

Economic Policy Uncertainty and Investment Advisers: Evidence from Separately Managed Accounts

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Abstract

Using data from separately managed accounts of registered investment advisers, this paper shows that economic policy uncertainty affects the asset allocation. We find an increase in allocation toward riskier assets of separately managed accounts during periods of heightened uncertainty. The effect is limited only to domestic investment advisers with regulatory assets under management below \$10 billion in their non-mutual fund business.

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