



**CARIBBEAN
ACTUARIAL
ASSOCIATION**



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STRATEGIC ASSET ALLOCATION IN THE WILD

This presentation has been prepared for the 2023 Caribbean Actuarial Association (CAA) Conference.

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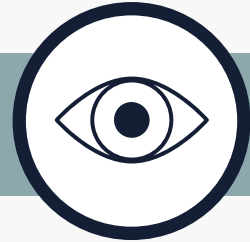




Through their eyes



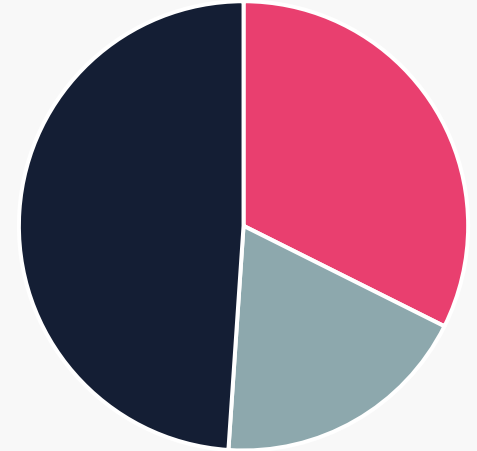
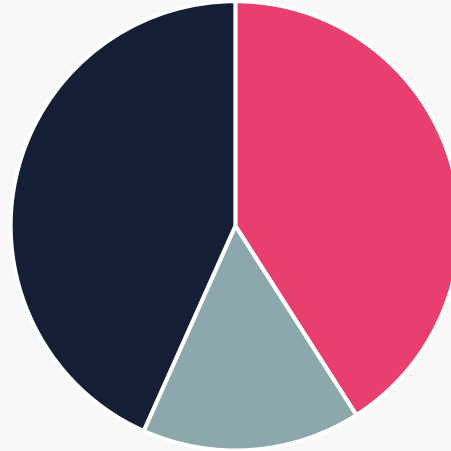
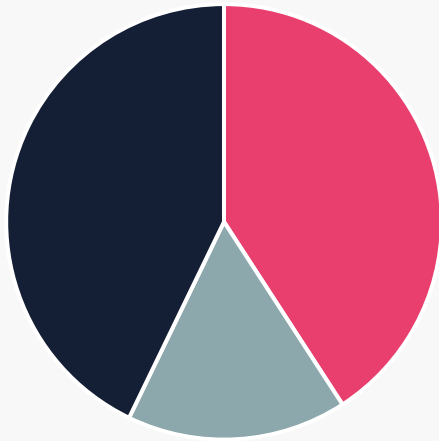
Inflation +



