



Global Macro Outlook

Fourth Quarter 2026

The Macro Picture

The global economy remained resilient, even as elevated energy prices persisted. Growth has also held stable, supported by AI-related investment in the US especially, while consumers kept spending despite having to pump more money into their gas tanks. Labor market stability, strong financial market performance and a willingness to reduce savings have kept consumption steady in most major economies.

Growth's stability, combined with persistently higher inflation due in large part to energy prices, has moved central banks around the world toward tighter policy. We have seen rate hikes from the FOMC, contrary to our expectations a few months ago, as well as additional hikes from the European Central Bank (ECB) and the Bank of Japan. While we don't see the need for a sustained tightening cycle in any major economy, save perhaps Japan, history teaches us that cycles often extend beyond initial expectations. As a result, we expect at least one additional rate hike from each of the G3 central banks and acknowledge the risk that there could be more. The scope for demand-driven inflation—the type most responsive to central bank policy—seems limited to us for now. That's because we think the global economy is better described as stable than strong. Growth hasn't fallen despite the energy shock, but neither has it accelerated. If we're right about that, then central banks are unlikely to move target rates significantly higher from here.

Another key plank underpinning our view that the tightening cycle will be limited is that the pass-through from higher energy prices to other parts of the economy will remain limited. Our expectation last quarter of very little spillover has so far been correct. But the longer that prices remain elevated, the risk rises for businesses to feel forced to pass on higher input costs to consumers.

Not surprisingly, therefore, the macro outlook depends to a significant degree on geopolitical developments. Should oil prices fall, the potential for rate increases would diminish as inflation falls. But should they rise further, or just stay elevated, the scope for additional rate increases would expand. We can't predict the path of the war in Iran. So, for now, we simply acknowledge elevated oil prices will likely remain so for the next several months in line with market pricing.

While the top-down view of the global economy looks somewhat homogeneous, underneath the surface are differences that will matter in the coming months. In the US, AI-related investment continues apace and continues to support growth. There are some encouraging signs that the investment boom is spreading to other sectors as well. After being subdued for most of the post-pandemic period, the manufacturing sector seems to be rebounding as the combination of AI investment and more stable trade and tariff policy boost optimism. The labor market has also stabilized after weakening sharply late last year. Like growth, we view the labor market as stable rather than strong; hiring is still below long-term averages, wage growth is decelerating and "churn" remains low: all creating a low-hire, low-fire environment.

In addition to the AI story, domestic consumption has held fast through summer. US consumers appear to view higher energy prices as temporary and have done what economics 101 suggests in the face of a temporary shock: draw down savings to maintain spending levels.

The risks around the US expansion are two-sided. Broadening growth and a stabilizing labor market mean that if energy prices moderate, we could see a proper acceleration. But at the same time, there's a limit to how much consumers can or will draw down savings; at some point they may simply become exhausted and feel forced to reduce consumption in other areas to keep up with rising energy costs. The next few months will be critical in determining which path they take.

In Europe, growth has also shown resilience although private demand remains subdued. Net trade, which is volatile, has been the main driver of the region's outperformance. Consumers kept spending despite higher energy bills, most probably at the expense of savings. The growth outlook remains highly dependent on consumption patterns in the second half of the year and higher energy prices and tighter monetary policy are unlikely to spare consumers for much longer. The ECB is also likely to increase rates further this year, which would dampen demand. In the UK, the Bank of England (BoE) remains on hold but has never been this close to a hike since the start of the Iran war. Under current conditions, inflation will peak at 4% and, although pass-through is limited, the BoE

Contents

The Macro Picture	1
Global Forecast	3
US	4
China	5
Euro Area	6
UK	7
Japan	8
Emerging Markets	8
Forecast Table	10
Contributors	11

would react to such an outcome. That said, we don't expect a prolonged and significant tightening cycle but rather an adjustment in its monetary policy stance.

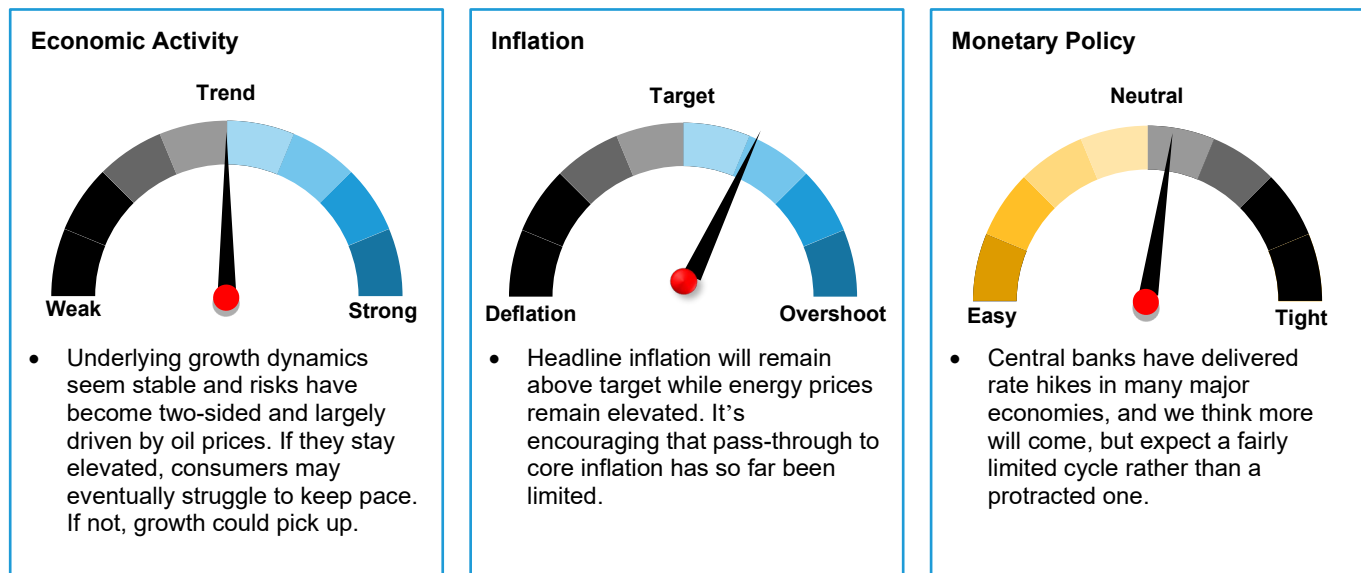
Emerging-market (EM) economies head into the fourth quarter with the growth-resilience thesis intact. Energy-price pressures linked to the Middle East conflict continue to weigh disproportionately on oil-importing and otherwise vulnerable economies. But resilience among economies integrated into the global AI/tech value chain is more than offsetting this in aggregate. An encouraging development is that reserve buffers have improved year-to-date across most EM countries, oil importers and exporters alike, providing a larger cushion than in previous shocks.

