

More Than Half of Investors' Allocations Uninfluenced by Last Month's Volatility

Last month's [Asset Allocation Survey](#) special question asked AAI members how the stock market's record highs influenced their portfolio allocations. We posted the question just before February's correction started and did not change it after the correction occurred. More than half of all respondents (56%) said the record highs and last month's volatility have not influenced their allocations. Many of these respondents said they either adhere to a long-term strategy and/or rebalance. Nearly 18% said they increased their cash positions, while approximately 14% said they reduced their stock exposure or otherwise switched to a more conservative allocation. (Several of these respondents said they both reduced their equity exposure and raised their cash allocations.) About 4% raised their fixed-income allocations, while a similar percentage bought more stocks and equity funds.

Here is a sampling of the responses:

- "I keep it as simple as I can. I don't overthink the market."
- "I have increased my cash holdings by refraining from investing new money in the market."
- "Over the past 18 months, I have used the highs in the stock market to take profits and establish a bond and cash allocation."
- "Rebalanced to maintain my proper asset allocation."
- "No change, even after the recent correction."
- "I sold some stocks that ran up in price and bought stocks when the market sold off."

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