Remaco-Report | 2026 Q3

Survey of Capital Market Assumptions in Swiss Francs

A Remaco study based on institutional capital market assumptions

remaco

Research & Management Company, since 1947.

Key findings

Each quarter we evaluate capital market assumptions in Swiss francs for a 10-year investment horizon, drawn from institutional financial market experts and consultants. The cut-off date for this report was 30.06.2026.

Stabilisation after the decline – diversification pays off

Equity expectations recover:

Following the broad, geopolitically driven decline in expected returns in the previous quarter, long-term equity expectations have recovered: the average expectation across all regions rises from 5.26% to 5.83%. Owing to the methodology, shifts are reflected only with a lag – the picture should be read as a cautious stabilisation, not as an all-clear.

US valuation trap persists, Asia and EM as counterweight:

With a forward-looking expected return of 4.14%, the US market remains the laggard among regions; the structural overvaluation leaves little room to the upside. Emerging Markets (5.97%), Europe (6.15%) and the Pacific region (6.09%) continue to offer higher return premia and form the counterweight to the US-heaviness of global indices.

Swiss equities: interpret with caution:

After the Q2 setback, the expectation for Swiss equities is back at 6.68%. The Swiss market is covered by only a few institutions, so individual adjustments (e.g. at BlackRock or Research Affiliates) have a disproportionate impact. The pronounced swing is therefore primarily a coverage effect and should not be over-interpreted.

Strategic implications for investors:

In an environment still shaped by geopolitical uncertainty, a central insight is confirmed: a broadly diversified portfolio remains the best – albeit not perfect – protection. A target return of 4.0% p.a. remains achievable, but requires deliberate diversification across regions, asset classes and liquidity tiers. Such a target return cannot be achieved with bonds, nor in a multi-asset portfolio with a high weighting of US equities.

Current Expectations at a Glance:

Bonds

Expected Return: 1.6 % p.a. (Δ12M: -0.3 %).

Equities

Expected Return: 5.8 % p.a. (Δ12M: 0.0 %).

Liquid Alternatives

Expected Return: 2.9 % p.a. (Δ12M: +0.1 %).

Private Markets

Expected Return: 5.9 % p.a. (Δ12M: 0.0 %).

About this report

In our quarterly study "**Survey of Capital Market Assumptions in Swiss Francs**", we collect and analyse all publicly available capital market assumptions of globally active institutional asset managers and advisors. We standardise these, convert them into Swiss francs and aggregate them into consolidated capital market assumptions. Our analysis is carried out from the perspective of a Swiss francs investor, with the result that any differences in returns and interest rates are taken into account accordingly. In this publication, we have updated the capital market assumptions in Swiss francs as of 30.06.2026, taking into account the expectations of a total of 29 institutional financial market experts. A detailed description of the methodology can be found at the end of this study.

This and future studies on capital market assumptions can be found at: **https://remaco.com/research/**

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1. Survey of Capital Market Assumptions

As of the cut-off date 30.06.2026, the consensus expectations show a cautious stabilisation following the geopolitically driven setback of the previous quarter (**Table 1** and **Figure 1**). Across the board, long-term return expectations have recovered. As our survey naturally reflects consensus changes with a lag, the current picture should be read as a calming – not as a final verdict.

Bond markets: stable long-term expectations

The consensus for Swiss government bonds (Eidgenossen) has turned marginally positive at 0.06% – a slight improvement over the previous quarter (-0.06%). On a year-over-year basis, the decline remains moderate at -0.04%. Corporate bonds (global hedged) edged lower to 1.83% (-0.20 percentage points versus Q1). In the long-term capital market assumptions, high-yield bonds remain stable so far at 2.94%. The 10-year Sharpe ratio of 0.30 is the highest in the fixed-income space. It should be noted that our study captures long-term return expectations over a 10-year horizon and does not reflect short-term market dynamics.