From a market perspective, the most significant development of the last few months has been a sharp rise in interest rates. Global yields on 10- and 30-year government bonds have reached levels not seen for many years, and decades in some cases. There's no smoking gun that would explain the speed of the move. Rising oil prices certainly correlate with higher yields, but it's hard to make a sensible economic argument that the price of oil today should have a meaningful impact on the price of a 30-year bond. Some have pointed to irresponsible fiscal policy as a trigger. We agree that fiscal policy is on an unsustainable trajectory in much of the developed world, but there has been no real change in that policy in recent months to have pushed yields higher. It's also possible that some part of the rise is for a good reason—rising growth expectations driven by AI. We think that's a reasonable explanation for part of the rise, but it's hard to believe that such a large move in such a short time frame is entirely tied to rising growth expectations.

Because we can't explain the move with one simple story, it's better, we think, to see it as the consequence of several converging factors. Absent one satisfactory explanation, it's unlikely in our view that the move will reverse as quickly as it happened. We think that yields are likely to stay elevated because there is no one clear variable that, if reversed, would pull yields all the way back down. To be sure, we think if oil prices fall, yields will also come down but not to previous levels.

Equity markets have been more stable than sovereign bond markets, with the resilience of the global economy feeding through to equity prices. Because we expect the economy to remain stable, we don't foresee a dramatic change in equity markets either.

Global Macro Outlook: The Next Six Months



Global Forecast

Forecast Overview

Key Assumptions

- **Financial:** We assume that the rise in interest rates will not be unbounded and that financial conditions generally will not impede growth.
- **Geopolitical:** We expect persistent tensions and assume elevated, but not accelerating, energy prices.
- **Monetary Policy:** We assume tightening from most major central banks but expect the tightening cycle to be limited rather than protracted.

Central Narrative

- **Global Growth:** Will remain steady in 2026, with risks for 2027 balanced around that outlook.
- **Inflation:** Will be higher as a result of energy costs but pass-through to core inflation will remain limited.
- **Yields:** Higher rates are likely to persist, but the rise in yields is unlikely to accelerate.
- **USD:** We expect a continuation of the recent largely directionless trading in USD FX markets rather than a strong move higher or lower.

Key Upside Risks

- AI could boost productivity and growth, allowing for lower interest rates along the way.
- Lower oil prices, should geopolitics permit, would provide a boost to growth.

Key Downside Risks

- If higher energy costs persist, consumer finances could eventually become exhausted.
- AI could prove disruptive to labor markets.
- Domestic political tension could rise as we approach elections in several major economies.

AB Growth and Inflation Forecasts (Percent)

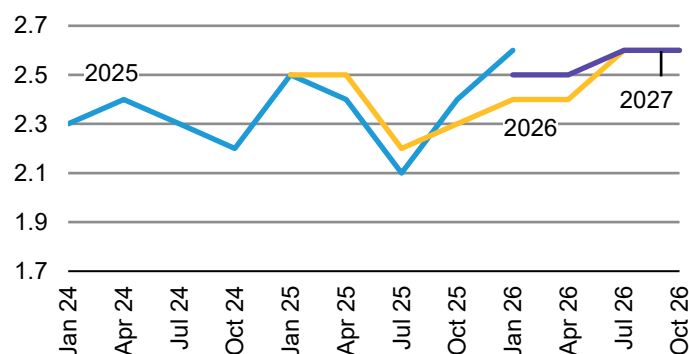
	Real GDP Growth		CPI Inflation	
	2026	2027	2026	2027
US	2.3	2.2	3.5	2.4
Euro Area	0.9	1.1	3.0	2.4
Japan	1.0	1.0	2.8	2.1
China	4.5	4.3	1.0	1.5
Global	2.5	2.6	3.6	2.9
Industrial Countries	1.6	1.7	3.3	2.4
Emerging Countries	3.9	3.8	4.1	3.7
EM ex China/Russia	3.7	3.8	7.1	5.9

US GDP forecasts presented as 3Q/3Q; others YoY; US CPI reflects core inflation; others are headline. As of September 30, 2026
Source: AllianceBernstein (AB)

Current analysis and forecasts do not guarantee future results.

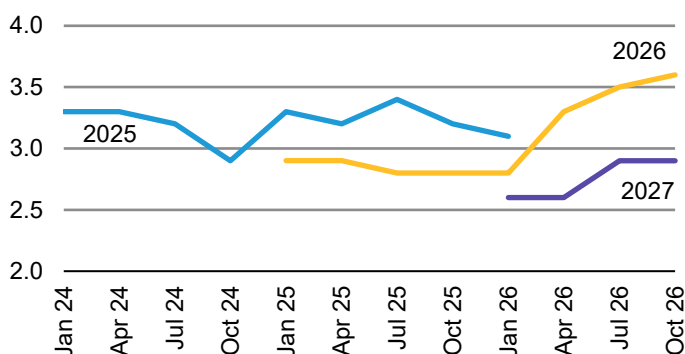
Forecasts Through Time

AB Global Growth Forecasts by Vintage



As of September 3, 2026
Source: AB

AB Global Inflation Forecasts by Vintage



As of September 30, 2026
Source: AB

Current analysis and forecasts do not guarantee future results.

