

The affordability debate: Why sentiment and markets diverge

Despite resilient markets and rising real wages, affordability is a real issue for many Americans, driven by housing costs, shifting labor dynamics and policy uncertainty. Why does weak consumer sentiment diverge from market optimism—and what might policymakers do about it?

Published January 29, 2026

KEY TAKEAWAYS

- **Market optimism masks consumer unease:** U.S. equity market valuations remain elevated even as consumer sentiment sours. The discontent reflects persistent worries about affordability related to prices, jobs, living standards and a more uncertain future.
- **Housing and labor trends drive the disconnect:** Soaring homeownership costs, declining workplace flexibility and a structurally weaker labor share of GDP are eroding perceptions of economic wellbeing.
- **Policy responses are likely, but the timing of their impact is unclear:** With U.S. midterm elections approaching, expect a flurry of proposals—but no single solution can quickly resolve the affordability challenge.

Introduction

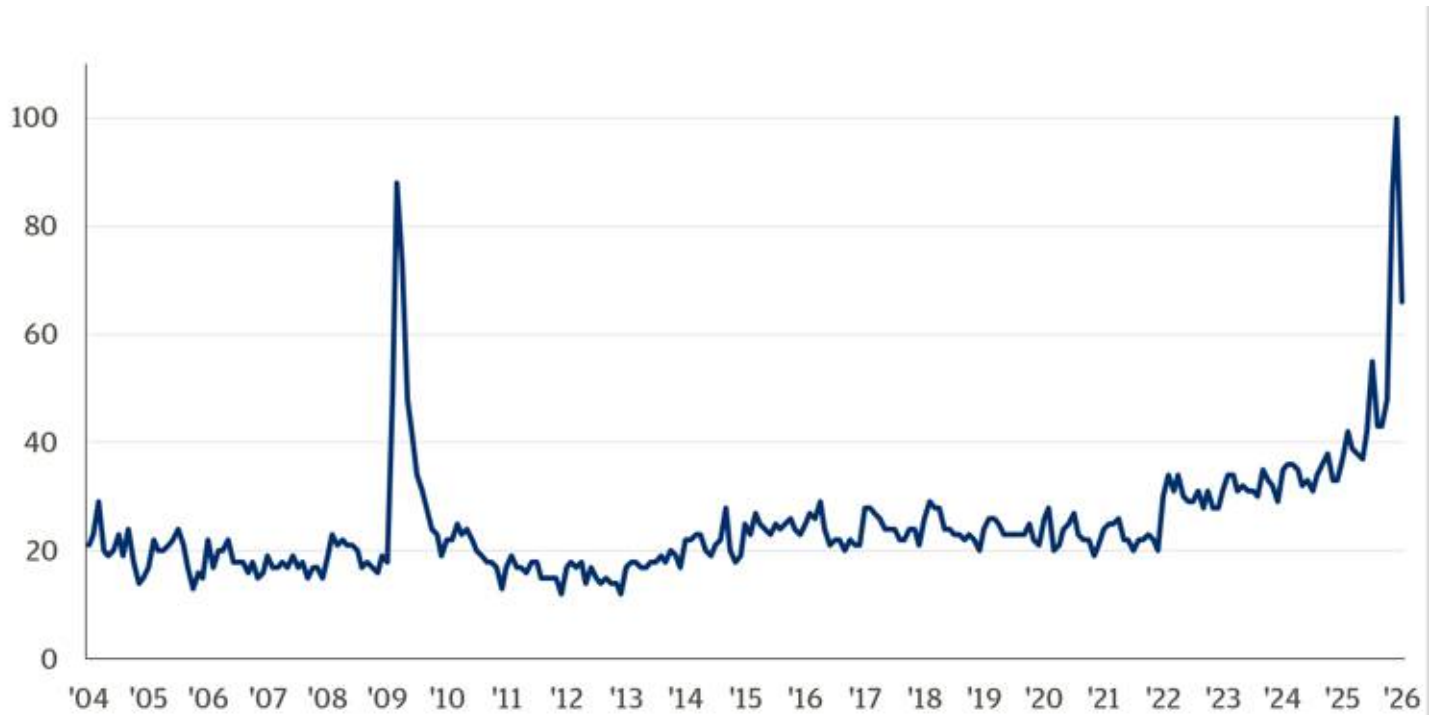
With U.S. midterm elections on the horizon, politicians on both sides of the aisle are honing their message on “affordability.” The subject is seemingly inescapable—not since the global financial crisis (GFC) has the word inspired such a surge in internet searches—even as it is loosely defined in much of the public debate. Essentially, it serves as a catch-all phrase for widespread dissatisfaction with the state of the economy.

Concerns about affordability and the cost of living, linked in particular to high costs and scarce supply in the housing sector and strains in the labor market, stand in stark contrast to seemingly unbridled investor optimism. We see a sharp divergence between markets and the real economy, with stock valuations near their highs and consumer confidence close to their lows.

Here, we explore the causes and effects of this deep disconnect, examine what policy responses might emerge in response, and consider the potential investment implications.

Public interest in “affordability” has surged

Exhibit 1: Google search interest over time in “Affordability”



Source: Google Trends. Data as of January 2026. Note: Numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term. A value of 50 means that the term is half as popular. A score of 0 means there was not enough data for this term.

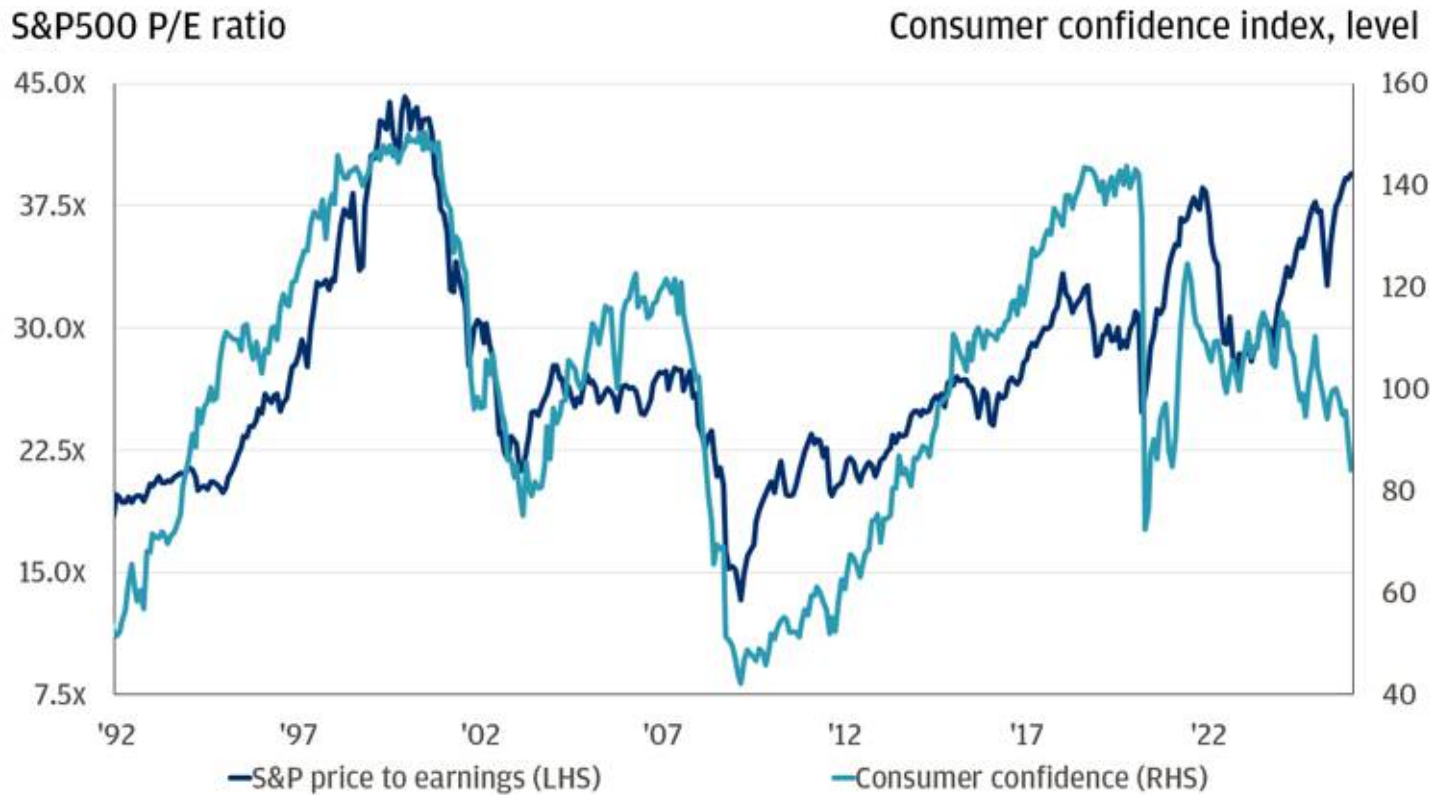
Divergence between markets and sentiment

The current economic cycle is often compared to the tech-driven 1990s dot-com boom, and for good reason: Artificial intelligence (AI) has become a dominant driver of stock market returns and corporate investment¹. However, as recent data shows, consumer confidence has declined to a 5 year low. The disconnect between stock valuations and consumer confidence, as shown below, marks a distinct difference between the current environment and the dot-com era.

1. According to Michael Cembalest's Eye on the Market Annual Outlook 2026: Smothering Heights, "65%–75% of S&P 500 returns, profits and capital spending since the launch of ChatGPT in 2022 have been derived from 42 companies linked to generative AI."

Divergence between stock market valuations and consumer confidence

Exhibit 2: S&P 500 P/E ratio and consumer confidence index



Sources: University of Michigan, The Conference Board, Haver Analytics. Data as of December 2025. Note: Uses Shiller cyclically adjusted S&P price to earnings ratio and average of Umich current economic conditions index & Conference Board's consumer confidence present situation index.

What's driving the "vibecession"?

In many ways, the term "vibecession,"² coined by financial writer Kyla Scanlon, captures the current mood. Data underlying consumer confidence metrics tells the story: Dissatisfaction began with the pandemic-related inflation shock of 2021-2023, as seen in University of Michigan data, with a soaring share of respondents reporting they were worse off due to higher prices. More recently, concerns have shifted toward the jobs market. In the Federal Reserve Bank of New York's Survey of Consumer Expectations, respondents are now reporting much lower expectations of finding jobs when compared with recent years or the pre-pandemic period.