Equity markets: broad-based stabilisation

The average return expectation across all equity regions rises from 5.26% to 5.83%. The recovery is carried by nearly all regions:
US still the laggard: At 4.14%, US expectations remain close to the previous quarter. The «US valuation trap» remains intact – the structural overvaluation leaves little room for upward revisions.
Asia/Pacific region and EM attractive: Emerging Markets (5.97%), Europe (6.15%) and the Pacific region (6.09%) form the necessary counterweight to the US-heaviness of global indices. Pacific ex Japan gains expert favour by +0.71 percentage points and is among the regions with rising expectations.
Swiss equities: mind the coverage effect: After the Q2 setback, the expectation for Swiss equities is back at 6.68%. Since only a few institutions cover the Swiss market, individual adjustments (e.g. BlackRock, Research Affiliates) quickly lead to larger swings. The fluctuation is therefore primarily a coverage effect and should not be over-interpreted.

Alternative investments and private markets

Among liquid alternatives, gold recovers to 2.44% (Δ12M: +0.68%); REITs are almost unchanged at 5.25% and remain a solid real-asset anchor. Private market assets remain the highest-returning classes in the universe: Private Equity leads with 7.81%, Private Credit follows with 5.27%. The illiquidity premium remains attractive for investors with the appropriate time horizon. The development over time (**Figure 3**) shows a broad-based calming of return expectations after the downward move in spring.

Consolidated capital market assumptions and disagreement range: 30.06.2026

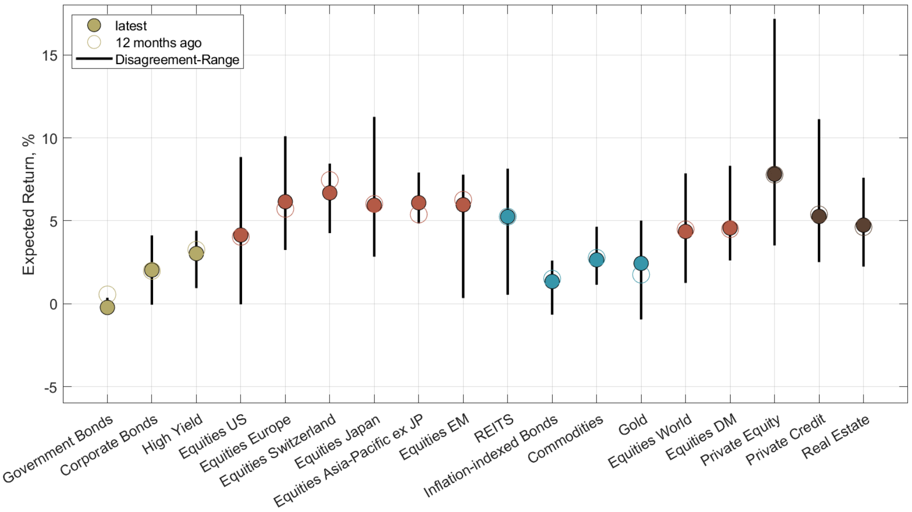

Figure 1: Consolidated capital market assumptions and disagreement range.

Circles represent the median of the individual expected return of an asset class. The black vertical lines correspond to the lowest and highest expected return in the survey (disagreement range) and show the disagreement of the financial market experts. Numbers are in % per annum, expressed in Swiss francs, and for an investment horizon of 10 years. The expected return is arithmetic.

