

At SIFMA's State of the Industry Briefing, Ken Bentsen and Ron Kruszewski outlined the key advocacy priorities and market issues shaping the year ahead. Here are the top takeaways.



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Chairman and CEO, Stifel
Chair, SIFMA Board of Directors

TOP TAKEAWAYS

1

Market Performance: A Strong 2025 Across Asset Classes

- » U.S. markets delivered strong results despite inflation, tariffs, and geopolitical risk. **"We have the deepest, most liquid markets in the world,"** said Kruszewski.
- » The S&P 500 returned 20% YTD; equity ADV hit a record 17.7B shares (+51% YoY).
- » YTD IPO issuance reached \$36.1B (+20% YoY); SPAC activity almost tripled to \$25.0B.
- » Long-term Treasury issuance reached \$4T YTD (+3% YoY) with ADV above \$1T; corporate, muni, MBS, and ABS issuance also increased.
- » SIFMA's Economist Roundtable projects 2.1% GDP growth in 2026, moderating inflation, and further Fed cuts.
- » Investor sentiment remains strong, with elevated but manageable volatility.

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Regulatory & Policy Priorities to Define 2026

- » **Treasury Clearing:** Updated implementation white paper coming soon; transition ahead of 2026–2027 compliance dates remains a top focus. "We are spending a tremendous amount of time on this," said Bentsen.
- » **Capital & Leverage Framework:** SIFMA supports restoring eSLR as a true backstop and improving the Tier 1 leverage ratio; the Basel III Endgame and GSIB surcharge re-proposals are expected soon. "We're cautiously optimistic that we'll get a more workable proposal," said Bentsen.
- » **Private Markets Access & Investor Protections:** We've seen tremendous growth in private markets, as companies stay private longer. SIFMA is working with regulators, retirement plan sponsors, and the industry to expand access responsibly, with rigorous valuation, reporting, and liquidity standards. "What's the most practical, prudent way for everyday investors to have exposure to these markets?" asked Bentsen.
- » **Digital Assets, Tokenization & Market Structure:** The \$19B crypto flash crash on Oct. 10 underscored the need for robust investor protections. Key priorities include tokenization under existing frameworks, stablecoin rules (GENIUS Act), CAT reform, e-delivery, and equity market structure updates. "What we need to do is make these young, innovative companies available to the general public so that the rising tide of American economic activity isn't just in the private markets - it gets back to the public markets," said Kruszewski.

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Investor Trust and Satisfaction High, Generational Shift on Horizon

- » 8 in 10 investors are satisfied with the industry; 7 in 10 say firms act in their best interests.
- » A widening **generational divide:** Boomers emphasize performance; Gen Z expects immediacy, transparency, and control.
- » Technology has expanded access but blurred the line between investing and gambling. **"Access without understanding is not empowerment,"** said Kruszewski.
- » With **\$100+ trillion** set to transfer to younger generations, firms will need to balance digital convenience with education, guidance, and long-term safeguards.

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The Market Outlook for 2026

- » Equity markets expected to remain resilient, supported by earnings strength and active trading.
- » Capital formation and M&A are likely to improve as financing conditions ease.
- » Outlook: moderate growth, softer inflation, and gradual Fed rate reductions.
- » "The market has been remarkably resilient, yet we cannot lose sight of basic fundamentals," said Kruszewski, noting a PE near 25x and a 10-year yield above 4%. **"Markets are rich in terms of valuation."**

RELATED RESOURCES

- » [Read the Voice of Investor Satisfaction, Trust, and Advocacy \(VISTA\) Study](#)
- » [Read the Barrons Oped: For Too Many Young People, Investing Is Like Gambling. It's a Warning Sign.](#)
- » [Download the End-Year US Economic Survey](#)
- » [Explore the Capital Markets Fact Book](#)

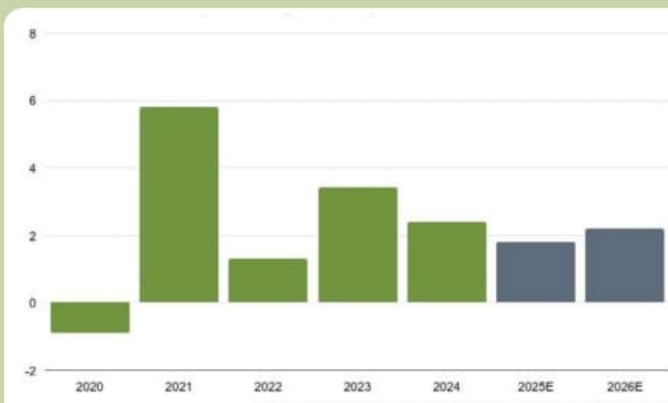
FEATURED CHARTS & DATA

Capital Market Performance (YTD 2025)

	YTD 2025	YTD 2024	Y/Y
Capital Formation (\$B)			
Total Equity Issuance (ex-SPACs)	207.9	202.0	3%
IPOs	38.4	30.5	26%
Secondaries	141.0	149.7	-6%
Other Investment Banking (\$B)			
M&A	1,597.0	1,294.6	24%
Private Equity (YTD through 3Q25)	869.4	636.4	37%
Volatility & Volumes			
Volatility (VIX, average)	19.2	15.5	4 pps
Equity ADV (\$ shares)	17.7	11.9	49%
Options ADV (M contracts)	59.3	47.0	26%
Long-Term Fixed Income Issuance (\$B)			
Total LT Fixed Income Issuance	10,372.1	9,467.4	10%
UST	4,208.0	4,090.5	3%
Corporate Bonds	2,135.3	1,896.7	12%
Municipal Bonds	535.2	479.8	12%
MBS	1,719.5	1,455.0	18%
Fixed Income Outstanding (\$T) (YTD through 2Q25)			
Total Fixed Income Outstanding (ex-MBS & ABS)	47.8	45.3	5%
UST	28.7	27.0	6%
Corporate Bonds	11.4	11.0	4%
Municipal Bonds	4.3	4.2	4%

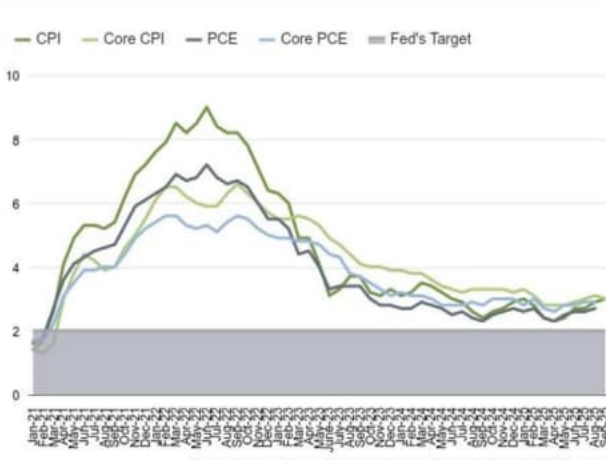
Note: All YTD as of Nov 30, except where noted otherwise.
Sources: Cboe Exchange, Dealogic, Pitchbook, Refinitiv, US Treasury, SIFMA estimates

Real GDP Growth (% Change 4Q/4Q)



Source: Bureau of Economic Analysis, Bureau of Labor Statistics, SIFMA Research

Inflation (% Change Y/Y)



Source: Bureau of Economic Analysis, Bureau of Labor Statistics, SIFMA Research