

Global Fund Manager Survey

My Herd is my Bond

BofA January Global Fund Manager Survey

Bottom Line: Fund Manager Survey (FMS) respondents are very optimistic on rate cuts and macro “soft” landing but Jan cash levels are up from 4.5% to 4.8% as bond market optimism tempered, and bonds driving the “herd”; BofA Bull & Bear Indicator up to 5.5, highest since Nov’21, positioning not contrarian +ve; new catalysts (e.g. global growth) required for upside.

On Macro: FMS investors least pessimistic on global growth since Feb’23, on profits since Feb’22; “soft/no” landing say 79% vs. 17% say “hard” landing; in contrast, for 1st time since May’22, investors expect China growth to weaken.

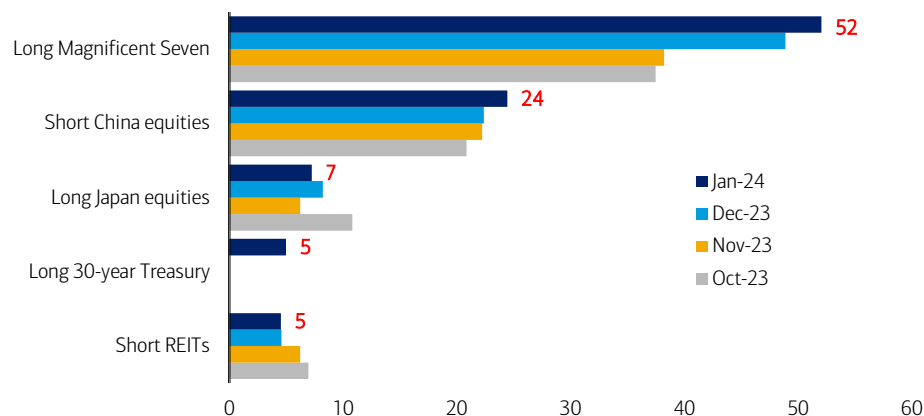
On Rates, Crowds & Tails: both bond & equity investors say Fed #1 driver of price in ’24; record optimism on rate cuts (just 3% expect higher rates), but dip in optimism on bond yields; most crowded trade “long Magnificent Seven” & “long-duration tech” best way to play rate cuts, no longer “long 30-year Treasury.”

On AA, Regions & Sectors: rotation out of bonds into cash, out of banks into REITs (12-month high); global equity OW trimmed but largest OW in US stocks since Dec’21; mass preference for “high-quality” but 1st time since Jun’21 small-cap preferred to large.

FMS Contrarian Trades: contrarian longs: China, Europe, banks, energy, low-quality stocks, all “soft landing” catch-up plays; contrarian shorts: bonds, US, the Magnificent Seven, vulnerable to “hard” & “no” landing outcomes.

Chart 1: “Long Magnificent Seven” is the most crowded FMS trade

What do you think is currently the most crowded trade?



Source: BofA Global Fund Manager Survey

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Trading ideas and investment strategies discussed herein may give rise to significant risk and are not suitable for all investors. Investors should have experience in relevant markets and the financial resources to absorb any losses arising from applying these ideas or strategies.

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Notes to Readers

Source for all tables and charts:
BofA Fund Manager Survey,
DataStream

Survey period 5th to 11th Jan 2024

256 panellists with \$669bn AUM participated in the January survey. 221 participants with \$589bn AUM responded to the Global FMS questions and 146 participants with \$319bn AUM responded to the Regional FMS questions.

How to join the FMS panel

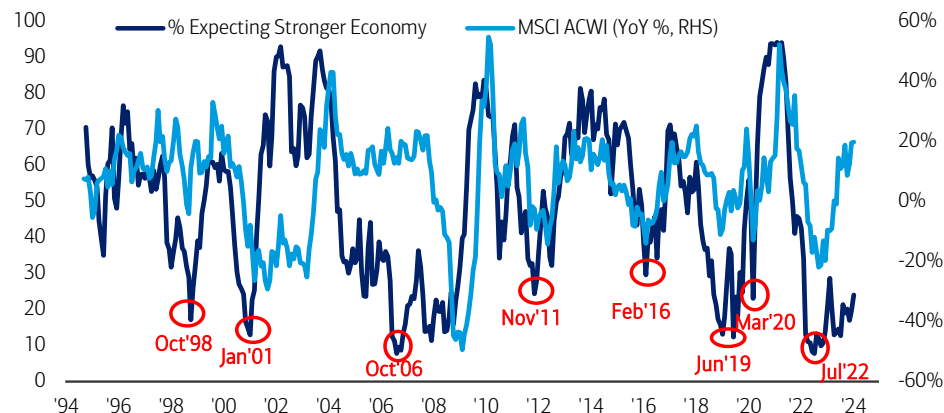
Investors/clients are encouraged to sign up to participate in the Survey. This can be done by contacting [Michael Hartnett](mailto:michael.hartnett@bofa.com) or your BofA sales representative.

Participants in the survey will continue to receive the full set of monthly results but only for the relevant month in which they participate.

Charts of the Month

Chart 2: Slow but steady rise in global growth optimism

% FMS investors expecting stronger economy next 12 months vs MSCI ACWI y/y change (RHS)



Source: BofA Global Fund Manager Survey; Bloomberg

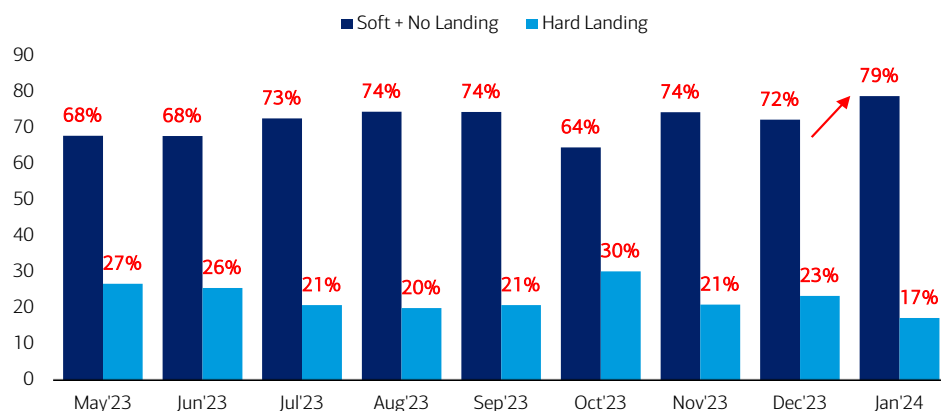
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Global growth expectations are improving...the net % of FMS investors expecting a stronger economy in the next 12 months rose to -40% (vs -50% in Dec'23), a 12-month high.

Growth optimism over the past month has coincided with rising global equity prices (MSCI ACWI up 20% YoY).

Chart 3: 8 out of 10 FMS investors expect either "soft" or "no" landing in 2024

What is the most likely outcome for the global economy in the next 12 months?



Source: BofA Global Fund Manager Survey

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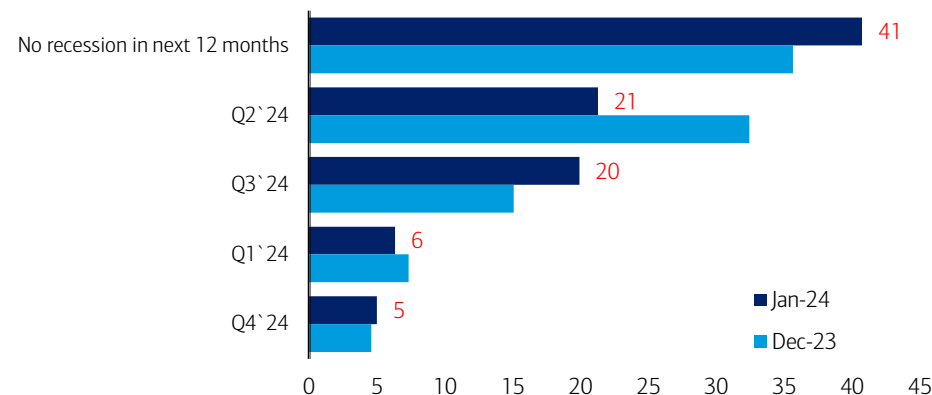
79% of FMS investors expect the global economy to experience either a "soft" or "no" landing in 2024, a 9-month high.

Conversely, only 17% expect a "hard" landing, a 9-month low.

Note the split between "hard," "soft," and "no" landing expectations in Jan'24...17%, 71%, 7%.

Chart 4: Timing of recession?...no recession is #1 FMS answer

When do you expect the US economy to fall into recession?



Source: BofA Global Fund Manager Survey; Bloomberg

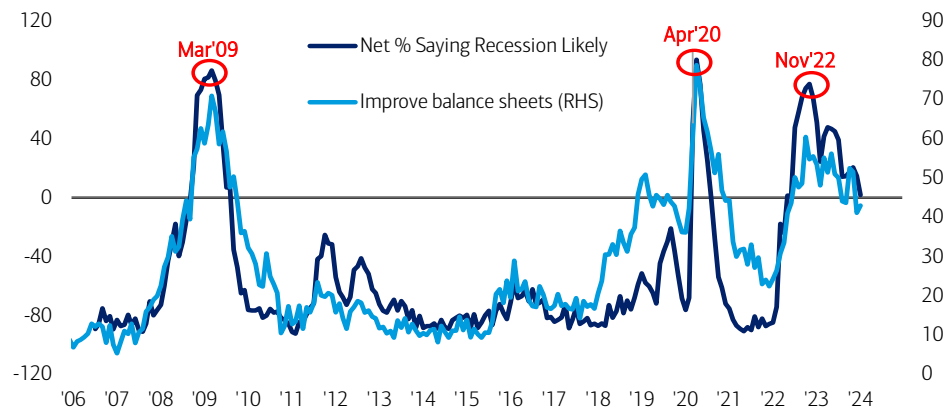
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41% of FMS investors see no recession at all in 2024, a higher percentage than any other answer.

Amongst FMS investors expecting a recession in 2024...21% say Q2, 20% Q3, 6% Q1, and 5% Q4.

