

SUPPLEMENT

Global Asset Tracker survey 2021 figures

WRITTEN BY ELISA TROVATO

SUPPLEMENTARY DATA

The GAT study 2021 surveyed 50 private banks to track their asset allocation decisions. Key findings are presented here.*

In these challenging times, living with the most devastating pandemic in modern history, PWM has published the findings of its sixth annual Global Asset Tracker study.

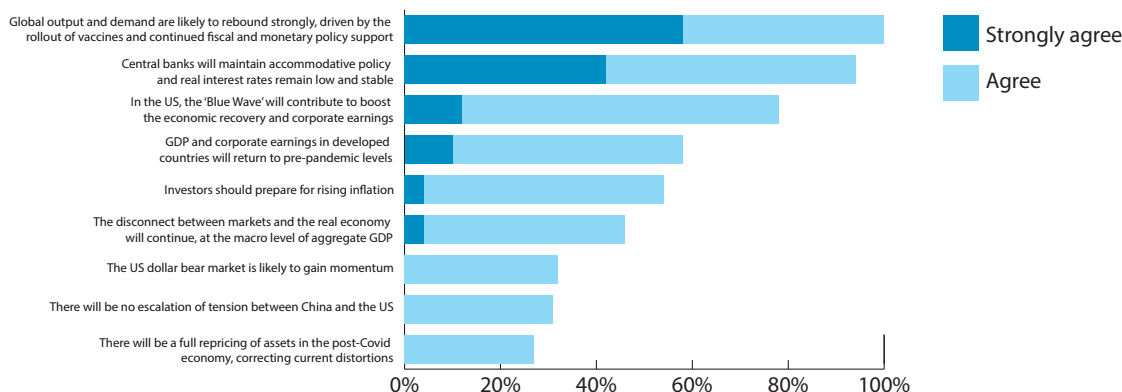
Conducted in January, the research tracks investment and asset allocation intentions for 2021 of chief investment officers (CIOs), chief strategists and heads of asset allocation at 50 private banks, managing a combined \$13.5tn in client assets. Most of these institutions have scored well in PWM's Global Private Banking Awards in recent years.

The survey aimed to assess the impact of lockdowns and vaccine rollout on the economy and markets,

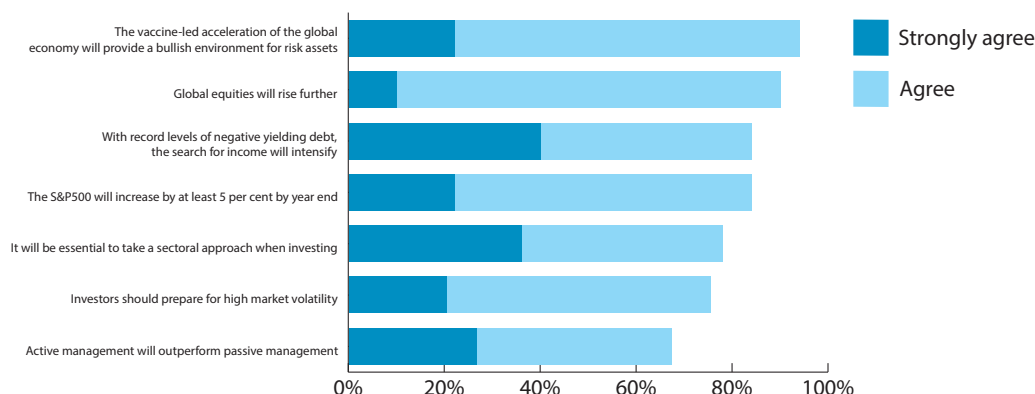
as well as investment risks and opportunities. It provides insights into today's high conviction investment calls, which are reflected in CIOs' tactical asset allocation decisions.

