



# ENGAGING WITH EQUITIES

Equities are one of the biggest asset classes globally and can offer attractive opportunities for traders to generate income and growth as part of a diversified portfolio. This infographic looks at the opportunities they present and their impact on global trading.

## Securities are frequently grouped into four main asset classes:

**MOST VOLATILE**



**MOST STABLE**



**Equities** (stocks)



**Alternative Investments**  
(such as real estate, commodities, etc)



**Fixed Income** (typically bonds)



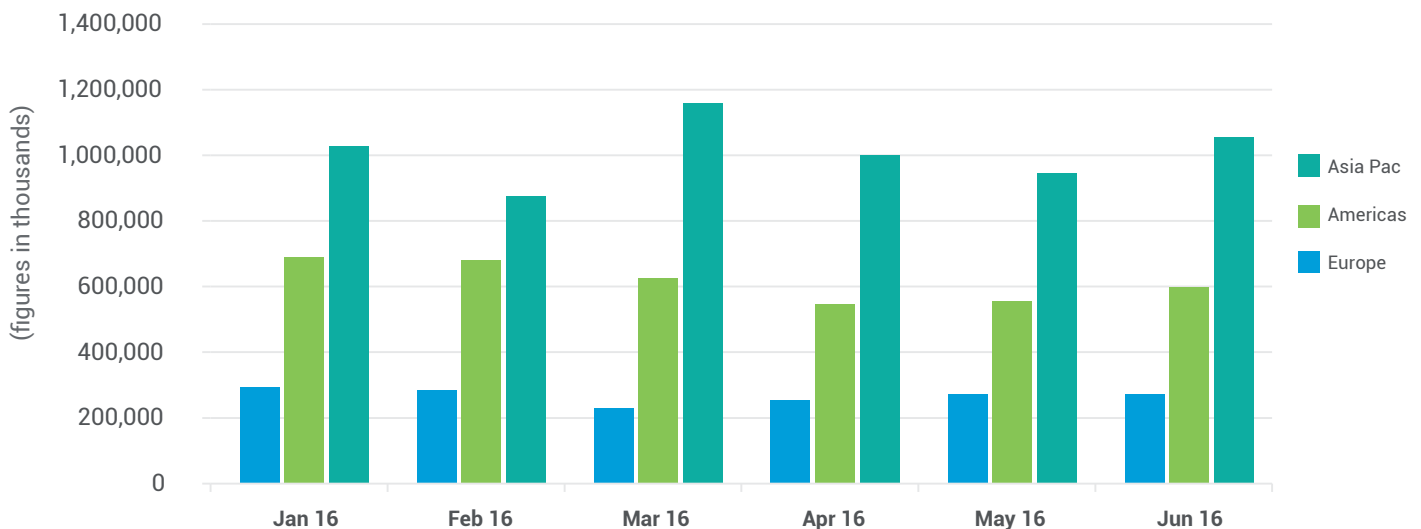
**Cash Equivalents**  
(money market instruments)

## Features of equity markets



- Active management is essential to maximize returns
- Dividends from equity holdings have accounted for **more than 40%** of the total return from equity investing (1926 – 2014)\*

## Number of electronic order book trades in equity shares by World Federation of Exchanges members<sup>+</sup>



## Asian potential\*

- Asian economies should continue to see strong economic growth, supported by rising levels of urbanization and incomes
- Economic and fiscal reform may cause some near-term headwinds, but long-term prospects for growth are good



## US strength\*

- Growth of US economy anticipated to continue
- Monetary policy expected to remain very accommodative and support continued economic expansion
- US equities still offer considerable value



\*World Federation of Exchanges Monthly Report June 2016

\*Guide to Markets, 3Q 2015, JP Morgan Asset Management