Chart 5: No recession = Re-leveraging

Net % saying recession likely vs % wanting companies to improve balance sheets



Source: BofA Global Fund Manager Survey

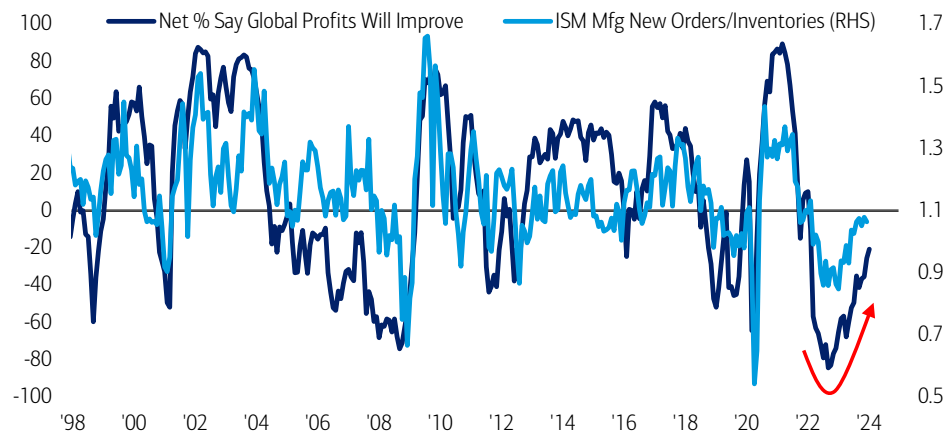
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Net 2% of FMS investors say a recession is likely in the next 12 months, down from 15% in Dec'23 to a 19-month low.

These improving expectations for the economy have coincided with less focus on the need for balance sheet improvement by corporates (43%).

Chart 6: Global profit outlook at 2-year high

Net % say global profits will improve vs ISM manufacturing new orders/inventories



Source: BofA Global Fund Manager Survey

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FMS profit expectations at a 2-year high...net -21% of FMS investors expect global profits to improve in the next 12 months, highest since Feb'22.

Improvement in the lead indicator of ISM manufacturing new orders/inventories ratio typically moves together with rising profit optimism.

Chart 7: First time in 21 months investors expect weaker Chinese economy

Net % FMS investors expecting a stronger Chinese economy in the next 12 months



Source: BofA Global Fund Manager Survey

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China growth expectations slumped back to “lockdown lows” and turned negative for the first time since May'22, 6 months before the announcement of the reopening.

Net 1% of FMS investors now expect a weaker Chinese economy in the next 12 months, down from net 6% who expected a stronger economy a month ago. Note investor optimism on China growth peaked in Feb'23 (78%).

Chart 8: Expectations for lower short-term rates at a record high

% FMS investors expecting lower short-term rates in next 12 months



Source: BofA Global Fund Manager Survey

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FMS investors have never been as bullish on short-term rates as in Jan'24 (data going back to Apr'01) ...a record of 91% expect short-term rates to be lower in the next 12 months, up from 87% in Dec'23.

Chart 9: Inflection point in long-term rate (i.e. bond yields) expectations

% FMS investors expecting lower long-term rates



Source: BofA Global Fund Manager Survey, Bloomberg

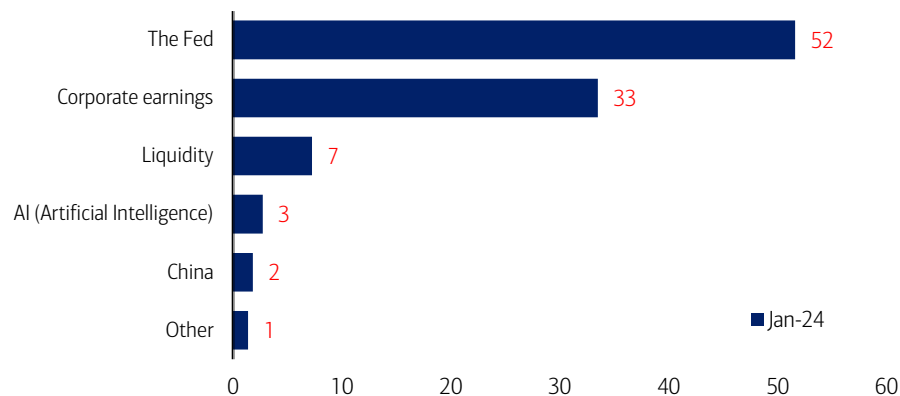
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Investors turned slightly less bullish on bond yields post the 100bps rally in long-term rates over the past 2 months.

55% expect lower bond yields in the next 12 months, down slightly from a record 62% in Dec'23.

Chart 10: Biggest driver of equity prices in 2024...the Fed

What will be the most important driver of equity prices in 2024?



Source: BofA Global Fund Manager Survey

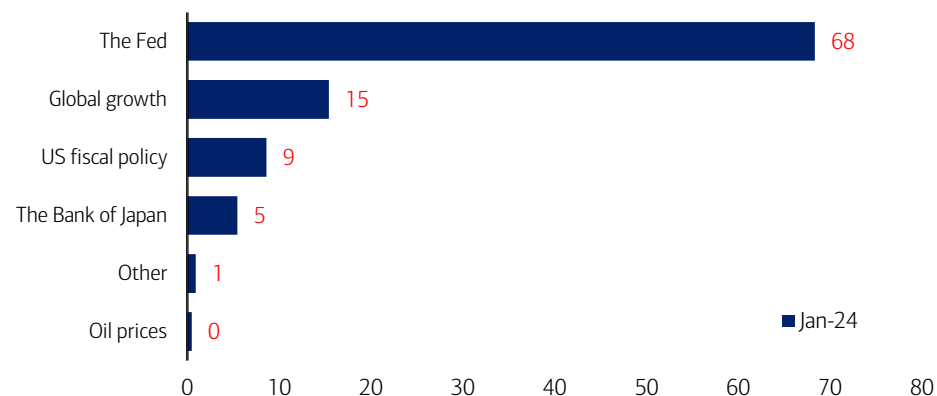
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An outright majority (52%) of FMS investors sees the Fed as the most important driver of equity prices in 2024.

Note that the Fed (i.e. rates) and corporate earnings gather 85% of FMS answers.

Chart 11: Biggest driver of bond yields in 2024...the Fed

What will be the most important driver of bond yields in 2024?



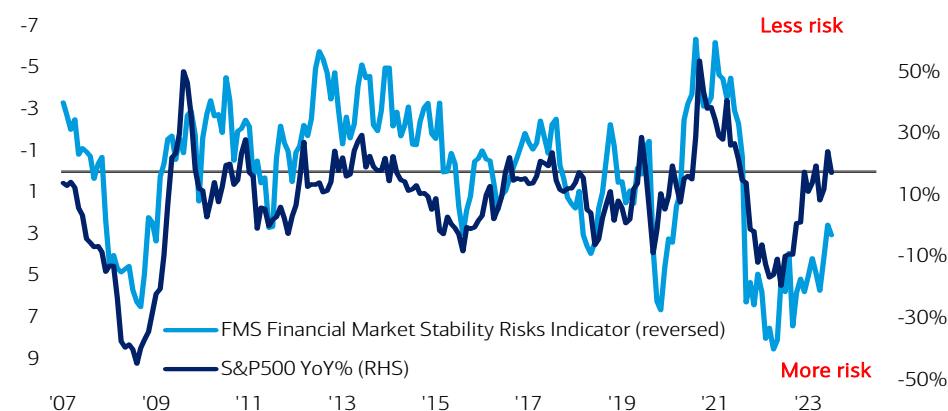
Source: BofA Global Fund Manager Survey

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Over 2 out of 3 FMS investors think the Fed will be the most important driver of bond yields in 2024, well above those who see global growth (15%), US fiscal policy (9%), or the BoJ (5%) as the #1 driver.

Chart 12: FMS Financial Market Stability Risks Indicator rises to 3.0 from 2.5

FMS Financial Market Stability Risks Indicator (reversed) vs S&P 500 YoY %



Source: BofA Global Fund Manager Survey

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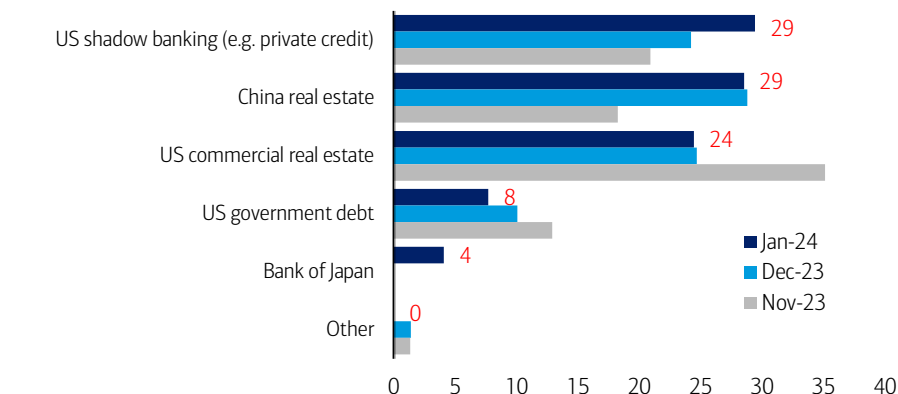
FMS Financial Market Stability Risks Indicator rises to 3.0 from 2.5 on greater "geopolitical risk," "business cycle risk," and "counterparty risk".

The FMS Financial Market Stability Risks Indicator is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This indicator was not created to act as a benchmark.

More info and methodology on the FMS Financial Market Stability Risks Indicator can be found in the [Nov'22 Global FMS](#).

Chart 13: Most likely source of credit event...US shadow banking and China real estate

What is the most likely source for a systemic credit event?



Source: BofA Global Fund Manager Survey

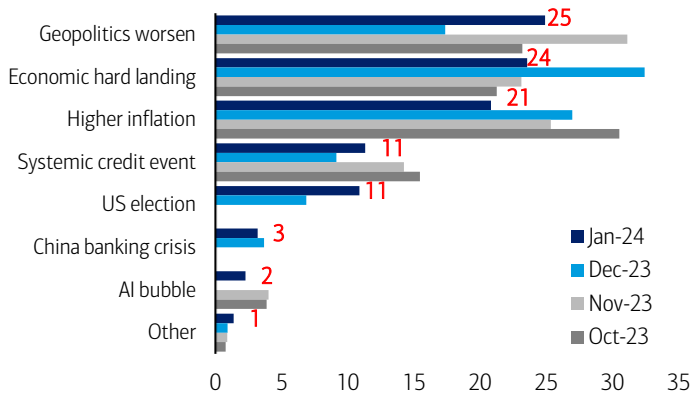
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US shadow banking becomes the #1 most likely source of a credit event in January, overtaking China real estate (now #2).

Note that over 1 out of every 2 FMS investors still considers the real estate sector (US or China), as the #1 most likely source for a systemic credit event.

Chart 14: Biggest 'tail risk' ... "Geopolitics worsen"

What do you consider the biggest 'tail risk'?



