

## How the world's family offices allocate their assets

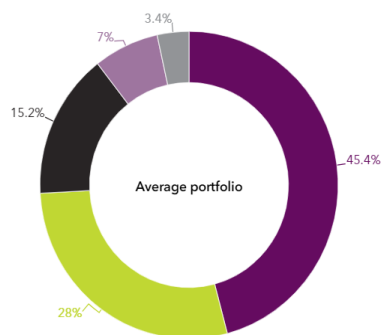
ACCORDING TO NEW RESEARCH...*Private equity is the most popular alternative asset for the world's family offices!* PEI/OpEd 09.28.18

**The average family office had a 45.4 percent exposure to alternatives this year**, of which 14 percent was in direct private equity investments and 7.6 percent in private equity funds, the *UBS/Campden Wealth Global Family Office Report 2018* found. The report surveyed 311 family offices globally, with an average worth of \$1.1 billion.

**“Private equity is very intuitive for a family, because for most families, that’s where their wealth came from,** it was created by a private company of one sort or another, so they get that,” Richard Clarke-Jervoise, head of the private equity team at family office manager Stonehage Fleming, told *Private Equity International* last year. “And they understand risk completely from that point of view.”

### KEEPING IT IN THE FAMILY

The average family office has a 45.4% exposure to alternatives assets



Alternative assets Equities Bonds Cash or equivalent Commodities

Direct PE investments and PE fund investments account for the majority of the average family office's alternatives portfolio

Private equity **returns averaged 18 percent last year**, up from 13 percent. The average family offices global investment portfolio generated a 15.5 percent return, up from 7 percent the previous year and 0.3 the year previous.