2. <https://kyla.substack.com/p/the-vibecession-the-self-fulfilling>

Weak consumer confidence in part explained by higher prices

Exhibit 3: Percent of consumers reporting worse off from a year ago because of higher prices



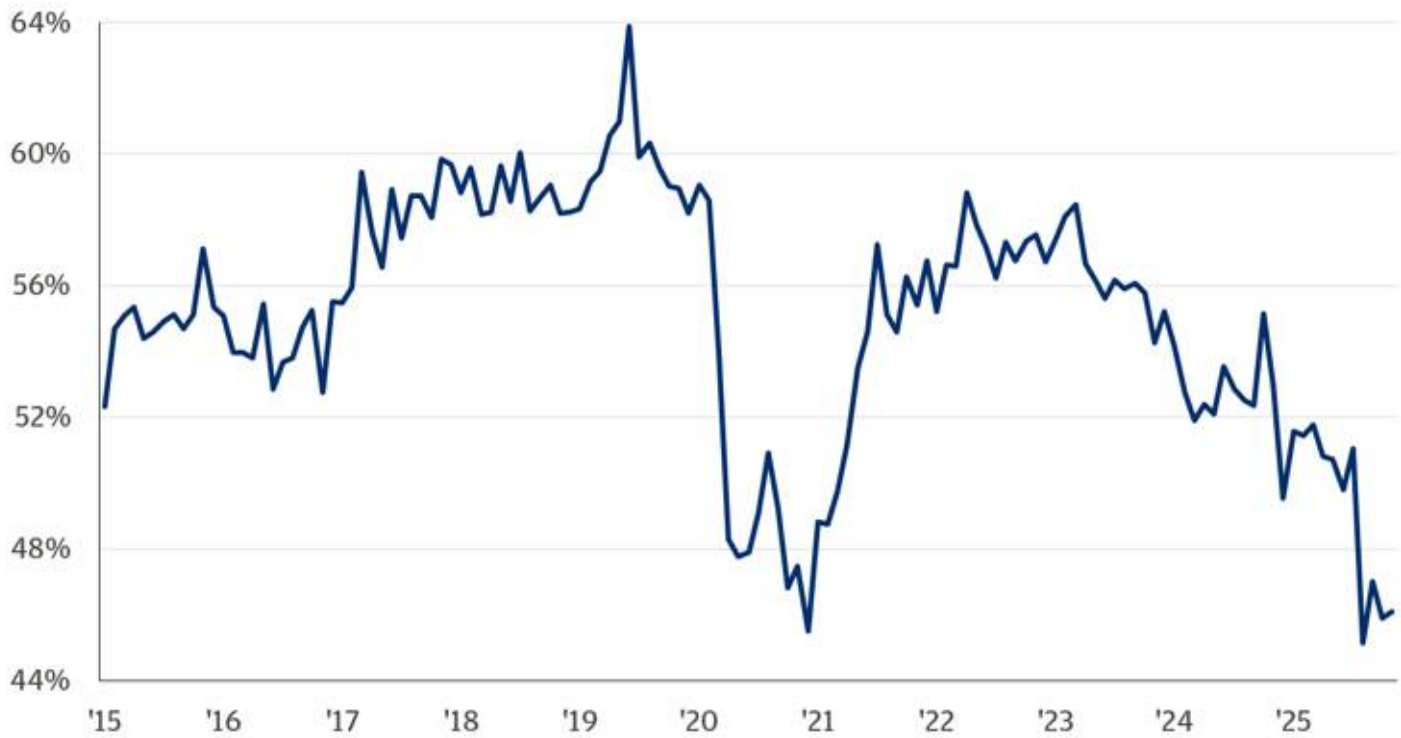
Source: University of Michigan

While consumer sentiment focuses on prices and jobs, markets have a different perspective. Investors consider data relating to prices and jobs, but unlike consumers, they zero in on layoffs data and incremental changes in consumer prices (i.e., the real-time inflation rate). Despite the “vibecession,” layoffs remain low in the U.S. economy (even though the hiring rate has fallen). And while overall goods and services prices are about 26% higher than they were pre-pandemic, the real-time inflation rate has dropped from 9% in 2022 to about 2.5%–3% today. That puts inflation near the target band set by the Federal Reserve (Fed) when accounting for (i.e., subtracting) the one-time goods price rise impact of tariffs.³

³. Tariffs have been pushing up the inflation rate recently, but the Federal Reserve Bank of St. Louis has noted that excluding the tariff impact, U.S. inflation is likely running at 2.5% or lower. <https://www.stlouisfed.org/on-the-economy/2025/oct/how-tariffs-are-affecting-prices-2025>

Job finding expectations at decade lows

Exhibit 4: Mean probability of finding a job in the next 3 months if one loses a job today, %



Sources: FRBNY, Haver Analytics. Data as of November 30, 2025.

The combination of low layoffs and inflation near the Fed's target presents a "Goldilocks" scenario for financial markets, supporting high stock valuations despite weak consumer sentiment. Ultimately, markets are more influenced by near-term cyclical dynamics than longer-running structural forces.

U.S. labor market layoffs remain low

Exhibit 5: % of overall unemployment explained by job losers



Source: BLS, Haver Analytics. Data as of December 31, 2025.

U.S. inflation has normalized down to 2-3%

Exhibit 6: U.S. Consumer Price Index (CPI), YoY %

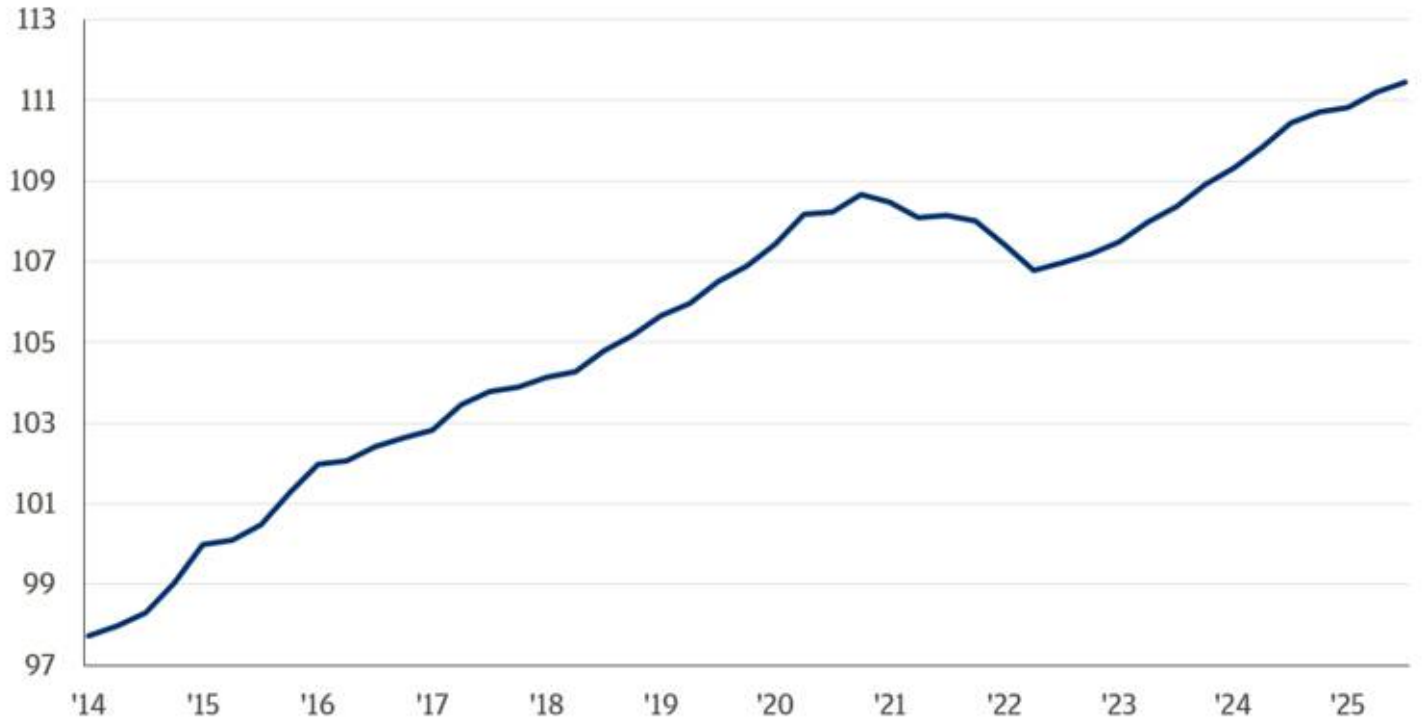


Sources: BLS, Haver Analytics. Data as of December 31, 2025.

At the heart of the debate about affordability is a peculiarity of the current environment: For the most part, wages have outpaced inflation in the post-COVID years. Real wages (adjusted for inflation) are about 4%-5% higher than they were in late 2019. Economics textbooks cite real wages as a fundamental basis for measuring living standards. By this measure, the average U.S. worker today enjoys a higher standard of living than in 2019.

Real wages are higher than they were prior to the pandemic

Exhibit 7: Real wage level, Index Q1 2015 = 100



Sources: BLS, BEA, Haver Analytics. Data as of September 30, 2025. Note: Real wage growth proxied by ECI ex incentives, inflation adjusted using market-based PCE.

What explains the disconnect between markets and sentiment? Look beyond real wages.

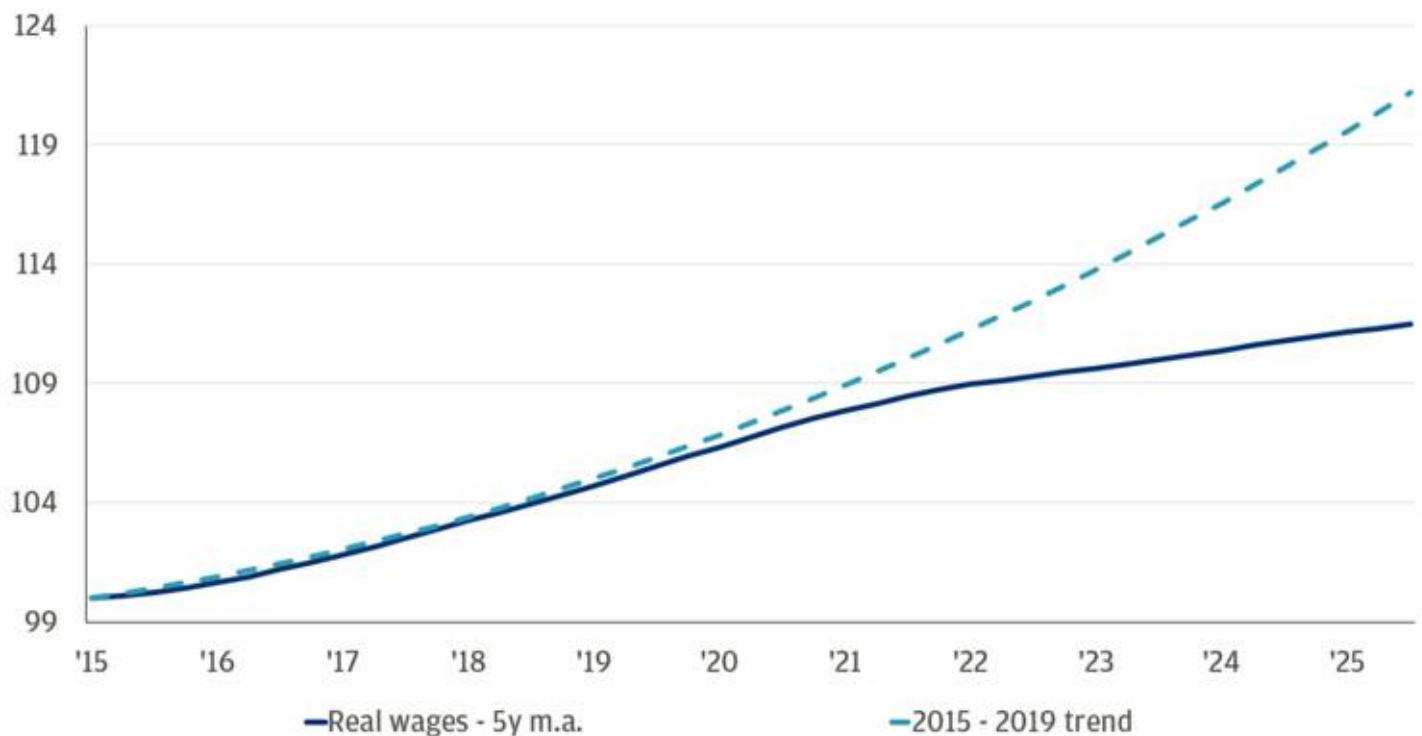
The textbook isn't wrong, but real wages are just one piece of the puzzle. Four factors—expectation framing, housing affordability, workplace flexibility and job market challenges—help explain today's sour consumer sentiment.

