



2022 equities outlook

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For 2022, our expectations are still equity market have the potential to go up. It is important though, because there are so many different factors and dislocations in the marketplace through COVID and inflation, macro effects that you need to be very careful investing in the right companies.

Equity valuations are definitely higher compared to when we look at their 10-year averages in every market almost around the globe so we look at relative valuations. If you focus on that, Europe and emerging markets relative to U.S. has definitely opportunities. That doesn't mean at the expense of U.S. because U.S., although the valuations are high, they deserve to be premium in terms of their price and their valuation.

The greatest opportunities in the equity market still we believe is with the company stock selection. What I mean by that is it's not really a call in our opinion to be made at the sector level or region level, but each stock in itself creates a potential for us to invest and see opportunities.

In 2022, generally we are expecting volatility in the marketplace. Still there are a lot of areas where the market dislocation will continue primarily starting with COVID. It's not over.

And then, with all this volatility I always worry about clients not being fully invested. Equity markets are volatile, but they are long-term asset classes. For those clients who has long-term goals, still the place to be.

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