

# Geopolitical Risk and the Implications for Portfolio Construction

IMAP Independent Thought Conference

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# Inflation Transition



## Tailwinds

Fiscal thrust

Monetary accommodation

Covid reopening demand



**Ukraine – Russia conflict**

- Higher commodity prices
- Additional supply side disruption
- China Covid-Zero Policy Pursuits

## Headwinds

Debt

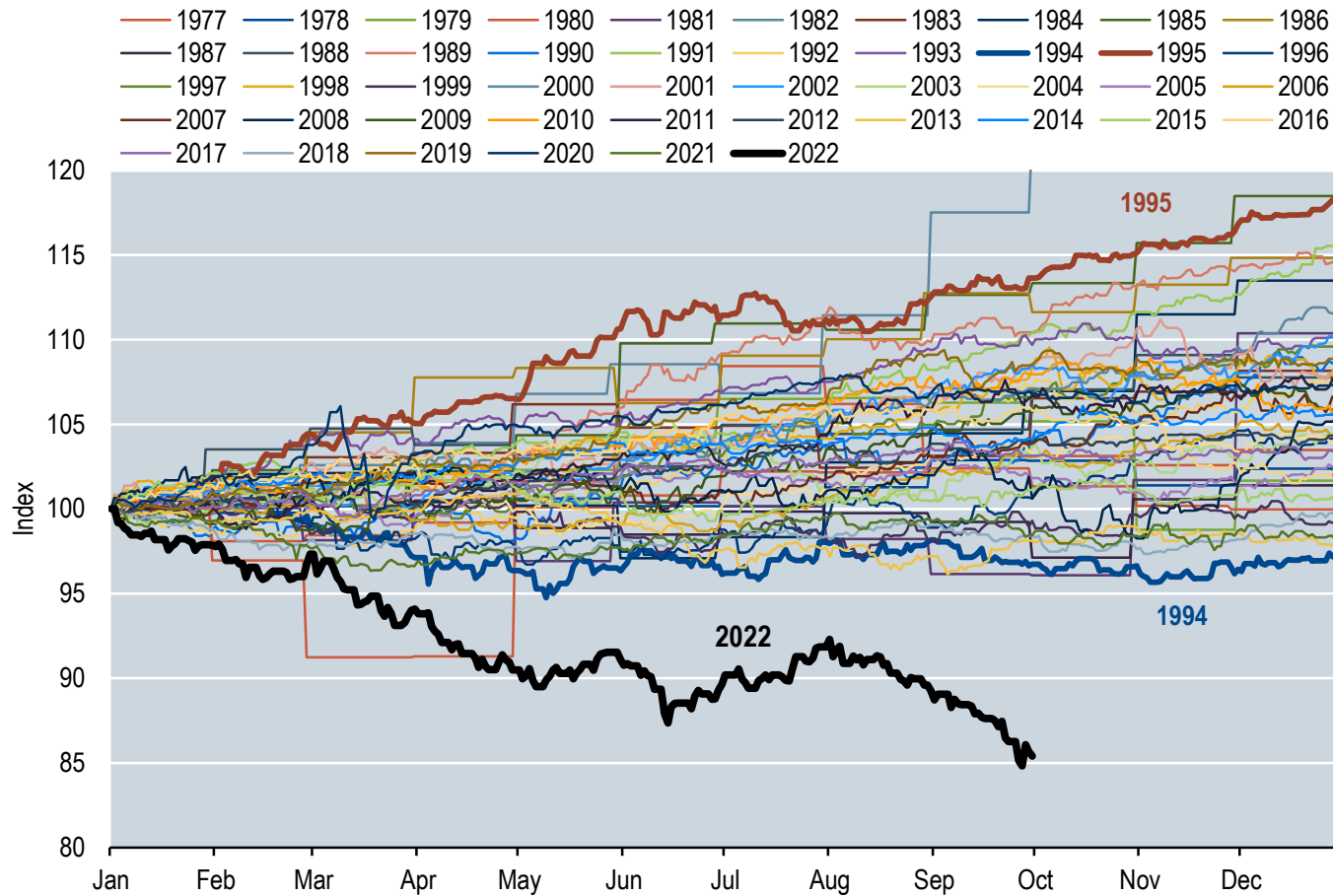
Demographics

Technological displacement



- Additional monetary tightening
- Increased pressure on real incomes and further downside risks to global growth

# Index History for Context



Source: Bloomberg. As of 30 Sep 22  
Past performance is no guarantee of future results.