	Expected Return p.a.	Expected Risk p.a.	Change vs. Previous Year		Range, E(R)	
Asset Class	**E(R)**	**σ**	**ΔE(R)**	**Δσ**	**min**	**max**
Swiss Confederation Bonds	-0.22	3.86	-0.78	-0.88	-0.58	0.36
Corporate Bonds Global, hedged	2.03	5.70	0.05	-0.30	-0.06	4.12
High Yield Global, hedged	3.03	8.98	-0.23	-0.27	0.94	4.40
Ø Bond Markets	**1.61**	**6.18**	**-0.32**	**-0.49**		
Equities US	4.14	15.73	0.11	-0.08	-0.04	8.84
Equities Europe ex Switzerland	6.15	16.60	0.43	-0.52	3.24	10.10
Equities Switzerland	6.68	14.57	-0.78	0.52	4.26	8.45
Equities Japan	5.94	16.98	-0.08	-0.61	2.84	11.27
Equities Pazific ex Japan	6.09	17.89	0.71	-0.61	4.84	7.91
Equities Emerging Markets	5.97	20.83	-0.30	-0.67	0.34	7.78
Ø Equity Markets	**5.83**	**17.10**	**0.02**	**-0.33**		
REITs Global	5.25	17.20	0.00	-1.10	0.54	8.14
Inflation-linked Bonds, hedged	1.34	5.70	-0.17	0.01	-0.66	2.60
Commodities	2.65	15.95	-0.12	-0.05	1.14	4.64
Gold	2.44	14.90	0.68	0.12	-0.95	5.01
Ø Alternative Assets	**2.92**	**13.44**	**0.10**	**-0.26**		
Equities Global	4.36	15.71	-0.13	-0.14	1.26	7.86
Equities Developed Markets	4.57	15.98	0.07	-0.14	2.61	8.32
Private Equity	7.81	20.00	0.03	-0.22	3.51	17.18
Private Credit	5.27	10.50	-0.12	-1.20	2.51	11.13
Real Estate Global	4.74	12.00	0.12	-0.03	2.24	7.60
Ø Private Markets	**5.94**	**14.17**	**0.01**	**-0.48**		
Cash, CHF	0.34		-0.04			

Table 1: Consolidated capital market assumptions in Swiss francs, 2026 | Q3.

Consolidated capital market assumptions are based on the median of up to 29 individual expectations of globally active institutional asset managers and consultants. The cut-off date for the survey is 30.06.2026. Numbers are in % per annum, expressed in Swiss francs, and for an investment horizon of 10 years. The expected return is arithmetic. «Change on previous year» refers to 12 months earlier. The column labelled «Range» lists the highest and lowest expected return in the cross-section of institutional capital market assumptions for each asset class.

