

Please find attached the October issue of *CIO View*, Deutsche Asset & Wealth Management's flagship thought-leadership publication. In this edition, Chief Investment Officer Asoka Wöhrmann tackles the question "Why are markets so unsettled?" and explores why we believe a global economic recovery remains intact despite a more muted outlook for some markets, particularly in developing countries.

**His nine positions are:**

- **Pace of global economic growth** is likely to slow down for a while.
- **Emerging markets' growth advantage** has been eroded.
- **Commodity-exporting countries** hurt by low commodity prices.
- **U.S. Federal Reserve Board** postpones rate hike and the pace of subsequent increases will be slow.
- **The Fed and low inflation** may force the European Central Bank to continue easing beyond September 2016.
- **Private equity and hedge funds** should benefit from the capital market environment.
- **Oil prices** climb as slowly as output capacity contracts.
- **Earnings forecasts** revised down slightly for developed markets and significantly for emerging markets.
- **Asset allocation** of our **balanced model portfolio** for clients based in the Americas:  
Equities: 50%, Fixed income: 39%, Alternatives: 10%, Commodities: 1%

If you wish to discuss where we see opportunity in current markets, we will be happy to schedule a call. Additional pieces include:

- *CIO Macro Outlook* – In a separate piece, Asoka Wöhrmann delves deeper into the effect of developed market quantitative easing on emerging markets, and subsequently, global growth.
- *Weekly Highlights* – Our U.S. Wealth Management CIO, Larry Adam, focuses on 3Q performance, Japanese economic indicators, and Eurozone resilience to EM weakness.
- *Economic & Asset Class Outlook* – The U.S. CIO office outlines their near-term and long-term economic and asset class forecasts.
- *U.S. Equity Insights* – David Bianco, U.S. Equity Strategist, cuts his S&P 2015 end target and expects weak 3Q EPS.
- *CIO Flash: Bond Market Turmoil* – Our CIO office warns of near term bond market illiquidity and volatility following the September FOMC meeting.
- *China Hard Landing* – Chief Economists Peter Hooper and Torsten Slok discuss the possibility of an economic slowdown in China given recent equity market volatility and currency devaluation.
- *The Arithmetic of EM & Global Growth* – Chief Strategist Binky Chadha looks at the sustainability of global growth given the recent weakness in Chinese and EM economies.
- *FX Forecasts & Valuations* – Alan Ruskin and George Saravelos, Chief FX Strategists, examine the continuation of USD strength and assess the risks of EM currency volatility.



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