

What 2017 might Mean for your investments

architas

2016

BREXIT
US interest rates
TRUMP
Europe uncertainty
+ OIL PRICES
Double digit returns
RISING INFLATION

- The vote for Brexit surprised many
- UK interest rates on hold despite inflation fears
- Trump election and a US rate rise
- Political uncertainty in Europe continues
- Higher oil prices sneak in at the year end
- Year set to end with double digit returns for sterling investors

The value of your investments can fall as well as rise and you may get back less than you invested. Past performance is not a guide to future performance.

OUR INVESTMENT VIEW

ASSET CLASS	COMMENTS	
Currency	We think the pound could stay low for longer, particularly against the US dollar providing a boost to British exports. ■ We are keeping our eye on types of assets that could benefit from the weaker pound or stronger dollar.	
Fixed Income	The jump in inflation in the UK and the rise of interest rates in the US are two reasons why we are more wary of this asset class. ■ We continue to limit our holdings of long-dated bonds such as government bonds in favour of high-quality company bonds and the best quality high-yield bonds.	
Equities	Yes there are slowly improving changes in global economic data but there are also plenty of opportunities for surprise shocks next year. ■ Valuations do not appear attractive for global equities apart from the riskier emerging markets.	
Property	Commercial and residential property valuations could be negatively impacted due to poor sentiment, but a lower pound could attract more overseas buyers. ■ We will continue positioning our portfolios towards specialist property such as retirement homes and health care centres as London office space had already performed well and could suffer a setback.	
Alternatives	We think that alternative investments could become increasing popular because of the asset class's inflation busting appeal and diversification benefits. ■ We will continue to seek out attractive alternative opportunities across the sector as this is an area that provides diversification and potential income for our portfolios.	

Please note that this is just Architas' view on what might happen in 2017. We would always recommend that you seek financial advice before making any investment decisions.

2017

The future uncovered

Uncertainty is likely to be a key theme for 2017

The UK will begin the formal Brexit negotiation process by the end of March 2017

Government unlikely to reveal plan for Brexit until February 2017

Additional political instability is likely to take place in Europe

Markets in the US had a surprisingly good reaction following Trump election – this could unravel

We still stick with the mantra that you shouldn't put all your eggs in one basket. Spreading investments across a range of asset classes and fund managers will diversify your holdings and could help to provide a less bumpy ride for you and your investments.