1. The importance of expectations

People think about, and care about, where things might be headed. Economist Claudia Sahm argues that a five-year window is a reasonable proxy for how expectations are formed.⁴ When current real wages are plotted as a rolling five-year average, real wages come in 8.2% below where they likely would be if the pandemic had not occurred. In other words, workers have a legitimate cause for concern—their wages are indeed on a weaker growth trajectory than they were five years ago.

On a rolling 5yr basis, real wages are well below the pre-pandemic trend

Exhibit 8: Real wage level, 5yr moving average, Index Q1 2015 = 100



Sources: BLS, BEA, Haver Analytics. Data as of September 30, 2025. Notes: Real wage growth proxied by ECI ex incentives, inflation adjusted using market-based PCE. The trendline is based on a polynomial fit of order two.

4. https://stayathomemacro.substack.com/p/there-are-no-shortcuts-to-affordability?utm_source=post-email-title&publication_id=280281&post_id=181156971&utm_campaign=email-post-title&isFreemail=true&r=hmjky&triedRedirect=true&utm_medium=email

2. Housing affordability

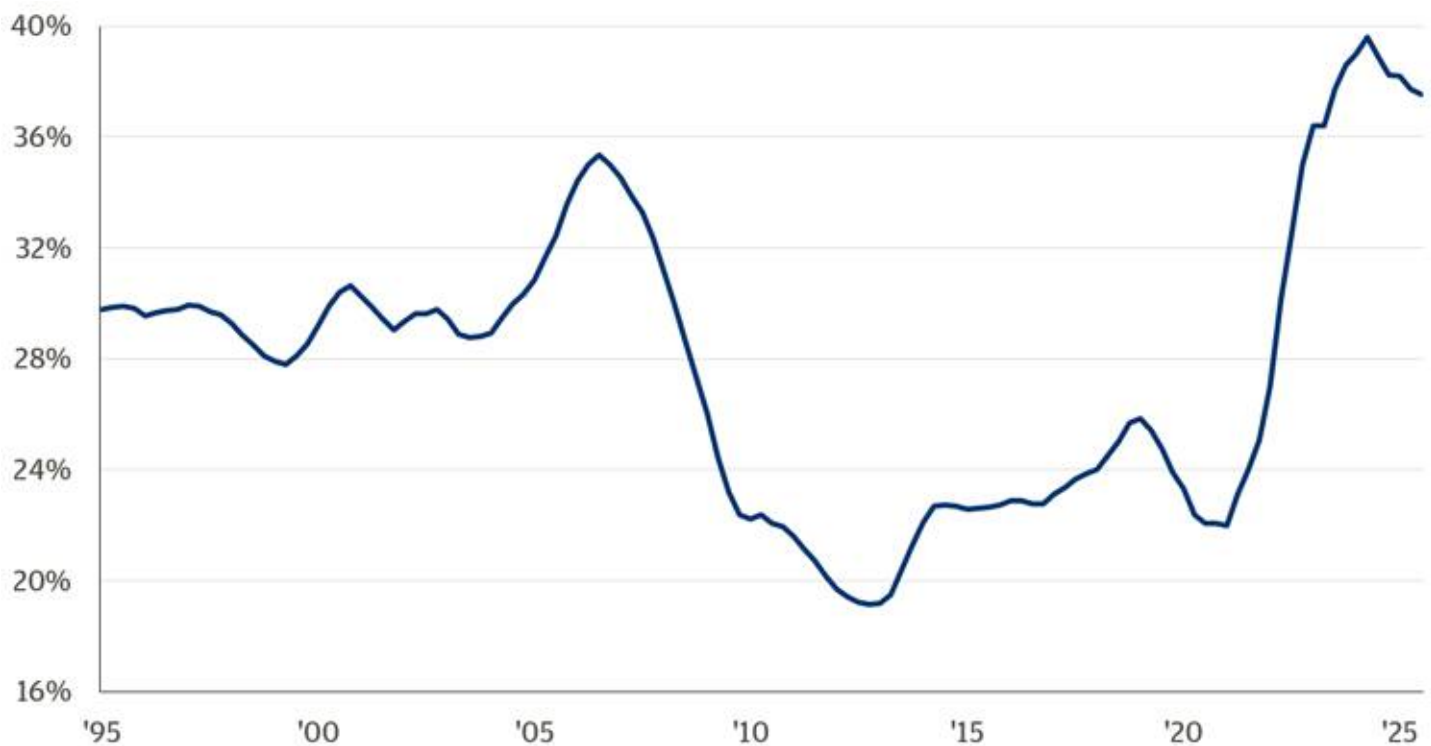
The inflation component that helps determine real wages does not fully account for housing costs, or homebuying affordability. U.S. inflation statistics include rent, not home prices. Still, homeownership remains central to the American dream (and many feel it is rooted in the country's social contract). The state of the housing market is central to the affordability debate.

The National Association of Realtors reports that the median buyer would, at current mortgage rates, devote 37.5% of income to housing payments for a median-priced home—well above the pre-pandemic level of 24%, and even higher than the 35% level of the peak of the 2000s housing bubble. The Department of Housing and Urban Development (HUD) defines housing as “affordable” if it accounts for 30% or less of household income.

Unlike the 2000s, today's housing market is underbuilt, with low vacancy rates, which makes a significant drop in home prices unlikely. The situation is even worse for workers in populated coastal cities such as New York. The Federal Reserve Bank of Atlanta publishes city level data on the cost of housing, and in New York City the median new home buyer would spend more than 60% of income on housing payments.⁵

Monthly housing payment for median first-time homebuying household

Exhibit 9: Share of income, %



Sources: NAR, Haver Analytics. Data as of September 30, 2025.

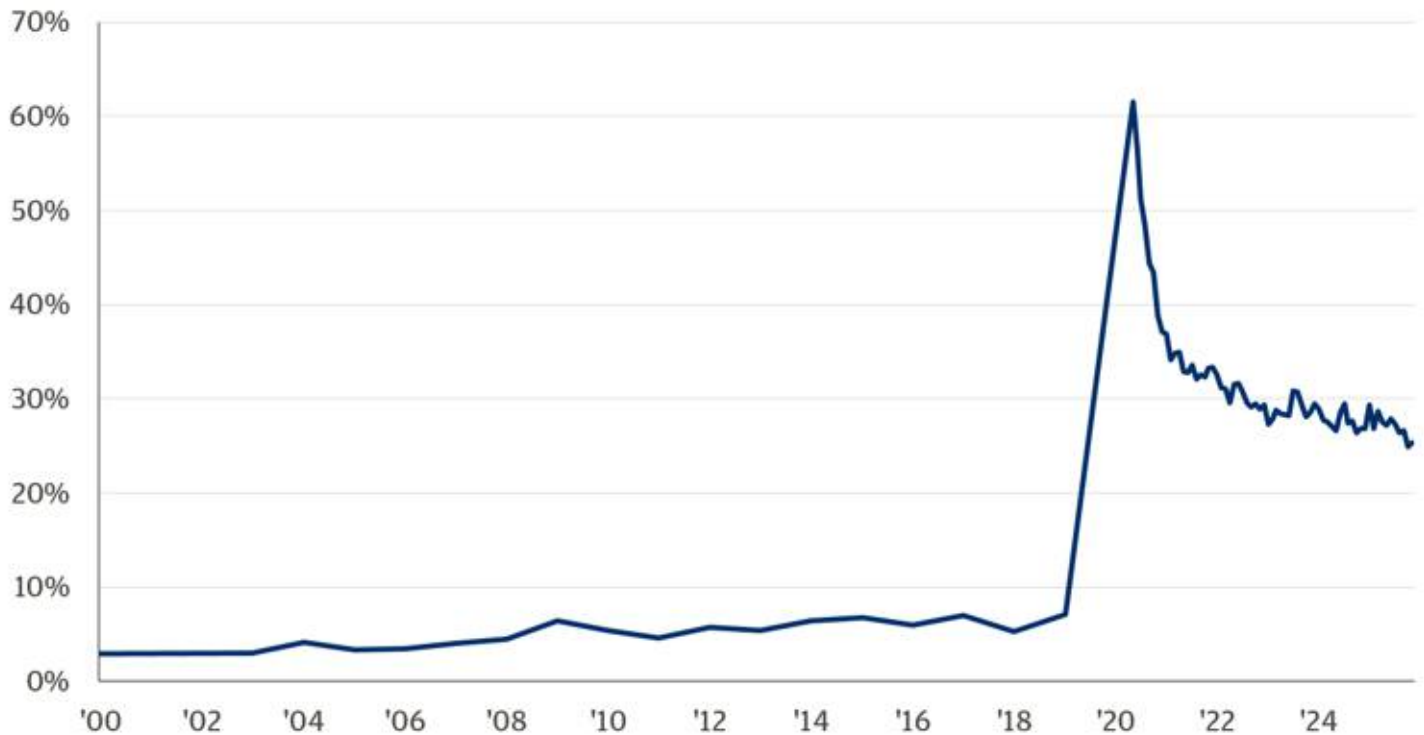
5. <https://www.atlantafed.org/research/data-and-tools/home-ownership-affordability-monitor#Tab2>

3. Workplace flexibility

As employers retreat from remote work arrangements, employees (not surprisingly) see their workplaces as less flexible. Surveys show most employees prefer remote or hybrid work for better work-life balance.⁶ The decline from over 60% remote work in 2020 to about 25% today is perceived as a rollback of pandemic-era gains. We believe this change has had an impact on worker morale and consumer sentiment, though it is difficult to measure precisely.

