

Takeaways from the
**FOX Global
Investment Survey**



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Board Member
FOX



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Participant profile, all participants (total 2024 GIS participants=99)

Leadership generation

Gen 1-2	Gen 3+
77%	23%

In-house CIO

Yes	No
58%	38%

Office size (FTE)

Average	Median
12	9

Has a Direct Investing Team	45%
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Owns Operating Business	69%
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Average	Median
\$726M	\$300M

Average investable asset as % of wealth	59%
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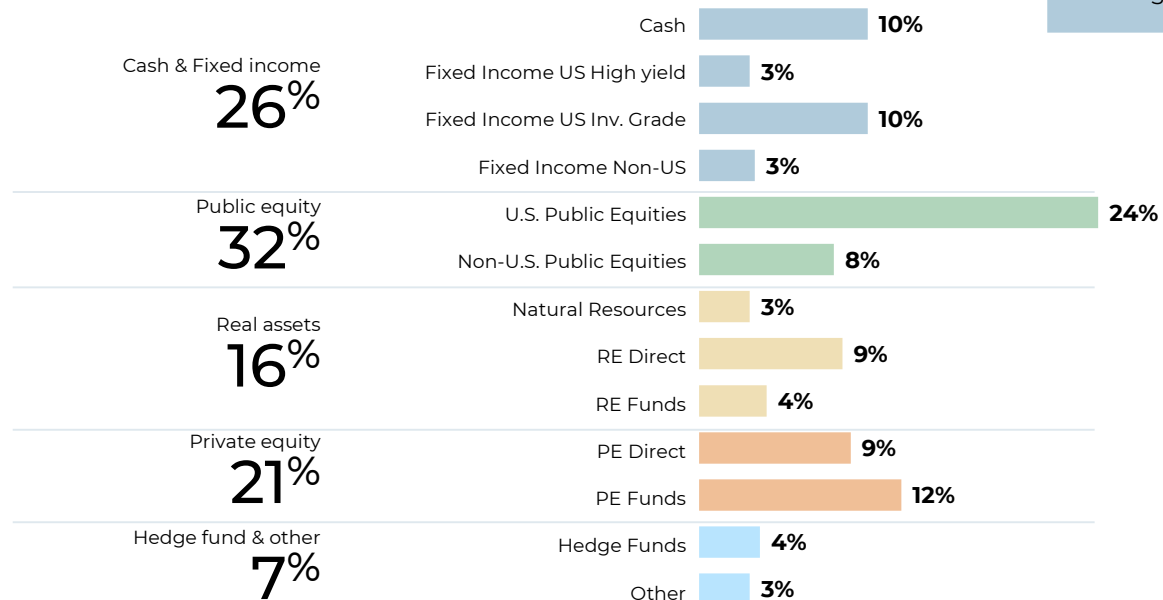
Geographical presence of participants



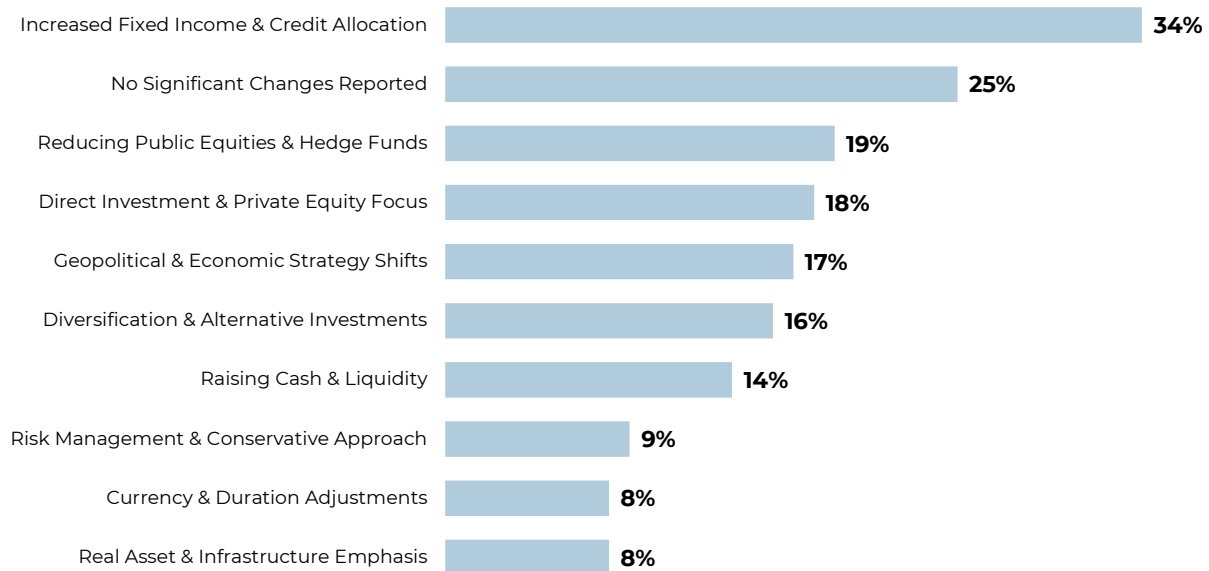
Family office asset allocations, all participants (n=99)

