EM Corporate Strategy

2Q26 Best Ideas: Where to invest amidst higher energy prices?

Anne Milne
anne.milne@bofa.com
Research Analyst
BofAS
+1 646 855 4096

Bruno Larcher
bruno.larcher@bofa.com
Research Analyst
Merrill Lynch (Brazil)

Kay Hope
kay.hope@bofa.com
Research Analyst
MLI (UK)

Ali Dhaloomal
ali.dhaloomal@bofa.com
Research Analyst
MLI (UK)

Nicolas Riva, CFA
nicolas.riva@bofa.com
Research Analyst
BofAS

Carlos Assumpcao, CFA
carlos.assumpcao@bofa.com
Research Analyst
Merrill Lynch (Brazil)

Jorge Ordonez
jorge.ordonez@bofa.com
Research Analyst
BofAS

Caroline Rudge
caroline.rudge@bofa.com
Research Analyst
BofAS

Isabella Pacheco
isabella.pacheco@bofa.com
Research Analyst
Merrill Lynch (Brazil)

GEMS Corporate Credit Rsch
BofAS

08 April 2026 | EM Corporate Strategy | Global

Key takeaways

- Higher energy prices hit EM credit unevenly; favor short duration and selective sector/rating screening cheap to US.
- Top picks favor resilient, improving credits with attractive yields across Latam and CEEMEA.
- We discuss 15 top picks spread across oil & gas, banking, metals & mining, telecom, petchems, utilities, media & logistics.

Our highest conviction ideas across EMEA & Latam corps

In this report, we discuss 15 top picks across EM corporates. Most investment thesis offer a combination of attractive valuation with resilient or improving operations and credit profile. See each top pick rationale inside.

Impacts from the Middle East conflict and higher oil prices

The Iran conflict has driven a risk-off tone across EM credit through higher energy prices, tighter financial conditions and rising geopolitical risk premium. Credit effects remain highly uneven. We favor short duration and sector/ratings screening cheap relative to US peers. See more inside.

Exhibit 1: Top picks are spread across oil & gas, banking, metals & mining, telecom, petchems, utilities, media and logistics
2Q26 best ideas summary

Region	Sector	Ticker	Issuer	Recommendation	Commentary
CEEMEA	Oil & Gas	KOS	Kosmos Energy	OW '28s & '31s	KOS 8.75% 2031s offer 11.5% YTW; we expect deleveraging from 5.5x to 2.5x in '26
CEEMEA	Oil & Gas	SASOL	Sasol	OW '31s & '33s	Pick 100-135bps over EM BBs for oil exposure and BB+ rating
CEEMEA	Banking	EBIUH	Emirates NBD	OW 4.25% AT1	6.9% YTC on front-dated AT1 from 2nd largest UAE bank

CEEMEA	Food & Beverage	CCOLAT	Coca-Cola Icecek	OW '29s	5.8% YTM from a BBB/BB+ defensive Turkish credit
LatAm	Oil & Gas	YPFDAR	YPF	OW '27s-'34s	A leader in the shale market with bonds yielding from 6.5% to 8.1%
LatAm	Oil & Gas	GTE	Gran Tierra	OW '29s & '31s	Attractive 16.8% YTM combined with good track record and geography diversification
LatAm	Banking	DAVIVI	Davivienda	OW 6.65% AT1	Highest yielding AT1 from a Latam bank; 9.1% YTC in 2031
LatAm	Metals & Mining	VALEBZ	Vale	OW 6% hybrids 2056	6.1% yield with low-leverage, low-cost positioning & positive FCF
LatAm	Metals & Mining	CSNABZ	CSN	UW all curve	Negative Holdco FCF & tight liquidity keep us at Underweight
LatAm	Telecom	WOMMOB	WOM Mobile	OW '31s	Valuation (10.8% YTW) offers attractive carry and upside potential
LatAm	Petchem	BAKIDE	Braskem Idesa	OW '29s & '32s	Petchem spread recovery supports improvement in terms for bondholders
LatAm	Utilities	SAAVIE	Saavie Energia	OW '35s	7.9% YTW with upside to compress to OpCos as debt structure is simplified
LatAm	Telecom	TECOAR	Telecom Argentina	OW '31s, '33s & '36s	6% YTC from a hybrid highly likely to be called in one year
LatAm	Media	GLOPAR	Globo	OW '32s	Solid credit profile supported by relative value against similarly rated BB+ issuers in Brazil
LatAm	Logistic	HIDRVS	Hidrovias	OW '31s	Bonds offer spread pick-up over parent bonds

Source: BofA Global Research

BofA GLOBAL RESEARCH

Iran conflict & higher energy prices

The escalation of the Iran conflict has materially impacted credit profiles through higher energy and commodity prices, tighter financial conditions, and heightened geopolitical risk premia. While the initial market reaction was broadly risk-off, credit outcomes vary across regions and sectors. Higher energy prices are fundamentally supportive for some commodity-exposed corporates, while negative for import-heavy sectors and credits exposed to weaker sovereign backdrops. We believe positioning should lean toward short duration (to limit risks from UST volatility) and we favor sector/ratings screening cheap relative to US peers.

Risk-off affected new issues in March; net supply is key to monitor

Corporate new bond supply totaled just $16bn in March, a sharp drop from near-record issuance of $103bn for the first two months of the year. As the risk-off sentiment hits funding costs, corporate issuers are postponing liability management and, consequently, reducing net supply (new deals minus calls/tenders, coupons and maturities). At the same time, a softer macro backdrop might increase sovereign issuance needs, intensifying the mismatch between corporate and sovereign net bond supply. That supply mismatch has been historically accompanied by material changes in corporate vs sovereign credit spread differential. Under the current environment of tight differential (corporates just 22bp inside sovereigns), we believe a prolonged slowdown in corporate new issues could potentially imply wider EM sovereign spreads relative to corporates.

MENA corporates and banks: elevated risk amidst strong policy backstops

The MENA region faces the most direct geopolitical exposure. O&G and petrochemicals face risks from operational disruption and shipping constraints, though higher oil prices are a meaningful offset for exporters with diversified routes. Ports and logistics experienced disruptions, but government intervention and diversification have contained credit damage. Banks are exposed to potential non-resident FX deposit outflows and asset quality pressure. However, strong starting capital positions and central bank liquidity support in the UAE, Qatar and Kuwait have helped to stabilize senior and subordinated bank credit. Defensive positioning can be found in Oman GREs, telcos, consumer staples and sukuk structures, although valuations are not uniformly cheap.

Latam corporates: energy prices as the Core Transmission Channel

Higher oil and gas prices have an asymmetrical macro impact across Latam. Net exporters (Argentina, Brazil and Colombia) benefit from stronger trade balances and improved cash flows for upstream corporates. Net importers (Chile and Central America) face higher input costs, pressure on external accounts, and policy intervention risks. Government responses - fuel subsidies, tax cuts and price-smoothing mechanisms - have cushioned near-term inflationary pressures but shifted stress toward public finances and, by extension, quasi-sovereign and regulated corporate balance sheets.

Energy credits have outperformed since the start of the conflict. For mining credits, the first-order effect is an energy/freight shock that potentially raises input costs, lifts inflation risk, weakens growth, and adds risk premium to cyclical sectors. Therefore, we favor larger, lower-cost, better capitalized miners that can absorb the energy / freight cost. Airlines have been among the worst performers, hit by the sharp rise in jet fuel prices. While hedging and fare increases offer partial mitigation, a prolonged conflict would further pressure margins and demand. Petrochemicals show a more nuanced picture. Direct curtailment of fuel/feedstock for Asian producers are driving sharp price increases for polyolefins, driving strong bond performance for Latam petchems credits.

Kosmos Energy (KOS) 8.75% 2031$ - Overweight

Kay Hope

11.5% YTW AND DE-LEVERAGING FROM 5.5x TO 2.5x EXPECTED IN '26

RATIONALE

- BofA's Commodities team now forecasts average Brent of $92.5/bbl in 2026. We are OW on Kosmos 2028-2031s on higher Brent and lower costs expected in 2026.
- We expect 2026 production of 70kboepd at Kosmos, including 16kboepd of gas. We look for $1.7bn in revenues, $1bn in EBITDAX, capex of $350mn, and $447mn in free cash flow (including $300mn from disposals/equity placement).
- In 1Q26, Kosmos repaid $100mn in 2026s, issued $350mn in secured bonds (KOS 11.25% 2031s) and repaid ca.$180mn in 2027s. Kosmos will sell assets in Equatorial Guinea (expected in 2Q) and raised $200mn in equity in March. The company intends to repay at least 10% of $3.1bn debt this year.
- In our view, increasing production is the biggest risk for Kosmos. Production issues at Jubilee (Ghana), if they were to occur, could severely curtail results. Four producing wells are planned at Jubilee in 2026; the first is completed and producing, and the second was drilled in February/March. One injection well is also planned.

VALUATION

- We see up to 8pts of upside for Kosmos 2031s (currently indicated at 88.88, OAS+753bps). We expect ratings upgrades as debt is repaid, and we look for net leverage to fall to 2.5x (2026E). Only $54mn debt due in 2026.
- Kosmos 2028-2031s are among the widest EM energy names without being distressed (1,000bps or more). We see significant tightening potential with oil >$75/bbl and debt reductions likely in 2026.

