Investment strategists are beginning to issue forecasts for 2015, and the numbers are puny. Many people are predicting stock-index gains of 5% or less.

If they are right, it means an unspectacular year for stock investors. This year, by comparison, the S&P 500 stock index is already up 11.6%. It rises about 7% in the average year.

But paradoxically, their skepticism also could be good news. It is another sign that investors aren’t yet slipping into the excess optimism that pushed stocks to unsustainable levels before the collapses of 2000 and 2008.

“If people have expectations that are sensible they aren’t as likely to build investment plans that are infeasible,” said Seth Masters, chief investment officer at Bernstein Global Wealth Management, which oversees about $75 billion in New York.

Mr. Masters considers himself a bull. He is predicting the Dow Jones Industrial Average will hit 20000 in 2018, from 17810.06 Friday. He expects strong corporate profit margins and a favorable economic
backdrop to continue. But he thinks stocks will rise only about 5% next year, before dividends. Dividends would add about 1.9 percentage points, before taxes.

The reason for his caution: Stock prices have tripled since 2009. The S&P 500 trades at 17 to 19 times its component companies’ earnings for the past 12 months, depending on how you measure earnings. That’s well above the long-term average of about 15 or 16.

Many investors think above-average prices are justified by exceptionally low interest rates and inflation. But it is hard for price/earnings ratios to go much higher without appearing excessive, even with rates so low. Many forecasters think stocks might just keep pace with earnings now, so that p/e ratios would stay steady.

This kind of measured view tends to disappear in times of market excess. The fact people are still thinking this way is a sign of health.

Wall Street caution “is one of the main reasons we are bullish” on stocks, said Savita Subramanian, head U.S. stock strategist at Bank of America Merrill Lynch.

Ms. Subramanian tracks Wall Street stock recommendations as an indicator of market froth. The more excited the strategists are, the worse the outlook. Strategists are, in other words, a contrarian indicator.

She watches strategists’ recommendations to clients about the percentage of assets to hold in stocks, and also their forecasts for stock gains. Of all her models, she says, this one is particularly reliable. And right now, strategists’ measured advice to clients signals more stock gains to come, she said.

Only four strategists have issued official 2015 forecasts, according to Birinyi Associates, which also tracks them and also likes it when expectations are low. Those call for the S&P 500 to rise an average of just 4.8% from Friday’s close of 2063.50 through the end of 2015, not including dividends.

Conversations with professional money managers, including Mr. Masters, show many of them also expect single-digit 2015 gains.

The skepticism has been widespread for years, as stocks have marched higher. A year ago, the average investment strategist predicted just a 5.8% gain for 2014, said Birinyi Associates’ head of research, Jeffrey Rubin. Ms. Subramanian of Merrill says strategists expected 3% gains for both 2012 and 2013, years in which the S&P 500 rose at a double-digit pace.

This doesn’t guarantee stock gains in 2015. The skeptics, after all, could be proved right.

In addition to the fact that stocks aren’t cheap, investors will be dealing next year with at least two big problems: an expected rise in Federal Reserve target interest rates and economic uncertainty in Europe, China and Japan.

David Kostin, Goldman Sachs’s chief U.S. stock strategist, forecast last week that the S&P 500 would finish 2015 at 2100, just 1.8% above Friday’s close.

He notes that the median stock in the S&P 500 trades at 17 times its forecast earnings for the coming 12 months. Since 1976, he says, this forward p/e ratio has rarely been higher than now, and has averaged 12.6. “We are at the high end of a range of fair value.” he said.

Mr. Kostin expects investors to have some trouble adjusting to higher Fed interest rates. The last three times the Fed started raising rates, in 1994, 1999 and 2004, stocks fell an average of 4% in the three months after the increases began, he calculates. Then they posted modest gains. Price/earnings ratios declined.
This time, the Fed will be raising rates from almost zero, meaning that rates will remain exceptionally low. But markets have become so dependent on low rates and Fed support that no one knows how they will react.

Mr. Kostin thinks the S&P could rise to 2150 by mid-year and then pull back, as it did after past Fed rate increases began.

He adds, however, that plenty of uncertainties lurk, including the future of oil prices, profit margins, interest rates, U.S. and foreign government actions and stock buybacks.

"We have a variety of models that suggest we are currently around fair value" for stocks, Mr. Kostin said. "I would have to think carefully before adjusting a price target."