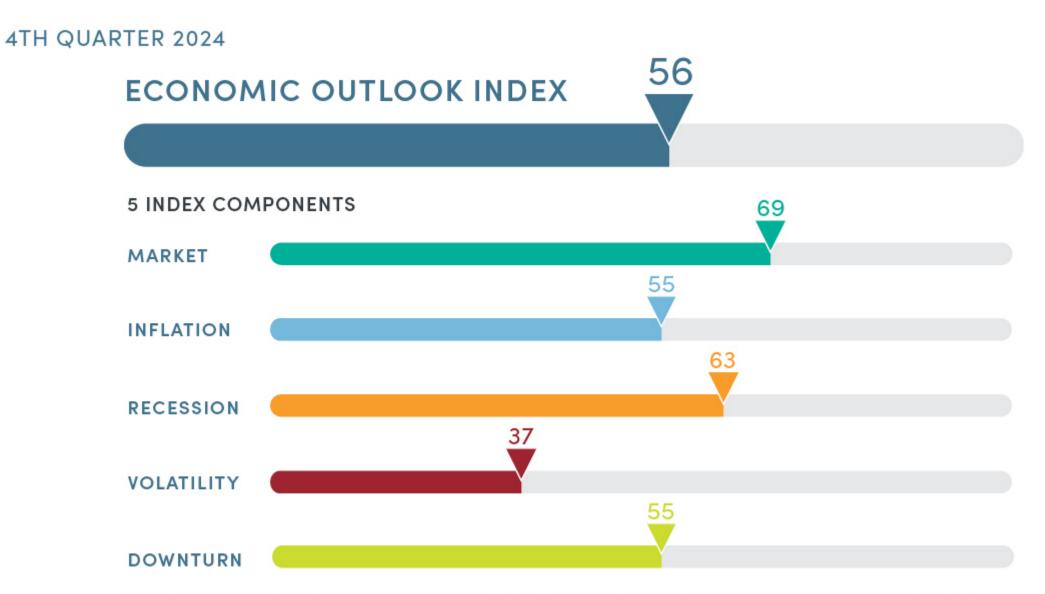
## **RIA Economic Outlook Index**

What It Is: A predictive tool created to measure the expectations of Registered Investment Advisors (RIAs) for the upcoming year's economy and market movements.

**How It Works:** The index is based on responses to five critical questions related to key economic indicators such as the S&P 500 performance, inflation rates, recession probability, market volatility, and potential equity market downturns from over 100 RIAs around the country.



Source: Information gathered in November 2024 for the 4th Quarter 2024 Security Benefit RIA Economic Outlook Index, conducted by Greenwald & Associates.

## **Key Insights**

- Index Score and Sentiment: The index score ticked up to 56 this quarter, compared to 53 in Q3, showing a slight boost in optimism. Hybrid RIAs are feeling a bit more upbeat with a score of 57, while pure RIAs are slightly more reserved at 54.
- Market Performance: Nearly 70% of RIAs believe the S&P 500® will gain at least 3% over the next year, and 25% are predicting growth of 10% or more. This reflects growing confidence in the market compared to earlier quarters.
- Inflation Expectations: Over 60% of RIAs expect inflation to exceed 3% in the next 12 months, a noticeable increase from 40% in Q1. Inflation concerns have steadily grown throughout the year.
- **Recession Probability:** RIAs remain divided on the risk of a recession. Around 45% think there's a moderate to high chance of one in the next year, while 55% believe the risk is relatively low, showing a mix of caution and optimism.
- **Volatility and Downturn Concerns:** Just over half (52%) expect higher market volatility compared to 2023, which is slightly down from Q3. Meanwhile, concerns about a major equity market downturn have eased, with only 12% expressing significant worry, down from 22% last quarter. This suggests growing confidence in the market's ability to hold steady.

## Why It Matters:

- Strategic Planning: Offers an early signal of potential economic shifts, aiding in better strategic planning for RIAs and their clients.
- Advisor and Client Confidence: Reflects a collective stance of cautious optimism, providing reassurance in the face of potential market challenges.



Download a visual overview of the RIA Economic Outlook Index, which measures Registered Investment Advisors' (RIAs) economy and market trends expectations.

**Download Data Visualization** 



Download the RIA Economic Outlook Overview, which provides insights into Registered Investment Advisors' (RIAs) expectations on key economic factors, including market performance, inflation, and recession risks for the upcoming year.

Download the Outlook Overview

## FINANCIAL PROFESSIONAL USE ONLY — NOT FOR USE WITH CONSUMERS

Annuities are insured by Security Benefit Life Insurance Company (SBL) in all states except New York. SBL is a subsidiary of SBL Holdings, Inc. (Security Benefit).

SB-10047-71 | 2025-01-06