

ASSET ALLOCATION

IPE QUEST EXPECTATIONS INDICATOR

▲ Rise ↑ Positive shift (from last month)

■ Stable – No view

▼ Fall ↓ Negative shift (from last month)

IPE polled 59 asset managers this month on their six to 12-month views on regional equities, global bonds and currency pairs as shown below. A summary of the survey appears on page 68.

	Location	EQUITIES					BOND PRICES				CURRENCIES		
		US	Euro-zone	Japan	Asia	UK	\$	¥	£	€	\$/€	\$/¥	\$/£
Actiam	Neth	▲	▲	▲	▲	▲	▼	▼	▼	▼	■↓	■↓	■↓
AllianceBernstein	US/UK	▲	▲	▲	▲	▲	■	■	■	■	▼	▼↓	■
Allianz Global Investors	Ger/UK	▼	▼↓	■	▼	■	▼	■↑	▼	▼	■↓	▲↑	■↓
Allspring Global Investments	US/UK	▼↓	■	▲↑	■	■	▼↓	■	▼	▼↓	■↑	■	▼
Amundi Asset Management	Fra	■	■	■	■	■	▼	■	▼	▼↓	▲	▲	▲
Apo Asset Management	Ger	▲	▲	▲	▲	▲	▼↓	▼↓	▼↓	▼↓	▲↑	▲↑	▲↑
BankInvest	Den	■	■	▲	■	■	▼	▼	▼	▼	■	▲	▲
Bank J. Safra Sarasin	Swi	▲	▼↓	▲	■↓	▼↓	▲	■	■	■	■	▲	■
Bantleon Bank	Swi	▲	▲	▲	▲	–	▼	–	–	▼	■	–	–
Berenberg Wealth & Asset Mngt.	Ger	▲	▲	▲	▲	▲	▼	■	▼	▼	▼	■	▼
BNY Mellon Inv. Mngt. EMEA	UK	▲	▲	▲	■	■	▼	▼	▼	▼	■	■	■
CBL Asset Management	Lat	▼	▼	–	–	–	▲↑	–	–	▲↑	▲↑	–	–
Columbia Threadneedle Inv.	US	■	■	■	■	■	■	■	■	■	■↓	■	■↓
Currency Research Associates	US	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
DWS Investment	Ger	■↓	■↓	■↓	▲	■↓	▲↑	■	▲↑	■↑	■	▼↓	▼
Econopolis Wealth Management	Bel	■↓	■↓	■↓	■↓	■↓	▼	■	▼	▼	▲	▲	▲
Edmond de Rothschild AM	Fra	■	▼↓	▲	■	■	▼	■	▼	▼	▲	■	▲
Erste Asset Management	At	■↓	■↓	■↓	■↓	■↓	▼↓	■	▼↓	▼↓	▲↑	▲↑	■
Eurizon Capital	It	■	■	■	■	■	■↑	■↑	■↑	■	■	■↑	■
Fideuram Asset Management	It	▲	▼↓	■↓	■↓	▲	■↑	▼↓	■↑	▲↑	■↓	▼↓	▼↓
Fonditel	Spa	■	■	■	■	■	▼	▼	▼	▼	■↑	■↑	▼
Franklin Templeton Inv. Solutions	UK	▲	■	▲	■	■	▼	■	■	■	■	■	■
Generali Investments Europe	Ger/It	▲	▲	▲	▲	▲	▼	▼	▼	▼	▼	■↑	■↑
GNB Gestao Activos	Por	▲	▲	▲	▲	▲	▲	■↓	■↓	■↓	▲	▲↑	■
Graphene Investments	Fra	▲↑	■	■	■↑	▲↑	▼	–	–	–	▲	▲	▲
Groupama Asset Management	Fra	■	■	■	■	–	■	–	–	■	■	■	–
Hauck Aufhäuser Lampe	Ger	–	▲	–	–	–	▼	▼	▼	▼	▼↓	▲	▲↑
Irish Life Investment Managers	Ire	■	▼↓	▼↓	■	▼↓	▼	▼	▼	▼	■	■↓	■↓
Janus Henderson Investors	UK	▼↓	▼↓	■↓	■	■	▼	▼	■↑	▼	■	▲↑	▲