2023 investable assets – average asset allocation

~50% portfolio return target between 7.6% – 10%



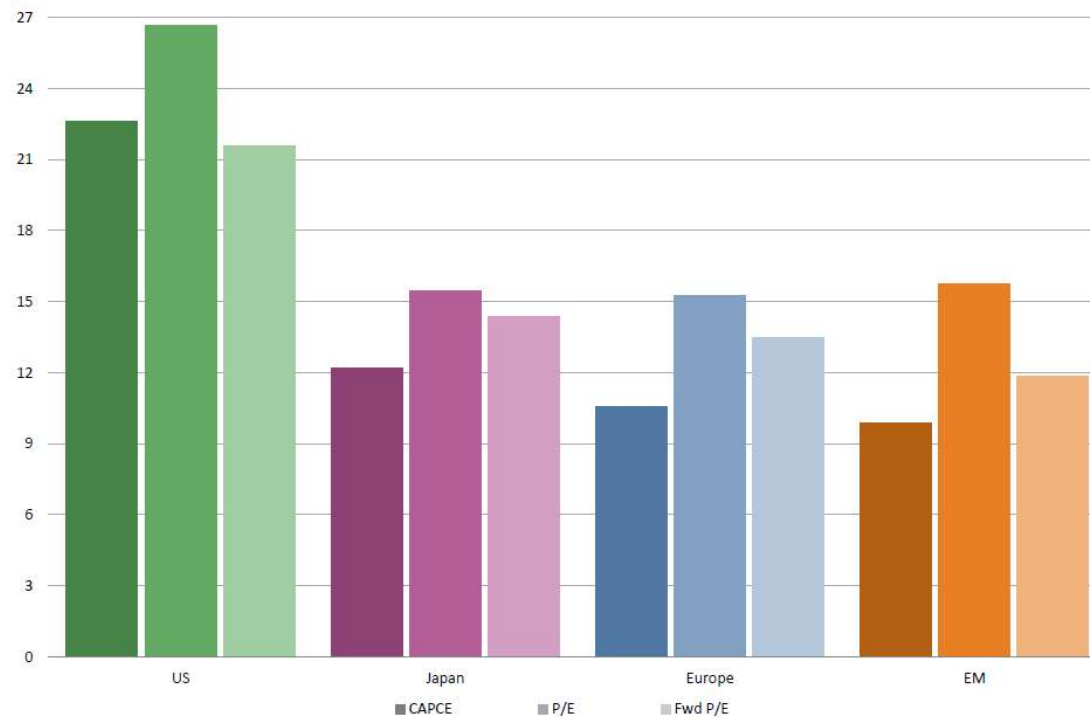
Key factors driving asset allocation include interest rate and macro considerations (n=77)



US equity valuations look stretched, especially for tech and tech-related companies