Exhibit 2: Kosmos headline financials (USD mn except ratios)

We see a much stronger 2026 with oil >$75/bbl

	2022	2023	2024	2025	2026E
Revenue	2,300	1,702	1,676	1,292	1,685
EBITDA	1,452	1,238	1,063	543	997
Interest	(180)	(208)	(214)	(229)	(250)
Tax	(248)	(282)	(281)	(111)	(175)
Capex	(619)	(933)	(934)	(314)	(350)
Working cap'l	151	(66)	(44)	(69)	(75)
Acquis/Dispos.	(22)	0	(32)	(87)	300
Free cash flow*	534	(250)	(442)	(268)	447
Gross debt	2,226	2,391	2,745	3,053	2,693
Net debt	2,043	2,296	2,660	2,961	2,478
Gross Debt / EBITDA	1.5x	1.9x	2.6x	5.6x	2.7x
Net Debt / EBITDA	1.4x	1.9x	2.5x	5.5x	2.5x

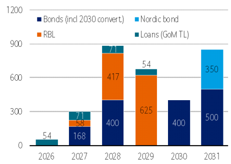
*Free cash flow incorporates $300mn in cash inflow from equity raise and asset disposals.

Source: Company reports, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 3: Kosmos estimated debt maturities as of March 2026

The below reflects '26/'27 bond repayments and Nordic bond issuance



Source: Company reports, BofA Global Research

BofA GLOBAL RESEARCH

Sasol (SASOL) 5.5% 2031s / 8.75% 2033s - Overweight

Kay Hope

PICK 100-135bps OVER EM BBs FOR OIL EXPOSURE AND BB+ RATING

RATIONALE

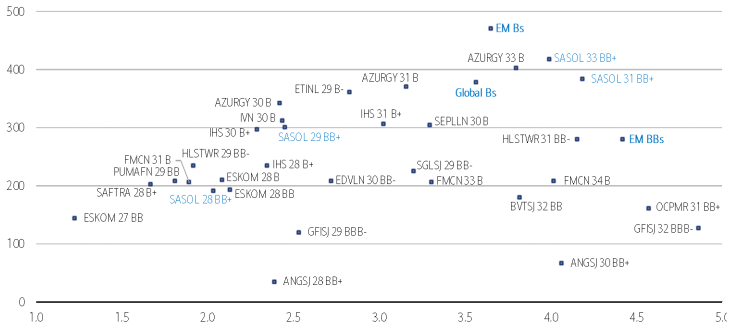
- Sasol benefits from today's higher commodity prices as well as the weaker South African rand. The company faces macro headwinds in the chemicals sector, but our view is that this is more than priced in and offset by benefits from high oil prices.
- We look for 2026 (June year-end) EBITDA of $2.5bn after $1.2bn in 1H. Sasol expects positive free cash flow for the year on working capital unwind and reduced external coal purchases.

- Capex will rise in 2H26 after $506mn in 1H; FY26E guidance is $1.3-1.4bn, driven by mining costs to raise internal coal production. We don't expect net debt to change much from $3.8bn in 1H, leaving FY26E net leverage of 1.7x.
- Sasol is undertaking various self-help measures to improve efficiencies and generate cash. These include increasing internal coal production and improving facilities efficiency. Renewable energy capacity should reach 2GW by 2030.
- Sasol expects challenging chemicals markets in 2026 and 2027, but it is taking measures to maintain volumes and optimize mix going forward.

VALUATION

- Sasol bonds are among the widest EM BBs, with the 5.5% 2031s (indic offer 90.35, OAS+391bps) and 8.75% 2033s (indic offer 101.25, OAS+417bps) indicated 100bps and 138bps over EM BBs despite a BB+ rating. We see 30-50bps of tightening.

Exhibit 4: Sasol bonds are among the widest African corporates despite a BB+ average rating (OAS spread in bps vs duration in years)
Sasol bonds are wider than various Single Bs; our view is that the gap should close with higher oil prices



Source: ICE Index Services LLC, Bloomberg

BofA GLOBAL RESEARCH

Emirates NBD (EBIUH) 4.25% AT1 - Overweight

Ali Dhaloomal

6.9% YTC ON FRONT DATED AT1 FROM 2ND LARGEST UAE BANK

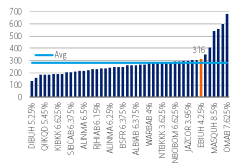
RATIONALE

- 2nd largest UAE bank and 4th largest GCC bank with strong regional footprint
- 41% state-owned by Dubai's SWF ICD; 20% owned by members of the Dubai ruling family; Senior rating of A1/NR/A+ (Stable)
- Well-positioned to weather upcoming challenges with sound buffers
- One of the most profitable (16.8% RoE) and liquid (81% LDR) banks in the GCC
- Solid 14.4% CET1 (300bp above min req.); $3bn for RBL (India) to eat up 100bp
- Well geographically diversified loan mix: 15% Türkiye and 13% other Int'l ops incl. Asia, GCC, Egypt; RBL / India to account for 6% after M&A completion
- 2.4% NPL, lowest since 2009 (pre-GFC); 4.6% S2 loans; best coverage of NPLs and S2 loans (54%) across all GCC banks; RE & construction at 11% of loans
- Strong proactive support package from UAE CB & govt, particularly on liquidity
- 5 pillars plan from CB on Mar 17th providing enlarged access to CB facilities (c.$17.5bn injected since March) and forbearance on liquidity and capital ratios

VALUATION

- ENBD 4.25% AT1 offers an attractive entry point at 6.9% YTC (Feb 2027)
- 4.25% AT1 is flat to back dated 6.25% AT1 call '30 despite better reset margin
- Strong track record of calling its capital instruments at first call date
- 4 AT1 called and refinanced since 2019; both ENBD and First Abu Dhabi Bank (FAB) called AT1s two weeks ago; no legacy CBUAE AT1 from GFC era
- Not calling it would reset the coupon closer to an attractive 7.24%

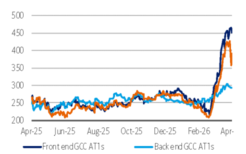
Exhibit 5: ENBD 4.25% has one of the best resets in GCC banks AT1s
GCC AT1s reset margins ranked (average: 282bp)



Source: Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 6: Opportunities are particularly interesting in front end
ENBD 4.25% AT1 vs. front dated and back dated GCC AT1s avg spreads



Source: Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Coca-Cola Icecek (CCOLAT) 4.5% 2029 SLB - Overweight

Ali Dhaloomal

5.8% YTM FROM A BBB/BB+ RATED DEFENSIVE TURKISH CREDIT

RATIONALE

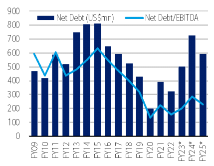
- A geographically well-diversified Coca-Cola bottler operating in 12 countries across the Middle East, Central Asia & Sub-Continent
- Türkiye accounts for 35% of volumes, 41% of revenues and 28% of EBITDA
- 20.1% owned by The Coca-Cola Export Corp.; rated BB+ at S&P / BBB at Fitch
- Strong balance sheet provides cushion against any future macro challenges
- FCF neutral post dividends in FY25; FCF remains a key focus in 2026
- \$617mn of cash vs. \$546mn of short-term debt; 0.8x net leverage
- Challenging outlook but the company has mitigants (hedging, limited FX mismatch)
- CCI FY26 guidance targets 0-5% volume growth in Türkiye / 5-10% abroad
- *Risks ahead*: Cost inflation from resin & aluminium (30% of COGS combined, 81/67% hedged) and transport, weaker affordability vs. local brands and further boycott in some countries, weaker macro backdrop in oil importing (Türkiye, Pakistan, Bangladesh) and affected (Iraq, Syria & Jordan) countries
- *Mitigants*: Concentrate (1/3rd of sales) paid as % of local currency sales; \$719mn of short FX position partly covered by \$346mn in FX cash and derivatives

VALUATION

- Attractive 5.8% yield for a solid split-rated credit due in less than 3 years
- One of the most defensive corporate credits in Türkiye currently indicated 18bp inside Türkiye sovereign vs. 100bp inside back in September
- Stable outlook at both rating agencies cushions any rating pressure

Exhibit 7: CCI has a strong track record of financial discipline

CCI net debt and net leverage since 2009 (2025: 0.8x)

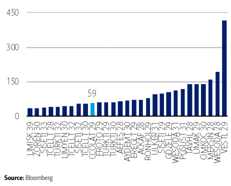


Source: Company reports, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 8: CCI 29s offer a good entry point after 59bp widening

Turkish corporates spread changes since March 1st



Source: Bloomberg

BofA GLOBAL RESEARCH

YPF (YPFDAR) - Overweight YPF's '27s-'34s (MW '47s)

Anne Milne

A leader in the shale oil & gas market with bonds yielding from 6.5-8.1%

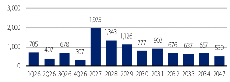
RATIONALE

- YPF is the leader in development of shale oil & gas to now become pure shale play, while performing a key role in attracting infrastructure investments to grow the sector. The company has access to multiple funding options, such as local & external bonds, syndicated loans and export backed.
- As of 4Q25, total debt amounted to US\$10.6bn, while net debt stood at US\$9.4bn, resulting in net leverage of 1.9x. This represents an improvement from 2.1x in 3Q25 and remains within management's stated target range. Cash and short-term investments totalled US\$1.2bn. Debt maturities over the next 12 months are approximately US\$2.1bn, largely driven by US\$1.0bn in local bond repayments.
- During 4Q25, YPF re-tapped its 2031 bonds for an additional US\$500mn at 8.25%, where proceeds were used to repay the bridge loan for the acquisition of Total's assets. In January-2026, YPF re-tapped its 2034 bonds for US\$550mn at 8.1%, the lowest for the company in the last nine years, with proceeds used to prepay a \$324mn A/B loan and to finance the acquisition of Equinor's assets for \$163mn.
- Upside risks are higher oil and gas prices across upstream and downstream segments, stronger production growth accompanied by cost reductions, and the successful execution of new pipeline projects, additional infrastructure, and LNG facility operations.

VALUATION

- YPF's bonds are yielding 6.5% - 8.1%.
- We are OW all bonds except the '47 bond (MW) given the maturity is longer than the YPF's reserve life.
- YPF's 2031 bond benefits form a collateral package (export proceeds), and amortizing structure.

