



# 2024 Advisor Outlook Survey

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Financial Professional Expectations for  
Markets, Client Sentiment, and AI

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**InspereX**

# Introduction

## Research: October 2023

InspereX has partnered with Red Zone Marketing to conduct research on how financial professionals are operating and investing for clients.



### Survey Respondents:

384 financial professionals from RIAs, banks, broker dealers, and regional firms were surveyed from October 23-30, 2023. The gender breakdown was 15% female, 85% male.



### Survey Objective:

To collect insights designed to determine how financial professionals are using bonds and fixed income technology solutions.

# Key Findings

This research found that higher-yielding fixed income has had a positive impact on advisors' business in 2023. More than two-thirds (68%) said their clients are moving some of their equity allocation to fixed income.

**65%**

said higher rates have made their conversations with clients more positive in tone

**61%**

said their clients are eager to lock in higher rates for as long as possible

**52%**

said higher rates have made it easier to win new business

In 2024, advisors are more likely to increase their use of bonds to generate income for clients than any other type of investment. Specifically, the top five investments they plan to use for more income are:

1. Individual bonds
2. Dividend-paying stocks
3. Bond funds/ETFs
4. Cash or cash equivalents
5. CDs

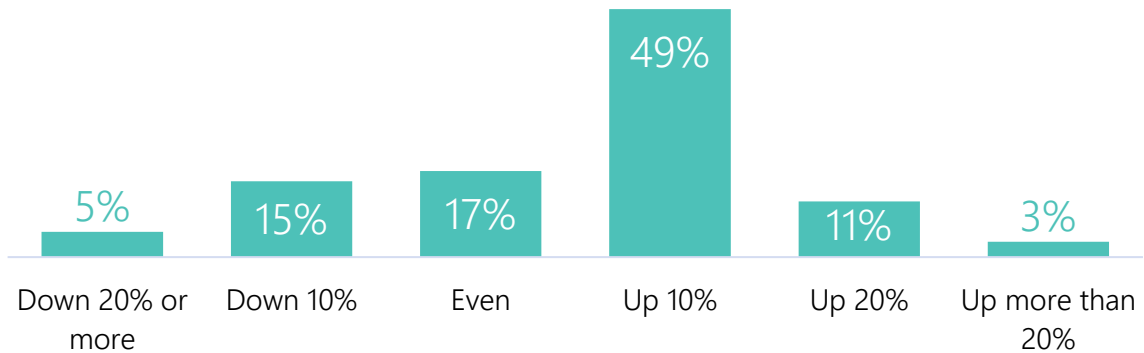
Even so, more than half of surveyed advisors (55%) did not believe that the 60/40 portfolio was back.

As always, it should be noted that bond coupon payments (income payments) are subject to the credit risk of the issuer.

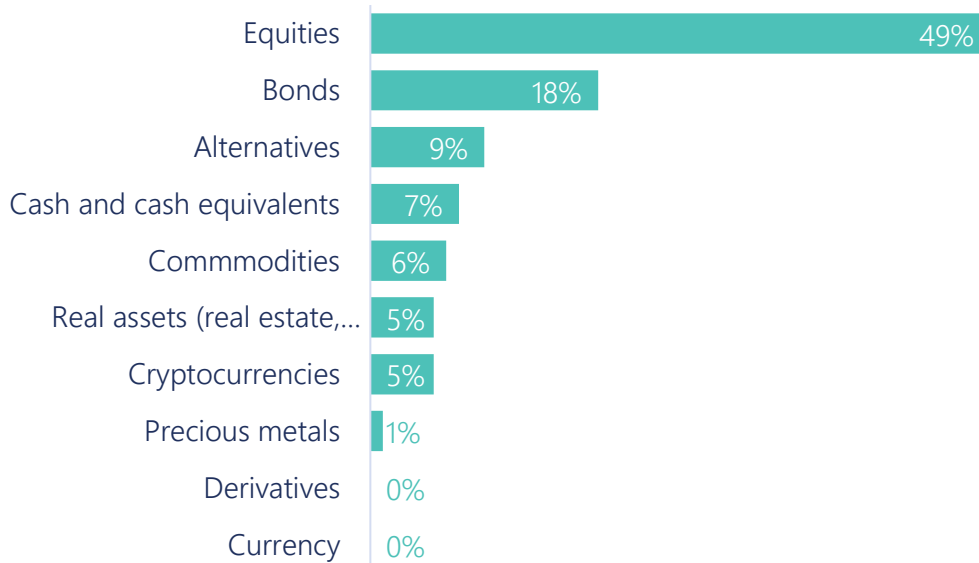
When it comes to technology, advisors have mixed feelings.