VALUATION METRICS FOR SELECT REGIONS

As of August 31, 2024

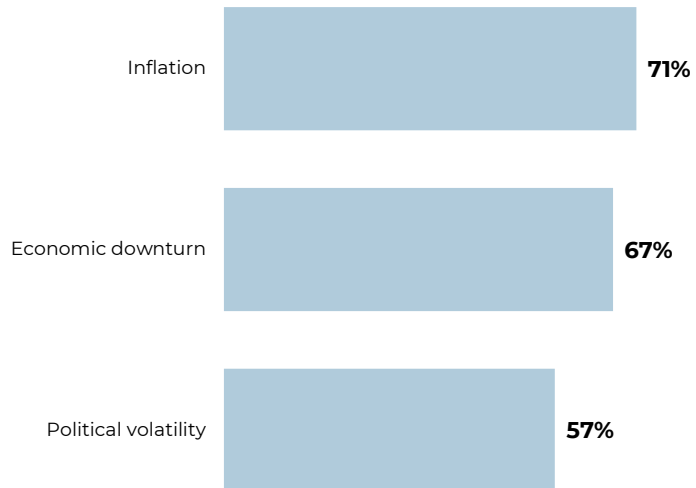


Sources: MSCI Inc. and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

Notes: The cyclically adjusted price-to-cash earnings (CAPCE) ratio is calculated by dividing the inflation-adjusted index price by trailing ten-year average inflation-adjusted cash earnings. Cash earnings are defined as net income from continuing operations plus depreciation and amortization expense. MSCI does not publish cash earnings for banks and insurance companies and therefore excludes these two industry groups from index-level cash earnings. EM is cyclically adjusted by trailing five-year data.

Global Issues likely to affect investment portfolio

Which of the following global issues are most likely to affect your investment portfolio in 2024. (Select all that apply)



Measures taken in response to those issues

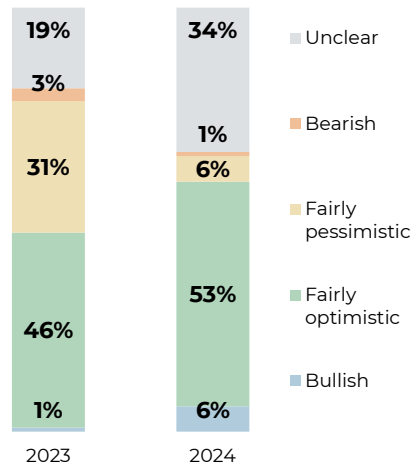
What measures are you taking in response to those issues (Select all that apply)



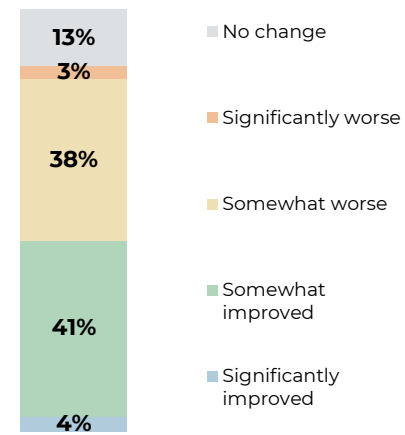
Expectations about the market and economy

Participants indicated a generally positive outlook on economic improvement, tempered by significant concerns about ongoing challenges and expectations of moderate volatility.