Exhibit 9: Debt Maturities are mainly concentrated in 2027-2030
YPF - Debt Maturity Schedule ($mn)



Source: BofA Global Research, Company Reports

BofA GLOBAL RESEARCH

Exhibit 10: Indicative Pricing
As of 04/07/2026

Security	Rec.	Yield	Z-Spread
YPFDAR 27	OW	6.5	277.3
YPFDAR 29	OW	7.1	344.9
YPFDAR 31	OW	7.0	334.1
YPFDAR 31	OW	7.5	385.8
YPFDAR 33	OW	7.3	358.6
YPFDAR 34	OW	7.8	407.7
YPFDAR 47	MW	8.1	400.1

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Gran Tierra Energy - Overweight GTE '29s and '31s

Anne Milne

Top-pick in Colombia O&G, yielding 16.8% for the '29s and 13.2% the '31s, combined with good track record and geography diversification

RATIONALE

- GTE closed 2025 with total debt of $740mn, a 9% decline vs. 3Q25, while cash balances increased to US$83mn from $49mn in 3Q25. Net leverage was 2.3x at the end of 4Q25; however, on a pro forma basis, we estimate leverage at 1.7x, reflecting a post-debt exchange debt balance of $616mn, a 17% reduction.
- The company recently executed a debt exchange that extended a significant portion of its near-term maturity by two years, swapping its 9.5% 2029 Notes for new 9.75% bonds due 2031.
- Gran Tierra reported 2025 1P reserves of 142mmboe, 2P reserves of 258mmboe, and 3P reserves of 329mmboe, extending its track record of South American reserve growth to a seventh consecutive year with reserve replacement exceeding 100%.

VALUATION

- We are Overweight on GTE's 2029 and 2031 bonds after the company has successfully exchanged debt, improving amortization schedule.
- GTE is our preferred name in the Colombian O&G universe, offering yields of 16.8% '29s and 13.2% on the '31s. Our recommendation is supported by its solid operating history, diversified asset base and competitive all-in costs of $40/bbl.

Exhibit 11: Indicative Pricing
As of 04/07/2026

Issuer	Company	Maturity	Coupon	Currency	O/S	Rating	Eff. Duration	OAS	YTW	Bid Price
Gran Tierra										
GTE 29	Gran Tierra	15/10/2029	9.500	USD	88	WR/B/B+	1.79	1669	16.8	80.03
GTE 31	Gran Tierra	15/04/2031	9.750	USD	504	NR/NR/B+	3.57	1125	13.2	82.53
Main LatAm peers										
ECOPET 29	Ecopetrol	19/01/2029	8.625	USD	1,200	Ba1/BB/BB	2.46	256	6.08	106.30
GEOPAR 30	Geopark	31/01/2030	8.750	USD	442	NR/B+/B+	3.15	666	10.27	94.95
FECCN 28	Frontera	21/06/2028	7.875	USD	320	NR/B+/B *+	2.01	639	9.91	95.73
CNECN 28	Canacol	24/11/2028	5.750	USD	500	WR/D/WD	N/A	N/A	59.91	30.04
SIERRA 28	Sierracol	15/06/2028	6.000	USD	300	B1/NR/B+	2.00	371	7.25	97.07
HNTOIL 28	Hunt Oil	01/06/2028	6.375	USD	53	Ba1/NR/BBB	1.74	193	5.46	101.32
LatAm Energy issuers										
PERLNG 30	Peru LNG SRL	22/03/2030	5.375	USD	705	B2/NR/B	1.80	320	6.74	97.41
PANAME 27	Pan American Energy	30/04/2027	9.125	USD	180	NR/NR/BB-	0.62	203	5.60	101.87
PEMEX 28	Pemex	12/02/2028	5.350	USD	796	B1/BBB/BB+	1.82	178	5.30	100.01
PEMEX 29	Pemex	02/06/2029	8.750	USD	1,909	B1/BBB/NR	2.34	223	5.76	107.22
PETBRA 28	Petrobras	27/01/2028	5.999	USD	1,072	Ba1/BB/BB	1.77	129	4.81	102.08
YPFDAR 29	YPF	30/06/2029	9.000	USD	748	B2/NR/NR	1.58	325	6.86	103.30
Sovereign										
COLOM 28	Colombia	28/04/2028	6.000	COP	31,180,975	Baa3/BB+/BB	1.84	3	14.19	85.59
ICE BofA Index							Eff. Duration	OAS	YTW	
ECOH Index	ICE BofA Colombia HY Index						4.69	376	7.58	
EMHL index	ICE BofA Latin America HY Index						5.07	402	7.83	
HEPN Index	ICE BofA US HY Energy E&P Index						4.01	207	5.96	
H0EN Index	ICE US HY Energy Index						4.00	225	6.19	
EMEN Index	ICE BofA EM Corp Energy Index						6.53	207	6.04	

Source: BofA Global Research, Bloomberg, ICE Data Indices LLC

BofA GLOBAL RESEARCH

Davivienda (DAVIVI) 6.65% AT1 - Overweight

Nicolas Riva

HIGHEST-YIELDING AT1 FROM A LATAM BANK, AT 9% YIELD

RATIONALE

- Davivienda is the 2nd largest Colombian bank
- Recently added Scotiabank as a shareholder - owns 20% of holdco shares.
- Davivienda paid for Scotiabank's operations in Colombia, Costa Rica, Panama by issuing shares to Scotiabank
- There was no negative impact on capital from the transaction
- Following losses in 2023 & 1H24, earnings have recovered
- ROE reached 10% in FY25
- NPL ratio is lower following integration of Scotia's assets

- Main risk in our view is related to investor sentiment on Colombia sovereign, given: 1) high fiscal deficit, 2) higher inflation expectations / interest rates following higher than expected increase in minimum wage, 3) uncertainty related to upcoming presidential elections (continuation or not of loose fiscal policy)
- AT1 bond is perceived as higher beta given subordination, and therefore can be subject to higher (than market average) trading volatility. We see the risk of loss absorption as negligible, and more related to unexpected deposit outflows (leading to regulatory intervention) rather than capital ratios (given good buffers). This is also based on previous (rare) occasions where AT1 bonds were written down (Credit Suisse in early 2023)

VALUATION

- Highest-yielding AT1 bond from a LatAm bank
  - Yields 9.1% to call in 2031

Exhibit 12: Davivi 6.65% is the highest-yielding AT1 from a LatAm bank, at 9% yield
LatAm bank AT1 bonds

Bond	USD mm	Call Date	YTC	OAS	Duration	Senior	OAS	Duration	Sub to senior	Sub minus sr.
BANCO 7.95 PERP	600	5/2/2029	5.5%	152	2.7	BSANCI 3.177 10/26/31	65	5.0	2.3	87
BCICI 8 3/4 PERP	500	5/8/2029	6.4%	247	2.7	BCICI 2 7/8 10/14/31	58	5.0	4.2	188
BCICI 7 1/2 PERP	500	12/12/2034	6.5%	238	6.4	BCICI 2 7/8 10/14/31	58	5.0	4.1	180
BANORT 5 7/8 PERP	500	1/24/2027	6.9%	280	0.8	BINBUR 4 3/8 04/11/27	-21	0.8	-13.5	301
BANORT 7 5/8 PERP	550	1/10/2028	7.1%	312	1.6	BBVASM 5 1/4 09/10/29	88	3.1	3.6	224
BANORT 7 1/2 PERP	500	6/27/2029	7.2%	329	2.8	BBVASM 5 1/4 09/10/29	88	3.1	3.8	241
BANORT 8 3/8 PERP	500	10/14/2030	7.1%	313	3.7	BBVASM 5 1/4 09/10/29	88	3.1	3.6	225
BANORT 8 3/8 PERP	750	5/20/2031	7.5%	352	4.1	BBVASM 5 1/4 09/10/29	88	3.1	4.0	264
BANORT 6 5/8 PERP	550	1/24/2032	7.4%	335	4.7	BBVASM 5 1/4 09/10/29	88	3.1	3.8	248
BANORT 8 3/4 PERP	750	5/20/2035	7.9%	374	6.3	BBVASM 5 1/4 09/10/29	88	3.1	4.3	286
BANCOG 5 1/4 PERP	550	5/7/2031	6.4%	242	4.3	BANCOG 4 1/8 08/07/27	83	1.3	2.9	159
DAVIVI 6.65 PERP	500	4/22/2031	9.1%	506	4.0	BANBOG 4 3/8 08/03/27	36	1.3	14.0	470

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Exhibit 13: Following losses in 2023 & 1H24, Davivi's ROE recovered to 10% in FY25
Colombian bank comp-sheet, last reported 12 months in $ millions

	AVAL	BANBOG	BCOLO	DAVIVI	GNBSUD	BANOCC
Credit ratings (Moody's/S&P/Fitch)	Ba2/NR/BB	Baa3/BB/BB	Baa3/BB/BB+	Baa3/BB/BB	Ba2/NR/BB	NR/NR/BB
Outlook	Stable/NR/Stable	Sta/Neg/Sta	Sta/Neg/Neg	Sta/Neg/Sta	Stable/NR/Stable	NR/NR/Sta
Last reported 12 months, USD mm	**LTM 4Q25**	**LTM 4Q25**	**LTM 4Q25**	**LTM 4Q25**	**LTM 3Q25**	**LTM 3Q25**
Loans	50,999	25,279	52,313	45,211	7,034	13,994
Total assets	92,369	41,339	70,793	59,428	14,180	21,572
Deposits	54,904	25,965	54,818	43,619	10,541	14,507
Equity	4,883	4,561	7,258	4,330	1,172	1,580
Net income, reported	425	362	1,450	401	163	127
NPL ratio	3.3%	3.7%	2.8%	3.8%	1.6%	3.0%
Coverage of NPLs	134.3%	129.2%	183.1%	94.3%	185.0%	144.5%
ROE, reported	9.7%	8.7%	22.7%	10.0%	15.8%	8.8%
ROA, reported	0.5%	1.0%	2.3%	0.8%	1.2%	0.7%
CET1 ratio	n.a.	13.8%	12.2%	11.6%	8.6%	11.0%
Tier 1 ratio	n.a.	13.8%	12.2%	12.9%	8.6%	11.0%
Total capital ratio	n.a.	15.3%	14.4%	16.1%	13.4%	13.3%

