C'est nouveau !

- TARA (There Are Reasonable Alternatives to equities; including bonds, some cash, and alternative assets) HSBC Private Bank
- TAPA (There Are Plenty of Alternatives) Deutsche Bank Wealth

Les prudents

- In our view, a hard landing remains the most likely outcome in 2023 Fidelity
- We expect consensus earnings growth to slow further, so we are underweight on global equities. HSBC Private Bank
- We expect to turn more positive on risk assets at some point in 2023, – but we are not there yet BlackRock
- Over 100 years, no bear market associated with a recession has bottomed before the recession has even begun Citi GWI

Les constructifs

- Both stocks and bonds look increasingly attractive JPM AM
- It's difficult to expect a deep recession with such a robust labor market MS IM
- We see equity market gains as investors anticipate a late-2023 to 2024 recovery Wells Fargo
- US job openings are close to record levels preventing a normal weakening of the labor market BofA Private Bank
- The best predicted recession in the last 50 years, there is a chance that equity markets could have priced JPM AM
- Inflation is coming down before we see any deterioration in the labor market, Likelihood of a soft landing in 2023 ! Apollo AM
- Abating political risks are a possible outcome in 2023. The Chinese economy is highly dependent on global demand, and global consumers are highly dependent on Chinese production JPM AM
- Don't dance to the bear's tune. Decelerating inflation, pausing central bank, reaccelerating China and the easing of supply chain disruptions should all be supportive of European equities Societé Generale

Volatilité

- We expect volatility to continue in the first half of 2023. BNY Mellon
- Inflation should move lower in 1H 2023. Rates volatility still the most stressed across asset classes Societé Generale
- By using spikes in volatility to generate income or partial downside protection, investors can take positions with limited directional risk HSBC Private Bank
- Volatility will likely persist because with inflation at high levels and the Fed keeping rates elevated, capital will remain scarce and expensive Apollo AM
- 2022 bear market looked a lot like the dot-com bubble. Inflation should move lower in 1H 2023. Rates volatility still the most stressed across asset classes. Societé Generale

Inflation

- Inflation should start to moderate as the economy slows JPM AM
- Slower economic growth should gradually lead inflation to come down HSBC Private Bank
- Price pressures are likely to remain stubbornly high – a side effect of a US labor market that refuses to crack UBS AM
- we believe the global economy appears to be entering a period of structurally higher inflation overall Lazard
- Aging workforces are keeping inflation above pre-pandemic levels. We stay overweight inflation-linked bonds. BlackRock
- Inflation is likely to remain high, increasing the risk that overtightening by central banks will trigger a sharp recession Fidelity
- Wages to take over as the prime inflation driver, this suggests that inflation targets won't be attained before 2025 in the major Western economies Societe Generale
- Pattern seen in 1970s suggests that it can take another two years for inflation to reach 2% and the Fed won't consider its mission accomplished until it does Apollo AM

Bonds : plus fort consensus

- We will revisit US 10 Yield at 4.3% over the months ahead Lazard
- In bonds, we think short-to-medium maturities are the place to be HSBC Private Bank
- We are more excited about bonds than we have been in over a decade JPM AM
- We expect fixed income assets to outperform equities in the first half of 2023 MS IM
- Higher yields are a gift to investors who have long been starved for income BlackRock
- We believe fixed income offers genuine portfolio value now for the first time in several years Citi GWS
- Investors don’t have to reach for yield anymore getting 4% in bonds vs 2% yield in the S&P500 BofA Private Bank
- Within fixed income, we prefer to take risk in credit – and we prefer public credit to private BlackRock
- We maintain our Overweight stance on US 10y bonds and add US investment grade bonds Societe Generale

FED

- We see the Fed reaching “peak rates” in mid-2023 around 5.5% Apollo AM
- We expect the fed funds rate to peak around 5% by the middle of next year. BNY Mellon WM
- The Fed did far more in 2022 than anyone would have expected at the end of 2021 MS IM
- We think rates will go to 5% in Q1 and then stay around that level through 2023 and 2024 HSBC Private Bank
- The US Federal Reserve’s funds rate could reach 5%–6%, well above current market expectations Lazard
- We believe that a pivot from tightening to easing in monetary policy is a distant prospect Societe Generale
- The Fed will likely wait for inflation in the services sector to slow down before easing, and that is not happening yet Apollo AM
- We do not expect a pivot until there is a meaningful deterioration in hard data, especially inflation and the labour market Fidelity
- The Fed does finally reduce rates for the first time in 2023 – an event that we expect after several negative employment reports. Citi GWI

BCE

- The ECB is similarly expected to pause at 2.5%-3.0% in the first quarter JPM AM
- we reckon the ECB will eventually deviate from this path and avert a deeper recession Fidelity
- Wait before going long duration. We have likely not seen the peak in Bund yield Societe Generale

Oil

- If China achieves a successful reopening from its zero-COVID policy, normalization of demand could push prices above $100 p/b. MS IM

US Equities

- We look to add more non US equities
- We are reducing our exposure to these megacap stocks
- We're scaling back on megacap stocks after a mega run-up MS IM
- Risk of a more dramatic drop in the S&P 500 next year if growth slows suddenly Fidelity
- Cut US stocks to underweight as market earnings expectations are still too optimistic Citi GWS
- My own view is the 2023 recession will continue to unravel the P/E premium. There is much work to do yet Societe Generale
- US equities are not priced for a recession leading to further decrease expectation on earnings and also valuation are too high Lazard
- Bolt-on acquisitions have boosted megasized companies' sales growth during the 2010s. But in 2022, only 22 acquisitions have been completed MS IM