Cash +



Government bonds +



■ Equities

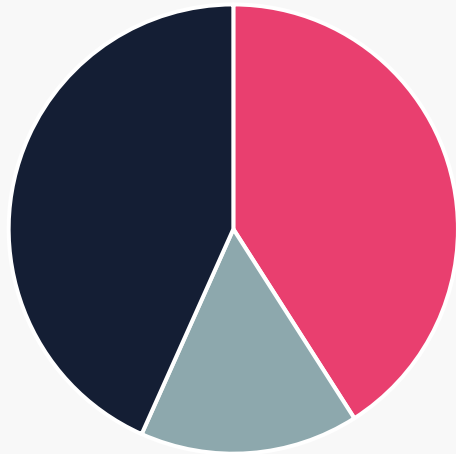
■ Real assets

■ Bonds and cash

Risk budget trumps investor type

Intentional decision-making

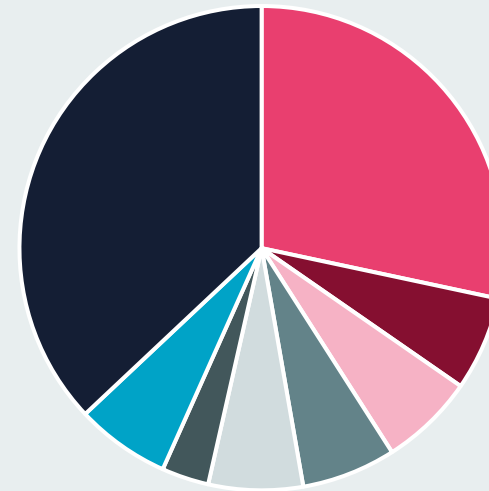
Reference Portfolio



- Equities
- Real assets
- Government bonds and cash



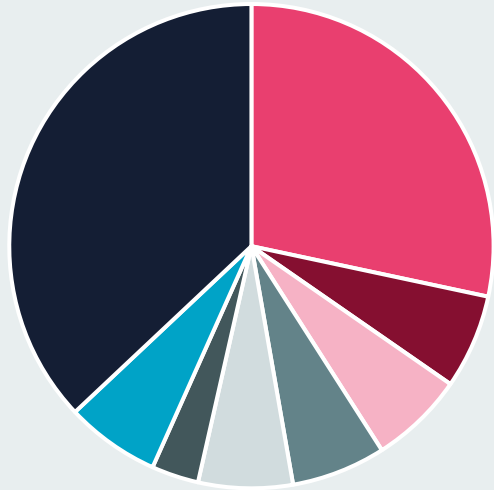
Strategic Portfolio



- Developed equity
- Emerging market equity
- Private equity
- Infrastructure
- Property
- Commodities
- Corporate bonds
- Government bonds + cash

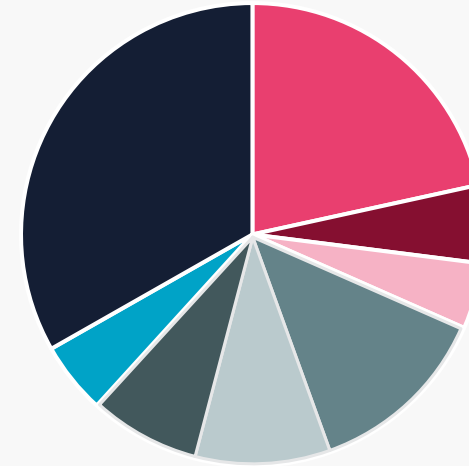
The adaptive portfolio

Strategic Portfolio



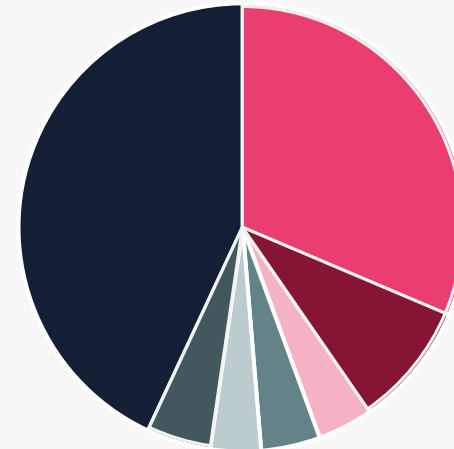
- Developed equity
- Emerging market equity
- Private equity
- Infrastructure
- Property
- Commodities
- Corporate bonds
- Government bonds + cash