Source: BofA Global Research, Company reports

BofA GLOBAL RESEARCH

CSN 2028/30/31/32s - Underweight

Carlos Assumpcao

NEGATIVE HOLDCO FCF & TIGHT LIQUIDITY KEEP US UNDERWEIGHT

RATIONALE

- We remain UW across the CSN curve (except the 2026s, MW) on persistent Holdco (ex-mining) negative FCF, rising leverage, and a refinancing story that depends on successful execution of asset sales and liability management. Holdco net leverage (net debt over EBITDA plus CMIN dividends) ended FY25 at 6.8x.
- The announced $1.2bn secured loan ease near-term liquidity/refinancing risk, but it does not tackle the capital structure. The new loan is priced at SOFR + 600bps (~12% all-in cost), has a 5-year final maturity, and is secured by cement shares and European steel assets, increasing priority debt ahead of unsecured bondholders.
- The main issue remains the holdco (ex-mining) cash burn. CSN ended FY25 with roughly R$5.5bn of holdco liquidity, but ex-mining FCF remained structurally negative at -R$5.1bn cash burn in FY25 before the December MRS Logistica intra-group sale. We forecast negative FCF before asset sales through 2028.
- Mining is no longer an easy source of upstream cash: dividends to the holdco fell sharply in FY25 as capital reserves support were consumed over the past years, making future distributions more dependent on iron ore profitability/net income.
- Even after the secured loan, we estimate liquidity may extend only into mid-2027, leaving the company extremely dependent on asset monetization and liability management.
- While operating trends may improve in parts of the business from potential steel anti-dumping support, this may not translate into substantial improvement in holdco cash generation.
- Asset sales remain the key swing factor, with management targeting 3Q26 signing for cement and infrastructure transactions. However, if the cement sale closes near BofA's assumed R$10bn EV, a large share of proceeds would likely be swept first to repay the new secured facility, leaving

limited residual value for unsecured creditors.

VALUATION

- CSN bonds screen optically cheap at distressed levels. Despite the wide levels, we do not think current prices fully compensate for the execution dependencies and ongoing value leakage from negative FCF.
- On recovery, BofA's holdco EV/claims framework implies roughly 75c recovery for unsecured creditors (but down to ~62c assuming 10% equity retention), suggesting very small cushion for the unsecureds at current prices.
- In our view, the 2028s remain highly outcome-dependent, while the 2030/31/32s are still more driven by recovery assumptions than by clean refinancing visibility.
- Upsides: faster/higher-value asset sales, successful refinancing, better iron ore/steel fundamentals, and clear evidence that holdco FCF is moving toward breakeven. Downsides: weaker-than-expected FCF, further secured debt, asset-sale delays, iron ore weakness, or rating downgrades.

VALE 6.000% hybrids 2056 - Overweight

Carlos Assumpcao

6.1% YIELD WITH LOW-LEVERAGE, LOW-COST POSITIONING & POSITIVE FCF

RATIONALE

- We are OW Vale's hybrids (VALEBZ 56) as the bond offers an attractive carrying yield and spread compensation on the curve, in our view, supported by a materially stronger credit trajectory: record iron ore production, accelerating base-metals momentum, positive free cash flow, and low leverage.
- FY25 iron ore output reached 336Mt (highest since 2018), with 2026 guidance of 335-345Mt; copper production rose to 382kt (+10% YoY) and nickel to 177kt (+11% YoY), while Base Metals EBITDA reached $3.3bn in FY25 (+131% YoY). This improves diversification away from iron ore volatility and strengthens medium-term cash generation.
- Vale's iron ore C1 cash cost is trending toward ~$20/t in 2026, down from $22.3/t in 2023 and $21.3/t in 2025. All-in iron ore costs remain competitive. Management guides all-in costs of $52-56/t, after 2025 all-in costs declined 3% YoY to $54.2/t. This reinforces that Vale remains well-positioned on the global cost curve, in our view.
- Balance sheet risk remains well-contained. Expanded net debt fell to $15.6bn and expanded net leverage to ~1.0x in 4Q25. Liability cash outflows should ease: 2026 reparation outflows are expected to be about $1.5bn lower YoY.
- Vale should remain a low-leverage, cycle-resilient miner supported by its competitive position on the global cash-cost curve. That is key for hybrids: when risk premiums widen, investors may move to issuers with low costs and strong balance sheets.

VALUATION

- The VALEBZ 56 hybrid offers 222bps (6.1% yield) with 4.1 years of effective duration, trading +120bps over its senior comparable bond and with cash price slightly below par.
- Risks are weaker commodity prices (especially iron ore), cost inflation, adverse legal outcomes, slower China growth, and any tailings-dam/safety event. For the hybrid specifically, spread performance could lag if deleveraging stalls or liability resolution takes longer than expected.

WOM Mobile (WOMMOB) 11.0% 2031 - Overweight

Jorge Ordonez

VALUATION (10.8% YTW) OFFERS ATTRACTIVE CARRY AND UPSIDE POTENTIAL

RATIONALE

- In 2025, WOMMOB delivered on its plan of steady profitable growth
  - In FY25 revenues and EBITDA expanded 2% and 4% respectively while adding 100k post-paid and rationalizing 1.6mm pre-paid subscribers
  - Post-paid ARPU expanded each quarter while pre-paid ARPU jumped dramatically (67%)
  - EBITDA margin expanded from 35% in 2024 to 37% in 2025. Handset sales set a new quarterly high while handset margin expanded 285 bps YoY
- Liquidity and leverage remain healthy
  - WOMMOB closed FY25 with CLP$106.6bn in cash and net leverage of 3.1x
  - The company intends to additional liquidity through tower sales (CLP$65-75bn) which will help mitigate its ongoing regulatory capex spending. WOMMOB may also defer a portion of 2026's expected capex
- Ongoing favorable market dynamics

- WOMMOB remains the #2 operator in mobile and Telefonica's exit from the Chilean market is expected to normalize pricing
- Given its strong operations and positioning, could become an attractive target as the market consolidates

VALUATION

- WOMMOB's valuation remains extremely attractive given the market environment
- Aside from petrochemicals, WOMMOB is one of the few bonds that has seen its price rise in the trailing 30 days
- Its attractive carry, strong operating profile and supportive market dynamics position it as a low beta name

Braskem Idesa (BAKIDE) 7.45% 2029 and 6.99% 2032 - Overweight

Jorge Ordonez

PETCHEM SPREAD IMPROVEMENT SUPPORTS IMPROVEMENT IN TERMS FOR BONDHOLDERS

RATIONALE

- PE spread improvements will accrue directly to the benefit of BAKIDE, a pure play ethane-based PE producer
- Recent prices PE ($1365/tonne) and ethane ($21.9/gallon) imply a spread of $1,203. Coupled with a 94% utilization rate could yield $550mn+ in annual EBITDA (up from reported recurring of $2mn in FY25)
- This could trigger a dramatic reduction in leverage (near 4x gross, excluding debt reduction) and suggests recovery well in excess of current market prices
- Operationally positioned to extract maximum value from the shift in the petchem cycle
- Between completion of its ethane import terminal and its maintenance workover, BAKIDE is positioned to operate at near full utilization
- Restructuring dynamics remain supportive
- Previous company proposal included an equity injection and a liquidity facility
- Chapter 11 filing could pave the way for DIP/bridge financing

VALUATION

- While bond prices have moved higher (low 60s), improvement in PE spreads suggests materially higher prospects
- At a minimum, buyout options should also move materially higher

Saavi Energia (SAAVIE) '35s - Overweight

Caroline Rudge

7.9% YTW with upside to compress to OpCos as debt structure is simplified, and to compress as a group to the MX IG Index (EMXI).

RATIONALE

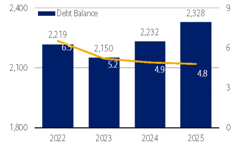
- Largest independent power producer in Mexico with 7 generation plants, 3 mobile units, and 3 compression stations.
- Saavi Energia (SAAVIE), the HoldCo, consolidates Cometa Energia (COMENG) & Tierra Mojada (TIEMOD), the OpCos, relying on distributions to service debt.
- Record EBITDA in 2025, with 4.8x consol. net leverage. Strong OpCo distributions of US$170mm, supporting standalone lev. (debt/cash available from distr.) of 5.9x.
- We see upside to OpCo profitability, with potential for COMENG's PPA capacity to be favourably re-contracted in 2027/28, & possible greater capacity permitted and increased output from new technologies at TIEMOD.
- Expected continuation of the group's debt structure simplification, possibly before 2030 as COMENG amortization accelerates, is seen positively for SAAVIE valuation.
- SAAVIE '35s are structurally subordinated to the secured COMENG '35s & TIEMOD '40s, leading to lower HoldCo ratings ('BB-' vs 'BBB-' at OpCos).
- The conflict in Iran may create natural gas price volatility (key input for generation), however, we view risk as low given OpCos have full fuel cost pass-through.
- Although there would be economic impacts from a prolonged conflict, we do not see large threat to profitability given depth of demand/lack of supply.

VALUATION

- Attractive 7.9% yield-to-worst (+409bps z-sprd) while sector dynamics favourable.

- We see upside for spread compression to OpCos (+201bps z-sprd to COMENG '35s & +107bps to TIEMOD '40s) as debt structure is simplified in coming yrs.
- We are OW TIEMOD '40s & COMENG '35s given expected strong profitability & demand and see room for group spreads to tighten to the MX IG Index (EMXI).

