

# MARKET VIEWS:

## Based on 12-Month Outlook for Each Asset Class

	Underweight		Neutral		Overweight
<b>EQUITY</b>					
Global Equities	○	○	●	○	○
U.S. All Cap	○	○	●	○	○
U.S. Large Cap	○	○	●	○	○
U.S. Small and Mid Cap	○	○	○	●	○
Developed Market—Non-U.S. Equities	○	○	●	○	○
Emerging Markets Equities	○	○	●	○	○
<b>FIXED INCOME</b>					
Cash	○	●	○	○	○
Global Bonds	○	○	●	○	○
Investment Grade Fixed Income	○	○	○	●	○
High Yield Corporates	○	○	●	○	○
Non U.S. Developed Market Bonds	○	○	●	○	○
Emerging Markets Debt	○	○	●	○	○
<b>REAL AND ALTERNATIVE ASSETS</b>					
Commodities	○	○	○	●	○
Hedged Strategies	○	●	○	○	○
Private Equity	○	○	○	●	○
Private Debt	○	○	○	●	○
Private Real Estate	○	○	●	○	○

### About the Asset Allocation Committee

Neuberger Berman’s Asset Allocation Committee meets every quarter to poll its members on their outlook for the next 12 months on each of the asset classes noted and, through debate and discussion, to refine our market outlook. The panel covers the gamut of investments and markets, bringing together diverse industry knowledge, with an average of 30 years of experience.

### Committee Members

**Joseph V. Amato**  
Co-Chair, President and Chief Investment Officer—Equities

**Erik L. Knutzen, CFA, CAIA**  
Co-Chair, Chief Investment Officer—Multi-Asset

**Ashok Bhatia, CFA**  
Co-Chief Investment Officer—Fixed Income

**Thanos Bardas, PhD**  
Co-Head of Global Investment Grade Fixed Income

**Timothy F. Creedon, CFA**  
Director of Global Equity Research

**Tokufumi Kato, PhD**  
Senior Portfolio Manager—Multi-Asset

**Hakan Kaya, PhD**  
Senior Portfolio Manager—Quantitative and Multi-Asset Strategies

**David G. Kupperman, PhD**  
Co-Head, NB Alternative Investment Management

**Ugo Lancioni**  
Head of Global Currency

**Shannon L. Sacoccia, CFA**  
Chief Investment Officer—Private Wealth

**Raheel Siddiqui**  
Senior Investment Strategist—Global Equity Research

**Robert Surgent**  
Senior Portfolio Manager—Multi-Asset

**Brad Tank**  
Co-Chief Investment Officer—Fixed Income

**Elizabeth Traxler**  
Managing Director, Private Investment Portfolios & Co-Investments

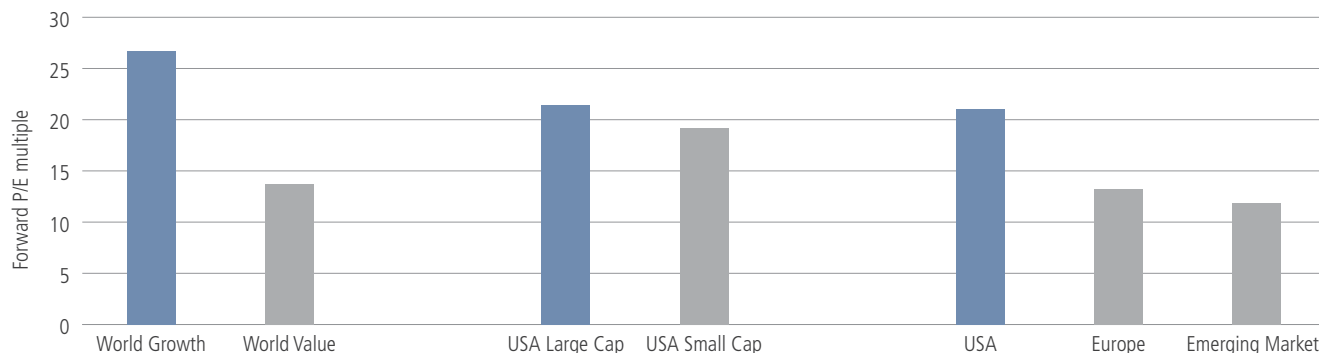
**Anthony D. Tutrone**  
Global Head of Alternatives

