
Wall Street Consensus 2024

Wall Street Consensus Survey

- Forecasts generally as of 12/31/23
- Number of firms responding on this survey: 55 – one more than last year
- Forecast time period: Generally 10 years

Firms Responding

- Acadian Asset Management
- Agincourt Capital Management, LLC
- American Century Investments
- Amundi Asset Management*
- AQR Capital Management
- Ares Management
- Ascension Investment Management*
- Atlanta Capital
- Barings
- BlackRock
- Brandywine Global*
- BNY Mellon
- CBRE Investment Management
- Charles Schwab
- Cohen & Steers, Inc.
- Coho Partners, Ltd.
- Crow Holdings*
- DePrince, Race & Zollo, Inc.
- Dodge & Cox
- Garcia Hamilton & Associates
- GMO
- Gresham Investment Management
- Hood River Capital Management
- Hotchkis & Wiley Capital Management
- Income Research + Management
- Invesco
- Janus Henderson
- JP Morgan
- Lazard Asset Management
- LGIM America*
- Lord, Abbett & Co.
- Lyrical Asset Management
- Macquarie Asset Management
- Marathon Asset Management
- MB Global Partners
- Mesirow
- MFS Investment Management
- Morgan Stanley
- Neuberger Berman, LLC
- NGP Energy Capital Management
- Ninety One*
- Northern Trust Asset Management
- Nuveen*
- Oak Hill Capital
- Oak Hill Advisors
- PGIM
- PIMCO
- PineBridge Investments
- Sit Investment Associates
- State Street Global Advisors
- Summit Creek Advisors
- T. Rowe Price Associates
- The London Company
- Voya Investment Management
- Western Asset Management Company

Long-Term Asset Class Returns & Risk¹

	Annual Average Return		Wall Street Consensus Expected Return Next Decade (2024-2033)	LCG's Long-Term Asset Class Return Assumptions (30-Year)	Volatility (Standard Deviation) 1980-2023
	1926-2023	1980-2023			
Equities					
US Large-Cap	10.3%	11.8%	6.8%	9.25%	16.2%
US Mid-Cap		12.4%	7.6%	9.75%	18.7%
US Small-Cap	11.8%	10.3%	8.1%	9.50%	21.8%
International Stocks:					
Developed Market Stocks		8.3%	7.7%	8.75%	18.9%
Small-Cap Stocks		6.0% ²	7.5%	9.75%	19.8% ²
Emerging Market Stocks		8.6%	9.0%	10.50%	25.4%
Global Equity		6.1% ⁵	7.3%	9.25%	17.8% ⁵
Bonds					
Core	4.9%	6.7%	4.8%	5.00%	6.4%
TIPs		4.8% ⁶	3.7%	4.50%	5.1% ⁶
High Yield		8.7%	6.7%	6.50%	9.5%
Bank Loans		5.0% ⁷	6.3%	5.75%	8.1% ⁷
Convertibles		9.5% ⁸	5.8%	7.75%	13.7% ⁸
International (unhedged)		6.1%	4.3%	5.00%	11.4%
Emerging Markets		6.7% ⁹	6.4%	7.25%	13.5% ⁹
Munis		6.0%	4.0%	4.25%	7.0%
Short-term		5.6%	3.9%	3.50%	3.5%
Long-term (Corporate)		8.3%	5.5%	5.50%	11.0%
Long-term Government		7.7%	4.7%	--	13.1%
Preferred Securities		4.5% ⁷	5.9%	--	12.3% ⁷
Alternative Investments					
Private Capital		13.7% ¹⁰	10.1%	12.00%	9.4% ¹⁰
Private Debt		--	7.3%	8.25%	n/a
Commodities		2.5% ¹¹	5.9%	3.50%	16.2% ¹¹
MLPs		11.1% ¹²	6.4%	9.50%	23.6% ¹²
Global Listed Infrastructure		8.8% ¹³	6.9%	--	16.8% ¹³
Hedge Funds					
Directional Equities		10.7% ¹⁴	5.9%	7.75%	11.1% ¹⁴
Absolute Return Conservative		5.5% ¹⁴	5.9%	6.25%	5.0% ¹⁴
Real Estate					
REITs		11.1%	7.7%	9.50%	17.9%
Core Properties		8.3% ¹⁶	6.2%	6.50%	4.2% ¹⁶
Value-Added Properties		--	6.7%	8.50%	--
Opportunistic Properties		--	6.7%	10.50%	--
T-Bills (Cash)	3.3%	4.1%	3.2%	3.25%	1.8%
Inflation	3.0%	3.2%	2.6%	2.75%	1.8%