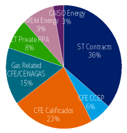
Exhibit 14: Historical EBITDA (US$mm) and Net Leverage (x)
Adj. EBITDA was +5% from 2022 to 2025, supporting deleveraging to 4.8x.



Source: Company reports, BofA Global Research.

BofA GLOBAL RESEARCH

Exhibit 15: 2025 EBITDA by Off-taker
In 2025, 89% of EBITDA is contracted, with CFE Power accounting for 29%.



Source: Company reports, BofA Global Research.

BofA GLOBAL RESEARCH

Telecom Argentina - Overweight TECOAR '31s, '33s, '36s

Caroline Rudge

6% YTC FROM A HYBRID HIGHLY LIKELY TO BE CALLED IN 1 YEAR

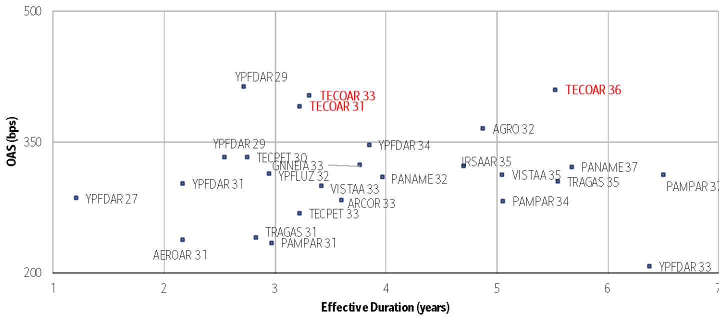
RATIONALE

- TECOAR is the largest integrated telecom services provider in Argentina (broadband, pay TV, fixed & mobile), with smaller operations in Paraguay, Uruguay, Chile & U.S.
- Telecom Argentina acquired Telefonica Argentina (TMA) in Feb-2025 for US$1.245bn, currently under CNDC (antitrust) review to merge. Remedies are expected to be required for approval to mitigate concentration in segments/regions.
- We view positively TECOAR already owns 2/3rds of the large market operators (3rd is America Movil - Claro), with material EBITDA upside in synergies if merged.
- In Jan-2026, the company issued US$600mm senior unsecured notes (8.5% coupon) due 2036. The issuance had very strong demand, reported near 3x what was issued.
- Proceeds were used to fully prepay acquisition-related loans & fully redeem outstanding '26s, further supporting TECOAR's solid capital structure.
- We like the company's low net leverage (2x in 2025), solid cash generation, strong brands & hedging/monthly inflationary price adjustments.
- The Iran conflict is not expected to impact TECOAR directly, and importantly, the company has historically prudently managed economic volatility.

VALUATION

- We view '31s, '33s and '36s YTW (8.0-8.5%) as attractive vs. other Argentine Blue-Chip corporates. We see upside from ARPU growth, ARG economic normalization, and potential for TMA synergies if the merger is approved.

Exhibit 16: TECOAR & EARH Corps (Argentine HY - ex-outliers)
We see valuation as attractive vs. Argentine Corporates.



Source: Bloomberg, BofA Global Research.

BofA GLOBAL RESEARCH

Globo (GLOPAR) 4.875% 2030 & 5.5% 2032 - Overweight

Isabella Pacheco

OW ON SOLID CREDIT PROFILE SUPPORTED BY BETTER RELATIVE VALUE IN THE BONDS, OFFERING ROOM FOR COMPRESSION.

RATIONALE

- **Liquidity:** Strong liquidity position of more than R$9bn, which provides significant operational flexibility and downside protection during market volatility.
- **Leverage:** Gross leverage reduced to 1.6x in 2025 (from 4.3x in 2024), driven by stronger EBITDA. Net leverage stands at -2.3x as of 4Q25.

VALUATION

- **Relative spread positioning:** 2030s trade at US$96.30, yielding 5.88% with a Z-spread of 194bps, and the 2032s trade at US$96.48, yielding 6.17% with a Z-spread of 211bps, roughly +37bps wider to similarly rated BB+ issuers in Brazil (UGPABZ 29s, RDEDOR 30s, KLAB 29s & 31s).

- **Credit metrics vs. peers:** Low leverage contrast with wide spreads, making bonds attractive relative to sector fundamentals.

Exhibit 17: Indicative pricing
As of 04/06/2026

Issuer	Company	Coupon	Maturity	Currency	O/S	Eff. Duration	OAS	YTW	Bid Price	Rating
Globo										
GLOPAR 30	Globo	4.875	1/22/2030	USD	143	3.37	194	5.88	96.30	Ba2/BB+/NR
GLOPAR 32	Globo	5.500	1/14/2032	USD	277	4.81	211	6.17	96.48	NR/BB+/BB+
Industry Peers										
TELVIS 32	Televisa	8.500	3/11/2032	USD	300	4.64	311	7.18	106.11	Ba1/BBB/BB+
Brazil BB+ Issuers										
KLAB 29	Klabin	5.750	4/3/2029	USD	750	2.61	156	5.48	100.51	NR/BB+/BB+
KLAB 31	Klabin	3.200	1/12/2031	USD	500	4.28	180	5.78	89.13	NR/BB+/BB+
RDEDOR 30	Rede D'Or	4.500	1/22/2030	USD	750	3.38	179	5.74	95.60	NR/BB+/BB+
UGPABZ 29	Ultrapar	5.250	6/6/2029	USD	364	2.83	144	5.34	99.50	Ba1/BBB-/NR
Brazil (Sovereign)										
BRAZIL 30	Brazil	5.500	11/6/2030	USD	2,250	3.94	108	5.05	101.67	Ba1/BB/BB
BRAZIL 32	Brazil	6.125	1/22/2032	USD	2,000	4.80	153	5.59	102.50	Ba1/BB/BB
Indexes						**Eff. Duration**	**OAS**	**YTW**		
LatAm HY	ICE BofA High Yield Latin America Emerging Markets Corporate Plus					5.04	394	8.06		
Brazil HY	ICE BofA High Yield Emerging Markets Corporate Plus Brazil Issuers Index					4.63	503	8.76		
EM HY	ICE BofA High Yield Emerging Markets Corporate Plus Index					4.18	378	7.79		

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Hidrovias do Brasil (HIDRVS) 4.95% 2031 - Overweight

Isabella Pacheco

ATTRACTIVE 6% YIELD WITH SPREAD-PICK UP OVER PEERS

RATIONALE

- **Strong operational recovery:** Normalized River conditions and efficiency gains from dredging and rock removal drove volumes and margins in 2025, with EBITDA up 95% YoY to R$1.1bn and margin at 46% (+690bps YoY).
- **Robust liquidity and deleveraging in 2025 FY:** Cash position of R$1.1bn versus short-term debt of R$67mn, positive FCF of R$1.2bn, and net leverage down to 2.2x support balance sheet strength.

VALUATION

- **Attractive yield and spread:** Notes trade at $93.2 with 6.6% YTW and 294bps Z-Spread, offering a 114-125bps spread pick-up over Ultrapar parent bonds.
- **Improving credit profile:** Deleveraging trend and strong liquidity reduce refinancing risk, supporting tighter spreads over time.

Exhibit 18: Indicative pricing
As of 04/06/2026

Security	Rec	O/S (mm)	Coupon (%)	Maturity	Ccy	Px	YTW	Z-Spd	Mod. Dur.	Ratings
HIDRVS 31	OW	195	4.950	2/8/2031	USD	93.20	6.60	294	4.2	Ba3/NR/BB+
UGPABZ 26	MW	436	5.250	10/6/2026	USD	99.90	5.39	169	0.5	Ba1/BBB-/NR
UGPABZ 29	MW	364	5.250	6/6/2029	USD	99.43	5.37	179	2.8	Ba1/BBB-/NR
LatAm Logistics Peers										
RAILBZ 28	OW	500	5.250	1/10/2028	USD	97.92	6.51	280	1.6	NR/BB/BB+
RAILBZ 32	OW	500	4.200	1/18/2032	USD	88.14	6.65	299	4.9	Ba2/NR/BB+
SIMHBZ 31	NR	515	5.200	1/26/2031	USD	84.49	9.14	559	4.0	NR/BB-/BB-
LatAm Indices										
EM BB Index							6.81	279	4.4	BB
LatAm HY Index							8.06	394	5.0	BB+ and below
Brazil HY Index							8.76	503	4.6	BB+ and below

Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

Glossary

O&G: Oil and gas

GRE: Government-related Entity

UAE: United Arab Emirates

GCC: Gulf Cooperation Council

SWF: sovereign wealth fund

ICD: Investment Corporation of Dubai

LDR: loan to deposit ratio

RBL: RBL Bank

RE: real estate

CB: central bank

CBUAE: Central Bank of the United Arab Emirates

PE: polyethylene

DIP: debtor-in possession

PPA: Power purchase agreement

CNDC: National Commission for the Defense of Competition

Valuation & Risk

Braskem Idesa (BAKIDE)

Braskem Idesa missed its coupon in November and has since failed to reach agreement with bondholders on possible restructuring terms. The recent surge in petrochemical spreads provides leverage for bondholders in these ongoing negotiations. The benefits for a pure play ethane based PE producer could be significant and lead us to move BAKIDE's 29s and 31s to Overweight from Marketweight.

While Braskem Idesa has dramatically reduced leverage from its peak in 2023 (40x net), it remains a highly levered entity with commensurate risks. Downside risks include (1) the return of a weak pricing environment, (2) tariff threats or curtailment of its US feedstock and (3) operational issues which limit full utilization. Risks to the upside include (1) continued strong product prices, (2) improved feedstock pricing, (3) higher capacity utilization, (4) leverage reduction from non-core asset sales and (5) potential support from its shareholders.

