

MAY 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

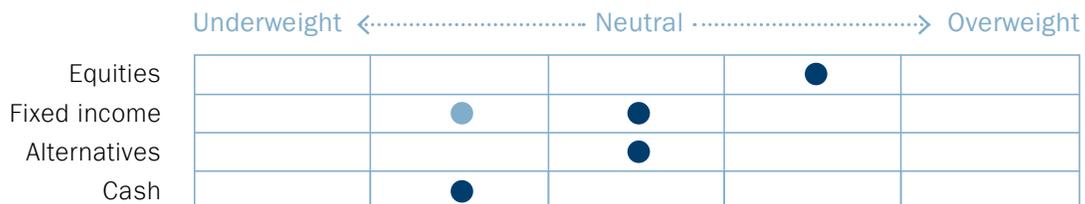
KEY TAKEAWAYS

- While the ongoing volatility and increasing fears of earnings weakness are important to watch, **we do not believe this moment merits reducing equity exposures.**
- **We believe potential aggressive hiking activity by the Fed is priced in at current levels.** For fixed-income allocations, we advocate closing underweights to duration exposures and the asset class overall.
- Generally, traditional markets are a more attractive opportunity to spend a risk budget in the current environment. **Commodities alone remain of interest within the alternatives complex.**

KEY

Current
 Previous (if changed)

OVERALL POSITIONS



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

			●	
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WITHIN FIXED INCOME

Underweight <----- Neutral -----> Overweight

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

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WITHIN ALTERNATIVES

Underweight <----- Neutral -----> Overweight

- Absolute return strategies
- Commodities
- REITs
- Convertibles

		●		
			●	
		●		
		●		

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* Source: Columbia Threadneedle and BMO GAM (EMEA) as of March 31, 2022. Contact us for more current data.

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