

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.

EQUITIES	Location	BOND PRICES					CURRENCIES						
		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)		45 (28)	54 (39)	49 (38)	47 (47)	33 (28)	19 (14)	8 (7)	9 (10)	15 (13)	63 (52)	62 (52)	58 (53)
% predicting stability (previous month)		45 (52)	34 (51)	36 (48)	41 (44)	48 (48)	18 (31)	54 (62)	39 (47)	37 (48)	30 (39)	27 (38)	30 (32)
% predicting fall (previous month)		10 (20)	12 (10)	15 (14)	12 (9)	19 (24)	63 (55)	38 (31)	52 (43)	48 (39)	7 (9)	11 (10)	12 (15)

Market Outlook

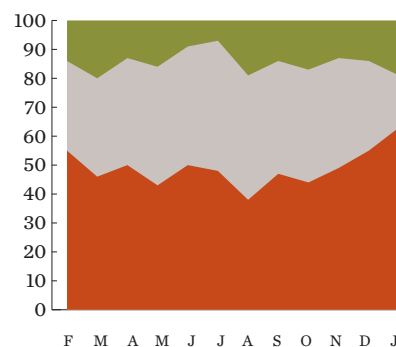
IPE Investment Manager Expectations Indicator

Summary of managers' expectations

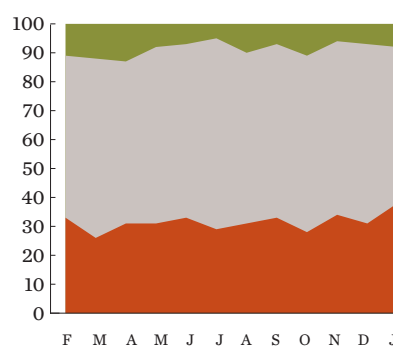
Commentary by

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

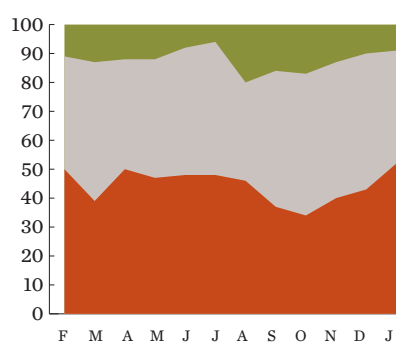
\$ Bonds



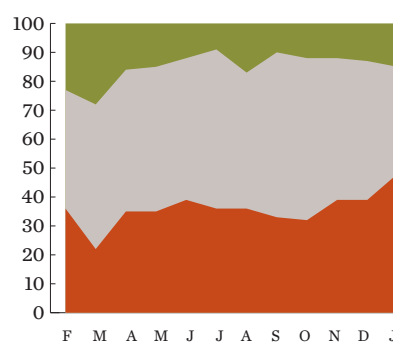
¥ Bonds



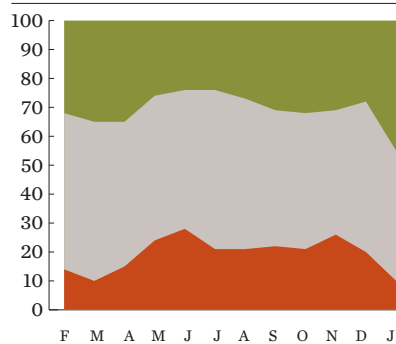
£ Bonds



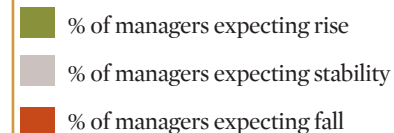
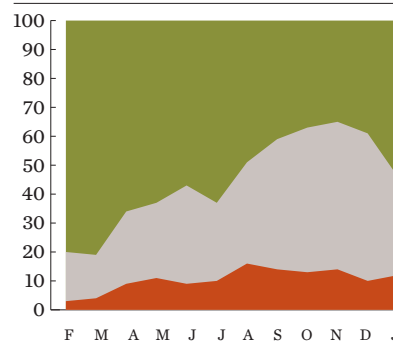
€ Bonds



