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MARKET COMMENTARY

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# EM assets during easing cycles

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After nine months of unchanged policy rates, the US Federal Reserve (Fed) cut by 25bps this September. Most market participants expect multiple rate reductions over the coming months. To put the Fed's decision into context, we looked back at the impact of easing cycles on the treasury yield curve, the S&P 500 and emerging market assets since 1980.

In our view, the patterns observed offer useful guidance as to what to expect from here. For investors, the crucial question is whether this cut is the first of a recessionary easing cycle, or one of (potentially) multiple 'insurance' cuts. This distinction has historically characterised the relative performance of equities, credit, and emerging market (EM) assets, as well as the dynamics of the US yield curve.

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# Impact of Fed easing cycles in EM assets

In non-recessionary easing cycles since its inception (1995), JP Morgan Emerging Market Bond Index (EMBI) spreads have typically tightened by around 40bps. The move has been led by high yield (HY) sovereigns, which narrowed 87bps on average. In the entire period, there has not been a non-recessionary easing cycle in which EMBI spreads widened. This suggests that although spreads are currently at historically tight levels, there is room to grind tighter, if no US recession materialises

During recessions, the opposite tends to happen. As per Fig 1, in every downturn since the mid 1990's, EMBI spreads have widened as the Fed cut rates, by about 250bps on average (median average). In this risk-off move, investment grade (IG) spreads have naturally outperformed HY, widening just 134bp versus 418bp for riskier credits.

Fig 1: **Performance of selected asset classes during easing cycles** (first to last cut)

| Start to end of easing cycle | | | | | EM External Debt | | | | Equities | | | EM LC Bonds | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Recession? | Start (month before) | End | Fed Fund Rate | Cuts | EMBI Start | EMBI GD | EMBI IG | EMBI HY | MSCI EM | World ex-US | SPX | YTM (%) | FX (%) |
| | Sep '25 | – | 4.50 | ? | 283 | 283 | 93 | 507 | 1344 | 2817 | 6753 | 5.89 | 66.91 |
| | Aug '24 | Dec '24 | 5.50 | -1.00 | 388 | -63 | 5 | -167 | -2.2% | -7.0% | 4.1% | 0.13 | -4.7% |
| Yes | Feb '20 | Mar '20 | 1.75 | -1.50 | 373 | 253 | 134 | 460 | -15.6% | -14.6% | -12.5% | 0.41 | -8.8% |
| | Jun '19 | Oct '19 | 2.50 | -0.75 | 346 | -18 | -2 | -7 | -1.2% | 1.5% | 3.3% | -0.56 | -2.2% |
| Yes | Sep '08 | Dec '08 | 2.00 | -1.75 | 449 | 299 | 203 | 418 | -27.9% | -21.5% | -22.6% | -0.45 | -11.7% |
| Yes | Aug '07 | Apr '08 | 5.25 | -3.25 | 248 | 45 | 50 | 71 | 9.6% | -1.3% | -6.0% | 0.66 | 11.4% |
| | Dec '00 | Dec '01 | 6.50 | -4.75 | 707 | -13 | -67 | 44 | -4.9% | -22.6% | -13.0% | | |
| | Aug '98 | Dec '98 | 5.50 | -0.75 | 1,322 | -369 | -132 | -448 | 24.4% | 16.4% | 28.4% | | |
| | Nov '95 | Jan '96 | 5.75 | -0.50 | | | -120 | | 11.6% | 4.3% | 5.1% | | |
| | Apr '92 | Sep '92 | 3.75 | -0.75 | | | | | -14.1% | 1.8% | 0.7% | | |
| | Jul '91 | Dec '91 | 5.75 | -1.75 | | | | | 11.3% | 4.2% | 7.6% | | |
| Yes | Jun '90 | Apr '91 | 8.25 | -2.50 | | | | | 1.6% | -6.6% | 4.8% | | |
| | May '89 | Dec '89 | 9.75 | -1.50 | | | | | 15.4% | 14.7% | 10.3% | | |
| | Sep '87 | Feb '88 | 7.25 | -0.75 | | | | | | -4.5% | -16.8% | | |
| | Feb '86 | Aug '86 | 7.75 | -1.87 | | | | | | 41.0% | 11.5% | | |
| | Feb '85 | May '85 | 9.00 | -1.25 | | | | | | 10.8% | 4.6% | | |
| | Sep '84 | Dec '84 | 11.75 | -3.50 | | | | | | 1.3% | 0.7% | | |
| Yes | Sep '82 | Dec '82 | 10.00 | -1.50 | | | | | | 17.2% | 16.8% | | |
| Yes | Jun '82 | Aug '82 | 13.00 | -3.50 | | | | | | 0.4% | 9.0% | | |
| Yes | Oct '81 | Dec '81 | 15.50 | -3.50 | | | | | | 8.8% | 0.5% | | |
| Yes | Mar '80 | Jun '80 | 20.00 | -10.50 | | | | | | 20.8% | 11.9% | | |
| | Median | | | -1.63 | 388 | -13 | 2 | 44 | 0.2% | 1.7% | 4.4% | 0.13 | -4.7% |
| | Min | | | -0.50 | 248 | 299 | 203 | 460 | -27.9% | -22.6% | -22.6% | 0.66 | 11.4% |
| | Max | | | -10.50 | 1,322 | -369 | -132 | -448 | 24.4% | 41.0% | 28.4% | -0.56 | -11.7% |

