

SAS MARKET STRATEGY

Market Pulse

Macro Views

Baseline: When uncertainty is elevated, we build playbooks for multiple potential outcomes. Our baseline expectation is for clarity on energy supply by mid-April, with Brent prices peaking at \$115 before recovering to \$80 by YE. The growth/inflation implication of such a short-term shock would be manageable, with 2026 global GDP growth of 2.4% and core inflation at 2.3%. The FOMC, with its dual mandate, may continue to cut, while the price-focused ECB may raise rates rather than stay on hold.

Downside: If energy disruption continues until May, oil prices may test new highs at \$140+ and stay above \$100 through YE. GS Research estimates that every \$10 increase in oil is a ~10bp drag on growth and adds 3-6bp and 20bp to core and headline inflation, respectively. The impact would not be equal across economies, with energy shortages a concern in some places in addition to elevated prices.

Severe Shock: The risk is not linear, with prolonged conflict leading to more production shut-ins and damage to facilities that may take months if not years to recover. A higher for longer oil regime would have significant impacts across global economies and markets.

Market Views

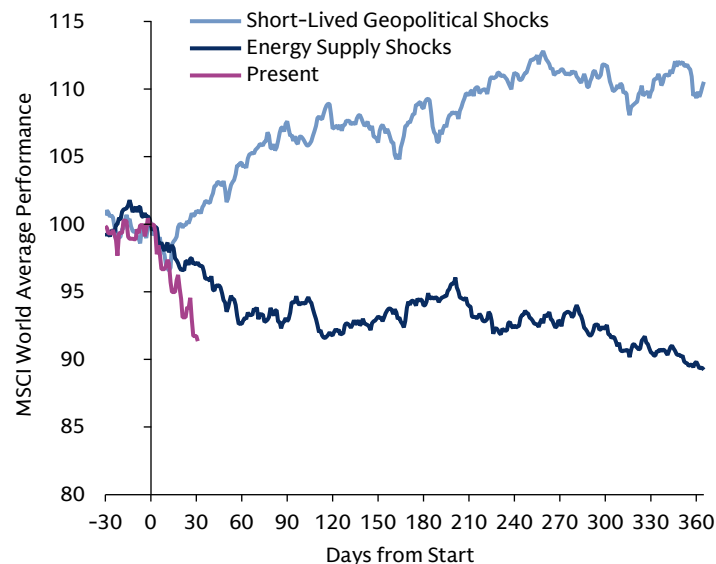
Equities: Historically, global equities have recovered from short-lived geopolitical shocks quite quickly as fundamentals take over from headlines. Today's strong earnings outlook and tailwinds from AI and fiscal spend still make for a constructive backdrop once geopolitical risks fade. However, the longer the conflict lasts, the more challenging the growth/inflation/sentiment mix becomes. For now, the US appears relatively insulated, while DM ex-US and EM may be poised for a rapid reversal once the conflict clears.

Fixed Income: Rates have rapidly priced inflation risk, with yields backing up across curves. We now see potential opportunities, particularly at the front end in the US and UK, if policy is less hawkish than expected. A faster resolution, or a protracted conflict leading to growth concerns overtaking inflation, may be paths to rate relief. Credit spreads remain tight and heavy supply poses a headwind, but earnings continue to support fundamental strength.

Currencies: The US dollar index has risen 2.3% since February 27, benefiting from a flight to safety, positive terms of trade, and the fact that oil markets transact in USD. We would expect the dollar to continue to outperform while uncertainty is elevated but resume its downward trend as conditions normalize.

Source: Goldman Sachs Asset Management, GIR, and MSCI. As of April 6, 2026. "We/Our" refers to Goldman Sachs Asset Management. The macro and market views expressed may differ from those of GIR and other divisions of Goldman Sachs and its affiliates. See page 3 for additional disclosures. The economic and market forecasts presented herein are for informational purposes as of the date of this document. There can be no assurance that the forecasts will be achieved. **Past performance does not predict future returns and does not guarantee future results, which may vary.**

Chart of the Month: Short-Lived Shock?



