



MARKETABLE ALTERNATIVES: HERE TO STAY

Based on NEPC's Q2 2017 Survey of Endowments & Foundations

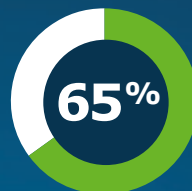
WIDESPREAD USE OF MARKETABLE ALTERNATIVES

68% HAVE MORE THAN 10% OF THEIR PORTFOLIO IN MARKETABLE ALTERNATIVES

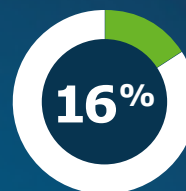
16% HAVE BETWEEN 6-10%

16% HAVE 5% OR LESS

MARKETABLE ALTERNATIVES IN THE NEXT 12 MONTHS



Plan to maintain exposure

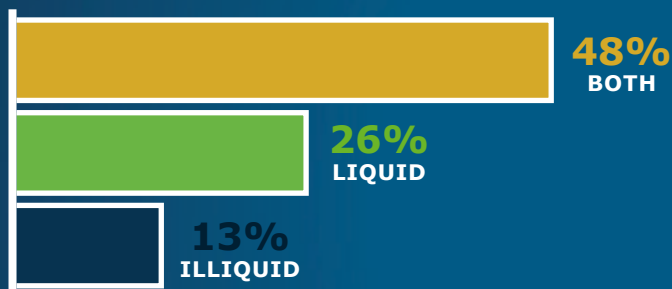


Plan to increase exposure



Plan to decrease exposure

INVESTORS EMBRACING LIQUID & ILLIQUID MARKETABLE ALTS



TOP REASONS FOR USING MARKETABLE ALTERNATIVES

81% PORTFOLIO DIVERSIFICATION



61% RISK MANAGEMENT

INVESTORS ARE MORE OPTIMISTIC ABOUT THE ECONOMY

Q2 2017



65%

THINK ECONOMY IS BETTER NOW THAN THIS TIME LAST YEAR

Q2 2016



29%

THINK ECONOMY IS BETTER NOW THAN THIS TIME LAST YEAR

ABOUT THE SURVEY The NEPC survey was conducted online by the Endowment & Foundation Practice Group in July 2017. Copyright is held by NEPC.

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The firm has offices in Atlanta, Boston, Charlotte, Chicago, Detroit, Las Vegas, Portland and San Francisco, and services 106 endowment and foundation retainer relationships, representing assets of \$61 billion as of 6/30/17.