Source: Bloomberg, Ashmore. Data as at September 2025. *Fed Fund rate at start of cycle.

On a 1-year forward view, however, the story is different. As per Fig 2, over 12 months, spreads have shown resilience in both non-recessionary and recessionary cycles, either tightening or remaining broadly unchanged.

The two exceptions to this are the 2008 recession and Covid. In 2008, 12 months after the first cut, spreads were 83bps wider. The largest widening came in 2019, when EMBI spreads moved 128bps wider in the following year. Of course, what started as a precautionary easing cycle became a full-blown recession nine months later due to the onset of a global pandemic. If a recession does materialise in the coming months, it is very highly unlikely to be comparable to the global shocks of 2008 or 2019.

Fig 2: **Historical performance of selected asset classes during easing cycles** (12 months following the first cut)

| 12 months after start | | | | | EM External Debt | | | | Equities | | | EM LC Bonds | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Recession? | Start (month before) | End | Fed Fund Rate | Cuts | EMBI Start | EMBI GD | EMBI IG | EMBI HY | MSCI EM | World ex-US | SPX | YTM (%) | FX (%) |
| | Sep '25 | – | 4.50 | ? | 283 | 283 | 93 | 507 | 1344 | 2817 | 6753 | 5.89 | 66.9 |
| | Aug '24 | Sep-'25 | 5.50 | -1.00 | 388 | -105 | -23 | -218 | 22.2% | 13.8% | 19.5% | -0.37 | 1.7% |
| Yes | Feb '20 | Feb '21 | 1.75 | -1.50 | 373 | -15 | -36 | -9 | 33.2% | 19.5% | 29.0% | -0.24 | -1.1% |
| | Jun '19 | Jun '20 | 2.50 | -0.75 | 346 | 128 | 50 | 276 | -5.7% | -7.7% | 5.4% | -1.18 | -11.6% |
| Yes | Sep '08 | Sep '09 | 2.00 | -1.75 | 449 | -111 | -87 | -125 | 16.2% | -0.3% | -9.4% | -0.77 | -3.3% |
| Yes | Aug '07 | Aug '08 | 5.25 | -3.25 | 248 | 83 | 88 | 124 | -12.0% | -15.3% | -13.0% | 0.37 | 10.4% |
| | Dec '00 | Dec '01 | 6.50 | -4.75 | 707 | -13 | -67 | 44 | -4.9% | -22.6% | -13.0% | | |
| | Aug '98 | Aug '99 | 5.50 | -0.75 | 1,322 | -446 | -224 | -404 | 68.7% | 24.4% | 37.9% | | |
| | Nov '95 | Nov '96 | 5.75 | -0.50 | | | -243 | | 8.0% | 10.9% | 25.1% | | |
| | Apr '92 | Apr '93 | 3.75 | -0.75 | | | | | -1.6% | 18.5% | 6.1% | | |
| | Jul '91 | Jul '92 | 5.75 | -1.75 | | | | | 18.8% | -9.3% | 9.4% | | |
| Yes | Jun '90 | Jun '91 | 8.25 | -2.50 | | | | | 5.2% | -12.5% | 3.7% | | |
| | May '89 | May '90 | 9.75 | -1.50 | | | | | 22.3% | 1.1% | 12.7% | | |
| | Sep '87 | Sep '88 | 7.25 | -0.75 | | | | | | -3.2% | -15.5% | | |
