

Fund Selection — December 2024

By Panel



Each month in PWM, nine top European asset allocators reveal how they would spend €100,000 in a fund supermarket for a fairly conservative client with a balanced strategy.

Benjamin Hamidi

Senior portfolio manager, ABN AMRO Investment Solutions.

Based in: Paris, France

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
20,000	AAF Parnassus US ESG Equities	US Equity Blend
17,000	AAF Putnam US ESG Equities	US Equity Growth
12,500	AAF Boston Common US Sustainable Equities	US Equity Value
7,000	AAF Edentree European Sustainable Equities	Europe Equity Value
4,000	AAF Candriam European ESG Smaller Companies	Europe Equity Small Cap
4,000	AAF Numeric Emerging markets Equities	Emerging Equity
3,500	Jupiter JGF Japan Select	Japan Equity
FIXED INCOME		
7,000	Bluebay IG Euro Gov. Bond	Europe Government
6,000	PIMCO Global Bond	Global Investment Grade
6,000	Schroder ISF Euro High Yield	Europe High Yield
6,000	Neuberger Berman Emerging Debt - Local Currency	Global Emerging Debt
ALTERNATIVES		
7,000	Marshall Wace TOPS	Long/Short Equity
CASH		
10,000	Cash	Cash
100,000		

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	▲	58,000	58,000
FIXED INCOME	◀▶	25,000	25,000
ALTERNATIVES	◀▶	7,000	7,000
CASH	▼	0	10,000
		100,000	100,000

“Global activity is still expanding and services continue to be the main driver of world growth. Nevertheless, major regional disparities remain: in the eurozone, activity is now in contraction territory, while in the US it continues to expand. Growth is holding up and now seems to be fuelled by strong confidence in president-elect Donald Trump’s pro-business policies. Against this backdrop, exposure to equities is being maintained and duration is being contained. Growth and US equities are favoured and are benefiting from the enthusiasm for US assets. We remain vigilant with regard to political risk, particularly in Europe.”

Luca Dal Mas

Senior fund analyst, Aviva Investors.

Based in: London, UK

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
22,500	Ishares Core S&P 500 ETF	US Equity
15,000	Wellington US Equity Research Portfolio	US Equity
9,000	Artemis Income	UK Large Cap
7,000	T Rowe Price Emerging Mkts	Global Emerging Markets
5,500	Blackrock European Dynamic	European Large Cap
5,500	Henderson European Selected Opportunities	European Large Cap
3,500	Schroder Japan	Japan Core
FIXED INCOME		
10,000	iShares Global Govt Bond UCITS ETF	Global Government Bonds
6,500	JPM Global Corporate Bonds	Global Corporate Bonds
5,500	Blackrock EMD HC	Emerging Market Debt
1,500	Blackstone US HY	US High Yield
ALTERNATIVES		
4,500	Aviva Investors Target Return	Multi-Strategy
2,000	Ishares Physical Gold ETC	Commodities
CASH		
2,000	Cash	Cash

100,000

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	▲	68,000	66,500
FIXED INCOME	▼	23,500	24,500
ALTERNATIVES	◀▶	6,500	6,500
CASH	▼	2,000	2,500
		100,000	100,000

“November’s economic survey data continued October’s theme with the US going from strength to strength, while the euro area and the UK remain soft. This is having an impact on the consumer expectations survey that shows a rise in longer term inflation expectations, which may impact Fed decisions down the road. The US election result had a positive impact on equities, with smaller capitalisation stocks in the US enjoying a tailwind on the basis of a more positive environment for corporates (deregulation, improved growth via fiscal and corporate tax cuts). In portfolios we have added exposure to US equities from Europe, given the weaker outlook and likely trade implications, with higher tariffs a significant risk.”

Jorge Velasco

Director of Investment Strategy, CaixaBank Private Banking.