	Location	EQUITIES					BOND PRICES				CURRENCIES		
		US	Euro-zone	Japan	Asia	UK	\$	¥	£	€	\$/€	\$/¥	\$/£
La Française AM	Fra	■	■	■	■	■	▼	■	■	▼	▼	▼	■
LGT Capital Partners	Swi	■	■	■	▼	■	▼	▼	▼	▼	▲	■	■
Lyxor Asset Management	France	■	■	■	■	■	▼	■	■	■↑	■	■	■
Mandarine Gestion	Fra	■	▲↑	■	▲↑	▲↑	▼	■	▼	▼↓	▲↑	▲↑	■
Manulife Investment Mngt.	US	▲	▲	▲	▲	▲	▼	▼	▼	▼	▲↑	▲↑	■↑
MEAG		▲	▲	▲	▲	▲	▼	▼	▼	▼	▼↓	■↑	■↑
Medical Strategy	Ger	■	▼↓	■↓	■↓	■	▼↓	▼↓	▼↓	▼↓	▲↑	▲↑	▲↑
MFI Asset Management	Ger	▲	▲	▲	▲	▲	■	■	■	■	▼	▼	▼
Morgan Stanley Inv. Mngt.	UK/US	▼↓	▲↑	■	■	■	■	■	■	▼	■	■	■
Muzinich & Co.	UK	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼
Ninety One	UK	■	■	▲	▲	▲	▼↓	■	▼↓	▼↓	■↓	▼↓	▼↓
NN Investment Partners	Neth	■	▼↓	■↓	■↓	▲	▼	▼	▼	▼	■	▲	■
Northern Trust Asset Mngt.	US	▲	▲	▲	▲	▲	■	■	■	■	▲↑	■	■
Nuveen	US	▲	▲	▲	▲	▲	■↑	■↑	■↑	■↑	▼↓	▼↓	▼↓
Oddo BHF Asset Management	Ger	▼	▼↓	▼↓	▼↓	▼↓	■↑	■	▼	▼	▲↑	▲	▲↑
OFI Asset Management	Fra	▲	▲	▲	▲	▲	■↑	▼	■↑	▼	■	▲	■
ONE Swiss Bank	Swi	■	▲↑	▲↑	▲↑	▲↑	▼	■	▼	▼	■↓	▲↑	■
Ostrum Asset Management	Fra	▲↑	▲↑	▲↑	▲	▲↑	■	■	▼	▼	▼	▼↓	▼↓
Patrizia	Ger	▲↑	■	■	▲	■	▼	■	▼	■	▲↑	▲↑	▲↑
Pictet Asset Management	Swi	▼↓	■	■	■↓	▲	■↑	■↑	■↑	■↑	▲↑	▼↓	▲
PineBridge Investments	US	■↑	■↓	▲	■	■	▼	■	▼	■	▲↑	▲↑	■
Putnam Investments	US/UK	▼↓	▼↓	▼↓	▼↓	▼↓	■	▼↓	▼↓	▼↓	▲↑	▲	■↓
Russell Investments	US	▲	▲	■	■	■	▼	■	▼	▼	▼	■	■
Salus Alpha Capital	Liecht	▲	▲	▲	▲	▲	▲	■	▲	■	■	▲	■
SEB Investment Management	Swe	▲	▲	–	▲	■	▲	■	▲	▲	■	▲	■
Swiss Life Asset Managers	Swi	▲↑	▲↑	▲↑	▲↑	▲↑	▼	▼	▼	▼	■↓	▼↓	■
Tokio Marine Asset Mngt.	Jap/UK	▲	▲	▼↓	▲	▲	▲↑	■	■↓	■↓	■	▲↑	▲↑
Unigestion	Swi	▲	■	▲	■↓	▲	▲↑	▲↑	▲↑	▲↑	■↑	▼	▲↑
Union Bancaire Privée	Swi	▲	▲	▲	▲	▲	▼	■	▼	▼	■↓	▲	■↓
Union Investment Institutional	Ger	■	■	■	■	■	▼	■	▼	▼	▲↑	■	■
% predicting rise (previous month)		47 (45)	42 (46)	48 (55)	42 (51)	45 (39)	13 (7)	2 (2)	7 (9)	7 (7)	32 (23)	44 (29)	25 (26)
% predicting stability (previous month)		36 (45)	36 (49)	41 (41)	47 (40)	44 (56)	24 (26)	62 (62)	31 (27)	29 (33)	47 (49)	33 (51)	55 (52)
% predicting fall (previous month)		17 (10)	22 (5)	11 (4)	11 (9)	11 (5)	63 (67)	36 (36)	62 (64)	64 (60)	21 (28)	23 (20)	20 (22)