Remote work still higher than pre-pandemic, but recently has trended lower

Exhibit 10: U.S. remote work share, %



Sources: Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731.

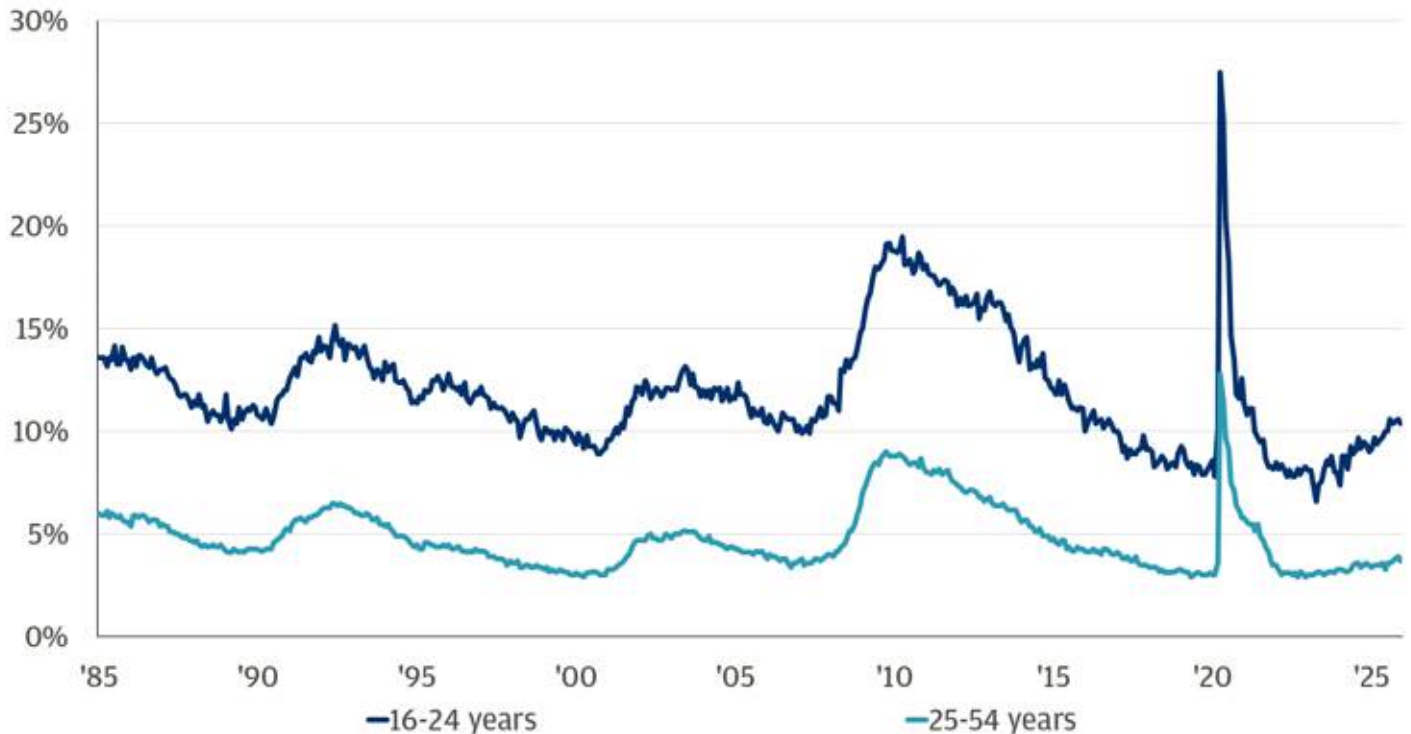
6. <https://www.gallup.com/workplace/693539/remote-staff-hours-fall-productivity-steady.aspx>

4. Job market challenges

It's a tough time to find a job, especially for younger workers. The U.S. labor market is in a "low hire, low fire" state, which is tolerable for the employed, but challenging for job seekers. As a result, the unemployment rate for younger workers has risen more quickly than for older workers. Real wage growth only matters if you have a job, and for young people, it's an increasingly difficult time to find one.

Youth unemployment is on the rise

Exhibit 11: Unemployment rate by age cohort, %



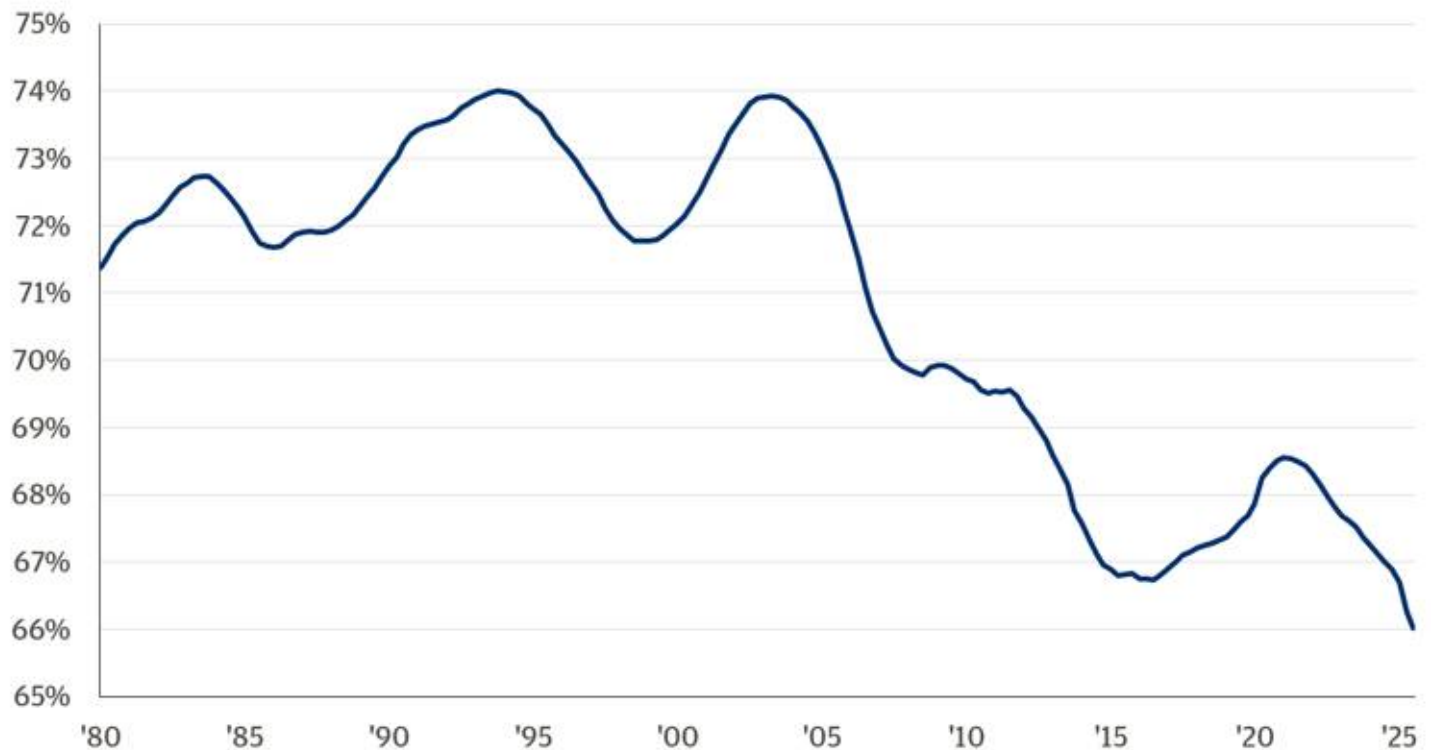
Sources: BLS, Haver Analytics. Data as of December 31, 2025.

The U.S. labor share—the percentage of GDP paid as labor compensation—illustrates the challenging nature of the current job market. This share has fallen structurally over the past 30 years, and especially in the post-COVID economy. While GDP growth has been resilient, labor payments have been weak, partly due to AI-driven capital spending, which is less labor-intensive.

As the labor share has fallen, capital or profit share has risen, supporting the stock market but not necessarily workers. This helps explain the disconnect between poor economic sentiment and solid corporate earnings growth.

U.S. labor share continues to decline

Exhibit 12: Total corporate employee compensation as a share of value added, 20 qtr mov. avg, %



Sources: BEA, Haver Analytics. Data as of September 30, 2025. Note: Net value added is used for the denominator.

Simply put, the conventional way in which economists think about affordability doesn't capture the full socioeconomic picture. Looking beyond real wages tells a nuanced story, where economic sentiment becomes more appropriately contextualized. The question is, what can be done about it?

Policy: Outlook and implications

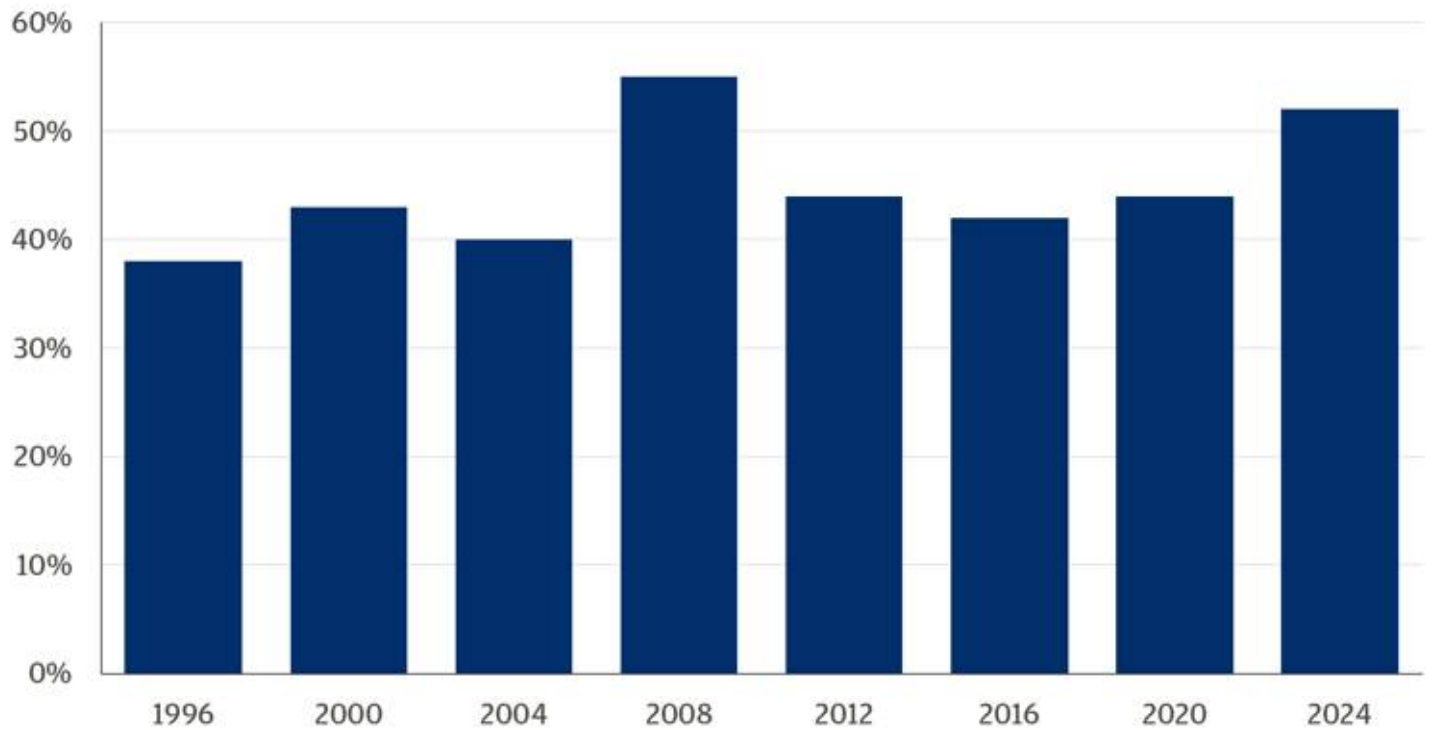
We think affordability will be a primary focus for the Trump administration in the lead-up to the U.S. midterm elections. Key areas of policy debate and potential action include tariffs, housing and consumer support. Investors should watch for capital markets impacts as these issues take center stage.

