WELLS FARGO

Weekly — December 5, 2025

Weekly Economic & Financial Commentary

United States: **Ahead of the December FOMC: Latest Data Still Supportive of a Cut**

- As Powell heads into one of his four remaining meetings as Fed Chair, strength in services and lingering consumer resilience contrast with manufacturing weakness, reinforcing expectations for a December rate cut.
- Next week: JOLTS (Tue.), ECI (Wed.), FOMC Meeting (Wed.)

International: **Global Crosswinds: Sticky Prices and Softer Signals**

- Eurozone inflation rose more than expected in November, reinforcing the case for the European Central Bank to keep rates on hold. Australia's Q3 GDP came in below consensus with underlying details showing modest resilience. And in emerging markets, the Reserve Bank of India cut its policy rate and signaled a dovish bias while maintaining a neutral stance.
- Next week: Japan Labor Cash Earnings (Mon.), Bank of Canada Policy Rate (Wed.)

Topic of the Week: **A Split Committee and Steady Dots**

- The FOMC heads into its December meeting with a rare degree of internal division. Regional presidents—particularly those with a vote—have signaled greater skepticism toward further easing, setting the stage for opposition in both directions of the policy decision, though the more dovish governors are likely to provide the critical mass of support needed for another 25 bps rate cut.

Wells Fargo U.S. Economic Forecast

	Actual				Forecast				Actual	Forecast		
	2025				2026							
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2024	2025	2026	2027
Real Gross Domestic Product (a)	-0.6	3.8	3.7	-0.1	3.4	2.2	2.5	2.0	2.8	2.0	2.3	2.2
Personal Consumption	0.6	2.5	3.0	1.0	1.8	2.3	2.2	2.2	2.9	2.5	2.0	2.1
Consumer Price Index (b)	2.7	2.5	2.9	2.9	2.6	2.9	2.8	2.7	3.0	2.7	2.7	2.4
"Core" Consumer Price Index	3.1	2.8	3.1	3.0	2.9	3.1	2.9	2.7	3.4	3.0	2.9	2.4
Quarter-End Interest Rates (c)												
Federal Funds Target Rate (d)	4.50	4.50	4.25	3.75	3.50	3.25	3.25	3.25	5.27	4.25	3.31	3.25
Conventional Mortgage Rate	6.65	6.82	6.35	6.25	6.15	6.15	6.20	6.20	6.72	6.52	6.18	6.25
10 Year Note	4.23	4.24	4.16	4.00	3.95	4.00	4.10	4.15	4.21	4.16	4.05	4.20

Forecast as of: November 19, 2025
Notes: (a) Compound Annual Growth Rate Quarter-over-Quarter (b) Year-over-Year Percentage Change
(c) Quarterly Data - Period End; Annual Data - Annual Averages (d) Upper Bound of the Federal Funds Target Range

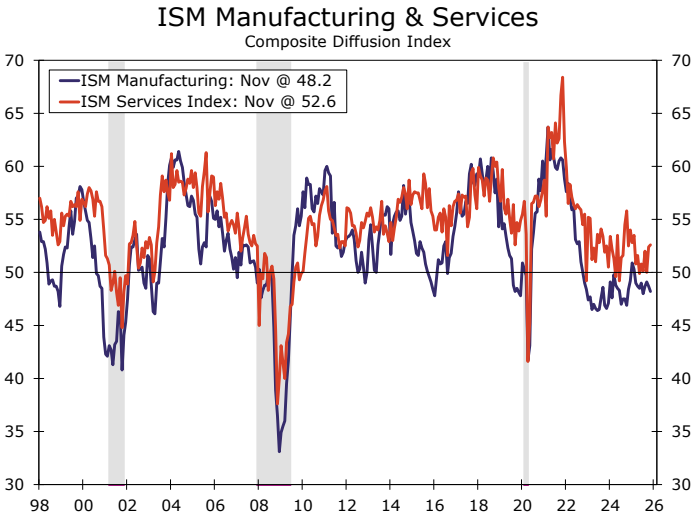
Source: U.S. Dept. of Commerce, U.S. Dept. of Labor, Federal Reserve Board and Wells Fargo Economics

