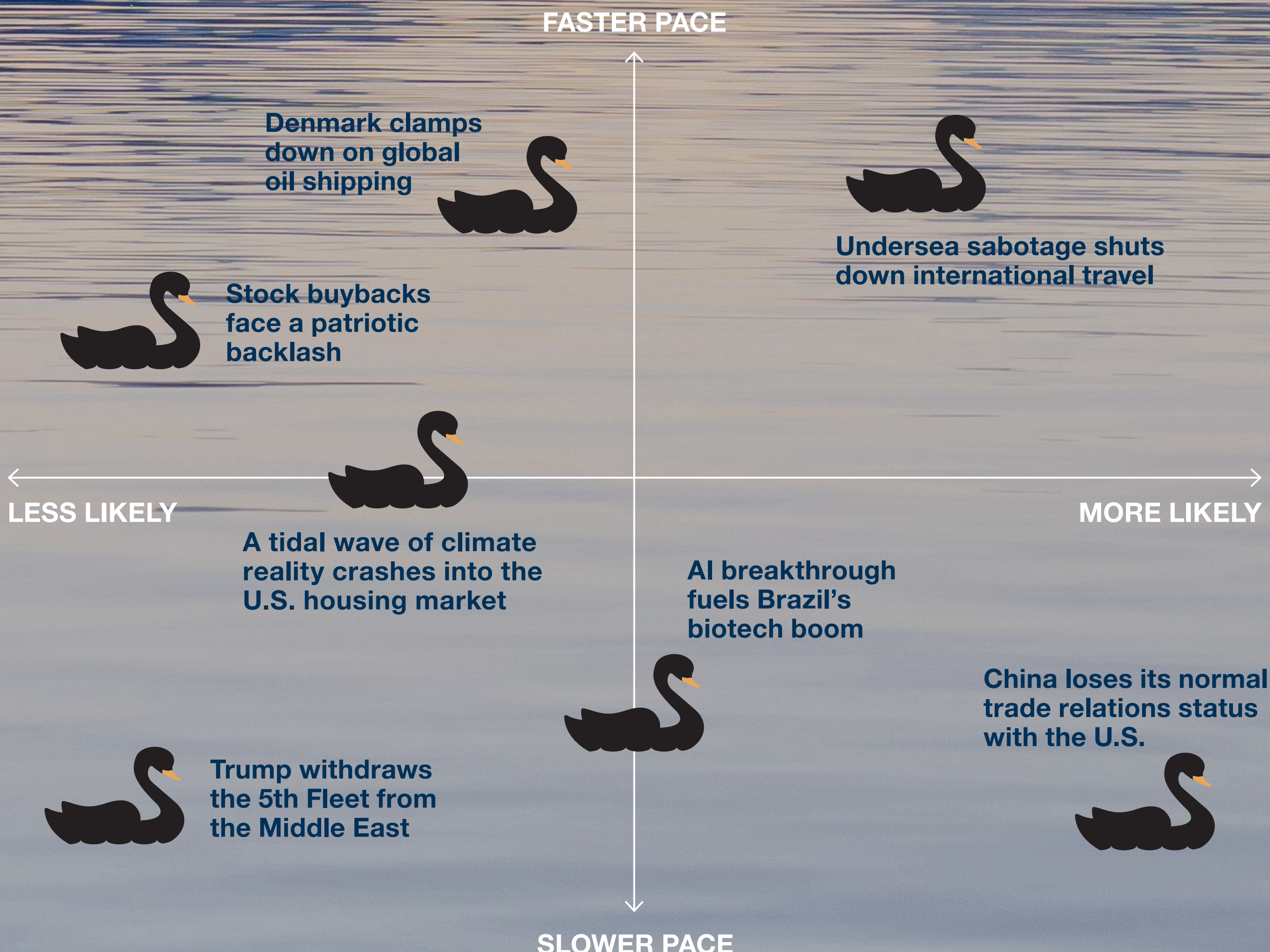
New York Life Investments

JANUARY 2025

Swan lake: the risks that would most disrupt consensus in 2025

Our top picks in evaluating the unpredictable



Opinions of the New York Life Investments Global Market Strategy team, January 2025.

Introduction

A *black swan* is a high-impact, unpredictable event that disrupts investor consensus. The term originates from the discovery of black swans in Australia, an event that shattered the prior belief — based on centuries of observation — that all swans were white. Investor attention around risks may ebb and flow, but these events always can, at any time and with no warning, upend entrenched economic narratives and reset market expectations.

In recent years, several black swans previously considered improbable have materialized, reshaping economic growth, market behavior, and global stability. Notably, two risks identified in last year's report — an EU-China trade war and the U.S. embracing nuclear energy — unfolded in 2024, with meaningful implications for geographic and asset class preference. For investors, it's crucial to understand not only the direct impacts of such shocks but also the cascading, non-linear effects that ripple through economies and markets.

Global economic structures and international relations are changing, with sometimes long-dated and unpredictable repercussions. Accordingly, we believe it is appropriate and perhaps necessary to consider not only the upside and downside scenarios to our base case views, but also "black swan" events that, though incredibly unlikely, could upend the 2025 outlook. That is one of the distinguishing factors of our analysis; we consider not the biggest or most extreme risks, but the most disruptive ones that have a clear path for taking place *this year*.

We prioritize key risks by considering the likelihood, severity, and speed of their impact. Then, we build scenarios to determine how that impact would be felt — and what, if any, action investors could take to mitigate or capitalize on it. While not in our base case for 2025, we believe the risks outlined here, if they occurred, would do the most to disrupt investment allocations.