Risk-return diagram based on consolidated capital market assumptions: 30.06.2026

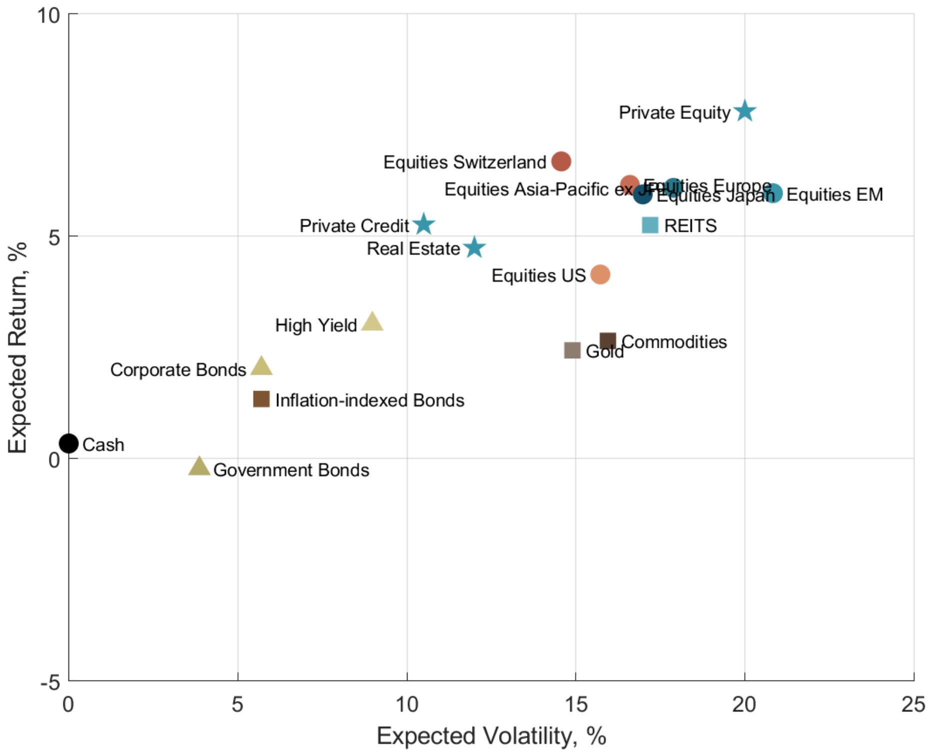

Figure 2: Risk-return diagram based on consolidated capital market assumptions.

Consolidated capital market assumptions are the median of up to 30 individual expectations of globally active institutional asset managers and consultants. Figures are in %, per annum, Swiss francs, and for an investment horizon of 10 years. The expected return is arithmetic.