ASSET ALLOCATION

IPE QUEST EXPECTATIONS INDICATOR

There's a war going on, you know Ukraine is slowly gaining the upper hand, while Russia is still unwilling to make concessions. Putin is trying to play his nuclear card, a dangerous move, making himself the major obstacle to stopping the appalling Russian losses in people and equipment. Meanwhile, Zelensky lost points by creating an issue with Germany when he can't afford to lose points.

Hawks in the Fed have come around to the idea that inflation is real and not temporary, creating uncertainty over the speed of future rate increases. Those in the ECB (mainly Germany and the Netherlands) still have insufficient influence.

Asset allocation

With faith in equity falling, bonds continue a comeback by default, rather than by conviction. Naysayers to bonds are close to crossing the 50% net negative line, while the negative net vote on equity is still above zero. Only in Japan is faith in bonds still slowly eroding, so that the gap with the other regions continues to close. Otherwise, scores are remarkably bunched.

Neutral views were generally down, except for UK equity. The general trend is perhaps a correction on last month's

sharp increase, as the market had priced in a quick peace for the Russian war that didn't happen. If so, it is just realistic to admit that any fall of Putin cannot be predicted.

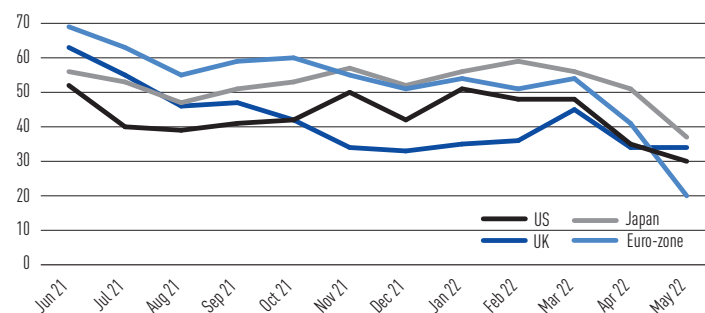
Country allocation

Net equity sentiment is down for all regions, the highest in Japan and now the lowest in the EU. Japan has the most neutral votes on bonds. Analysts may believe that Japan's growth prospects are better because it is farther removed from the Ukraine war and not a NATO member. However, like the EU, it is sensitive to higher energy prices. Analysts expect the Fed to turn more aggressive in the course of the year.

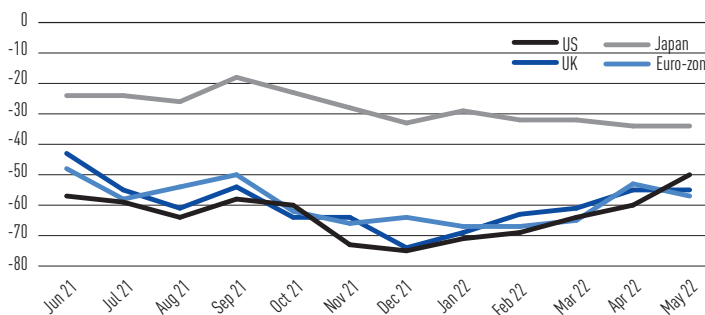
All regions have a negative net bond sentiment. Japan is still an outlier, but on its way to join the pack. A possible explanation for the UK's low net bond sentiment may be a loss of confidence in the Johnson government, as technically, the UK position is largely the same as that of the EU and the UK is not dependent on Russian gas.

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Net sentiment equities



Net sentiment bonds



KEY FOR EXPECTATIONS GRAPHS

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

Each month, IPE polls asset managers on their six to 12-month views on regional equities, global bonds and currency pairs as shown below. For more details see pages 66 and 67

