

July AAI Asset Allocation Survey: Only Slight Changes

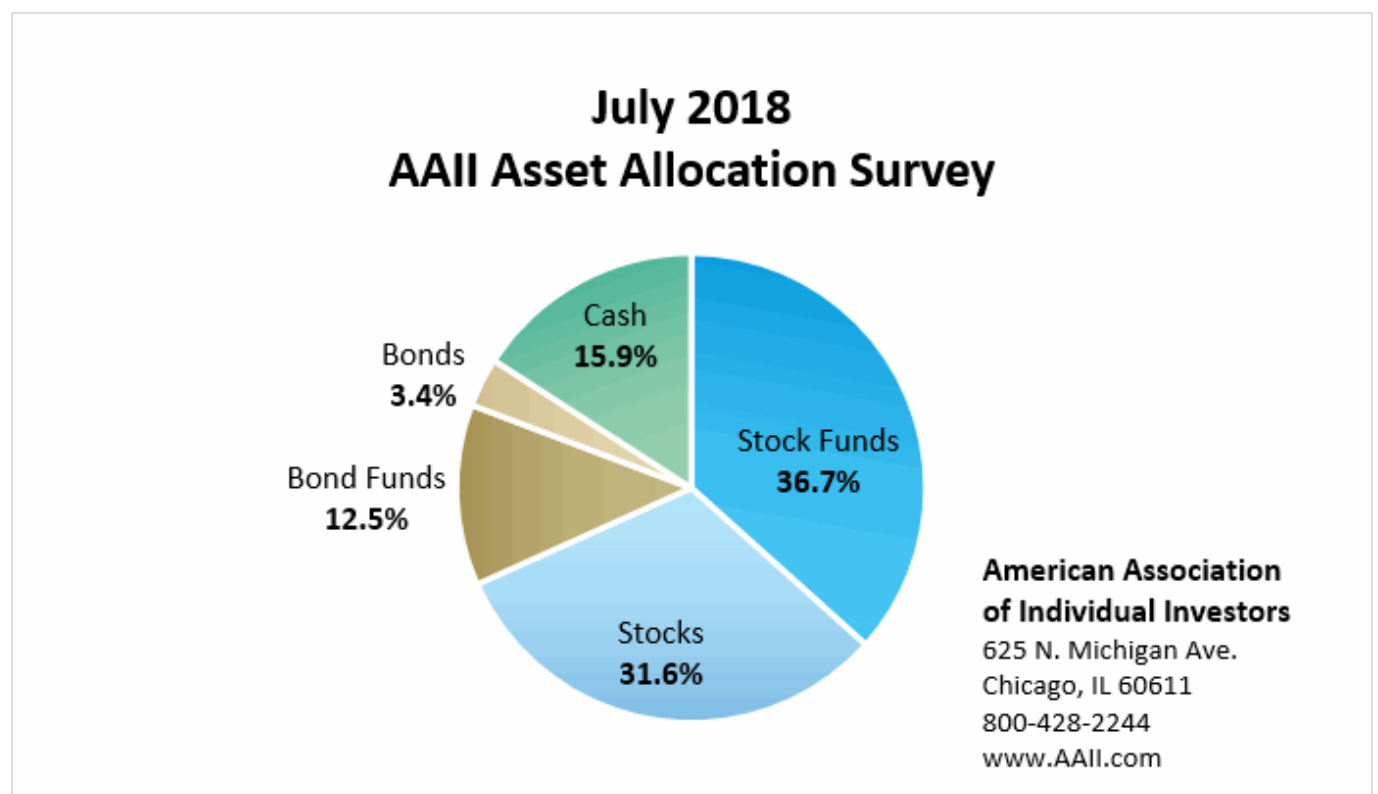
Individual investors' allocations changed just slightly last month, according to the July AAI Asset Allocation Survey. Equity allocations decreased modestly, while fixed-income and cash allocations were marginally higher.

Stock and stock fund allocations declined by 0.3 percentage points to 68.3%. Nonetheless, equity allocations remained above their historical average of 61.0% for the 64th consecutive month.

Bond and bond fund allocations rose by 0.2 percentage points to 15.9%. The small increase puts fixed-income allocations close to their historical average of 16.0%.

Cash allocations rebounded by 0.2 percentage points to 15.9%. Over the May-to-July period, cash allocations have stayed between 15.7% and 15.9%. July marked the 80th consecutive month that cash allocations were below their historical average of 23.0%.

A good month for stocks (particularly larger-capitalization stocks) combined with a rising yield for the 10-year Treasury note did little to sway individual investors' allocations. So far, tariffs have not altered how the majority of individual investors are allocating their portfolio. At the same time, optimism about the stock market's short-term direction mostly stayed below average during July in our weekly Sentiment Survey.



July AAI Asset Allocation Survey results:

- Stocks and stock funds: 68.3%, down 0.3 percentage points
- Bonds and bond funds: 15.9%, up 0.2 percentage points
- Cash: 15.9%, up 0.2 percentage points

July AAI Asset Allocation Survey details:

- Stock Funds: 36.7%, down 0.1 percentage points
- Stocks: 31.6%, down 0.2 percentage points
- Bond Funds: 12.5%, no change
- Bonds: 3.4%, up 0.1 percentage points

Historical Averages:

- Stocks/Stock Funds: 61.0%
- Bonds/Bond Funds: 16.0%
- Cash: 23.0%

*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: www.aai.com/investor-surveys.

Want to weigh in? Take the survey yourself and see results online at www.aai.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**.