Inflation higher than expected



Adaptive Portfolio 1

Interest rates higher than expected

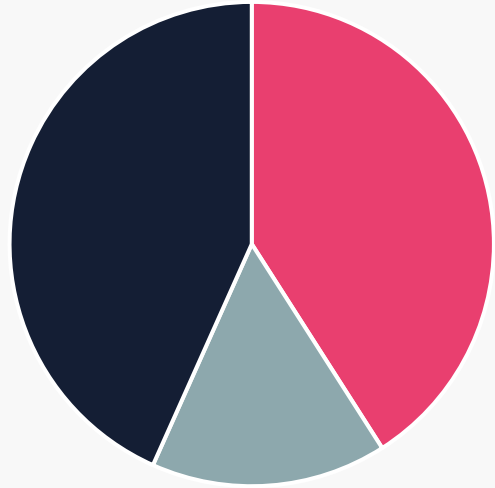


Adaptive Portfolio 2

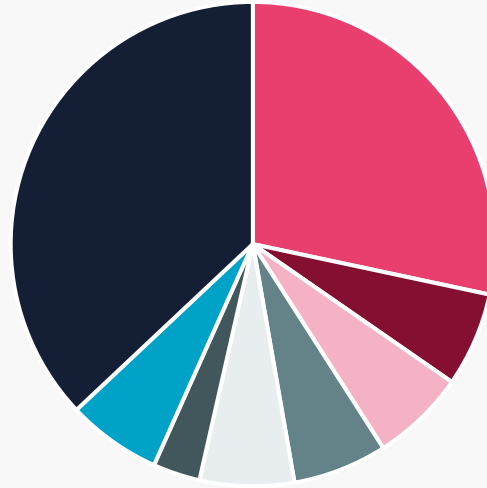


*Adapt to
change*

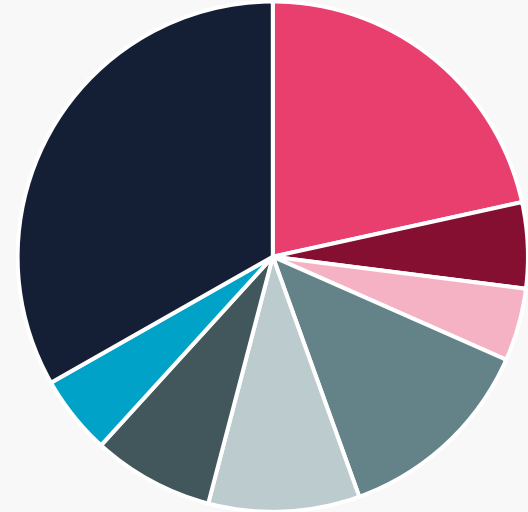
Navigating the portfolios



**Reference
portfolio**

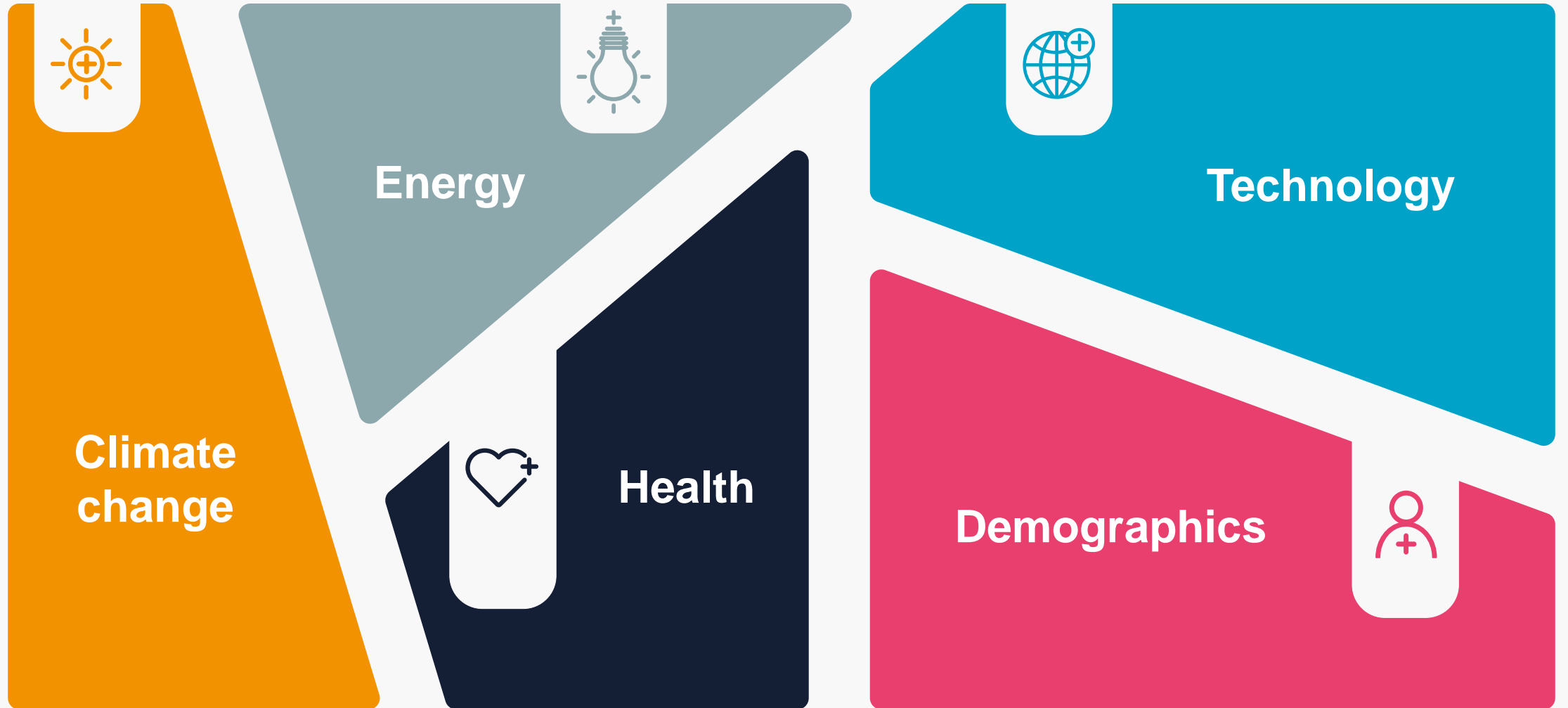


**Strategic
portfolio**



**Adaptive
portfolio**

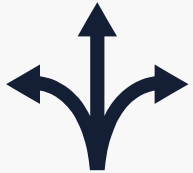
The portfolio of the future



Think differently



Know your compass



Adapt to change



Be a chameleon

The portfolio of the future



“We always overestimate change that will occur in the next year and underestimate change that will occur in the next decade”

Bill Gates