- ✓ 79% would welcome more technology to help monitor client portfolio performance
- ✓ 59% would be willing to upload client portfolios to a tech platform
- ✗ 70% are not comfortable with AI-generated investment recommendations
- ✗ 63% say real world experience is better at predicting market trends than technology
- ✗ 25% say clients value what AI or machine learning can do for their portfolio

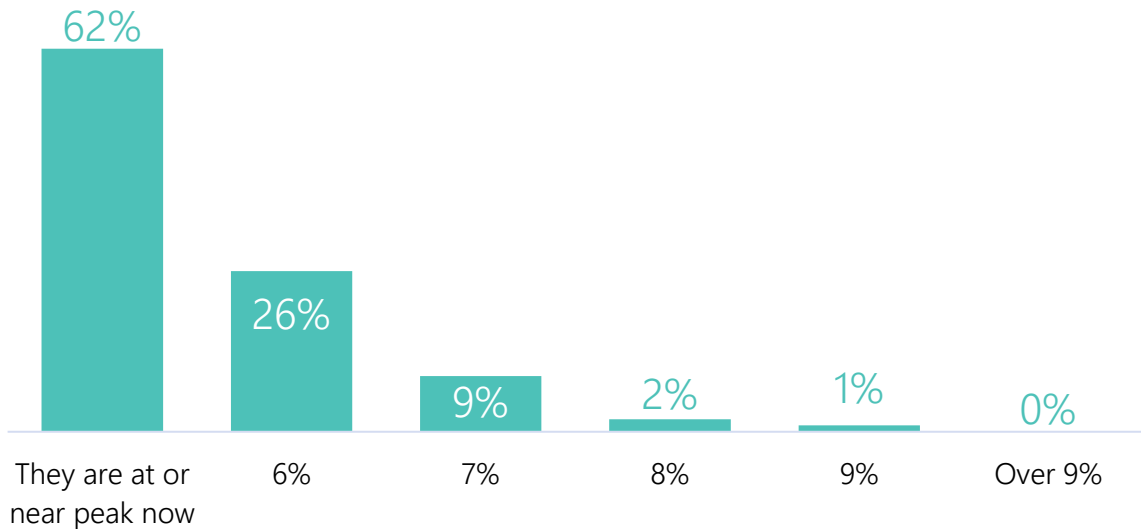
## Compared to today, where do you forecast the market at the end of 2024?



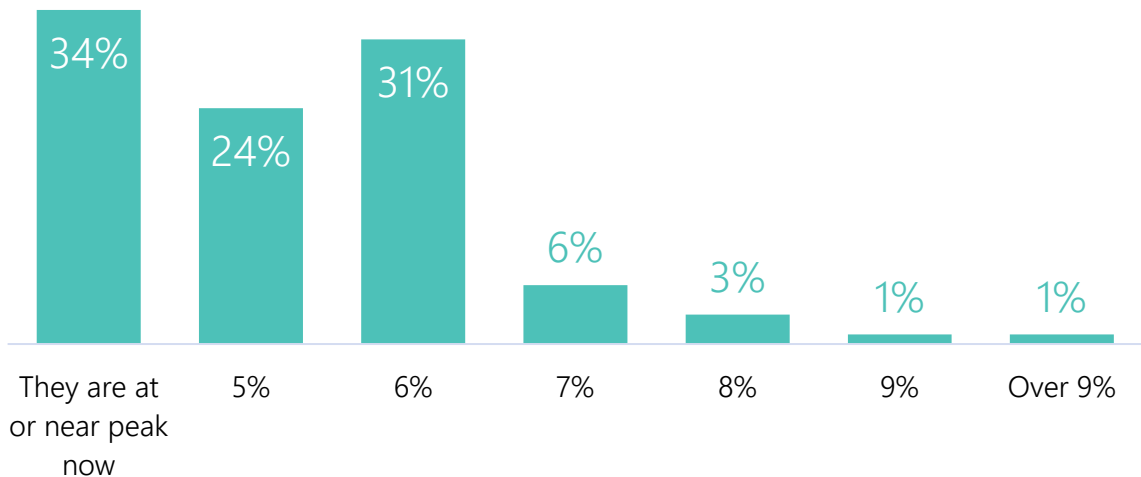
## Which do you believe will be the top performing asset class for 2024?



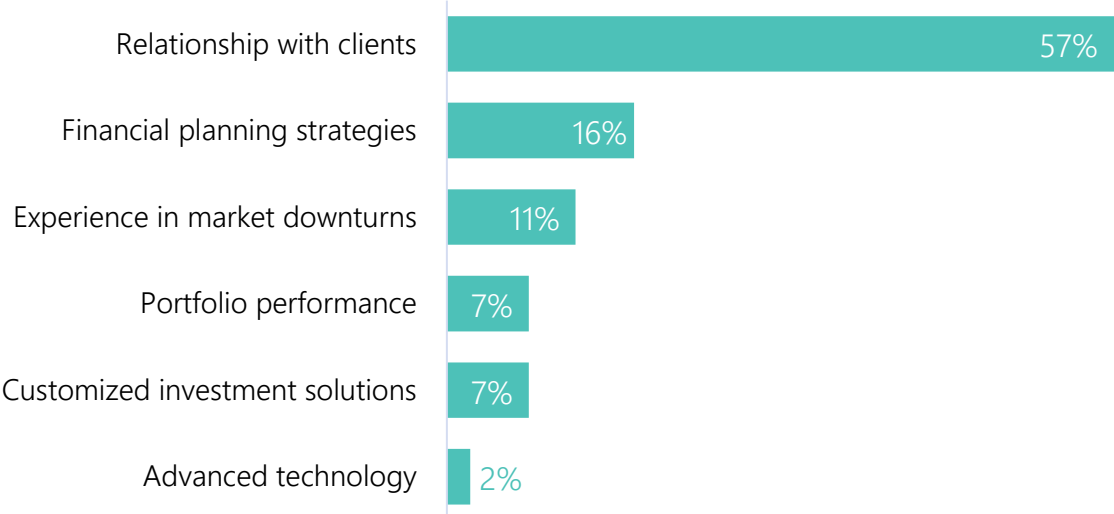
## Where do you think two-year Treasuries will peak over the next 18 months?