U.S. Review

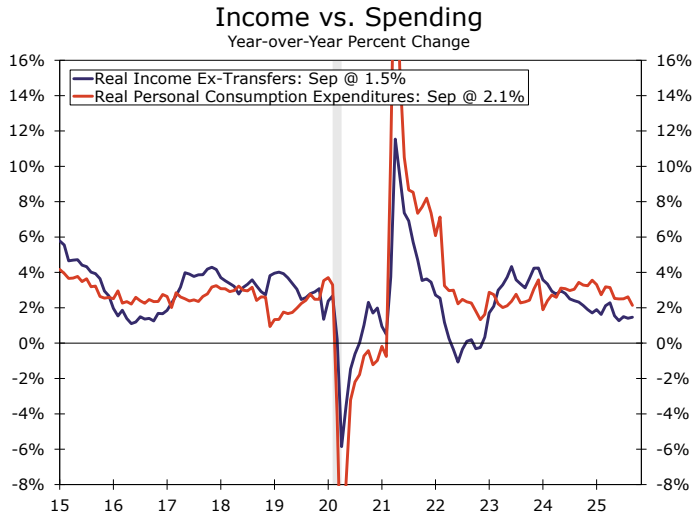
Consumers Still Carry the Torch, but the Glow is Fading

One of the hallmarks of the Powell era at the Federal Reserve has been his commitment to data dependence. Heading into the December FOMC meeting next week (one of just four remaining in his role as Fed Chair), he and other members of the FOMC have an unusual mix of September and November data to examine as they weigh their policy decision.

Let's start with the most recent November data, which was not delayed by the government shutdown. The ISM surveys show divergent paths for manufacturing and services (chart). The services ISM reveals a sector that is shaking off tariff impact and other worries to achieve a pace of expansion faster than any other time since the broad tariff announcements on April 2. Prices paid in the service sector came down but remain north of 65. In other words, the index is still consistent with high prices in the service sector. Manufacturing continues to contract, and the struggle is evidently getting worse. The ISM manufacturing index fell for a second-consecutive month in November, to 48.2. Other than a return to expansion for the production component, the details were ugly. New orders, employment and supplier deliveries all fell, and prices paid reversed a four-month falling trend to rise to 58.5.



Source: Institute for Supply Management and Wells Fargo Economics



Source: U.S. Department of Commerce and Wells Fargo Economics

We're only now receiving official government data for the month of September, and it too is a bit mixed, although the theme of service sector outperformance was on display even then. Industrial production eked out a 0.1% gain in September after downward revisions to prior data. Manufacturing output stalled due to production cuts at auto plants. The bigger picture continues to be tech-output driving the growth and offsetting weakness elsewhere.

The resilient consumer has been and continues to be a key driver of economic growth and the lifeblood of the comparatively vibrant service sector. The long-delayed September Personal Income and Spending report revealed flat spending growth during the month with solid services consumption offset by a pullback in goods. Downward revisions to prior months data suggest a slightly weaker but still strong ~2.7% annualized pace of real personal consumption expenditure growth in Q3. The weak end to the quarter tells us fourth quarter growth started off on a soft note and high-frequency consumer data suggest some slowing into year-end. Real personal income (excluding transfers) eked out a modest gain last month but continues to run at a more muted annual rate (chart).

Talking about September feels like ancient history when retailers are going full tilt to hit holiday sales targets. Our forecast puts year-over-year holiday sales between 3.5% and 4.0% this year. Higher frequency data suggest that the holiday season is unfolding on pace with those estimates, with Adobe Analytics and Salesforce estimating solid Black Friday figures.

The September consumer inflation data came in right in line with expectations and continue to show that while price growth remains above target, tariffs pass-through effects this year are being offset by ongoing disinflation in the service sector. In short, nothing here to move the needle much on next

week's FOMC meeting. The latest data continue to suggest the Fed will cut rates at next week's meeting, although there is likely to be some disagreement among the committee. For more, see our Topic of the Week section.

(Return to Summary)

U.S. Outlook

Weekly Domestic Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
10-Dec	Employment Cost Index (QoQ)	Q3	0.9%	0.9%	0.9%
10-Dec	FOMC Rate Decision (Upper Bound)	Dec	3.75%	3.75%	4.00%
11-Dec	Trade Balance	Sep	-$66.6B	-$60.5B	-$59.6B

