

MARKETS | BIG MONEY POLL

# Stocks Are Still the Place to Be, Our Exclusive Big Money Poll Finds

By Nicholas Jasinski Updated Oct. 16, 2021 10:52 am ET / Original Oct. 15, 2021 11:33 am ET Ord

America's money managers are optimistic about the long-term outlook for the economy, the financial markets, and the recovery from the Covid pandemic. It's the short-term prognosis that concerns them.

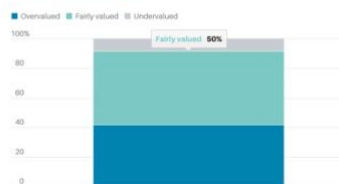
Monetary and fiscal policies are in flux. Supply-chain bottlenecks and labor shortages are igniting inflation and threatening corporate profit margins, and the economic recovery from 2020's recession—so robust until now—is decelerating. Add pricey stock valuations and rising bond yields, and the immediate future suddenly looks more challenging than the recent past.

That's the message of *Barron's* fall 2021 Big Money poll of institutional investors, which finds 50% of respondents bullish about the prospects for equities in the next 12 months, down from 67% in the spring. Thirty-eight percent are neutral about stocks, up from 26% six months ago. The bears' ranks remain small at just 12%, but that's up from 7% in our spring survey.

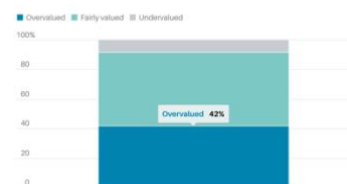
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indigestion. Nearly 80% of respondents expect a stock market correction in the next six months, defined as a drop of at least 10% from the most recent high. But less than 10% see a bear market—a decline of 20% or more in stock prices—in the same time horizon.