



## LPL Financial Publishes Outlook 2022

Dec 7, 2021

### **Solid earnings and economic growth in 2022 should keep recovery on firm footing, as we continue to move past shortages and supply chain issues of 2021**

CHARLOTTE, N.C., Dec. 07, 2021 (GLOBE NEWSWIRE) -- [LPL Financial LLC](#) (Nasdaq:LPLA) today released the firm's Outlook 2022 report, in which LPL's Research team suggests 2022 will be a year for "Passing the Baton." The report includes insights and analysis of the economy and markets, and is available to all LPL Financial advisors, RIAs and institutions, and publicly in an [interactive digital version](#) and as a [downloadable PDF](#).

"The U.S. economy bounced back from its worst year since the Great Depression in 2020 with one of the best years of growth in nearly 40 years in 2021," said LPL Chief Market Strategist Ryan Detrick. "A combination of record stimulus, a healthy consumer, an accommodative Fed, vaccinations, and reopening of businesses all contributed to the big year. In 2022, the economy may be ready for a handoff, back to a greater emphasis on the individual choices of households and businesses."

#### **Among the key forecasts and topics discussed in the Outlook 2022 report:**

- **Economy:** As the U.S. economy moves more to mid-cycle, LPL strategists forecast 4.0 to 4.5 percent gross domestic product (GDP) growth in 2022. Fiscal and monetary policies played big roles in the economic recovery in 2021, but LPL's strategists see 2022 playing out as a handoff—with consumers, productivity, small businesses and capital investments all playing a part in the next stage of economic growth.
- **Stocks:** Expect solid economic and earnings growth in 2022 to help stocks deliver additional gains next year. LPL strategists believe the S&P 500 could be fairly valued at 5,000 to 5,100 at the end of 2022. Additionally, they favor U.S. over developed international, value over growth, and cyclical sectors over defensives.
- **Bonds:** Expect interest rates to move modestly higher in 2022 based on near-term inflation expectations above historical trends and improving growth expectations once the impact of the COVID-19 Delta and Omicron variants recede. The 2022 forecast for the 10-year Treasury yield is 1.75 to 2.00 percent.

LPL's Marc Zabicki, Director of Research, added, "The recovery has been a testament to our ability to manipulate our world. Scientists developed several vaccines extraordinarily quickly. Central banks and policymakers found ways to insert themselves into the complex network of economic relationships to help bridge the worst of the economic crisis. But the same scale that multiplies our control of the world can also multiply potential mistakes and make robust, complex systems more fragile. For any investor, making progress toward your financial goals will continue to take a steady hand and a good plan, coupled with guidance from a valued financial advisor."

#### **About LPL Financial**

LPL Financial (Nasdaq: LPLA) was founded on the principle that the firm should work for the advisor, and not the other way around. Today, LPL is a leader\* in the markets we serve, supporting more than 19,000 financial advisors, 800 institution-based investment programs and 450 independent RIA firms nationwide. We are steadfast in our commitment to the advisor-centered model and the belief that Americans deserve access to personalized guidance from a financial advisor. At LPL, independence means that advisors have the freedom they deserve to choose the business model, services, and technology resources that allow them to run their perfect practice. And they have the freedom to manage their client relationships, because they know their clients best. Simply put, we take care of our advisors, so they can take care of their clients.

*\*Top RIA custodian (Cerulli Associates, 2019 U.S. RIA Marketplace Report); No. 1 Independent Broker-Dealer in the U.S (Based on total revenues, Financial Planning magazine 1996-2021); No. 1 provider of third-party brokerage services to banks and credit unions (2020-2021 Kehler Bielan Research & Consulting Annual TPM Report); Fortune 500 as of June 2021*

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Please see the LPL Financial Research Outlook 2022 for additional description and disclosure.

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