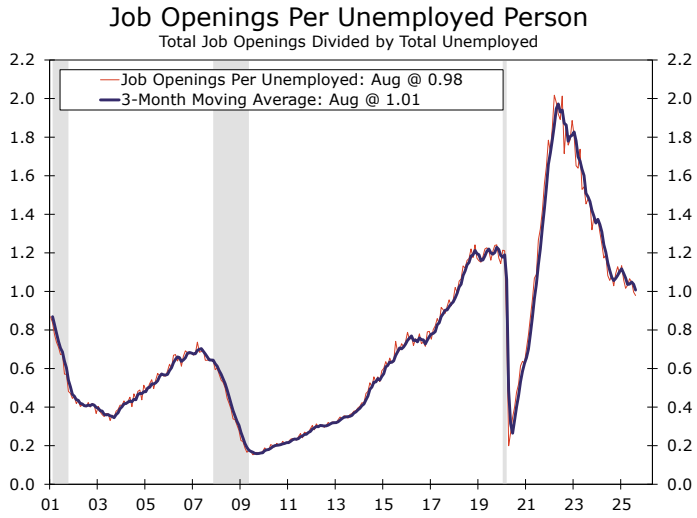
Forecast as of December 05, 2025

Source: Bloomberg Finance L.P and Wells Fargo Economics

JOLTS • Tuesday

Next week will see a resumption of the publication of data on job openings and labor turnover from the BLS. The JOLTS release will cover both September and October and should contain most, if not all, of the data that usually comes with the release.

We will be looking to next week's JOLTS data for any additional signs of labor market deterioration beyond what we have seen in alternative data metrics like ADP employment and the Conference Board's labor differential. Two measures to watch in the JOLTS data will be the job openings to unemployed ratio and the quit rate. The former dipped below the key threshold of one job opening per unemployed worker in August (see chart to the right), and any further decline would be a sign that labor demand and labor supply are becoming imbalanced. The quit rate is unchanged this year at 1.9%, but if workers are increasingly facing a weak labor market, we would expect to see a further decline in the quit rate.

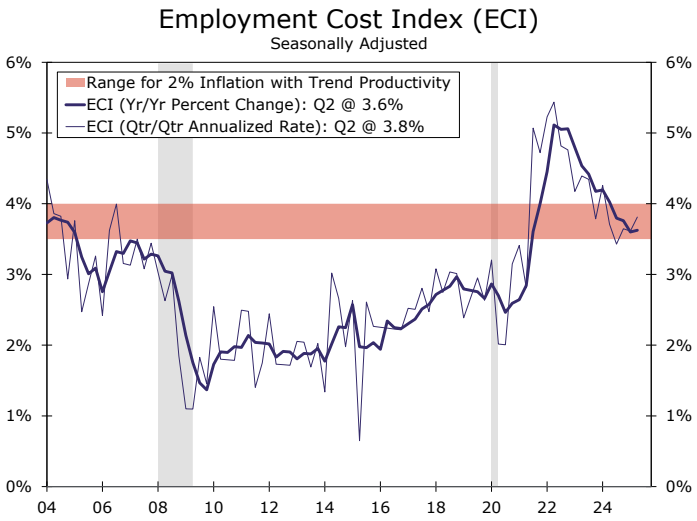


Source: U.S. Department of Labor and Wells Fargo Economics

Employment Cost Index • Wednesday

The Employment Cost Index (ECI) is the Fed's preferred measure of labor cost growth. The ECI has some advantages relative to cruder measures of wage growth like average hourly earnings. For example, the ECI includes the cost of health benefits, and it also controls for some compositional changes in the labor market.

Due to the government shutdown, the most recent ECI data only run through Q2. Our expectation is that the ECI for Q3 will rise 0.9% quarter-over-quarter (not annualized) and 3.6% year-over-year. If realized, this would offer additional evidence that above-target inflation is not currently being driven by an overly tight labor market. With labor productivity growth running at a 1.5%-2.0% pace at present, nominal labor compensation growth of 3.5% is very consistent with 2% inflation (see chart to the right).



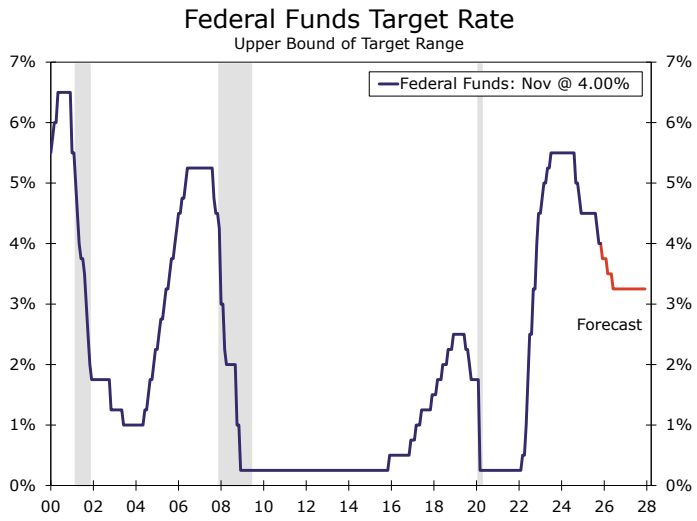
Source: U.S. Department of Labor and Wells Fargo Economics

