

Call for papers VBA Journaal spring 2024

Strategic asset allocation in a changing interest rate environment

At a time of volatility and shifting interest rates, investors worldwide are challenged to take effective decisions about the strategic asset allocations for their investment portfolios. Low interest rates and the search for yield may well finally be a thing of the past. The risk-free risk premium has risen sharply and the question is whether risky asset categories still provide a sufficient reward for the additional risks. By means of this call for papers we invite researchers, academics and professionals to share their insights and research on the subject of “Strategic asset allocation in a changing interest rate environment.”

By way of inspiration for authors we present the following suggestions, but the editors also welcome articles that address the strategic asset allocation from a different perspective.

- The new Dutch pension contract: do lifecycle portfolios under the new pension contract offer members more protection against a changing interest rate environment and what collective elements are used to achieve that? Would it be possible to provide more protection against a changing interest rate environment if the new financial assessment framework (nFTK) did not apply and asset classes were assessed mainly on the basis of their economic merit?
- Risk premiums: what impact do high interest rates and changed economic conditions have on the expected returns on various asset classes? Are we seeing shifts here? And does this apply to domestic investors (i.e. within the Eurozone) as well as investors elsewhere?
- Real interest rates: what impact do real interest rates have on investment decisions? How can investors adapt to an environment with higher real interest rates and what are the implications for their portfolios?

Related subjects:

- Collateral management: how do the new interest rate conditions affect collateral management? Do institutional investors use an investment policy that is adequately equipped for this?
- Factor investing: what investment styles do well during periods of elevated interest rates? Why do growth stocks remain the front runners on stock markets?
- Asset Liability Management (ALM): can institutional investors rely on the outcome of an ALM study in times of high interest rate volatility? Is the importance of (researching) deterministic and stochastic scenarios shifting?
- Private Equity: does a changing interest rate environment reveal whether (and which) private equity managers have relied too much on financial engineering? Can differences be distinguished between sectors, strategies, geographies? What impact does a changing interest rate environment have on (the use of) the credit facilities that private equity managers deploy?
- Financial stability: how does a changing interest rate environment impact financial stability? To what extent are financial institutions vulnerable? Are there differences between the Netherlands, Europe and the United States? How has oversight evolved?

By means of this call for papers we invite interested authors to submit a summary of their contribution to the editorial team (irma.willemsen@cfavba.nl) no later than 15 November 2023. Contributions must be original articles that have not previously been published elsewhere. The article can be written in both English and Dutch.

You will find further information, including instructions to authors and previews editions of the journal on <https://cfavba.nl/en/vbajournaal>.