| | Feb '86 | Feb '87 | 7.75 | -1.87 | | | | | | 64.8% | 25.2% | | |
| | Feb '85 | Feb '86 | 9.00 | -1.25 | | | | | | 63.8% | 25.2% | | |
| | Sep '84 | Sep '85 | 11.75 | -3.50 | | | | | | 30.6% | 9.6% | | |
| Yes | Sep '82 | Sep '83 | 10.00 | -1.50 | | | | | | 34.8% | 37.9% | | |
| Yes | Jun '82 | Jun '83 | 13.00 | -3.50 | | | | | | 32.5% | 53.4% | | |
| Yes | Oct '81 | Oct '82 | 15.50 | -3.50 | | | | | | -10.0% | 9.7% | | |
| Yes | Mar '80 | Mar '81 | 20.00 | -10.50 | | | | | | | | | |
| | Median | | | -1.63 | 388 | -15 | -51 | -9 | 12.1% | 10.9% | 9.7% | -0.50 | -2.2% |
| | Min | | | -0.50 | 248 | 128 | 88 | 276 | -12.0% | -22.6% | -15.5% | 0.37 | 10.4% |
| | Max | | | -4.75 | 1,322 | -446 | -243 | -404 | 68.7% | 64.8% | 53.4% | -1.18 | -11.6% |

Source: Bloomberg, Ashmore. Data as at September 2025. *Fed Fund rate at start of cycle.

For equities, the story is similar as per Fig 3. The Fed cutting without a recession is normally a positive environment for risk. Therefore, equities tend to rally. From 1998 (MSCI EM index launch) to present, EM equities have led this rally, posting 13.4% average returns in the 12 months following the first cut. The S&P 500 returned 11.0% on average, with the MSCI World ex-US posting 6.0%. Not only is average EM performance better in these periods, but EM outperformed in 75% cases. And it outperformed on every occasion when the cuts followed a pause after a previous cutting cycle, such as now.

Across recessionary cutting cycles, EM equities have outperformed too. They've returned +5.2% in the 12-months after the first cut, while US equities fell –9.4% and global equities (MSCI World ex-US) slipped 12.5%.

Each cycle is different. But in general, the outperformance of EM equities in both scenarios reflects two key attributes of the asset class, in our view. First, its high upside beta to 'risk-on' event, such as non-recessionary cutting cycles. Second, its diversification benefits, which have been historically observable during US led downturns.

Fig 3: **Equity performance since 1998 during recession/non-recession cycles, 12 months following the first cut**

| 1988-2025 | EM | World | US |
|---|---|---|---|
| 1 year after first cut | Equity | Ex-US | S&P 500 |
| Recession (ex-Covid) | 5.2% | -12.5% | -9.4% |
| No-Recession | 13.4% | 6.0% | 11.0% |
| All cycles median | 12.1% | 0.4% | 7.7% |

Source: Bloomberg, Ashmore. Data as at September 2025.
*Recession ex-Covid because during the pandemic equities rebounded aggressively post excessive stimulus.