US

	Real GDP (%)		Inflation (%)		Policy Rate (%)		10-Yr. Bond Yield (%)	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
US	2.3	2.2	3.5	2.4	4.13	4.13	4.75	4.75

- Growth remains stable in the US despite persistent headwinds in the form of geopolitical and policy volatility. The economy has been resilient even as oil prices have surged, with consumers willing to draw down savings to cushion the blow from higher gasoline prices. We believe this can't last forever but could for some time.
- In addition to resilient consumption, the AI investment boom has provided an important offset to the risks that could have derailed the expansion. We expect AI investment to continue for the next several quarters at least, providing an important underpinning to growth even as other sectors may prove more volatile.
- Stable growth, an improved labor market and high energy prices are a recipe for sticky inflation, and this is what the data now show. The Federal Reserve responded with a rate hike in the third quarter, and another is more likely than not. We don't see signs of economic overheating, however, which suggests to us that the tightening cycle is likely to be limited rather than sustained.

Risk Factors

- If energy prices rise significantly from here, there could be demand destruction in other economic sectors. In an environment where inflation is already sticky, a growth slowdown would be particularly difficult for policymakers to address.
- While AI investment has been an important source of strength for the economy, at some point that investment will need to bear fruit in the form of increasing productivity. If it doesn't, or if that process takes longer than financial markets are willing to wait, a pullback could ensue.
- Geopolitics have created one shock after another in the last few years. And with the mid-term elections around the corner, another shock could emerge.

Overview

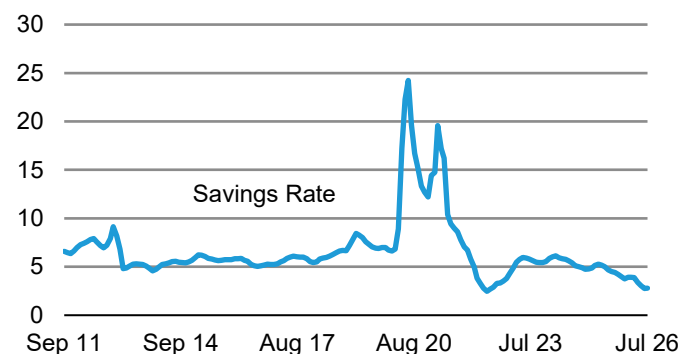
Like last quarter, the US economy has sufficient momentum to remain on course, despite persistent headwinds like rising energy prices. Not to say that there's no price level at which oil could upend the picture, but we believe we're far from it. Instead, we think that the headwinds of geopolitical and policy volatility are being offset by two trends. The first is AI-related capital expenditures. AI titans are pouring billions of dollars into building the infrastructure necessary to power AI into the future. Importantly, we believe those investments are largely immune to typical business forces. For instance, companies make these investments with a very long time horizon and view them as existential rather than near-term drivers of growth or profitability. This means these projects will continue for months and quarters, even if interest rates rise and the business cycle slows.

The second growth driver is the US consumer. While higher oil prices take a bite out of disposable income, strong financial market performance means that wealthy consumers have been able to absorb higher costs comfortably. And, with the wealthiest

consumers now responsible for most spending, that has kept demand robust—even as many households struggle financially. The savings rate has plummeted to rock-bottom levels, reflecting the challenges lower-income households are facing. Meanwhile, the “K-shaped” economy remains a defining feature of this environment.

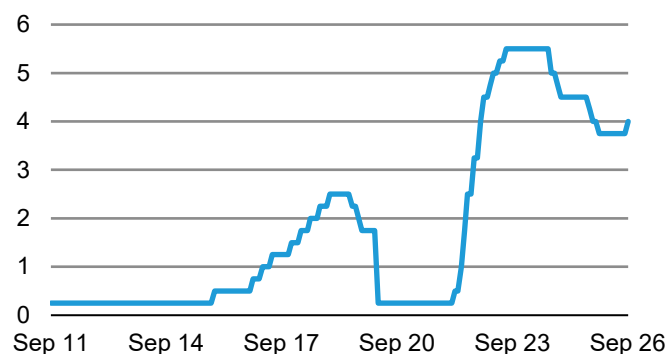
The stability of growth comes with a cost, of course. Inflation is proving stickier than expected, prompting the Fed to raise rates in September, and we think another hike this year is more likely than not. Beyond that, rising inequality in the economy is causing political and policy volatility. With midterm elections approaching, we expect the pace and urgency of policy fluctuations to increase in the coming months. We don’t expect this to derail growth, but it’s another headwind for the economy in the near term.

Personal Savings as a Percent of Disposable Income



As of September 30, 2026
Source: Bureau of Economic Analysis

Federal Funds Target Rate



As of September 30, 2026
Source: Bloomberg

Current analysis and forecasts do not guarantee future results.

China

	Real GDP (%)		Inflation (%)		Policy Rate (%)		10-Yr. Bond Yield (%)		FX Rates vs. USD	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
China	4.5	4.3	1.0	1.5	1.00	1.00	2.00	2.25	6.70	6.60

Outlook

- China’s economy remains deeply bifurcated. Export-oriented sectors are performing well, with exports accelerating especially for technology. Meantime, domestic demand remains weak, with real estate investment deeply negative.
- Inflation remains low, and any price pressures are almost entirely due to higher oil prices rather than domestic demand strains.
- For now, policy focus is more on accelerating the implementation of already-announced measures to support the economy rather than a new set of programs.

