

Record Highs Don't Shake Allocations for Over Half of Surveyed Investors

Last month's [Asset Allocation Survey](#) special question asked AAI members why or why not record highs (such as the Dow's rise above 20,000) influence their asset allocation decisions. Slightly more than half of all respondents (53%) said that they do not alter their allocations in reaction to record highs, though their reasons varied. Several said that they focus on the long term, some said the Dow Jones industrial average is not a good benchmark to use and a few said that they are more focused on President Donald Trump. Nearly 7% of all respondents said they have rebalanced their portfolios. About 13% either reduced their equity allocations or increased their cash holdings due to valuations or concerns about a forthcoming correction. An additional 4% said that they are taking a more cautious approach to investing.

Here is a sampling of the responses:

- "I invest in individual stocks and bonds, not the Dow. The 20,000 number is irrelevant to my investing philosophy."
- "Strategy is long-term, hence interim highs and lows do not matter."
- "I'm very selective with stock selection at this time."
- "Market is getting topy, so I am cautious. Keeping more cash than usual so I have something to invest when the correction comes."
- "I am happy when the market is high. However, I don't make changes other than rebalancing twice a year."

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

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

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