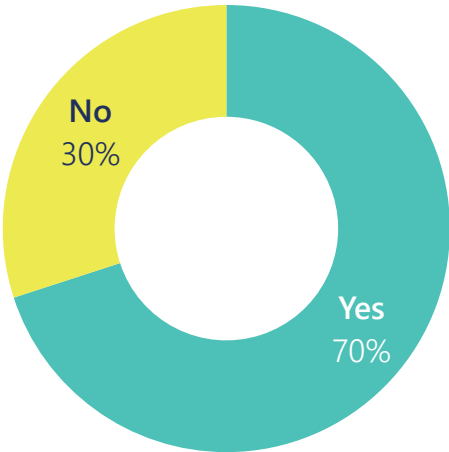
## Where do you think ten-year Treasuries will peak over the next 18 months?



# What do you believe is your competitive advantage?

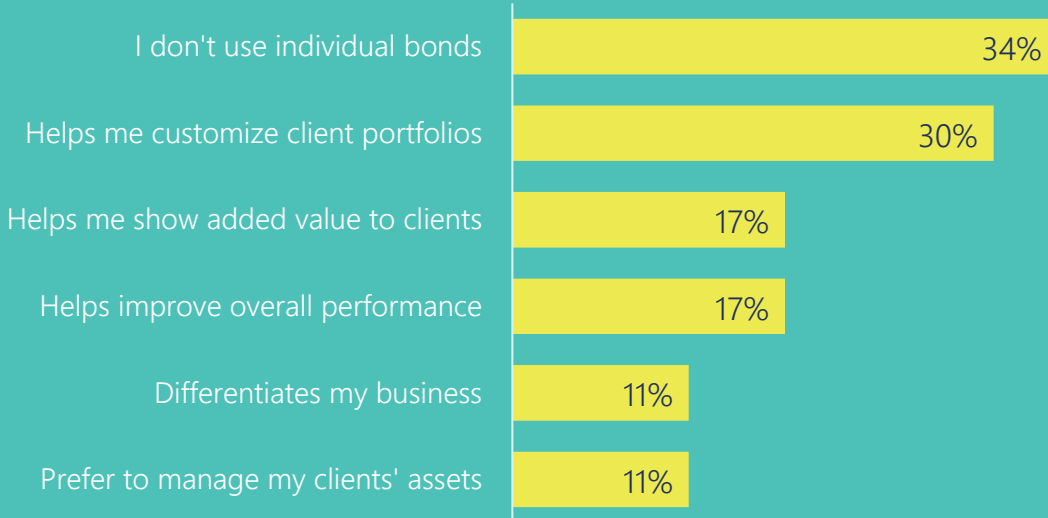


# Do you use individual equities (stocks)?

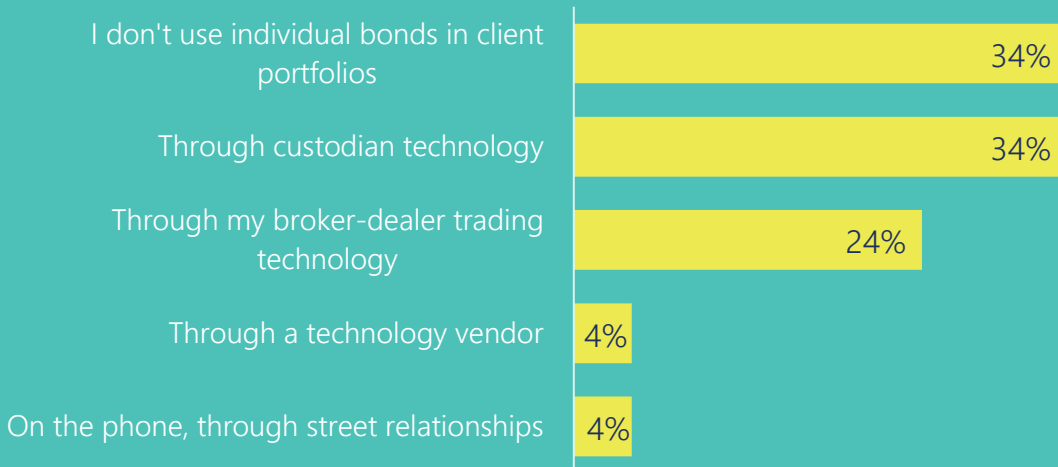


## If you use individual bonds - why do you?

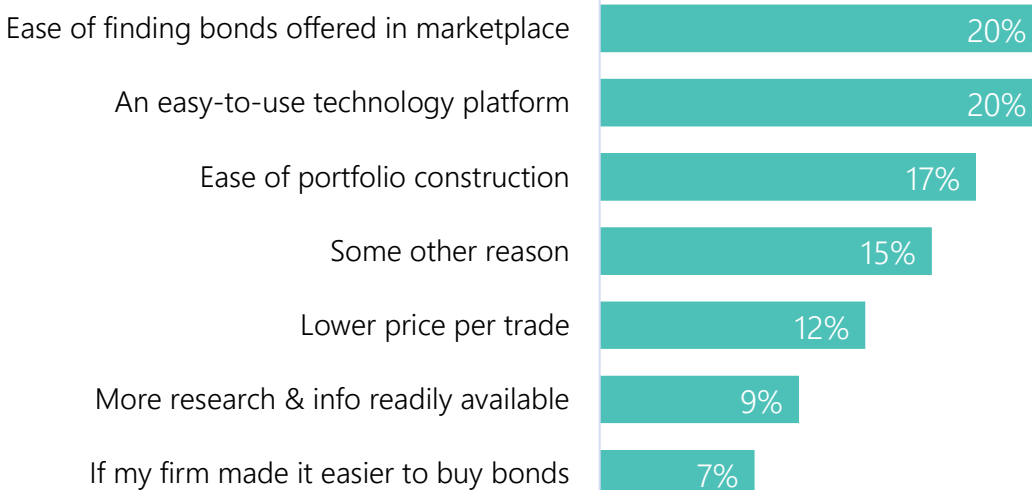
(Choose all that apply)



