

Global Investment Outlook 2026

Franklin Templeton · 2026-08-24 · English original

Navigating 2026 through multiple lenses

Our investment teams will continue to provide their 2026 outlook, covering fixed income, equities, multi-asset, alternative investing and ETFs.

We believe investing in a broad range of asset classes and regions optimizes the balance of risk and reward across various economic outcomes. Our investment manager will continue to share their outlook for the rest of 2026 for their respective asset classes.

Please bookmark this page and return periodically to see all the latest commentaries.

The World Didn't Break: 2026 Mid-Year Investment Outlook

Midway through 2026, Franklin Templeton Institute's Global Investment Outlook framework remains a valuable lens—but the landscape has shifted.

2026 Private Markets Outlook

Geopolitical risks remain elevated as the markets continue to digest the impact of trade tariffs. What does this mean for private markets? Franklin Templeton Institute shares its outlook.

From the US Market Desk: Operation Twist

Get ready each week with high-conviction insights that go beyond media headlines.

Broadening Delivered. Now Prepare for Volatility.

Market leadership has broadened beyond mega-cap tech, but the next phase is likely to reward disciplined, diversified investors, write Chris Galipeau and Lukasz Kalwak of Franklin Templeton Institute.

Global Equity Pulse: Health care—positioning for a potential recovery

In this month's Global Equity Pulse, Templeton Global Investments makes the case for a recovery in the health care sector.

Global Equity Pulse: Health care—positioning for a potential recovery

In this month's Global Equity Pulse, Templeton Global Investments makes the case for a recovery in the health care sector.

Global Equity Pulse: Conflict and opportunity

In this month's Global Equity Pulse, Templeton Global Investments examines undervalued opportunities as a wave of rearmament progresses at a rapid pace.

Global Equity Pulse: A closer look at the energy sector

With oil prices and energy stocks at higher level, how can investors navigate a sector driven by geopolitics and volatility? This month's Global Equity Pulse reveals why looking beyond commodity prices to company fundamentals may be the key to unlocking value in today's uncertain energy landscape.

US small caps roll on amid increased volatility

Royce Investment Partners: Co-CIO Francis Gannon discusses how US small caps remain market leaders even as volatility and uncertainty are on the rise.

AOR Update (Podcast): Geopolitical conflict and the US economy

On this month's Talking Markets podcast, our host, John Przygocki, sits down with ClearBridge Investments' Jeff Schulze to assess the US economic outlook, evolving recession risks, and the market implications of escalating geopolitical tensions. The conversation spans inflation dynamics, the potential impact of oil price increases and Fed policy expectations, while also exploring AI disruption and providing an update on US equity markets.

Global Equity Pulse: Ramping up on consumer staples

Templeton Global Investments is increasing its focus on opportunities in the consumer staples sector, where compelling valuations, attractive dividends and potential earnings recovery beckon.

Five catalysts for international value stocks in 2026 and beyond

International value stocks outpaced US equities in 2025. See the five catalysts fueling the shift—and why investors still have time to act.

Biotechnology in 2026: Innovation amid industry transformation

Franklin Equity believes biotechnology supports a highly selective, active approach, focused on identifying companies best positioned to translate innovation into durable value.

Five factors that can drive US small-cap earnings growth

Royce Investment Partners: Co-CIO Francis Gannon looks at how low interest rates, tax policy, reshoring, technology adoption, and deregulation can fuel US small-cap earnings growth.

Japan 2026 outlook

Japan is undertaking its most significant economic and corporate transformation in a generation. The likely earnings tailwind from economic normalization combined with shareholder return enhancement through corporate reforms anchor our bright outlook for 2026 and beyond.

AOR Update (Podcast): The rotation continues

On this month's Talking Markets podcast, Jeff Schulze of ClearBridge Investments reviews the latest Recession Risk Dashboard, including an update to Manufacturing PMI, New Orders. He also shares his thoughts on rotation in the US equity space, consumer strength, and why markets may see some volatility in 2026.