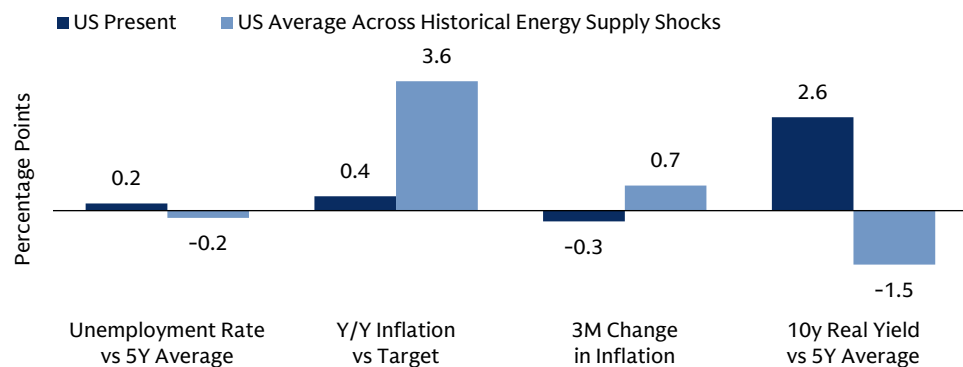
Asset Class Forecasts

	Current	3m	12m	% Δ to 12m
Equities				
S&P 500 (\$)	6,583	7,200	7,600	15.4
STOXX Europe (€)	597	605	625	4.7
MSCI Emerging Markets (\$)	1,434	1,520	1,680	17.2
TOPIX (¥)	3,645	3,800	4,200	15.2
Rates				
10-Year Treasury	4.3	4.2	4.1	-21 bp
10-Year Bund	3.0	2.9	3.0	1 bp
10-Year JGB	2.4	2.0	2.0	-38 bp
Currencies				
Euro (€/€)	1.15	1.14	1.2	3.4
Pound (£/\$)	1.32	1.33	1.33	0.8
Yen (\$/¥)	160	160	155	-3.1
Real Assets				
Brent Crude Oil (\$/bbl)	109	86	80	-26.6
London Gold (\$/troy oz)	4,680	4,805	5,445	16.3

Evaluating Energy Disruption

The conflict in the Middle East has produced the largest energy disruption in history, with 20% of global oil trade being disrupted and more than 10% of oil production now shut in. The impact on global economies and markets will ultimately depend on the duration and severity of the disruption, but there are a few structural factors currently working in investors' favor. Global economies are less oil intensive today and are starting from a better position, though the impact will likely be felt disparately across countries.

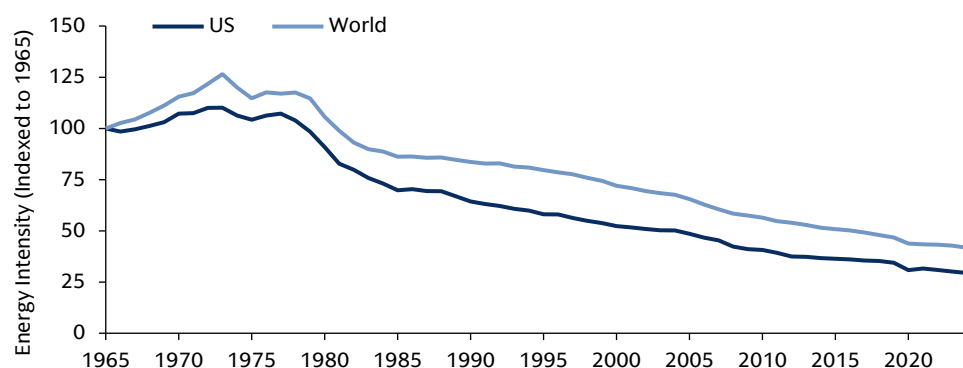
Stable Starting Point



Source: Bloomberg and Goldman Sachs Asset Management. As of March 31, 2026.

Historically, oil shocks have magnified existing economic imbalances. The starting point in the US today appears relatively stable. Growth is tracking above potential; inflation is much closer to target than in past periods; the labor market is near trend, if a little soft; and monetary policy is still relatively tight. We think this backdrop would allow the Fed to continue its path of normalization cuts in 2026 as headline fog fades and the macro picture clarifies.

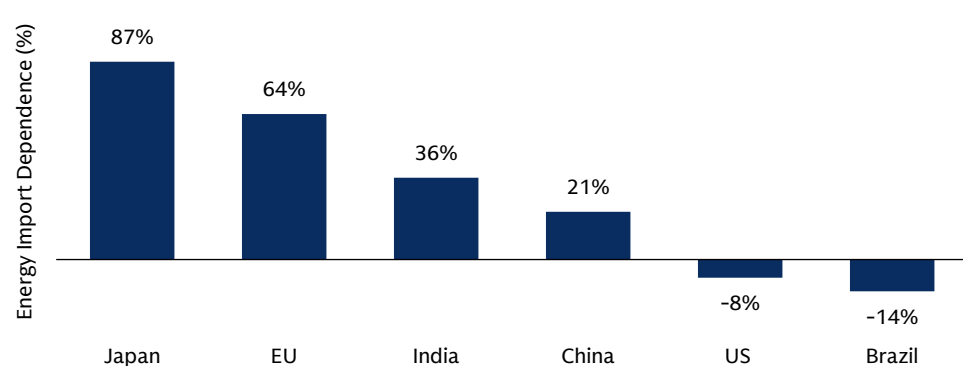
Reduced Oil Dependence



Source: World Bank and Goldman Sachs Global Investment Research. As of March 31, 2026.

