



# Reuters Asset Allocation Poll

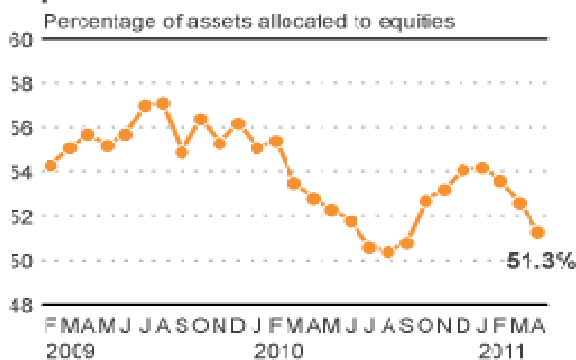
Global - April 2011

Investors pulled back some of their exposure to equities in April, buying bonds and turning to safe-haven cash amid worries that global economic growth could falter from its rapid pace.

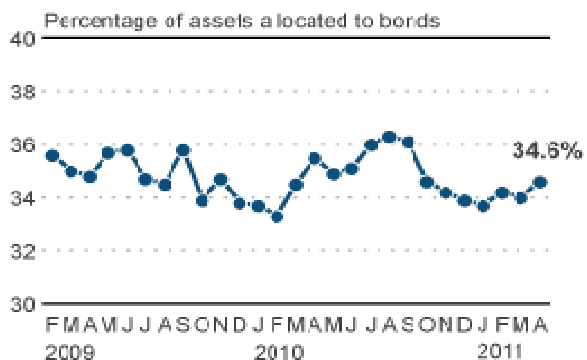
## Reuters monthly asset allocation poll

Survey of leading investors in U.S., Britain, Japan and Continental Europe

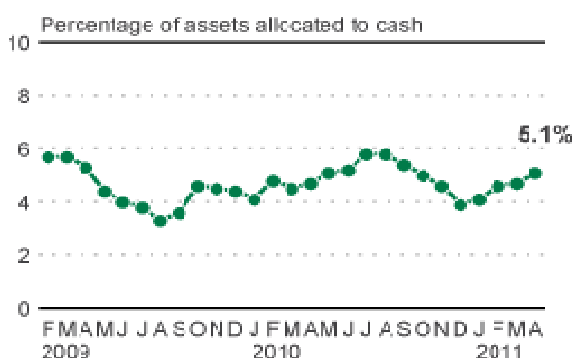
### Equities



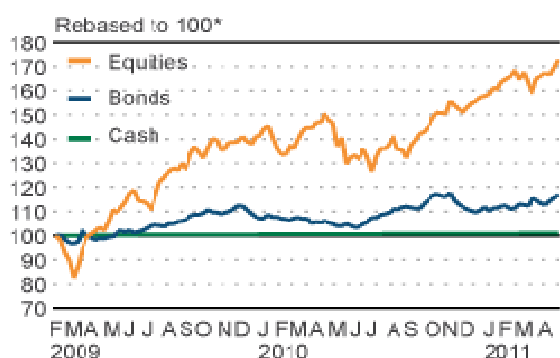
### Bonds



### Cash



### Actual asset returns



Sources: Reuters poll, Thomson Reuters Datastream

Reuters graphic/Scott Barber

\*MSCI world index. Group world gov bond index, US 3m LIBOR - total returns



REUTERS

1) What is the current asset allocation in percentage terms of your global balanced portfolio?

	Equities	Bonds	Cash	Property	Alternatives
April	51.3	34.6	5.1	2.0	6.9
Mar	52.6	34.0	4.7	2.0	6.7
Feb	53.6	34.2	4.6	1.8	5.8
Jan	54.2	33.7	4.1	1.9	6.0
Dec	54.1	33.9	3.9	1.9	6.2
Nov	53.2	34.2	4.6	1.9	6.2
Oct	52.7	34.6	5.0	1.9	5.8
Sept	50.8	36.1	5.4	1.7	6.0
Aug	50.4	36.3	5.8	1.8	5.7
July	50.6	36.0	5.8	1.5	6.2
June	51.8	35.1	5.2	1.6	6.3
May	52.3	34.9	5.1	1.6	6.1



2) What is the asset allocation in percentage terms of your global equity portfolio in the following geographic areas?

