

Market Conditions, Direction, Valuation Influencing Allocations

Last month's [Asset Allocation Survey](#) special question asked AAI members what predominately influences their decision to increase or decrease their exposure to stocks and stock funds. Responses were mixed, with some members giving more than one reason. Market conditions were cited by about 19% of all respondents. A nearly equal number pointed to market direction (9%) as did valuation (8%). The attractiveness of equities or individual stocks were given as a reason by about 19% of all respondents as well. Many of these members cited expected returns as playing a role. Slightly more than 13% of all respondents said their age influences their allocation. Roughly 11% said economic conditions play a role, while 10% said they maintain or rebalance to a targeted allocation.