Global economies today are powered differently than during large disruptions in the past. The oil intensity of the global economy – the barrels of oil required to generate a unit of GDP – has fallen by more than 60% since the 1970s, as a result of efficiency improvements, technologization, and a shift to alternative energy sources. That means that an oil shock today may have a relatively more modest growth impact than in the past.

Global Market Divergence



Source: IEA and Goldman Sachs Asset Management, As of March 31, 2026.

Still, the impact of energy disruption will not be felt equally. Net energy exporters like Brazil or the US may be relatively more resilient than net energy importer peers. China and the EU have made progress with renewables in recent years, in part to de-risk power supplies, but remain vulnerable to an energy shock. We believe the variability of macro sensitivities (growth, inflation, rates, currencies) should create an opportunity for alpha generation across portfolios in both equities and fixed income.

“We/Our” refers to Goldman Sachs Asset Management. The economic and market forecasts presented herein are for informational purposes as of the date of this document. There is no guarantee that objectives will be met. There can be no assurance that forecasts will be achieved. **Past performance does not predict future returns and does not guarantee future results, which may vary.**

IMPORTANT INFORMATION

1. Chart of the Month: Source: Macrobond and Goldman Sachs Asset Management. As of March 31, 2026. Energy supply shocks include Arab Oil Embargo (17 October 1973), Iranian Revolution (20 October 1978), Iran-Iraq War (22 September 1980), Gulf War/ Iraq's Invasion of Kuwait (2 August 1990), Russia-Ukraine War (24 February 2022). Short-lived geopolitical shocks include 9/11 terror attacks (11 September 2001), US invasion of Iraq (20 March 2003), Iran-Israel escalation (1 October 2024), and Israel strikes Iran (13 June 2025). **Past performance does not predict future returns and does not guarantee future results, which may vary.** For illustrative purposes only.
2. Asset Class Forecasts: Price targets of major asset classes are provided by Goldman Sachs Global Investment Research. As of April 6, 2026.

Page 1 Definitions

AI refers to artificial intelligence
 Bp refers to basis point, or 1/100th of a percent
 DM refers to developed markets
 EM refers to emerging markets
 ECB refers to European Central Bank
 FOMC refers to Federal Open Market Committee
 GIR refers to Goldman Sachs Global Investment Research
 Hawkish policy refers to that in support of higher monetary policy rates

Page 2 Notes

Top Section Notes: Chart compares US macro conditions at the outset of today's conflict in the Middle East versus the average starting conditions across 6 major oil supply disruptions, namely the Yom Kippur War (1973), Iranian Revolution (1978), Gulf War (1990), Iran War (2003), Russia-Ukraine War (2022), and the current conflict. The unemployment rate reflects the average over the past 3 months, while the inflation target refers to the Fed's 2% target.

Middle Section Notes: Chart shows the energy intensity of the global economy, as calculated by petroleum consumption per unit of GDP, from 1965-2024.

Bottom Section Notes: Chart shows the net share of primary energy coming from imports. Negative values indicate that an economy is a net energy exporter.

Index Benchmarks

The **MSCI World Index** captures large and mid-cap representation across 23 Developed Markets (DM) countries.

The **S&P 500 Index** is the Standard & Poor's 500 Composite Stock Prices Index of 500 stocks, an unmanaged index of common stock prices. The index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

The **STOXX Europe 600 Index** is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries in Europe.

The **Japan TOPIX Index** is a capitalization-weighted index of the largest companies found in the First Section of the Tokyo Stock Exchange.

The **MSCI Emerging Markets Index** captures large and mid cap representation across 24 Emerging Markets (EM) countries.

Indices are unmanaged. The figures for the index reflect the reinvestment of all income or dividends, but do not reflect the deduction of any fees or expenses which would reduce returns. Investors cannot invest directly in indices.