# Yield curve

It is well documented that shorter maturity bond yields decline faster than long-dated bond yields during easing cycles. This is classic bull steepening. Nevertheless, long only investors have historically been better rewarded by receiving long-end rates when the Fed begins to ease.

This is simply because long-dated bond prices are far more sensitive to rates, given their higher duration. For example, today's 30-year US Treasury (UST) has eight times the duration exposure of a two-year bond. So, for the 30-year to outperform against with the two-year, its yield only needs to fall 1bp for every 8bp the 2-year falls.

Fig 4 is a simple scenario analysis showing the average historical yield moves during easing cycles since 1980, and the resulting price changes based on the current UST's duration profile. In the median scenario, the 30-year UST outperforms both the belly and the short end of the curve, delivering a 6.2% price gain. The scenario analysis underscores an important point: while the curve is expected to steepen over the course of the cutting cycle, it is the overall direction of rates – rather than the precise shape of the curve – that matters most for price gains.

Fig 4: **Simulation of P&L for three scenarios using historical changes since 1980s**

| | Risk Metrics | Yield Curve Changes (bps) | | |
|---|---|---|---|---|
| | Duration (yrs) | Recession | Median | Goldilocks |
| 2Y | 1.9 | -132 | -142 | -161 |
| 5Y | 4.5 | -67 | -67 | -122 |
| 10Y | 8.0 | -52 | -59 | -98 |
| 30Y | 15.8 | -39 | -39 | -82 |
| 2s10s | – | 101 | 53 | 26 |
| 10s30s | – | 24 | 21 | 15 |

Source: Bloomberg, Ashmore. Data as at September 2025.

| | Returns from Rate Changes (%) | | |
|---|---|---|---|
| | Recession | Median | Goldilocks |
| 2Y | 2.4 | 2.6 | 3.0 |
| 5Y | 3.0 | 3.0 | 5.4 |
| 10Y | 4.1 | 4.7 | 7.8 |
| 30Y | 6.1 | 6.2 | 13.0 |

Source: Bloomberg, Ashmore. Data as at September 2025.

Nevertheless, the shape of the curve is important. The curve almost always steepens during cutting cycles. However, the 10s30s is stretched relative to history at +60bps, above both the median start-of-cycle level of +18bps, and the median end point of +29bps. By contrast, the 2s10s, at +52bps, are only just above the historical starting point of 32bps but still well below the median end point of +103bps. This is reason to believe the 2s10s have more room to steepen than the 10s30s.

# The odd cycle (2024) and the current cycle

Fig 5 shows the cycle most anomalous to all others was 2024, when the 100bps rate cut coincided with much higher yields across the curve. The move was most pronounced in the long end. Heavy issuance and rising term premia pushed up the 10- and 30-year yields by 22bps, and 55bps, respectively.

In most other instances, yields have declined across the curve. The exceptions were the shallow easing cycles of 1995 and 1998, with Alan Greenspan as Fed Chair. In the first, the Fed cut because of a slowdown in growth from 4.1% in Q4-94 to 2.25% in Q4-95. With lower rates, and growth still robust, yields rose. On the latter, the Fed ease came after growth remained above 4.0%, but CPI declined from 3.0% in December 1996 to 1.4% in March 1998 and stayed around 1.6% during 1998. Rate cuts then set up the 'goldilocks' macro environment which was the foundation of the dot-com bubble.