When will US small-caps reach the summit?

Royce Investment Partners: Chris Clark and Francis Gannon discuss whether relatively attractive valuations, strong earnings, and heightened volatility could put US small-caps back on top in 2026?

Emerging Markets Insights: China's evolving consumer landscape

China's Spring Festival, Korean semiconductors and emerging market earnings are the three things Templeton Global Investments analyses in this month's Emerging Markets Insights.

Global Equity Pulse: Japan's compelling case—an updated view

Templeton Global Investments maintains its conviction on Japanese equities in 2026, as evidence of economic normalization and broadening corporate reforms continues to build.

AOR Update (Podcast): Is the AI era a repeat of the dot.com era?

On this month's Talking Markets podcast, Jeff Schulze of ClearBridge Investments shares insights from the ClearBridge Recession Risk Dashboard, explores the outlook for US equities in 2026, and discusses how AI-driven capital expenditures compare to past innovation cycles. Get his perspective on economic trends and where opportunities may lie in the year ahead.

ESG 2026 outlook: Resilience and evolution

ClearBridge Investments: Renewables form a relatively high percentage of power both being built today and planned for the immediate future. Biodiversity, AI, defense and nuclear are also key issues for 2026.

International value outlook: A more balanced opportunity set in 2026

ClearBridge Investments: Shifting geopolitics are causing policymakers in Europe and Japan to step up fiscal spending to gain self-sufficiency and generate growth.

Global Equity Pulse: Cheaper oil part of constructive 2026 outlook

Lower oil prices, earnings growth and diverse opportunities in 2026: Templeton Global Investments explores these key themes in its latest Global Equity Pulse.

The Royce Roundtable: US small-caps looking strong in 2026

Royce Investment Partners: Portfolio Managers Lauren Romeo and Jim Harvey join CEO and Co-CIO Chris Clark and Co-CIO Francis Gannon to discuss why they're constructive on US small-cap's prospects in 2026 and how they're positioning their portfolios.

Emerging Markets Insights: Adapting to achieve growth

The probability of strong earnings and growth-friendly policies should make emerging markets attractive to investors in 2026, in the view of Templeton Global Investments.

What's next for US small-caps in 2026?

Miles Lewis, Chip Skinner, Kavitha Venkatraman, Steven McBoyle and Francis Gannon talk about what they see in store for US small-cap stocks in the coming year.

China 2026 outlook

Templeton Global Investments suggests the outlook for Chinese equities in 2026 is bright and are positive on the semiconductor, consumer discretionary, power equipment and biotech sectors.

Global emerging markets outlook 2026

Artificial-intelligence-related investment is one of the trends likely to sustain the rise of emerging market equities in 2026, as policy support also contributes to a favorable backdrop.

2026 outlook: Cross-country divergences

Several factors point toward potential global growth acceleration in 2026. However, employment weakness poses a meaningful risk. Our experts share what this sideways outlook may mean for the economy, financial markets, and cross-country divergences.

International growth outlook: Necessity sparks opportunity

ClearBridge Investments: Shifting geopolitics are causing policymakers in Europe and Japan to step up fiscal spending to gain self-sufficiency and generate growth.

Global equity outlook 2026: Renewed tailwinds for quality growth

Franklin Equity Group suggests markets seem to be transitioning from a narrow, liquidity-driven regime to one shaped by fundamentals, innovation, and active management.

Climate change outlook 2026

After two years of elections and policy upheaval, Templeton Global Investments expects 2026 to bring a period of greater stability, as the policy, macro and industry conditions now settle into a clearer framework.

Key Convictions: Third Quarter 2026

In this third quarter update, Western Asset believes global fixed-income markets continue to navigate a complex backdrop as resilient growth, elevated inflation, hawkish central-bank pricing and the AI infrastructure buildout intersect.

