Matt Sherwood: Thoughts on the markets - brace for impact

By Perpetual Asset Management

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President Trump's rhetoric around tariffs and the US Federal Reserve has quietened, which has helped calm markets - at least for the time being.

However, according to Perpetual's Matt Sherwood, Head of Investment Strategy - Multi Asset, US equity markets are not only a long way from pricing material growth risks but could re-test their April 2025 bear-market lows over the coming months.

Matt writes that in an environment of elevated uncertainty, a prolonged adjustment timeframe ahead, and the Fed 'put' in hibernation, risk premia in US equity and credit markets needs to be rebuilt from the anaemic levels of today.

In his latest report, he offers a multi-asset perspective on:

- The welcome, but short, reprieve and known unknowns
- Why markets need to rebuild 'risk premia'
- Underwhelming traditional portfolio protection strategies
- Why investors need a broader diversification toolkit

For more insights, download Matt's full report.

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