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INVEST



Back in the FT studio with Yuri Bender for the *PWM Tea Break*, just days after the AI trade suffered a $3 trillion sell-off

🎥 Watch the full episode:
https://www.pwmnet.com/video/bac63bfd-e92b-4287-8ece-5880a91692ec

Five questions. Five convictions.

1. US exceptionalism: a Minsky moment?

Not yet. More a painful reset of a crowded trade. The question is shifting from *how much AI?* to *how will it be financed?* The greater risk may lie in AI credit rather than equities. US exceptionalism now needs to earn its premium, not simply command it.

2. Europe: defence and energy still driving investment?

Absolutely. We are moving from capitalism without capital to capitalism with capital. Governments are back as strategic investors. **Own what governments must buy, not what they must tax.** After decades of peace dividends, Europe faces a security premium, and a new investment cycle.

3. Public versus private markets: where is the balance?

Wrong divide. Think growth versus protection. Private equity is equity with a lock-up. Private credit offers bond-like income, not necessarily bond-like protection. And bonds alone can no longer carry the defensive burden. Gold, commodities and selected hedge funds all have a role. **Never mistake illiquidity for diversification.**

4. Family offices and private banks: who has the expertise?

Different strengths, different gaps. Family offices often lack bandwidth, not investment understanding. Private banks have access, but access is not expertise. **A shelf of funds is not an investment programme.** Manager selection, portfolio construction and liquidity management are what count.

5. Humans versus machines: who wins?

The wrong contest. **Ask machines to manage risk, not predict returns.** Forecasting edges decay. Risk discipline endures. Humans define investment beliefs and objectives. Machines help translate them into portfolios. AI will amplify good investment judgement, and expose its absence.

Five questions, one underlying conviction: **In a world of shifting regimes, resilience matters more than prediction.**