Consolidated capital market assumptions over time: 30.06.2026

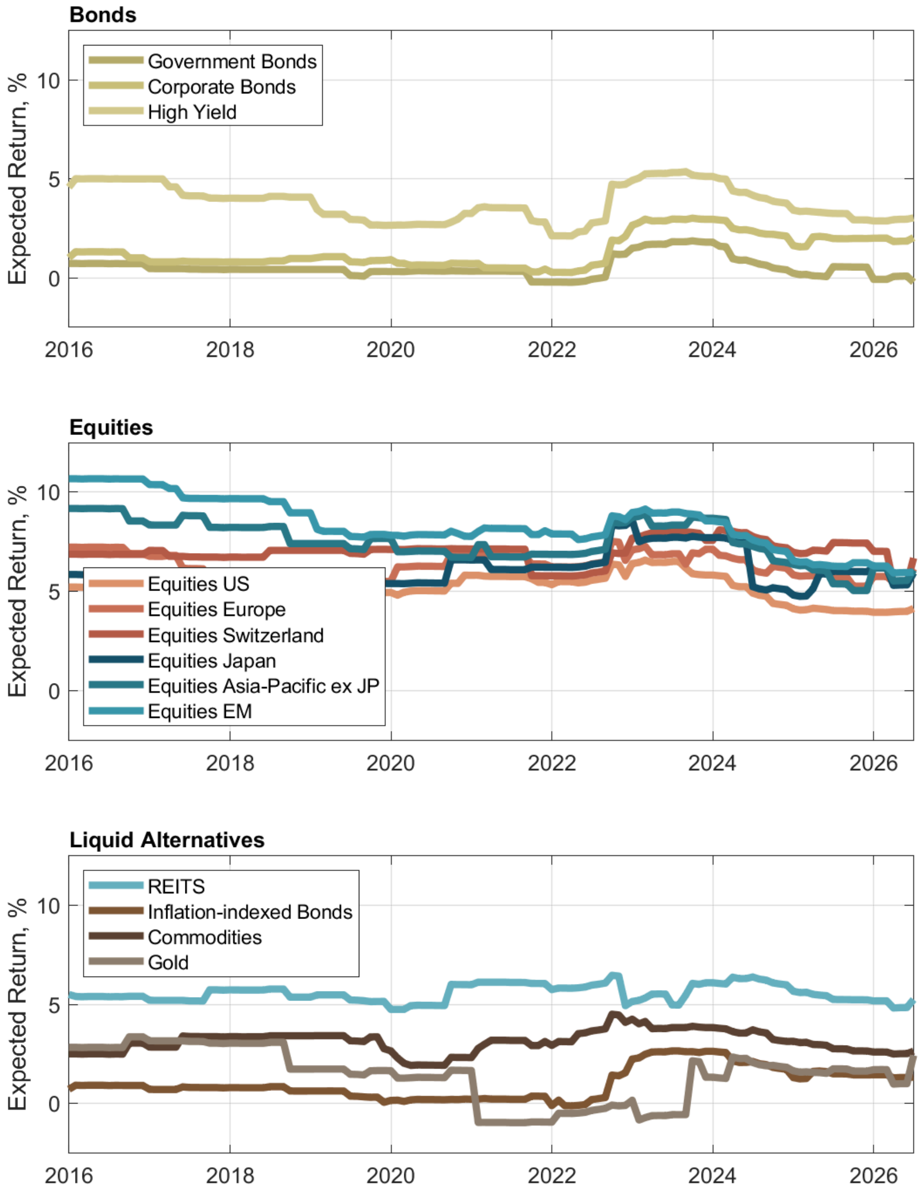

Figure 3: Consolidated capital market assumptions over time.

The figure shows the expected return on the asset classes from Table 1 and Figure 1 over time from 2016.

2. Globally Diversified Investing

2.1 Capital market assumptions support global diversification

Forward-looking capital market assumptions make it possible to evaluate the attractiveness of asset classes prospectively, rather than relying solely on historical data. Using the Information Ratio (IR), we identify systematic optimisation potential in Table 2: a positive value signals that a higher weighting of the asset class improves the risk-adjusted performance (Sharpe ratio) of the overall portfolio.

The central result is clear: for nearly all asset classes the information ratios are positive – and equally so against the home-bias portfolio as against the world portfolio. Both starting portfolios can thus be improved on a risk-adjusted basis by adding almost any additional asset class. This is clear evidence that both benchmarks are under-diversified and that broad diversification across regions, asset classes and liquidity tiers remains the most effective lever for portfolio optimisation.

Home-bias portfolio – broad diversification pays off: For investors with a classic Swiss focus (40% Confederation bonds, 60% Swiss equities), nearly all asset classes deliver positive diversification contributions. Particularly pronounced are Private Debt (IR: 0.31), Real Estate (0.20) and Private Equity (0.18). Only the starting position itself – Confederation bonds (-0.25) – is negative.

World portfolio – the same picture: For a standard world portfolio (40% Confederation bonds, 60% MSCI World) the same pattern emerges: all non-US equity regions and virtually all other classes make positive contributions – Switzerland (0.42), Europe (0.29), Japan (0.24), Pacific (0.24), Emerging Markets (0.15) as well as High Yield (0.20), Private Debt (0.41) and Private Equity (0.31). US equities remain almost return-indifferent with an IR of 0.08.

Conclusion: The pervasively positive IR picture speaks a clear language. A purely passive, market-cap-weighted world portfolio remains suboptimal – as does a one-sided home bias. In times of heightened uncertainty, consistent diversification across regions, asset classes and liquidity tiers is the most effective lever to stabilise and optimise the portfolio.

2.2 Remaco World Portfolio

Uncertainty demands a systematic approach: In an environment of declining return expectations and heightened geopolitical risks, a market-cap-weighted portfolio (MSCI World) reaches its limits. The US dominance in the index, paired with the persistent «US valuation trap», curbs the return potential and offers no protection against regional dislocations.

The Remaco World Portfolio is a rules-based, efficient investment approach that systematically translates the institutional consensus expectations of up to 29 leading experts worldwide into an optimised allocation – and responds flexibly to changing market conditions. It is not merely an alternative to the MSCI World, but the necessary upgrade for a market environment in which active selection and diversification determine success.