Source: BofA Global Fund Manager Survey

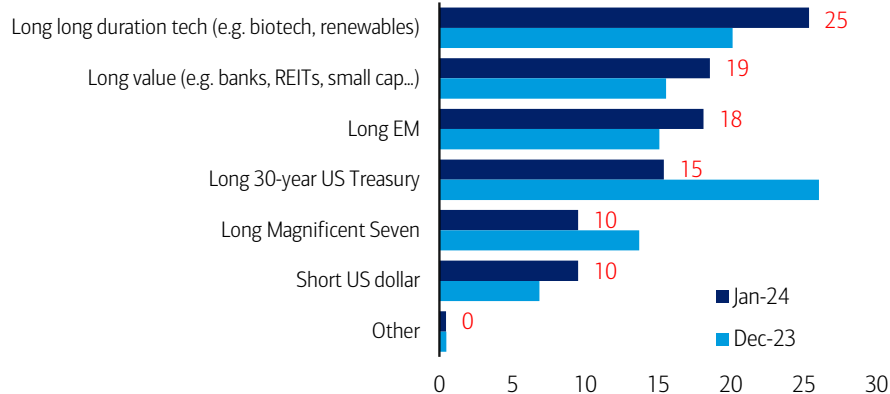
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Jan '24 biggest "tail risk":

1. Geopolitics worsen 25%
2. Economic hard landing 24%
3. Higher inflation 21%
4. Systemic credit event 11%
5. US election 11%
6. China banking crisis 3%
7. AI bubble 2%

Chart 15: Asset to perform best should the Fed cut rates in H1'24... 'long duration tech'

If the Fed cuts rates in H1'24, which of the following assets do you expect to perform best?



Source: BofA Global Fund Manager Survey

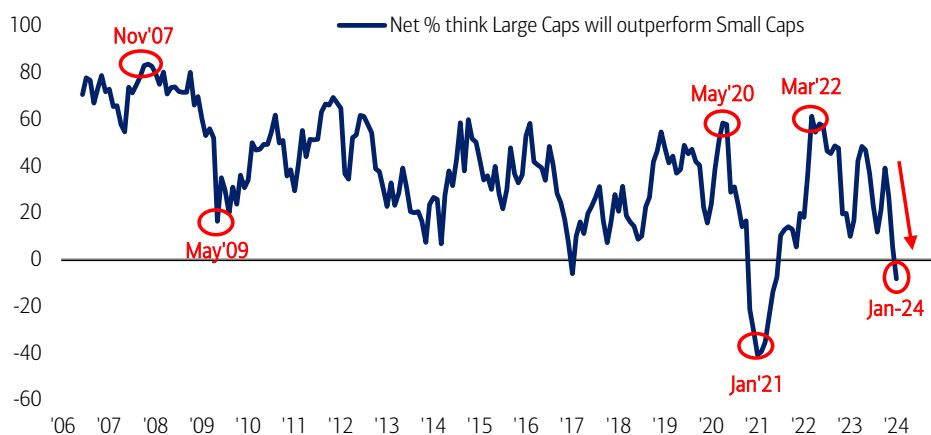
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1 out of 4 FMS investors sees 'long duration tech' (e.g. biotech, renewables) as the biggest beneficiary of Fed rate cuts in H1'24, ahead of value stocks (19%), and EM equities (18%).

Note that 72% of FMS investors see equities, rather than long duration bonds or the US dollar, as the best way to play a Fed rate cutting cycle over the next 6 months.

Chart 16: For the first time since Jun'21 large caps expected to underperform small caps

Net % FMS investors who think large caps will outperform small caps in the next 12 months



Source: BofA Global Fund Manager Survey

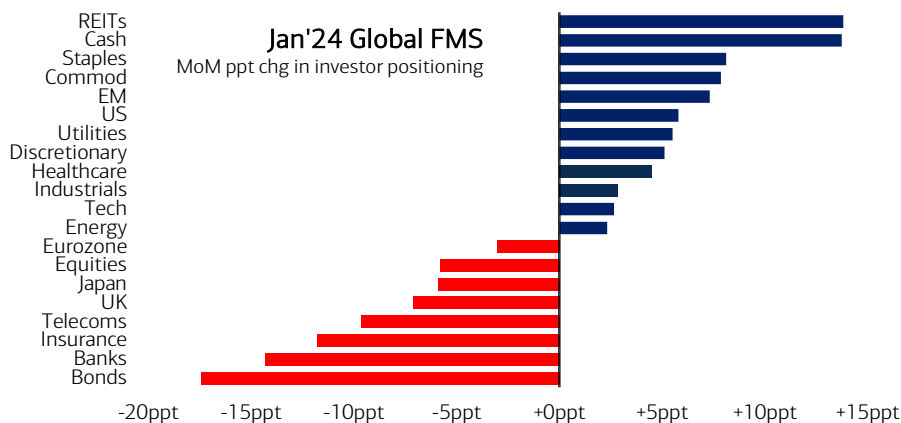
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A greater share of FMS investors sees large caps underperforming small caps for the first time since Jun'21...

Net 8% say large caps < small caps in the next 12 months per the Jan'24 FMS. This compares to 5% saying large caps > small caps in Dec'23, and 61% large caps > small caps in Mar'22.

Chart 23: Investors rotated into REITs, staples, cash, and out of bonds, banks, telecom

MoM ppt change in FMS investor positioning



Source: BofA Global Fund Manager Survey

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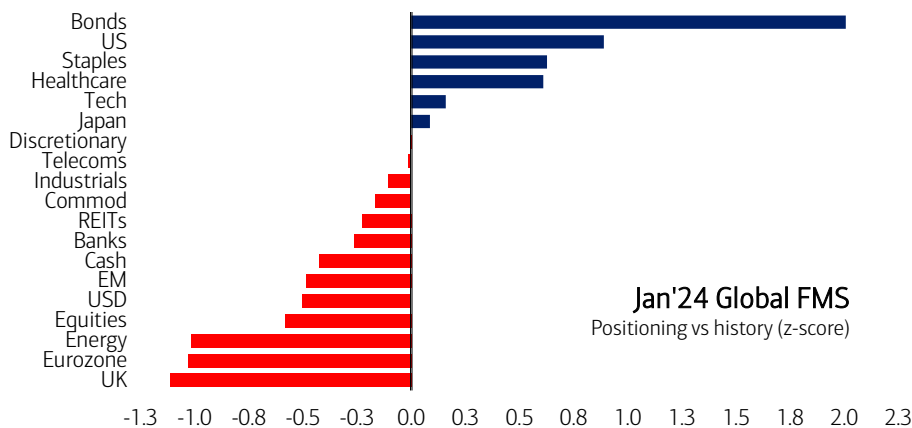
This chart shows FMS investor changes MoM in allocation.

In January, FMS investors rotated into REITs, staples, commodities and added to cash...

...and trimmed longs in bonds, banks, insurance, telecoms and cut further UK.

Chart 24: Investors OW Bonds, US, staples & healthcare, and UW UK, Eurozone vs history

FMS positioning vs history (z-score)



Source: BofA Global Fund Manager Survey

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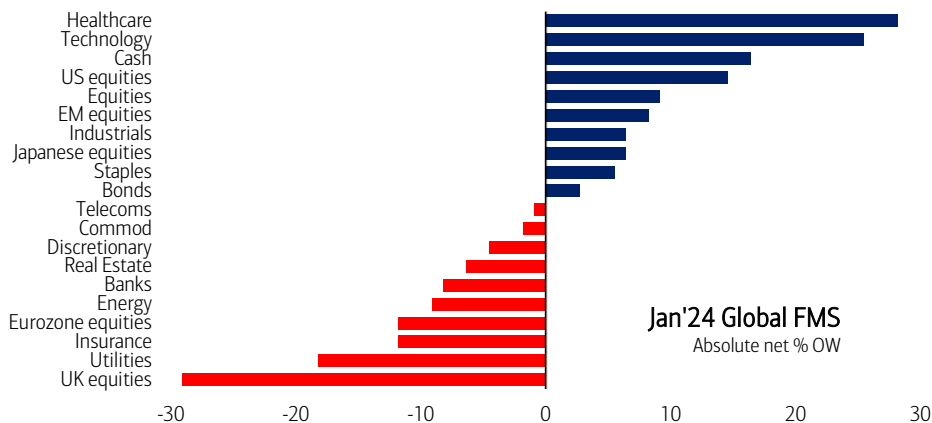
This chart shows FMS investor positioning relative to the average positioning of the past 20 years.

Relative to history, investors are long bonds, US, staples & healthcare...

...and are underweight UK, Eurozone, energy & equities.

Chart 25: In absolute terms, FMS OW Healthcare, Tech, Cash vs UW Europe, Utilities, Insurance

