# Investors face a transformative landscape by 2025, warns IMCO



According to a recent report by Canada’s Investment Management Corporation (IMCO), investors are advised to brace themselves for a future landscape marked by increased **inequality, de-globalisation**, and **volatility** influencing their investment portfolios by 2025. The report, titled **World View 2025**, highlights a range of emerging trends that are expected to reshape the market dynamics significantly.

As outlined by Nick Chamie, chief strategist and senior managing director at IMCO, the evolving world trends do not follow a straightforward trajectory, often experiencing fluctuations in intensity from year to year. Chamie noted that this year has been particularly impacted by what he terms the “Trump effect,” which has amplified and subdued various themes more dramatically than in the past.

A crucial trend identified is the global shift towards **interventionist policies** by governments. These policies are aimed at **reducing income disparities** and reconfiguring socio-economic structures. Governments are increasingly intervening to protect domestic jobs and support lower-income populations while attempting to lower living costs. Chamie stated, “Governments are acting to protect domestic jobs or bolster people on low incomes and lower the cost of living.” This shift suggests a move away from the traditional approach of minimal government intervention toward a fiscal policy model characterised by substantial initiatives and economic stimulus.

IMCO anticipates that this could lead to **volatile inflation and growth patterns**. To prepare for this, the pension fund has strategically allocated resources to **inflation-linked bonds**, providing a buffer against the expected instability. Chamie also pointed out that increased variability in government policy underscores the importance of **diversification** across investment portfolios.

Another notable point Chamie made concerns the trend of **decreased free trade** and the prioritisation of national interests at the expense of global commerce. He remarked that the implications of this trend will likely affect investors’ strategies, particularly concerning **emerging market allocations**. “You can imagine tail winds for emerging markets will lessen in the new regime,” he said, reflecting on the potential challenges that may arise from less favourable conditions for these economies.

Sustainability investments may face further scrutiny as well, with growing **uncertainty** regarding the commitment of resources towards climate initiatives and the evolving policy frameworks governing sustainability practices. Chamie observed, “Institutions are dropping out of and hesitating about joining alliances compared to previous years when sustainability had a strong tailwind attached to it.” IMCO actively works to mitigate potential risks associated with sudden regulatory changes, referred to as **‘stroke of the pen risk,’** by rigorously designing its investment processes for resilience.

In contrast to the challenges in public markets, the report indicates a resurgence of interest in **private markets**. Following a period of reduced appetite for private investments in 2023 and 2024, there is a growing anticipation that private markets will regain momentum akin to what was previously experienced.

The report also highlights a sustained shift towards **long-term value creation** in public market strategies, although Chamie cautions about the **concentration risks** associated with passive investments. He emphasised the importance of balancing exposure to ensure volatility does not disproportionately impact returns, warning that passive investment approaches could inadvertently increase risk levels.

Furthermore, the need for a **flexible** and **agile approach** to investment is accentuated, given the rapid changes occurring in various market sectors. IMCO seeks investments that transcend traditional asset class boundaries, recognising opportunities in sectors that exist between public and private domains. Chamie also noted the rise of **private credit** as a case in point for the necessity of adapting to new asset classes as they emerge, following reduced bank lending to corporations.

In conclusion, the trends mapped out in IMCO’s **World View 2025** signal a transformative period for investors, necessitating a careful assessment of government policies, market dynamics, and emerging sectors as the financial landscape evolves.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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2. <https://www.imcoinvest.com/insights/worldview.html> - This page provides an overview of the IMCO World View reports, including the 2025 edition, which examines global investment themes and their implications for investors.
3. <https://www.imcoinvest.com> - This is the main website of IMCO, offering insights into their investment strategies and reports like the World View series.
4. <https://www.imcoinvest.com/worldview> - This link directs to the specific page for the IMCO World View reports, detailing trends and implications for investors.
5. <https://www.noahwire.com> - This is the source of the original article discussing IMCO's World View 2025 report and its implications for investors.
6. <https://www.imcoinvest.com/insights/worldview.html#worldview2025> - This link provides specific details about the World View 2025 report, focusing on trends like deglobalization and interventionist policies.
7. <https://www.imcoinvest.com/insights/worldview.html#worldview2024> - This link offers insights into the previous year's report, which laid the groundwork for understanding evolving investment trends.
8. <https://www.imcoinvest.com/insights/worldview.html#worldview2023> - This link provides information on the inaugural World View report, which established key global trends impacting investments.
9. <https://www.newswire.ca/news-releases/imco-releases-world-view-2025-894133727.html#accelerating-trends> - This link specifically highlights accelerating trends in the World View 2025 report, such as addressing inequality and deglobalization.
10. <https://www.imcoinvest.com/insights/worldview.html#investment-implications> - This link discusses the investment implications of the trends identified in the World View reports, including the need for diversification and flexibility.
11. <https://news.google.com/rss/articles/CBMisgFBVV95cUxNSVg0ZGJaUWtrREYwdjhCd1UwU08tYWlRY2JkYnROem1LVFM0NjNKNGM3OEp6b2hJZXBUN1U3cnZKbEhLbS1NNzc1M3J4WnVkVVFlT3VtSEpaR1lzX1QtRE1zOW9IYWlzdlpIb1lEWHZaYkhBOU14RkFrYWlDTG5wRHBPdFlPVnNjV0JaUE16RXVwLU5KZDd3RnVORzNoWVcyNklqLTFkenhSbXpDY2xTQUt3?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data