Investment Market Outlook

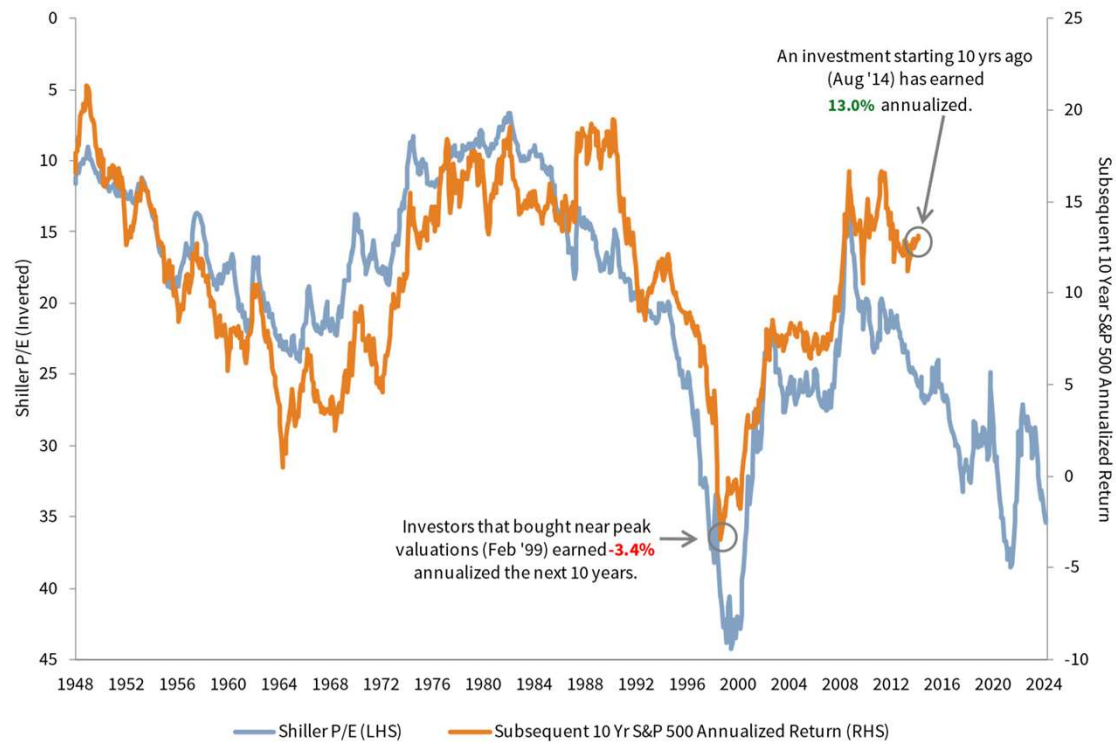


2024 economy compared to 2023



Valuations today imply lower single digit returns for the S&P 500

Shiller (Cyclically Adjusted 10-YR) P/E vs. Subsequent S&P 10-YR Nominal Returns
June 30, 1948 – August 31, 2024



Sources: Robert J. Shiller and Standard & Poor's.

Note: Normalized real P/E ratios (Shiller P/E ratio) for the S&P 500 Index are calculated by dividing the current index value by the rolling ten-year average of inflation-adjusted earnings.



Forward-Looking Forecasts From Major Asset Managers

PROJECTED ASSET CLASS TOTAL RETURNS

Institutional Average Annual Return Forecasts

Manager (Length of forecast period)	Date of Estimation	Equities			Bonds	
		US	Non-US	Emerging Markets	US	Non-US
UBS (Five-Year)	May 31, 2024	3.2	7.8	8.5	5.1	2.5
GMO1 (Seven-Year)	August 31, 2024	-3.1	2.1	4.5	3.5	1.7
J.P. Morgan (Ten- to 15-Year)	September 30, 2023	7.0	9.2	8.8	3.9	4.9
Research Affiliates (10-year)	September 30, 2024	3.0	8.3	8.6	4.5	5.1
BlackRock (5-year)	June 30, 2024	6.2	8.9	8.3	3.2	4.5
AQR ² (Five-10-year)	December 31, 2023	6.0	6.6	8.2	3.9	2.9
Cambridge Associates -- <i>RTN scenario</i> (10-year)	September 30, 2024	0.7	6.3	7.0	3.8	2.8

Sources: AQR Capital Management, LLC, BlackRock, Inc., Cambridge Associates, LLC, GMO LLC, J.P. Morgan Securities, Inc., Research Affiliates, and UBS Global Asset Management.

Notes: This exhibit is intended to provide a range of well-respected opinions and inclusion of particular managers does not signify our endorsement of the firms or our confidence in the accuracy of their projections. The C|A Return-to-Normal projections are part of a valuation-based model, and may differ widely from the methodology used by other firms. Non-US equity return forecast for GMO is ex Japan and non-US bond return forecast for GMO is hedged to US dollar. J.P. Morgan and AQR forecasts are released annually.

¹GMO publishes real returns only. Returns are adjusted to reflect GMO's assumption that US inflation will revert to long-term inflation of 2.2% over 15 years.

²AQR publishes real returns only. Returns are adjusted to reflect AQR's expected 10-year Global Developed inflation of 2.2%.