FOMC Meeting • Wednesday

We expect the FOMC to reduce the fed funds rate by another 25 bps to 3.50%-3.75% at its Dec.10 meeting. The Committee appears unusually divided heading into next week's meeting, but our read of the Fed speak is that there will be a critical mass of support to carry the day for the doves. That said, multiple dissents are likely, and we expect the median dot for 2026 to remain unchanged at 3.375%. We expect the statement and Chair Powell's press conference to signal a higher bar to additional rate cuts and to hint that a hold in January is most Committee members' working assumption. Our own forecast is for two more 25 bps rate cuts in the first half of next year, followed by a long hold at 3.00%-3.25% for the federal funds rate.

For further reading on next week's FOMC meeting, see Topic of the Week or our separate preview report.

(Return to Summary)



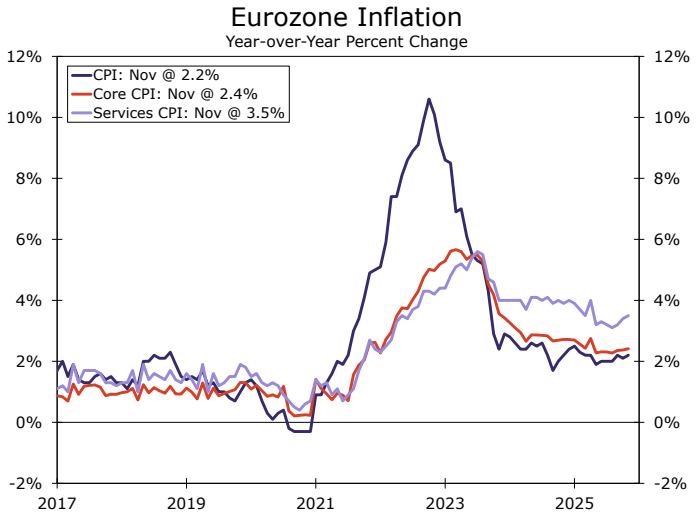
Source: Federal Reserve Board and Wells Fargo Economics

International Review

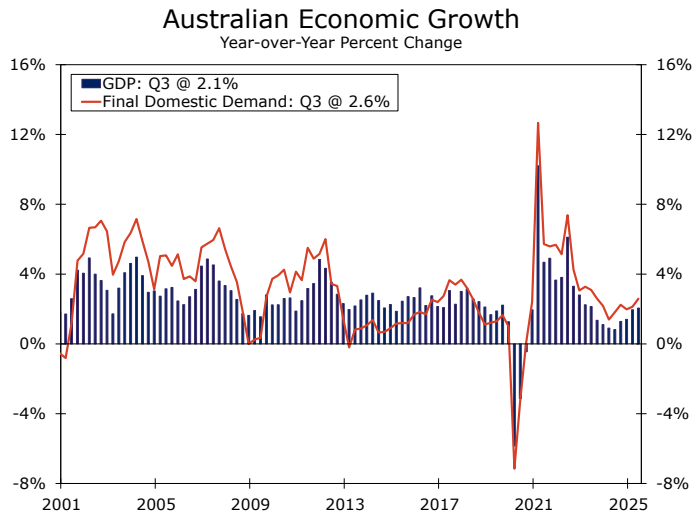
Global Crosswinds: Sticky Prices and Softer Signals

This week's November Eurozone CPI reinforced support for the European Central Bank's (ECB) decision to keep its Deposit Rate at 2.00% rather than cut. Headline inflation surprised to the upside, rising to 2.2% year-over-year, while underlying measures were unchanged from the prior month. Core CPI held steady at 2.4% for the third consecutive month, and services inflation climbed for the fourth straight month to 3.5%—its highest level since April. With moderate Q3 growth, improving sentiment indicators, and persistent price pressures—particularly in services, a key concern for the ECB—we believe these factors are sufficient to keep rates on hold at 2.00% at this month's meeting and potentially through 2026.