Undersea sabotage shuts down international travel

LIKELIHOOD: HIGHER | SPEED: FASTER

Though we think of the internet as existing "up in the cloud," its physical backbone lies beneath us. Over 400 subsea cables spanning the globe handle 95% of internet traffic, including $10 trillion in daily financial transactions. These cables are increasingly recognized as critical infrastructure—and a potential target for disruption.

The vulnerability stems from their location. Subsea cables face risks from accidental damage, like ship anchors, and deliberate sabotage. A recent example illustrates the scale of the challenge: in November 2024, Russia was suspected of severing two Baltic Sea cables, raising alarms across Europe. Norway's intelligence service has since warned of heightened risks to underwater infrastructure, particularly amidst the Russia-Ukraine conflict, where the Kremlin may retaliate against European support for Ukraine by targeting subsea cables.

The consequences of a severed cable extend far beyond temporary internet slowdowns. A regional connectivity outage could disrupt critical services, including air travel and financial markets activity, with immediate economic and logistical effects. Experts caution that targeted attacks on key locations—such as undersea cables connecting China and Taiwan—could ripple through neighboring regions, including Japan, Guam, and Hawaii. A cable cut in 2008 off the coast of Egypt disrupted internet services through the Middle East and Indian subcontinent, and one damaged in 2019 cut the small island nation of Tonga off from internet access for 11 days. Though countries with more critical internet and financial markets infrastructure have stronger connectivity, a significant amount of bandwidth is funneled through vulnerable chokepoints. In the U.S., for example, activity is concentrated near a handful of coastal locations such as New York, Oregon, California, and Florida.

Despite growing awareness, addressing the risk is complex. Governments are boosting patrols and cable redundancies to mitigate single-point failures. Yet, with only 60 repair ships globally, disruptions could take months to resolve, escalating economic fallout and geopolitical tensions.

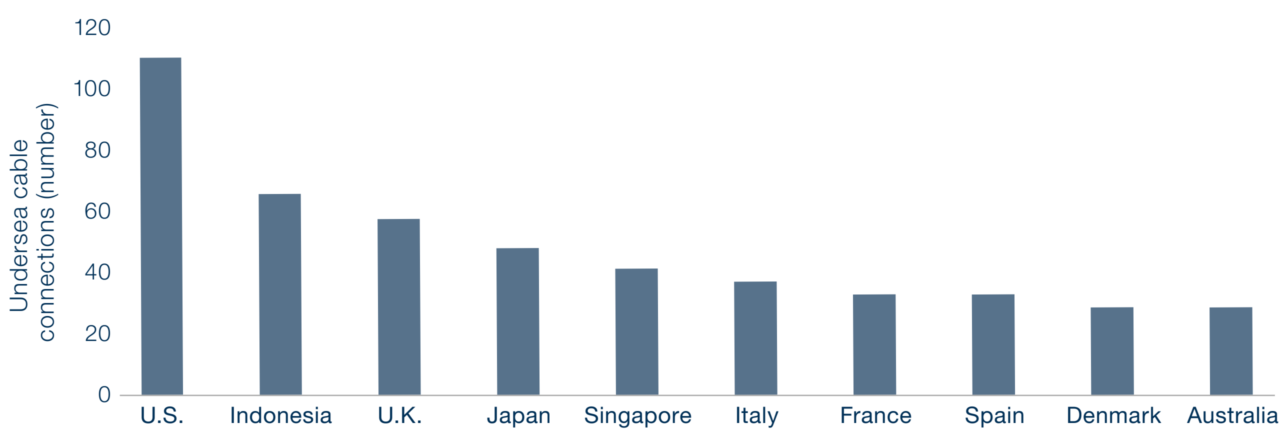
Investment implications

The rising vulnerability of undersea cables presents both risks and opportunities for investors. Companies with robust, diversified communication networks and geopolitically resilient infrastructure are likely to attract greater interest as "quality" investments. Similarly, satellite and telecommunications firms may benefit from a growing emphasis on cable-independent connectivity solutions.

Conversely, sectors reliant on real-time internet connectivity, such as aviation, could face operational risks, which may weigh on valuations. Heightened demand for cybersecurity and physical infrastructure defense will likely create opportunities for companies specializing in these areas. As the risk of disruption becomes clearer, markets may price in higher geopolitical risk premiums, particularly for regions or industries with heavy internet connectivity dependencies.

Key centers of international business are connected by undersea cables

The ten countries with the most undersea cable connections



Sources: New York Life Investments Global Market Strategy, TeleGeography, January 2025.

China loses its normal trade relations status with the U.S.

LIKELIHOOD: HIGHER | SPEED: SLOWER

In 2000, the United States granted China permanent normal trade relations (PNTR) status, formerly known as most favored nation (MFN) status, in connection to China's accession to the World Trade Organization (WTO). This marked a significant milestone in U.S.-China trade relations. Chinese companies gained access to the largest market in the world, and U.S. companies enjoyed cheap labor and improved profits. Times have changed: Donald Trump started a U.S.-China trade war in his first term, Biden upheld and even raised tariff rates on Chinese imports, and Trump has made an even more aggressive tariff policy a mainstay of his reelection campaign. PNTR status imposes legal constraints that could hinder unilateral actions such as aggressive tariff proposals. Therefore, it's possible Trump and the Republican Congress revoke China's PNTR status this year.

This idea isn't completely out of the blue. In September 2024, three Republican senators introduced legislation to end permanent normal trade relations with China. And this wouldn't be the first time PNTR status was revoked. In April 2022, President Biden signed a law that revoked the PNTR status for Russia and Belarus in response to the 2022 Russian invasion of Ukraine. Before that, only two countries—Cuba and North Korea—did not have PNTR status.