Importantly, the study focused on the most attractive long-term investment themes and how they are implemented in client portfolios. The extent to which the pandemic accelerated demand for sustainable and impact investing among wealthy clients was also a core topic. [QUM](#)

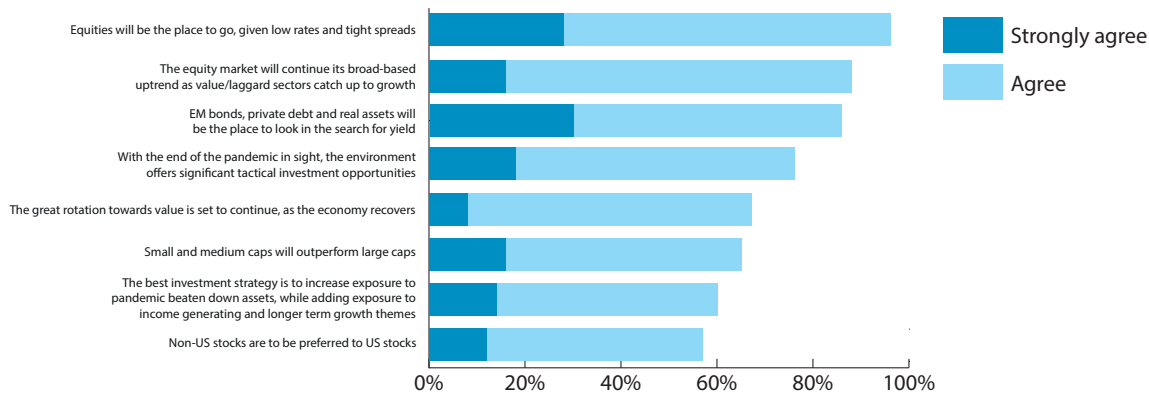
Q1 IMPACT OF PANDEMIC ON ECONOMY



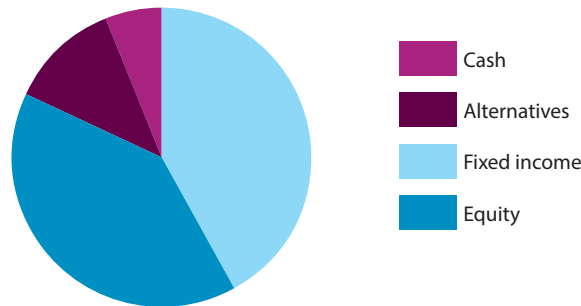
Q1.2 IMPACT OF PANDEMIC ON MARKETS



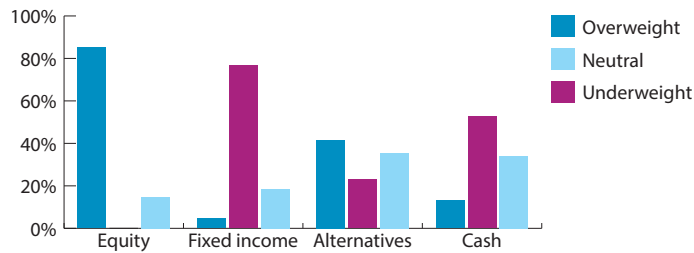
Q1.3 IMPACT OF PANDEMIC ON ASSET ALLOCATION