Australia's Q2 GDP report surprised to the downside, with headline growth at 0.4% quarter-over-quarter and 2.1% year over year—both below consensus expectations. While the headline figure was disappointing, the underlying details were more mixed. Final domestic demand accelerated to 1.2% quarter-over-quarter, driven by a solid 0.8% increase in private business investment, led by a 7.6% rebound in machinery & equipment—the largest contributor, marking a reversal of the Q2 weakness in gross fixed capital formation. Consumption, which accounts for roughly half of Australia's GDP, was not the primary growth driver but still rose 0.6%, likely reflecting normalization after Q2's bump—a positive sign nonetheless. The main drags came from net exports and inventories, as imports outpaced exports, leaving net exports down 0.5% quarter-over-quarter and subtracting 0.1 percentage point from overall growth. Combined with still-elevated inflation—the latest trimmed mean print surprised to the upside at 3.3%—this supports our view that the Reserve Bank of Australia (RBA) will keep its Cash Rate on hold at 3.60% at next week's meeting, with cuts unlikely before Q2-2026 and risks skewed toward an even longer holding period.



Source: Bloomberg Finance L.P. and Wells Fargo Economics



Source: Bloomberg Finance L.P. and Wells Fargo Economics

In emerging markets and monetary policy news, the Reserve Bank of India (RBI) cut its main policy rate by 25 bps to 5.25% at this week's meeting, in line with consensus expectations and our forecast. The RBI cited stronger-than-expected Q3 GDP growth—released last week at 8.2% year-over-year, well above consensus—which prompted an upward revision to its fiscal year 2025 growth forecast to 7.3% from 6.8% previously. On inflation, the central bank lowered its projection to 2.0% from 2.6%, reinforcing the overall dovish tone. Adding to this, one Monetary Policy Committee member shifted their forward stance to accommodative from neutral, even as the committee maintained a neutral stance overall. Governor Malhotra also emphasized that inflationary pressures remain low and are expected to stay subdued, leaving room for further easing if this outlook holds. Taking these signals together, we remain comfortable with our forecast for another 25 bps cut in Q1-2026, bringing the policy rate to 5.00%, with risks skewed toward an even longer easing cycle.

(Return to Summary)

International Outlook

Weekly International Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
8-Dec	Japan Labor Cash Earnings (YoY)	Oct	2.2%	—	2.1%
10-Dec	Bank of Canada Policy Rate	10-Dec	2.25%	2.25%	2.25%

Forecast as of December 05, 2025

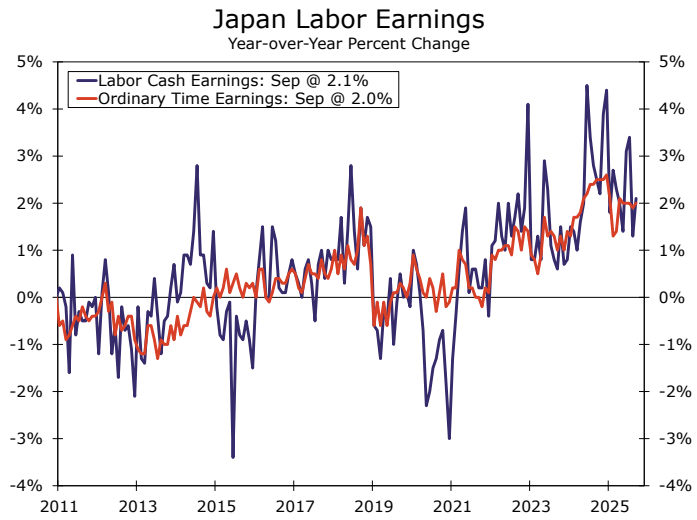
Source: Bloomberg Finance L.P. and Wells Fargo Economics

Japan Labor Cash Earnings • Monday

Japan's October labor earnings data will be released next week, a key focus for Bank of Japan (BoJ) policymakers as they shape the path toward policy normalization. Governor Ueda has repeatedly emphasized the importance of monitoring wage developments closely.

September's labor cash earnings came in at 1.9% year-over-year, later revised up to 2.1%. On a same-sample basis—the BoJ's preferred measure—earnings rose 2.5%. Consensus expectations are for some firming in October, with headline earnings forecast at 2.2%. On the price front, inflation has resumed its upward trend after dipping to 2.7% in August, reaching 3.0% in October—still above the BoJ's 2% target. Meanwhile, the unemployment rate held at 2.6% in October for the third consecutive month, its highest level since July 2024. Although the broader labor market remains tight, a weaker job market could limit wage growth and influence the BoJ's policy path.