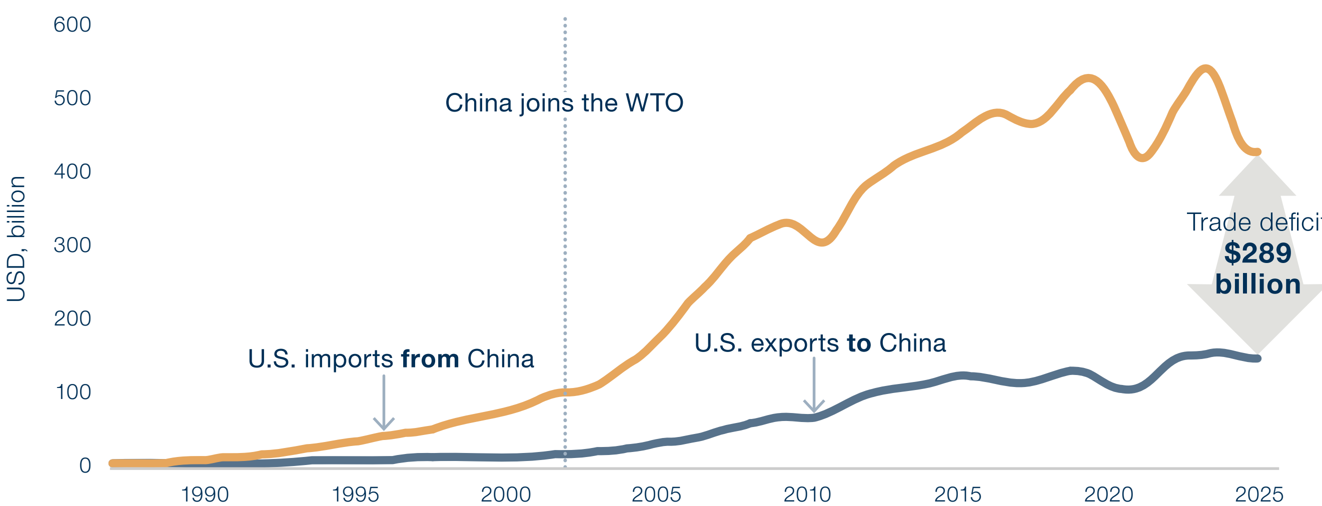
Trump has already used tariffs against China, so why go this extra step? Revoking China's PNTR status has implications beyond what standard tariffs can achieve. For example, regular tariffs are generally viewed as temporary. Revoking PNTR, by contrast, would permanently change the baseline tariff level for China. With PNTR status, China is granted the same lower, stable tariff rates as other WTO members. Without PNTR, China's goods would immediately be placed in a higher tariff bracket where some goods could face 50% tariff rates.

Investment implications

China losing its PNTR status would inject more volatility into the U.S.-China relationship. U.S. consumers and businesses reliant on Chinese imports would face higher costs; Oxford Economics[1] estimated Trump's tariff plans could cost 744,000 U.S. jobs over five years and reduce household income by $8,700 on average. Key sectors, including agriculture, durable manufacturing, and mining, are likely to be hit the hardest.

Reduced U.S.-China trade could also push Chinese exporters to find new markets, boosting resilience over time. Some Chinese companies are shifting production to countries like Vietnam and Mexico to avoid tariffs, though Trump has said he will implement tariffs bypassing traditional country-of-origin rules so as to target these moves. China, for its part, could use this opportunity to intensify efforts to rebalance its economy, prioritizing domestic consumption over manufacturing, which has been a long-desired policy objective.

Trump is intent on closing the U.S. trade deficit with China, and revoking PNTR could move the needle



Sources: New York Life Investments Global Market Strategy, U.S. Census Bureau, Macrobond, January 2025.

Denmark clamps down on global oil shipping

LIKELIHOOD: MEDIUM | **SPEED: FASTER**

An international conflict is bubbling up in the Baltic Sea involving "ghost" ships, maritime insurance, and a 19th-century treaty. Since the Russian invasion of Ukraine, Russia has circumvented sanctions on its oil exports by deploying a shadow fleet of aging, uninsured tankers with opaque ownership to importers in places like China, India, and the Middle East. Sixty percent of Russia's seaborne oil exports moves through the Danish Straits[2], some via the shadow fleet. This is a critical chokepoint in the Baltic Sea and these ghost ships' advanced age and refusal to permit Danish captains on board amplify the risk of collisions or environmental disasters.

As the number of ghost fleets rises, so does the risk of a maritime accident. Russia's alleged operations in the Danish Straits have benefited from being in the gray zone of deniable attacks short of war, but Nordic countries have been raising the alarm on Russian sabotage for years. A maritime accident involving a ghost ship in the Danish Straits could, therefore, force Denmark—and potentially its neighbors—to take decisive action, such as imposing restrictions that slow Russian oil shipments. This scenario risks escalating tensions, as oil revenues remain a cornerstone of President Putin's war machine. Beyond Russia though, a highly visible and costly incident involving a ghost ship would likely compel countries to block uninsured vessels from their waters, potentially grinding global shipping to a halt.

