



JANUARY 2022

TACTICAL ASSET ALLOCATION OUTLOOK

A snapshot of current views on equity, fixed-income and alternative asset classes — updated monthly to help you tactically adjust for opportunities and risks

KEY TAKEAWAYS

- Continuing concerns over supply chain disruptions could result in higher volatility over the coming months, and we could see a decelerating pace of earnings improvements. However, while acknowledging that markets are at or near all-time highs, **we believe tilts toward risky assets will continue to reward investors.**
- The fear of future hawkish interest rate policy and rising yields has us concerned about fixed-income allocations. **Credit markets will most likely continue to attract attention as investors hunt for higher yields. But there are reduced opportunities for upside.**
- While we see opportunities for alpha in some areas of alternatives markets, **traditional markets are a more attractive opportunity to spend a risk budget** in the current environment.

KEY

● Current ● Previous (if changed)

OVERALL POSITIONS

Underweight <.....> Neutral> Overweight

Equities			●	
Fixed income	●			
Alternatives		●		
Cash	●			

KEY

● Current ● Previous (if changed)

WITHIN EQUITIES

Underweight <..... Neutral> Overweight

U.S. equities

			●	
U.S. large caps		●		
U.S. small caps		●		
U.S. growth	●			
U.S. value			●	

Developed markets

			●	
U.K.			●	
Eurozone			●	
Japan				●
DM Asia ex-Japan			●	

Emerging markets

				●
--	--	--	--	---

WITHIN FIXED INCOME

Underweight <..... Neutral> Overweight

Investment-grade bonds	●			
Securitized bonds	●			
Emerging market bonds		●		
Developed market bonds	●			
TIPS		●		
Treasuries	●			
Municipal bonds			●	
High-yield bonds			●	

WITHIN ALTERNATIVES

Underweight <..... Neutral> Overweight

Absolute return strategies		●		
Commodities			●	
REITs		●		
Convertibles		●		

Columbia Threadneedle Investments is a leading global asset manager that provides a broad range of investment strategies for individual and institutional clients, managing \$583 billion* across asset classes. Our team-based, risk-aware and performance-driven approach delivers the consistent investment experience you demand.

To find out more, call **800.426.3750**
or visit **columbiathreadneedle.com**



* In U.S. dollars as of September 30, 2021. Source: Ameriprise Q3 Earnings Release. Contact us for more current data.

The views expressed are as of the date given, may change as market or other conditions change and may differ from views expressed by other Columbia Management Investment Advisers, LLC (CMIA) associates or affiliates. Actual investments or investment decisions made by CMIA and its affiliates, whether for its own account or on behalf of clients, may not necessarily reflect the views expressed. This information is not intended to provide investment advice and does not take into consideration individual investor circumstances. Investment decisions should always be made based on an investor's specific financial needs, objectives, goals, time horizon and risk tolerance. Asset classes described may not be appropriate for all investors. Past performance does not guarantee future results, and no forecast should be considered a guarantee either. Since economic and market conditions change frequently, there can be no assurance that the trends described here will continue or that any forecasts are accurate.

Alternative investments involve substantial risks and are more volatile than traditional investments, making them more appropriate for investors with an above-average tolerance for risk. **Foreign investments** are subject to risks, including political, economic, market, social and others within a particular country, as well as to currency instabilities and less stringent financial and accounting standards generally applicable to U.S. issuers. There are risks associated with **fixed-income investments**, including credit risk, interest rate risk, and prepayment and extension risk. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer term securities. In general, **equity** securities tend to have greater price volatility than **debt** securities. The market value of securities may fall, fail to rise or fluctuate, sometimes rapidly and unpredictably. **Market** risk may affect a single issuer, sector of the economy, industry or the market as a whole.

Diversification and asset allocation does not assure a profit or protect against loss.

Columbia Threadneedle Investments (Columbia Threadneedle) is the global brand name of the Columbia and Threadneedle group of companies.

Securities products offered through Columbia Management Investment Distributors, Inc., member FINRA. Advisory services provided by Columbia Management Investment Advisers, LLC.

© 2022 Columbia Management Investment Advisers, LLC. All rights reserved.

ZSKE (01/22) 4094504