China Equities

- China is an intriguing equity area for 2023 MS IM
- We like China, rates are going to go down, earning going to go up BofA Private Bank
- In Asia, we have upgraded Chinese stocks because policy measures are easing COVID and housing related risks HSBC Private Bank

- China shows more interest in its economy but not enough to generate high asset return Societe Generale
- Chinese recovery, combined with regional reopening, means that Asia could have a good 2023 Deutsche Bank Wealth

Emerging

- We significantly rebalance our EM exposure outside of China into the rest of EM Societe Generale
- WE expect manufacturing revivals in certain EM markets led by the "China +1" strategy that drives reshoring and friend shoring. iphone prod shifting to India MS IM

European Equities

- Europe manages to diversify its energy supply JPM AM
- Falling oil price are telling us Russia Ukraine crisis is not worsening BofA Private Bank
- The UK equity market becoming an attractive hunting ground in 2023 Fidelity
- Europe has been penalized solely as the result of their location, there are attractive businesses in MS IM
- Don't dance to the bear's tune. Decelerating inflation, pausing central bank, reaccelerating China and the easing of supply chain disruptions should all be supportive of European equities Societé Generale
- European households a fewer mortgages and own more cash. They will see their disposable income rising as interest rates increase. European savings as a % of GDP are higher than in the US and UK JPM AM

Real Estate

- A renewed importance of physical stores (for brand recognition + insulation from supply chain) MS IM
- Only about 5% of US mortgages are on adjustable rates today, compared with over 20% in 2007 JPM AM
- Prices of real estate and infrastructure should retain support as investors continue seeking inflation hedges Apollo AM
- Underweight position to offices and continue to scale back based onWFH, increased layoffs and hiring freezes MS IM

Mid & Small

- S&P equalweighted to continue to outperform the S&P 500 cap-weighted MS IM

- Small cap have decent long terms stories as they have been ignored when everyone was in Tech BofA Private Bank
- Small/ mid-cap stocks appear cheap relative to large caps, which should present some opportunities Fidelity

Transitions

- *All participants committed to build up positions as such few examples below ...*
- We think there are opportunities in climate-related stocks JPM AM
- We see opportunities in the Transition. Infrastructure is one way to play into that BlackRock
- 2023 is a year where use all the weakness to build climate change positions that will work in 2024 2025 2026 BofA Private Bank
- Higher energy prices will continue to accelerate the energy transition as well as investments in green energy and renewables Apollo AM
- European Green Deal index should remain a key part of any portfolio, SG European Green Deal index (-2.5%) outperformed MSCI Europe Growth (-4.4%) in Dec Societe Generale

FX

- Time to sell the dollar expected to be the weakest in the G10 currencies in 2023 Societe Generale
- Stronger global risk appetite would eventually also lead us to take a bearish view on USD HSBC Private Bank

Thematics / Sectors

- Financials and energy are our preferred sectors UBS AM
- We believe in the on-shoring or "friends-shoring" of production Lazard

- Banks, Oil & Gas, Autos, Green Deal, European Capex, European Toursim Societe Generale
- We continue to focus on high-quality compounders regardless of the market backdrop MS IM
- Rehsoring of supply chains should be a key theme as Europe and US become less dependent on China BofA Private Bank
- We have consciously been reducing the number of themes under the 'Digital Transformation' umbrella HSBC Private Bank
- We see a greater separation between East and West: G2 polarization intensifies accelerating the onshoring Citi GWI

- We continue to avoid commodity-related sectors given the capital-intensive nature of these businesses MS IM

- Smart mobility has multiple benefits as it increases access; provides alternatives; improves the experience HSBC Private Bank
- We like healthcare as a sector developing medicine and equipment to help meet aging population needs BlackRock
- People underweighted in Value have to remedies asap. Growth has been horribly hurt in late 2001 and 2002 Lazard
- We like Energy, Industrials, Utilities & Consumer Staples but also Financials ignored when everyone was in Tech BofA Private Bank
- Healthy dividends spanning a wide range of sectors. utilities financials, healthcare, industrials and parts of tech JPM AM
- After past 2y Covid it's going to be hard to bring down spending on travel, hotels, airlines, restaurants, concerts Apollo AM
- We have stronger conviction that value stocks will be higher by the end of 2023 than we do for those growth stocks JPM AM
- In deglobalization companies are spending more on automation which should lead to increased productivity but draw in cash BofA Private Bank
- Strategies with a "purchase price matters" discipline that focus on operational improvement and free cash-flow generation Apollo AM

Global alternative investments

- A new paradigm for equity long-short alpha UBS AM
- We are also overweight in hedge funds to diversify and mitigate uncertainties HSBC Private Bank
- In our view, 2023 will potentially be a great vintage for alternative investments Citi GWI

- The private markets should remain open for well-positioned capital providers Apollo AM
- Alternatives to private assets, less correlated exposures will be an important part of the investment arsenal Fidelity
- Private Equity dry powder remains at record levels of $3.6 tr, which should sustain high transaction volumes MS IM
- We believe Relative Value and Macro hedge funds can provide solutions for equity and credit market Wells Fargo Wealth Management