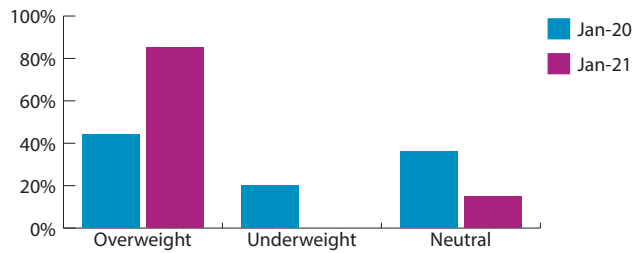
Q2.1 STRATEGIC ASSET ALLOCATION



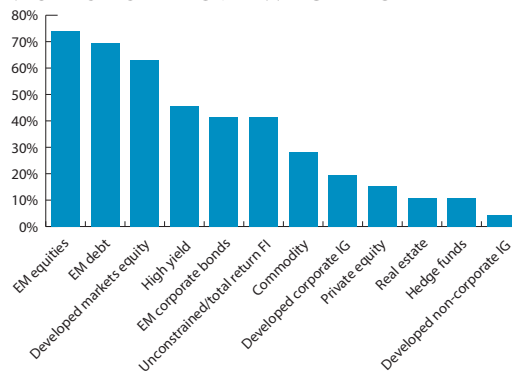
Q2.2 TACTICAL ASSET ALLOCATION



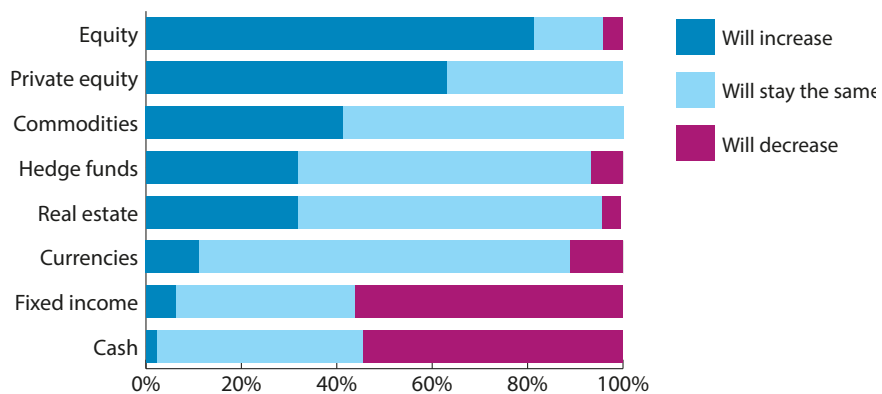
Q2.3 TACTICAL EQUITY ALLOCATION JAN 21 VS JAN 20



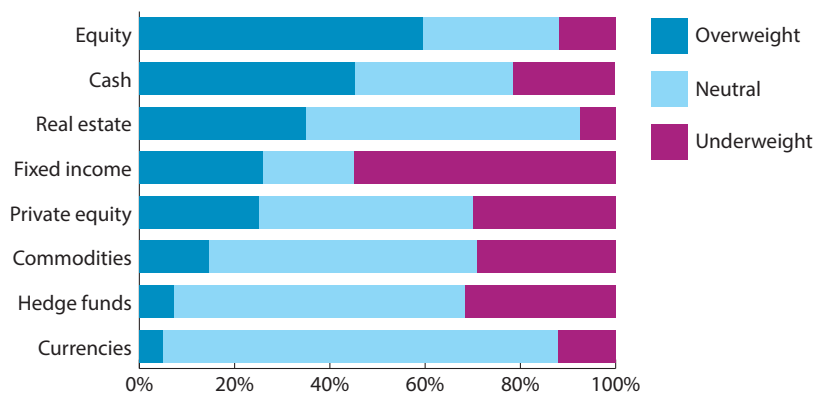
Q2.4 PROPORTION OF PRIVATE BANKS TACTICALLY OVERWEIGHT TO



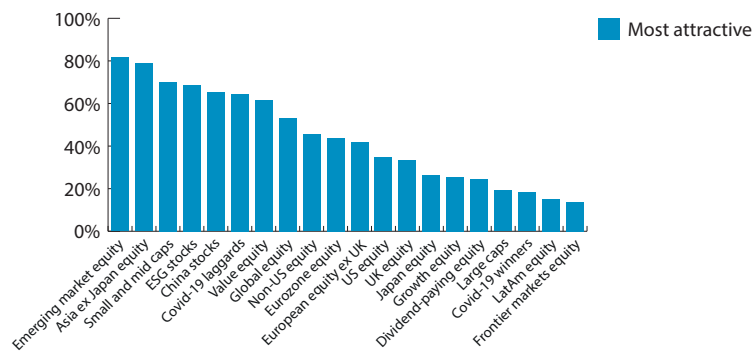
Q3.1 DO YOU EXPECT CLIENT ALLOCATION TO THE FOLLOWING ASSET CLASSES TO INCREASE, DECREASE OR STAY THE SAME?



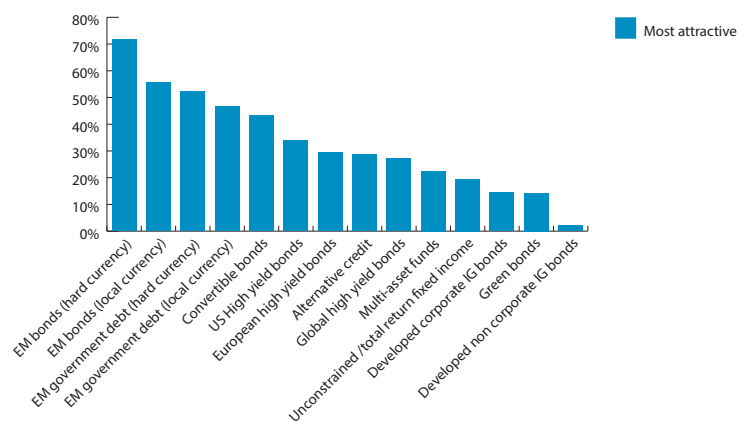
Q3.2 CURRENT CLIENT ALLOCATION - JAN 2021