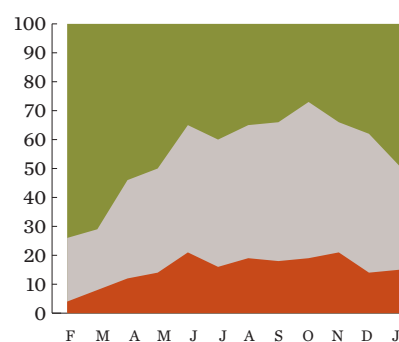
US equities



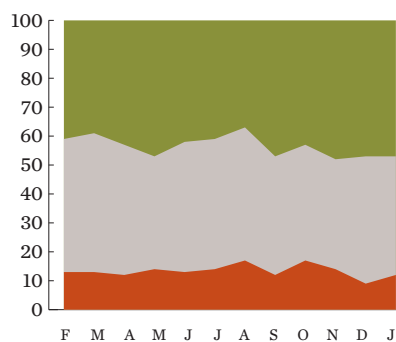
Euro-zone equities



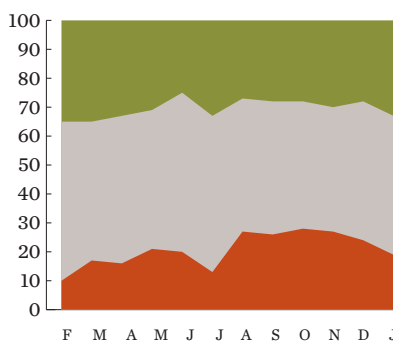
Japan equities



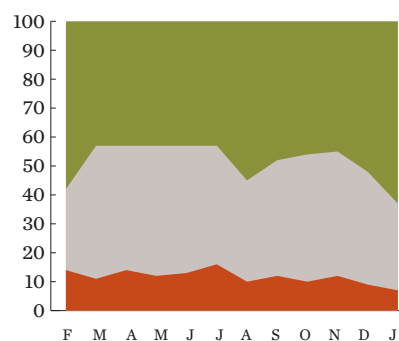
Asia equities



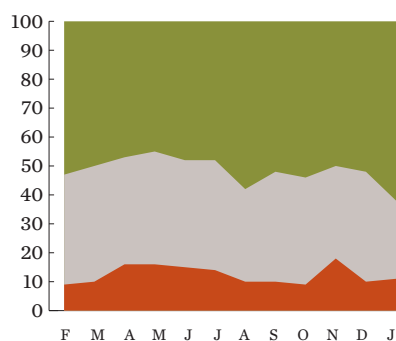
UK equities



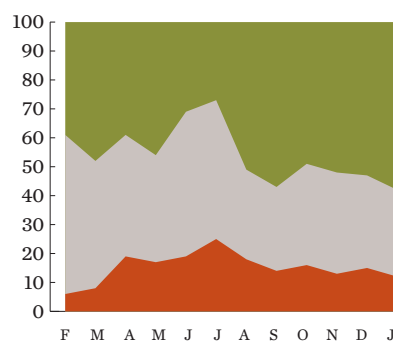
\$/€



\$/¥



\$/£



Overview

What a difference a month makes. With the previous indicator poll taken days before the US election, these results illustrate how managers have digested markets' reactions to the outcome. If the pre-election responses could be described as cautious, post-election sentiment could be described in the increasingly familiar tone of the newest world leader, as "really, really amazing".

Bonds

Five months ago, expectations that dollar bond prices would fall were the lowest in over two years. Since then, the number of managers expecting falls has increased to the highest level in a year. The theme is continued across all denominations; as expectations of bond price declines increase. It was only yen bonds where expectations of declines were not the consensus majority. Even there, however, expectations of decline rose to match their highest level in two years.

Equities

In the past, when the split between those who expected US equity prices to rise or fall was as large as it is currently, the difference was within a reasonable range of the prior month's average. That is not the case now. The number expecting US equities to rise increased at the fastest rate in over two years, and the portion expecting a fall declined by a similar amount. Even more respondents expect euro-zone equities to rise, the result of a large positive shift.

Currencies

The last time cumulative expectations for the dollar to strengthen against the euro, yen and pound were this large, it was not unanimous that the dollar would rise against each individual currency. In fact, at no time in over two years have expectations for the dollar to rise been this large and at the same time been so similar across each individual currency. My interpretations do not span the life of the survey; however, it would be surprising if there was another month where so many shifted to be so sure about a cross-asset-class scenario as now. That scenario being rising equities, declining bonds, and a strong dollar.