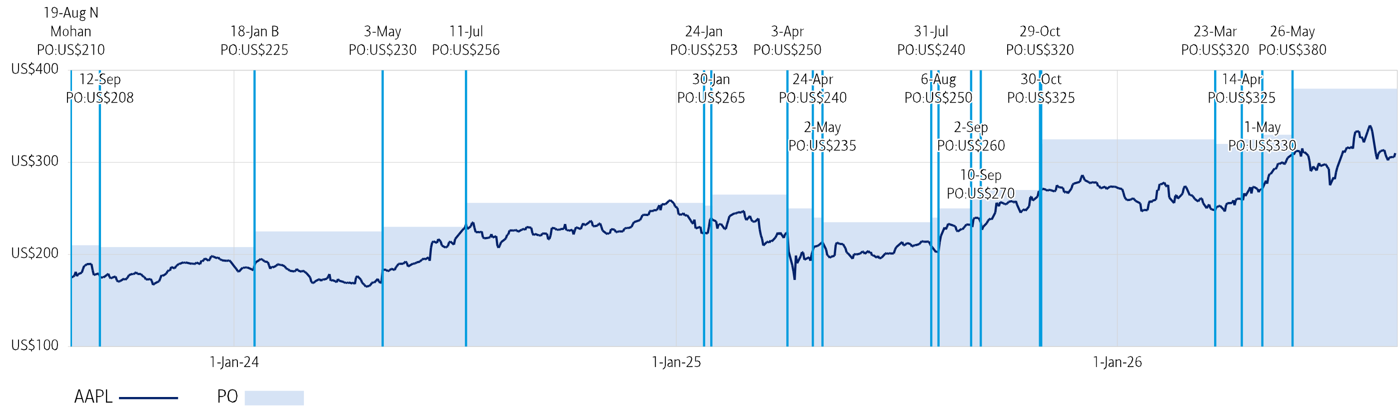
Arrow Electronics Inc.	ARW	ARW US	Ruplu Bhattacharya
CDW Corp	CDW	CDW US	Ruplu Bhattacharya
Enovix Corporation	ENVX	ENVX US	Ruplu Bhattacharya
NetApp Inc.	NTAP	NTAP US	Wamsi Mohan

HP Inc.	HPQ	HPQ US	Wamsi Mohan
Teradata Corporation	TDC	TDC US	Wamsi Mohan

Disclosures

Important Disclosures

Apple Inc. (AAPL) Price Chart



B: Buy, N: Neutral, U: Underperform, PO: Price Objective, NA: No longer valid, NR: No Rating

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Equity Investment Rating Distribution: Technology Group (as of 30 Jun 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	243	60.60%	Buy	123	50.62%
Hold	87	21.70%	Hold	45	51.72%
Sell	71	17.71%	Sell	21	29.58%

Equity Investment Rating Distribution: Global Group (as of 30 Jun 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	1987	56.11%	Buy	1190	59.89%
Hold	797	22.51%	Hold	496	62.23%
Sell	757	21.38%	Sell	391	51.65%

[R1] Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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[R2]
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

[R2]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.

Price Charts for the securities referenced in this research report are available on the Price Charts website, or call 1-800-MERRILL to have them mailed.
BofAS or one of its affiliates acts as a market maker for the equity securities recommended in the report: Apple Inc.
The issuer is or was, within the last 12 months, an investment banking client of BofAS and/or one or more of its affiliates: Apple Inc.
BofAS or an affiliate has received compensation from the issuer for non-investment banking services or products within the past 12 months: Apple Inc.
The issuer is or was, within the last 12 months, a non-securities business client of BofAS and/or one or more of its affiliates: Apple Inc.
An officer, director or employee of BofAS or one of its affiliates is an officer or director of this issuer: Apple Inc.
BofAS or an affiliate has received compensation for investment banking services from this issuer within the past 12 months: Apple Inc.
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: Apple Inc.
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: Apple Inc.
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: Apple Inc.
The issuer is or was, within the last 12 months, a securities business client (non-investment banking) of BofAS and/or one or more of its affiliates: Apple Inc.
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