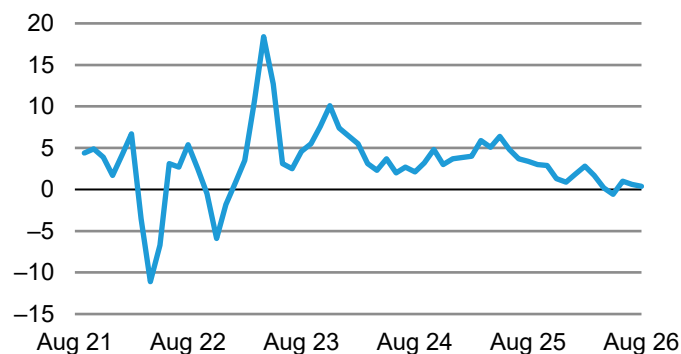
Risk Factors

- Weak domestic demand has been durable, and that limits the extent to which China’s economy can expand in a trade-constrained world.
- Geopolitical risk has largely been in regions other than Asia, but there are potential flashpoints that could have a more significant domestic impact should circumstances deteriorate.

Overview

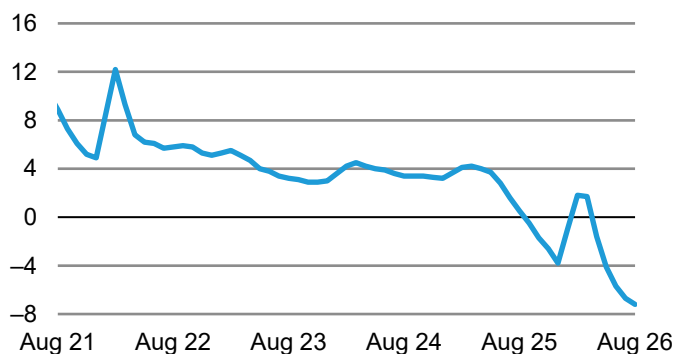
The contours of China’s economy are little changed this year. Trade-exposed sectors have performed well despite trade restrictions imposed by the US. Stability in European demand has allowed for the reorientation of some exports, and that has kept overall growth on a solid footing, albeit at a lower run rate than last year. Meanwhile, the domestic economy remains very weak, with demand sluggish at best. Domestically facing industries have responded to weak demand with a combination of muted prices and reduced investment, which have combined to offset the positive impulse from trade production. There’s little reason to expect dramatic change in the near term. Policymakers are taking a long view and their attention for now is trained on the implementation of programs previously announced rather than on new stimulus efforts. That could change if the situation were to deteriorate, but for the time being we expect the Chinese economy to continue down the same path it has traveled for the past several quarters.

China Retail Sales: Year-over-Year Change (Percent)



As of September 30, 2026
Source: Bloomberg and AB

China Fixed-Asset Investment: Year-over-Year Change (Percent)



As of September 30, 2026
Source: National Bureau of Statistics

Current analysis and forecasts do not guarantee future results.

Euro Area

	Real GDP (%)		Inflation (%)		Policy Rate (%)		10-Yr. Bond Yield (%)		FX Rates vs. USD	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
Euro Area	0.9	1.1	3.0	2.4	2.75	2.25	3.40	2.90	1.13	1.15

Outlook

- Growth has been resilient, but domestic demand remains modest, if not weak.
- The outlook for growth highly depends on energy prices and consumer reaction to them.
- Headline inflation will overshoot the target for longer than previously expected. Second-round effects should nevertheless remain limited.
- The European Central Bank (ECB) is likely to raise rates again by year-end. An overly restrictive monetary policy seems unnecessary, and we expect cuts towards the end of 2027.

Risk Factors

- A lengthier and/or more severe war in the Middle East would have more prolonged inflationary impact and weigh on growth.
- If second-round effects manifest, the ECB might have to tighten its policy stance more significantly.
- A lasting resolution would limit stagflationary risks as well as policy response.
- Fiscal policy will be in focus towards the end of the year as budgets for 2027 are negotiated and elections loom.

Overview

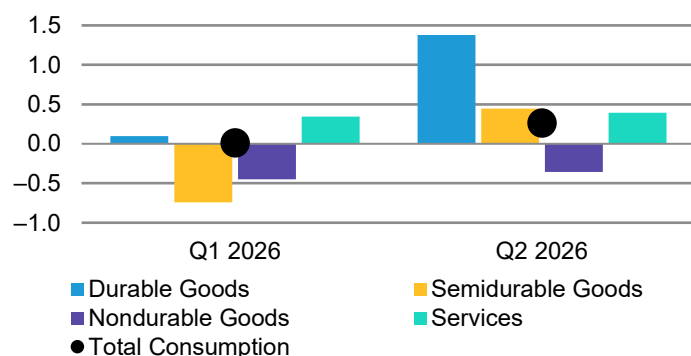
The most notable surprise relative to our last assessment came from growth, which printed higher than expected. Overall, activity has not shown the damage we expected would be inflicted by the current environment. Net trade was the main contributor as exports accelerated markedly. Household consumption was also stronger in the second quarter, but the uptick was concentrated in durable and semi-durable goods. Spending on both tends to be volatile and procyclical such that a reversal could occur in the second half of the year. Meanwhile, expenditure on services remained stable, which indicates that households' consumption habits have not been impacted by higher energy prices so far. Heterogeneity between countries continues to show, as Spain has a markedly stronger private consumption than other countries in the region. The outlook highly depends on whether households continue to be resilient or start to curb consumption. While households could reduce saving rates to support consumption, surveys show that they are not planning on either saving less or more for the time being. That said, the hit to real incomes has intensified

and keeps risks to growth tilted to the downside. In addition, the likely negative net impact of heatwaves, wildfires and extreme drought will be seen from the third quarter. However, survey indicators have sent positive signals lately, and an upside risk scenario whereby the economy continues to grow at a resilient pace is possible.

