imas
INVESTMENT MANAGEMENT ASSOCIATION OF SINGAPORE

IMAS 2026

INVESTMENT MANAGERS' OUTLOOK SURVEY

The 11th edition of the IMAS Investment Managers' Outlook Survey captured views including top geopolitical & economic expectations, strategies and growth drivers shaping Asia's investment landscape, from c-suite professionals from 63 member firms including fund managers and asset owners based in Singapore, collectively managing over USD 35 trillion globally.

2026 MARKET HIGHLIGHTS

HEIGHTENED GLOBAL UNCERTAINTY, BUT POLICY SUPPORT EXPECTED.

97% Industry consensus that Fed will continue to ease monetary policies in 2026, with majority expecting rate cuts between 0.5% to 1% by the end of 2026.

85% Geopolitical risk and market volatility expected to rise, shaping macro sentiment and risk positioning

52% Expectations on the rise of global inflation split, with 52% respondents agreeing with the statement.

END OF 2026 MARKET CALLS

JAPAN & CHINA LEAD EXPECTATIONS, OPTIMISM IN SINGAPORE MARKET, & SOME ASEAN MARKETS EXPECTED COMPARATIVELY WEAKER PERFORMANCES

MARKET CALLS

73% **MSCI China Index**
Expect growth of 10 to 20%*

72% **MSCI Asia ex Japan**
Expect growth of 10 to 20%*

52% **FTSE Straits Times Index (STI)**
Expect growth of 5 to 10%*

52% **S&P 500 Index**
Expect growth of 10 to 20%*

INSIGHTS ON ASIA MARKETS

Voted best performing 21%
Voted worst perfoming 4%

Voted best performing 21%
Voted worst perfoming 3%

Ranked #1 as expected best performing market in 2026

Voted best performing 13%
Voted worst perfoming 12%

Voted best performing 11%
Voted worst perfoming 10%

Mixed industry views on performance in 2026

Voted best performing 1%
Voted worst perfoming 25%

Voted best performing 3%
Voted worst perfoming 21%

Ranked #1 and #2 as expected worst performing markets in 2026

INVESTMENT THEMES & STRATEGIES FOR 2026

01 **Income strategies ranked #1 to grow in popularity**
Expectations of rising corporate default risk contrast with optimism for stronger JACI yields, signaling selective demand for quality Asian credits.

02 **Growing Spotlight on EM Equities & Commodities Strategies**
EM equities strategy has climbed the rank to #4, with commodities (incl. gold) growing to #5. Notably, 50% expect gold prices to strengthen by 12.5% to 25%*.

03 **AI stays the central conviction**
3 in 4 respondents disagreed the AI bubble will burst in 2026.

*Compared against figures dated 12 Nov 2025

> *The survey results demonstrate that fund managers are successfully adapting to sustained uncertainty, identifying high-conviction opportunities in Asia even as geopolitical risks escalate. For Singapore-based managers, this environment coincides with persistent margin pressures and operational complexity, necessitating a shift from experimentation to disciplined execution. The focus is now on scalable business models and the practical deployment of AI to deliver measurable productivity gains. In an intensifying competitive landscape, the winners will be those who can marry sound investment judgment with technology-enabled operational efficiency.*
>
> \- Jenny Sofian, Chairperson, IMAS

TOP 3 DEVELOPMENTS WITH MOST IMPACT

to fund managers in the next 12 months.

01 Increased adoption of AI

02 Further rise of alternative investments

03 Increasing regulatory obligations and rising operational costs

TOP 3 DRIVERS OF INVESTMENT GROWTH

in the next 3 years.

01 An increase in demand for innovative products (incl. digital assets).

02 An increase in demand and access to private assets.

03 Aging savers increase their share of savings in investment products

BUSINESS DIFFERENTIATORS

57% Incorporating new asset classes (e.g., private/ digital assets)

43% Moving into new client sectors (e.g., retail, HWNI, Institutional etc)

33% Using AI/ML tools to enhance business processes/customer propositions

THREATS TO GROWTH

63% Accelerated flows to passive solutions

63% Further margin erosions

48% Changing investors' preferences.

ADOPTION OF TECHNOLOGY

Advanced analytics, AI, ML and Generative AI ranked as the #1 area of interest by fund managers.

ADOPTION OF AI DRIVEN BY PRODUCTIVITY GAINS & COST REDUCTION

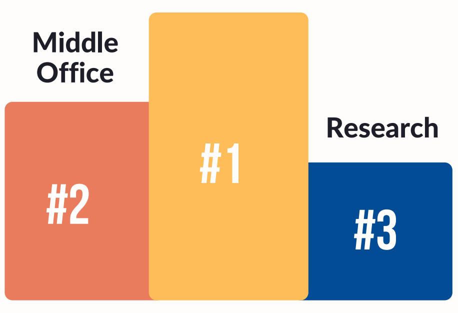
53% **Deployed AI in investment processes**
including fund commentary, research insights etc.

53% **Deployed AI to improve productivity**
in distribution, compliance, HR functions etc.

21% **Use of Agentic AI**
for standardised processes

FUNCTIONS MOST LIKELY TO BE DISRUPTED BY TECHNOLOGY

*In the next 5 years



ESG STRATEGY FOR 2026

54% ESG Integration into existing strategies

33% Aligning to ESG Regulations

20% Improving ESG disclosures beyond regulatory requirements