Fig 5: **Change in US Treasury rates 12 months following the first cut**

| 12 months after start | | | | | US Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Recession? | Start (month before) | End | Fed Fund Rate | Cuts | 2Yr | 5Yr | 10Yr | 30Yr | 2s10s | 10s30s |
| | Sep '25 | – | 4.50 | ? | 3.57 | 3.67 | 4.12 | 4.75 | 55 | 62 |
| | Aug '24 | Sep '25 | 5.50 | -1.00 | -0.35 | -0.03 | 0.22 | 0.55 | 0.57 | 0.33 |
| Yes | Feb '20 | Feb '21 | 1.75 | -1.50 | -0.79 | -0.20 | 0.26 | 0.48 | 1.04 | 0.22 |
| | Jun '19 | Jun '20 | 2.50 | -0.75 | -1.61 | -1.48 | -1.35 | -1.12 | 0.26 | 0.23 |
| Yes | Sep '08 | Sep '09 | 2.00 | -1.75 | -1.02 | -0.67 | -0.52 | -0.26 | 0.50 | 0.26 |
| Yes | Aug '07 | Aug '08 | 5.25 | -3.25 | -1.77 | -1.16 | -0.72 | -0.40 | 1.05 | 0.32 |
| | Dec '00 | Dec '01 | 6.50 | -4.75 | -2.07 | -0.67 | -0.06 | 0.01 | 2.01 | 0.07 |
| | Aug 1998 | Aug 1999 | 5.50 | -0.75 | 0.94 | 1.07 | 0.99 | 0.79 | 0.05 | -0.20 |
| | Nov '95 | Nov '96 | 5.75 | -0.50 | 0.24 | 0.32 | 0.30 | 0.22 | 0.06 | -0.08 |
| | Apr '92 | Apr '93 | 3.75 | -0.75 | -1.62 | -1.78 | -1.57 | -1.10 | 0.05 | 0.47 |
| | Jul '91 | Jul '92 | 5.75 | -1.75 | -2.37 | -1.92 | -1.44 | -0.88 | 0.94 | 0.56 |
| Yes | Jun '90 | Jun '91 | 8.25 | -2.50 | -1.32 | -0.46 | -0.19 | 0.01 | 1.14 | 0.19 |
| | May '89 | May '90 | 9.75 | -1.50 | -0.32 | -0.09 | 0.00 | -0.02 | 0.32 | -0.02 |
| | Sep '87 | Sep '88 | 7.25 | -0.75 | -0.09 | -0.48 | -0.65 | -0.69 | -0.57 | -0.04 |
| | Feb '86 | Feb '87 | 7.75 | -1.87 | -1.37 | -1.22 | -0.98 | -0.82 | 0.40 | 0.15 |
| | Feb '85 | Feb '86 | 9.00 | -1.25 | -2.97 | -3.63 | -3.76 | -3.59 | -0.79 | 0.16 |
| | Sep '84 | Sep '85 | 11.75 | -3.50 | -3.18 | -2.73 | -2.16 | -1.69 | 1.02 | 0.47 |
| Yes | Sep '82 | Sep '83 | 10.00 | -1.50 | -0.76 | -0.35 | -0.34 | -0.39 | 0.42 | -0.05 |
| Yes | Jun '82 | Jun '83 | 13.00 | -3.50 | -4.52 | -3.95 | -3.54 | -2.94 | 0.98 | 0.61 |
| Yes | Oct '81 | Oct '82 | 15.50 | -3.50 | -4.77 | -4.20 | -3.92 | -3.35 | 0.85 | 0.57 |
| Yes | Mar '80 | Mar '81 | 20.00 | -10.50 | -1.46 | 0.08 | 0.49 | 0.34 | 1.95 | -0.15 |
| | **Median** | | | -1.63 | -1.42 | -0.67 | -0.59 | -0.39 | 0.53 | 0.21 |
| | **Min** | | | -0.50 | 0.94 | 1.07 | 0.99 | 0.79 | 2.01 | 0.61 |
| | **Max** | | | -4.75 | -4.77 | -4.20 | -3.92 | -3.59 | -0.79 | -0.20 |

Source: Bloomberg, Ashmore, as of September 2025.

The recent September rate cut under Jerome Powell is widely seen as an 'insurance cut', much like Alan Greenspan's mid-1990s adjustments or Powell's pre-emptive easing in 2019, both cases where the long end rallied during the easing cycle. In a soft-landing we would expect modest steepening, with front end yields falling faster and the long end following. If growth and/or inflation re-accelerate, the curve may steepen over 12-month period as it did in the mid-90s (Fig 5).