As of 2Q 2024. Views shown reflect near-term tactical asset allocation views and are based on a hypothetical reference portfolio. Views on private market assets reflect the Asset Allocation Committee’s views on the future return potential of new cash commitments, not the future return potential of existing investments. Nothing herein constitutes a recommendation, investment advice or a suggestion to engage in or refrain from any investment-related course of action. See disclosures at the end of this publication, which include additional information regarding the Asset Allocation Committee and the views expressed.

# Breadth and Balance

The Asset Allocation Committee (“the AAC”) is positive on the economic outlook given resilient economic growth and the likely trend lower in inflation and interest rates. Nonetheless, our asset-class views remain largely neutral—which implies broad stock and bond market exposure—as many assets are fully priced and we anticipate a shift away from the recent narrow leadership. Our only two underweight views, on cash and hedged strategies, emphasize this theme of maintaining equity and fixed income positions to benefit from the current environment. Our overweight views on commodities and private markets reflect ongoing inflation and geopolitical risks and rich opportunities in illiquid assets, respectively.

## POTENTIAL FOR FURTHER BROADENING OF EQUITY-MARKET PERFORMANCE: STYLE, SIZE, REGION



Source: MSCI. Indices used: MSCI World Growth Index, MSCI World Value Index, MSCI World Growth Index, MSCI U.S. Large Cap Index, MSCI U.S. Small Cap Index, MSCI U.S. Index, MSCI Europe Index, MSCI Emerging Markets Index. Data as of February 29, 2024.

## EQUITY

- The AAC has retained its neutral overall view on equities, and its overweight view on U.S. small and medium-sized companies.
- We anticipate further broadening of equity-market performance, which leads us to continue to favor small and medium-sized companies, and a balance between styles and regions.
- We believe momentum in Japanese equities can continue, and that an incipient rebound in manufacturing and other cyclical parts of the global economy could begin to favor European and certain emerging markets over the coming months.

## FIXED INCOME

- The AAC made no changes to its fixed income views.
- We maintain an underweight view on cash, preferring to lock in yields in anticipation of a decline in cash rates.
- Our overweight view on investment grade reflects a general bias toward quality.
- We favor the two- to seven-year part of the curve, and remain cautious on longer-dated bonds, given uncertainty about term premia and debt sustainability.

## REAL AND ALTERNATIVE ASSETS

- The AAC continues to view commodities as a useful hedge against potential inflation and geopolitical shocks.
- We downgraded our view on hedged strategies given its overall views on broad market exposures and fewer clear signals in the trending and macro environment.
- We retain our neutral view on private real estate, but see value in value add and opportunistic segments, secondaries and in Real Estate Investment Trusts, where prices are down heavily and may already be bottoming out.
- We maintain our longstanding view that outsized rewards are available for liquidity provision in private markets, especially via private equity secondaries and co-investments, which could be a destination for some of the investor cash currently on the sidelines.

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The views expressed herein are generally those of Neuberger Berman’s Asset Allocation Committee, which comprises professionals across multiple disciplines, including equity and fixed income strategists and portfolio managers. The Asset Allocation Committee reviews and sets long-term asset allocation models, establishes preferred near-term tactical asset class allocations and, upon request, reviews asset allocations for large, diversified mandates. Tactical asset allocation views are based on a hypothetical reference portfolio. The views and recommendations of the Asset Allocation Committee may not reflect the views of the firm as a whole, and Neuberger Berman advisors and portfolio managers may recommend or take contrary positions to the views and recommendations of the Asset Allocation Committee. The Asset Allocation Committee views do not constitute a prediction or projection of future events or future market behavior. This material may include estimates, outlooks, projections and other “forward-looking statements.” Due to a variety of factors, actual events or market behavior may differ significantly from any views expressed.

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