We continue to expect the BoJ to raise its policy rate by 25 bps to 0.75% at its December meeting, assuming wage and inflation data remain firm. With headwinds from the Takaichi administration's push to prevent interest rate hikes and weak Q3 GDP growth, October's earnings report will be a critical signal for policymakers as it represents the last wage print before the BoJ's year-end meeting



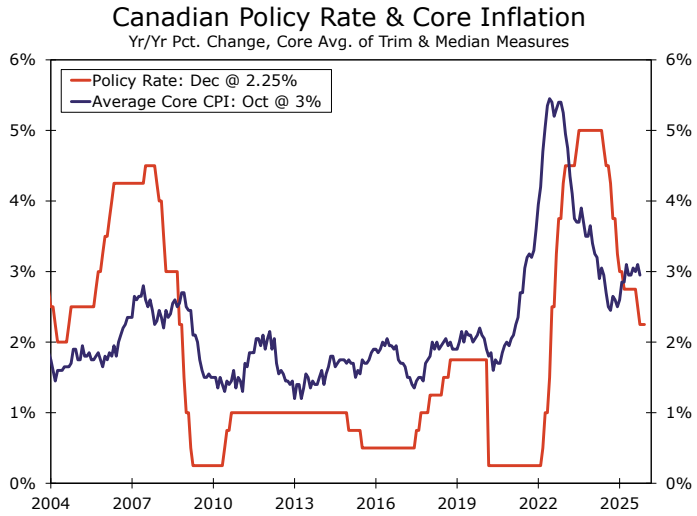
Source: Bloomberg Finance L.P. and Wells Fargo Economics

Bank of Canada Policy Rate • Wednesday

The Bank of Canada (BoC) will announce its final monetary policy decision of 2025 next week, and we expect the central bank to hold rates steady at 2.25%, in line with consensus.

Recent trends support the view that the easing cycle ended with the last 25 bps cut in October. Q3 GDP growth surprised to the upside, expanding at a 2.6% quarter-over-quarter annualized pace after a 1.8% contraction in Q2, beating both consensus and the BoC's forecast. However, underlying details were mixed, with strength driven mainly by a rebound in net trade as imports fell 8.6% annualized, while final domestic demand slipped 0.1%. At the same time, November's labor market report was strong, with the unemployment rate dropping to 6.5%, its third consecutive monthly decline and lowest point since July 2024. While inflation is trending lower, it remains elevated overall and above the central bank's 2% inflation target. Given this combination of resilient activity and still-high prices, we expect the BoC to keep rates on hold next week and likely throughout 2026.

(Return to Summary)



Source: Bloomberg Finance L.P. and Wells Fargo Economics

Topic of the Week

A Split Committee and Steady Dots

The FOMC heads into its December meeting with a rare degree of internal division. The Board of Governors retains a generally dovish tilt, but regional presidents—particularly those with a vote—have signaled greater caution, setting the stage for opposition in both directions of the policy decision.

Among the governors, Miran and Waller have been explicit in their support for easing, while Jefferson, Bowman and Cook have offered remarks that lead us to believe they also will support another 25 bps rate cut in December. Governor Barr is a potential hawk, as he expressed some concern that "we're seeing inflation still at around 3% and our target is 2%" in comments on Nov. 20.

On the other side, several regional Fed presidents have pushed back against additional cuts. Kansas City Fed President Jeffrey Schmid dissented in October and appears poised to do so again, while Boston Fed President Susan Collins and St. Louis Fed President Alberto Musalem have emphasized the risk of policy becoming overly accommodative. Even Chicago Fed President Austan Goolsbee, typically dovish, has sounded more skeptical of easing. The notable exception is New York Fed President John Williams, who stated on Nov. 21 that he sees room for another rate adjustment "in the near term," a key signal that this leader on the FOMC seems likely to support a December cut. Chair Powell has remained conspicuously quiet since the previous FOMC meeting on Oct. 29-30, though we believe he likely leans toward an additional cut.

Who Will Support a 25 bps Rate Cut in Dec?

Yes	Leans Yes	Leans No	No
Waller Miran	Powell Jefferson Bowman Cook Williams	Barr Collins Goolsbee Musalem	Schmid

Source: Wells Fargo Economics

SEP vs. Bloomberg Consensus for 2026

SEP Median; Bloomberg Consensus as of Dec 2nd

	Sept. SEP	*Dec. BBG Consensus*
Change in Real GDP	1.8%	1.9%
Unemployment Rate	4.4%	4.4%
PCE Inflation	2.6%	2.5%
Core PCE Inflation	2.6%	2.5%
Federal Funds Rate	3.375%	3.125%

Source: Bloomberg Finance L.P. and Wells Fargo Economics

The constellation of views points to multiple dissents, though we believe there will be a critical mass of support for a 25 bps rate cut in December (table). The degree of support for another cut could depend on the language of the Committee's post-meeting statement. To help appease hawks, we expect the statement to signal a higher bar for additional rate cuts.

