

# 2021 Year Ahead Outlook

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### **Why do you anticipate an asset class rotation & what might it look like?**

In 2021, we think the rally that we saw in 2020 will broaden. And you will see much greater rotation across asset markets in 2021. The reason for that is that you will see a lot of economic growth and a lot of profit growth in 2021 as the vaccine allows the economy to be reopened and allows the economy to recover. That's going to provide breadth to what has been, to date, a very narrow bull market.

And we believe that we'll see that the breadth will show itself in some rotation, we believe, from areas like credit markets to the commodity markets, from areas like large-cap stocks to small-cap stocks. We believe it's going to be a better year so far as the value stocks are concerned. And I think global equities will do much, much better relatively to U.S. equities than we've seen in recent years.

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