## If you use individual bonds - how do you buy and sell bonds today?



# If you don't use individual bonds now, what would compel you to do so?

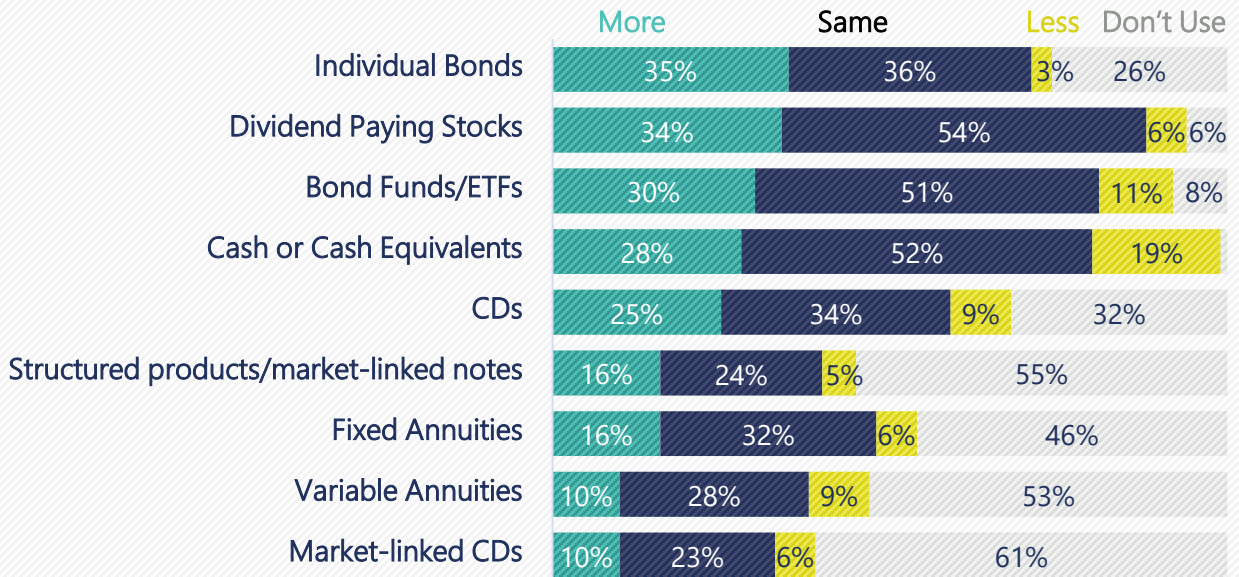


## Other Reasons:

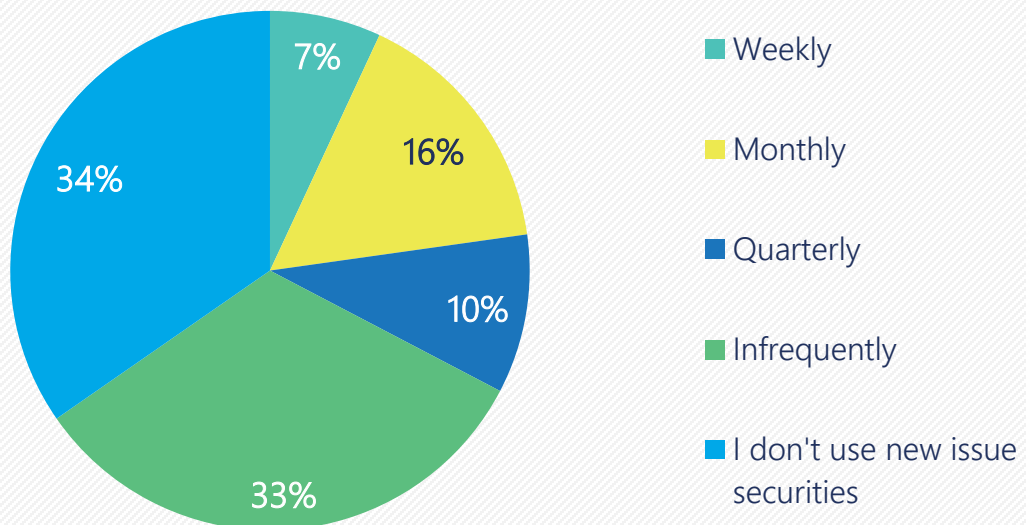
- 1 Interest rates