The example of the 2024 election

Affordability can be a politically potent issue. The 2024 presidential election is a recent case in point. Heading into the election, 52% of voters rated the economy as extremely important to whom they voted for in the presidential election, the highest percentage since 2008. Donald Trump polled better than Kamala Harris on handling the economy and won the election. Of course, President Trump's perceived advantage in handling the economy was not the only reason why he won, but it's clear it made a difference.

In 2024 the economy was top of mind for voters

Exhibit 13: Percentage of voters who rate the candidates' positions on the economy as an "extremely important" influence on their vote for president, %



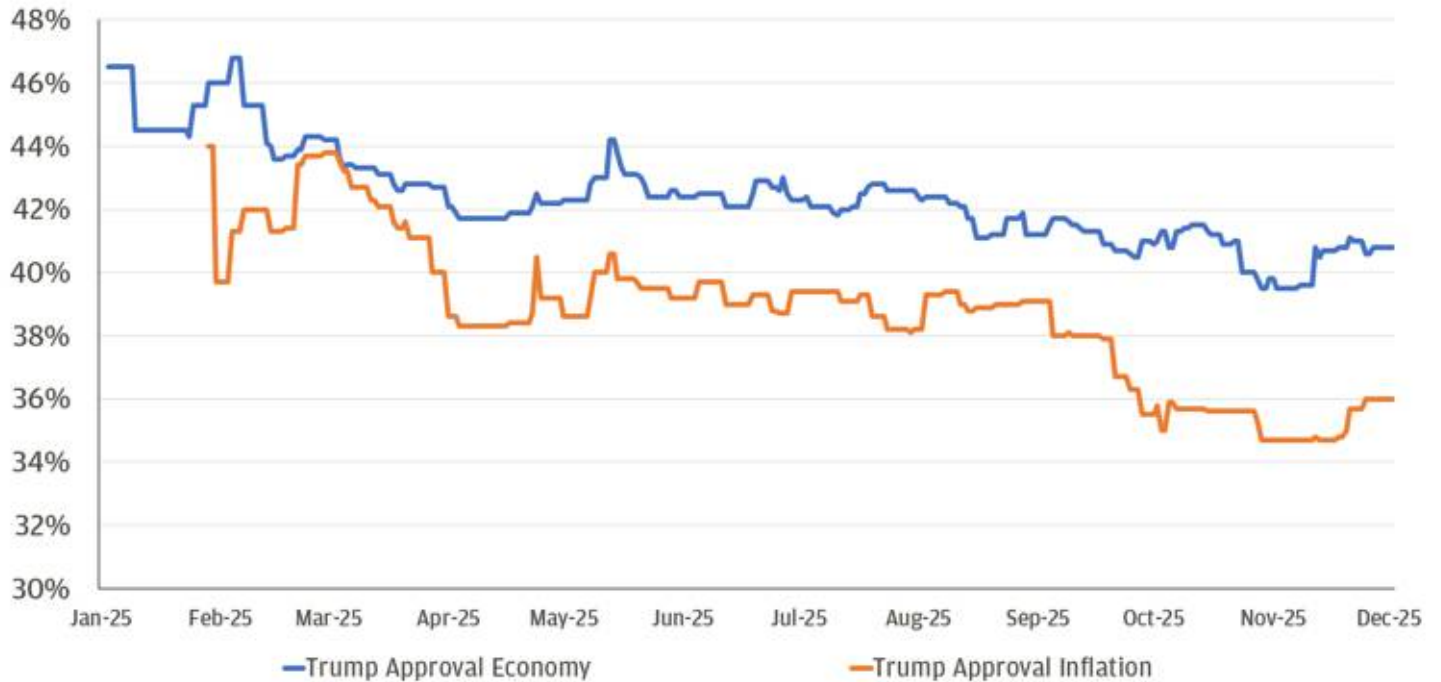
Source: Gallup. Data as of 2024.

Polling and policy heading into the 2026 midterms

Today, President Trump's approval ratings on how he has been handling the economy and inflation are near the lowest levels of his second term. The same downward slide can also be seen in how Republicans are polling on the generic congressional ballot.

President Trump's approval on economic measures has worsened

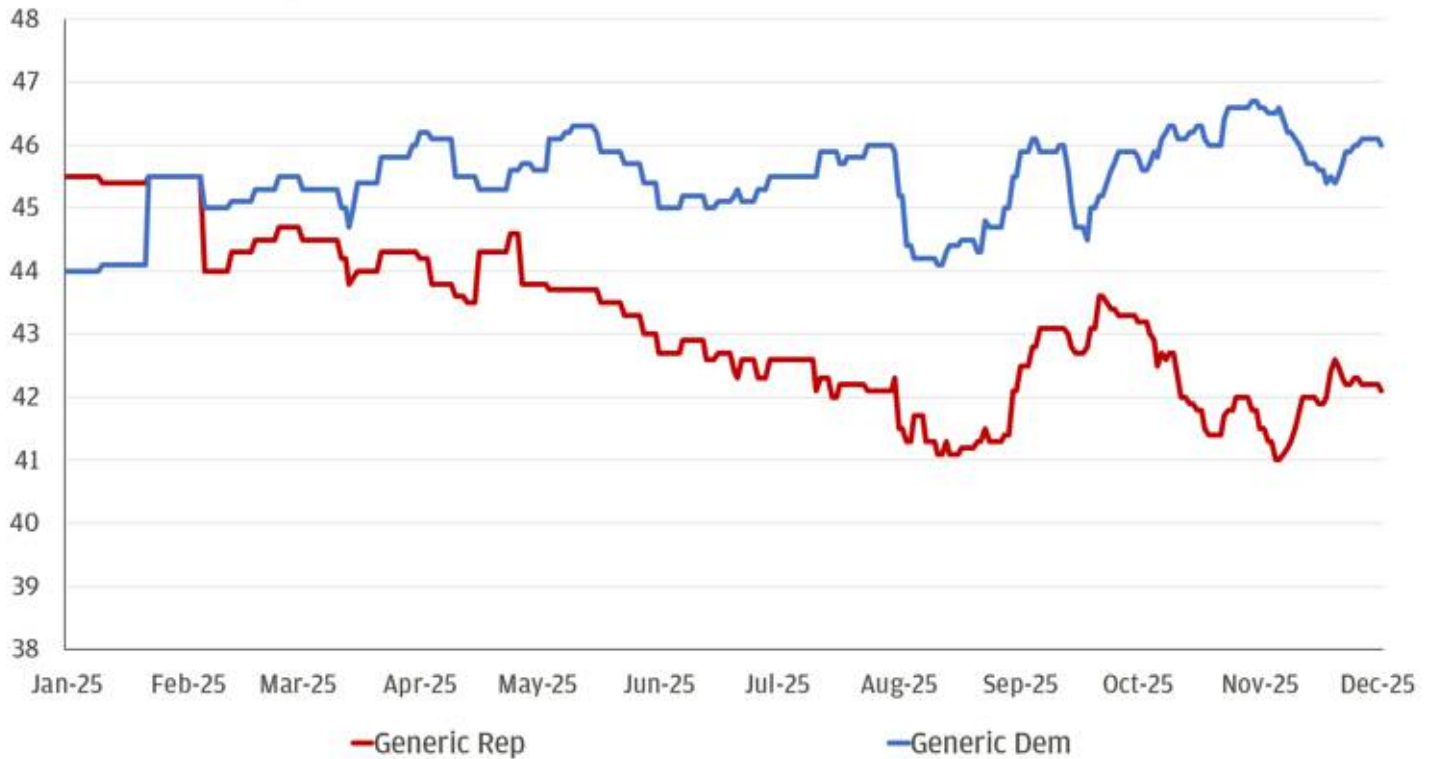
Exhibit 14: President Trump approval on issues, %



Source: RealClear Polling. Data as of December 28, 2025.

Republicans face weak polling on congressional ballot

Exhibit 15: 2026 Generic Congressional Vote, %



Source: RealClear Polling. Data as of December 28, 2025.

We expect Republicans will act to address voter anxiety about affordability before the midterm elections. What can they reasonably do to move the needle? Here, we explore the potential likelihood and impact of tariff relief, housing reform and stimulus checks.