¹ Source: Ibbotson and LCG Associates, Inc.; expected returns for traditional asset classes are consensus of several leading market strategists on Wall Street

² 3Q89 to 4Q23; ³ 3Q94-4Q23; ⁴ 3Q02-4Q23; ⁵ 1Q01 to 4Q23; ⁶ 4Q97 to 4Q23; ⁷ 1Q97 to 4Q23; ⁸ 1Q88 to 4Q23; ⁹ 1Q94 to 4Q23; ¹⁰ 2Q86 to 3Q23; ¹¹ 1Q91 to 4Q23; ¹² 1Q96 to 4Q23; ¹³ 1Q02 to 4Q23; ¹⁴ 1Q90 to 4Q23; ¹⁵ 1Q05 to 3Q23; ¹⁶ 1Q80 to 3Q23

Wall Street Consensus Survey – Primary Asset Class Forecasts (Next Decade)

<u>Equities</u>	<u>Lowest</u>	<u>Median</u>	<u>Average</u>	<u>Highest</u>
Large-Cap US	-1.2%	7.0%	6.8%	10.9%
Mid-Cap US	5.0%	7.6%	7.6%	13.0%
Small-Cap US	0.4%	8.0%	8.1%	20.0%
International Stocks:				
Developed Market Stocks	3.0%	7.8%	7.7%	20.0%
Small-Cap Stocks	3.0%	7.9%	7.5%	15.0%
Emerging Market Stocks	3.0%	9.0%	9.0%	20.0%
Global Equity	3.0%	7.1%	7.3%	15.0%
<u>Bonds</u>				
Core	2.8%	4.8%	4.8%	8.0%
TIPS	1.0%	4.0%	3.7%	5.9%
High Yield	4.0%	6.5%	6.7%	10.2%
Bank Loans	2.0%	6.9%	6.3%	9.4%
Convertibles	2.0%	5.8%	5.8%	10.0%
International (unhedged)	2.5%	4.0%	4.3%	8.0%
Emerging Markets	2.9%	6.7%	6.4%	9.2%
Munis	2.0%	4.0%	4.0%	6.0%
Short-term	2.0%	4.0%	3.9%	5.9%
Long-term (Corporate)	3.0%	5.5%	5.5%	7.0%
Long-term Government	3.0%	5.0%	4.7%	7.0%
Preferreds	3.0%	6.0%	5.9%	8.0%
<u>Alternative Investments</u>	<u>Lowest</u>	<u>Median</u>	<u>Average</u>	<u>Highest</u>
Private Equity	4.0%	9.4%	10.1%	18.0%
Private Debt	3.0%	7.2%	7.3%	12.0%
Commodities	2.0%	5.3%	5.9%	12.0%
MLPs	2.0%	6.3%	6.4%	10.0%
Global Listed Infrastructure	3.0%	7.2%	6.9%	10.0%
Hedge Funds				
Directional Equities	2.0%	5.8%	5.9%	10.0%
Absolute Return Conservative	2.0%	5.4%	5.9%	10.0%
Credit	3.0%	6.0%	6.1%	10.0%
Global Macro	2.0%	5.5%	5.6%	10.0%
Event Driven	2.0%	5.1%	5.0%	9.0%
Real Estate				
REITs	3.0%	8.1%	7.7%	12.4%
Core Properties	1.0%	6.6%	6.2%	10.0%
Value-Added Properties	1.0%	7.4%	6.7%	11.1%
Opportunistic Properties	2.0%	7.0%	6.7%	12.0%
<u>Other</u>				
T-Bills (cash)	2.0%	3.0%	3.2%	7.0%
Inflation	1.7%	2.5%	2.6%	5.5%