- 2 Reduced complication
- 3 Client request
- 4 Improved liquidity
- 5 We use other sources for bonds (SMAs, etc.)



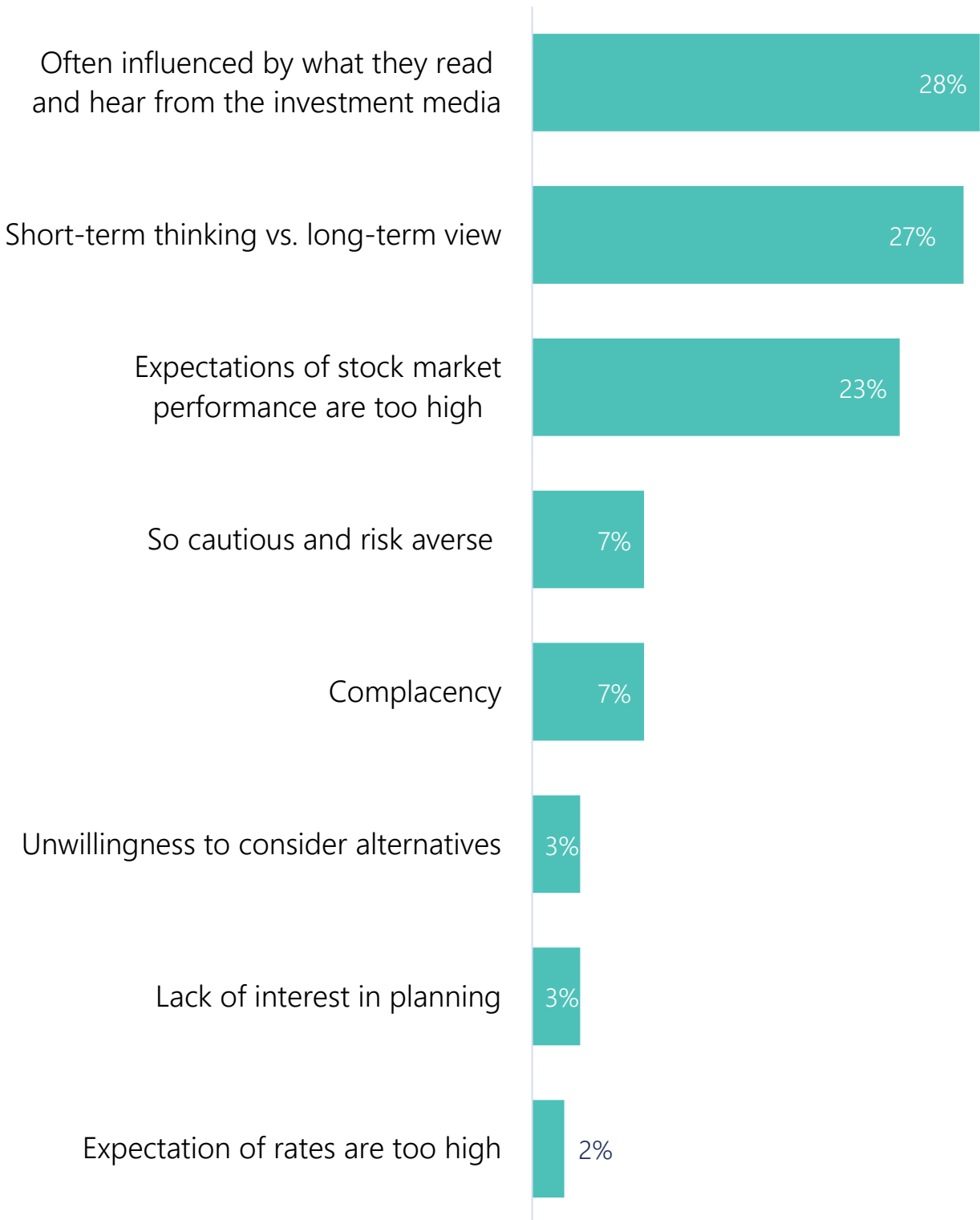
## When you think about income in 2024, do you anticipate using these more, less or the same?