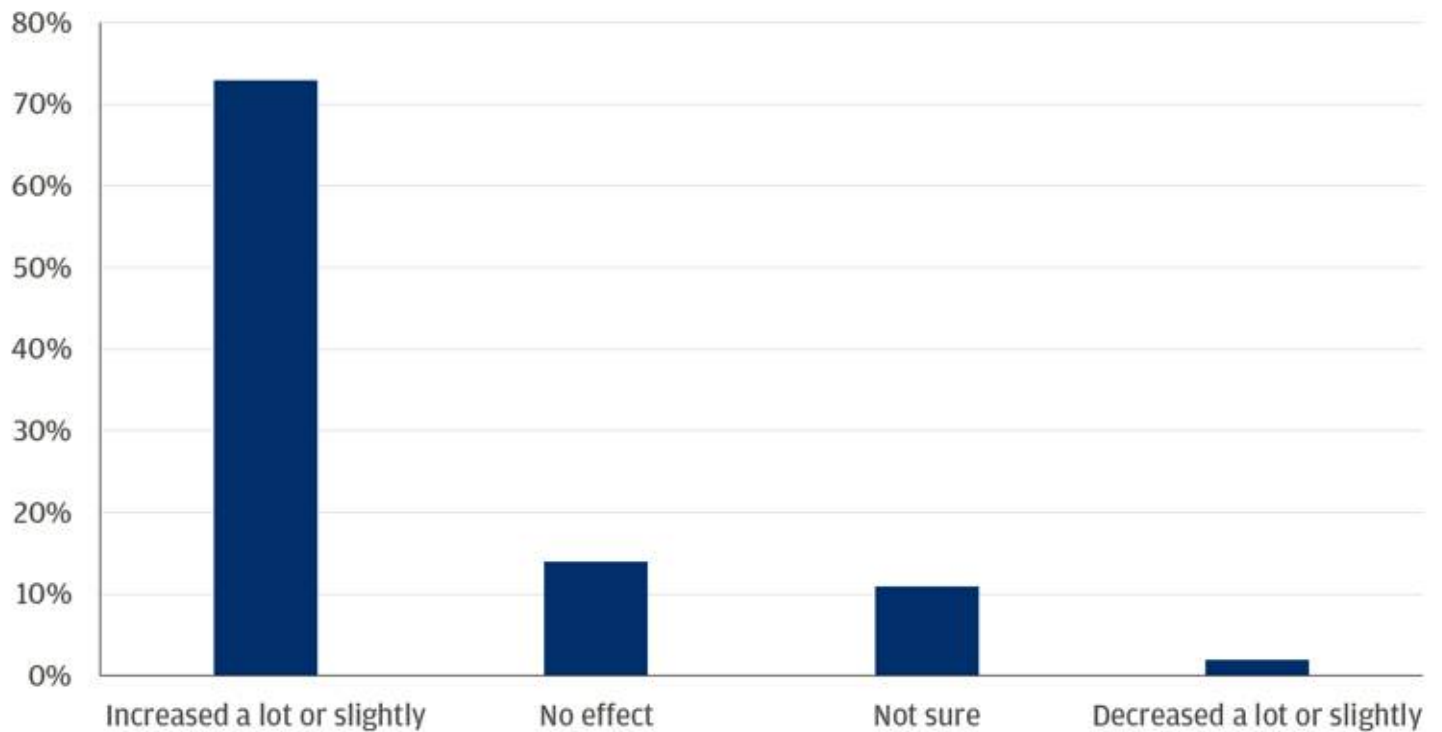
Tariff relief: Potential relaxation or delay

In 2026, the U.S. Supreme Court will issue a ruling on the legality of using the International Emergency Economic Powers Act (IEEPA) to impose permanent tariffs. According to the Yale Budget Lab, the IEEPA tariffs added seven percentage points (ppts) to the effective tariff rate increase in 2025.⁷ Without these tariffs in place, the effective tariff rate would fall from roughly 16% to about 9%. Importantly, as shown below in a recent poll, most respondents see tariffs as a policy tool that has increased prices.

7. <https://budgetlab.yale.edu/research/state-us-tariffs-november-17-2025>

Consumers perceive tariffs as raising prices

Exhibit 16: Do you think tariffs imposed by Donald Trump have decreased or increased, or had no effect on the prices you paid for things that you bought? (%)



Sources: The Economist, YouGov. Data as of November 15, 2025. Notes: This survey was conducted between November 15-17, 2025, and includes responses from 1,549 U.S. adult citizens.

If the Supreme Court rules against the administration's use of IEEPA tariffs, other trade statutes (section 232 tariffs on specific products deemed to impair national security, or section 301 tariffs targeting specific countries or products for unfair trade practices) could bring the effective tariff rate back toward 17%. But the President may choose a different path. He could limit the scope of new tariffs, or at the very least delay tariff implementation until after the midterms. Recent tariff exemptions on goods such as coffee, fruit, and beef along with the delay of additional tariffs on items such as furniture and lumber, suggest a bias toward lower rather than higher tariff rates in 2026.

A tradeoff for the administration would be the loss of tariff revenues that many market participants view as a notable offset to the fiscal stimulus related to the One Big Beautiful Bill Act (OBBBA). Wider budget deficits resulting from less tariff revenue could put upward pressure on longer-dated Treasury yields, which could weigh on affordability via other channels such as higher mortgage rates.

Housing reform

Elevated housing costs are a key component in the broader concerns about affordability. But scarce housing supply is not a problem that can be solved quickly or easily. As we've written in [prior articles](#), we estimate that the United States is facing a housing shortage of roughly 2.8 million homes—a gap that would take around 10 years to close, given recent home building trends.

The U.S. Congress has made a few attempts at housing reform. In July 2025, the Senate passed, on a bipartisan basis, the Renewing Opportunity in the American Dream to Housing Act (the ROAD to Housing Act). Its provisions focus on lowering housing costs by rewarding local governments that reform restrictive zoning and by modernizing federal support for manufactured homes, among other measures. The bill was later removed from the House of Representatives' version of the National Defense Authorization Act in December 2025.

Congress could still pass the legislation on a standalone basis in 2026. It would likely not deliver immediate impacts. But a signal that policymakers are taking action to tackle housing affordability could boost voter morale heading into the midterms.

White House's focus on near-term demand side policies

More recently, the White House has made a series of announcements aimed at tackling the housing affordability challenge. The first proposed to ban institutional investors from purchasing single-family homes. The goal: reducing buyer competition and lowering prices.

The administration's definition of "institutional investors" is so far unclear. If we assume institutional investors are those that own more than 1,000 single-family homes (a common industry definition), we do not believe removing these investors would have much of an impact on affordability at the national level. That's because industry estimates suggest these investors represent around only 0.5% of the total single-family housing stock and around 3% of single-family rental stock.⁸

Importantly, communications from the White House thus far have indicated that the proposed institutional investors ban would only apply to firms bidding in the secondary market for housing units, not to primary market build-to-rent operators. Industry research suggests that the presence of build-to-rent, single-family housing supply from institutional investors tends to lead to a reduction in rents. It has allowed for individuals who would otherwise be priced out of certain locales to find housing.⁹

In any case, the White House won't have the last word here¹⁰. Adjustments to the scope of what type of investors will be allowed to participate in the single-family housing market will ultimately need to be legislated by Congress¹¹. As we assess the landscape, we still see attractive investment opportunities via build-to-rent operators, given strong demographic demand for household formation during a period of challenging homebuying affordability.

8. https://s28.q4cdn.com/264003623/files/doc_presentation/2025/11/2025-Investor-Day-Final-PRINT.pdf

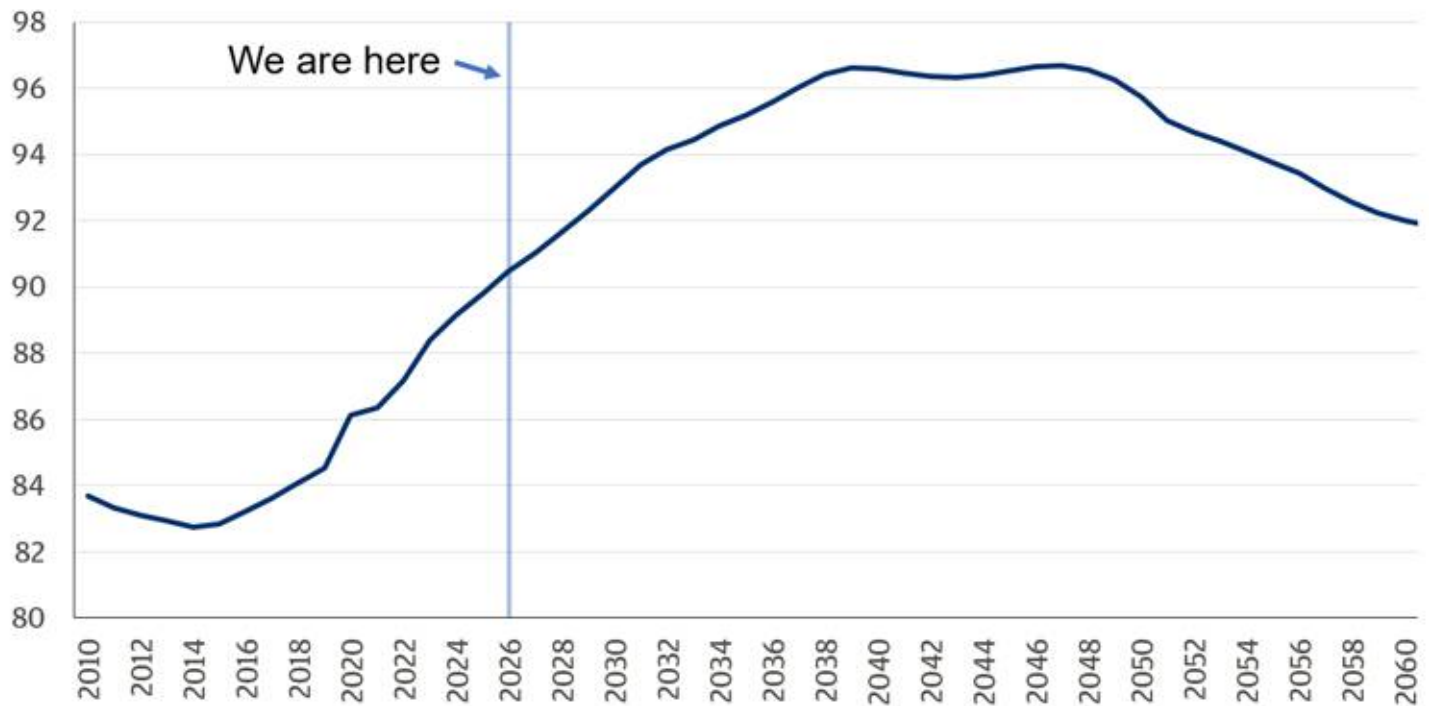
9. <https://joshuacoven.github.io/assets/JoshuaCovenJMP.pdf>

10. <https://www.resiclubanalytics.com/p/build-to-rent-exempt-from-trump-institutional-homebuying-ban-order?secureweb=AcroRd32>

11. The White House's executive order serves as a policy proposal that would need to be codified into law via Congress with initial direction from the Deputy Chief of Staff for Legislative, Political and Public Affairs.