Biggest opportunities and challenges in 2024



Opportunities

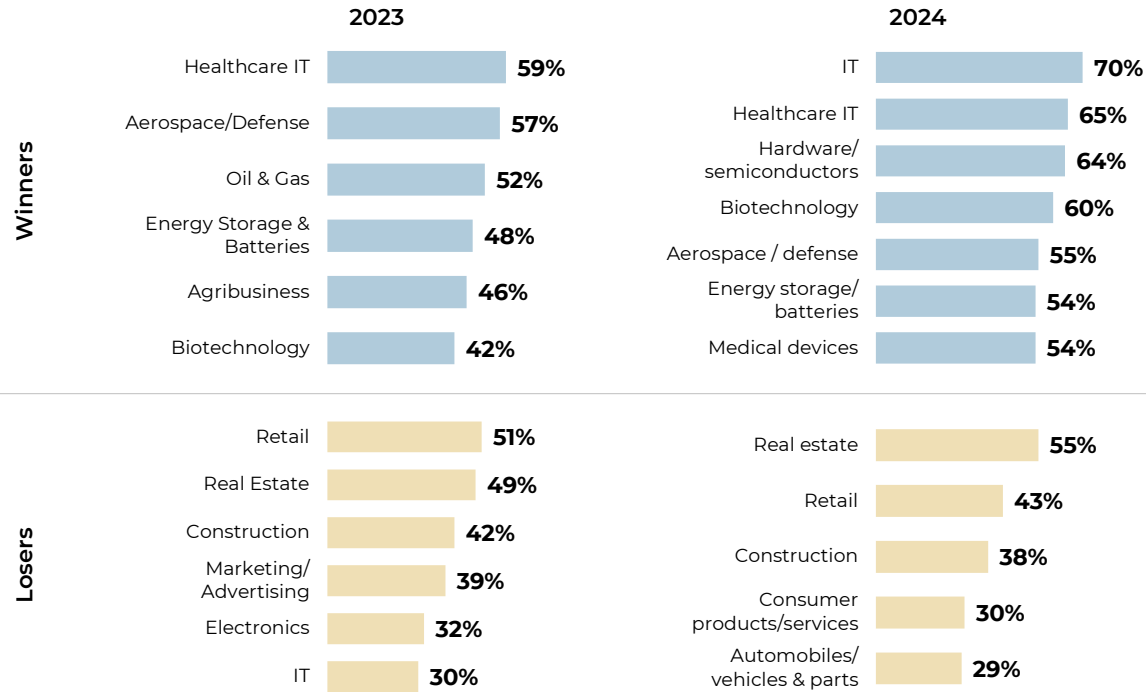
Artificial Intelligence	22%
Financial Markets	19%
Market Distress	15%



Challenges

Fed's Fiscal and Monetary policies	22%
Geo-Political Issues	19%
US Elections	15%

Expected winners and losers 2022 -2024



The "Magnificent 7" over the last 124 years: From Transport & Oil to Software & Internet

"MAG 7" 1900 (20%)

EXXON MOBIL	OIL
PENN CENTRAL	TRANSPORTATION
NY CENTRAL RAILROAD	TRANSPORTATION
CHICAGO BURLINGTON AND QUINCY RAIL	TRANSPORTATION
AMERICAN TOBACCO	TOBACCO
NY NEW HAVEN AND HARTFORD RAIL	TRANSPORTATION
PULLMAN INC	CONSTRUCTION

"MAG 7" 1930 (13%)

AT&T	TELECOM
GE	AEROSPACE / DEFENSE
GENERAL MOTORS	AUTO AND PARTS
EXXON MOBIL	OIL
MARATHON	OIL
DU PONT (E I) NEMOURS	CHEMICALS
CONSOLIDATED EDISON	UTILITIES

"MAG 7" 1950 (17%)

AT&T	TELECOM
GENERAL MOTORS	AUTO AND PARTS
DU PONT (E I) DE NEMOURS	CHEMICALS
EXXON MOBIL	OIL
HUMBLE OIL & REFINING	OIL
UNION CARBIDE	CHEMICALS
GE	AEROSPACE / DEFENSE

"MAG 7" 1970 (19%)

INTL BUSINESS MACHINES	COMPUTER SERVICES
AT&T	TELECOM
GENERAL MOTORS	AUTO AND PARTS
EASTMAN KODAK	IT MANUFACTURERS
EXXON MOBIL	OIL
SEARS ROEBUCK & CO	RETAILERS
INFORMATION DISPLAYS	IT MANUFACTURERS

"MAG 7" 1990 (29%)

EXXON MOBIL	OIL
INTL BUSINESS MACHINES	COMPUTER SERVICES
GE	AEROSPACE / DEFENSE
AT&T	TELECOM SERVICES
ALTRIA GROUP	TOBACCO
MERCK & CO	PHARMA
AMOCO CORP	OIL

"MAG 7" 2000 (14%)

MICROSOFT	COMPUTER SOFTWARE
GE	AEROSPACE / DEFENSE
CISCO SYSTEMS	IT COMPONENTS
INTEL	SEMICONDUCTORS
EXXON MOBIL	OIL
WALMART	RETAILERS
INTL BUSINESS MACHINES	COMPUTER SERVICES

"MAG 7" 2010 (9%)

EXXON MOBIL	OIL
MICROSOFT	COMPUTER SOFTWARE
WALMART	RETAILERS
PROCTER & GAMBLE	PERSONAL CARE
BERKSHIRE HATHAWAY	INVESTMENT COMPANIES
APPLE	IT MANUFACTURERS
JOHNSON & JOHNSON	PHARMA

