Market Outlook IPE Investment Manager Expectations Indicator

▲ Rise ↑ Positive shift (from last month)
■ Stable – No view
▼ Fall ↓ Negative shift (from last month)

The IPE Investment Manager Expectations Indicator represents the results of a regular monthly survey of asset managers with one or more European segregated mandates. The 6-12 month views of the 93 respondents to this month's questionnaire for equities, bonds and currencies are shown below and on page 24. For aggregated results and a commentary see page 26.

EQUITIES		BOND PRICES					CURRENCIES						
	Location	US	Euro-zone	Japan	Asia	UK	$	¥	£	€	$/€	$/¥	$/£
Aberdeen Asset Management	UK	▲	▲	▲	▲	■	▼	■	■	▼	▲	▲	■
ACT Currency Partner	Swi	▼	▼	▼	■↑	▼	▼	▼	▼	▼	▲	■	▼↓
ACTIAM	Neth	■	■	■	■	■	■	■	■	■	■↑	▲	▲↑
AEGON Asset Management	Neth	■	■	■	■	■	■	■	■	■	▲	■	▲
A.G. Bisset Associates	US	■↓	▲	▲	▲	▲	▼	▼	▼	▼	▼	▼	▼
Allianz Global Investors	Ger/UK	■	■	■	▲↑	■↑	▼	■	▼↓	■	■	■↓	▲↑
Amundi	Fra	■	■	■	▲	■	■	■	■	■	▼↓	▲	▲
Apo Asset Management	Ger	■↓	■	■	■	■↓	▲↑	▲↑	▲	▲↑	■	▲↑	▲
ASR Vermogensbeheer	Neth	■↓	■↓	■↓	■↓	■↓	■	■	■	■	■	■	■
Asset Management One International	UK	▲	■	■	▲	■	▼	■	■	■↓	■	■	▲
AVANA Invest	Ger	■	▲↑	▲↑	■	■	■	■↑	■↑	■↑	▲	▲	▲↑
AXA Investment Managers	Fra	▲↑	■↑	▼	▲	■	▲	■	■	■	■↓	▼↓	■↓
Bankhaus Lampe	Ger	■	■	■	■	■	▲	■	▲	▲	■	▼	▲
BankInvest	Den	■	▲	■	■	▼	■	▼	▼	▼	▲	▲	▲
Bank Degroof Petercam	Bel	■	▲	▲	▲	▲	▼	▼	▼	▼	■	■	■
Bank Julius Baer & Co.	Swi	▲↑	■	■	▲↑	▲↑	■	■	■↑	▼	▲↑	▲	▲
Bank J. Safra Sarasin	Swi	■↑	▲↑	▲↑	▲	■↑	▼	■	▼	■	■	■↑	▲↑
Barings	UK	▼	■	▲	▲	▼	▼	▼	▼	▼	■	▲↑	■
BayernInvest	Ger	■↓	■↓	■↓	■↓	■↓	▼	▼	▼	▼	▲	■	▲↑
Berenberg Bank	Ger	▲	▲	■↑	■↓	▲↑	▲	■	■	▲	▲↑	▼	▲
BNP Paribas Investment Partners	Fra	■	▲	■	▲	▲	▼	■	▼	▼	▲	▲	▲
BNY Mellon Asset Management	UK	-	-	-	■	-	-	▼	-	-	-	■	■
Candriam Investors Group	Lux	■	■	■	▲	■	▼	▼	■	▼	■	▲	▲
CBL Asset Management	Latvia	▼	▼	-	-	-	■	-	-	▼↓	▲	▲	■
CM-CIC Asset Management	Fra	▼↓	▲	▼	-	■	■	▼	-	▲	■	■↓	▼
Columbia Threadneedle Investments	US	■	■	▲	■	■	■	■	■	■	▲	▲	▲
CPR Asset Management	Fra	▼	▼↓	■↓	▲	■↓	■	▼	▼	▼	▲	■↑	▲↑
Credit Suisse	Swi	■	■	■	▲	▼	■	■	■	■	▲	▼	▲
DekaBank	Ger	■	▲	▼	▲	▲	▼	▼	▼	▼	▲	▲	▲
Deutsche Asset & Wealth Management	Ger	■	■	■	▼	▼	▼	■	▼	▼	▲	▲	▲
Dynagest	Swi	-	-	-	-	-	▼↓	■	■	■	▲↑	▲	▲↑
Eagle Asset Management	US	▲	■	▲↑	-	▲↑	■↓	▼	▼	■	▲↑	▲	▲
Econopolis	Bel	■↑	▲↑	▲↑	▲	■	▼↓	■	▼↓	▼	▲↑	▲	▲↑
Edmond de Rothschild AM	Fra	▼	▲	▲	▲↑	■	▼	■	▼	▲	▲	▲	▼
Erste Asset Management	At	■	■	■	■	■	■	■	■	■	■	▲	▼
Eurizon Capital	It	■	■	■	■	■	▼	▼	▼	▼	■	■	▼
Federated Investors	US	▲	▲	▲	▲	▲	▼	■	▼	▼	■	▲	■
First Private Investment Management	Ger	■	▲	■↓	▲	▼↓	▼	■	▲	■	■↑	▲↑	▲
Fonditel	Spa	▼↓	▼↓	▼↓	■	▼↓	■↑	■	■	▼↓	■	■	■↓
Generali Investments Europe	Ger/It	▼	■	▼↓	▼↓	■↑	▼	■	■	■	■↓	■	■↓
GNB Gestao Activos	Por	▲	▲	▲	▲	▲	■	■↓	■	■	▲↑	▲	■
Groupama Asset Management	Fra	▲	▲	▲	▲	■↓	▲	▲↑	▲↑	▲↑	▲	▲	▲
Henderson Global Investors	UK	■	■	■	■↓	■	▼↓	▼↓	▼↓	▼↓	▲↑	▲↑	▲
Holberg Fondene	Nor	■	■	■	▲	▲	▼	■	▼↓	■	▲	■	■↓
Invesco	Ger	▲	▲	▲	▲	▲	▼	▼	▼	▼	■	■	■