The indices referenced herein have been selected because they are well known, easily recognized by investors, and reflect those indices that the Investment Manager believes, in part based on industry practice, provide an appropriate benchmark against which to evaluate the investment or broader market described herein.

RISK CONSIDERATIONS

Equity securities are more volatile than bonds and subject to greater risks. Foreign and emerging markets investments may be more volatile and less liquid than investments in US securities and are subject to the risks of currency fluctuations and adverse economic or political developments. Investments in commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or factors affecting a particular industry or commodity. The currency market affords investors a substantial degree of leverage. This leverage presents the potential for substantial profits but also entails a high degree of risk including the risk that losses may be similarly substantial. Currency fluctuations will also affect the value of an investment.

Investments in fixed income securities are subject to the risks associated with debt securities generally, including credit, liquidity, interest rate, prepayment and extension risk. Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline in the bond's price. The value of securities with variable and floating interest rates are generally less sensitive to interest rate changes than securities with fixed interest rates. Variable and floating rate securities may decline in value if interest rates do not move as expected. Conversely, variable and floating rate securities will not generally rise in value if market interest rates decline. Credit risk is the risk that an issuer will default on payments of interest and principal. Credit risk is higher when investing in high yield bonds, also known as junk bonds. Prepayment risk is the risk that the issuer of a security may pay off principal more quickly than originally anticipated. Extension risk is the risk that the issuer of a security may pay off principal more slowly than originally anticipated. All fixed income investments may be worth less than their original cost upon redemption or maturity.

International securities may be more volatile and less liquid and are subject to the risks of adverse economic or political developments. International securities are subject to greater risk of loss as a result of, but not limited to, the following: inadequate regulations, volatile securities markets, adverse exchange rates, and social, political, military, regulatory, economic or environmental developments, or natural disasters.

Strategies with exposure to the commodities markets may be subject to greater volatility than investments in traditional securities. Investments in commodities may be affected by changes in overall market movements, changes in interest rates, or factors affecting a particular industry or commodity. Commodities are also subject to social, political, military, regulatory, economic, environmental or natural disaster risks.

GENERAL DISCLOSURES

This information discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice. This material has been prepared by Goldman Sachs Asset Management and is not financial research nor a product of Goldman Sachs Global Investment Research (GIR). It was not prepared in compliance with applicable provisions of law designed to promote the independence of financial analysis and is not subject to a prohibition on trading following the distribution of financial research. The views and opinions expressed may differ from those of Goldman Sachs Global Investment Research or other departments or divisions of Goldman Sachs and its affiliates. Investors are urged to consult with their financial advisors before buying or selling any securities. This information may not be current and Goldman Sachs Asset Management has no obligation to provide any updates or changes.

Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or its securities. It should not be assumed that investment decisions made in the future will be profitable or will equal the performance of the securities discussed in this document.

Neither MSCI nor any other party involved in or related to compiling, computing, or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability, or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

This material is provided for informational purposes only and should not be construed as investment advice or an offer or solicitation to buy or sell securities. This material is not intended to be used as a general guide to investing, or as a source of any specific investment recommendations, and makes no implied or express recommendations concerning the manner in which any client's account should or would be handled, as appropriate investment strategies depend upon the client's investment objectives.

Views and opinions expressed are for informational purposes only and do not constitute a recommendation by Goldman Sachs Asset Management to buy, sell, or hold any security, including any Goldman Sachs product or service. Views and opinions are current as of the date of this document and may be subject to change, they should not be construed as investment advice.

Although certain information has been obtained from sources believed to be reliable, we do not guarantee its accuracy, completeness or fairness. We have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public sources.

Economic and market forecasts presented herein reflect a series of assumptions and judgments as of the date of this document and are subject to change without notice. These forecasts do not take into account the specific investment objectives, restrictions, tax and financial situation or other needs of any specific client. Actual data will vary and may not be reflected here. These forecasts are subject to high levels of uncertainty that may affect actual performance. Accordingly, these forecasts should be viewed as merely representative of a broad range of possible outcomes. These forecasts are estimated, based on assumptions, and are subject to significant revision and may change materially as economic and market conditions change. Goldman Sachs has no obligation to provide updates or changes to these forecasts. Case studies and examples are for illustrative purposes only.

THIS MATERIAL DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION WHERE OR TO ANY PERSON TO WHOM IT WOULD BE UNAUTHORIZED OR UNLAWFUL TO DO SO.

Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.

© 2026 Goldman Sachs. All rights reserved.

Date of first use: March 31, 2026. Compliance Code: 501308-OTU-2505053

For more information contact your Goldman Sachs sales representative.