FMS absolute net % overweight



Source: BofA Global Fund Manager Survey

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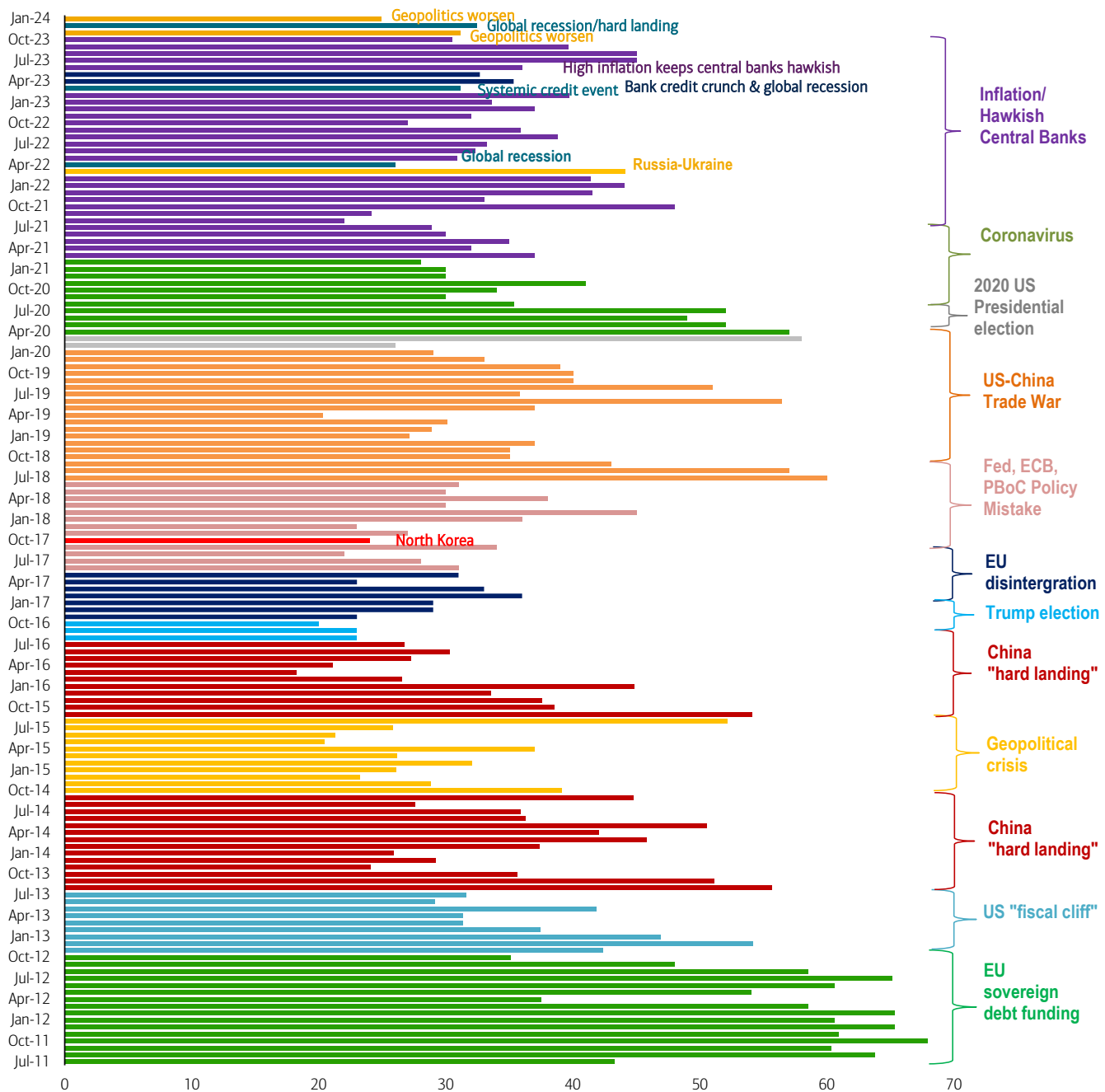
This chart shows absolute FMS investor positioning (net %)...

Bullish: healthcare, tech, bonds & US;

Bearish: UK/Eurozone, utilities & financials.

Chart 26: Evolution of Global FMS “biggest tail risk”

History of Global FMS “biggest tail risk” answers



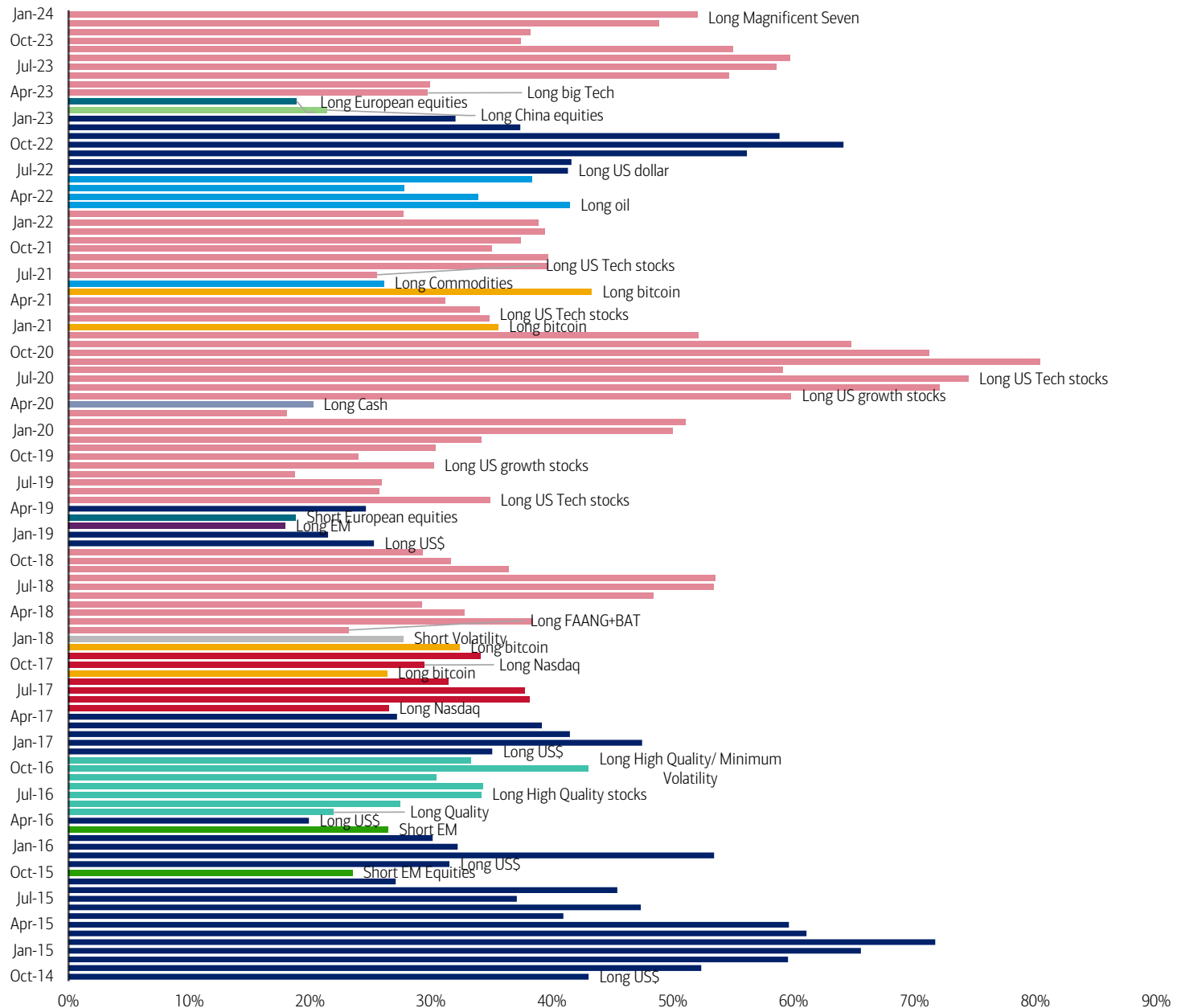
Source: BofA Global Fund Manager Survey

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- This chart shows the full history of the biggest “tail risk” for markets from BofA’s monthly Global Fund Manager Survey.
- The dominant concerns of investors since 2011 have been Eurozone debt & potential breakdown; Chinese growth; populism, quantitative tightening & trade wars, global coronavirus; now inflation/bond tantrum and central bank rate hikes.
- Geopolitics worsen the top “tail risk” at 25% of FMS investors; #2 Economic hard landing, #3 High inflation.

Chart 27: Evolution of Global FMS “most crowded trade”

History of Global FMS “most crowded trade” answers



Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

- This chart shows the full history of the most “crowded trade” according to BofA’s monthly Global Fund Manager Survey.
- The market leadership has been relatively narrow since 2013, shifting from high yielding debt; long US\$; long Quality; long Tech; long Emerging Markets; long US Treasuries, long US tech & growth stocks, long Bitcoin, long commodities, long tech, long commodities, long US dollar, and long Magnificent Seven.
- Long Magnificent Seven is the most crowded trade (52%) followed by #2 Short China equities, #3 Long Japan equities, #4 Long 30-year US Treasury.

BofA Global FMS Rules & Tools

The Global FMS Rules & Tools are designed to help investors determine risk appetite, rotation opportunities, and tactical entry points.

Table 1: BofA Global FMS Cash Rule and Bull & Bear Indicator

Current reading of BofA Global FMS Cash Rule and Bull & Bear Indicator

	Category	Current reading	Current signal
BofA Global FMS Cash Rule	Contrarian	4.8%	Neutral
Buy global equities when cash at or above 5.0%; sell when cash at or below 4.0%			
BofA Bull & Bear Indicator	Contrarian	5.5	Neutral
Buy global equities when the indicator falls below 2.0; sell when it rises above 8.0			

Source: BofA Global Investment Strategy

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Disclaimer: The indicators identified as BofA Global FMS Cash Rule and BofA Bull & Bear Indicator above are intended to be indicative metrics only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These indicators were not created to act as a benchmark.

For full details please see: Global Investment Strategy: [The BofA Global FMS Rules & Tools, 12 November 2020](#).

Investors on the Macro

Chart 28: Net % of FMS investors who see a stronger global economy in next 12 months

Net % of FMS investors expecting stronger economy



Source: BofA Global Fund Manager Survey

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January FMS showed net 40% of investors expect a weaker economy in next 12 months, down 10ppt MoM to the most optimistic sentiment since Feb'22.

Chart 29: Net % of FMS investors that think global CPI (in YoY terms) will be higher

Net % of FMS investors expecting higher inflation



Source: BofA Global Fund Manager Survey.

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Net 71% of FMS investors expect lower global CPI in the next 12 months, down 4ppt MoM.

Investor Risk Appetite

Chart 30: Level of risk that investors are currently taking in their investments

Net% of FMS investors taking higher than normal risk levels



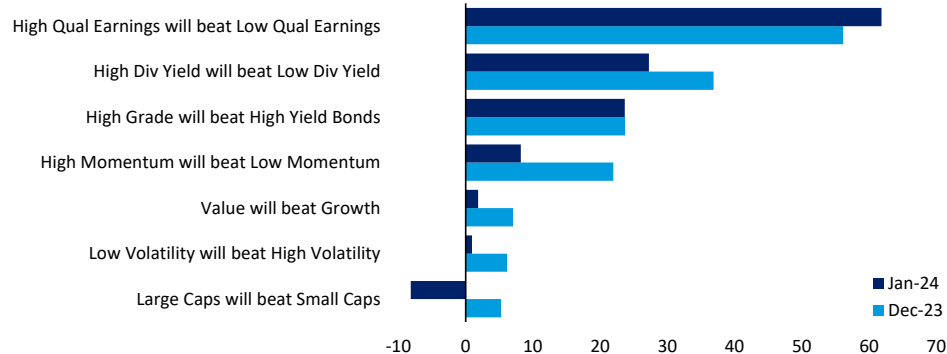
Source: BofA Global Fund Manager Survey

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Net 21% of FMS investors say they are currently taking lower-than-normal risk levels, up 8ppt MoM.

Chart 31: Expectations for investment performance over the next 12 months

Over the next 12 months, net % FMS investors think...