The region's headline inflation edged higher to 3.2% in August, almost entirely driven by higher energy prices. Core inflation is on average unchanged since the start of the war, reflecting the absence of second-round effects. Services inflation remains well behaved while wage growth is still expected to ease further in the coming quarters. Given the current higher energy prices environment, headline inflation is expected to overshoot for longer than previously expected. While this increases the likelihood of pass-through, we remain confident that the latter will be limited if it materializes. The current shock remains energy driven and unlikely to morph into a demand-driven one. Economic conditions are much softer than in 2022 and there is no pent-up demand that would add inflationary pressures as it did during the previous energy shock.

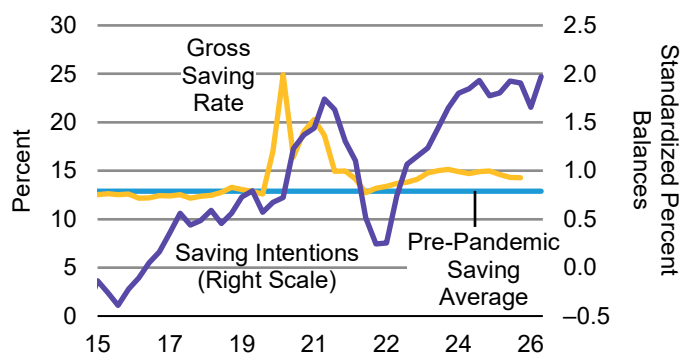
The European Central Bank (ECB) hiked its key interest rates again in September as expected. Forward guidance remains unchanged and unindicative of a particular path, but the door for further tightening remains wide open under current conditions. If oil and gas prices remain close to current levels or move higher, the ECB will deliver another hike in December. However, market pricing is too hawkish in our view. In the absence of pass-through to the rest of the inflation basket, there is no reason for monetary policy to be overly restrictive. However, a longer-lasting inflation overshoot also means that rates are likely to remain higher for longer than previously anticipated. We still expect cuts in 2027, most likely towards the end of the year.

EU Household Consumption: Quarter-over-Quarter Growth (Percent)



As of June 30, 2026
Source: Eurostat and AB

EU Savings Rate and Intentions (Percent)



As of August 28, 2026
Source: Eurostat and AB

Current analysis and forecasts do not guarantee future results.

UK

	Real GDP (%)		Inflation (%)		Policy Rate (%)		10-Yr. Bond Yield (%)		FX Rates vs. USD	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
UK	1.2	1.2	3.2	3.5	4.00	3.50	5.30	4.70	1.34	1.32

Overview

The Bank of England (BoE) kept its bank rate unchanged in September but adopted a hawkish stance again. The current environment is closer to BoE's adverse scenario, under which CPI inflation would peak slightly above 4% in the first quarter of 2027. In addition, second-round effects could be stronger and more persistent, although thus far they have not materialized. The Monetary Policy Committee (MPC) looks increasingly likely to hike by year-end if energy prices don't move closer to their central projections. Beyond energy prices, MPC members are focusing on risks to the outlook for second-round effects, that naturally increase with the duration and intensity of the conflict. That said, those have been weaker than anticipated, and private wage growth continued to ease. The labor market remains soft; domestic demand is subdued, and risks to growth are tilted to the downside. Drivers of strong second-round effects look very weak and unlikely to intensify severely. Meanwhile, financial conditions are much tighter than before

the war started even as the BoE has remained on hold since the. If the MPC votes to increase the Bank Rate in future meetings, it should be viewed as an adjustment to an already restrictive monetary policy rather than the beginning of a prolonged hiking cycle. Meanwhile, the autumn budget is scheduled for October 28. New PM Andy Burnham has been extremely evasive although he pledged to respect the fiscal rules. On the flip side, he plans to “seek flexibility” within those rules to allow for more investment spending. All this remains very unclear, but any changes to the fiscal rules will surely be met by a morose market. Higher inflation and tighter financial conditions have already eaten a large chunk of the fiscal headroom, such that the PM is facing very limited fiscal space for a shift to more spending.

Japan

	Real GDP (%)		Inflation (%)		Policy Rate (%)		10-Yr. Bond Yield (%)		FX Rates vs. USD	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
Japan	1.0	1.0	2.8	2.1	1.25	1.50	2.75	2.75	155	150

Overview

The long-term weakening of the yen has put pressure on authorities to act in a way that restores policy credibility. While politics are a limiting factor, the joint intervention in FX markets by Japanese and US officials represented an escalation in the fight against yen weakness. Now the Bank of Japan (BoJ) has to follow through. FX intervention can be effective, but only if it's matched by policies that change the fundamental picture. The rate hike in the third quarter was a good start, but more will be needed to reinforce the seriousness of purpose required to ease pressure on the currency. The market is convinced that the era of deflation is behind Japan and that higher policy rates and a sharper focus on inflation is needed; we'll find out in short order if the political system allows the BoJ to come to the same conclusion.

Emerging Markets

	Real GDP (%)		Inflation (%)		Policy Rate (%)		10-Yr. Bond Yield (%)		FX Rates vs. USD	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
EM ex China/Russia	3.7	3.8	7.1	5.9	9.57	8.72	9.60	8.99	—	—
Asia	5.4	5.3	3.9	3.5	4.59	4.73	5.87	5.76	—	—
LATAM	1.7	1.7	7.1	5.8	12.15	11.22	10.38	9.86	—	—
EEMEA	1.9	2.3	11.6	9.2	16.31	13.12	10.75	9.39	—	—

Outlook

- Resilience among economies integrated into the global AI/tech value chain tilts our near-term growth-risk assessment slightly to the upside.
- Food-price risks we've been watching through the third quarter are now closer to landing with a very strong El Niño now on the cards.

Risk Factors

- Rising El Niño intensity has not mechanically translated into rising EM credit risk in previous episodes but credit valuations leave less margin for error than in past cycles if the multiple pressure points (i.e., oil, fertilizer, weather) compound simultaneously.
- An aggressive hiking cycle by the Fed or sudden softening in global growth and equities remain key risks.