Next week's meeting will also feature an update to the Summary of Economic Projections (SEP), which includes estimates for the median federal funds rate in 2026 (table). The median Committee participant currently projects 25 bps less easing than the Bloomberg consensus and our own forecast for 2026, and we expect the median dot for 2026 to remain unchanged at 3.375% in another nod to the hawkish sentiment among some participants. We also do not expect any major changes to rate projections beyond 2026 or to the Committee's other economic projections.

In sum, the potential for dissents against a cut and a more hawkish tilt to post-meeting materials suggest that a hold at the January meeting may be the upshot of a cut in December. That said, we still expect 25 bps of easing in both the first and second quarters of 2026, bringing the fed funds rate to 3.00%-3.25% by the middle of the year.

(Return to Summary)

Market Data • Mid-Day Friday

U.S. Interest Rates

	Friday 12/5/2025	1 Week Ago	1 Year Ago
SOFR	3.92	4.05	4.59
Effective Fed Funds Rate	3.89	3.88	4.58
3-Month T-Bill	3.70	3.80	4.44
1-Year Treasury	3.85	3.85	5.24
2-Year Treasury	3.56	3.49	4.14
5-Year Treasury	3.71	3.60	4.07
10-Year Treasury	4.13	4.01	4.18
30-Year Treasury	4.79	4.66	4.33
Bond Buyer Index	4.81	4.75	3.98

Foreign Exchange Rates

	Friday 12/5/2025	1 Week Ago	1 Year Ago
Euro ($/€)	1.163	1.160	1.059
British Pound ($/£)	1.332	1.324	1.276
British Pound (£/€)	0.873	0.876	0.830
Japanese Yen (¥/$)	155.460	156.180	150.100
Canadian Dollar (C$/$)	1.387	1.398	1.402
Swiss Franc (CHF/$)	0.805	0.804	0.879
Australian Dollar (US$/A$)	0.663	0.655	0.645
Mexican Peso (MXN/$)	18.188	18.296	20.196
Chinese Yuan (CNY/$)	7.070	7.075	7.259
Indian Rupee (INR/$)	89.994	89.456	84.735
Brazilian Real (BRL/$)	5.398	5.335	6.007
U.S. Dollar Index	99.012	99.459	105.714

Source: Bloomberg Finance L.P. and Wells Fargo Economics

Foreign Interest Rates

	Friday 12/5/2025	1 Week Ago	1 Year Ago
3-Month German Govt Bill Yield	1.95	1.86	2.57
3-Month U.K. Govt Bill Yield	3.89	3.92	4.73
3-Month Canadian Govt Bill Yield	2.18	2.17	3.28
3-Month Japanese Govt Bill Yield	0.62	0.50	0.15
2-Year German Note Yield	2.10	2.03	2.02
2-Year U.K. Note Yield	3.78	3.75	4.27
2-Year Canadian Note Yield	2.64	2.42	3.04
2-Year Japanese Note Yield	1.05	0.98	0.60
10-Year German Bond Yield	2.80	2.69	2.11
10-Year U.K. Bond Yield	4.47	4.44	4.28
10-Year Canadian Bond Yield	3.42	3.15	3.08
10-Year Japanese Bond Yield	1.95	1.81	1.07

Commodity Prices

	Friday 12/5/2025	1 Week Ago	1 Year Ago
WTI Crude ($/Barrel)	60.34	58.55	68.30
Brent Crude ($/Barrel)	63.95	63.20	72.09
Gold ($/Ounce)	4203.16	4239.43	2631.67
Hot-Rolled Steel ($/S.Ton)	906.00	904.00	686.00
Copper (¢/Pound)	537.50	518.55	413.50
Soybeans ($/Bushel)	11.09	11.27	9.94
Natural Gas ($/MMBTU)	5.47	4.85	3.08
Nickel ($/Metric Ton)	14,706	14,636	15,881
CRB Spot Inds.	585.85	577.90	545.35

