

March AAI Asset Allocation Survey: Five-Month Low for Equity Allocations

Individual investors' allocations to equities are at their lowest level in five months according to the latest AAI Asset Allocation Survey. At the same time, fixed-income allocations are higher.

Stock and stock fund allocations declined for a third consecutive month, falling 0.4 percentage points to 69.7%. Equity allocations were last lower in November 2017 (68.6%). March was the 60th consecutive month that equity allocations were above their historical average of 61.0%.

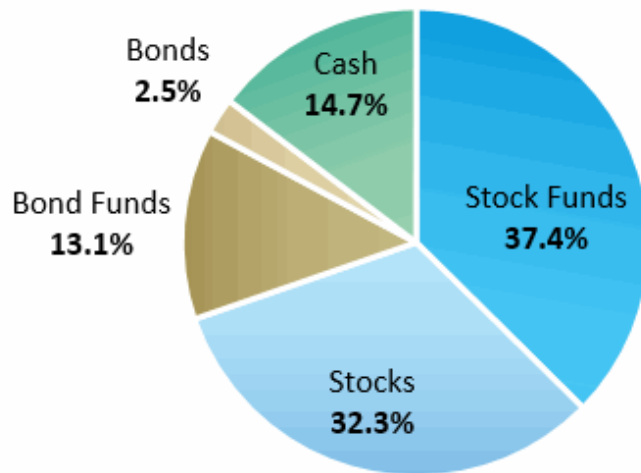
Bond and bond fund allocations rebounded by 0.6 percentage points to 15.6%. This is the fifth time in seven months that fixed-income allocations are below their historical average of 16.0%.

Cash allocations pulled back by 0.3 percentage points to 14.7%. The decline puts cash allocations below their historical average of 23.0% for the 76th consecutive month.

Fixed-income allocations remain in a 0.6 percentage-point range. Since December 2017, bond and bond fund allocations have fluctuated between 15.0% and 15.6%.

Though equity fund allocations have decreased for three consecutive months, the absolute change is modest. Since rising to 72.0% in December, the cumulative pullback is just 2.3 percentage points. This modest decline has occurred as optimism in our weekly Sentiment Survey has been below average for five consecutive weeks and six out of the last eight weeks.

March 2018 AII Asset Allocation Survey



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March AII Asset Allocation Survey results:

- Stocks Total: 69.7%, down 0.4 percentage points
- Bonds Total: 15.6%, up 0.6 percentage points
- Cash: 14.7%, down 0.3 percentage points

March AII Asset Allocation Survey details:

- Stocks: 32.3%, up 1.8 percentage points
- Stock Funds: 37.4%, down 2.2 percentage points
- Bonds: 2.5%, down 0.1 percentage points
- Bond Funds: 13.1%, up 0.7 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 AII Asset Allocation Survey has been conducted monthly since November 1987 and asks AII 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.aaii.com/investor-surveys.

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