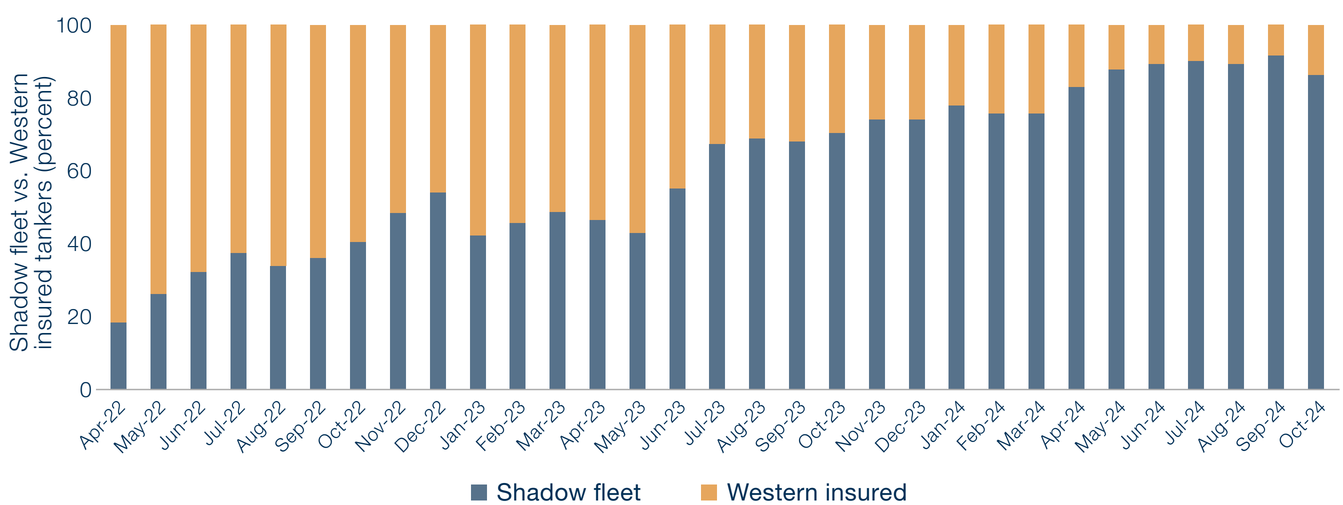
Denmark's legal position is complicated. While the Copenhagen Convention of 1857 guarantees unrestricted passage through the straits, modern legal frameworks, including EU laws and the UN Convention on the Law of the Sea, may give Denmark grounds to inspect these vessels. In December of last year, after we identified this risk, the Nordic and Baltic countries announced they would begin taking further action to counter Russia's shadow fleet, including requiring ships to provide proof of insurance. How strict these rules are enforced increases the risk of escalating tension in the Baltic Sea.

Investment implications

An escalation in the Baltic Sea could disrupt oil markets and global trade routes. A halt to Russian oil exports would likely drive global energy prices higher, benefiting other energy exporters but straining European industries reliant on stable fuel supplies. The broader shipping industry could face a reckoning, as countries reassess the risks of uninsured vessels and implement stricter import controls. This shift may accelerate the trend toward regionalized trade, with airfreight and logistics companies poised to gain as nations explore alternatives to vulnerable maritime routes.

Russia's increasing use of shadow fleet vessels raises the risk of a geopolitical event

Most of Russia's crude oil exports now lack insurance



Sources: New York Life Investments Global Market Strategy, Kyiv School of Economics, January 2025. Note: Tankers without Western insurance were excluded due to negligible values.

Stock buybacks face a patriotic backlash

LIKELIHOOD: LOWER | SPEED: MEDIUM

Investors love when companies buy back their stock. In fact, the S&P 500 Buyback Index has grown at a 14% annualized growth rate over the last ten years compared to the 10% annualized total return from the S&P 500[3]. But buybacks weren't always viewed so favorably. Before 1982, companies faced legal risks for repurchasing their own shares, as such actions were viewed as potential stock manipulation. Once effectively legalized by the U.S. Securities and Exchange Commission (SEC), buybacks became a cornerstone of financial engineering.

It is obvious why Wall Street loves them: stock buybacks can inflate share prices and boost earnings per share—key metrics tied to lucrative executive bonuses. Buybacks can be considered a good use of cash, but as Reuters put it in 2015, "Stock buybacks enrich the bosses even when the business sags."

This year could mark a turning point in financial history, where Main Street turns on Wall Street, and buybacks fall out of favor, becoming increasingly viewed as unpatriotic and counterproductive to the broader economy.

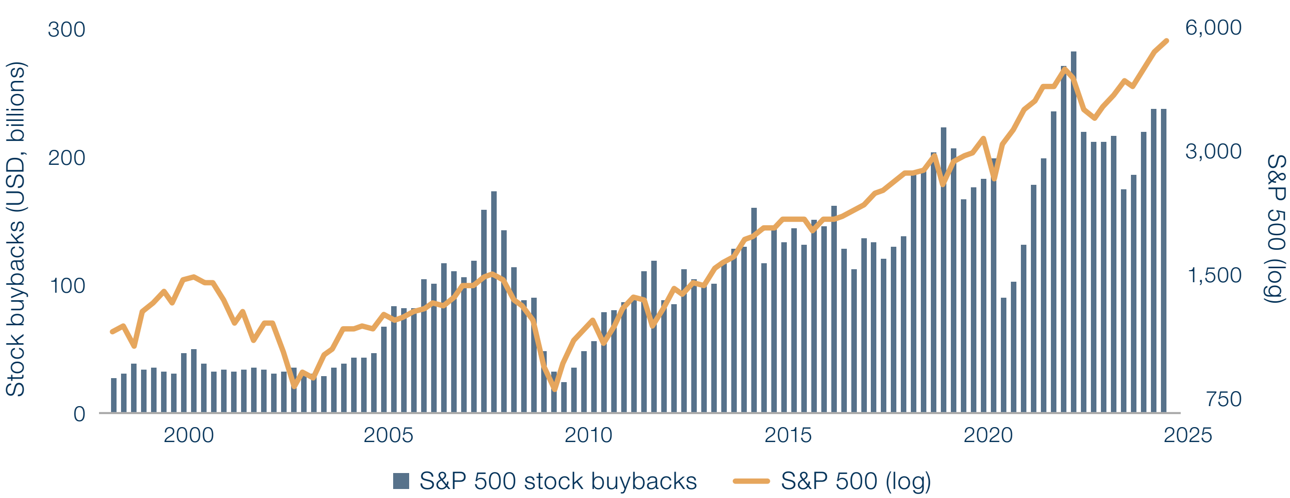
While Trump has traditionally supported business-friendly policies, his willingness to appeal to "America First" values and engage blue-collar constituencies could lead to more populist-friendly stances—especially if buybacks are framed as counter-productive to economic "patriotism."