Global Macro Insights: July 2026

July saw the renewed Middle East conflict weigh on financial markets, lift oil prices and push sovereign yields higher, according to the Templeton Global Macro team. We continue to favor select developed and emerging markets with positive fundamentals and particularly those that can leverage changes in the global supply chain.

Central Bank Watch: No Rush to Relax

Global central banks are entering a more complicated phase, according to Franklin Templeton Fixed Income, where patience increasingly comes with conditions. Policymakers are balancing sticky inflation risks, uneven growth and region-specific pressures.

Macro Views: Growth grinds, inflation grows

Global markets face a more stagflationary backdrop as inflation pressures intensify, growth diverges and central banks stay on alert. Tech and artificial intelligence investment continue to support the United States, Europe wrestles with a fresh inflation shock, and Japan shows resilience. But rising costs, supply strains and policy uncertainty cloud the outlook.

The Big Picture: Second quarter 2026

Western Asset: A quarterly report providing an in-depth analysis of the global economic landscape, key drivers and insights into fixed-income markets for investors.

Macro Views: AI tailwinds, geopolitical headwinds

Growth is holding up across major economies, according to the Franklin Templeton Fixed Income team, but geopolitics and energy prices are raising inflation risks. Policy remains the key swing factor, with central banks potentially diverging. Find out more in the latest FTFI Macro Views.

The opportunity in municipal bonds in 2026 (Podcast)

On this month's Talking Markets podcast, we sit down with guests Rick Polsinello from the Franklin Templeton Institute and Ben Barber of Franklin Templeton Fixed Income to discuss the US economy and the municipal bond market in 2026. They cover why they view the economy as resilient, some key investment themes for the year, and the growing opportunity within municipal bonds.

Quarterly Economic Outlook: First quarter 2026

Looking ahead to the first quarter of 2026, Templeton Global Macro CIO Michael Hasenstab believes there are several sources of potential economic policy concern in major economies. Find out more.

The Big Picture: First quarter 2026

Western Asset: A quarterly report providing an in-depth analysis of the global economic landscape, key drivers and insights into fixed-income markets for investors.

European fixed income outlook—cautious optimism

Looking ahead to 2026, Franklin Templeton Fixed Income Head of European Fixed Income David Zahn says he is cautiously optimistic about Europe's economic outlook.

The municipal bond market outlook: Continued stability—a good sign for investors

Looking ahead to 2026, Franklin Templeton Fixed Income Municipal Bond Director Ben Barber says there are a few key factors that will likely shape the municipal bond market.

Emerging markets 2026 outlook

Western Asset: Emerging markets appear well positioned to present selective opportunities in 2026, as strong fundamentals, attractive valuations and evolving geopolitical risks shape investment prospects across currencies, sovereign debt and corporate assets.

The road ahead: Trends, risks and opportunities

Looking ahead to 2026, hear from Franklin Templeton Fixed Income CIO Sonal Desai, and several portfolio managers as they share their market expectations.

2026 outlook: Cross-country divergences

Several factors point toward potential global growth acceleration in 2026. However, employment weakness poses a meaningful risk. Our experts share what this sideways outlook may mean for the economy, financial markets, and cross-country divergences.

Emerging markets debt 2026 outlook

Emerging markets defied expectations in 2025 amid a surprisingly favorable global environment and several historically troubled economies enacting significant structural reforms. Our Franklin Templeton Fixed Income team share their 2026 outlook for emerging market debt and assess whether these positive trends will continue.

On My Mind: The Dr. Strangelove economy

Looking ahead to 2026, Franklin Templeton Fixed Income CIO Sonal Desai says that macro is back in the driver's seat for financial markets' performance and investment strategies.

Macro Views: Resilient regions, rising risks—2026 economic outlook

The Franklin Templeton Fixed Income team believes the US economy is expected to remain resilient in 2026, while the euro area faces cautious optimism. Japan's growth is underpinned by fiscal expansion and robust private demand. Find out more in the latest "Macro Views."

