

Where to Invest \$1 Million Right Now

Four experts point to the best opportunities in today's global markets.

by [Suzanne Woolley](#) and [Claire Ballentine](#)
January 18, 2024

As challenges go, here's a welcomed one – where to invest \$1 million?

Unless you park it all in broad index funds, the world of possible investments can be bewildering. Are AI stocks too pricey? Is private credit becoming too hot? What's the right call on Treasury bonds? Should you stay in US markets or look abroad?

For timely ideas on how to deploy a seven-figure sum, Bloomberg asked four investment experts for their best ideas. Suggestions ranged from pursuing a small-cap value strategy and creating the right mix of risk and reward in fixed income, to venturing into equities in Vietnam and the Philippines.

When the investors were asked how they'd spend \$1 million outside of the investment world, assuming they'd done all their charitable giving, answers included splurging on a Ferrari (and a matching Birkin bag), starting a record label for women-led alternative and punk-rock bands, and taking a high-end, omakase-filled trip to Japan.

Before making any major investment, be sure to focus on mundane things like whether you're paying too much in fees, are diversified enough and are using the best kind of financial adviser for your situation. For more ideas on how to make sure you have the financial basics covered, take a look at [The 7 Habits of Highly Effective Investors](#).

Shifting Supply Chains

The idea: We like prospects for economic growth in Vietnam and the Philippines. We continue to see supply chains shift to Vietnam, and it will become a strategic manufacturing hub for everything from apparel to electronics, durables and increasingly automotive and electric vehicle value chains. It's relatively large labor force is very well-educated and highly



Christine Phillpotts, portfolio manager for emerging markets value, [Ariel Investments](#)

skilled but still low cost. It's next to a lot of port infrastructure, and the government's supportive of developing businesses and the environment for foreign direct investment.

In the Philippines, growth is being powered by an increasing number of companies moving call centers there. It has some interesting competitive advantages. For instance, most of its large and educated workforce speak English with minimal accents, so companies are comfortable using it as a main call center backbone. That's a key driver of services growth, and infrastructure investment has helped unlock productivity growth.

The strategy: In Vietnam, we like FPT, an information technology services company taking market share from Indian IT services in particular, given its highly skilled, lower-cost labor. FPT operates an IT services university with campuses around the country, developing the next generation of professionals, so it's vertically integrated with labor being its key asset.

We also like electronics retailer Mobile World and Vincom Retail, which owns and develops shopping malls. Vincom benefits from a growing middle class, and its malls are innovative growth businesses with churches, doctors, theaters, and concerts – helping malls become the center of community life.

In the Philippines, we like Ayala Land, a leading property developer and real estate operator. It's well-positioned given its extensive land bank in locations poised to be

unlocked by infrastructure buildout. And a growing middle class will drive demand for its housing products – it does residential development as well as hotels and malls.

There are points of debate about the growth stories in Vietnam and the Philippines. In Vietnam, weakness in the real estate sector has driven a liquidity crunch. Whether that persists and spreads is a debate, but we don't think it will. The Philippines has current account and fiscal deficits and there are concerns over rising inflation. However, we think higher tourism activity and retrenchment in commodity prices like oil will help the current account deficit, and that inflation has peaked.

Alternate idea

I'd set up a new record label focused on finding, developing and promoting women-led alternative and punk-rock bands. Inspiration came in my teenage years from following the Riot Grrrl feminist punk/alternative music scene that came out of Olympia, Washington. I was inspired by the notion of marginalized groups using music to speak truth to power. I always had a little rebel in me – my mom was a Haitian political activist, and I went to many demonstrations with her. Fun fact: I once had a piece published in a Riot Grrrl "zine" in the '90s.

Excerpted from [Bloomberg.com](#), January 18, 2024, copyright by Bloomberg L.P. with all rights reserved. This reprint implies no endorsement, either tacit or expressed, of any company, product, service or investment opportunity. #C134545 Managed by The YGS Group, 800.290.5460. For more information visit [www.theYGSgroup.com](#).

Ariel
investments

In this interview, Christine Phillpotts candidly discusses her opinion on the market and on stocks and sectors that may have, at the time of the interview, been held in one or more of Ariel's strategies. This opinion is current as of the date of this interview but is subject to change. The information provided in this interview does not provide information reasonably sufficient upon which to base an investment decision and should not be considered a recommendation to purchase or sell any particular security. This material should not be considered an offer for any of the securities referenced. The information contained in the interview is not guaranteed as to its accuracy or completeness. Portfolio holdings are subject to change.

Past performance does not guarantee future results. Investing in equity stocks is risky and subject to the volatility of the markets. The performance of any single portfolio holding is no indication of the performance of other portfolio holdings or its strategy. A growth investment strategy seeks stocks that are deemed to have above-average growth potential. Growth stocks offer an established track record and are perceived to be less risky than value stocks. A value investment strategy seeks undervalued stocks that show a strong potential for growth. The intrinsic value of the stocks in which a value strategy invests may be based on incorrect assumptions or estimations, may be affected by declining fundamentals or external forces, and may never be recognized by the broader market.

This document may contain forward looking statements relating to the objectives, opportunities, and the future performance of the markets generally. Forward looking statements may be identified by the use of such words as; "believe," "expect," "anticipate," "should," "planned," "estimated," "potential" and other similar terms. Forward looking statements are subject to various factors, including, but not limited to general and local economic conditions, changing levels of competition within certain industries and markets, changes in interest rates, changes in legislation or regulation, and other economic, competitive, governmental, regulatory and technological factors affecting a portfolio's operations that could cause actual results to differ materially from projected results. Such statements are forward looking in nature and involve a number of known and unknown risks, uncertainties and other factors, and accordingly, actual results may differ materially from those reflected or contemplated in such forward looking statements. None of Ariel Investments or any of its affiliates or principals nor any other individual or entity assumes any obligation to update any forward looking statements as a result of new information, subsequent events or any other circumstances. All statements made herein speak only as of the date that they were made.