

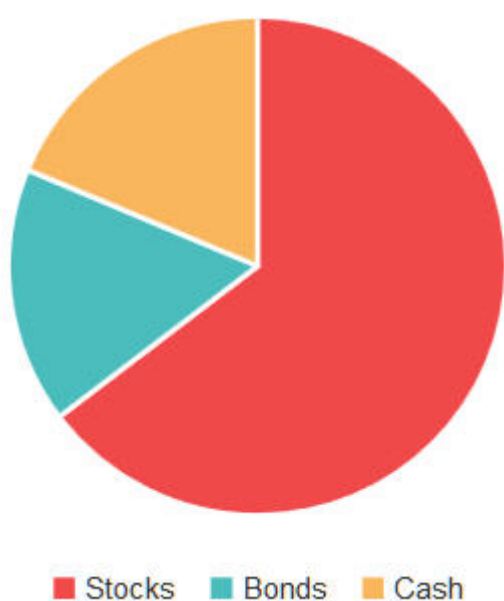
## October AAI Asset Allocation Survey: Equity Allocations Increase, Cash Decreases

In a reversal of the prior month, equity allocations among individual investors rose and cash allocations fell in October, according to the latest AAI Asset Allocation Survey. Fixed-income allocations rose slightly.

Stock and stock fund allocations rebounded by 1.1 percentage points to 64.7%. The increase keeps stock and stock fund allocations above their historical average of 60% for the 31st consecutive month.

Bond and bond fund allocations rose 0.1 percentage points to 16.6%. The modest increase puts fixed-income allocations at a nine-month high. October was the third consecutive month with fixed-income allocations above their historical average of 16.0%.

Cash allocations pulled back by 1.3 percentage points to 18.7%. October was the 47th consecutive month with a cash allocation reading below its historical average of 24%.



Last month saw a reversal in equity and cash allocations. Equity allocations had fallen to their lowest level in more than two years in September, before rebounding in October. Cash allocations, conversely, pulled back from what was a two-year high. Even with the increase, equity allocations are at the second-lowest level of 2015. Though the major indexes had good returns in October, individual investor optimism in our weekly sentiment survey remained below average for most of the month.

October AAI Asset Allocation Survey results:

- Stocks and Stock Funds: 64.7%, up 1.1 percentage points
- Bonds and Bond Funds: 16.6%, up 0.1 percentage points
- Cash: 18.7%, down 1.3 percentage points

October AAI Asset Allocation Survey details:

- Stocks: 31.2%, up 0.4 percentage points
- Stock Funds: 33.5%, up 0.7 percentage points
- Bonds: 3.1%, down 0.8 percentage points
- Bond Funds: 13.6%, up 1.0 percentage points

Historical Averages:

- Stocks/Stock Funds: 60%
- Bonds/Bond Funds: 16%
- Cash: 24%

*\*The numbers are rounded and may not add up to 100%.*

The AAI Asset Allocation Survey has been conducted monthly since November 1987 and asks AAI members what percentage of their portfolios are allocated to stocks, stock funds, bonds, bond funds and cash. The survey and its results are available online at: <http://www.aai.com/investor-surveys>.