"MAG 7" 2020 (19%)

APPLE	IT MANUFACTURERS
MICROSOFT	COMPUTER SOFTWARE
AMAZON.COM	INTERNET SERVICES
ALPHABET	INTERNET SERVICES
META	INTERNET SERVICES
BERKSHIRE HATHAWAY	INVESTMENT COMPANIES
VISA	BUSINESS SERVICES

MAG 7 2024 (31%)

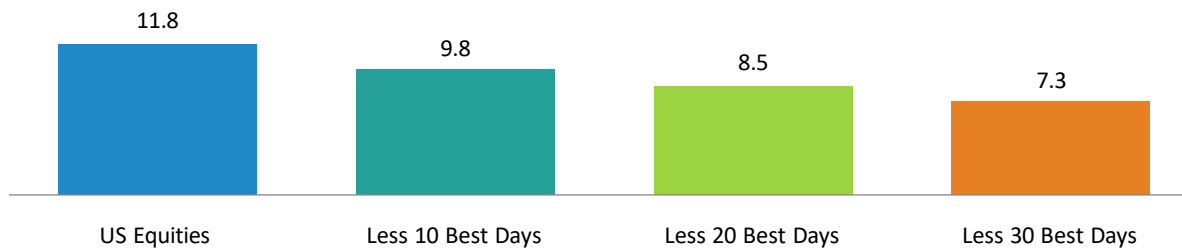
MICROSOFT	COMPUTER SOFTWARE
NVIDIA	SEMICONDUCTORS
APPLE	IT MANUFACTURERS
ALPHABET	INTERNET SERVICES
AMAZON.COM	INTERNET SERVICES
META	INTERNET SERVICES
BROADCOM	SEMICONDUCTORS



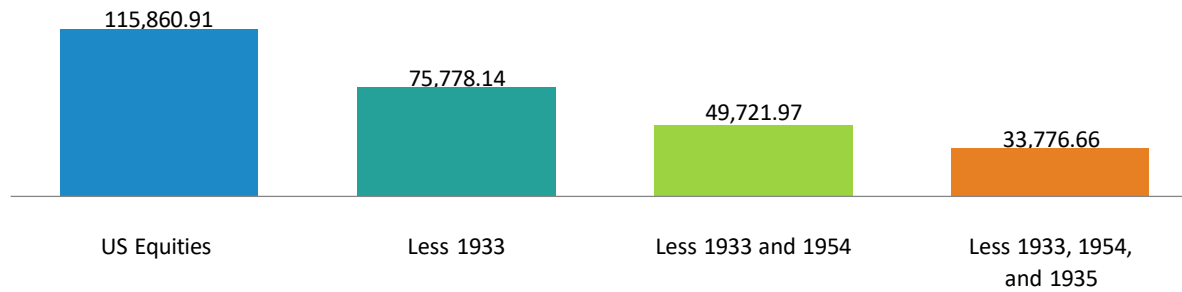
Source: Bridgewater Associates

Don't time the market – Missing the best days could be very costly

Average Annual Compound Returns January 1, 1980 – July 31, 2024

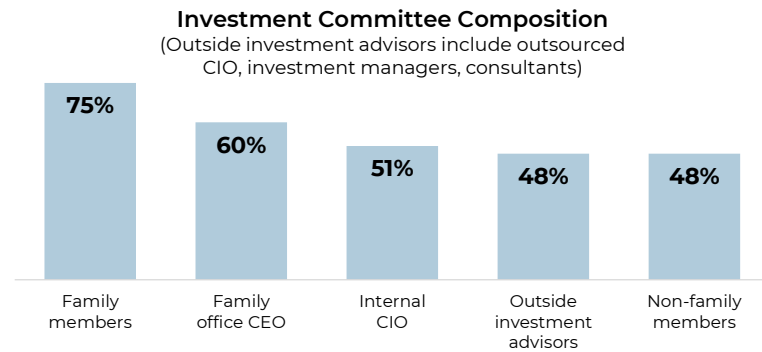


Cumulative Wealth of One Dollar Invested January 1, 1900 – July 31, 2024



Sources: Standard & Poor's and Thomson Reuters Datastream. Note: Daily data for S&P 500 begin January 1, 1980. All financial investments involve risk. Depending on the type of investment, losses can be unlimited. Past performance is not indicative of future returns.

