

OCTOBER 2021

SHORT-TERM TACTICAL 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

OVERALL POSITIONS

KEY
 Current
 Previous (if changed)

EQUITIES



FIXED INCOME



ALTERNATIVES



CASH



KEY TAKEAWAYS

- We're optimistic on equities because of the backdrop of recovery — both in terms of earnings and the economy. **Lofty valuations are still a concern, but we believe tilts toward risky assets will continue to be rewarded as global growth reaccelerates.**
- Despite the market pricing in higher yields, fixed income provides diversification in the form of underlying duration. **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.

WITHIN EQUITIES

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



KEY

Current  Previous (if changed) 

WITHIN FIXED INCOME

Investment-grade bonds



Securitized bonds



Emerging market bonds



Developed market bonds



TIPS



Treasuries



Municipal bonds



High-yield bonds



WITHIN ALTERNATIVES

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 \$593 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 June 30, 2021. Source: Ameriprise Q2 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.

© 2021 Columbia Management Investment Advisers, LLC. All rights reserved.