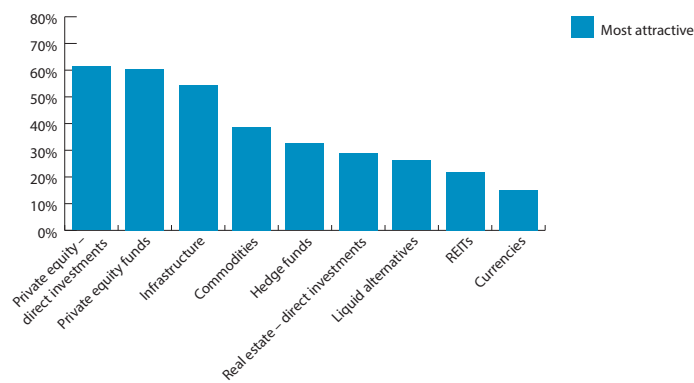
Q4 WHICH TYPE OF EQUITY INVESTMENT DO YOU EXPECT TO PROVIDE THE MOST ATTRACTIVE RISK-ADJUSTED RETURN OPPORTUNITY IN 2021?



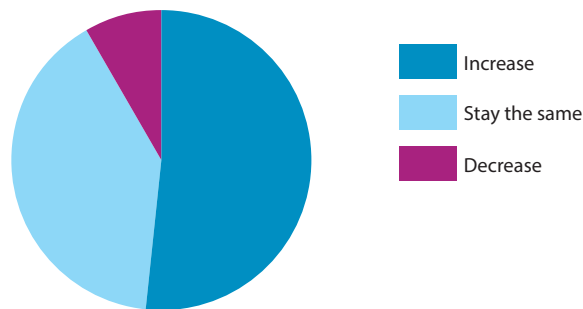
Q5 WHICH TYPE OF FIXED INCOME INVESTMENT DO YOU EXPECT TO PROVIDE THE MOST ATTRACTIVE RISK-ADJUSTED RETURN OPPORTUNITY IN 2021?



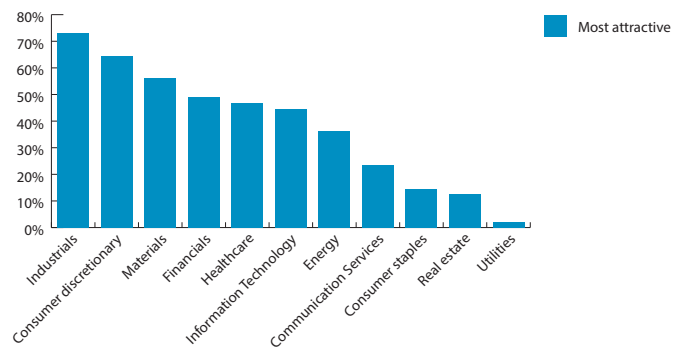
Q6 ON A SCALE OF 1 TO 3, WHICH ALTERNATIVE INVESTMENT DO YOU EXPECT TO PROVIDE THE MOST ATTRACTIVE RISK-ADJUSTED RETURN IN 2021?