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	Location	EQUITIES					BOND PRICES				CURRENCIES		
		US	Euro-zone	Japan	Asia	UK	$	¥	£	€	$/€	$/¥	$/£
Investec Asset Management	UK	■↓	▼↓	▲	▼↓	■↓	■	■	▼↓	▲↑	▲↑	■	▲↑
IPM Informed Portfolio Management	Swe	▼	▲	▲	▼	▼	▲	▲	▼	▼↓	▼	▼	■↓
Irish Life Investment Managers	Ire	■	■↑	▼	■	▼	■	■	■↓	■↓	■	▲↑	▲
La Française AM	Fra	▼	▲↑	■	▲↑	▼↓	▼	■↑	■↑	▼	▼	■↑	▼↓
Landesbank Baden-Württemberg	Ger	▲	■	■	■	▼	■	■	■	■	■	■	■
Legal & General Investment Mngt.	UK	▲	▲	▲	▲	▲	■	■	■	■	▲	▲	■
LGT Capital Partners	Swi	▲	▲	■	■↓	▲	▼	▼	▼	▼	▲	■	▲
LocalTapiola Asset Management	Fin	■	■	■	■	■	▼↓	▼↓	▼↓	▼↓	▲↑	▼↓	▼↓
Lombard Odier Asset Management	Swi	■	■	■	■	■	▼	■	■	■	■	■	▼
Lyxor Asset Management	Fra	■↑	▲↑	■	■	▼	■	■	■	■	▲	▲	▲
Mandarine Gestion	Fra	▼	■	▲↑	■↑	▼↓	▼	▼	■↑	▼	▲	▲↑	■↓
MEAG	Ger	▼	■	▼	▼	▼	▲	▲	▲	▲	▲	▲	▲
Metzler Investment	Ger	▲	▲	▲	▲	■	▼	■	▼	▼	▲	▲	▲
MFI Asset Management	Ger	▲↑	▲↑	▲↑	▲↑	▲↑	▼	■↑	■↑	■↑	▲	▲	▲
Mitsubishi UFJ Asset Management (UK)	UK	▲	▲	▲	▲	▲	▼	▼	▼	▼	▲	▲	▼
Morgan Stanley Investment Mngt.	UK/US	▲↑	▲↑	■↑	■↑	▲↑	■↓	■↑	■	■↓	▼	■↑	▼↓
Muzinich & Co.	UK	■	■	■	■	▼↓	▼	■	▼↓	▼	▲↑	▲	▲
Natixis Asset Management	Fra	■↑	■↑	▼	■	▼	▼	■	▲↑	▲↑	▼↓	▲	▲
NN Investment Partners	Neth	▲	■	▲	▲	▲	▼	▼	■	▼	■	▲	■
Nomura Asset Management	Sing	■	■	▼	▲	▲	▼	■	■	■	▲	▲	■
Northern Trust Asset Management	US	▲	▲	▲	▲	▲	▲	▲	■	▲↑	■	■	■
Oddo Meriten Asset Management	Ger	▼	■	■	■	▼	▼	■	▲	■	▲	▲	▲
OFI Asset Management	Fra	■	▲	▲	▲↑	■	■	■	▼↓	■	■↓	■↓	■
Optiminvest	Swi	-	-	-	-	-	-	-	-	-	■↑	■↑	▼
Ostrica	Neth	▲	▼↓	■↑	▲	▲↑	▼↓	■↑	▲	■	■↑	▲↑	▲
PATRIZIA	Ger	■	■↓	■	▲↑	■	▼↓	■	■↑	■↑	▲	▲	▲↑
