

Currencies as a Portfolio Variable

Foreign investments contain both asset returns and currency exposure.

Executive perspective

Monetary-policy divergence, growth expectations and capital flows can materially affect regional performance.

What we are watching

The dollar also functions as a global liquidity variable with implications for commodities, emerging markets and digital assets.

Portfolio lens

Portfolio implication: make FX exposure intentional rather than incidental.

Research references

- Goldman Sachs — 2026 Outlooks

<https://www.goldmansachs.com/insights/outlooks/2026-outlooks>

- J.P. Morgan — 2026 Market Outlook

<https://www.jpmorgan.com/insights/global-research/outlook/market-outlook>

- J.P. Morgan — 2026 Mid-year Market Outlook

<https://www.jpmorgan.com/insights/global-research/outlook/mid-year-outlook>

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