

Rates, Liquidity and the Price of Risk

Inflation, energy prices and policy expectations continue to influence the cost of capital across markets.

Executive perspective

Rate sensitivity cuts across long-duration equities, bonds, leveraged companies and risk assets.

What we are watching

The key is to understand transmission: rates affect discount rates, financing costs, demand and relative asset attractiveness.

Portfolio lens

Portfolio implication: stress-test positions against more than one inflation and rate path.

Research references

- J.P. Morgan — 2026 Mid-year Market Outlook

<https://www.jpmorgan.com/insights/global-research/outlook/mid-year-outlook>

- BlackRock — Fall 2026 Investment Directions

<https://www.blackrock.com/us/financial-professionals/insights/inside-the-market/investment-directions>

- Vanguard — Capital Markets Model forecasts, July 2026

<https://corporate.vanguard.com/content/corporatesite/us/en/corp/vemo/vemo-return-forecasts.html>

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