Source: BofA Global Fund Manager Survey

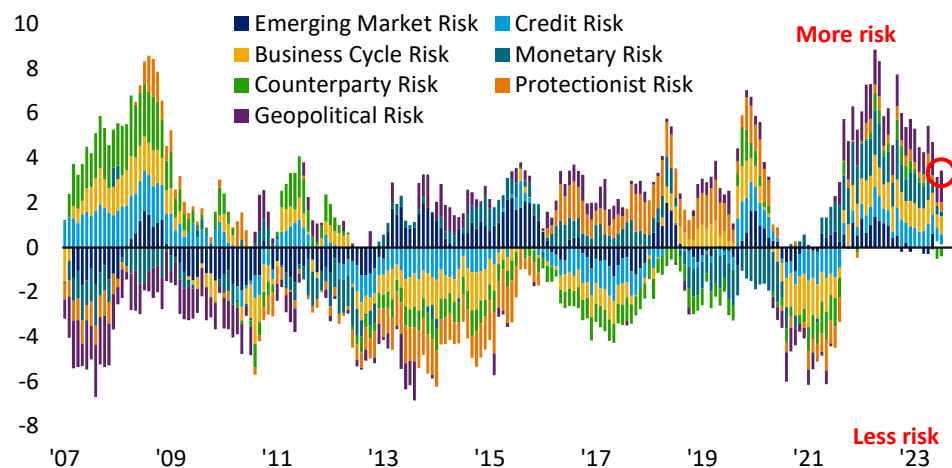
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FMS investors continue to favor high quality over low quality earnings (net 62%, up 6ppt MoM) and high-grade over high-yield bonds (net 24%).

For the first time since Jun'21, investors expect small caps to outperform large caps (net 8%).

Chart 32: FMS Financial Market Stability Risks Indicator rises to 3.0 from 2.5

FMS Financial Market Stability Risks Indicator vs S&P 500 YoY %



Source: BofA Global Fund Manager Survey, Bloomberg

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FMS Financial Market Stability Risks Indicator rises to 3.0 from 2.5.

The FMS Financial Market Stability Risks Indicator is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. The FMS Financial Market Stability Risks Indicator was not created to act as a benchmark.

More info and methodology on the FMS Financial Market Stability Risks Indicator can be found in the [Nov'22 Global FMS](#).

Investors on EPS & Leverage

Chart 33: Net % of FMS investors that think global corporate profit growth will improve

Net % of FMS investors saying global profits will improve



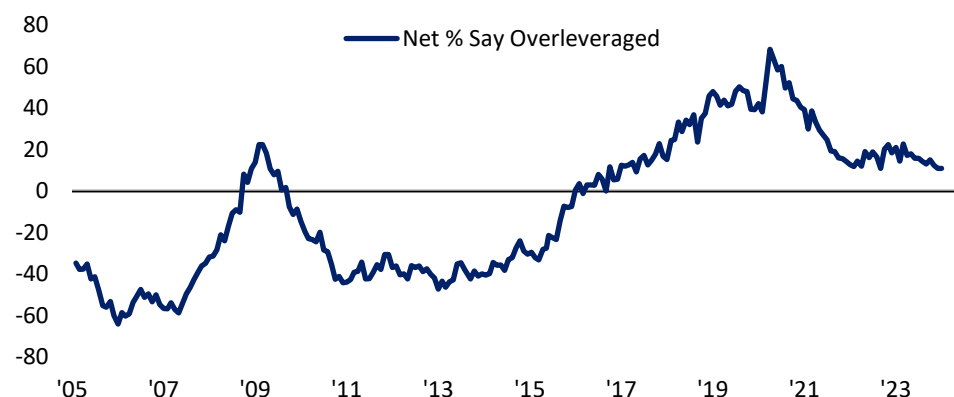
Source: BofA Global Fund Manager Survey

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Net 21% of investors think profits will worsen in next 12 months, down 5ppt MoM to the most optimistic profit outlook since Feb'22.

Chart 34: Net % of FMS investors that think corporate balance sheets are overleveraged

Net% of FMS investors saying companies are overleveraged



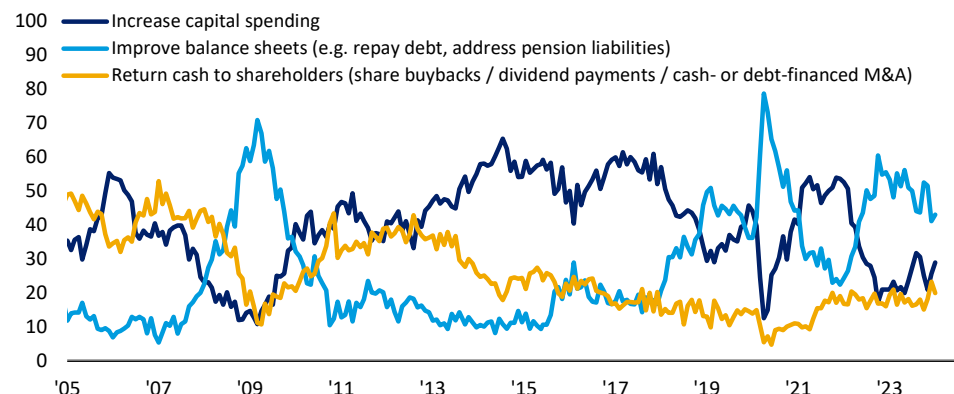
Source: BofA Global Fund Manager Survey

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Net 11% of FMS investors say companies are overleveraged (flat MoM).

Chart 35: What would you most like to see companies do with cash flow?

What FMS investors would most like to see companies do with cash flow



Source: BofA Global Fund Manager Survey

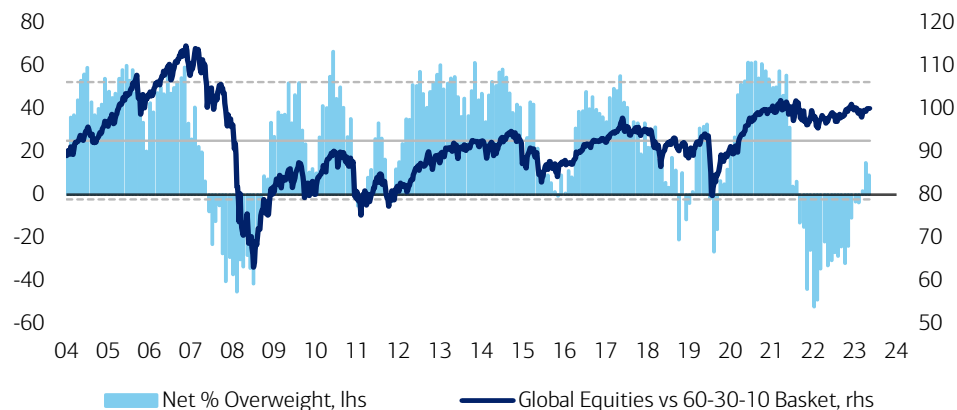
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43% of FMS investors want corporates to improve balance sheets (up 2ppt MoM) over increasing capital spending (29%, up 3ppt MoM) or returning cash to shareholders (20%, down 3ppt MoM).

FMS Asset Allocation

Chart 36: Net % AA Say they are overweight Equities

Net% of FMS investors overweight equities



Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

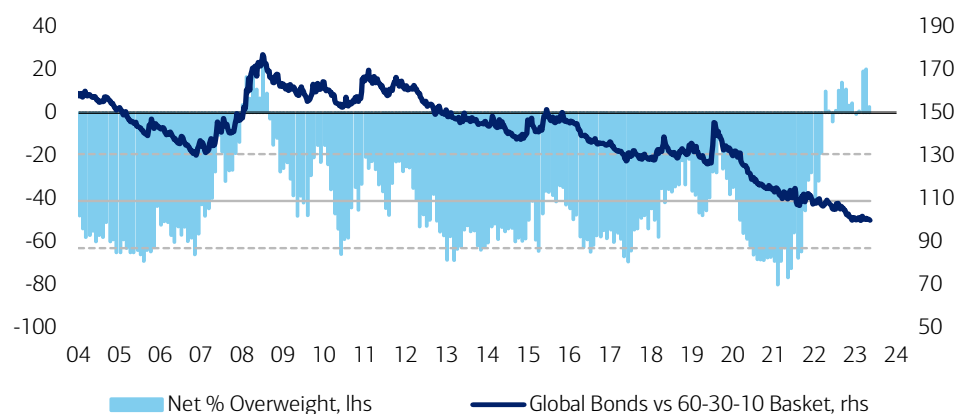
FMS investors are still OW equities, but allocation dropped 6ppt this month to net 9% OW.

Note that FMS investors have been OW equities for three months now, after an 18-month period of UW allocation that ran from May'22 through Oct'23.

Current allocation is 0.6 stdev below its long-term average.

Chart 37: Net % AA Say they are overweight Bonds

Net% of FMS investors overweight bonds



Source: BofA Global Fund Manager Survey, Datastream

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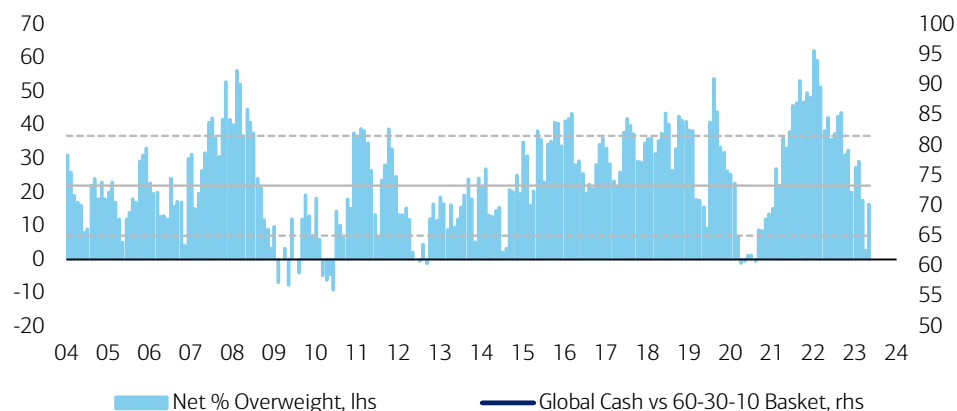
FMS investors' bond allocation collapsed 17ppt MoM to just net 3% overweight (a 3-month low).

Investors have been overweight bonds for 10 of the past 12 months.

Current allocation is 2.0 stdev above its long-term average.