Learn more at: ***https://remaco.com/weltportfolio/***

	Sharpe Ratio	Excess Return, %	Beta	Information Ratio	
Benchmark	**«Cash»**	**«Home Bias»**	**«Home Bias»**	**«Home Bias»**	**«World»**
Swiss Confederation Bonds	-0.15	-0.94	0.10	-0.25	-0.20
Corporate Bonds Global, hedged	0.30	0.65	0.29	0.13	0.21
High Yield Global, hedged	0.30	0.63	0.57	0.09	0.20
Equities US	0.24	-0.61	1.23	-0.05	0.08
Equities Europe ex Switzerland	0.35	0.30	1.54	0.03	0.29
Equities Switzerland	0.44	0.62	1.60	0.25	0.42
Equities Japan	0.33	1.45	1.16	0.11	0.24
Equities Pazific ex Japan	0.32	1.07	1.31	0.08	0.24
Equities Emerging Markets	0.27	0.68	1.38	0.04	0.15
REITs Global	0.29	0.63	1.19	0.05	0.17
Inflation-linked Bonds, hedged	0.18	0.20	0.22	0.04	0.10
Commodities	0.14	0.88	0.40	0.06	0.05
Gold	0.14	1.08	0.28	0.07	0.10
Equities Global	0.26	-0.85	1.36	-0.09	0.20
Equities Developed Markets	0.26	-0.66	1.37	-0.06	0.17
Private Equity	0.37	3.05	1.24	0.18	0.31
Private Credit	0.47	2.85	0.58	0.31	0.41
Real Estate Global	0.37	2.08	0.65	0.20	0.30

Table 2: Performance indicators based on consolidated capital market assumptions, 2026 | Q3.

Reported performance indicators are based on consolidated capital market assumptions and are forward-looking. Sharpe ratio is the expected return minus the return for an investment in cash, divided by the expected risk (standard deviation). The remaining performance indicators are calculated against a benchmark portfolio. The «Home-Bias» benchmark consists of 40% Swiss Confederation bonds and 60% Swiss equities. The «World» benchmark consists of 40% Swiss Confederation bonds and 60% global equities. The excess return (alpha) is the expected return based on consolidated expectations less the risk-adjusted return according to the benchmark. Beta measures the systematic risk of an asset class relative to the benchmark. The information ratio is the Alpha divided by the tracking error calculated against a benchmark.

3. Methodology

Our study is based on the published capital market assumptions of 29 globally active institutional asset managers and advisors (Amundi, Aon, Benjamin Edwards, BlackRock, BNY Mellon, Callan, Capital Group, Cohen Steers, EFG, Envestnet, Fidelity, Franklin Templeton, Invesco, JP Morgan, LGT, Meketa, MFS, Morgan Stanley / Graystone, NEPC, Nuveen, PGIM, Research Affiliates, Rowe Price, State Street, Vanguard, Verus, Voya, Wilshire, Wells Fargo). We only consider institutions that actually use capital market assumptions for investment decisions or for advising professional investors. Institutional capital market assumptions are produced by research teams who generally disclose their methodology in the respective reports.

All capital market assumptions refer to a long-term time horizon of five to fifteen years, with a time horizon of ten years being the most common. Many original sources provide either only the geometric or only the arithmetic expected return. In these cases, we calculate the missing information. We convert the capital market assumptions in foreign currency into Swiss francs (based on full hedging by forward contracts).

An individual capital market assumption remains in our sample until a more up-to-date assumptions is published, up to a maximum of 18 months. All forecasts are currently updated at least once a year by the respective institutions, and in many cases also during the year, e.g. quarterly. As not all asset classes are covered by all institutions, the number of individual capital market assumptions available varies.

For the asset class "Cash CHF, short-term risk-free investment in Swiss francs", we have relatively few observations (#5) in our sample. We report here the mean value of the consolidated capital market assumptions and the current value for "Fixed-term deposits and time deposits, 12 months", which is available on the Swiss National Bank's website.

Finally, we aggregate the individual expectations into consolidated expectations by calculating the median of all available observations. Our methodology is comparable to the regularly published study by *Horizon Actuarial Services*, which provides consolidated capital market assumptions for the US, as well as recent research by Dahlquist & Ibert (2024) and Couts, Goncalves and Loudis (2024).

Get in touch with us to learn more about evidence-based portfolio management at Remaco.

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