This isn't unfathomable. Stock buybacks have already been facing increasing scrutiny—taxes, restrictions, and disclosures have each been imposed on stock buybacks over the last few years. While these recent measures have come from the political left, it's easy to see how Republican populists could start criticizing companies who they feel don't pay fair wages (or hike prices) as a way to align with the working-class voter base. They could argue that capital should be used to raise wages, invest in local jobs, or improve infrastructure.

Investment implications

If buybacks lose their appeal, corporate capital allocation would be upended: in the first half of 2024, that would have meant $472 billion of demand exited the market. A significant drop in buyback activity could put downward pressure on equities, especially in sectors like technology and consumer discretionary that rely heavily on buybacks to drive shareholder returns. At the same time, credit markets may benefit as companies redirect funds toward debt reduction. In another scenario, some businesses might channel surplus cash into expansion, potentially driving increased M&A activity. Stock buyback culture is strongest in U.S. markets, but if U.S. companies reduced buy-back activity, some European companies might feel less pressure to adopt the same strategies to remain competitive in global capital markets.

What would equity returns look like if stock buybacks stopped?



Sources: New York Life Investments Global Market Strategy, S&P Global, NBER (National Bureau of Economic Research), Macrobond, January 2025. The S&P 500 Index is an unmanaged index that is widely regarded as the standard for measuring large-cap U.S. stock market performance. Past performance is not a guarantee of future results. It is not possible to invest in an index.

A tidal wave of climate reality crashes into the housing market

LIKELIHOOD: LOWER | SPEED: MEDIUM

A perfect storm is brewing in the home insurance industry. Many experts now believe home prices in climate-vulnerable areas are inflated, masking the true risks and carrying costs of home ownership. According to First Street Foundation, 39 million homes in the U.S. face insurance rates that do not match their climate risk, creating a bubble that could burst as severe devaluations hit high-risk regions. Rising insurance premiums, or the outright withdrawal of insurers from disaster-prone markets, are already impacting home values, as buyers weigh the financial burden of potential uninsured damages.

The strain on the insurance industry is intensifying. In the first half of 2024, global insured losses from natural disasters, including Hurricanes Helene and Milton, exceeded $60 billion — a 54% increase over the 10-year average[4]. Insurers are responding with rate hikes as high as 400% in states like Florida and cancelling policies in high-risk zones. Inflation has also made rebuilding houses much more expensive and prices for reinsurance — insurance for insurance companies — have shot up. This situation is forcing insurance companies to make climate reassessments in order to reduce their future liability. And this is a global risk; foreign investors own roughly 17%[5] of the U.S. equity real estate investment trust market.

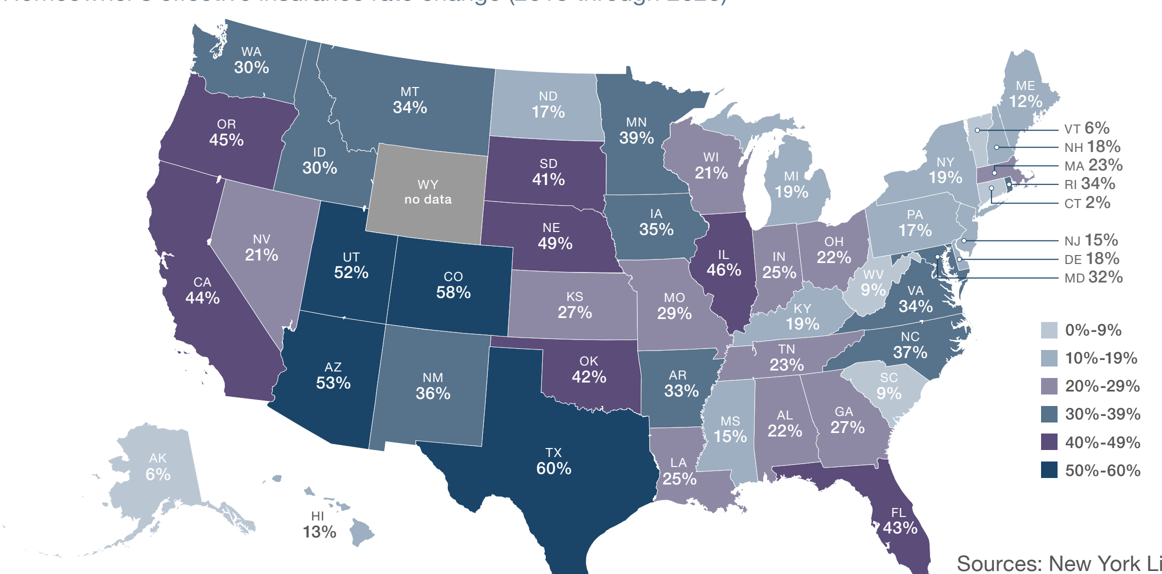
Policy changes could also accelerate this revaluation. If federal agencies, particularly FEMA, undertook a major update of flood and disaster maps to more accurately reflect current and future climate risks — and required this information to be incorporated into property appraisals, lending standards, and insurance requirements — it could lead to a rapid reassessment of property values. Housing finance agencies such as Fannie Mae and Freddie Mac, along with the National Flood Insurance Program, could also begin requiring mortgages to accurately account for climate risks, further depressing values in at-risk areas. On the reporting side, a 2024 SEC rule now mandates detailed climate risk disclosures from publicly traded companies, including real estate investment trusts (REITs). With AI-driven climate risk modeling advancing, institutional investors could reevaluate their exposure, leading to broad reassessments of real estate valuations.