PGIM Fixed Income	UK	▲	▲	▲	▲	▲	■	■	■	■	■↑	■↑	■
Pictet Asset Management	Swi	■	■	▲	■↓	▲	▲	▼	▼	▼	■	■↑	■
PineBridge Investments	US	▼↓	▼	▲	■	■↑	▼	▲	■↓	▲	▲	▲	▲
Pioneer Investments	It	■	■	▲	▲	■	▲	■	■	■	▲	■	■
Principal Global Investors	US	▲	▲	▲	▲	▲	▲↑	▲↑	▲↑	▲↑	■	■↓	■
Robeco Group	Neth	■↑	▲↑	▲↑	■↓	■↓	▼	■↑	▼	■↑	▲↑	▲↑	▲
Rogge Global Partners	UK	-	-	-	-	-	▼	▼	▼	■	■	▲	■
Russell Investments	US	■	■	■	■	▼	▼	■	▼	■	▲	▲	▲
Salus Alpha Capital	Liecht	▲	▲	▲	▲	▲	▲	■	▼↓	■	■	▼	■
SEB Investment Management	Den	▼	■	■	▼	■	▼↓	▼↓	▼↓	■↓	▲	▼↓	▼↓
Standard Life Investments	UK	■	■↓	■	■↑	■	▼	▼↓	■↑	■↓	▼↓	■↓	■↓
Stone Harbor Investment Partners	US	■	■	■	■	■	■	■	■	■	▼	▲	■
Swiss Life Asset Management	Swi	▼	▼	▼	▼	▼	▼	▼	▼	▼	▲	▲	▲
Sycomore Asset Management	Fra	■↑	■	■	■	■	▼↓	▼↓	▼↓	■	■	■↓	▲
Syz Asset Management	Swi	■	■↓	■	■↓	▲↑	■	■	▼↓	■	■	■	▲↑
TIAA	US	■	■	▼	■	■	▼	▼	■	▼	■	■	▲↑
UBS Global Asset Management	Swi/UK	▼	▲	▲	▲	■	▲↑	■	■	▼↓	▲	■	▲
Union Bancaire Privée	Swi	▲	▲	■↓	▲	■↓	▼	■	■	▼	▲	▲	■↓
Union Investment	Ger	■↑	■↑	■↑	■↑	■↑	■	■	■	■	■	■	▲
Wells Capital Management	US	▼	▼	▼	▼	▼	▼	▼	▼	▼	■	▲↑	▼↓
Woodman Asset Management	Swi	▲↑	▲↑	▲↑	▲↑	■	▼	■	■↑	■↑	▲	▲↑	▲↑
Zürcher Kantonalbank	Swi	■↓	■	■	■	▼↓	■↑	■	■↓	■	▲	■↓	▲
% predicting rise (previous month)		28 (31)	39 (35)	38 (34)	47 (48)	28 (30)	14 (13)	7 (6)	10 (13)	13 (12)	52 (45)	52 (50)	53 (52)
% predicting stability (previous month)		52 (43)	51 (51)	48 (45)	44 (38)	48 (43)	31 (38)	62 (60)	47 (47)	48 (49)	39 (43)	38 (32)	32 (35)
% predicting fall (previous month)		20 (26)	10 (14)	14 (21)	9 (14)	24 (27)	55 (49)	31 (34)	43 (40)	39 (39)	9 (12)	10 (18)	15 (13)