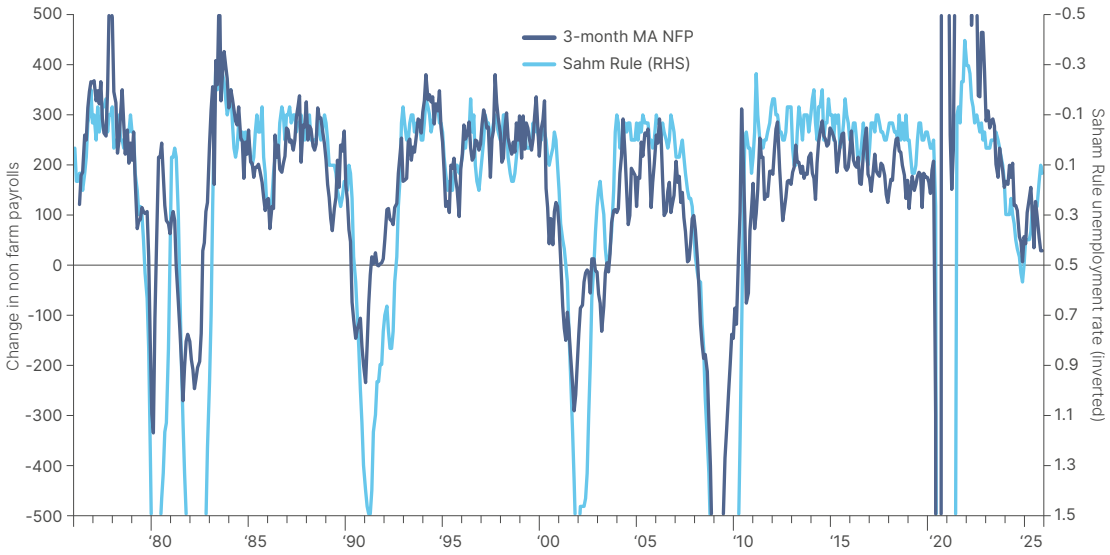
A mild recession would deliver a sharper bull steepening, with the 2s10s typically widening by around 100bps over 12 months compared with a historical median of 52bps. Even in a Goldilocks environment, history points to some steepening, led by the front end. Notably, the 2s10s steepened in 90% of past easing cycles.

## US: Tariffs and the labour market

The million-dollar question therefore is whether the Fed is cutting into a downturn. Labour markets, although a lagging indicator, should offer the cleanest signal. Non-farm payrolls have been weak, but this is not a new development. Payroll growth has been running below trend for more than a year, with mild gains propped up primarily by government and healthcare hiring. This backdrop is consistent with the 'rolling recession' narrative: manufacturing, housing, and other capital-intensive 'old economy' sectors have been struggling, but the economy has avoided a unified downturn.

Recent revisions to employment data confirm that the slowdown has been taking place for much longer than initially thought. Private non-farm payrolls excluding healthcare were negative for three straight months in the summer of 2024, triggering the Sahm Rule. Historically, this has always signalled a deeper rise in unemployment and an oncoming recession. Yet last year proved different: the Fed's 50bps cut in September 2024 stabilised conditions and helped avert a sharper deterioration. Claudia Sahm herself correctly cautioned that her own rule may not work last year.[1]

Fig 6: **Non-farm payrolls** (3m moving average) **and the *Sahm Rule** (inverted)




Source: Bloomberg, Ashmore. Data as at September 2025.

*The Sahm Rule was coined by Claudia Sahm, who observed that the deteriorating labour market became self-reinforcing in the past every time that the three-month moving average of the unemployment rate rose 50bps above its 12-month low.

Fast-forward to today, and the pattern is similar. Payrolls ex-healthcare have again turned negative. However, but immigration-driven labour supply constraints have prevented unemployment from rising meaningfully. Since April, the foreign-born labour force has fallen by 1.5m, bringing the overall labour force down by roughly 350k, according to Bureau of Labor statistics. With both labour supply and demand softening, unemployment has only edged up from 4.2% in April to 4.3% in August.