Investment implications

A climate-driven housing market correction could have far-reaching consequences. Mortgage providers who are heavily exposed to at-risk properties may face rising default rates, straining credit markets and increasing financial instability. A sharp drop in home values could erode household wealth, reducing consumer spending and potentially tipping the economy into a recession. At the same time, demand may shift toward "climate-safe" regions, inflating property values and potentially creating new housing bubbles. Investors should focus on resilient housing markets and opportunities in climate-adaptation industries.

Rising insurance costs threaten to escalate into a full-blown housing crisis

Homeowner's effective insurance rate change (2018 through 2023)



Sources: New York Life Investments Global Market Strategy, S&P Global, Macrobond, January 2025.

AI breakthrough fuels Brazil's biotech boom

LIKELIHOOD: MEDIUM | SPEED: SLOWER

Imagine counting grains of sand by hand—slow and tedious. Now imagine a machine that instantly scans and counts them. That's what AlphaFold's AI software has done for analyzing proteins. Previously, protein structure determination often required expensive and time-consuming experimental methods like X-ray crystallography. From the start of human history to 2022, humans have cataloged approximately 200,000 proteins. After its advent in 2022, AlphaFold's parent company, DeepMind, reports that it has now predicted the structures of over 200 million proteins, covering nearly all known proteins[6]. The latest breakthrough came in November 2024 when AlphaFold was made available to scientists who are now turning that power towards solving some of the world's longest running health problems. In an upside black swan risk scenario, 2025 could see the advent of a breakthrough of groundbreaking drugs, and with it, potentially significant economic benefits.

There are many potential disruptions from a technology like this, but we focus on one timely and illustrative opportunity.

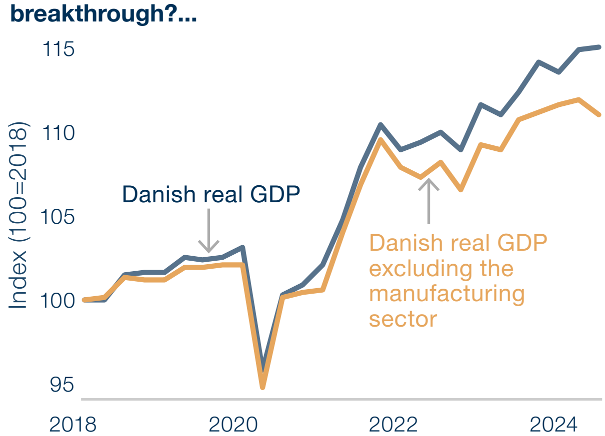
Brazil is a hotspot for both dengue fever and dengue fever research. This year, with the help of AlphaFold, researchers could find a cure[7]. The five-year average for dengue cases in Brazil is 2 million people, but last year, Brazil saw an outbreak that infected almost 6 million people. The economic cost of dengue in Latin America is high, exceeding $3 billion annually; in Brazil, it's estimated to be $1.4 billion[7]. Curing dengue fever has been challenging due to the complexity of the disease, which has four variants. Now that AlphaFold is available to researchers, they could use it to predict structures for less-studied variants, filling in gaps where experimental data is unavailable. Brazil wouldn't only benefit from a reduction in infections, its well-established pharmaceutical manufacturing sector would also be able to produce and export these new drugs.

Investment implications

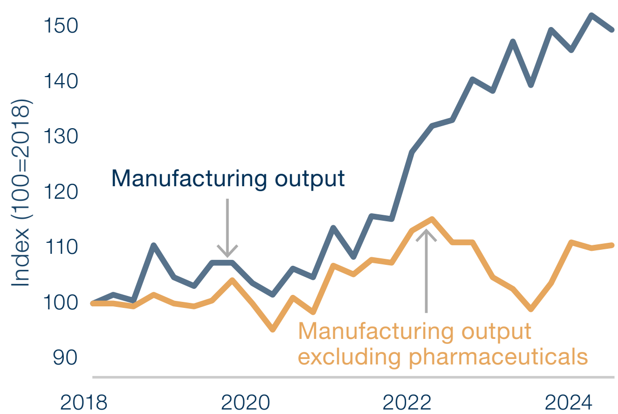
Developing a treatment for dengue fever would be a major step in public health. Economically, not only would it reduce costs lost to the disease, but it could also be a major boon to whichever country creates it. Consider the case of Denmark and its pharmaceutical companies' pioneering work in diabetes and obesity treatment. By leading in this area, Denmark established itself as a global biotech powerhouse. In fact, since 2021, Danish GDP, which has grown by 3.6%, would have seen no growth if not for the pharmaceutical sector. The discovery also led to employment opportunities, increased tax revenue, and infrastructure development. The same could be true for Brazil, whose pharmaceutical sector has been researching dengue fever.

It's hard to predict where and how a cure for a disease will be discovered. While dengue fever seems prime for new treatments with the advent of AI, the real takeaway for investors is that they should keep their eye on the pharmaceutical and biotechnology sectors. New technologies are likely to drive more breakthroughs with lucrative growth opportunities.

Which country will lead the next pharmaceutical breakthrough?...



...the impact in Denmark has reshaped its economy



Sources: New York Life Investments Global Market Strategy, Statistics Denmark, Macrobond, January 2025.