Based in: Madrid, Spain

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
12,500	Amundi MSCI Europe	European Equities
8,500	iShares Developed World Index	Global Equities
7,000	Vanguard U.S. 500 Stock Index	US Equities Value
4,000	iShares Emerging Markets	Emerging Markets Equities
3,000	T. Rowe US Smaller Companies	US Small/Mid Caps
3,000	Fidelity Global Technology	Global Tech Equities
2,000	Invesco Japanese Equity Advant	Japanese Equities
2,000	Nordea Global Climate and Enviroment	Climate Change Equities
FIXED INCOME		
17,500	DWS Floating Rate Notes	Fixed Income FRN's
17,500	Mutuafondo FI	EUR Diversified Bond - Short Term
7,000	Schröders Euro Corporate Bond	Euro Corporate Bond
3,000	Vontobel Strategic Income	Global Flexible Bond
ALTERNATIVES		
5,000	DNCA Alpha Bond	Global Macro
5,000	Janus Henderson Global Absolute Return	L/S Global equity
100,000		

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	▼	42,000	46,500
FIXED INCOME	▲	48,000	43,500
ALTERNATIVES	◀▶	10,000	10,000
CASH	◀▶	0	0
		100,000	100,000

“The high geopolitical uncertainty in the coming months leads us to add a dose of caution. To the ones we already had – such as the war in Ukraine, in the Middle East, or the political (and economic) instability in France – we add the uncertainty of what the new Trump administration will bring and the difficulty of fitting its electoral program, or what may result from the unexpected German elections in terms of fiscal policy, in a country that has recently been characterized by much political stability. All this translates into an environment of lower conviction in our positioning. Greater uncertainty should bring greater volatility, which implies more opportunities for active management; it also implies a need to be more tactical. To be prepared, and to take advantage of the environment when it gives us the opportunity, we lower the exposure to neutral positions to try to buy when the time is right. Additionally, we are replacing our exposure to the climate change theme with investments in security (national, supply chain, and energy security).”

Adam Norris

Portfolio Manager, Colombia Threadneedle Investments.

Based in: London, UK

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
23,000	Alger Focus Equity Fund	US Growth
20,000	Jupiter Global Growth Unconstrained Fund	Global Growth
10,000	Pzena US Large Cap Value Fund	Large Cap US Value
4,000	Berenberg European Small Cap Fund	European SMID Quality Growth
4,000	TT Emerging Markets Unconstrained Fund	Emerging Market Growth
4,000	Morant Wright Japan Fund	Japanese Mid Cap Value
3,000	Montanaro UK Income Fund	UK Quality Growth Income
FIXED INCOME		
10,000	Vontobel 24 Global Strategic Income Fund	Multi-Sector Credit
9,000	Wellington Credit Income Fund	Multi-Sector Credit
7,000	Neuberger Berman Global Invest Grade Credit Fund	Core Investment Grade
ALTERNATIVES		
6,000	Iguana Investments Long/Short Eq Cls B GBP	UCITS Wider-Powers Long-Short
CASH		
6,000	Cash	Cash
100,000		

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	▲	68,000	63,000
FIXED INCOME	▲	26,000	25,000
ALTERNATIVES	▼	5,000	6,000
CASH	▼	1,000	6,000
		100,000	100,000

“While there are scripts of commentary on the outcome of US presidential election, we pay equal interest to the Republican gains in Congress. With a majority in both houses, as well as the White House, there is little preventing the deregulatory programme of the incoming administration. We used November to realign our asset allocation into funds likely to benefit from this agenda. We increased our allocation to US equities, trimming all other equity regions and fully selling Magallanes Value Investors UCITS Fund. In addition, we added Alger Focus Equity Fund to our portfolios, a boutique equity manager with an unashamed US growth bias. We further reduced our allocations to investment-grade credit. The portfolio now has an enhanced overweight to equities, favouring US.”

Silvia Tenconi

Multimanager Investments & Unit Linked, Eurizon Capital SGR.

Based in: Milan, Italy

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
6,000	Allianz Europe Equity Growth	European Equity
6,000	Eleva European Selection	European Equity
6,000	Invesco Pan European Equity	European Equity
6,000	Janus Henderson Pan European Fund	European Equity
6,000	Wellington Strategic European Equity	European Equity
5,000	Robeco US Select Opportunities	US Equity
5,000	UBS USA Growth	US Equity
4,000	AB Select US Equity Portfolio	US Equity
4,000	JPM US Select Equity	US Equity
4,000	Fidelity Japan Value	Japanese Equity
4,000	Invesco Asian Equity	Asia ex Japan
4,000	Vontobel US Equity	US Equity
FIXED INCOME		
14,000	Eurizon Fund – Bond Italy Short Term LTE	Govt Italy ST
14,000	Eurizon Fund – Bond Italy Medium Term LTE	Govt Italy MT
12,000	UBS – Euro High Yield	Euro High Yield
100,000		

