

Investors Split on Whether They Expect to Change Allocation This Year

Last month's [AAII Asset Allocation Survey](#) special question asked AAI members what, if any, allocation changes they expected to make this year. An equal percentage of respondents indicated that they planned to increase their allocation to equity and indicated that they were planning no change. Around 27% of respondents said they were happy with their allocation and were not planning any change. Around 27% of the respondents noted that they were planning increasing their allocation to stocks and stock funds, while 12% were anticipating decreasing their allocation to equity. A total of 11% noted that they were going to increase their bond positions, while 5% of the individual investors indicated there were going to reduce their allocation to bonds and bond funds. A total of 13% of the respondents indicated that they were planning on increasing their cash allocation, while 6% noted that they would decrease their cash allocation.

Here is a sampling of the responses:

- "I increased my exposure to stocks and reduced my cash as I don't see much value in holding cash other than for daily expenses and my emergency fund."
- "None; my overweighting in stocks is due to recent market increases. Over time, the allocations will normalize when the market goes through a correction."
- "I still think the best place to be is in stocks and plan to stay the course in stocks."
- "Later this summer I may invest more in stocks, depending on how the new president's plans for the economy are accepted and implemented."
- "Reduce my allocation to individual stocks. Am uncertain about new administration."
- "I expect to maintain my 60/40 position."
- "Increase cash somewhat to get about three years of living expenses in cash. I'm migrating to Cloonan's "Level 3" approach."

Want to weigh in? Take the survey yourself and see results online at

<http://www.aaii.com/assetallocationsurvey>.

If you want to become an effective manager of your own assets and achieve your financial goals, consider a **risk-free 30-day Trial AAI Membership**.