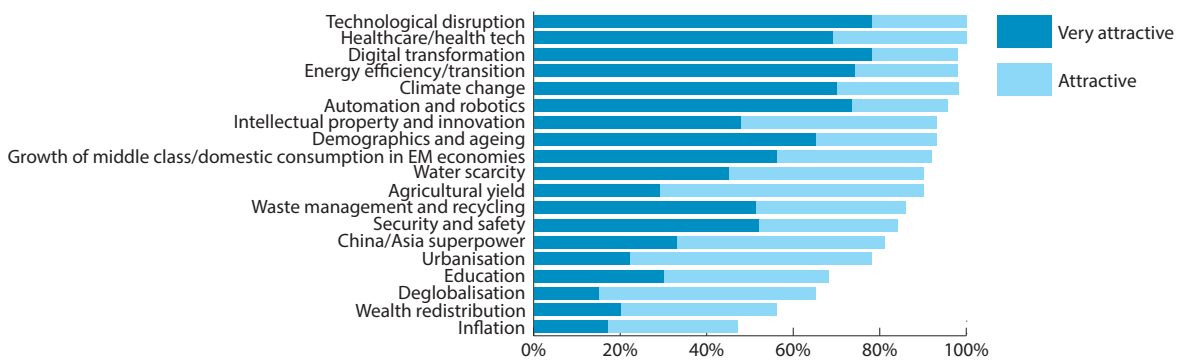
Q7 DO YOU EXPECT THE PERCENTAGE OF ETFS IN CLIENT PORTFOLIOS TO INCREASE, DECREASE OR STAY THE SAME IN 2021?



Q8 IN THE EQUITY SPACE, WHICH SECTORS WILL PROVIDE THE MOST ATTRACTIVE RISK RETURN OPPORTUNITIES IN 2021?



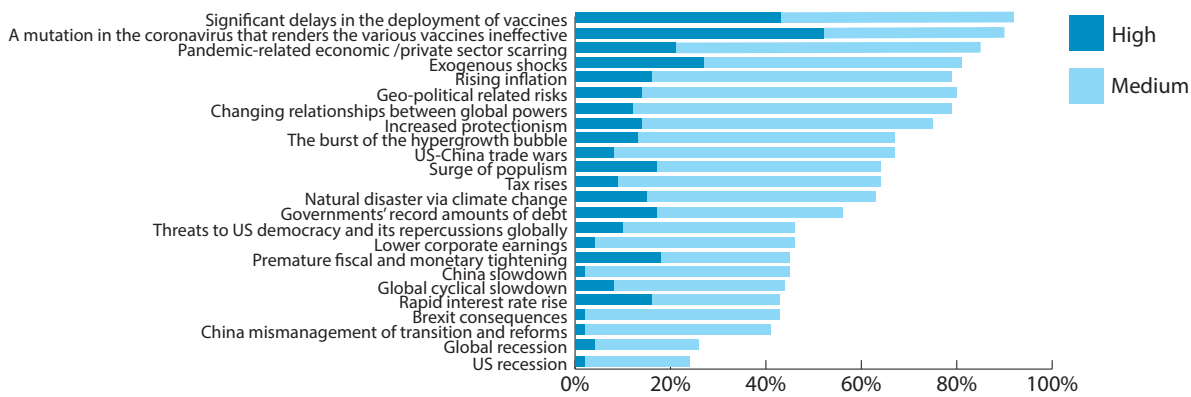
Q9 PLEASE INDICATE HOW ATTRACTIVE THE FOLLOWING STRATEGIC LONG-TERM INVESTMENT THEMES LOOK, IN TERMS OF INVESTMENT RETURNS



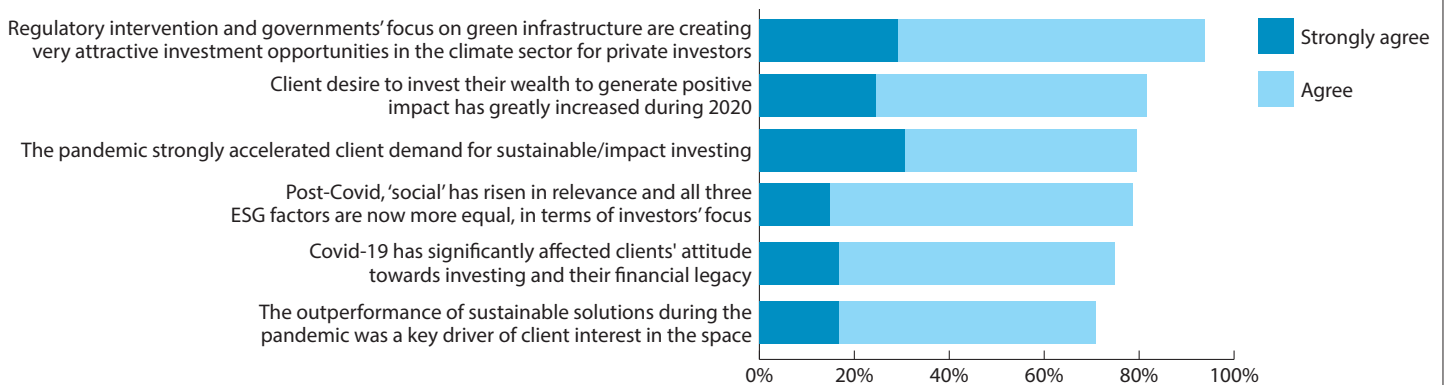
Q10 INVESTMENT THEMES: HOW STRONGLY DO YOU AGREE WITH THE FOLLOWING STATEMENTS?