Trump withdraws the 5th Fleet from the Middle East

LIKELIHOOD: LOWER | SPEED: SLOWER

During the Cold War, the U.S. depended on Persian Gulf oil not only for itself but also to support allies like Japan, Germany, and the UK—reinforcing alliances against the Soviet Union. The resulting mutual reliance on the petrodollar paradigm has helped shape U.S. military engagement in the region. The presence of the U.S. Navy's 5th Fleet, in part, helps to ensure stability around the Strait of Hormuz and the Suez Canal, through which 42%[8,9] of the world's oil supply flows. However, with North American shale oil driving U.S. energy self-sufficiency, global oil dynamics are changing—possibly reducing U.S. focus on Middle Eastern oil supply.

Trump's transactional governance style and focus on defense cost sharing could point to a reconsideration of the 5th Fleet's Middle East presence, potentially as a continuation of the Abraham Accords which normalized Israel-Arab relations.

Increased defense cooperation in the region, with a reduced U.S. role, would be tested in potential moments of instability. Attacks on oil facilities could become more frequent, creating supply disruptions and heightened tensions. While such instability could harm global markets, the U.S. energy sector might benefit as nations seek alternative suppliers, potentially increasing reliance on U.S. exports and strengthening American leverage in global energy markets.

A withdrawal could also damage U.S. credibility with allies, driving a shift toward more transactional relationships across the region. Still, the 5th Fleet has been a cornerstone of U.S. power projection since the Gulf War, making a full withdrawal politically challenging and less likely. In a less extreme scenario, Trump could push for a defense cost-sharing agreement between the U.S. and Saudi Arabia in an effort to reduce U.S. defense spending.

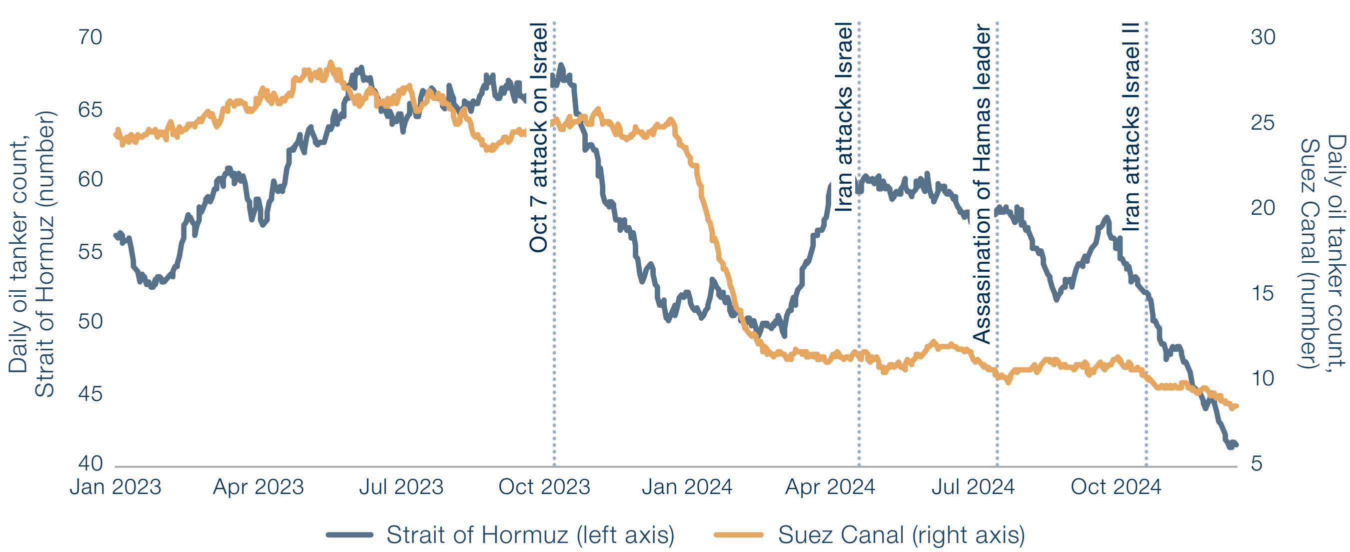
Investment implications

A 5th Fleet withdrawal would likely inject volatility into oil markets, as traders price in heightened risk to supply routes. While such a move may be more likely used as a negotiating tactic than a fully implemented policy, its announcement alone could spark temporary price swings. If enacted, oil markets could face prolonged volatility, particularly if attacks or blockages disrupt supply.

Saudi Arabia, feeling abandoned, could retaliate by officially selling oil in non-U.S. dollar currencies, such as the yuan, potentially weakening the U.S. dollar. However, if the U.S. gains global energy market share as a result, the dollar could strengthen instead.

Geopolitical instability impacts trade volume and oil tanker transits

Daily count of oil tankers through chokepoints (1-month moving average)



Sources: New York Life Investments Global Market Strategy, International Monetary Fund (IMF), Macrobond, January 2025.

Other risks and next steps

OTHER RISKS

By their very nature, black swans are unforeseen. We therefore acknowledge that there are countless risks we did not, or cannot, identify. Still, there are a few themes that bear watching — plenty of swans lurking in all areas of the lake.

Risk	Why not included
War breaks out between China and Taiwan	Given China's current strategic intentions surrounding Taiwan, this is a persistent risk. We covered this risk in our 2023 report.
The Trans-Isthmus Corridor in Mexico becomes a major avenue for international shipping	Mexico's new president supports trade route expansion, but this year's focus will likely be on defending against Trump's trade policies, not infrastructure development.
Chile sees investment boon processing U.S. lithium	As the U.S. shifts from China, Chile could gain from processing U.S. lithium, but benefits depend on capacity growth, likely a post-2025 story.
The collapse of a major technology company due to AI mismanagement	Companies remain cautious with AI oversight, keeping humans in the loop. This risk grows with AI's complexity but remains speculative.
The U.S. establishes a sovereign wealth fund	Trump has floated this idea, but diverting funds amid fiscal challenges would face pushback and is unlikely near-term.
Credit event arises in the private credit sector due to synthetic risk transfers	Synthetic risk transfers (SRTs) in private credit allow lender banks to transfer portions of their credit risk to investors. These products bring similar risks to those behind the 2008 financial crisis but at the current time, the use of SRTs is not systemic.

