



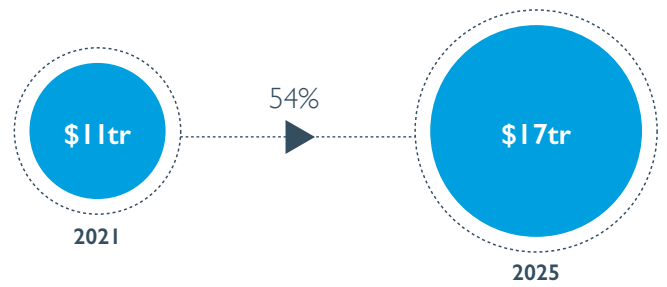
## what are **alternatives**?

often comprise private market forms of traditional assets

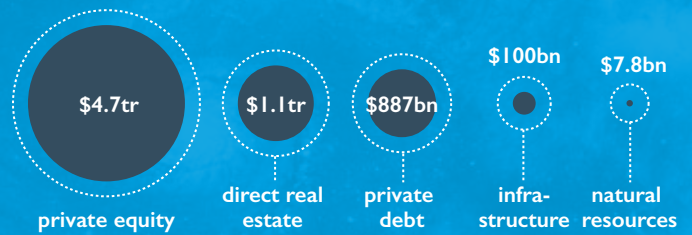
traditional	alternative
cash	private debt
equities	private equity
bonds	direct real estate
	venture capital
	niche alternatives (art, classic cars, etc.)

not all alternatives are necessarily associated with an increase in risk

## industry **size and growth**<sup>1</sup>



## largest alternative asset classes<sup>1</sup>



## why alternatives?



better long-term decision making



asymmetry between risk and return



low global interest rate environment



traditional asset classes (e.g. equities) are seen as "toppish"



decreased portfolio volatility



investment returns can be higher



tax efficiency

## sa vs offshore allocations

sa investors



family offices



high-net-worth individuals



institutions

average allocation  
0 - 10%

offshore investors



family offices



high-net-worth individuals



retail investors



institutions

average allocations: institutions: 22% average<sup>1</sup>  
family offices: 35% average<sup>2</sup> yale endowment: 75%<sup>3</sup>

## what to **look out** for?



more complex



locked up for a period of time



higher fees



higher minimum investment sizes



less regulated\*

\*you should invest alongside a deeply experienced manager with a track record of success

## key players

south africa



international