	Strongly agree	Agree
Thematic investing allows advisers to have a more interesting discussion with clients and better tailor advice	53%	43%
A key challenge is to correctly identify the companies with real exposure	26%	70%
Actively managed strategies lend themselves to thematic investing more than passive strategies	26%	62%
There is room for both passive and active strategies in the thematic space	16%	69%
Thematic investing is the best strategy to capture future growth	16%	63%
Thematic strategies should be diversified over different sectors and avoid narrowly-defined investment themes	27%	52%
By emphasising long-term benefits, thematic investing allows addressing clients' short-term horizons	17%	59%
A key challenge is to identify themes when they are reaching a tipping point	13%	62%
There is a strong connection between thematic investing and sustainable investing	15%	58%
A key challenge is to determine what is a truly global trend	23%	49%
Thematic investing is typically through equity exposure	26%	43%
Investment themes should only represent satellite investments in portfolios to avoid factor concentration	7%	52%
Investors who invest today may pay a price that is too high for themes such as digitalisation or healthcare, given high valuation of stocks in those areas	9%	49%
Investment themes can represent core allocations in client portfolios	13%	43%
Investment themes should be applied as an overlay to client portfolios	9%	46%
A key challenge of thematic investing is to get the timing right	8%	35%

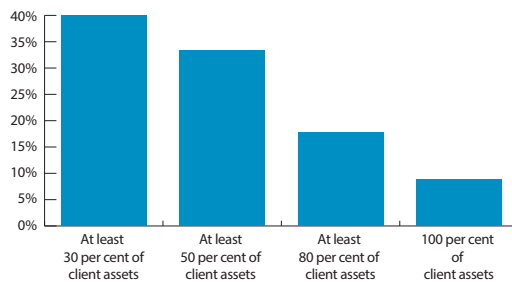
Q11 TOP RISKS FOR FINANCIAL MARKETS IN 2021 (BY LIKELIHOOD)



Q13 PLEASE STATE WHETHER YOU STRONGLY AGREE, AGREE, DISAGREE OR STRONGLY DISAGREE WITH THE FOLLOWING STATEMENTS



Q14 IN FIVE YEARS' TIME, WHAT PERCENTAGE OF CLIENT ASSETS AT YOUR FIRM WILL BE ESG OR GENERATING A POSITIVE IMPACT?



*50 banks that took part in the 2021 Global Asset Tracker survey. These are, in alphabetical order: A&G Banca Privada, ANZ Private Bank, Banca Generali, BPI, Banco do Brasil, Bank J. Safra Sarasin, Bank Julius Baer, Bank Lombard Odier, Bank of America, Bank of Singapore, Banque Pictet & Cie, Barclays Private Bank, BBVA Banca Privada, Berenberg, BNP Paribas Wealth Management, Bradesco Private Bank, CaixaBank Banca Privada, China Merchant Bank, Citi Private Bank, Coutts, Credit Suisse, Danske Bank, DBS, Deutsche Bank, EFG International, Erste Private Banking, Fideuram-Intesa Sanpaolo Private Banking, HSBC Private Bank, Indosuez Wealth Management, Industrial and Commercial Bank of China, Itaú Private Bank, JP Morgan Private Bank, Kasikornbank, LGT, Millenniumbcp, Nordea Bank, Northern Trust, OTP Bank, Quintet Private Bank, Raiffeisen Bank International, RBC Wealth Management, Santander Private Banking, Société Générale Private Banking, Standard Chartered Bank, SYZ, Taishin International Bank, UBS GWM, UniCredit Group, Union Bancaire Privée and Wells Fargo