NEXT STEPS FOR INVESTORS

The question for investors is not whether black swans could be a force for market change, but whether that force is relevant to their portfolio decisions today.

In some cases, the answer is an unambiguous yes. Agile portfolios with appropriate risk tolerance can take advantage of shifts — temporary or structural — brought on by market shocks. For these portfolios, monitoring dislocations can be an achievable and meaningful driver of excess investment return. Focused analysis can reduce the impact and severity of adverse events and enhance the potential for upside growth.

For other investors, day-to-day conversations about geopolitical risk are little more than a drain on time and resources, with no realizable benefit to their investment process or return generation.

For this reason, we encourage investors to focus on action — not distraction — when it comes to black swans.

Global Market Strategy at New York Life Investments

Our team of market strategists connects macroeconomics to asset allocation. Leveraging proprietary research alongside the breadth and depth of the New York Life Investments platform, we provide actionable insight into market-driving events, structural themes, and portfolio construction to empower investment decision-making.

Lauren Goodwin
Chief Market Strategist

Julia Hermann
Global Market Strategist

Michael LoGalbo
Global Market Strategist

To hear more from the team, including timely insights and research-driven thought leadership, visit: **newyorklifeinvestments.com/global-markets**

1. Oxford Economics. “The Impact of China PNTR Repeal and Increased Tariffs on the US Economy and American Jobs.” 2023. https://www.uschina.org/articles/the-impact-of-china-pntr-repeal-and-increased-tariffs-on-the-us-economy-and-american-jobs/

2. The Financial Times. “Denmark could block Russian oil tankers from reaching markets.” 2023. https://www.ft.com/content/6409ed38-73f4-46b3-b0f1-649c5e5b79db

3. Sources: Macrobond. Bloomberg. 2004. Calculations by the New York Life Investments Global Market Strategy team.

4. Vox. “Just how doomed is home insurance?” 2024. https://www.vox.com/climate/377094/hurricane-milton-helene-home-insurance-flooding-damage?utm_source=chatgpt.com

5. S&P Global. “Foreign institutional investor ownership in US REITs grows.” 2024. https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/foreign-institutional-investor-ownership-in-us-reits-grows-80637545

6. AlphaFold. Deepmind. 2024. https://deepmind.google/technologies/alphafold

7. National Library of Medicine. “Economic impact of dengue fever in Latin America and the Caribbean: a systematic review.” 2018. https://pmc.ncbi.nlm.nih.gov/articles/PMC6386068/

8. U.S. Energy Information Administration. “The Strait of Hormuz is the world’s most important oil transit chokepoint.” 2023. https://www.eia.gov/todayinenergy/detail.php?id=61002

9. S&P Global. “FACTBOX: Seaborne trade reroutes away from Red Sea over Houthi attacks.” 2023. https://www.spglobal.com/commodity-insights/en/news-research/latest-news/shipping/122123-factbox-seaborne-trade-reroutes-away-from-red-sea-over-houthi-attacks

FOR USE IN SELECTED COUNTRIES IN THE EUROPEAN UNION:

This document only describes high-level capabilities of the boutiques. None of the boutiques will accept subscriptions in any funds not admitted to marketing in your country or provide services to potential customers in your country, including discretionary asset management services, except where it is licensed to do so or can rely on an applicable exemption.

This document is provided to you by NYL Investments Europe Limited. NYL Investments Europe Limited is authorized and regulated by the Central Bank of Ireland (i) to act as an alternative investment fund manager of alternative investment funds under the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) and (ii) to provide the services of individual portfolio management, investment advice and the receipt and transmission of orders as defined in Regulation 7(4) of the AIFMD Regulations to persons who meet the definition of “professional client” as set out in the MiFID Regulations. It has passported its license in additional countries in the EEA.

This material represents an assessment of the market environment as of a specific date and is subject to change; and is not intended to be a forecast of future events or a guarantee of future results. Information contained herein has been obtained from sources believed to be reliable, but no guarantee is given as to its reliability. Although New York Life Investments carefully selects the data and sources within this document, errors or omissions cannot be excluded a priori. This information should not be relied upon by the reader as research or investment advice regarding any investment product or any issuer or security in particular.

The strategies discussed are strictly for illustrative and educational purposes and are not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. There is no guarantee that any strategies discussed will be effective.

This material contains general information only and does not take into account an individual’s financial circumstances. This information should not be relied upon as a primary basis for an investment decision. Rather, an assessment should be made as to whether the information is appropriate in individual circumstances and consideration should be given to talking to a financial professional before making an investment decision.

Past performance is no guarantee of future results, which will vary. All investments are subject to market risk and will fluctuate in value. Diversification cannot assure a profit or protect against loss in a declining market.

GENERAL DISCLOSURES

The opinions expressed are those of the Global Market Strategy team, an investment team within New York Life Investment Management LLC, and are not necessarily those of other investment boutiques affiliated with New York Life Investments. To the extent permitted by law, New York Life Investments or any affiliated boutique or its officers or directors cannot be held liable for any direct or indirect losses as a result of the use of this material.

This information should not be relied upon by the reader as research or investment advice regarding any strategy and there is no guarantee that any strategies discussed will be effective.

For more information
800-624-6782
newyorklifeinvestments.com

NEW YORK LIFE INVESTMENTS

7492176 NY001-25 PRD-00044-01/25 ADA