	US/CAN	UK	EURO ZONE	EMG. EUROPE	JAPAN	ASIA EX - JP	LATAM	AFRICA MIDEAST	OTHER
April	44.2	8.1	19.2	1.9	12.1	8.5	3.0	0.5	2.5
Mar	44.2	8.6	19.4	1.5	12.6	7.6	2.8	0.5	2.8
Feb	45.0	8.5	18.8	1.8	12.7	7.3	2.6	0.4	2.8
Jan	44.0	8.9	18.8	1.8	12.3	8.3	2.7	0.4	2.9
Dec	41.9	9.3	20.0	2.0	12.4	9.2	2.7	0.4	2.3
Nov	41.5	8.1	21.7	2.0	11.4	10.0	2.7	0.5	2.1
Oct	42.4	8.1	20.8	2.3	11.2	9.8	2.9	0.6	2.0
Sept	43.2	7.3	21.6	2.0	10.2	9.4	2.4	0.5	3.5
Aug	42.8	8.0	22.1	1.5	10.4	9.0	2.6	0.5	3.2
July	42.8	8.2	22.1	1.4	10.6	8.5	2.4	0.6	3.4
June	43.5	6.5	23.1	1.6	11.2	7.3	2.0	0.3	4.4
May	41.8	7.3	23.2	1.7	11.7	7.7	2.1	0.3	4.3

3) What is the current asset allocation in percentage terms of your global bond portfolio?

	US/CAN	UK	EURO ZONE	EMG. EUROPE	JAPAN	ASIA EX - JP	LATAM	AFRICA MIDEAST	OTHER
April	37.2	13.7	29.1	1.5	12.0	2.4	2.0	0.3	1.9
Mar	42.3	7.4	29.2	1.3	11.9	3.5	2.0	0.3	2.2
Feb	43.1	7.5	29.0	1.2	12.3	3.2	1.7	0.3	1.7
Jan	41.4	6.8	30.0	1.3	12.6	3.3	1.9	0.3	2.4
Dec	37.1	8.5	31.5	2.3	12.8	3.1	2.2	0.5	2.2
Nov	36.8	8.9	31.2	3.2	12.7	3.0	2.7	0.7	1.0
Oct	36.9	8.6	31.3	3.2	12.8	2.5	2.6	0.6	1.6
Sept	35.5	9.0	35.3	2.8	11.0	2.6	2.4	0.6	1.0
Aug	37.3	8.3	34.3	2.4	10.9	2.7	2.0	0.6	1.5
July	36.5	9.0	35.3	2.5	11.0	2.5	1.7	0.4	1.2
June	37.6	9.3	36.2	2.4	9.7	2.3	1.7	0.4	0.6
May	34.2	9.3	38.3	2.5	9.5	2.3	1.7	0.4	1.8

4) What percentage of bond portfolio is in:

	Govt. Sec	Investment Grade Corp	High Yield	Other Credit
April	52.0	29.5	8.9	9.7
Mar	54.6	24.0	10.6	10.8
Feb	56.1	24.9	11.5	7.5
Jan	53.7	26.1	12.9	7.2
Dec	53.2	26.6	12.0	8.3
Nov	53.1	27.0	10.7	9.3
Oct	52.9	28.3	10.0	8.8
Sept	54.4	27.2	9.6	8.9
Aug	55.8	27.4	8.5	8.3
July	59.5	22.6	8.8	9.1
June	59.4	19.7	10.3	10.6
May	61.2	19.9	9.6	9.3