Emerging-market (EM) economies head into the fourth quarter with the growth-resilience thesis intact. Energy-price pressures linked to the Middle East conflict continue to weigh disproportionately on oil-importing and otherwise vulnerable economies, but resilience among economies integrated into the global AI/tech value chain is more than offsetting this in aggregate, tilting our near-term growth-risk assessment slightly to the upside. EM Asia's central role in the AI-led investment cycle is driving regional outperformance, and global manufacturing PMIs remain relatively lively. A less noted but encouraging development this quarter:

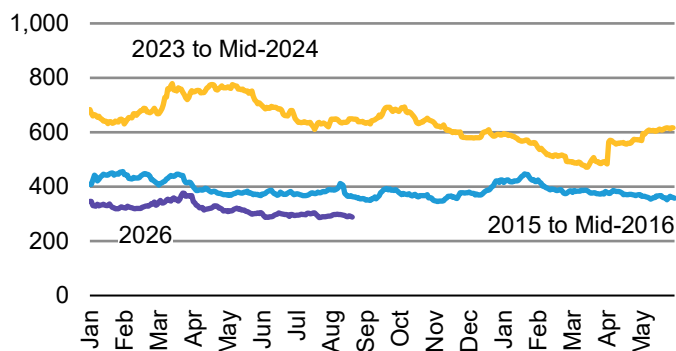
reserve buffers have improved across most EM regions, oil importers and exporters alike, providing a larger cushion than in previous shocks.

Food-price risks we've been watching through the third quarter are now closer to landing with a very strong El Niño in the cards. Hydropower-dependent EM countries (Colombia, Ecuador, Zambia in particular) face compounded growth and inflation risk through this channel. Our analysis, however, shows that rising El Niño intensity has not mechanically translated into rising EM credit risk in previous episodes; spread impact has been mixed and issuer-specific rather than systematic—though current credit valuations are tight. So, there is less margin for error than in past cycles if the multiple pressure points (i.e., oil, fertilizer, weather) compound simultaneously. Over a 12-month horizon we still expect these cyclical and seasonal pressures to fade, but the next one- to two-quarter window is when they're most likely to bite.

Monetary policy remains tilted toward tightening, but we continue to expect hiking cycles to be measured in both magnitude and timing across most of the EM universe—initial conditions are not lax, which limits the need for aggressive moves. The swing factor remains the Fed. The breakout in core yields appears broadly driven by growth, monetary and fiscal impulses. The US dollar is, however, behaving less uniformly than the move in yields would suggest. We see the balance of US dollar risk as tilted slightly to the weaker side, or at worst range-bound, rather than assuming the traditional tight coupling between higher US yields and a stronger US dollar holds mechanically this cycle. We retain a modest bullish lean on EM FX, though an aggressive hiking cycle by the Fed—or sharp softening in global growth and equities—remains the key risks to that view.

Taken together, the risk distribution has narrowed in one dimension and widened in another. The AI-driven growth and capital-flow story continues to look more durable and reserve buffers give EM more room to absorb further disruption than in previous cycles. But the food-price shock is now moving onto the radar, and the Fed's reaction function could prove formative for the EM outlook.

EM High-Yield to Investment Grade Spreads Through Strong El Niño Events (Basis Points)

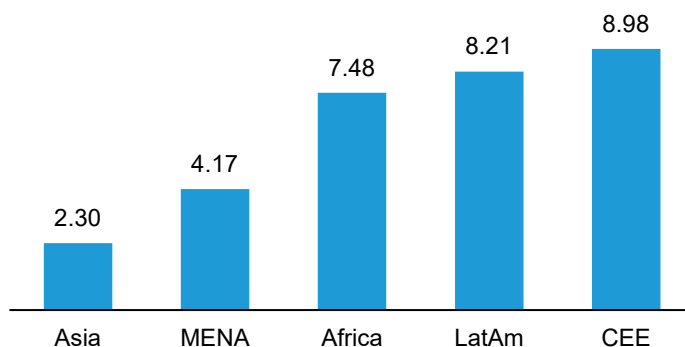


As of September 3, 2026

Chart reflects spread changes during strong 2023–2024 and 2015–2016 very strong El Niño episodes

Source: J.P. Morgan Emerging Markets Bond Index Global Diversified and AB

Year-to-Date Changes in Gross Reserves (Percent)



