

Members' Asset Allocations Remain Mostly Stable

September's Asset Allocation Survey special question asked AAI members how the record highs set by the S&P 500 this year have influenced their allocation decisions. More than half (53%) of respondents said they have not altered their allocations in response. Nearly 20% of respondents said the record highs have either made them more cautious or prompted them to increase their cash allocations. Some of these members said they are favoring more conservative (large-cap, dividend paying) stocks. About 5% said they have increased their equity allocations.

Here is a sampling of the responses:

- "I always adhere to the same allocation, regardless of market movement."
- "It's made me more cautious of a correction."
- "I have started taking profits, and transferred 30% of my portfolio to cash."
- "No, I'm normally close to 100% stocks and stock funds."
- "I'm very hesitant to invest more heavily in stocks; still waiting for a healthy pullback."
- "Staying with the plan from last year; just waiting for the opportune time to rebalance."