



The Shape of Solutions 2025: Strategist Roundtable

A Chestnut Solutions Institute Event

December 10, 2024

The Chestnut Solutions Institute™

An independent forum for investment solutions providers and their partners, dedicated to advancing the future of the investment solutions industry.

The Institute fosters dialogue with leaders across the solutions community: OCIOs, asset managers, investors and evaluators.

Public Events

- Holistic Value Measurement Tool – Q1 25
- Insurance Solutions – May 25
- Asset Owners' Guide to Investment Solutions and OCIO
- Conversation with Lisa Shalett of Morgan Stanley – Podcast
- Defining Investment Solutions
- Evaluating OCIOs: the Search Consultants' Role
- Non-Profit Investors and Investment Solutions
- Alternatives in Solutions



Research & Thought Leadership

- Holistic Value Measurement Report – Q1 25
- The Chestnut OCIO List – Q1 25
- OCIO:
- 2025 Institute Research Focus: Solutions & OCIO Industry Survey
- Defining Investment Solutions Report
- 2025 Institute Research Focus: Solutions & OCIO Industry Survey

Member Forums

- Spring Member Forum, Boston – April 23, 2025
- Fall Member Forum, NYC – October 22, 2025

Today's Speakers



**Jonathan Barry, FSA,
CFA**

Managing Director
Investment Solutions Group
MFS

Dan Farley, CFA

Chief Investment Officer
Investment Solutions
State Street

Michael Strauss

Managing Director
Senior Institutional Portfolio Strategist
Bank of America

Amanda Tepper

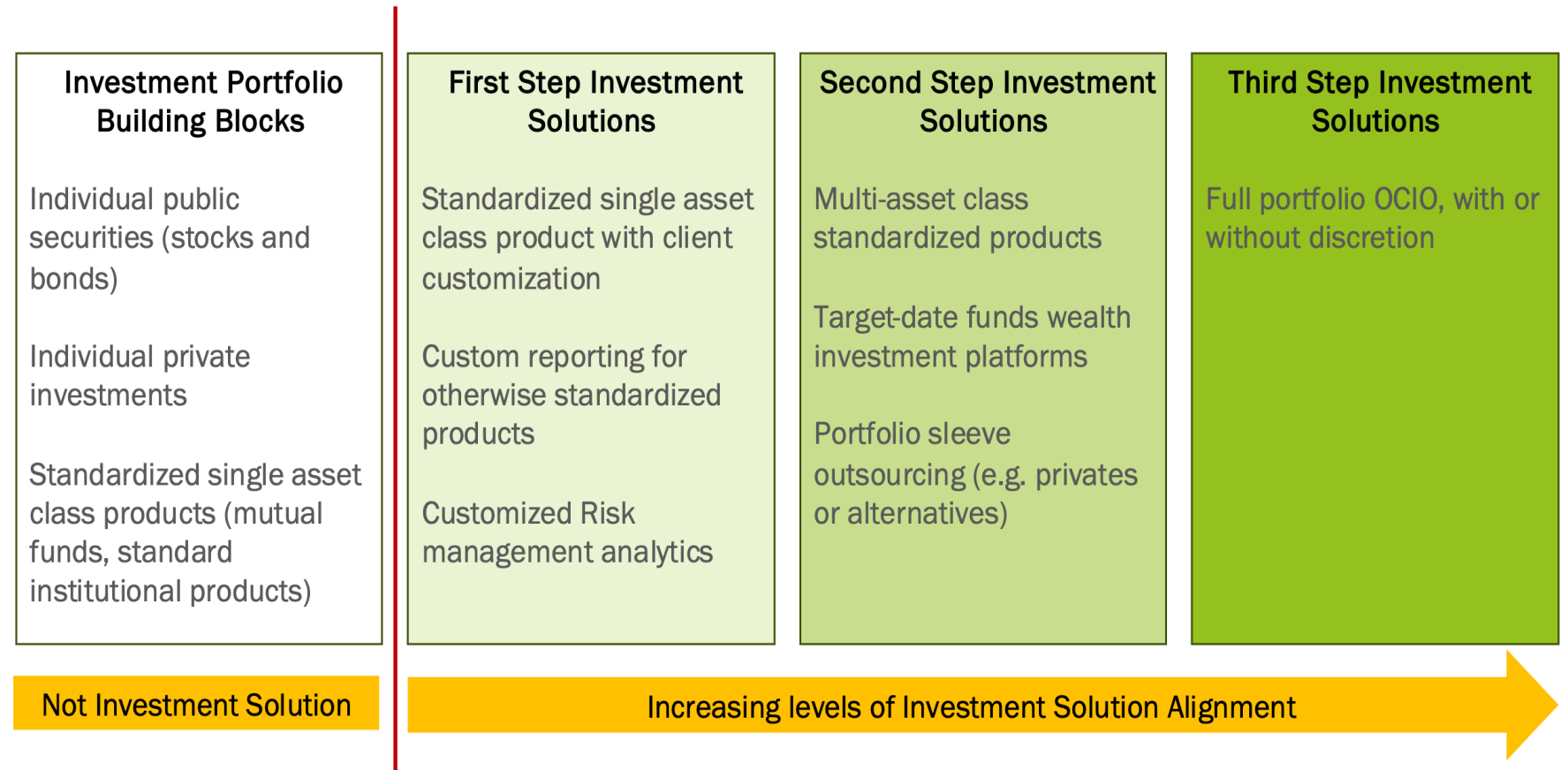
Managing Partner
Chestnut Advisory Group