Chart 38: Net % AA Say they are overweight Cash

Net% of FMS investors overweight cash



Source: BofA Global Fund Manager Survey, Datastream

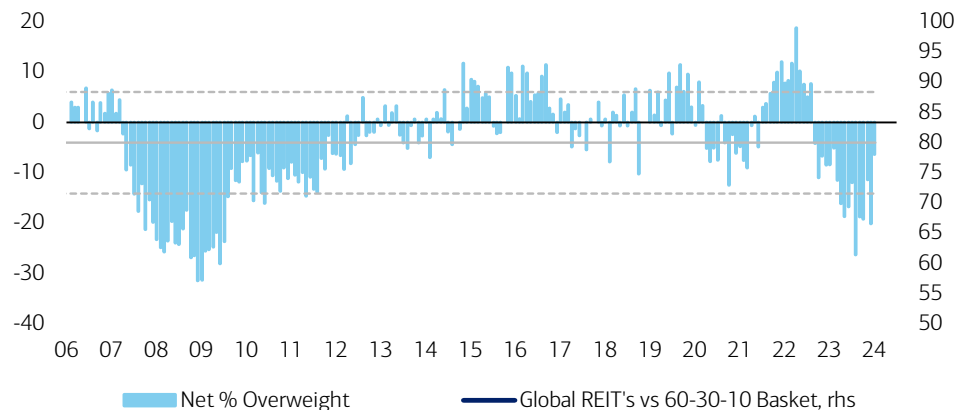
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FMS cash allocation jumped 13ppt MoM to net 16% overweight.

Current allocation is 0.4 stdev below its long-term average.

Chart 39: Net % AA Say they are overweight Real Estate

Net% of FMS investors overweight Real Estate



Source: BofA Global Fund Manager Survey, Datastream

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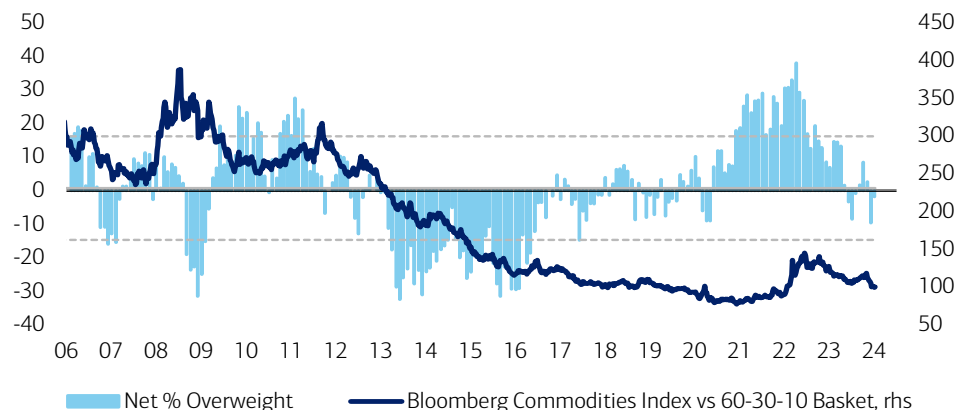
Allocation to real estate spiked 14ppt MoM to net 6% underweight, highest allocation since Feb'23.

Investors have been UW real estate consistently since Aug'22.

Current allocation is 0.2 stdev below its long term average.

Chart 40: Net % AA Say they are overweight Commodities

Net% of FMS investors overweight commodities



Source: BofA Global Fund Manager Survey, Datastream.

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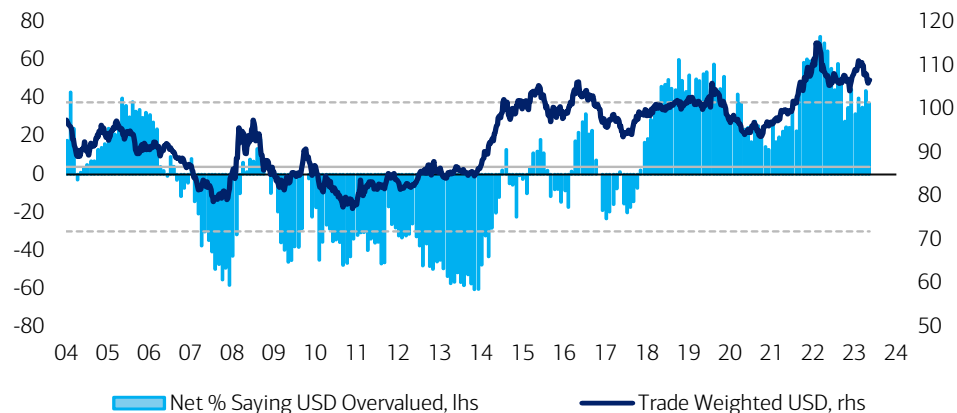
Allocation to commodities increased 8ppt MoM to net 2% underweight.

Current allocation is 0.2 stdev below its long-term average.

Currencies extremes

Chart 41: USD Valuation and Trade weighted index

Net% of FMS investors saying USD overvalued



Source: BofA Global Fund Manager Survey, Datastream

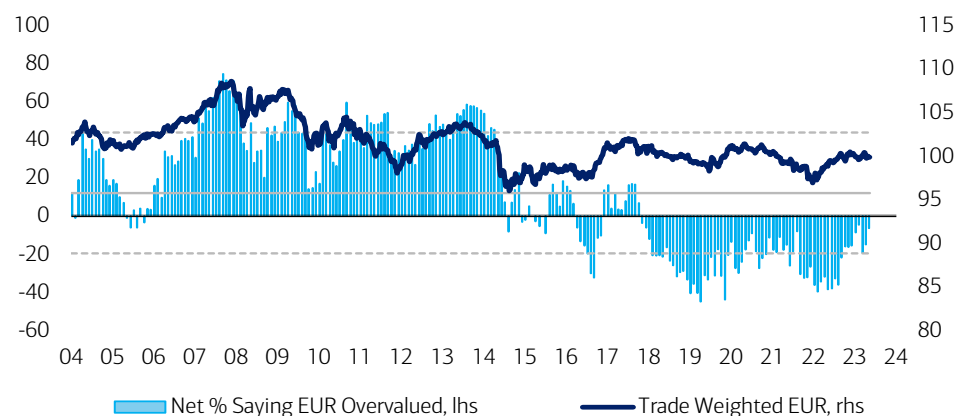
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FMS investors saying the US\$ is overvalued was down 7ppt MoM to net 37%.

Current valuations are 1.3 stdev above the long-term average.

Chart 42: EUR valuation and Trade weighted index

Net% of FMS investors saying EUR overvalued



Source: BofA Global Fund Manager Survey, Datastream

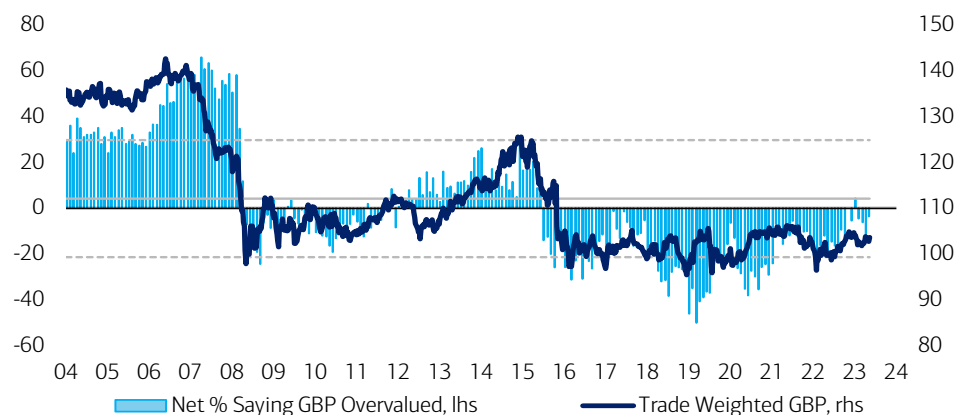
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Net 6% of FMS investors say EUR is undervalued, down 9ppt MoM (3-month low).

Current valuations are 0.5 stdev below the long-term average.

Chart 43: GBP valuation and Trade weighted index

Net % of FMS investors saying GBP overvalued



Source: BofA Global Fund Manager Survey, Datastream

BofA GLOBAL RESEARCH

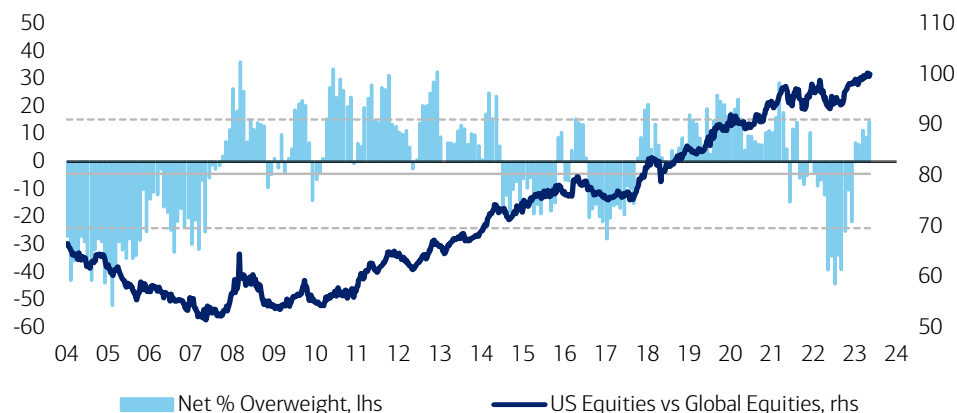
Net 4% of FMS investors think GBP is undervalued, down 10ppt MoM (4-month low).

Current valuations are 0.4 stdev below the long-term average.

Investor Regional Equity Allocation

Chart 44: Net % AA Say they are overweight US Equities

Net% of FMS investors overweight US equities



Source: BofA Global Fund Manager Survey, Datastream

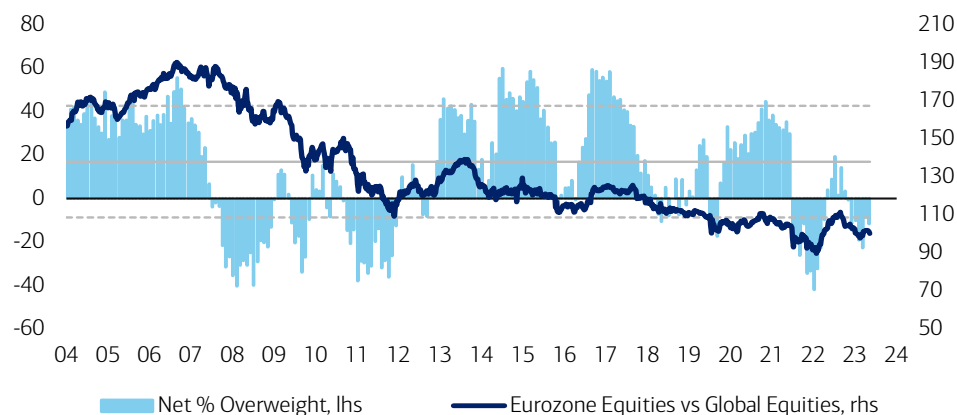
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Allocation to US equities increased 6ppt MoM to net 15% overweight, highest since Dec'21.

