

GLOBAL FAMILY OFFICE UNIVERSE SUMMARY

STRONG EQUITIES LEAD TO SOLID QUARTER, YEAR FOR PLAN SPONSORS



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The median Global Family Office (GFO) plan was up 4.5% for the fourth quarter of 2013. In comparison, the benchmark of 60% equity (S&P 500) and 40% bonds (Barclays U.S. Aggregate) returned 6.2% during the quarter. The equity markets finished the year on a positive note, returning 10.5% in the fourth quarter and posting a solid 32.4% gain for the year. The fixed income market suffered as the BC U.S. Aggregate returned -0.1% this quarter and -2.0% in 2013. As of December 31, 2013, the one-year median GFO plan finished behind the blended benchmark, returning 13.3% versus 17.6% for the index.

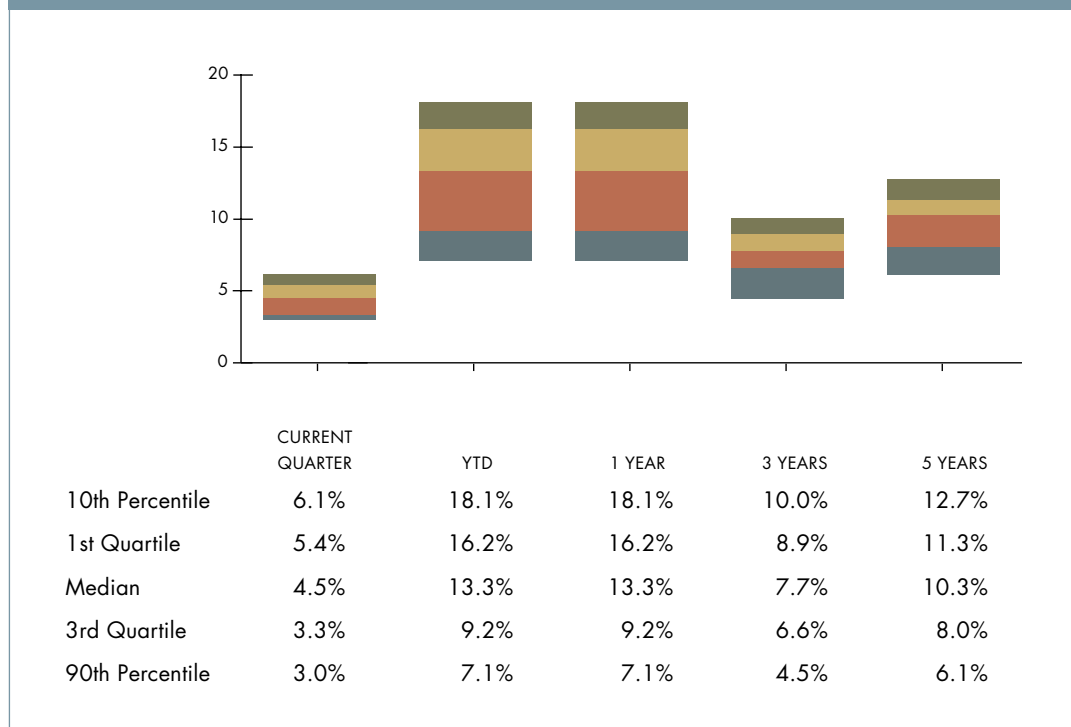
Over longer time periods, the median GFO plan has also lagged the benchmark, underperforming during the two-, three- and five-year time periods. The plan posted

annualized returns of 12.2%, 7.7% and 10.3%, respectively, versus the 60% equity/40% bonds index returns of 14.4%, 11.0% and 12.7%.

The breakpoint return for the top quartile of GFO portfolios for the fourth quarter was 5.4%; the top decile breakpoint return was 6.1%. These portfolios favored more aggressive allocations toward equities. The bottom quartile breakpoint was 3.3%, where portfolios assumed less risk and had higher allocations toward cash and fixed income.

Within the GFO composite as of December 31, 2013, domestic equity accounted for 23.7% of assets. Broad-based domestic equity indexes such as the S&P 500 and the Russell 3000 had positive quarters, returning 10.5% and 10.1%, respectively. The large cap growth segment was the best-performing sub-asset class

GLOBAL FAMILY OFFICE PLANS – TOTAL RETURNS DECEMBER 31, 2013



within the U.S. equity spectrum, as evidenced by the Russell 1000 Growth Index return of 10.4%. The small cap growth segment had the lowest return of the equity classes, as shown by the Russell 2000 Growth Index return of 8.2%. The median U.S. equity program fell in between, returning 9.8% for the quarter.

Domestic fixed income comprised 18.9% of the GFO Composite. The Barclays U.S. Aggregate index was down 0.1% for the fourth quarter and has posted a one-year return of -2.0%. The median U.S. fixed income program returned 0.4% and -1.6%, respectively.

COMPOSITE ASSET ALLOCATION – GLOBAL FAMILY OFFICE				
	Current	1 Year Ago	3 Years Ago	5 Years Ago
U.S. Equity	24%	20%	–	–
Global/Non-U.S. Equity	15%	13%	–	–
U.S. Fixed Income	19%	23%	–	–
Global/Non-U.S. Bonds	3%	3%	–	–
Private Equity/Hedge Funds	28%	28%	–	–
Cash & Other	11%	13%	–	–

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Returns are shown gross of fees. Index returns assume reinvestment of dividends and earnings and do not reflect the deduction of any trading costs or other expenses. It is not possible to invest directly in an index. Periods greater than one year are annualized. Past performance does not indicate future results.