From time to time research analysts conduct site visits of covered issuers. BofA Global Research policies prohibit research analysts from accepting payment or reimbursement for travel expenses from the issuer for such visits.
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 BofAS or one or more of its affiliates (other than research analysts) may have a financial interest in securities of the issuer(s) or in related investments.
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 Sector Conduct Authority; MLI (UK): Merrill Lynch International, regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA); BofASE (France): BofA Securities Europe SA is authorized by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers (AMF). BofA Securities Europe SA ("BofASE") with registered address at 51, rue La Boétie, 75008 Paris is registered under no 842 602 690 RCS Paris. In accordance with the provisions of French Code Monétaire et Financier (Monetary and Financial Code), BofASE is an établissement de crédit et d'investissement (credit and investment institution) that is authorised and supervised by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers. BofASE's share capital can be found at www.bofaml.com/BofASEdisclaimer; BofA Europe (Milan): Bank of America Europe Designated Activity Company, Milan Branch, regulated by the Bank of Italy, the European Central Bank (ECB) and the Central Bank of Ireland (CBI); BofA Europe (Frankfurt): Bank of America Europe Designated Activity Company, Frankfurt Branch regulated by BaFin, the ECB and the CBI; BofA Europe (Zurich): Bank of America Europe Designated Activity Company, Zurich Branch, regulated by the Swiss Financial Market Supervisory Authority FINMA, the ECB and CBI; BofA Europe (Madrid): Bank of America Europe Designated Activity Company, Sucursal en España, regulated by the Bank of Spain, the ECB and the CBI; Merrill Lynch (Australia): Merrill Lynch Equities (Australia) Limited, regulated by the Australian Securities and Investments Commission; Merrill Lynch (Hong Kong): Merrill Lynch (Asia Pacific) Limited, regulated by the Hong Kong Securities and Futures Commission (HKSFC); Merrill Lynch (Singapore): Merrill Lynch (Singapore) Pte Ltd, regulated by the Monetary Authority of Singapore (MAS); Merrill Lynch (Canada): Merrill Lynch Canada Inc, regulated by the 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; BofAS Japan: BofA Securities Japan Co., Ltd., regulated by the Financial Services Agency; Merrill Lynch (Seoul): Merrill Lynch International, LLC Seoul Branch, regulated by the Financial Supervisory Service; Merrill Lynch (Taiwan): Merrill Lynch Securities (Taiwan) Ltd., regulated by the Securities and Futures Bureau; BofAS India: BofA Securities India Limited, regulated by the Securities and Exchange Board of India (SEBI); Merrill Lynch (Israel): Merrill Lynch Israel Limited, regulated by Israel Securities Authority; Merrill Lynch (DIFC): Merrill Lynch International (DIFC Branch), regulated by the Dubai Financial Services Authority (DFSA); Merrill Lynch (Brazil): Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários, regulated by Comissão de Valores Mobiliários; Merrill Lynch KSA Company: Merrill Lynch Kingdom of Saudi Arabia Company, regulated by the Capital Market Authority.
This information: has been approved for publication and is distributed in the United Kingdom (UK) to professional clients and eligible counterparties (as each is defined in the rules of the FCA and the PRA) by MLI (UK), which is authorized by the PRA and regulated by the FCA and the PRA - details about the extent of our regulation by the FCA and PRA are available from us on request; has been approved for publication and is distributed in the European Economic Area (EEA) by BofASE (France), which is authorized by the ACPR and regulated by the ACPR and the AMF; has been considered and distributed in Japan by BofAS Japan, a registered securities dealer under the Financial Instruments and Exchange Act in Japan, or its permitted affiliates; is issued and distributed in Hong Kong by Merrill Lynch (Hong Kong) which is regulated by HKSFC; is issued and distributed in Taiwan by Merrill Lynch (Taiwan); is issued and distributed in India by BofAS India; and is issued and distributed in Singapore to institutional investors and/or accredited investors (each as defined under the Financial Advisers Regulations) by Merrill Lynch (Singapore) (Company Registration No 198602883D). Merrill Lynch (Singapore) is regulated by MAS. Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795), AFS License 235132 (MLEA) distributes this information in Australia only to 'Wholesale' clients as defined by s.761G of the Corporations Act 2001. With the exception of Bank of America N.A., Australia Branch, neither MLEA nor any of its affiliates involved in preparing this information is an Authorised Deposit-Taking Institution under the Banking Act 1959 nor regulated by the Australian Prudential Regulation Authority. No approval is required for publication or distribution of this information in Brazil and its local distribution is by Merrill Lynch (Brazil) in accordance with applicable regulations. Merrill Lynch (DIFC) is authorized and regulated by the DFSA. Information prepared and issued by Merrill Lynch (DIFC) is done so in accordance with the requirements of the DFSA conduct of business rules. BofA Europe (Frankfurt) distributes this information in Germany and is regulated by BaFin, the ECB and the CBI. BofA Securities entities, including BofA Europe and BofASE (France), may outsource/delegate the marketing and/or provision of certain research services or aspects of research services to other branches or members of the BofA Securities group. You may be contacted by a different BofA Securities entity acting for and on behalf of your service provider where permitted by applicable law. This does not change your service provider. Please refer to the Electronic Communications Disclaimers for further information.
This information has been prepared and issued by BofAS and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofAS and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for information distributed to BofAS and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofAS and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information. For clients that are not accredited investors, expert investors or institutional investors Merrill Lynch (Singapore) Pte Ltd accepts full responsibility for the contents of this information distributed to such clients in Singapore.
General Investment Related Disclosures:
Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent c
This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the in
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 secu
options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into accou
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 s
constitute, investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regardi
investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that stateme
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 c

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.

Copyright and General Information:

Materials prepared by BofA Global Research personnel are based on public information. Facts and views presented in this material have not been reviewed by, and may not reflect information known to, professionals in other business areas of BofA Securities, including investment banking personnel. BofA Securities has established information barriers between BofA Global Research and certain business groups. As a result, BofA Securities does not disclose certain client relationships with, or compensation received from, such issuers. To the extent this material discusses any legal proceeding or issues, it has not been prepared as nor is it intended to express any legal conclusion, opinion or advice. Investors should consult their own legal advisers as to issues of law relating to the subject matter of this material. BofA Global Research personnel's knowledge of legal proceedings in which any BofA Securities entity and/or its directors, officers and employees may be plaintiffs, defendants, co-defendants or co-plaintiffs with or involving issuers mentioned in this material is based on public information. Facts and views presented in this material that relate to any such proceedings have not been reviewed by, discussed with, and may not reflect information known to, professionals in other business areas of BofA Securities in connection with the legal proceedings or matters relevant to such proceedings.
This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofAS any of its affiliates or their research analysts has any authority whatsoever to make any representation or warranty on behalf of the issuer(s). BofA Global Research policy prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer prior to the publication of a research report containing such rating, recommendation or investment thesis.
Any information relating to sustainability in this material is limited as discussed herein and is not intended to provide a comprehensive view on any sustainability claim with respect to any issuer or security.
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.