Sector Views: Proceed with caution

The Franklin Templeton Fixed Income team believes that the US economic outlook at this stage likely doesn't warrant additional monetary easing; however, outside the United States, economic growth still faces some challenges and suggests proceeding with caution. Read more in their latest Sector Views.

Allocation Views: Earnings Strength Supports Equity Optimism

In this month's Allocation Views, recent equity volatility has reset tech valuations, helping sentiment pull back from exuberance. Franklin Templeton Investment Solutions looks at the implications for investors across the globe.

Allocation Views: Earnings Strength Supports Equity Optimism

In this month's Allocation Views, recent equity volatility has reset tech valuations, helping sentiment pull back from exuberance. Franklin Templeton Investment Solutions looks at the implications for investors across the globe.

2026 Mid-Year Income Investor Outlook: Staying Nimble and Focused on Income as Uncertainty Persists

The first half of 2026 reinforced the importance of balance, selectivity and income generation. Franklin Income Investors Chief Investment Officer Ed Perks discusses how markets have evolved, where opportunities are emerging, and why diversification remains critical heading into the second half of the year.

2026 Mid-Year Income Investor Outlook: Staying Nimble and Focused on Income as Uncertainty Persists

The first half of 2026 reinforced the importance of balance, selectivity and income generation. Franklin Income Investors Chief Investment Officer Ed Perks discusses how markets have evolved, where opportunities are emerging, and why diversification remains critical heading into the second half of the year.

From cyclical recovery to structural opportunity—why emerging markets look different this time

Emerging markets leapt forward with equity gains in 2025, and Franklin Templeton Investment Solutions thinks positive trends support momentum in 2026.

Investment outlook for 2026: Policy is paramount and income a priority

Markets continue to offer attractive opportunities for income generation and selective capital appreciation, according to Franklin Income Investors CIO Ed Perks. In this article he discusses his outlook for 2026 and where he sees opportunities and risks.

Diversifying for income

As the Fed resumes cutting interest rates, Ed Perks, CIO of Franklin Income Investors, provides an update on the current investment landscape. He also shares his insights and outlook on the fixed income and equity markets, with a particular emphasis on diversifying for income.

Building into the Future: The Case for US Industrial Development

Clarion Partners: The convergence of long-term structural drivers and emerging cyclical tailwinds suggests the industrial sector may be approaching an inflection point, with conditions increasingly supportive of new development.

2026 Private Markets Outlook

Geopolitical risks remain elevated as the markets continue to digest the impact of trade tariffs. What does this mean for private markets? Franklin Templeton Institute shares its outlook.

What lies ahead for European logistics in 2026

Clarion Partners believes overseas investors remain keen on European logistics and expect global interest to build further in 2026.

Opening the Aperture on Global Investing

At the start of this year, many investors questioned whether equity markets had become too reliant on a handful of AI winners. Dina Ting and Marcus Weyerer take a more nuanced view into how broadly this theme's benefits may spread.

ETF year in review, 2025 edition

With 2025 almost in the books, David Mann, our Head of Global Exchange-Traded Funds (ETFs) Product and Capital Markets, looks back on his predictions and gives some thoughts on an incredible year for the ETF industry.

Global ETF equity outlook: Here's where market leadership could shift in 2026 (hint, likely not the US)

After years of US mega-cap dominance, global equity markets are changing course. Correlations have fallen, monetary policies are diverging, and regional drivers are reshaping returns. This analysis explores what's behind these shifts, the opportunities we believe are likely to emerge, and why we believe global diversification deserves a fresh look in 2026.

Explore content from Franklin Templeton Institute

Identifying longer-term trends in society and the economy can point to durable sources of excess return and help position one's portfolio for future risks and opportunities. Franklin Templeton Institute provides clients with insights that meet their needs and concerns.

Source: <https://www.franklintempleton.com/insights/collections/global-investment-outlook-2026>