Subscription Information

To subscribe please visit: www.wellsfargo.com/economicsemail

Via The Bloomberg Professional Services at WFRE

Economics Group

Tom Porcelli	Chief Economist	212-214-6422	Tom.Porcelli@wellsfargo.com
Tim Quinlan	Senior Economist	704-410-3283	Tim.Quinlan@wellsfargo.com
Sarah House	Senior Economist	704-410-3282	Sarah.House@wellsfargo.com
Charlie Dougherty	Senior Economist	212-214-8984	Charles.Dougherty@wellsfargo.com
Michael Pugliese	Senior Economist	212-214-5058	Michael.D.Pugliese@wellsfargo.com
Brendan McKenna	International Economist	212-214-5637	Brendan.Mckenna@wellsfargo.com
Jackie Benson	Economist	704-410-4468	Jackie.Benson@wellsfargo.com
Shannon Grein	Economist	704-410-0369	Shannon.Grein@wellsfargo.com
Nicole Cervi	Economist	704-410-3059	Nicole.Cervi@wellsfargo.com
Delaney Conner	Economic Analyst	704-374-2150	Delaney.Conner@wellsfargo.com
Ali Hajibeigi	Economic Analyst	212-214-8253	Ali.Hajibeigi@wellsfargo.com
Azhin Abdulkarim	Economic Analyst	212-214-5154	Azhin.Abdulkarim@wellsfargo.com
Anagha Sridharan	Economic Analyst	704-410-6212	Anagha.Sridharan@wellsfargo.com
Andrew Thompson	Economic Analyst	704-410-2911	Andrew.L.Thompson@wellsfargo.com

Required Disclosures

This report is produced by the Economics Group of Wells Fargo Bank, N.A. (“WFBNA”). This report is not a product of Wells Fargo Global Research and the information contained in this report is not financial research. WFBNA distributes this report directly and through affiliates including, but not limited to, Wells Fargo Securities, LLC, Wells Fargo & Company, Wells Fargo Clearing Services, LLC, Wells Fargo Securities International Limited, Wells Fargo Securities Europe S.A., and Wells Fargo Securities Canada, Ltd. Wells Fargo Securities, LLC is registered with the Commodity Futures Trading Commission as a futures commission merchant and is a member in good standing of the National Futures Association. WFBNA is registered with the Commodity Futures Trading Commission as a swap dealer and is a member in good standing of the National Futures Association. Wells Fargo Securities, LLC and WFBNA are generally engaged in the trading of futures and derivative products, any of which may be discussed within this report. All reports published by the Economics Group are disseminated and available to all clients simultaneously through electronic publication to our public website. Clients may also receive our reports via third party vendors. We are not responsible for the redistribution of our reports by third-party aggregators. Any external website links included in this report are not maintained, controlled or operated by WFBNA. WFBNA does not provide the products and services on these websites and the views expressed on these websites do not necessarily represent those of WFBNA.

This publication has been prepared for informational purposes only and is not intended as a recommendation, offer or solicitation with respect to the purchase or sale of any security or other financial product, nor does it constitute professional advice. The information in this report has been obtained or derived from sources believed by WFBNA to be reliable, but has not been independently verified by WFBNA, may not be current, and WFBNA has no obligation to provide any updates or changes. All price references and market forecasts are as of the date of the report or such earlier date as may be indicated for a particular price or forecast. The views and opinions expressed in this report are those of its named author(s) or, where no author is indicated, the Economics Group; such views and opinions are not necessarily those of WFBNA and may differ from the views and opinions of other departments or divisions of WFBNA and its affiliates. WFBNA is not providing any financial, economic, legal, accounting, or tax advice or recommendations in this report. Neither WFBNA nor any of its affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the statements or any information contained in this report, and any liability therefore (including in respect of direct, indirect or consequential loss or damage) is expressly disclaimed. WFBNA is a separate legal entity and distinct from affiliated banks, and is a wholly-owned subsidiary of Wells Fargo & Company.

Important Information for Non-U.S. Recipients
For recipients in the United Kingdom, this report is distributed by Wells Fargo Securities International Limited ("WFSIL"). WFSIL is a U.K. incorporated investment firm authorized and regulated by the Financial Conduct Authority (“FCA”). For the purposes of Section 21 of the UK Financial Services and Markets Act 2000 (the “Act”), the content of this report has been approved by WFSIL, an authorized person under the Act. WFSIL does not deal with retail clients as defined in the Directive 2014/65/EU (“MiFID2”). The FCA rules made under the Act for the protection of retail clients will therefore not apply, nor will the Financial Services Compensation Scheme be available. For recipients in the EFTA, this report is distributed by WFSIL. For recipients in the EU, it is distributed by Wells Fargo Securities Europe S.A. (“WFSE”). WFSE is a French incorporated investment firm authorized and regulated by the Autorité de contrôle prudentiel et de résolution and the Autorité des marchés financiers. WFSE does not deal with retail clients as defined in MiFID2. This report is not intended for, and should not be relied upon by, retail clients.

SECURITIES: NOT FDIC-INSURED - MAY LOSE VALUE - NO BANK GUARANTEE