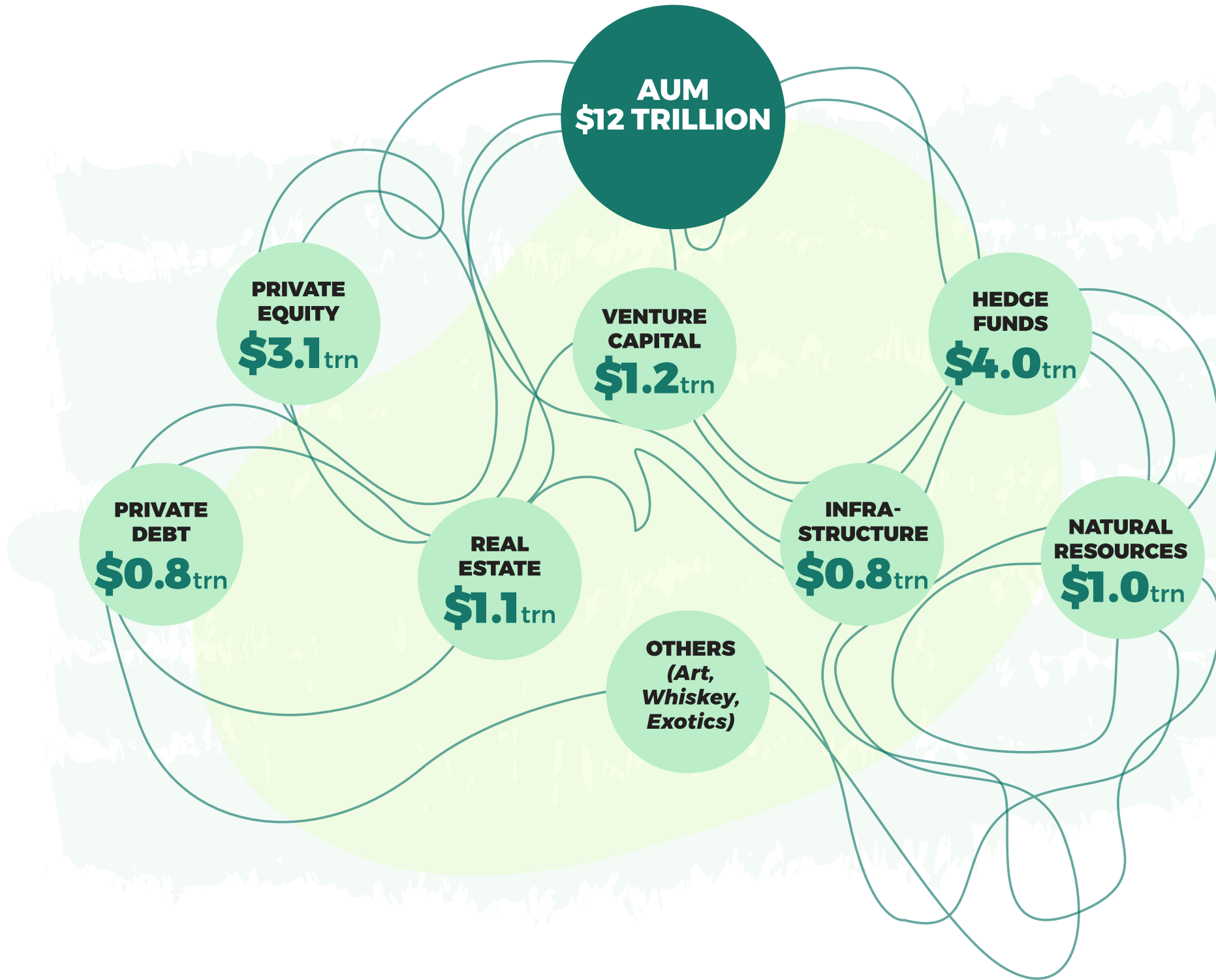


Alternative Assets Alte Investing



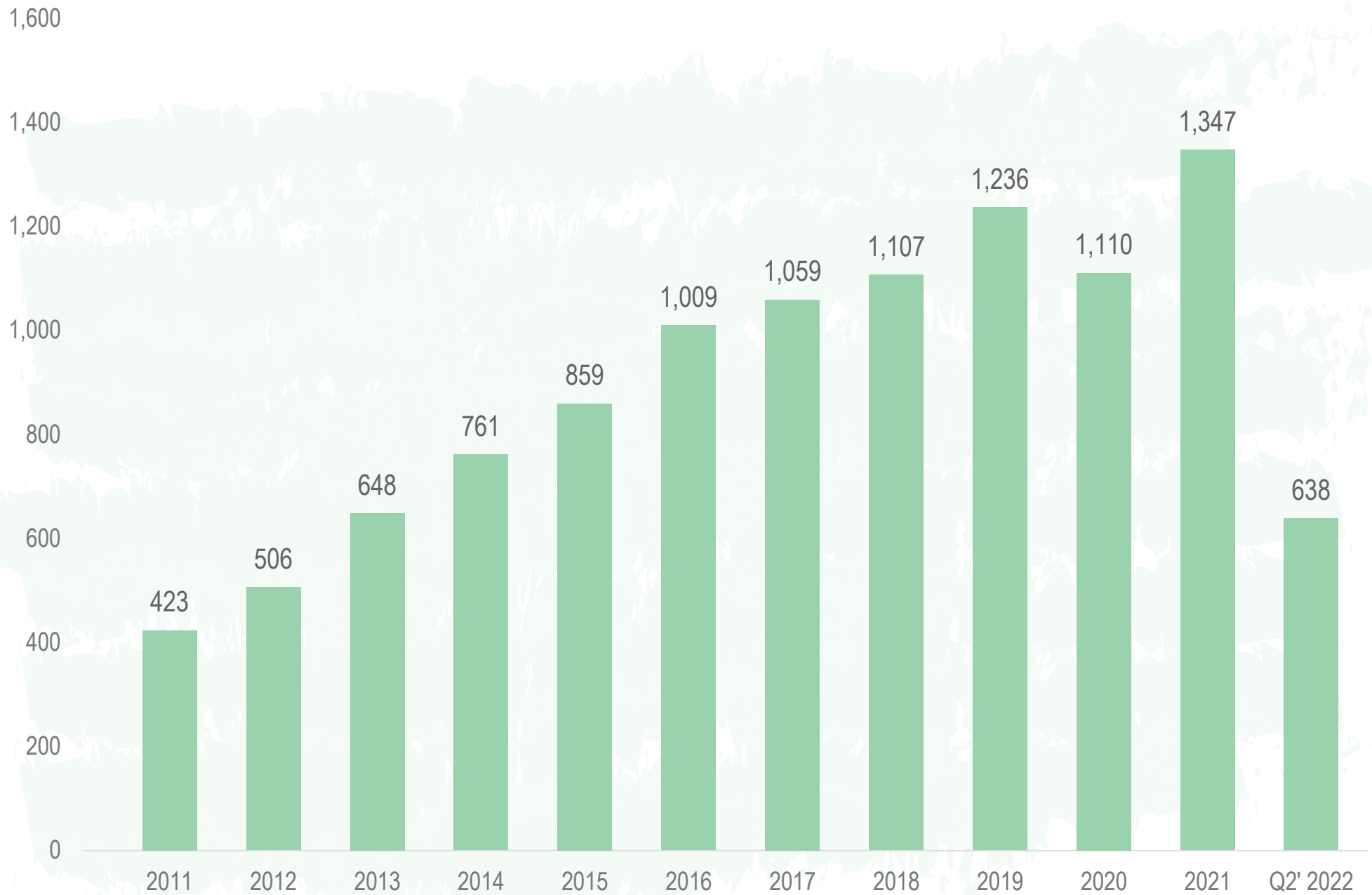
November 2022

Classification of Alternative Assets as at Dec. 2021



Sources: Preqin, Mckinsey&Co, Reuters

Global Alternatives Fund Raising (\$ Billions)