Coca-Coca Icecek (CCOLAT)

We like the relatively defensive profile of this credit due to its conservative leverage policy coupled with TCCC's 20% stake in the company which provides comfort to investors. We expect CCI's cash flows to remain robust and its leverage to remain low thanks to the agility of the firm and its geographic diversification which helps absorb any single-country challenges.

We like the 29s here for its scarcity value (only Coca-Cola bottler issuer in EEMEA) and relative value vs. Türkiye sovereign (55% of EBITDA generation from there) here.

Downside risks to our recommendation are i) FX exposure to the Turkish Lira and Central and South East Asia currencies as part of the FX debt is unhedged, iii) high inflationary environment in Türkiye and international markets which could erode margins and iv) any debt funded acquisition (unlikely in the short term).

Upside risks are i) lower negative impact from adverse consumer sentiment / boycott campaigns in countries like Türkiye, Bangladesh and Jordan as regional geopolitical tensions ease, ii) better cash flow generation than anticipated and iii) a faster growth in international volumes.

Cometa Energia (COMENG)

We are Overweight on COMENG '35s. We continue to view valuation as attractive vs the Mexico IG Index (EMXI). We like COMENG's competitive, diversified asset fleet, strong capital structure, and ownership by Saavi/Global Infrastructure Partners. We note 22% of 4Q25 EBITDA is from natural gas compression, with 78% from power generation, with 7% of total EBITDA from LT generation PPAs with CFE. COMENG's assets are highly contracted (85% of EBITDA 4Q25), with full pass-through of fuel costs in all plants except La Rosita I (which maintains hedging mechanisms). We like the expected opportunity provided for private players by sector dynamics and the new framework for private participation.

Upside risks: (1) macro-economic growth and higher demand in markets of operation, (2) favorable regulatory developments, (3) continued deleveraging, (4) PPA re-contracting at favorable terms/pricing, (5) higher merchant power prices, (6) credit rating upgrades of COMENG and any key PPA counterparties, particularly CFE.

Downside risks: (1) unfavorable regulatory developments or government interference, (2) downgrade of Mexico sovereign or any COMENG LT PPA counterparties, particularly CFE, (3) higher unplanned outage factors at plants, causing loss of revenues and unexpected capex, (4) lower power prices, (5) any regulation restricting natural gas imports to Mexico to power COMENG's CCGT plants, (6) scenario in which capacity is re-contracted at less favorable terms/ pricing.

CSN Islands XI (CSNABZ)
We are MW on CSN 26s and UW on CSN 28s, 30s, 31s and 32s. In our view, the credit profile remains exposed to (i) constrained holdco cash generation and continued dependence on asset monetization/liability management, (ii) execution risk around the cement sale and broader capital-structure initiatives, particularly as a portion of sale proceeds would likely be directed first to repay the secured facility under standard mandatory prepayment terms, and (iii) increased structural subordination for unsecured creditors following the introduction of additional priority debt secured by cement shares and other collateral.

Upside risks: 1) Faster-than-expected execution on asset sales and/or liability management, 2) Cement-sale proceeds above our assumed R$10bn EV and/or additional monetizations, 3) Better-than-expected improvement in ex-mining cash generation, 4) Stronger steel and/or iron ore fundamentals supporting EBITDA and upstream capacity, 5) A more constructive rating trajectory as deleveraging and liquidity improvement become tangible. Downside risks: 1) Delays in asset sales or liability-management execution, 2) Sale proceeds below expectations, 3) Continued negative FCF at the holdco/ex-mining perimeter, 4) Greater structural subordination from additional secured financing, 5) Ratings pressure if execution disappoints, 6) contingencies or adverse developments at key assets, and 7) Capital-allocation slippage before deleveraging is more firmly established.

CSN Resources SA (CSNABZ)
We are MW on CSN 26s and UW on CSN 28s, 30s, 31s and 32s. In our view, the credit profile remains exposed to (i) constrained holdco cash generation and continued dependence on asset monetization/liability management, (ii) execution risk around the cement sale and broader capital-structure initiatives, particularly as a portion of sale proceeds would likely be directed first to repay the secured facility under standard mandatory prepayment terms, and (iii) increased structural subordination for unsecured creditors following the introduction of additional priority debt secured by cement shares and other collateral.

Upside risks: 1) Faster-than-expected execution on asset sales and/or liability management, 2) Cement-sale proceeds above our assumed R$10bn EV and/or additional monetizations, 3) Better-than-expected improvement in ex-mining cash generation, 4) Stronger steel and/or iron ore fundamentals supporting EBITDA and upstream capacity, 5) A more constructive rating trajectory as deleveraging and liquidity improvement become tangible. Downside risks: 1) Delays in asset sales or liability-management execution, 2) Sale proceeds below expectations, 3) Continued negative FCF at the holdco/ex-mining perimeter, 4) Greater structural subordination from additional secured financing, 5) Ratings pressure if execution disappoints, 6) contingencies or adverse developments at key assets, and 7) Capital-allocation slippage before deleveraging is more firmly established.

Davivienda (DAVIVI)
We are Overweight the 2035 Tier 2s (callable in 2030), given attractive spread over comparable bonds such as Bancolombia's 2034s. Upside risks: lower loan losses, lower funding costs. Downside risks: sovereign downgrades, higher loan losses.

Emirates NBD (EBIUH)
Within the senior curve, we like the 31s green bonds which offer the best pick up to FAB and the rest of the curve (MW 27/28/29s). Within the AT1s, the 4.25% call 2027 and 6.25% call 2030 (lower reset vs. 4.25%) compare favourably to UAE peers while the 6.125% call 2026 is at fair value.

Downside risks are i) Regional geopolitical tensions (Iran, Saudi-UAE spat) and any potential lower growth in Saudi Arabia, ii) M&A risk as ENBD is reported one of the contenders for IDBI in India, iii) any reversal of the positive macro momentum in the UAE (including due to any real estate oversupply), iv) risks related to the upcoming integration of RBL (non-HR and HR costs) though the unit will only represent 6% of ENBD balance sheet. Positives include i) a sustained balanced double digit volume growth domestically with moderate RWA density, ii) a stronger recovery in Türkiye with RoE potentially growing ahead of inflation resulting in book value accretion, iii) further growth in Saudi Arabia without diluting margins.

Globo Comunicacao (GLOPAR)
Globo (GLOPAR)
Globo is the largest media company in Latin America and operates Brazil's largest broadcast television network. It is a vertically integrated platform spanning broadcast television, pay-TV programming, streaming and digital media.

Our OW recommendation reflects the company's strong liquidity position of more than R$9bn, which provides significant operational flexibility and downside protection during market volatility. Additionally, valuation looks attractive with the notes trading at 208-215bps OAS at 6.0-6.2% YTW with price below par. Both notes trade on average 38-45bps wider to similar rated BB+/BB issuers in Brazil. The 2030s are currently rated Ba2 (Moody's) and BB+ (S&P) while the 2032s have a BB+ rating by, both, S&P and Fitch ratings agencies.

Upside risks: 1) improved macroeconomic scenario in Brazil 2) quicker adaptation to consumer preferences, 3) surpassing international players and leading streaming service in Brazil , 4) rating upgrades. Downside risks: 1) deterioration of the macroeconomic scenario in Brazil, 2) more intense competitive dynamics between players, 3) declining prime time market share, 4) rating downgrade.

Gran Tierra Energy (GTE)
We are Overweight Gran Tierra's 2029 bonds on valuation vs. its peer group of independent oil & gas companies in Colombia. GTE has strong fundamentals with leverage of 2.7x and a growing reserve base after its 2024 acquisition of i3 in Western Canada. Its main fields continue to be very productive in Colombia, Ecuador and Canada

Downside risks are (i) lower oil prices, (ii) declining production at some of its fields, (iii) government interference or regulatory intervention. (iv) lack of successful drilling at i3 in Canada, (v) inability to generate sufficient cash or ability refinance upcoming debt maturities and (vi) additional M&A activity that further increases leverage at the company. . Upside risks are higher oil prices, higher reserve base, increased production increasing greater free cash flow and debt reduction.

Hidrovias Int. Fin. (HIDRVS)
We are OW the 2031s. We believe the company has solid fundamentals with further deleveraging in the coming quarters. Further, we believe valuation looks attractive given that it is trading on average +113bps to its shareholder versus their historical levels around 75bps back.

Upside risks: (1) greater stake acquisition from Ultrapar, (2) more grain exports via Brazil's northern arc ports, (3) sustained improvements in river navigability in North and/or South Corridors, (4) higher average tariffs, (5) greater iron ore volumes for transport at Corumba mines following J&F's acquisition, (6) competition rationalization in South Corridor, (7) stable to increased fertilizer backhaul volumes, (8) lower capex.

Downside risks: (1) low river navigability in North and/or South Corridor, (2) higher competition for grain transport in Mato Grosso, (3) higher capex, (4) new infra projects that could decrease Northern Arc ports share of grain exports, (5) decrease in China's role as Brazil ag importer, (6) road blockades in Mato Grosso on key routes to HIDRVS North Corridor river port (Miritituba), (7) BRL devaluation, (8) debt refinancing

Kosmos Energy Ltd (KOS)
We are Marketweight on Kosmos 2027s and Overweight on Kosmos 2028-2031s. Our view is that high oil prices and lower operating costs will lead to improved results in 2026 vs 2025, and this will drive tightening in the longer bonds. We are Marketweight on Kosmos 2027s as these are priced around par and are callable at par at any time. In our view, they have limited tightening potential from here. The company has also issued $350mn in new bonds due 2031, reduced the size of the 2027s, placed additional equity, and announced an asset sale (closing expected in 2Q). These measures plus improved results should allow for debt reduction in 2026. Upside risks are 1) higher than expected production, 2) better cost reduction than currently forecast, 3) greater deleveraging than we are currently forecasting. Downside risks are 1) failure to increase production as guided, 2) any disruption to operations at Ghana's Jubilee field, 3) inability to reduce debt as expected.

