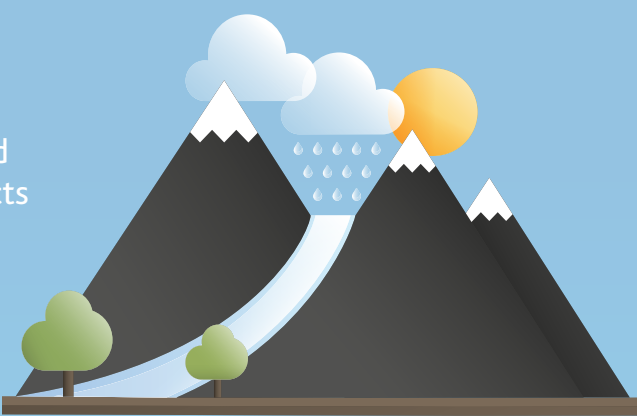


Exploring Non-Traditional Income



The Goal

Positive net performance for a diversified portfolio that limits volatility and protects against market corrections



Looking for a solution through an economic lens helps identify sustainable non-traditional income sources

The Challenge

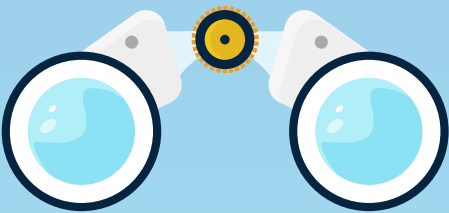
Yield-starved environment

51 central banks

globally cut rates **132** times creating nearly **6500 bps** of easing during **2019**¹

10-30%

of global fixed income is in negative yielding territory²



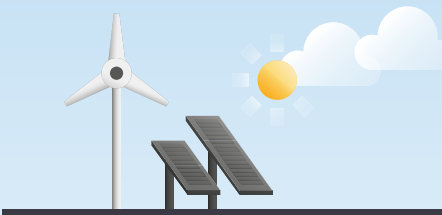
The Opportunity

Overlooked pockets of the private universe

In the past 20 years, **private markets** have **expanded** by over **\$6 trillion**

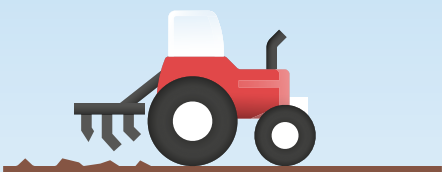
Yet AUM is only **~10% the size of public markets**. And the categories below represent just **20%** of the private universe³

Fixed income has been investors primary defensive, income-oriented exposure, but the current environment presents hurdles to meet investors' diversification goals.



Infrastructure

Decreased government spending has laid the groundwork for private investments



Agriculture

Scarcity of farmland creates a natural tailwind for land-based investors



Asia Credit

Bank retrenchment in select markets creates a void where local asset managers can step in

But investors need timely deployment of capital and proper diversification

But aligned operating partners and crop diversification are critical components

But lenders can benefit from boots-on-the-ground and the resources / relationships in local markets

1. Central Bank rates
2. Range over the past year as of April 30, 2020, Bloomberg
3. Preqin, the World Bank, as of September 30, 2019

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