This combination of soft labour demand and constrained supply is a fragile equilibrium that may not hold. The risk is now a sharper rise in the unemployment rate. Supply chain management and inventory rundowns have helped cushion the impact of tariff hikes on both corporate profits and the US consumer over the summer. But recent corporate commentary from US suppliers suggests inventories are normalising, meaning new stock is being priced at higher tariff-driven costs.

[1] See – https://stayathomemacro.substack.com/p/sahm-thing-more-on-the-sahm-rule

If US firms had more pricing power, due to strong retail demand, more of these higher prices would be passed through to consumers. However, US retail sales growth is currently tepid, partially explained by the softness of the labour market and the rise in goods prices which we have seen. This means tariffs are likely to squeeze margins in the months ahead and could increase pressure on firms to cut costs elsewhere, risking faster layoffs.

The upside of this backdrop is it means that tariff-driven goods inflation is more likely to be transitory, and offset by its second derivative deflationary impact. This would give the Fed license to cut rates towards 'neutral' levels, a confidence boost that should support hiring in rate-sensitive sectors such as manufacturing and construction and underpin the prospect of an easing cycle without a recession – what monetary policy is supposed to do, when well executed.

Forward-looking indicators support this more positive view. ISM surveys show business confidence rising from April's trough, and small-cap earnings growth (S&P 600) has turned positive for the first time since 2022. Taken together, these signals suggest the 'rolling recession' of the past two years is unlikely to turn into a broad downturn. For investors, this strengthens the case for price action to follow the non-recessionary cutting-cycle pattern highlighted above, which has historically been the most supportive backdrop for EM assets.

## Tail risk

One major tail risk for this cycle is the Fed losing its independence during the transition from Chair Powell in April 2026. Ample literature shows that politically motivated monetary policy decision have historically led to persistent inflationary outcomes with no discerning positive effect in real economic activity.[2]

This risk deserves attention. Such political interference would likely lead to a much sharper steepening of the yield curve, followed by potential interventions to control long-dated yields and a much weaker Dollar. Such a curve steepening would have adverse effects on asset prices, in particular equity markets trading at high multiples. The market may already be pricing this risk in considering the steepness of the 10s30s today, relative to history.

Nevertheless, despite ongoing attacks from the current administration, most of the US economic team understands the importance of Fed independence. The Federal Reserve can become more aligned to Trump's economic vision, without full fiscal dominance taking hold.[3] If monetary policy remains driven by a group of technocrats that anchor their decisions in macroeconomic reality, the Fed's credibility can be maintained. Better coordination with the Treasury and White House may even lead to better monetary policy outcomes. If the US continues to use tariffs to consolidate its fiscal deficits during the current cyclical slowdown in the labour market, the Fed may have to cut policy rates more deeply than expected. Coordination would likely help here, and allow for cuts to be more pre-emptive, rather than reactive.

## Conclusion

On balance, we think this easing cycle looks more like a non-recessionary adjustment than the start of a downturn. Prices of tradable goods are increasing, but softening labour markets suggests inflation pass-through may be limited, which should allow rate cuts to cushion the impact of tariffs. Recent labour market weakness looks less dramatic when taken in context of the weakness of the last two years. Indeed, forward-looking indicators, such as business and consumer confidence are already improving. Revised GDP figures for 2Q showed an already notable rebound in consumer demand.

In past 'insurance cut' cycles, EM credit has held steady or tightened and EM equities have outperformed global peers. If history is any guide, this backdrop should again be positive for EM assets, with scope for spreads to remain resilient or tighten further and equities to extend gains.

[2] See – For example: https://econweb.umd.edu/~drechsel/papers/drechsel_political_pressure_shocks.pdf
[3] See – *"Diversified asset allocation and US fiscal dominance"*, The Emerging View, 31 July 2025.

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