Current allocation is 1.0 stdev above its long-term average.

Chart 45: Net % AA Say they are overweight Eurozone Equities

Net% of FMS investors overweight EU equities



Source: BofA Global Fund Manager Survey, Datastream

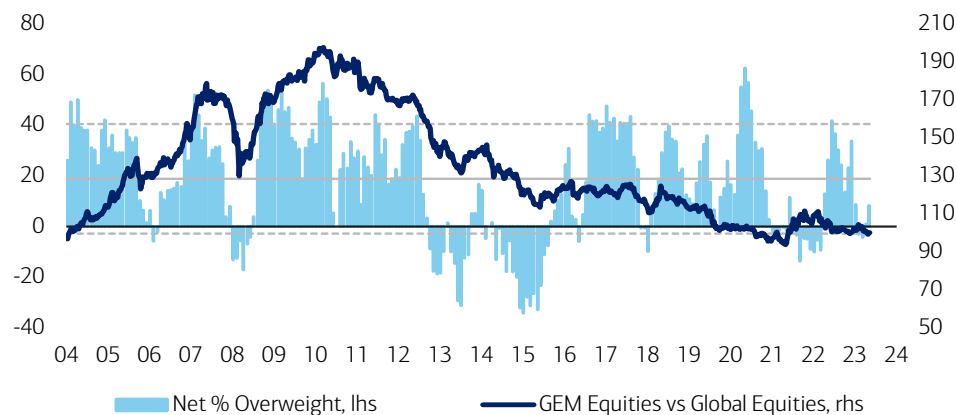
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Allocation to Eurozone equities was down 3ppt MoM to net 12% UW.

Current allocation is 1.0 stdev below its long-term average.

Chart 46: Net % AA Say they are overweight GEM Equities

Net% of FMS investors overweight EM equities



Source: BofA Global Fund Manager Survey, Datastream

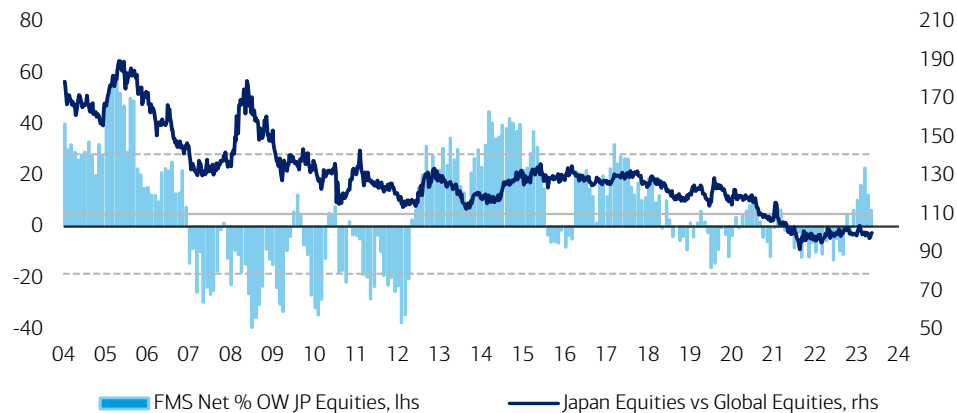
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Allocation to EM equities was up 7ppt MoM to net 8% overweight (4-month high).

Current allocation is 0.5 stdev below its long-term average.

Chart 47: Net % AA Say they are overweight Japanese Equities

Net% of FMS investors overweight Japanese equities



Source: BofA Global Fund Manager Survey, Datastream

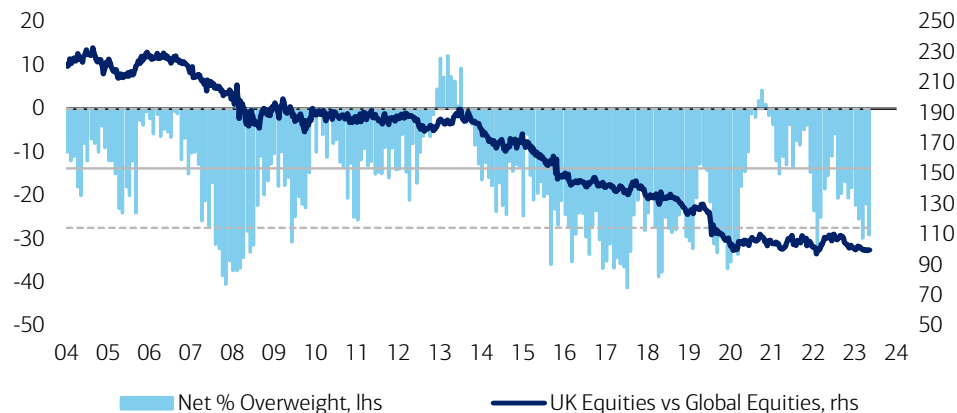
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FMS allocation to Japanese equities dropped 6ppt MoM to net 6% overweight (5-month low).

Current allocation is 0.1 stdev above its long-term average.

Chart 48: Net % AA Say they are overweight UK Equities

Net% of FMS investors overweight UK equities



Source: BofA Global Fund Manager Survey, Datastream

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FMS allocation to UK equities dropped 7ppt MoM to net 29% underweight.

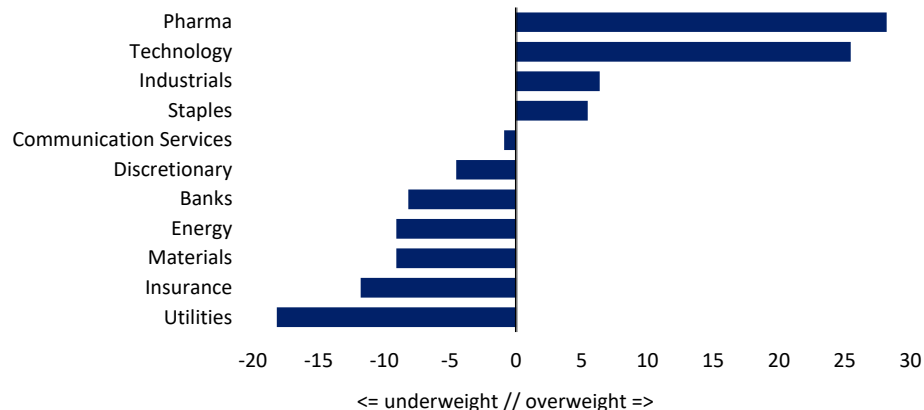
FMS investors have been consistently underweight UK equities since Jul'21.

Current allocation is 1.1 stdev below its long-term average.

Investor Sector Allocation

Chart 49: Global Sector Sentiment

% saying overweight - % saying underweight



Source: BofA Global Fund Manager Survey

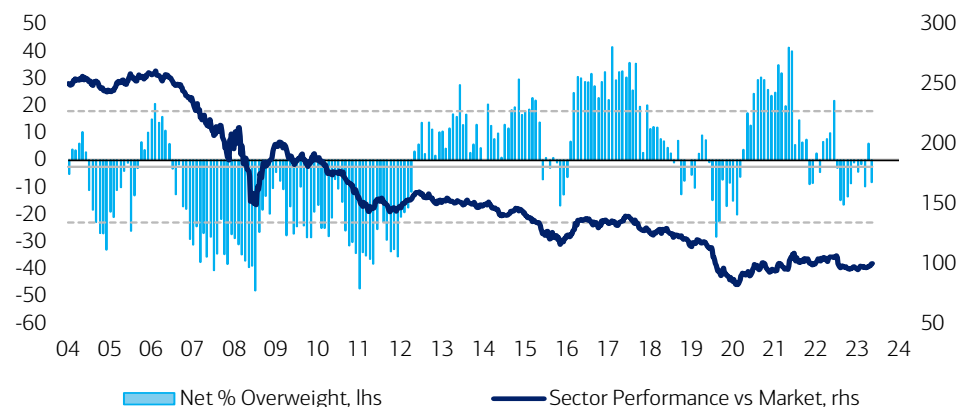
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January saw FMS investors buying into staples, utilities, and discretionary, and selling out of banks, insurance, and telecom.

FMS investors are the most (net) overweight pharma and tech, and the most (net) underweight utilities and insurance.

Chart 50: Global Banks

Net % of FMS investors overweight banks



Source: BofA Global Fund Manager Survey, Datastream

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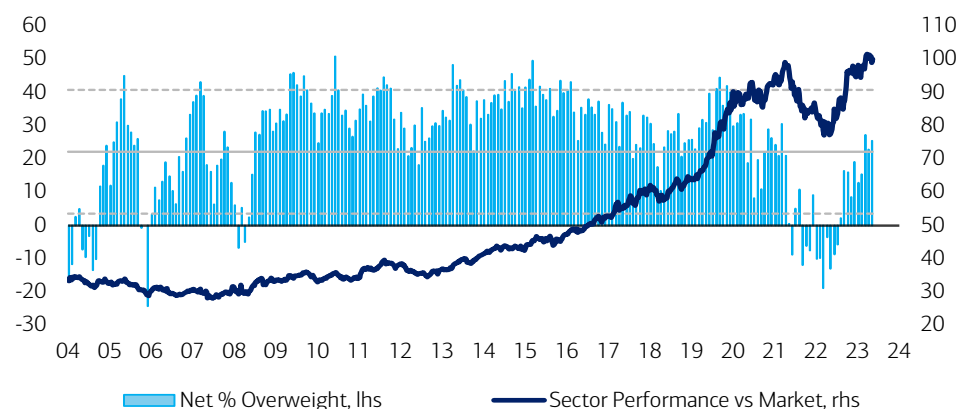
Allocation to banks collapsed 14ppt to net 8% UW.

This was the largest monthly decline since the Mar'23 regional banking crisis (when allocation fell 25ppt MoM).

Current reading is 0.3 stdev below its long-term average.

Chart 51: Global Technology

Net % of FMS investors overweight technology



Source: BofA Global Fund Manager Survey, Datastream

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Allocation to technology was up 2ppt MoM to net 25% overweight.