Sources: Preqin, JP Morgan

- Oladayo Oduwole

Asset Returns (%P.A) as at Dec. 2021 – V.C Returns are a standout



Sources: Cambridge Associates, S&P

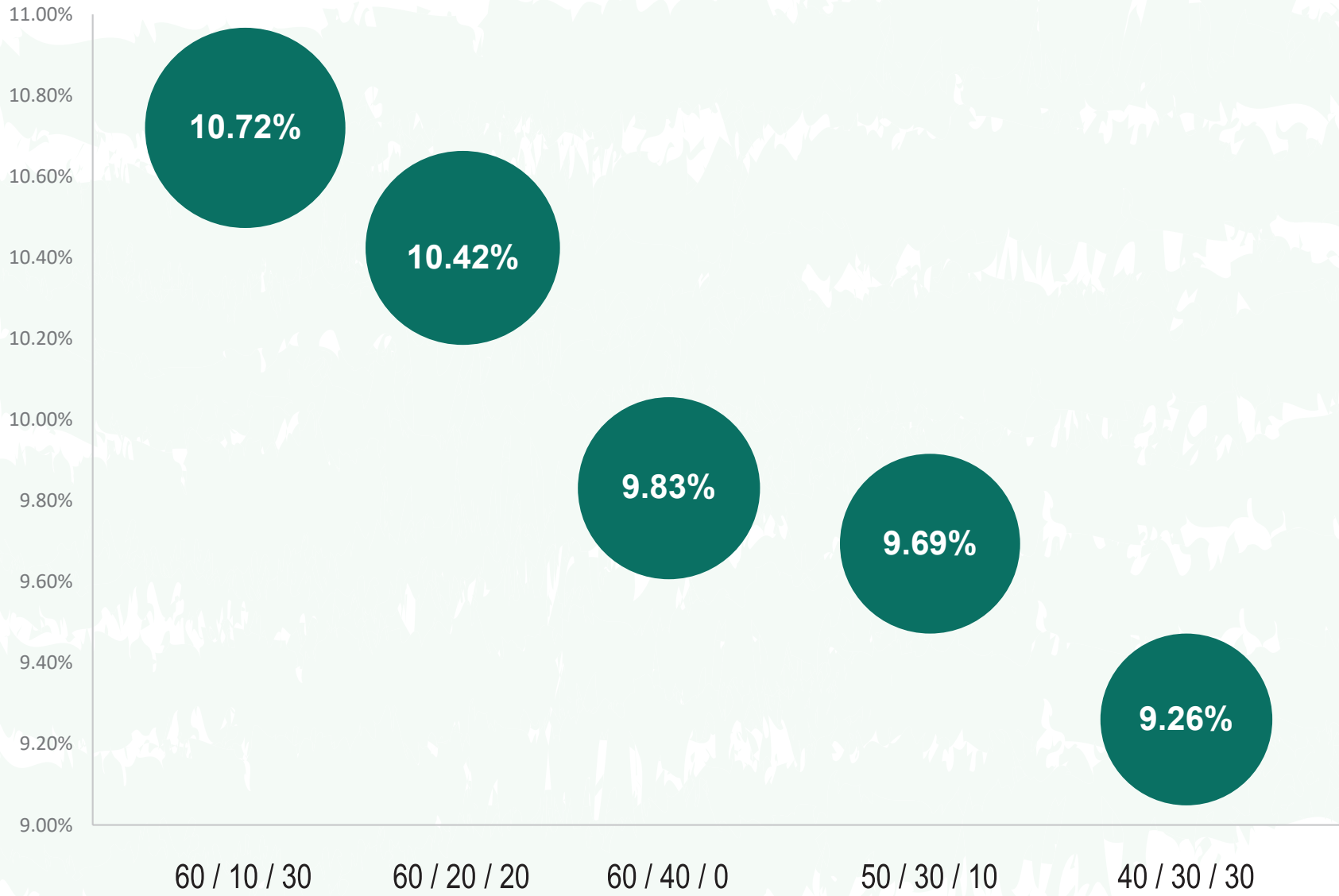
- Oladayo Oduwole

Asset Returns (% P.A) – Alternatives have delivered higher long run returns



Sources: Cambridge Associates, S&P, Various

Historical Allocation Scheme – A near balanced approach wins (1990 - 2021)

