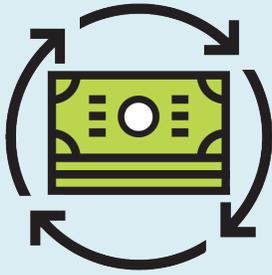


2026 AFP®

COST OF CAPITAL SURVEY REPORT

MARKET SENSITIVITY



Approximately half of organizations adjust their hurdle rates in **response to market volatility, geopolitical risks and regulatory shifts.**

EMERGING TECHNOLOGY



Over half of organizations use **real-time data analytics** and 18% use **machine learning models** in their cost of capital estimations.

HURDLE RATE UPDATE FREQUENCY

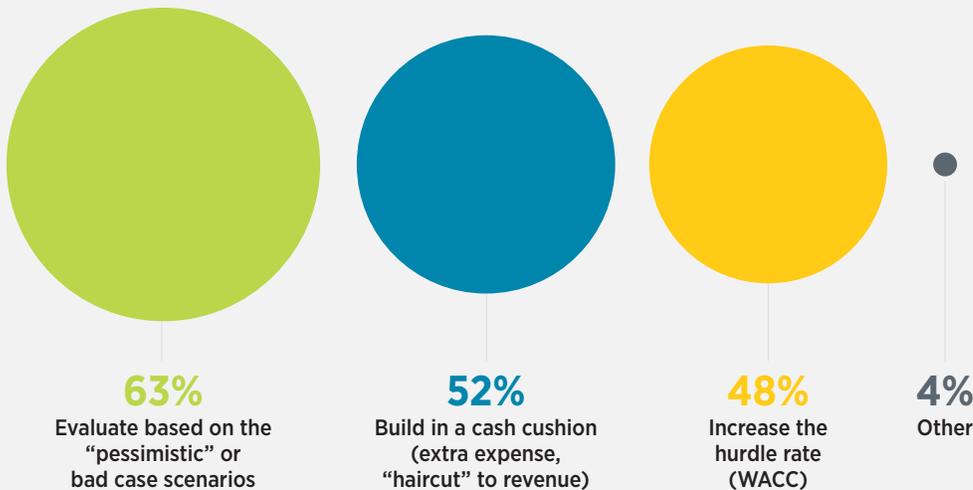


Thirty-two percent of organizations update their WACC on an **“as-needed”** basis, while 28% follow an **annual schedule.** Larger organizations typically maintain more structured update cycles.

How do you cope with risk or uncertainty in projections?

Managing Risk/Uncertainty in Projections

(Percent of Organizations)



Organizations address risk by evaluating worst-case scenarios (63%), building cash reserves (52%) and raising WACC (48%). Privately owned organizations tend to use pessimistic scenario assessments more often than do publicly owned ones.

Download the full survey report [here](#).