Saavi Energía (SAAVIE)
We are Overweight SAAVIE '35s. We view valuation as attractive vs OpCos COMENG '35s and TIEMOD '40s and see room for compression to the OpCo bonds as well as for the group as a whole. We like SAAVIE's ownership by Global Infrastructure Partners, competitive asset fleet at its operating companies, expectation for continued strong generation demand in Mexico, need for participation by the private sector, consolidated net leverage at 4.8x, and expectation OpCo distributions will continue to support deleveraging.

Upside risks: (1) macro-economic growth and higher demand in markets of operation, (2) more clear/ favorable regulatory developments, (3) continued deleveraging, (4) further actions to simplify debt structure and remove subordination, (5) higher merchant power prices, (6) credit rating upgrade of OpCos or any key OpCo off takers, particularly CFE, (7) higher average plant availability rates at OpCos, (8) PPA re-contracting at favorable terms/pricing to OpCos, (9) new capacity coming online at OpCos.

Downside risks: (1) unfavorable regulatory developments or government interference, (2) downgrade of Mexico sovereign or any OpCo LT counterparties, particularly CFE, (3) higher unplanned outage factors at OpCo plants, (4) disruption to distributions expected from OpCos leading to slower deleveraging at Saavi, (5) lower power prices that could negatively impact Saavi's merchant business, (6) any regulation affecting the ability to import natural gas from the U.S.

Sasol Fin USA LLC (SASOL)
We have an Overweight recommendation on Sasol 2026-2031s. In our view, higher than expected oil prices in 2026 and recent weakening of ZAR will partly offset the weak global chemicals market. We also view the weakness in chemicals as more than priced in at current levels. The company generated positive free cash flow in 1H26 and expects positive free cash flow for the year given ongoing self-help measures. We also recognise Sasol's strong track record for managing debt maturities well ahead of schedule. As we go to print (March 9, 2026) the company has over $4bn in liquidity.

Downside risks are 1) weaker-than-expected global growth, 2) sustained increase in oil prices over $110/bbl that lead to inflationary pressures and reduced demand, 3) a sharp fall in oil prices (to below $60/bbl), 4) stronger-than-expected ZAR, 5) further cuts to production volumes and/or pricing.

Telecom (TECOAR)
We are OW TECOAR '31s, '33s and '36s at OW. We view the company's valuation as attractive compared to other blue-chip Argentine credits in the Argentine HY Index (EARH). This includes attractive pickup to peers in the same 'B' rating category (TECOAR's bonds are rated 'B2/NR/B'), and peers in lower 'CCC' rating category. The company has historically demonstrated strong cash flows and resiliency despite Argentine volatility & not having exports diversifying exposure. We like the expectation of further improvement to TECOAR's operating environment, and believe the company's strong business and financial profiles offer room for further spread compression. We also like the fact that the TMA merger, if approved, would lead to material synergies, and view positively that TECOAR already owns two of the three primary market players (America Movil - Claro being the third).

Upside risks are: (1) approval of TMA merger with favorable terms, (2) stabilizing ARS, (3) improved GDP growth in Argentina, (4) improved profitability and ARPU, (5) potential rating upgrades at the Sovereign allowing for a higher country ceiling, and (6) growth in new businesses.

Downside risks are: (1) unfavorable outcome, or rejection of TMA merger or attempted forced sale (viewed as unlikely), (2) large currency devaluations and slower-than-expected Argentine recovery, (3) lower-than-expected GDP growth, (4) increases in regulatory impact, (5) any increased competitive pricing environment.

Tierra Mojada (TIEMOD)
We are OW on TIEMOD '40s. We see relative valuation vs multi-asset peer COMENG '35 (OW) as fair, but believe both companies' spreads can still compress vs Mexico IG (EMXI) Index on strong demand in the sector, room for increased profitability, and need for increased private participation. We like TIEMOD's recently-built (Oct-2020), highly efficient power plant, LT PPA with CFE (currently 68% of contracted capacity) through the life of the bond, debt service reserve account, and management & ownership by Saavi/Global Infrastructure Partners. The company's swift deleveraging from 6.6x in 2022 to 2.9x in 2025 is viewed positively.

Upside risks: (1) continued power demand growth, (2) favorable regulatory developments, (3) higher capacity prices in Mexico's spot market, (4) continued deleveraging, (5) favorable re-contracting of rolling contracts to high quality credit counterparties, (6) expense synergies, (7) credit rating upgrade of any key PPA counterparties, but particularly CFE.

Downside risks: (1) unfavorable regulatory developments or government interference, (2) downgrade of Mexico sovereign or TIEMOD's key long-term PPA counterparty, CFE, (3) higher unplanned outage factors at the plant, causing loss of revenues and unexpected capex, (4) lower spot market prices, (5) inability to roll over shorter-term contracts with private counterparties, (6) any regulation affecting the ability to import natural gas from the U.S.

Vale (VALEBZ)

We are OW the 30s, 54s and the hybrids 56s, UW 42s, MW the 32s/33s/34s/36s/39s. The OW notes reflect, in our view, the best combination of cash prices and spread compensation along the curve, while the UW bonds screen relatively tight versus adjacent maturities and peers. Vale should remain with very low leverage despite volatility in iron ore prices, supported by its strong capital structure and competitive position on the global cash-cost curve. The company's low leverage offers a meaningful cushion against potential incremental liabilities and/or weaker iron ore prices. We maintain a stable outlook, underpinned by the recent combination of record production levels, continued cost improvements (particularly in Base Metals), successful portfolio optimization, and a gradually improving safety/ESG profile.

Upside risks are: (1) stronger demand and higher metals prices, (2) a potential ratings upgrade, (3) additional divestments of non-core assets, and (4) further progress on settlements with authorities regarding pending litigation. Downside risks are: (1) demand/price volatility and downside in commodity prices, (2) cost inflation, (3) higher leverage, (4) ratings downgrade risk, (5) tailings dam-related events, (6) slower growth in China, and (7) adverse outcomes in legal proceedings and contingency/liability developments.

Vale Canada (VALEBZ)

We are UW Vale's 33s, 34s and 42s bonds on tight valuation, OW the 54s on attractive valuation vs. other LatAm IG mining companies, and MW the rest of the curve.

Vale should remain with very low leverage levels despite volatility of iron ore prices given its strong capital structure and competitive position in the global cash cost curve of the industry. Excess cash generation should be used to reduce debt. Company's low leverage ratios offers a large cushion from potential new liabilities, and lower iron ore prices. Upside risks to our call are: 1) higher demand & metals prices, 2) ratings upgrade, 3) additional sale of non-core assets and 4) settlement and agreement with authorities on pending litigations. Downside risks are: 1) volatility and lower demand and prices, 2) increased costs, 3) higher leverage, 4) ratings downgrade, 5) problems on tailing dams, 6) declined growth in China, 7) legal proceedings and contingencies/liabilities.

Vale Overseas Ltd (VALEBZ)

We are OW the 30s, 54s and the hybrids 56s, UW 42s, MW the 32s/33s/34s/36s/39s. The OW notes reflect, in our view, the best combination of cash prices and spread compensation along the curve, while the UW bonds screen relatively tight versus adjacent maturities and peers. Vale should remain with very low leverage despite volatility in iron ore prices, supported by its strong capital structure and competitive position on the global cash-cost curve. The company's low leverage offers a meaningful cushion against potential incremental liabilities and/or weaker iron ore prices. We maintain a stable outlook, underpinned by the recent combination of record production levels, continued cost improvements (particularly in Base Metals), successful portfolio optimization, and a gradually improving safety/ESG profile.

Upside risks are: (1) stronger demand and higher metals prices, (2) a potential ratings upgrade, (3) additional divestments of non-core assets, and (4) further progress on settlements with authorities regarding pending litigation. Downside risks are: (1) demand/price volatility and downside in commodity prices, (2) cost inflation, (3) higher leverage, (4) ratings downgrade risk, (5) tailings dam-related events, (6) slower growth in China, and (7) adverse outcomes in legal proceedings and contingency/liability developments.

WOM Mobile (WOMMOB)

We rate WOMMOB's 2031 senior secured notes at OW. WOM Mobile SA is the successor of the restructured WOM SA and is currently the second largest mobile carrier in Chile. WOMMOB emerged from bankruptcy in early March 2025 and has been rapidly re-establishing itself in the market. The Chilean telecommunications market is extremely competitive and we expect continued consolidation in 2026/27 timeframe. Consolidation in the sector should benefit the surviving entities and we believe that WOMMOB with its deleveraged capital structure is poised for growth and an ongoing role as one of the leaders in the market. The WOMMOB '31s offer attractive value versus peers, and comparably levered credits. The notes are also secured by effectively all of the company's unleased assets. Downside risks to our recommendation include: 1) increased and aggressive competition from larger, better capitalized peers, 2) adverse regulatory changes which harm growth or control prices, 3) aggressive growth strategies that drain liquidity and/or increase leverage, 4) subscriber market shrinkage, 5) a faster pace of technological change which may heighten capex requirements and 6) sudden and sharp fx movements which effectively raise costs.

Upside risks include: 1) faster more profitable growth than expected, 2) consolidation through M&A, 3) continued ARPU expansion and 4) an improving political and economic environment

YPF (YPFDAR)

We are OW all USD international bonds on YPF's curve except the 2047 bond given its long duration. YPF's 2031 bond benefits form a collateral package (export proceeds), and amortizing structure. We maintain our MW on the 2047 bonds given less clarity on future energy sector strategy and YPF's shorter reserve life. YPF's strengths are its dominant position in the Argentine energy sector and reasonable leverage to date. We believe YPF remains strategically important to Arg. govt and economy. YPF is heavily focused on increasing production in non-conventional fields in Vaca Muerta and now desires to become a pure shale play.