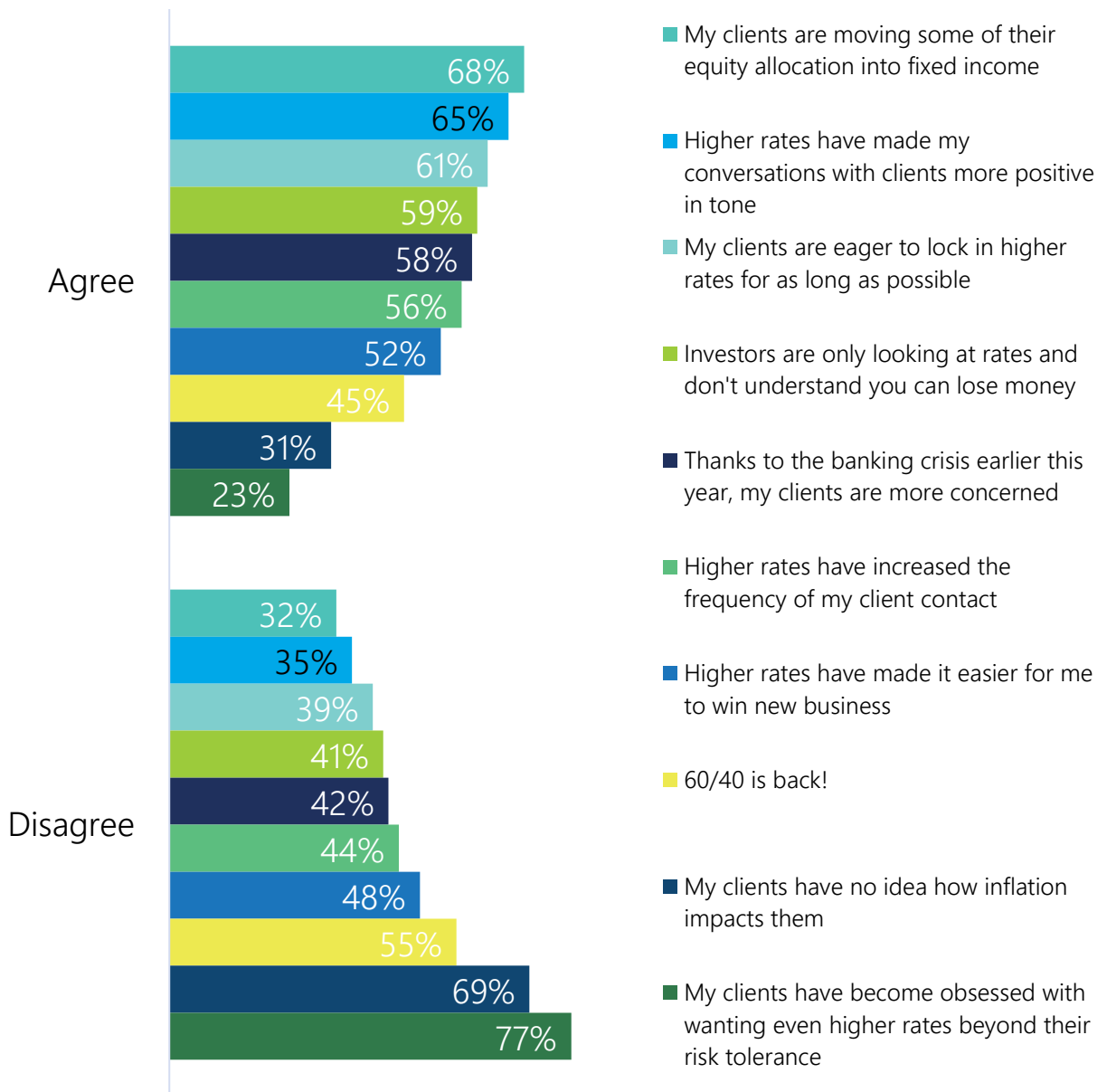
## How often do you use new issue securities of any kind?



# What client behavior is most concerning?



# Client Sentiment – Agree or Disagree



As a financial professional, I am most worried about:  
(1 being the most)

