

# Matt Sherwood: Navigating a 4% world

By Perpetual Asset Management

13 May 2025



In his latest report, Perpetual's Matt Sherwood offers a multi-asset outlook for global growth, diversification and navigating a 4% world.

- Find out more about [Perpetual's Multi Asset capabilities](#)

The confluence of flat yield curves, elevated equity valuations, and tight credit spreads has ushered investors into a benchmark-constrained "4% World".

According to Matt Sherwood, Head of Investment Strategy - Multi Asset, the disconnect between valuations and corporate fundamentals means all investors are increasingly exposed to subdued returns and more fragile markets, and could see amplified risk for retirees grappling with heightened sequencing risk.

Matt says that while the current environment may feel unfamiliar to some, it's important to approach the terrain with curiosity and agility - adjusting strategies to ensure portfolios can achieve strong risk-adjusted returns tailored to clients' goals.

In his latest report, he offers a multi-asset perspective on navigating this world, focusing on:

- Tackling passive investment risks
- Mitigating sequencing risks
- Enhancing downside protection
- Perpetual's approach: income and downside protection focus

[Download his full report](#)



## **Matt Sherwood**

Head of Investment Strategy

BBus, MEd

This information has been prepared by [Perpetual Investment Management Limited \(PIML\)](#), ABN 18 000 866 535, AFSL 234426. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

The information is believed to be accurate at the time of compilation and is provided in good faith. This document may contain information contributed by third parties. PIML does not warrant the accuracy or completeness of any information contributed by a third party. Forward looking statements and forecasts based on information available at the time of writing and may change without notice. No assurance is given that the forecast will prove to be accurate, as future events may impact actual results and these could differ materially from those anticipated. Any views expressed in this document are opinions of the author at the time of writing and do not constitute a recommendation to act.

The Product Disclosure Statement (PDS) for the relevant funds, issued by PIML, should be considered before deciding whether to acquire or hold units in the Fund. The PDS and Target Market Determination can be obtained by calling 1800 022 033 or visiting our website [www.perpetual.com.au](http://www.perpetual.com.au).

No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital. No allowance has been made for taxation and returns may differ due to different tax treatments. Past performance is not indicative of future performance.