Upside risks are higher upstream and downstream oil & gas prices, increased production & lower costs and successful completion of new pipelines, other infrastructure and operations of LNG facilities. Downside risks are price reductions on upstream and downstream production a, lower prod volumes, increased government and regulatory intervention, limited access to FX, weaker domestic demand, higher leverage leading to difficulties in refinancing risk and delayed project completion.

Analyst Certification

We, Anne Milne, Ali Dhaloomal, Bruno Larcher, Carlos Assumpcao, CFA, Caroline Rudge, Isabella Pacheco, Jorge Ordonez, Kay Hope and Nicolas Riva, CFA, hereby certify that the views each of us has expressed in this research report accurately reflect each of our respective personal views about the subject securities and issuers. We also certify that no part of our respective compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

Disclosures

Special Disclosures

Some of the securities discussed herein should only be considered for inclusion in accounts qualified for high risk investment.

Important Disclosures

BofA Global Research Credit Opinion Key

BofA Global Research provides recommendations on an issuer's bonds (including corporate and sovereign external debt securities), loans, capital securities, equity preferreds and CDS as described below. Convertible securities are not rated. An issuer level recommendation may also be provided for an issuer as explained below. BofA Global Research credit recommendations are assigned using a three-month time horizon.

Issuer Recommendations: If an issuer credit recommendation is provided, it is applicable to bonds and capital securities of the issuer except bonds and capital securities specifically referenced in the report with a different credit recommendation. Where there is no issuer credit recommendation, only individual bonds and capital securities with specific recommendations are covered. Loans, CDS and equity preferreds are rated separately and issuer recommendations do not apply to them.

BofA Global Research credit recommendations are assigned using a three-month time horizon:

Overweight: Spreads and /or excess returns are likely to outperform the relevant and comparable market over the next three months.

Marketweight: Spreads and/or excess returns are likely to perform in-line with the relevant and comparable market over the next three months.

Underweight: Spreads and/or excess returns are likely to underperform the relevant and comparable market over the next three months.

BofA Global Research uses the following rating system with respect to **Credit Default Swaps (CDS):**

Buy Protection: Buy CDS, therefore going short credit risk.

Neutral: No purchase or sale of CDS is recommended.

Sell Protection: Sell CDS, therefore going long credit risk.

Corporate Credit Issuer Investment Rating Distribution: Global Group (as of 31 Mar 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	130	38.92%	Buy	115	88.46%
Hold	158	47.31%	Hold	137	86.71%
Sell	46	13.77%	Sell	39	84.78%

[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 corporate credit issuer recommendations. A corporate credit issuer rated Overweight is included as a Buy, a corporate credit issuer rated Marketweight is included as a Hold, and a corporate credit issuer rated Underweight is included as a Sell.

BofAS or an affiliate was a manager of a public offering of securities of this issuer within the last 12 months: Banco Davivienda, Emirates NBD, Sasol Fin USA LLC, Vale Overseas.
The issuer is or was, within the last 12 months, an investment banking client of BofAS and/or one or more of its affiliates: Banco Davivienda, Cia Siderurgica SA, Cometa Energia SA, CSN Resources SA, Emirates NBD, Globo Comunicacao, Gran Tierra Energy, GTE International, Hidrovias Int. Fin., Kosmos Energy, Saavi Energia, Sasol Fin USA LLC, Sasol Limited, Telecom Arg., Vale Canada, Vale Overseas, Vale SA, YPF SA.
BofAS or an affiliate has received compensation from the issuer for non-investment banking services or products within the past 12 months: Banco Davivienda, Braskem Idesa, Cia Siderurgica SA, CSN Resources SA, Emirates NBD, Globo Comunicacao, Hidrovias Int. Fin., Kosmos Energy, Sasol Fin USA LLC, Sasol Limited, Vale Canada, Vale Overseas, Vale SA, WOM Mobile.
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: Banco Davivienda, Braskem Idesa, Cia Siderurgica SA, CSN Resources SA, Emirates NBD, Globo Comunicacao, Hidrovias Int. Fin., Kosmos Energy, Sasol Fin USA LLC, Sasol Limited, Vale Canada, Vale Overseas, Vale SA, WOM Mobile.
BofAS or an affiliate has received compensation for investment banking services from this issuer within the past 12 months: Banco Davivienda, Emirates NBD, Globo Comunicacao, Gran Tierra Energy, GTE International, Hidrovias Int. Fin., Kosmos Energy, Sasol Fin USA LLC, Sasol Limited, Vale Canada, Vale Overseas, Vale SA.
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: Banco Davivienda, Cia Siderurgica SA, Cometa Energia SA, CSN Resources SA, Emirates NBD, Gran Tierra Energy, GTE International, Hidrovias Int. Fin., Kosmos Energy, Saavi Energia, Sasol Fin USA LLC, Sasol Limited, Telecom Arg., Vale Canada, Vale Overseas, Vale SA, YPF SA.
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: Gran Tierra Energy, Vale SA.
BofAS or one of its affiliates has a significant financial interest in the fixed income instruments of the issuer. If this report was issued on or after the 15th day of the month, it reflects a significant financial interest on the last day of the previous month. Reports issued before the 15th day of the month reflect a significant financial interest at the end of the second month preceding the report: Banco Davivienda, Cometa Energia SA, Kosmos Energy, Sasol Fin USA LLC, Sasol Limited, Telecom Arg., Vale SA, YPF SA.
BofAS or one of its affiliates trades or may trade as principal in the debt securities (or in related derivatives) that are the subject of this research report: Banco Davivienda, Braskem Idesa, Cia Siderurgica SA, Coca-Cola Icecek, Cometa Energia SA, CSN Islands XI, CSN Resources SA, Emirates NBD, Globo Comunicacao, Gran Tierra Energy, GTE International, Hidrovias Int. Fin., Kosmos Energy, Saavi Energia, Sasol Fin USA LLC, Sasol Limited, Telecom Arg., Tierra Mojada, Vale Canada, Vale Overseas, Vale SA, WOM Mobile, YPF SA.
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: Banco Davivienda, Braskem Idesa, Cia Siderurgica SA, Coca-Cola Icecek, CSN Resources SA, Emirates NBD, Globo Comunicacao, Hidrovias Int. Fin., Kosmos Energy, Sasol Fin USA LLC, Sasol Limited, Vale Canada, Vale Overseas, Vale SA, WOM Mobile.
BofA Global Research personnel (including the analyst(s) responsible for this report) receive compensation based upon, among other factors, the overall profitability of Bank of America Corporation, including profits derived from investment banking. The analyst(s) responsible for this report may also receive compensation based upon, among other factors, the overall profitability of the Bank's sales and trading businesses relating to the class of securities or financial instruments for which such analyst is responsible.

BofA Securities fixed income analysts regularly interact with sales and trading desk personnel in connection with their research, including to ascertain pricing and liquidity in the fixed income markets.

Other Important Disclosures

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.

This report may refer to fixed income securities or other financial instruments that may not be offered or sold in one or more states or jurisdictions, or to certain categories of investors, including retail investors. Readers of this report are advised that any discussion, recommendation or other mention of such instruments is not a solicitation or offer to transact in such instruments. Investors should contact their BofA Securities representative or Merrill Global Wealth Management financial advisor for information relating to such instruments.

Rule 144A securities may be offered or sold only to persons in the U.S. who are Qualified Institutional Buyers within the meaning of Rule 144A under the Securities Act of 1933, as amended.

SECURITIES OR OTHER FINANCIAL INSTRUMENTS DISCUSSED HEREIN MAY BE RATED BELOW INVESTMENT GRADE AND SHOULD THEREFORE ONLY BE CONSIDERED FOR INCLUSION IN ACCOUNTS QUALIFIED FOR SPECULATIVE INVESTMENT.

The securities or other financial instruments discussed in this report may be traded over-the-counter. Retail sales and/or distribution of this report may be made only in states where these instruments are exempt from registration or have been qualified for sale.

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

This report, and the securities or other financial instruments discussed herein, may not be eligible for distribution or sale in all countries or to certain categories of investors, including retail investors.

Information relating to Affiliates of BofAS, MLPF&S and Distribution of Affiliate Research Reports:

Refer to BofA Global Research policies relating to conflicts of interest (https://rsch.baml.com/coi).

"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.

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 (http://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 (http://www.bankofamerica.com/emaildisclaimer) for further information.

This information has been prepared and issued by BofAS and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofAS and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for information distributed to BofAS and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofAS and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information. For clients that are not accredited investors, expert investors or institutional investors Merrill Lynch (Singapore) Pte Ltd accepts full responsibility for the contents of this information distributed to such clients in Singapore.

General Investment Related Disclosures:

Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent of BofA Securities.

This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other financial instrument or any derivative related to such securities or instruments (e.g., options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of, and is not directed to, any specific person(s). This document and its content do not constitute, and should not be considered to constitute, investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this document.

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

BofA Securities 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.

This report may contain a trading idea or recommendation which highlights a specific identified near-term catalyst or event impacting a security, issuer, industry sector or the market generally that presents a transaction opportunity, but does not have any impact on the analyst's particular "Overweight" or "Underweight" rating (which is based on a three month trade horizon). Trading ideas and recommendations may differ directionally from the analyst's rating on a security or issuer because they reflect the impact of a near-term catalyst or event.

Certain investment strategies and financial instruments discussed herein may only be appropriate for consideration in accounts qualified for high risk investment.

Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. Investors in such securities and instruments effectively assume currency risk.

BofAS or one of its affiliates is a regular issuer of traded financial instruments linked to securities that may have been recommended in this report. BofAS or one of its affiliates may, at any time, hold a trading position (long or short) in the securities and financial instruments discussed in this report.

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

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

Copyright and General Information:

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

This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofAS any of its affiliates or their research analysts has any authority whatsoever to make any representation or warranty on behalf of the issuer(s). BofA Global Research policy prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer prior to the publication of a research report containing such rating, recommendation or investment thesis.

Any information relating to 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.