U.S. demographics favorable for household formation

Exhibit 17: U.S. Resident population projections (ages 30 - 49), millions



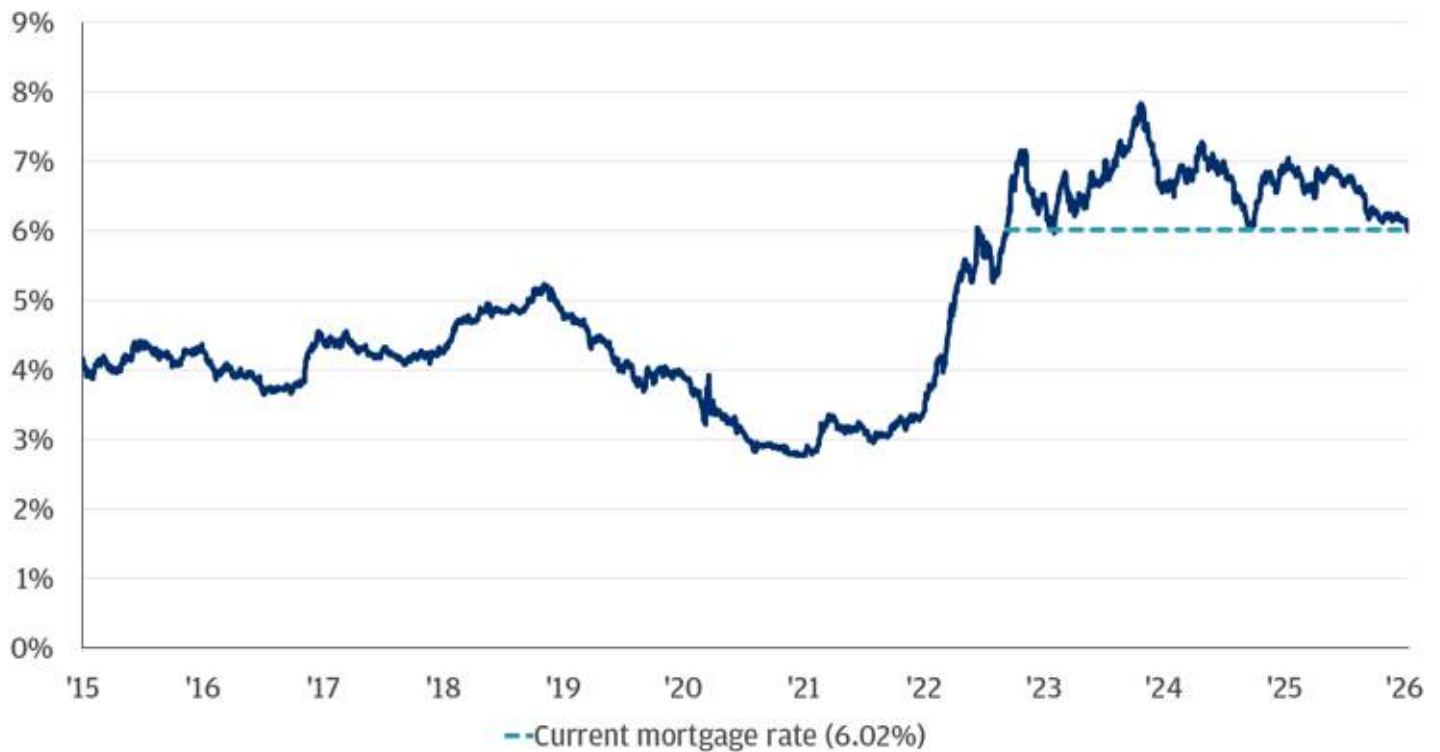
Source: Haver Analytics. Data as of 2025.

The White House made a second policy announcement that we believe could help the housing market, at least on the margin. It directs Fannie Mae and Freddie Mac to purchase up to \$200 billion in mortgage-backed securities (MBS). In the wake of this announcement, agency MBS spreads have tightened around 15 basis points (bps), which has helped close the MBS spread to Treasuries (when accounting for prepayment risk).

More notably for would-be homebuyers, it has pushed 30-year mortgage rates to the lowest level since 2022. In the near term, this should, on the margin, improve affordability heading into the busy spring housing market.

Mortgage rates near lowest level since 2022

Exhibit 18: 30-year fixed conforming mortgage rate, %



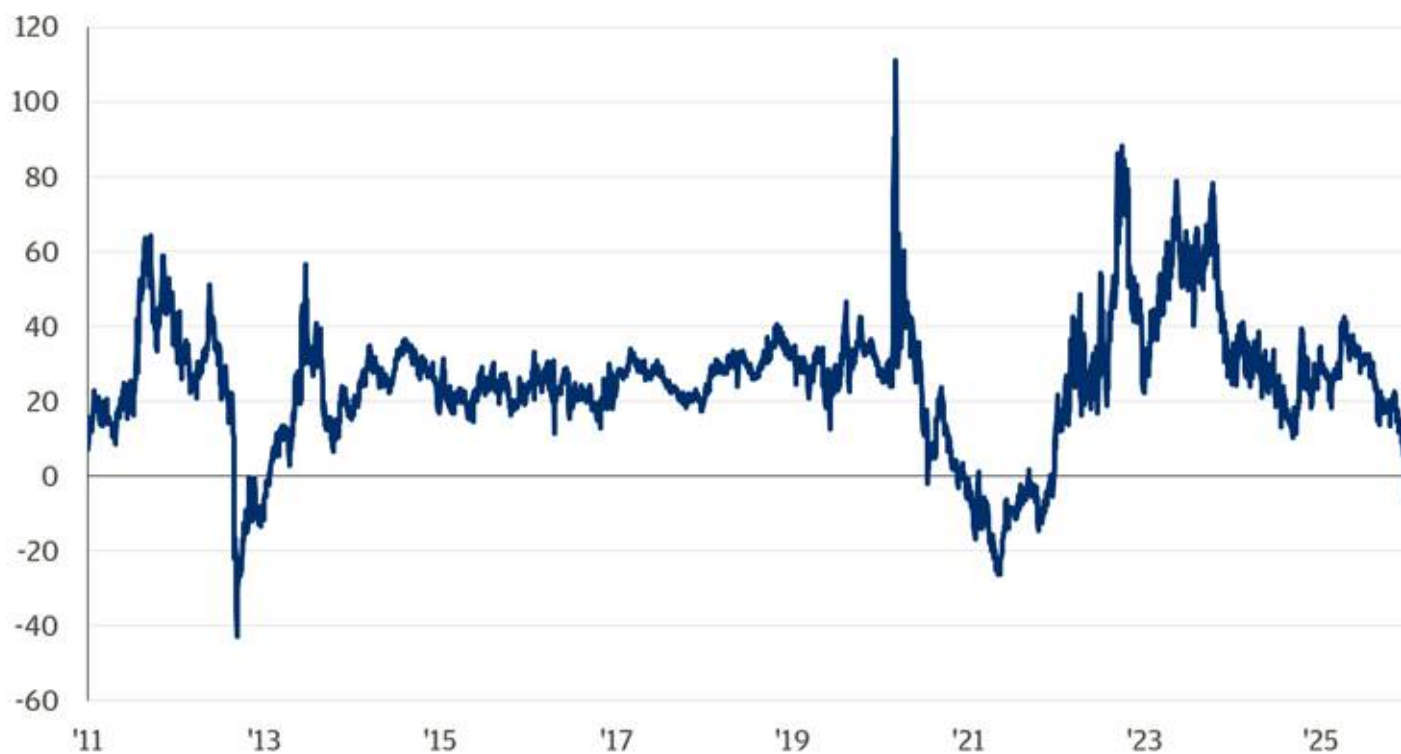
Source: Optimal Ble. Data as of January 14, 2026.

We emphasize “on the margin” for a few reasons. First, lower financing costs could potentially increase demand for housing, pushing home prices (and therefore monthly mortgage payments) higher, especially in more supply-constrained coastal markets.

Second, the \$200 billion purchase of MBS is small compared to the overall size of the MBS market at roughly \$9 trillion. Thus we don’t expect much more MBS spread compression without additional government-directed purchases—at the same time, that \$15 billion per month of MBS are rolling off the Fed’s balance sheet.

MBS spreads have notably compressed

Exhibit 19: Fannie Mae 30yr current coupon Treasury option-adjusted spread (OAS), bps



Source: J.P. Morgan Markets. Data as of January 14, 2026.

From an equity market perspective, we could become incrementally more positive on homebuilders if we saw signs that lower mortgage rates were helping to clear some of the existing single-family inventory that has weighed on homebuilder sentiment (and profits due to meaningful concessions) over the past year.

Elevated inventory weighing on homebuilder sentiment

Exhibit 20: Home builder sentiment index and new single family houses completed for sale (inverted)



Source: Oxford Economics, Census Bureau, National Association of Home Builders, Wells Fargo. Data as of December 2025.

Stimulus checks: A lot of talk, but likely little action

In past few months, President Trump has proposed making \$2,000 payments, funded by tariffs, to many American households. Stimulus checks would require approval from Congress, which seems unlikely.

So far, the subject has been little discussed among lawmakers. Republicans, particularly in the House, have expressed concerns over the budget deficit, and would likely oppose using tariff revenues for stimulus payments rather than a deficit offset. Republicans are also divided on their approval of tariffs, and those opposing tariffs would likely not want to tie stimulus legislation to a policy tool they oppose. For these reasons, we do not expect stimulus checks to be enacted prior to the midterm election.

Conclusion

Over the near term, we see no simple fix to ease Americans' worries about affordability. That's partly because the discontent comes in different forms depending on individual circumstances. Consecutive years of stable inflation and steady real wage growth would go a long way toward addressing the current unease. But no one, least of all politicians up for re-election, wants to simply wait.

We do expect the administration to take steps to make Americans more hopeful that their concerns about affordability will be resolved. Generally, we think the administration will tend in the direction of lower tariff rates.

When it comes to housing, policies that increase supply will be the most durable in resolving affordability issues. But they are likely too slow moving to critically shift public opinion before the midterms. For this reason, we see the administration working on different demand-side channels to try to improve affordability through lower mortgage rates (noting that we remain skeptical of the durability of these policies over time).

For investors, the theme of improving affordability will resonate through 2026 amid a barrage of administration policy proposals. The administration seems to be taking a page out of President Franklin D. Roosevelt's playbook from the early 1930s, when he said, in the depths of the Great Depression, "It is common sense to take a method and try it: If it fails, admit it frankly and try another. But above all, try something¹²."

12. Franklin D. Roosevelt, address at Oglethorpe University in Atlanta, Georgia Online by Gerhard Peters and John T. Woolley, The American Presidency Project. <https://www.presidency.ucsb.edu/node/288094>

KEY RISKS

This material is for information purposes only, and may inform you of certain products and services offered by private banking businesses, part of JPMorgan Chase & Co. ("JPM"). Products and services described, as well as associated fees, charges and interest rates, are subject to change in accordance with the applicable account agreements and may differ among geographic locations. Not all products and services are offered at all locations. If you are a person with a disability and need additional support accessing this material, please contact your J.P. Morgan team or email us at accessibility.support@jpmorgan.com for assistance. Please read all Important Information.

All companies referenced are shown for illustrative purposes only, and are not intended as a recommendation or endorsement by J.P. Morgan in this context.