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	◀▶	60,000	60,000
FIXED INCOME	◀▶	40,000	40,000
ALTERNATIVES	◀▶	0	0
CASH	◀▶	0	18,000
		100,000	100,000

“In November the performance of the portfolio was positive, with Robeco US Select Opportunities and UBS USA Growth contributing the most. Donald Trump’s election victory was welcomed by the US equity market, while Europe and Japan closed the month roughly flat, and Emerging Markets corrected. Interest rates in the US and Eurozone came down, yet the presumably inflationary pro-growth policies suggested by the president-elect kept US rates well above the minimum reached in September. The US dollar appreciated quite significantly against the euro. We keep our portfolio unchanged for now.”

Richard Troue

Fund Manager, Hargreaves Lansdown Fund Managers.

Based in: Bristol, UK

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
9,000	AB American Growth	US Large Cap Growth
9,000	Neuberger Berman US Large Cap Value	US Large Cap Value
8,000	Stewart Investors Asia Pacific Leaders	Asia Quality
5,000	BlackRock Global Unconstrained Equity	Global Large Cap Growth
5,000	Jupiter Global Value	Global Large Cap Value
4,000	MFS Meridian Funds Continental European Equity	Europe Large Cap
4,000	Liontrust UK Growth	UK Large Cap
3,000	JO Hambro UK Equity Income	UK Equity Income
3,000	Artemis Income	UK Equity Income
3,000	Trojan Global Income	Global Equity Income
2,500	Man GLG Japan CoreAlpha	Japan Value
FIXED INCOME		
16,000	BlueBay Global Investment Grade Corporate Bond	Global Corporate Bond
12,000	JPM Global Government Bond	Global Government Bonds
10,000	PGIM Global High Yield Bond	Global High Yield
7,000	Artemis Corporate Bond	£ Corporate Bond
100,000		

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	◀▶	55,000	55,000
FIXED INCOME	◀▶	45,000	45,000
ALTERNATIVES	◀▶	0	0
CASH	◀▶	0	0
		100,000	100,000

“This month I’ve added an investment in JPM Global Government Bond to the portfolio. This is a core global government bond fund that aims to deliver modest and steady excess returns. It has a good track record of beating the index and passive equivalents. It should bring useful diversification to some of the riskier positions in the portfolio in the event of a risk-off environment. To make way for the introduction of the JPM fund, M&G Global Macro Bond has been sold.”

Paul Hookway

Senior Fund Analyst, Kleinwort Hambros.

Based in: London, UK

AMOUNT (€)	FUND NAME	SECTOR	
EQUITY			
18,000	Amundi S&P 500 ETF	US Equity	
9,000	Blackrock Continental European Flexible	European Equity	
7,000	Robeco US Premium	US Equity	
5,000	Federated Hermes Asia ex-Japan	Asia Ex-Japan	
5,000	iShares S&P 500 Equal WT ETF	US Equity	
4,000	SPDR S&P 400 US Mid cap ETF	US Equity	
4,000	Pictet Global Environmental Opportunities	Global Equity	
4,000	iShares FTSE 100	UK Equity	
4,000	Loomis Sayles US Growth Equity	US Equity	
3,000	Fidelity Japan Value	Japan	
FIXED INCOME			
11,000	Lyxor FTSE Actuaries UK Gilts ETF	Government	
9,000	Invesco Sterling Bond Fund	Investment Grade Bond Fund	
5,000	Pimco Global Investment Grade Credit	Investment Grade Bond Fund	
ALTERNATIVES			
4,000	Lyxor/ Sandler US Equity	US Long/Short Equity	
3,000	Moorea Defined Return	Structure Product	
3,000	Moorea Real Assets Fund	Real Assets	
CASH			
2,000	Cash	Cash	
100,000			
	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	◀▶	63,000	63,000
FIXED INCOME	◀▶	25,000	25,000
ALTERNATIVES	◀▶	10,000	10,000
CASH	◀▶	2,000	2,000
		100,000	100,000

“The US election turned out to a significant win for the Republicans, who now control all branches of government. This gives president-elect Trump a clear path to implement his policies, in particular tariffs and tax cuts. We expect tariffs to be inflationary, keeping rates higher than expected which should be positive for the US dollar. We remain unhedged to sterling for our US dollar exposure. Tax cuts will benefit US companies and in particular mid cap names. To benefit, we added a new holding of the SPDR S&P 500 US Mid Cap ETF, funded by a reduction in emerging market exposure, which may suffer from a stronger US dollar.”