Investment governance and oversight



Participant profile for direct investing

Family Profile

Have a direct investing portfolio **61%**

Have a direct investing team **45%**

Direct Investing Team Profile

Family member on DI team **3**
(avg)

Professional non-family members on DI team **7**
(avg)

\$623M

On average offices total investable asset value

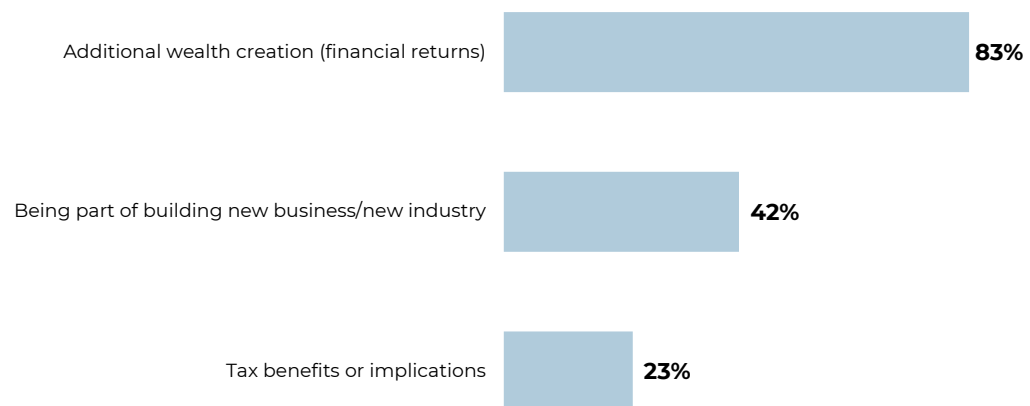
\$192M

average DI portfolio based on market value

Reasons for Direct Investment

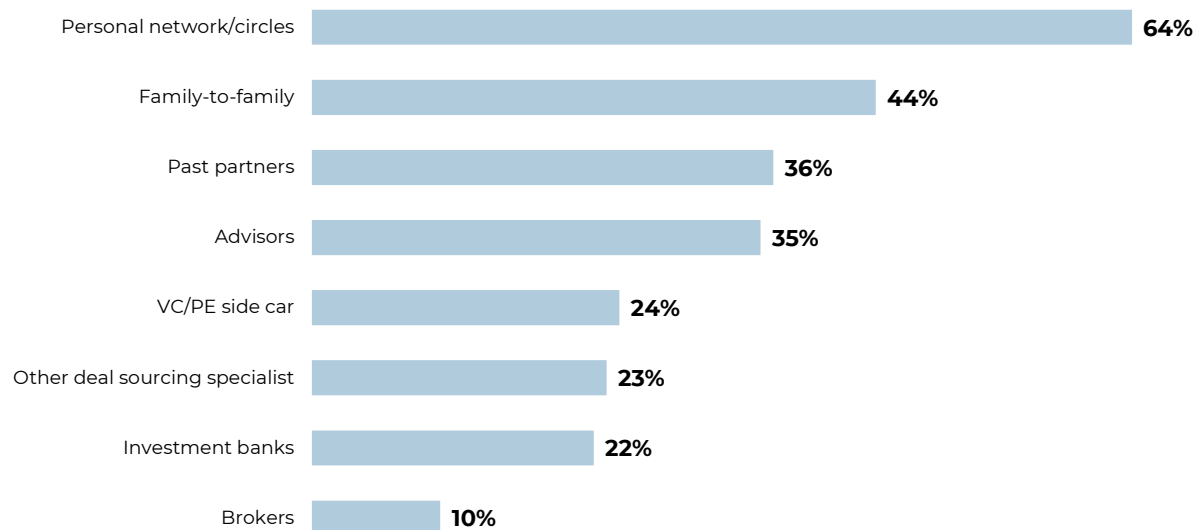
Reasons for Direct Investment (n=52)

Select all that Apply: What is the reason for participating in Direct Investment



Meaningful deal sources All participants (n=86)