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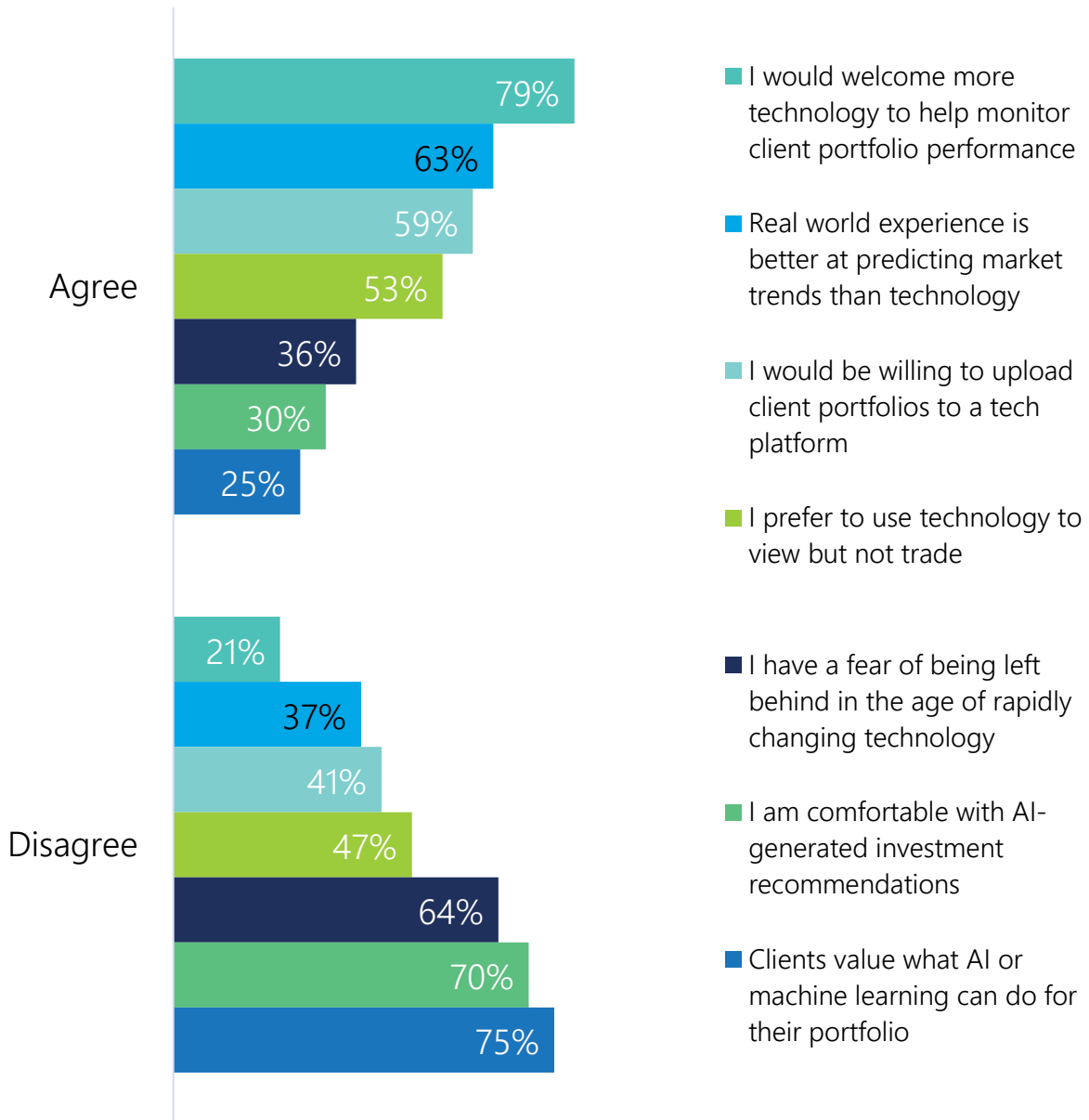
1. Geopolitics
2. Market Volatility
3. Inflation
4. Recession
5. Rising Interest Rates
6. Rising Taxes
7. U.S. Political Divide
8. Stock Market Correction

My clients are most worried about:  
(1 being the most)

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1. Geopolitics
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6. Rising Interest Rates
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# Financial Advisor Sentiment – Agree or Disagree



# On my wish list to make the fixed income market work better for me (Choose all that apply)

Easier to use technology providing greater efficiency

37%

Technology that allows me to drive performance and reduce risk

26%

A better way to document best execution

23%

Technology that adds Alpha on fixed income

22%

Curated offerings and information tailored to my needs (less noise)