GENERAL RISKS & CONSIDERATIONS

Any views, strategies or products discussed in this material may not be appropriate for all individuals and are subject to risks. Investors may get back less than they invested, and past performance is not a reliable indicator of future results. Asset allocation/diversification does not guarantee a profit or protect against loss. Nothing in this material should be relied upon in isolation for the purpose of making an investment decision. You are urged to consider carefully whether the services, products, asset classes (e.g. equities, fixed income, alternative investments, commodities, etc.) or strategies discussed are suitable to your needs. You must also consider the objectives, risks, charges, and expenses associated with an investment service, product or strategy prior to making an investment decision. For this and more complete information, including discussion of your goals/situation, contact your J.P. Morgan team.

NON-RELIANCE

Certain information contained in this material is believed to be reliable; however, JPM does not represent or warrant its accuracy, reliability or completeness, or accept any liability for any loss or damage (whether direct or indirect) arising out of the use of all or any part of this material. No representation or warranty should be made with regard to any computations, graphs, tables, diagrams or commentary in this material, which are provided for illustration/ reference purposes only. The views, opinions, estimates and strategies expressed in this material constitute our judgment based on current market conditions and are subject to change without notice. JPM assumes no duty to update any information in this material in the event that such information changes. Views, opinions, estimates and strategies expressed herein may differ from those expressed by other areas of JPM, views expressed for other purposes or in other contexts, and this material should not be regarded as a research report. Any projected results and risks are based solely on hypothetical examples cited, and actual results and risks will vary depending on specific circumstances. Forward-looking statements should not be considered as guarantees or predictions of future events.

Nothing in this document shall be construed as giving rise to any duty of care owed to, or advisory relationship with, you or any third party. Nothing in this document shall be regarded as an offer, solicitation, recommendation or advice (whether financial, accounting, legal, tax or other) given by J.P. Morgan and/or its officers or employees, irrespective of whether or not such communication was given at your request.

J.P. Morgan and its affiliates and employees do not provide tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any financial transactions.

Conflicts of interest will arise whenever JPMorgan Chase Bank, N.A. or any of its affiliates (together, "J.P. Morgan") have an actual or perceived economic or other incentive in its management of our clients' portfolios to act in a way that benefits J.P. Morgan. Conflicts will

result, for example (to the extent the following activities are permitted in your account): (1) when J.P. Morgan invests in an investment product, such as a mutual fund, structured product, separately managed account or hedge fund issued or managed by JPMorgan Chase Bank, N.A. or an affiliate, such as J.P. Morgan Investment Management Inc.; (2) when a J.P. Morgan entity obtains services, including trade execution and trade clearing, from an affiliate; (3) when J.P. Morgan receives payment as a result of purchasing an investment product for a client's account; or (4) when J.P. Morgan receives payment for providing services (including shareholder servicing, recordkeeping or custody) with respect to investment products purchased for a client's portfolio. Other conflicts will result because of relationships that J.P. Morgan has with other clients or when J.P. Morgan acts for its own account.

Investment strategies are selected from both J.P. Morgan and third-party asset managers and are subject to a review process by our manager research teams. From this pool of strategies, our portfolio construction teams select those strategies we believe fit our asset allocation goals and forward-looking views in order to meet the portfolio's investment objective.

As a general matter, we prefer J.P. Morgan managed strategies. We expect the proportion of J.P. Morgan managed strategies will be high (in fact, up to 100 percent) in strategies such as, for example, cash and high-quality fixed income, subject to applicable law and any account-specific considerations.

While our internally managed strategies generally align well with our forward-looking views, and we are familiar with the investment processes as well as the risk and compliance philosophy of the firm, it is important to note that J.P. Morgan receives more overall fees when internally managed strategies are included. We offer the option of choosing to exclude J.P. Morgan managed strategies (other than cash and liquidity products) in certain portfolios.

In the United States, bank deposit accounts and related services, such as checking, savings and bank lending, are offered by JPMorgan Chase Bank, N.A. Member FDIC.

JPMorgan Chase Bank, N.A. and its affiliates (collectively "JPMCB") offer investment products, which may include bank managed investment accounts and custody, as part of its trust and fiduciary services. Other investment products and services, such as brokerage and advisory accounts, are offered through J.P. Morgan Securities LLC ("JPMS"), a member of FINRA and SIPC. Insurance products are made available through Chase Insurance Agency, Inc. (CIA), a licensed insurance agency, doing business as Chase Insurance Agency Services, Inc. in Florida. JPMCB, JPMS and CIA are affiliated companies under the common control of JPM. Products not available in all states.

In Germany, this material is issued by J.P. Morgan SE, with its registered office at Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB). In Luxembourg, this material is issued by J.P. Morgan SE - Luxembourg Branch, with registered office at European Bank and Business Centre, 6 route de Treves, L-2633, Senningerberg, Luxembourg, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE - Luxembourg Branch is also supervised by the Commission de Surveillance du Secteur Financier (CSSF); registered under R.C.S Luxembourg B255938. In the United Kingdom, this material is issued by J.P. Morgan SE - London Branch, registered office at 25 Bank Street, Canary Wharf, London E14 5JP, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE - London Branch is also supervised by the Financial Conduct Authority and Prudential Regulation Authority. In Spain, this material is distributed by J.P. Morgan SE, Sucursal en España, with registered office at Paseo de la Castellana, 31, 28046 Madrid, Spain, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE, Sucursal en España is also supervised by

the Spanish Securities Market Commission (CNMV); registered with Bank of Spain as a branch of J.P. Morgan SE under code 1567. In Italy, this material is distributed by J.P. Morgan SE – Milan Branch, with its registered office at Via Cordusio, n.3, Milan 20123, Italy, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE – Milan Branch is also supervised by Bank of Italy and the Commissione Nazionale per le Società e la Borsa (CONSOB); registered with Bank of Italy as a branch of J.P. Morgan SE under code 8076; Milan Chamber of Commerce Registered Number: REA MI 2536325. In the Netherlands, this material is distributed by J.P. Morgan SE – Amsterdam Branch, with registered office at World Trade Centre, Tower B, Strawinskylaan 1135, 1077 XX, Amsterdam, The Netherlands, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE – Amsterdam Branch is also supervised by De Nederlandsche Bank (DNB) and the Autoriteit Financiële Markten (AFM) in the Netherlands. Registered with the Kamer van Koophandel as a branch of J.P. Morgan SE under registration number 72610220. In Denmark, this material is distributed by J.P. Morgan SE – Copenhagen Branch, filial af J.P. Morgan SE, Tyskland, with registered office at Kalvebod Brygge 39-41, 1560 København V, Denmark, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE – Copenhagen Branch, filial af J.P. Morgan SE, Tyskland is also supervised by Finanstilsynet (Danish FSA) and is registered with Finanstilsynet as a branch of J.P. Morgan SE under code 29010. In Sweden, this material is distributed by J.P. Morgan SE – Stockholm Bankfilial, with registered office at Hamngatan 15, Stockholm, 11147, Sweden, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE – Stockholm Bankfilial is also supervised by Finansinspektionen (Swedish FSA); registered with Finansinspektionen as a branch of J.P. Morgan SE. In Belgium, this material is distributed by J.P. Morgan SE – Brussels Branch with registered office at 35 Boulevard du Régent, 1000, Brussels, Belgium, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE Brussels Branch is also supervised by the National Bank of Belgium (NBB) and the Financial Services and Markets Authority (FSMA) in Belgium; registered with the NBB under registration number 0715.622.844. In Greece, this material is distributed by J.P. Morgan SE – Athens Branch, with its registered office at 3 Haritos Street, Athens, 10675, Greece, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB); J.P. Morgan SE – Athens Branch is also supervised by Bank of Greece; registered with Bank of Greece as a branch of J.P. Morgan SE under code 124; Athens Chamber of Commerce Registered Number 158683760001; VAT Number 99676577. In France, this material is distributed by J.P. Morgan SE – Paris Branch, with its registered office at 14, Place Vendôme 75001 Paris, France, authorized by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB) under code 842 422 972; J.P. Morgan SE – Paris Branch is also supervised by the French banking authorities the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and the Autorité des Marchés Financiers (AMF). In Switzerland, this material is distributed by J.P. Morgan (Suisse) SA, with registered address at rue du Rhône, 35, 1204, Geneva, Switzerland, which is authorised and supervised by the Swiss Financial Market Supervisory Authority (FINMA) as a bank and a securities dealer in Switzerland.

This communication is an advertisement for the purposes of the Markets in Financial Instruments Directive (MIFID II) and the Swiss Financial Services Act (FINSa). Investors should not subscribe for or purchase any financial instruments referred to in this advertisement except on the basis of information contained in any applicable legal documentation, which is or shall be made available in the relevant jurisdictions (as required).

In Hong Kong, this material is distributed by JPMCB, Hong Kong branch. JPMCB, Hong Kong branch is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission of Hong Kong. In Hong Kong, we will cease to use your personal data for our marketing

purposes without charge if you so request. In Singapore, this material is distributed by JPMCB, Singapore branch. JPMCB, Singapore branch is regulated by the Monetary Authority of Singapore. Dealing and advisory services and discretionary investment management services are provided to you by JPMCB, Hong Kong/Singapore branch (as notified to you). Banking and custody services are provided to you by JPMCB Hong Kong/ Singapore Branch (as notified to you). For materials which constitute product advertisement under the Securities and Futures Act and the Financial Advisers Act, this advertisement has not been reviewed by the Monetary Authority of Singapore. JPMorgan Chase Bank, N.A., a national banking association chartered under the laws of the United States, and as a body corporate, its shareholder's liability is limited. It is registered as a foreign company in Australia with the Australian Registered Body Number 074 112 011.

With respect to countries in Latin America, the distribution of this material may be restricted in certain jurisdictions. We may offer and/or sell to you securities or other financial instruments which may not be registered under, and are not the subject of a public offering under, the securities or other financial regulatory laws of your home country. Such securities or instruments are offered and/or sold to you on a private basis only. Any communication by us to you regarding such securities or instruments, including without limitation the delivery of a prospectus, term sheet or other offering document, is not intended by us as an offer to sell or a solicitation of an offer to buy any securities or instruments in any jurisdiction in which such an offer or a solicitation is unlawful. Furthermore, such securities or instruments may be subject to certain regulatory and/or contractual restrictions on subsequent transfer by you, and you are solely responsible for ascertaining and complying with such restrictions. To the extent this content makes reference to a fund, the Fund may not be publicly offered in any Latin American country, without previous registration of such fund's securities in compliance with the laws of the corresponding jurisdiction.

References to "J.P. Morgan" are to JPM, its subsidiaries and affiliates worldwide. "J.P. Morgan Private Bank" is the brand name for the private banking business conducted by JPM. This material is intended for your personal use and should not be circulated to or used by any other person, or duplicated for non-personal use, without our permission. If you have any questions or no longer wish to receive these communications, please contact your J.P. Morgan team.

© 2026 JPMorgan Chase & Co. All rights reserved.