Solutions Meet Pressing Investor Needs

The Institute's Definition of Investment Solutions

A Framework to Define Investment Solutions

The Institute defines investment solutions as all investment products and services whose primary goal is to meet the specific needs of a unique investor or set of investors.



Solutions Strategists' Markets Outlook: Uncertainty



Investment Themes

- Soft landing?
- US equities
 - Corporate profit cycle
 - Productivity, technology
- Rates
- International, EM
 - China, Japan
- Geopolitics
 - Trade, taxes, regulatory changes
 - Fiscal risks
- Portfolio diversification

Different Investors Require Different Solutions

Investment solutions can lead to better **holistic outcomes** for asset owners

Investor Type	Asset owner concerns investment solutions address
Individual Investors	<ul style="list-style-type: none"> ▪ Secure retirement ▪ Wealth transfer, taxes ▪ Varying individual investment horizons
Corporate Retirement Plans	<ul style="list-style-type: none"> ▪ DB plans seeking LDI: liability mitigation and plan immunization ▪ DC plans: target-date funds, transparency, liquidity, investor education, platforms, servicing
Endowments & Foundations	<ul style="list-style-type: none"> ▪ Very long-term time horizon, need for perpetuity ▪ Required minimum annual portfolio drawdown ▪ Wide range of other needs: liquidity, stakeholder requirements, ESG parameters
Universal Investor Needs	<ul style="list-style-type: none"> ▪ Customized, nimble and timely decision-making across the portfolio ▪ Expertise to manage increasing capital markets complexity and volatility ▪ Optimal risk management and portfolio implementation ▪ Enhanced governance, value through scale, investor education

Solutions Portfolios: Investing to Meet Clients' Long-Term Needs

Asset Class Forecasts

	MFS 10+ yrs	SSGA 10+ yrs	B of A 15 yrs
US Equities (Large Cap)	7.3	6.0	8.69
EAFE/Developed Equity	7.3	6.2	8.27
EM Equity	8.1	7.4	9.16
US debt (Agg)	4.7	3.6	4.19
US High Yield	5.3	4.8	--
Global debt (Agg)	4.9	2.5	4.26
Private Equity	--	7.7	9.76
Private Real Estate	--	7.1	5.39

Sample Solutions Portfolio Target Asset Allocation

	MFS	SSGA	BofA
Solution Type	Target Date Fund, 2045	Sample OCIO	Non-Profit OCIO, Balanced Appreciation
US Equities (Large Cap)	53 (all types)	23	29
EAFE/Developed Equity	24*	16	12
EM Equity	Included above	5	6
US debt (IG govt/corp)	14	10	0
US High Yield	Included above	5	0
Global debt (Agg)	Included above	5 (EM)	0
Private Equity & Credit	--	12	8
Private Real Estate	9 (liquid alts)	8	12

The Institute's Asset Owner Toolkit

CSI's resource center for asset owners and Institute members

Key Toolkit Elements

- Defining Solutions Report
- Why investment solutions are growing so rapidly
- The solutions marketplace
- Selection and evaluation
 - Process
 - Capabilities framework
 - Provider types
- Case studies
- Solutions due diligence checklist

The new definitions and frameworks we propose aim to help the investment solutions industry move toward the widely-accepted standards and norms enjoyed by other, more mature industry segments.

Chestnut Advisory Group: What We Do

A boutique, practitioner-led management consulting firm dedicated to asset managers and investment solutions providers

Products & Solutions

Product line reviews and market suitability assessments
Product development and positioning
Optimizing solutions & OCIO capabilities

Distribution Strategy

Team and organization structure
Custom market research
Resource optimization

M&A Strategy

Identify and evaluate best-fit acquisition targets
Analyze disposition candidates
Post-acquisition integration planning



Go-to-Market Strategy

Firm and capability messaging
Marketing collateral and thought leadership optimization
Marketplace visibility and brand building

Implementation & Coaching

Distribution leadership coaching
Sales training program design
Client engagement strategy and value maximization

Chestnut Solutions Institute

Independent forum for solutions providers and their partners
Education and expansion of the solutions marketplace
Establish and promote strong operating standards

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