As of August 31, 2026

Source: Haver Analytics and AB

Forecast Table

	Real Growth (%)		Inflation (%)		Official Rates (%)		Long Rates (%)		FX Rates vs. USD	
	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F	2026F	2027F
Global	2.5	2.6	3.6	2.9	4.33	4.00	4.62	4.43	—	—
Global ex Russia	2.6	2.6	3.5	2.9	4.09	3.82	4.71	4.54	—	—
Industrial Countries	1.6	1.7	3.3	2.4	3.45	3.25	4.19	3.98	—	—
Emerging Countries	3.9	3.8	4.1	3.7	5.64	5.12	5.27	5.12	—	—
EM ex China	3.4	3.4	7.0	5.8	10.04	8.96	8.47	7.89	—	—
EM ex China/Russia	3.7	3.8	7.1	5.9	9.57	8.72	9.60	8.99	—	—
US	2.3	2.2	3.5	2.4	4.13	4.13	4.75	4.75	—	—
Percent of Year-over-Year Methodology	2.2	2.3								
Canada	1.0	1.5	3.8	2.0	2.25	2.00	3.25	3.25	1.42	1.45
Europe	1.0	1.1	3.1	2.6	3.02	2.50	3.80	3.25	1.18	1.19
Euro Area	0.9	1.1	3.0	2.4	2.75	2.25	3.40	2.90	1.13	1.15
UK	1.2	1.2	3.2	3.5	4.00	3.50	5.30	4.70	1.34	1.32
Japan	1.0	1.0	2.8	2.1	1.25	1.50	2.75	2.75	155	150
Australia	2.3	2.1	3.3	2.5	4.85	4.60	5.30	5.00	0.72	0.75
New Zealand	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00	0.00	0.00
China	4.5	4.3	1.0	1.5	1.00	1.00	2.00	2.25	6.70	6.60
Asia ex Japan & China	5.4	5.3	3.9	3.5	4.59	4.73	5.87	5.76	—	—
India	7.1	7.0	5.0	4.6	5.50	5.75	7.00	6.80	95.0	97.0
Indonesia	4.9	5.1	3.2	2.6	5.75	5.25	6.70	6.50	17,800	17,600
Korea	3.4	2.5	2.7	2.2	3.00	3.25	4.10	3.90	1,425	1,390
Thailand	2.1	2.2	2.0	1.5	1.00	1.00	2.00	1.70	33.0	34.0
Latin America	1.7	1.7	7.1	5.8	12.15	11.22	10.38	9.86	—	—
Argentina	2.5	3.0	30.0	20.0	35.00	30.00	—	—	1,650.0	1,850.0
Brazil	1.8	1.0	4.7	4.3	13.00	11.50	13.00	12.00	5.00	4.80
Chile	1.5	2.7	3.6	3.3	4.75	5.25	6.00	6.00	900	875
Colombia	2.3	3.0	5.9	5.1	12.00	10.50	12.20	9.90	3,100	2,800
Mexico	1.2	1.5	4.0	3.9	6.50	7.00	9.00	9.00	17.5	17.0
EEMEA	1.9	2.3	11.6	9.2	16.31	13.12	10.75	9.39	—	—
Hungary	1.8	2.1	1.8	2.9	5.25	4.75	5.80	5.40	315	305
Poland	3.5	3.0	3.1	3.0	3.78	3.60	5.80	5.10	3.72	3.66
Russia	0.7	1.1	6.1	5.1	13.50	11.00	—	—	82.0	85.0
South Africa	1.2	1.5	4.4	3.7	7.25	7.25	8.80	8.70	16.4	16.8
Turkey	2.8	3.8	31.0	24.0	35.00	28.00	33.00	29.00	51.50	58.00

There is no guarantee that any estimates or forecasts will be realized.

Growth and inflation forecasts are calendar-year averages except US GDP, which is forecast as 4Q/4Q. Interest-rate and FX rates are year-end forecasts.

Long rates are 10-year yields unless otherwise indicated.

The long-rates aggregate excludes Argentina and Russia; Argentina is not forecast due to distortions in the local financial market; Russia is not forecast because the local market is inaccessible to foreign investors.

Real growth aggregates represent 29 country forecasts, not all of which are shown.

Contributors

Eric Winograd
eric.winograd@alliancebernstein.com

Adriaan du Toit
adriaan.dutoit@alliancebernstein.com

Sandra Rhouma
sandra.rhouma@alliancebernstein.com

Armando Armenta
armando.armenta@alliancebernstein.com

Vijay Kannan
vijay.kannan@alliancebernstein.com

INVESTMENT RISKS TO CONSIDER

The value of an investment can go down as well as up, and investors may not get back the full amount they invested. Capital is at risk. Past performance does not guarantee future results.

Important Information

The views expressed herein may change at any time after the date of this publication. AllianceBernstein L.P. does not provide tax, legal or accounting advice. It does not take an investor's personal investment objectives or financial situation into account; investors should discuss their individual circumstances with appropriate professionals before making any decisions. This information does not constitute investment advice and should not be construed as sales or marketing material or an offer or solicitation for the purchase or sale of any financial instrument, product or service sponsored by AB or its affiliates. References to specific securities are provided solely in the context of the analysis presented and are not to be considered recommendations by AllianceBernstein. AllianceBernstein and its affiliates may have positions in, and may effect transactions in, the markets, industry sectors and companies described herein.

Note to All Readers: The information contained here reflects the views of AllianceBernstein L.P. or its affiliates and sources it believes are reliable as of the date of this publication. AllianceBernstein L.P. makes no representations or warranties concerning the accuracy of any data. There is no guarantee that any projection, forecast or opinion in this material will be realized. **Note to Readers in Canada:** AllianceBernstein provides its investment-management services in Canada through its affiliates Sanford C. Bernstein & Co., LLC and AllianceBernstein Canada, Inc. It should not be construed as advice as to the investing in or the buying or selling of securities, or as an activity in furtherance of a trade in securities. **Note to Readers in the United Kingdom and Europe: For Investment Professional use only. Not for inspection by, distribution or quotation to, the general public. Note to Readers in the United Kingdom:** Issued by AllianceBernstein Limited, 60 London Wall, London, EC2M 5SJ. Registered in England, No. 2551144. AllianceBernstein Limited is authorised and regulated in the UK by the Financial Conduct Authority (FCA). **Note to Readers in Europe:** Issued by AllianceBernstein (Luxembourg) S.à r.l. Société à responsabilité limitée, R.C.S. Luxembourg B 34 305, 2-4, rue Eugène Ruppert, L-2453 Luxembourg. Authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF). **Note to Readers in Switzerland:** This information is directed at Qualified Investors only. Issued by AllianceBernstein Schweiz AG, Zürich, a company registered in Switzerland under company number CHE-306.220.501. AllianceBernstein Schweiz AG is a financial services provider within the meaning of the Financial Services Act (FinSA) and is not subject to any prudential supervision in Switzerland. Further information on the company, its services and products, in accordance with Art. 8 FinSA, can be found on the Important Disclosures page at www.alliancebernstein.com. **Note to Readers in the United Arab Emirates, Kuwait, Kingdom of Saudi Arabia, Kingdom of Bahrain, Qatar and Oman:** AllianceBernstein Limited has established a subsidiary in the Dubai International Financial Centre (DIFC) with number F007736, which is regulated by the Dubai Financial Services Authority (DFSA). The registered office is Unit GD-GB-00-15-BC-29-0, Level 15, Gate District Gate Building, Dubai International Financial Centre, Dubai, United Arab Emirates. Promotions of financial information made by AllianceBernstein (DIFC) Limited are carried out on behalf of its group entities. This document is intended for Professional Clients or Market Counterparties only as defined by the DFSA and no other person should act upon it. The information contained herein does not constitute, and is not intended to constitute, a public offer of securities in the United Arab Emirates, Kuwait, the Kingdom of Saudi Arabia, the Kingdom of Bahrain, the State of Qatar, or Oman, and accordingly should not be construed as such. The strategies have not been approved by or licensed or registered with the Dubai Financial Services Authority, the Financial Services Regulatory Authority, the Kuwait Capital Markets Authority, the Saudi Arabian Capital Market Authority, the Central Bank of Bahrain, the Qatar Financial Markets Authority, the Oman Regulatory Authority, or any other relevant licensing authorities or governmental agencies in these jurisdictions (the "Authorities"). The Authorities assume no responsibility for the contents of this document. No offer will be made in the following jurisdictions: Kuwait, Kingdom of Saudi Arabia, Kingdom of Bahrain or Qatar. This document is intended to be read by the named addressee only and must not be passed to, issued to, or shown to the public generally (other than employees, agents or consultants in connection with the addressee's consideration thereof). **Note to Readers in Japan: For Institutional Investor use only. Not for inspection by, distribution or quotation to the general public.** This document has been provided by AllianceBernstein Japan Ltd. AllianceBernstein Japan Ltd. is a registered investment-management company