Market Outlook

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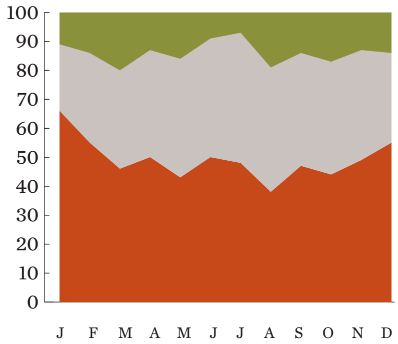
Summary of managers' expectations (pages 22 and 24)

Commentary by

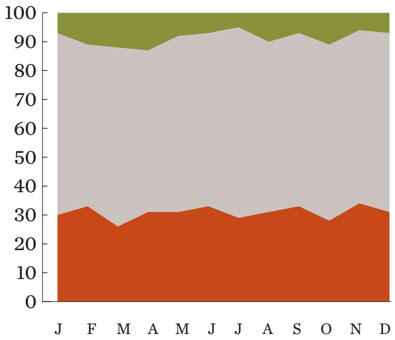
Peter Laurelli,
Vice-president, global head of research, eVestment

% of managers expecting rise
% of managers expecting stability
% of managers expecting fall

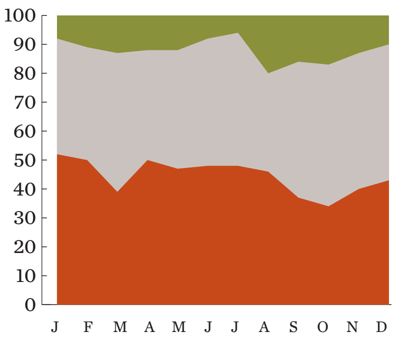
$ Bonds



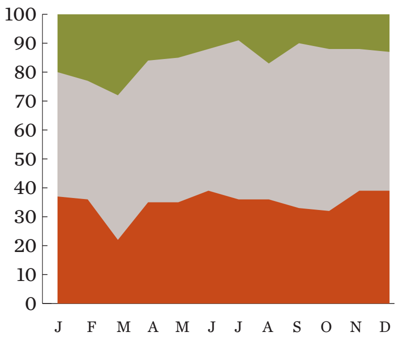
¥ Bonds



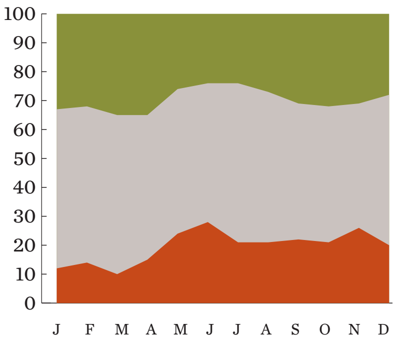
£ Bonds



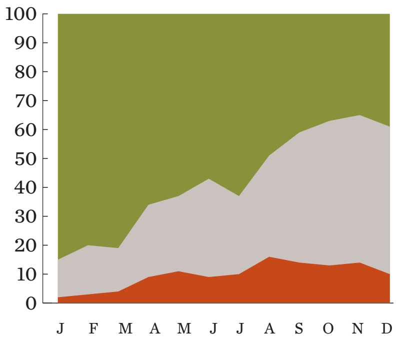
€ Bonds



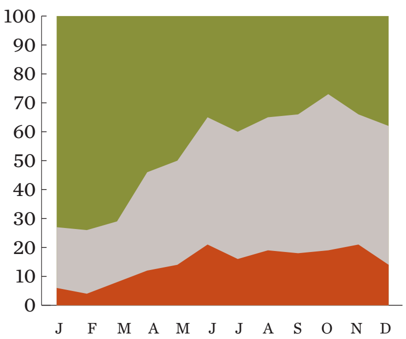
US equities



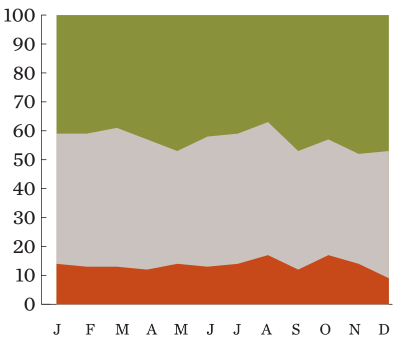
Euro-zone equities



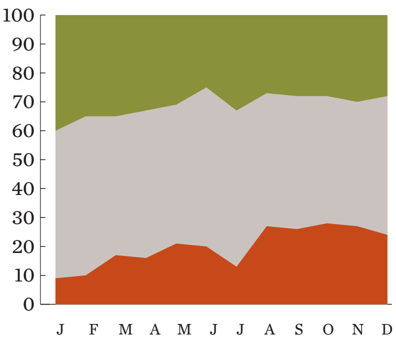
Japan equities



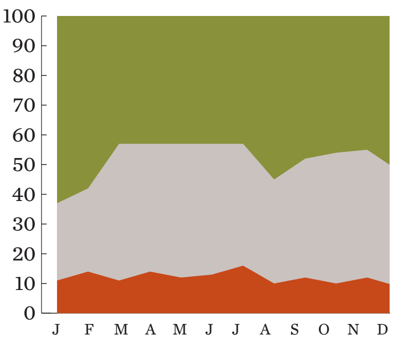
Asia equities



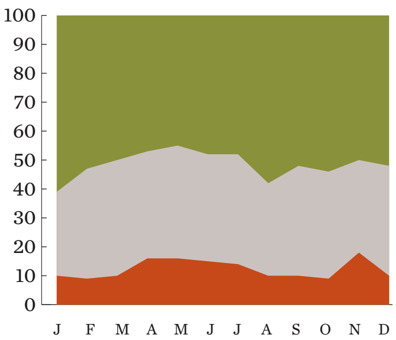
UK equities



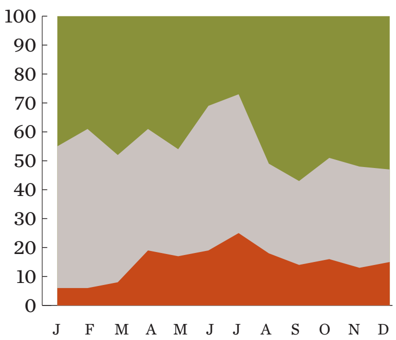
$/€



$/¥



$/£



Overview

With the US election over, the opportunity of interpreting expectations of managers just prior to it is interesting. There were some interesting changes in the most recent period, but by far the most intriguing was the shifting of expectations to stability in equity markets without significant changes elsewhere. For a time when talk of market dangers seems to be continually rising, for managers not to be expressing the same concerns is notable.

Bonds

Generally there was no rise in expectations that bond prices, in any denomination, should rise from managers. Expectations for euro bond prices were basically unchanged, with one slight tick moving from stability to price increases. Sterling bond price expectations shifted towards a decline, however the majority expects stability, a fact that has not changed in the last four months. Dollar bonds appear to be the only ones seen as at risk of decline, as those expecting a fall reached a high not seen since the beginning of the year.

Equities

There was consensus in expectations on global equity market prices in the survey period; numbers predicting a fall declined across the board. In the US, the proportion predicting declines fell to an eight-month low; in the euro-zone, a six-month low; in Asia, a 19-month low; and in the UK, a five-month low. The vast majority expect global equity market stability.

Currencies

While the majority expects equities to stay put, more than 50% of managers expect the dollar to strengthen versus the yen, euro and sterling. This has only been the case twice in the last two years. The last time this occurred was immediately after the Brexit vote. So, managers expect a strong dollar, expect equity market stability and expect little change in bond markets, except for dollar bond prices to decline. Election result aside, it appears managers see the chances for a US Fed rate hike in December as rising.