21%

Access to new issues of bonds

20%

Access to more secondary market offerings

18%

# October Survey Methodology

October 23 – 30, 2023

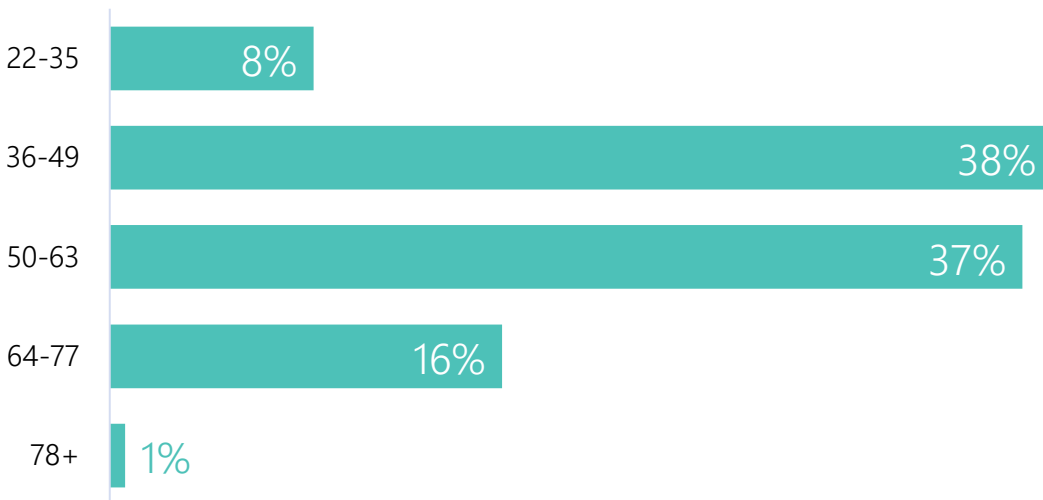
SURVEY COLLECTION

384 Financial Advisors

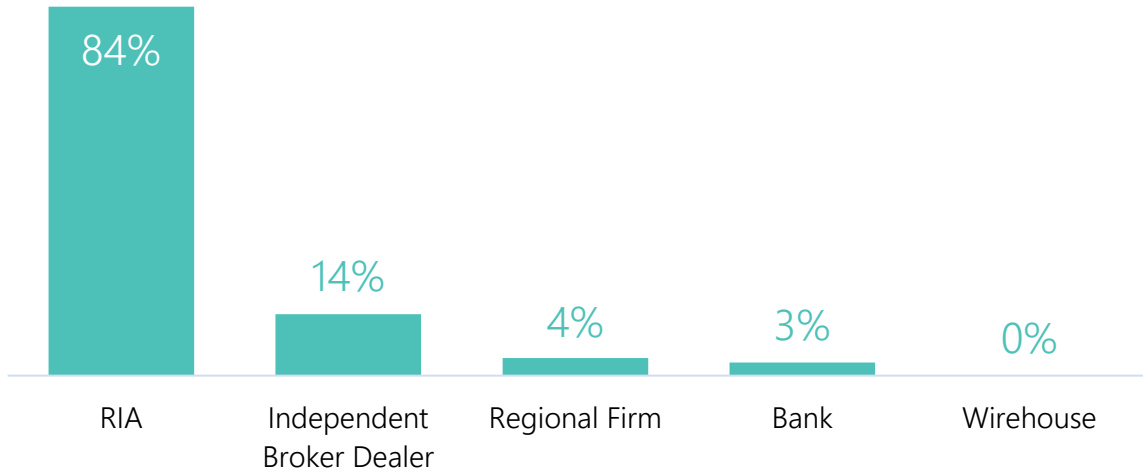
RESPONDENTS



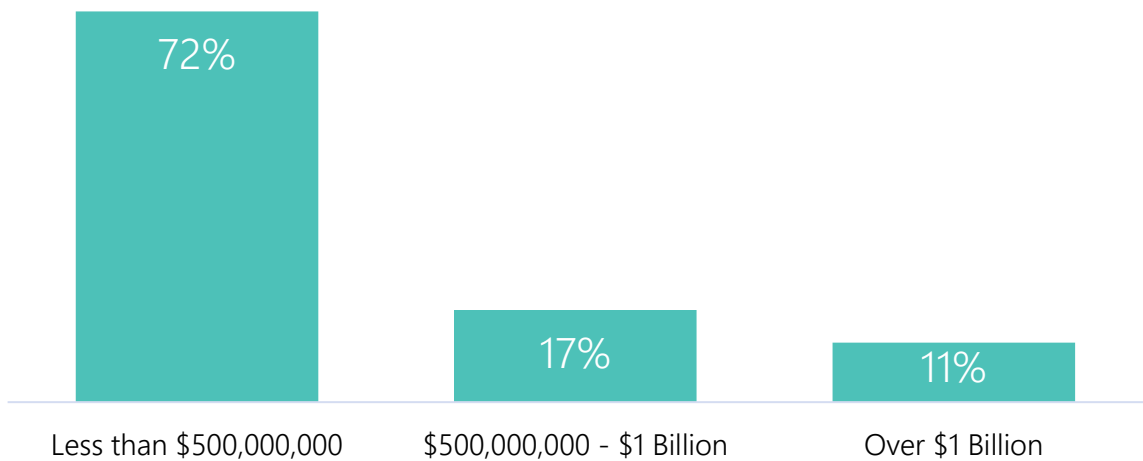
## Age Breakdown



## Advisor Affiliation (check all that apply)



## Anticipated Assets Under Management in 2023





# About InspereX

InspereX is transforming how fixed income securities and market-linked products are accessed, evaluated, and traded. Home to the pioneering BondNav® platform – one of the first cloud-native bond aggregation platforms – InspereX provides financial advisors, institutional investors, issuers, and risk managers deep access to fixed income markets across asset classes, as well as industry-leading origination, distribution, and education in market-linked products. Focused on delivering true price transparency, liquidity, best execution targeting price improvement, and the information advantage gained through data-aggregation, InspereX inspires greater confidence through the power of technology.

## QUESTIONS?

Contact InspereX at **646.661.1700** or **LiaisonDesk@insperex.com**

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