Antti Saari

Chief Investment Strategist, Nordea investments.

Based in: Copenhagen, Denmark

AMOUNT (€)	FUND NAME	SECTOR
EQUITY		
14,850	Nordea Global Enhanced	Global Equity
10,800	Wellington US Research Equity	US Equity
6,750	Nordea Global Stars Equity Fund	Emerging Market Equity
5,850	Wellington EM Research Equity	Emerging Market Equity
2,500	BGF Next Generation Technology Fund	Global Equity
2,500	Nordea Global Stable Equities	Global Equity
2,500	BGF Next Generation Technology Fund	Global Equity
FIXED INCOME		
24,750	Nordea Corporate Bond Fund	Investment Grade
11,250	Nordea Euro Medium Term Bond Fund	Government Bonds
8,000	Nordea International High Yield Bond Fund	Global High Yield
ALTERNATIVES		
10,000	Nordea Alpha 15 MA Fund	Multi Asset
100,000		

	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	▼	45,000	50,000
FIXED INCOME	▲	45,000	40,000
ALTERNATIVES	◀▶	10,000	10,000
CASH	◀▶	0	0
		100,000	100,000

“We reduce the overweight in equities versus government bonds to neutral. After the strong performance in equities sentiment, positioning and valuations in the US have become quite stretched and the economic outlook is also a bit more uncertain due to US politics. We stay neutral on regions and prefer to get exposure to the potential positive effects of the new Trump administration within sectors where we overweight financials and industrials. Within fixed income, we reduce the overweight in US investment grade to neutral and increase the overweight in European investment grade. Low spreads, high hedging costs and duration risk argues for taking profit on US investment grade.”

Didier Chan-Voc-Chun

Head of Multi-Management and Fund Research at Union Bancaire Privée (UBP).

Based in: Geneva, Switzerland

AMOUNT (€)	FUND NAME	SECTOR	
EQUITY			
10,000	JPM US Research Enhanced Equity ESG ETF	US Blend	
8,500	iShares Edge MSCI USA Quality Factor	US Quality	
7,500	Eleva European Selection	Europe Blend	
7,500	Robeco US Premium	US Value	
5,000	UBAM 30 Global Leaders	Global Quality Growth	
5,000	UBAM Positive Impact EM	Emerging Markets	
3,500	Fidelity Global Technology	Sector Technology	
3,000	iShares MSCI Health Care Sector ESG ETF	Healthcare Sector	
2,000	M&G Japan Fund	Japan Blend	
FIXED INCOME			
10,000	Amundi Global Aggregate Bond	Global Aggregate	
10,000	UBAM Strategic Income fund	Income	
5,000	JPM Global Bond Opport. Sustainable	Global Aggregate	
5,000	Pimco MBS Opportunities	MBS	
5,000	UBAM Hybrid Bond	Subordinated Debt	
3,000	Finisierre Unconstrained EM Fixed Income	Unconstrained EMD	
ALTERNATIVES			
10,000	UBAM Multifunds Alternative	Multistrategy Alternative	
100,000			
	SUMMARY	THIS MONTH	LAST MONTH
EQUITY	◀▶	52,000	47,500
FIXED INCOME	◀▶	38,000	40,000
ALTERNATIVES	◀▶	10,000	10,000
CASH	◀▶	0	2,500
		100,000	100,000

“Trump is back. His unsurprising return to the White House signals a new political era that is poised to deliver a stronger-than-expected economic boost, driven by business-friendly policies and lower taxes. The resilience of the global economy will depend on policy support: in high-growth countries, it will not be necessary to cut policy rates below neutral, particularly in the case of the Fed, and it should be sufficient to ease credit constraints to support investment. We have increased the equity sleeve, funded by cash and by reducing our emerging market debt exposure.”