# Major Geopolitical Issues in Focus



## Pre -COVID

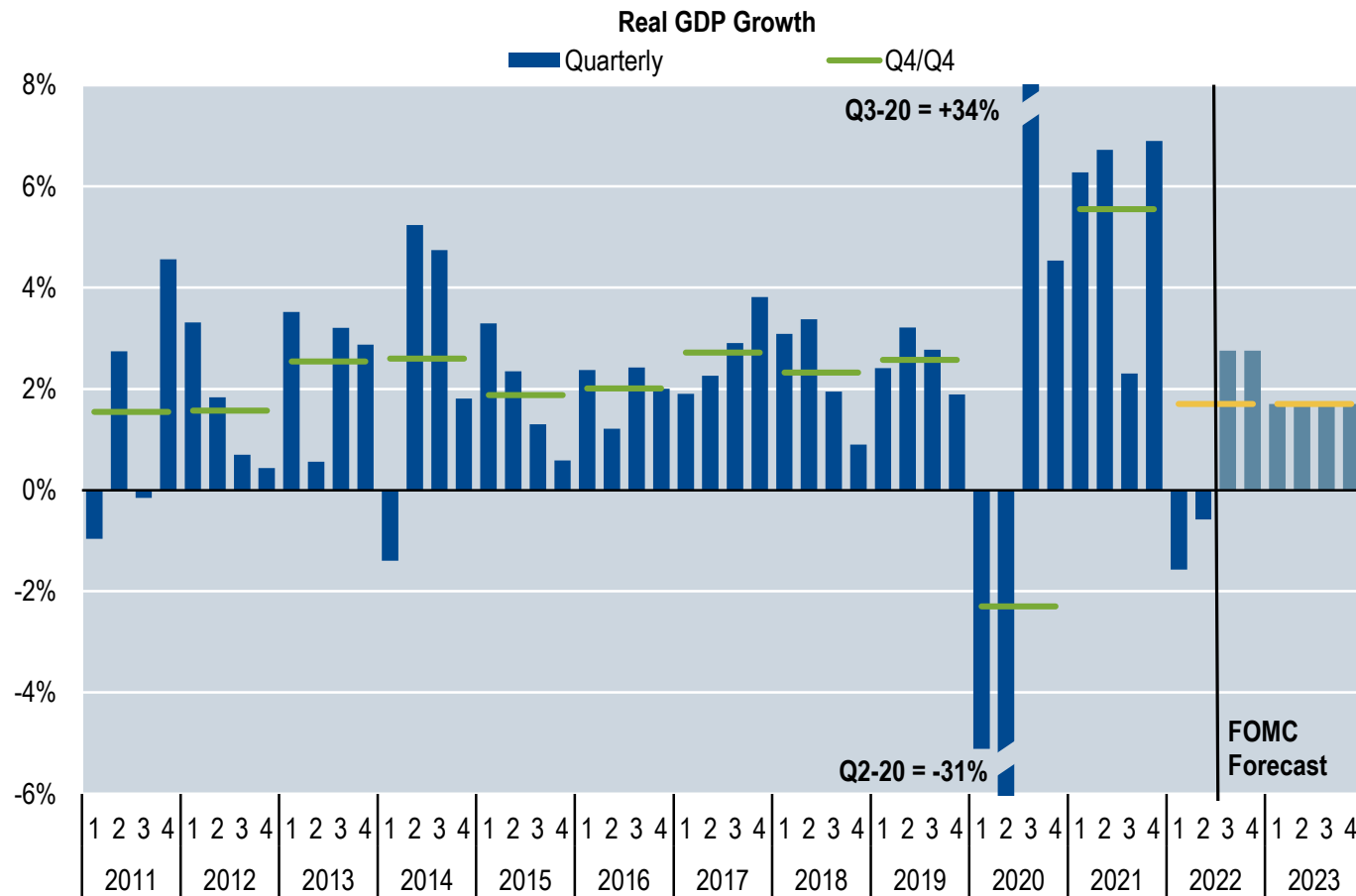
- US Elections – “Rigged”
- Protectionism
  - Chine/US Tariffs (Australia Included)
- Russia
- Climate Change



## Post -COVID

- Russia/NATO Conflict
- European Energy Politics
- Italian Elections
- Emerging market politics (Brazil elections)
- China’s Nationalist Agenda
- US Mid-Terms
- Cyberattacks

# Period of Exceptional Growth Has Ended



Source: Bureau of Economic Analysis, Federal Reserve. As of 30 Jun 22

Source: Bureau of Economic Analysis, Federal Reserve. As of 30 June 2022

# Risk Disclosure



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