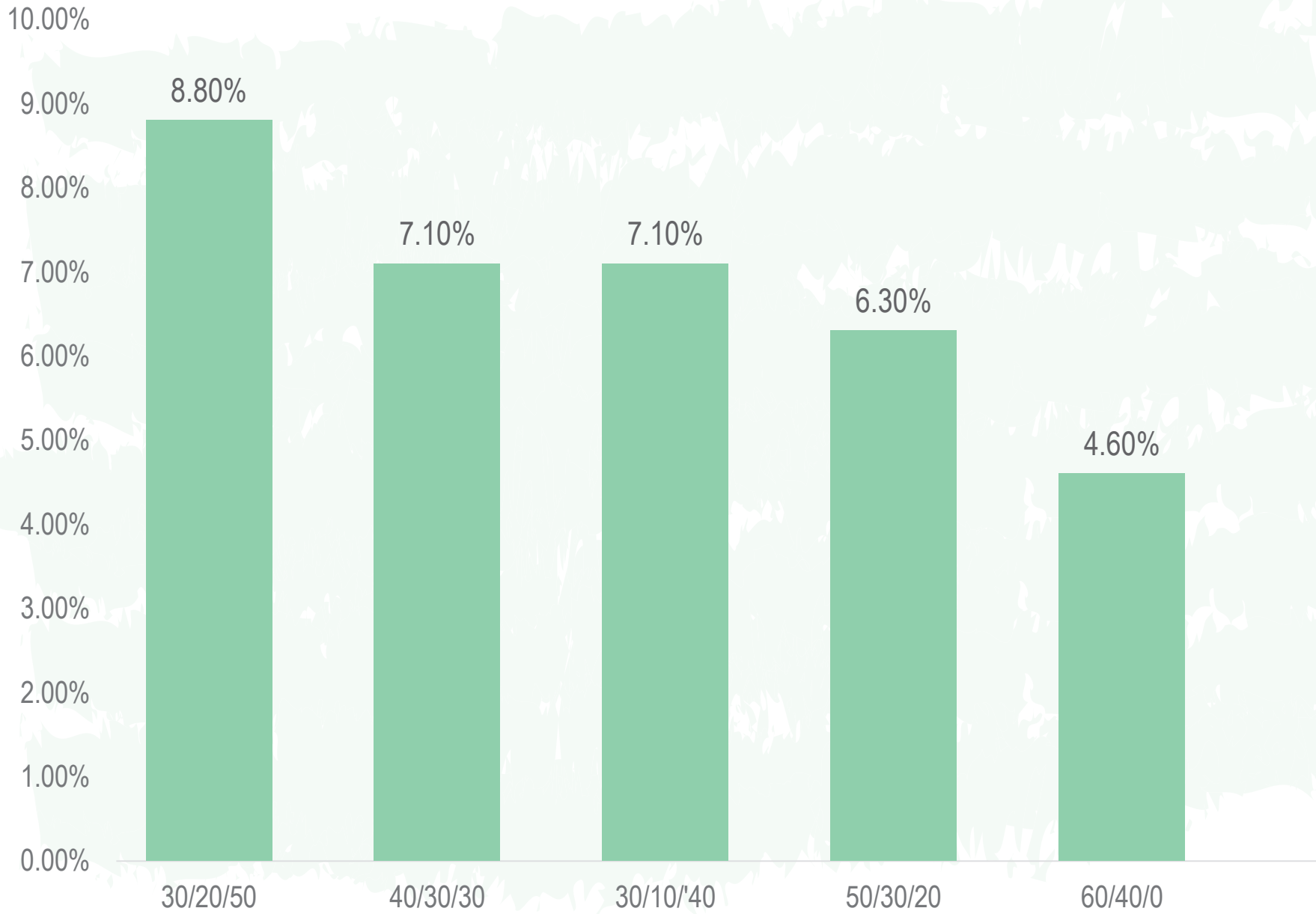


Equity / Fixed Income / Alternatives

Sources: Authors Estimates

- Oladayo Oduwole

The Future with Muted Traditional Asset Returns?



Sources: Authors Estimates

- Oladayo Oduwole

Asset Returns (% P.A) – 10 year and 5 Year returns

	Summary of Alternatives (USD)	10 year returns (%)	5 year returns (%)
1	Global Clean Energy	20%	32%
2	U.S Private equity	17%	20%
3	USA Large Cap Equities	17%	19%
4	Risk Parity -15% Target Volatility	13%	18%
5	World Large Cap Equities	13%	16%
6	US Low Volatility Equities	11%	11%
7	World Value Equities	10%	11%
8	Frontier Markets Equities	9%	11%
9	Long Short Equities Hedge Funds	9%	10%
10	EMBI Global Core	6%	4%

Sources: Cambridge Associates, S&P, Various

Asset Returns (% P.A) – 10 year and 5 Year returns *(contd.)*

	Summary of Alternatives (USD)	10 year returns (%)	5 year returns (%)
11	U.S. High Yield Corporate Bonds	6%	6%
12	Emerging Markets Equity	5%	11%
13	Global REIT	5%	6%
14	Global Low Volatility Equities	5%	5%
15	U.S. Farmland Returns	4%	1%
16	U.S. Investment Grade Bonds	4%	5%
17	S&P Global Infrastructure	4%	5%
18	Equity Market Neutral Hedge	4%	3%
19	Funds African Bonds	3%	10%
20	U.S Municipal Bonds	3%	4%
21	Average US Farm Real Estate	3%	3%
22	U.S. TIPS Index	3%	5%
23	Global Commodities	1%	9%

Sources: Cambridge Associates, S&P, Various

Future of Alte Assets

- Return profile of Alte assets likely to change and decline over the next decade
- Higher flows likely to manifest as demand is increasing anecdotally
- Alte assets to become more mainstream through vehicles like interval funds and liquid replicas