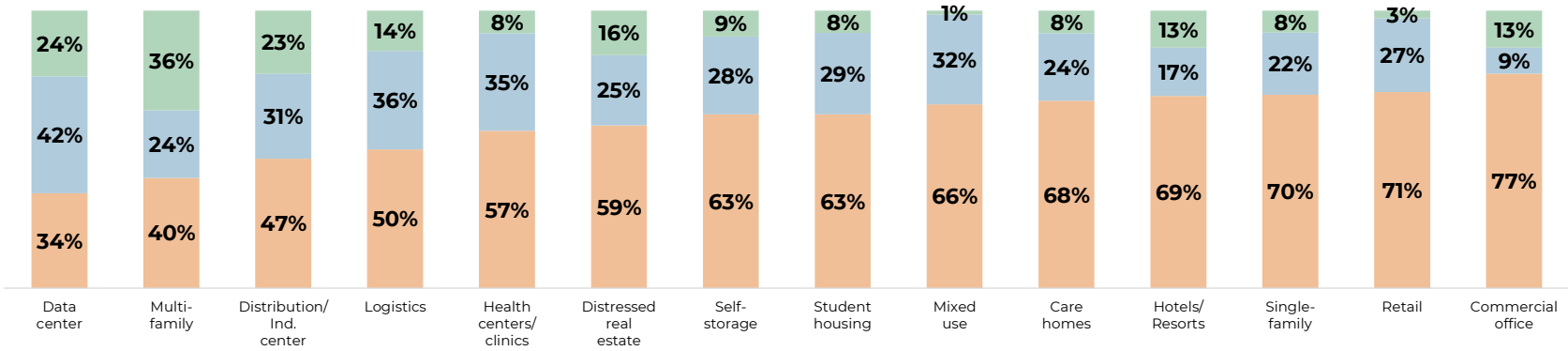
Sources that provide the most meaningful deal flow



Real estate

Rank your interest in the following real estate segments: (n=75-78)

Not interested Somewhat Interested Very Interested



Participant profile- China

Leadership generation

Gen 1-2	Gen 3+
78%	22%

In-house CIO

Yes	No
77%	14%

Office size (FTE)

Average	Median
16	12

Has a Direct Investing Team	68%
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Owns Operating Business	90%
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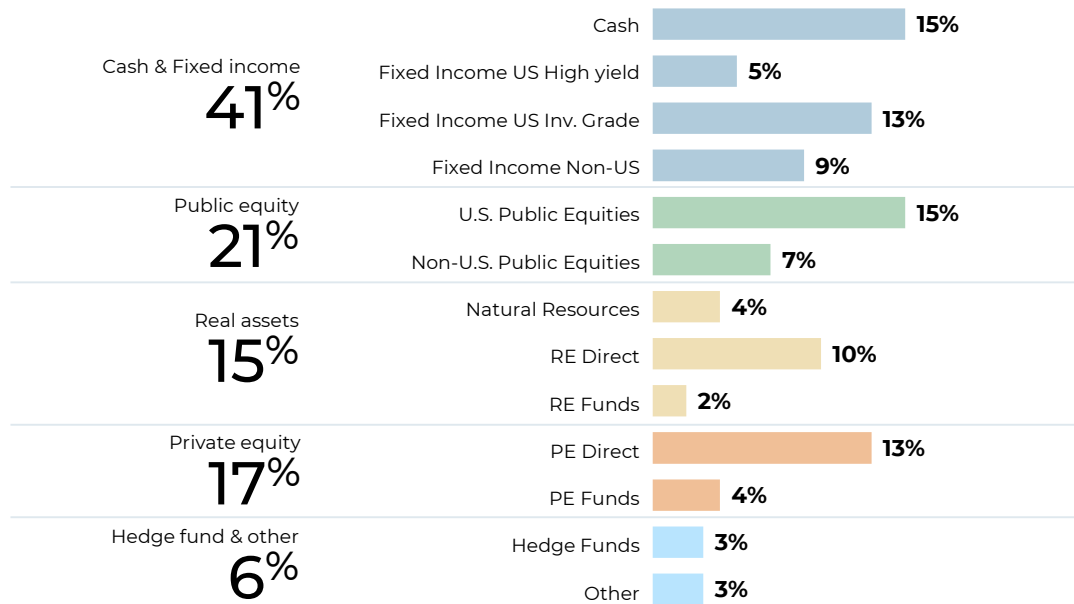
Average	Median
\$463M	\$165M

Average investable asset as % of wealth	33
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*This number may be lower in some visuals as not all participants answered each question

Family office asset allocations, China (n=24)

2023 investable assets – average asset allocation



2024 Portfolio Return Target

Under 7.5%	19%
7.6 – 10%	29%
10 – 15%	43%
Above 15%	10%

2023 actual investment return average **12.7%**

*Sample size = 24. This number may be lower in some visuals as not all participants answered each question

Thank You