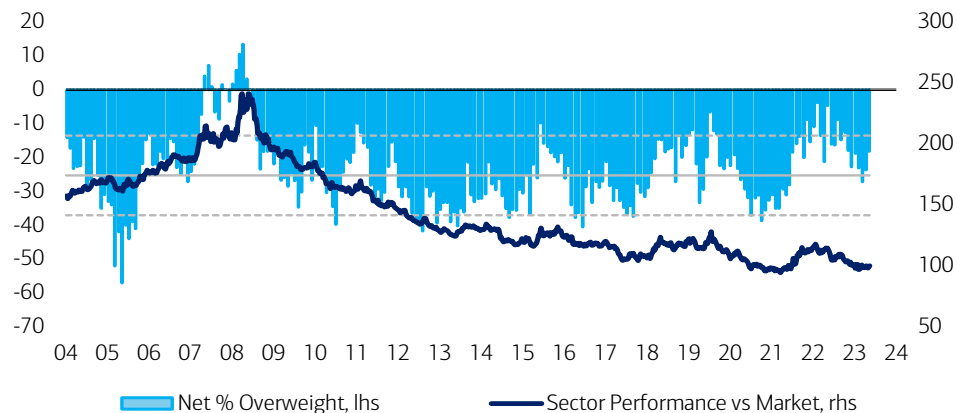
FMS investors have been OW tech for the past 10 months.

Current reading is 0.2 stdev above its long-term average.



Chart 52: Global Utilities

Net % of FMS investors overweight utilities



Source: BofA Global Fund Manager Survey, Datastream

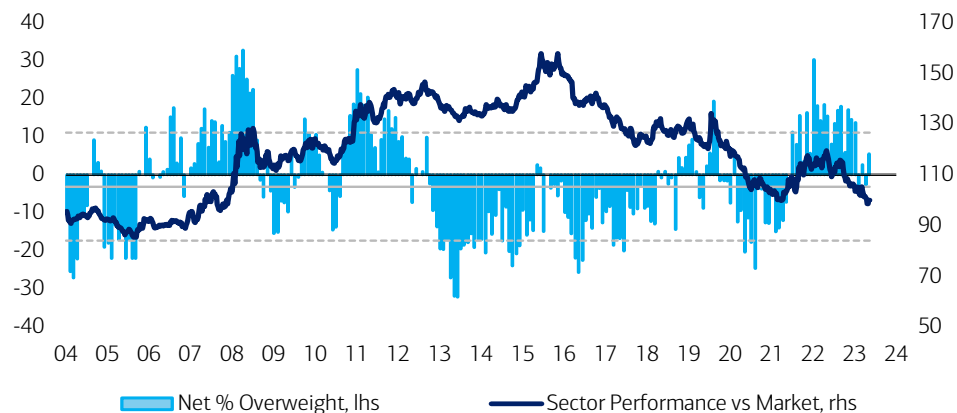
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Allocation to utilities increased 6ppt MoM to net 18% underweight.

Current reading is 0.6 stdev above its long-term average.

Chart 53: Global Consumer Staples

Net % of FMS investors overweight consumer staples



Source: BofA Global Fund Manager Survey, Datastream

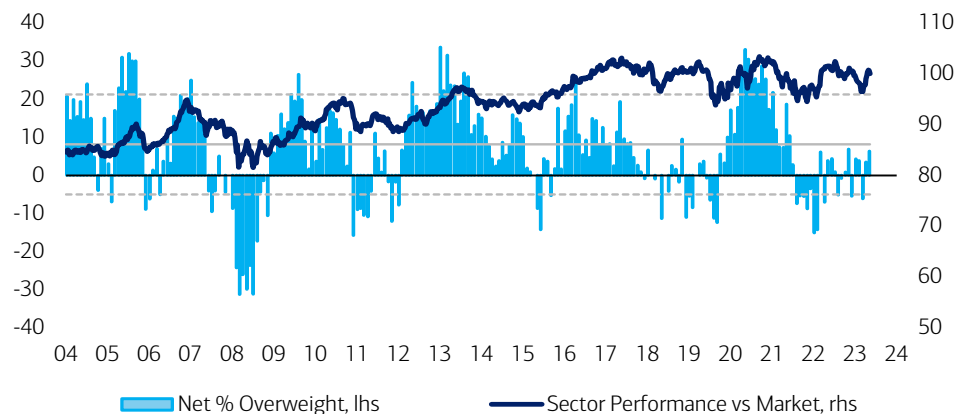
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Allocation to staples jumped 8ppt MoM to net 5% overweight.

Current reading is 0.6 stdev above its long-term average.

Chart 54: Global Industrials

Net % of FMS investors overweight industrials



Source: BofA Global Fund Manager Survey, Datastream

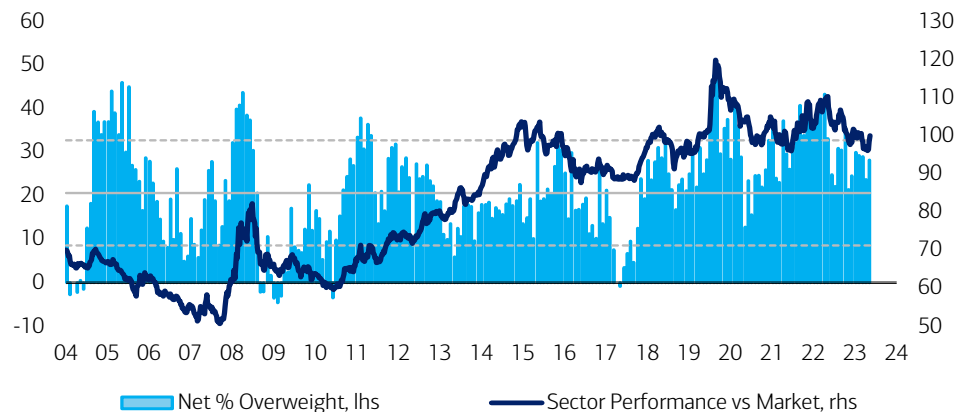
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Allocation to industrials was up 2ppt MoM to net 6% overweight, highest since Jul'23.

Current reading is 0.1 stdev below its long-term average.

Chart 55: Global Healthcare

Net% of FMS investors overweight healthcare



Source: BofA Global Fund Manager Survey, Datastream

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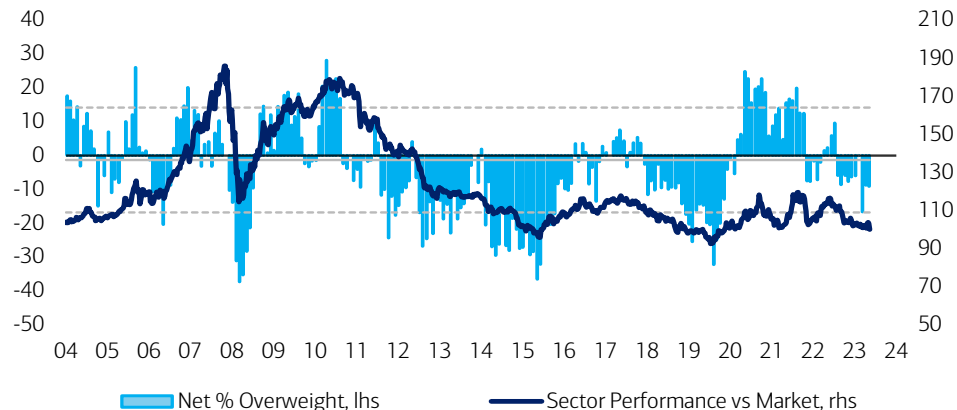
Allocation to healthcare was up 4ppt MoM to net 28% overweight.

FMS investors have kept their net overweight on healthcare continuously since Jan'18.

Current reading is 0.6 stdev above its long-term average.

Chart 56: Global Materials

Net% of FMS investors overweight materials



Source: BofA Global Fund Manager Survey, Datastream

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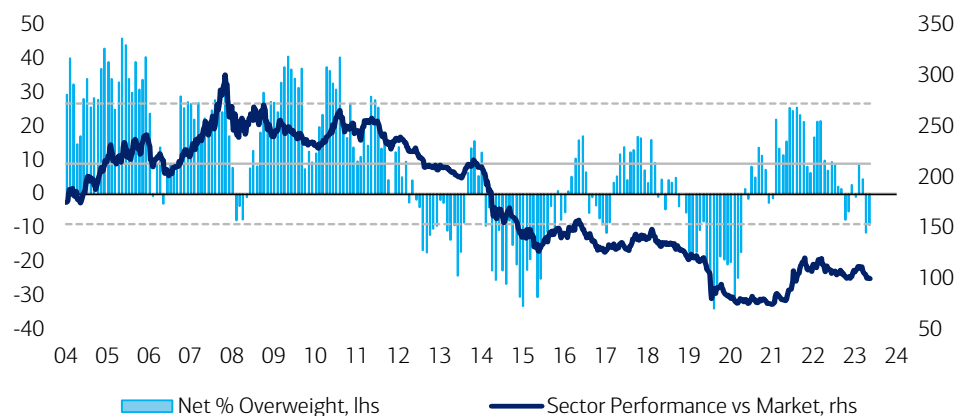
Allocation to materials was flat MoM at net 9% underweight.

FMS Investors have been UW materials since Apr'23.

Current reading is 0.5 stdev below its long-term average.

Chart 57: Global Energy

Net% of FMS investors overweight energy



Source: BofA Global Fund Manager Survey, Datastream

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Allocation to energy was up 2ppt MoM to net 9% UW.

Current reading is 1.0 stdev below its long-term average.

Global survey demographics data

Table 2: Position / Institution / Approach to Global Equity Strategy

Position / Institution / Approach to Global Equity Strategy

	Jan-24	Dec-23	Nov-23
Structure of the panel - by position			
Chief Investment Officer	43	36	39
Asset Allocator / Strategist / Economist	60	66	64
Portfolio Manager	104	108	108
Other	14	9	14
Structure of the Panel - by expertise			
Global Specialists Only	110	114	114
Regional Specialists With a Global View	111	105	111
Total # of Respondents to Global Questions	221	219	225

Which of the Following Best Describes the Type of Money You are Running?

Institutional funds (e.g. pension funds / insurance companies)	67	62	69
Hedge funds / proprietary trading desks	25	26	33
Mutual funds / unit trusts / investment trusts	98	93	85
None of the above	31	38	38

What Do You Estimate to be the Total Current Value of Assets Under Your Direct Control?

Up to \$250mn	40	43	44
Around \$500mn	31	28	32
Around \$1bn	33	31	38
Around \$2.5bn	34	30	26
Around \$5bn	15	16	19
Around \$7.5bn	4	4	5
Around \$10bn or more	34	37	29
No funds under my direct control	30	30	32
Total (USD bn)	589	611	553

What best describes your investment time horizon at this moment?

3 months or less	58	60	73
6 months	63	52	59
9 months	20	27	22
12 months or more	77	77	67
Weighted average	7.6	7.7	7.1
Don't know	3	3	4

Source: BofA Global Fund Manager Survey

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R1}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R1} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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