



# Equities

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## Equity Market Focus: Objective Expected Returns

### Understanding Return Expectations, Part 6

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This paper reviews the predictive ability of popular "objective" estimates of US equity market's multi-year return and explores different ways of potentially improving them. Estimates based on equity valuations or yields are a good starting point—though their track record can be overstated. Estimates based on past or predicted earnings growth have, if anything, been harmful.

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