(registration number: Kanto Local Financial Bureau no. 303). It is also a member of the Investment Management Association of Japan; the Japan Securities Dealers Association; and the Type II Financial Instruments Firms Association. The product/service may not be offered or sold in Japan; this document is not made to solicit investment.

Note to Readers in Australia and New Zealand: This document has been issued by AllianceBernstein Australia Limited (ABN 53 095 022 718 and AFSL 230698). Information in this document is intended only for persons who qualify as “wholesale clients,” as defined in the Corporations Act 2001 (Cth of Australia) or the Financial Advisers Act 2008 (New Zealand), and should not be construed as advice.

Note to Readers in Hong Kong: For Institutional Investor and Financial Advisor use only. Not for inspection by, distribution or quotation to, the general public. This document is issued in Hong Kong by AllianceBernstein Hong Kong Limited 聯博香港有限公司 This document has not been reviewed by the Hong Kong Securities and Futures Commission.

Note to Readers in China: This information contained here reflects AllianceBernstein Hong Kong Limited (“AB”) or its affiliates and sources it believes are reliable as of the date of this publication. This presentation has been provided to you for sole use in a private and confidential meeting. AB makes no representations or warranties concerning the accuracy of any data. There is no guarantee that any projection, forecast or opinion in this material will be realized. Past performance does not guarantee future results. The views expressed here may change at any time after the date of this publication. This presentation is for informational purposes only and does not constitute investment advice. AB does not provide tax, legal or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions. This presentation and any information contained or incorporated by reference herein does not constitute an offer to sell, or the solicitation of an offer to purchase, any financial instrument, product or service sponsored by AB or its affiliates within the People’s Republic of China (“PRC” for such purposes, excluding Hong Kong, Macao and Taiwan).

Note to Readers in Vietnam, the Philippines, Brunei, Thailand, Indonesia and India: This document is provided solely for the informational purposes of institutional investors and is not investment advice, nor is it intended to be an offer or solicitation, and does not pertain to the specific investment objectives, financial situation or particular needs of any person to whom it is sent. This document is not an advertisement and is not intended for public use or additional distribution. AllianceBernstein is not licensed to, and does not purport to, conduct any business or offer any services in any of the above countries.

Note to Readers in Malaysia: For Institutional Investor use only. Not for inspection by, distribution or quotation to, the general public. This document has been prepared upon request. Nothing in this document should be construed as an invitation or offer to subscribe to or purchase any securities, nor is it an offering of fund management services, advice, analysis or a report concerning securities. AB is not licensed to, and does not purport to, conduct any business or offer any services in Malaysia. Without prejudice to the generality of the foregoing, AB does not hold a capital-markets services license under the Capital Markets & Services Act 2007 of Malaysia, and does not, nor does it purport to, deal in securities, trade in futures contracts, manage funds, offer corporate finance or investment advice, or provide financial-planning services in Malaysia.

Note to Readers in Singapore: For Institutional Investor and Financial Advisor use only. Not for inspection by, distribution or quotation to, the general public. This document has been issued by AllianceBernstein (Singapore) Ltd. (“ABSL,” Company Registration No. 199703364C). AllianceBernstein (Luxembourg) S.à r.l. is the management company of the Portfolio and has appointed ABSL as its agent for service of process and as its Singapore representative. AllianceBernstein (Singapore) Ltd. is regulated by the Monetary Authority of Singapore. This advertisement has not been reviewed by the Monetary Authority of Singapore.

Note to Readers in Taiwan: For institutional investor use only. Not for inspection by, distribution or quotation to, the general public. This document is provided solely for informational purposes and is not investment advice, nor is it intended to be an offer or solicitation, and does not pertain to the specific investment objectives, financial situation or particular needs of any person to whom it is sent. This document is not an advertisement. AllianceBernstein L.P. is not licensed to, and does not purport to, conduct any business or offer any services in Taiwan.

The [A/B] logo and AllianceBernstein® are registered trademarks used by permission of the owner, AllianceBernstein L.P.

©2026 AllianceBernstein L.P.

www.alliancebernstein.com

UMF-1010053-2026-10-01