5. On a scale of -3 to +3, is your portfolio underweight, overweight or neutral in the following asset classes?

	Equities	Bonds	Cash	Property	Alternatives
April	0.6	-0.8	0.1	-0.1	0.3
Mar	0.9	-1.1	0.2	-0.2	0.3
Feb	1.0	-1.2	-0.1	0.1	0.3
Jan	1.1	-1.0	-0.3	0.1	0.2
Dec	1.2	-0.9	-0.3	0.1	0.4
Nov	0.9	-0.8	-0.3	0.1	0.4
Oct	0.5	-0.7	0.0	0.1	0.3
Sept	0.2	-0.4	0.1	0.1	0.4
Aug	0.2	-0.5	0.3	0.0	0.2
July	0.5	-0.7	0.1	-0.1	0.4
June	0.6	-0.7	-0.2	-0.1	0.4
May	0.6	-0.8	0.0	0.0	0.4

### Investors move back into cash in April

By Jeremy Gaunt, European Investment Correspondent

LONDON, May 3 (Reuters) - Investors pulled back some of their exposure to equities in April, buying bonds and turning to safe-haven cash amid worries that global economic growth could falter from its rapid pace, Reuters polls showed on Tuesday.

Surveys of 56 leading investment houses in the United States, Europe ex-UK, Japan and Britain showed exposure to stocks falling to 51.3 percent in the month from 52.6 percent in March. Bonds rose slightly to 34.6 percent from 34.0 while cash was lifted to 5.1 percent in a balanced portfolio from 4.7 percent a month earlier.

It was the highest exposure to cash -- where investors park money in times of uncertainty -- since September, around the time stock markets began rallying on prospects for renewed asset buying by the U.S. Federal Reserve.

Interviews with poll participants suggested a degree of concern has grown about the impact of a rising oil price on growth that may also be peaking.

"We're moving into seasonally weak conditions (for equities) with May and June here, and the macro story may be at risk if oil prices shoot to \$130 per barrel or so. There are too many things that can go wrong," said Keith Wirtz, chief investment officer at U.S. firm Fifth Third Asset Management.

Investors are also facing uncertain times vis-a-vis interest rates, with the European Central Bank having already tightened, the Bank of England under pressure to follow suit and the Fed signalling its \$600 billion bond purchase programme will end, but offering a slightly more upbeat assessment of the U.S. economy.

"The most uncertainty is probably about future economic policy ... a slowdown while policy is being tightened may be unnerving for investors used to three years of very easy policy conditions," said Chris Paine, associate director for asset allocation at Henderson Global Investors in London.

Equity markets have also enjoyed a strong run, with the MSCI all-country world stock index up around 16 percent over the past 12 months and 37 percent from a 2010 low.



## REGIONALLY

U.S. fund managers slightly cut their exposure to equities in April and raised their allocation in bonds, booking some profits after an impressive rally for equities.

Some 15 U.S.-based fund management firms held an average of 63.3 percent of their assets in equities compared with 64.9 percent a month earlier.

Bond exposure increased to 29 percent in April from 27 in March. Cash holdings rose to 2.7 percent from 2.5 percent.

European investors outside Britain reduced equities for a third consecutive month and added to bonds and cash.

The survey of 17 Europe-based asset management firms showed a typical balanced portfolio holding 46.8 percent in equities in April, compared with 48.3 percent in the previous month.

It held 38.6 percent in bonds, compared with 37.3 percent last month. Cash holdings rose to 8.1 percent from 6.9, hitting their highest level in at least a year.

The global stock weighting for Japanese fund managers hovered near a 12-year low in April, hurt by worries about the impact of Japan's triple disaster that also kept their weighting for bonds near record highs, according to Reuters' poll.

The survey, released on Monday, showed the average weighting for equities among 12 firms inched up to 42.6 percent after tumbling to a 12-year low of 42.4 percent in March.

Bonds were trimmed to 48.8 percent in April from a record-high 49.6 percent. Cash was at 5.1 percent from 5.2 percent.

The monthly poll of asset allocations among 12 British fund managers showed the average exposure in global equity portfolios fell to 52.5 percent from 54.7 percent.

Bond exposure was also trimmed -- to 22.1 percent from 22.2 percent -- with alternatives, including commodities, and cash rising.

(Additional reporting by Jennifer Ablan in New York, Natsuko Waki and Chris Vellacott in London, Hugh Lawson and Yoshiko Mori in Tokyo and Bangalore Polling Unit. Graphics by Scott Barber,, editing by Mike Peacock)