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# Five Views That Matter for the Next Five Years

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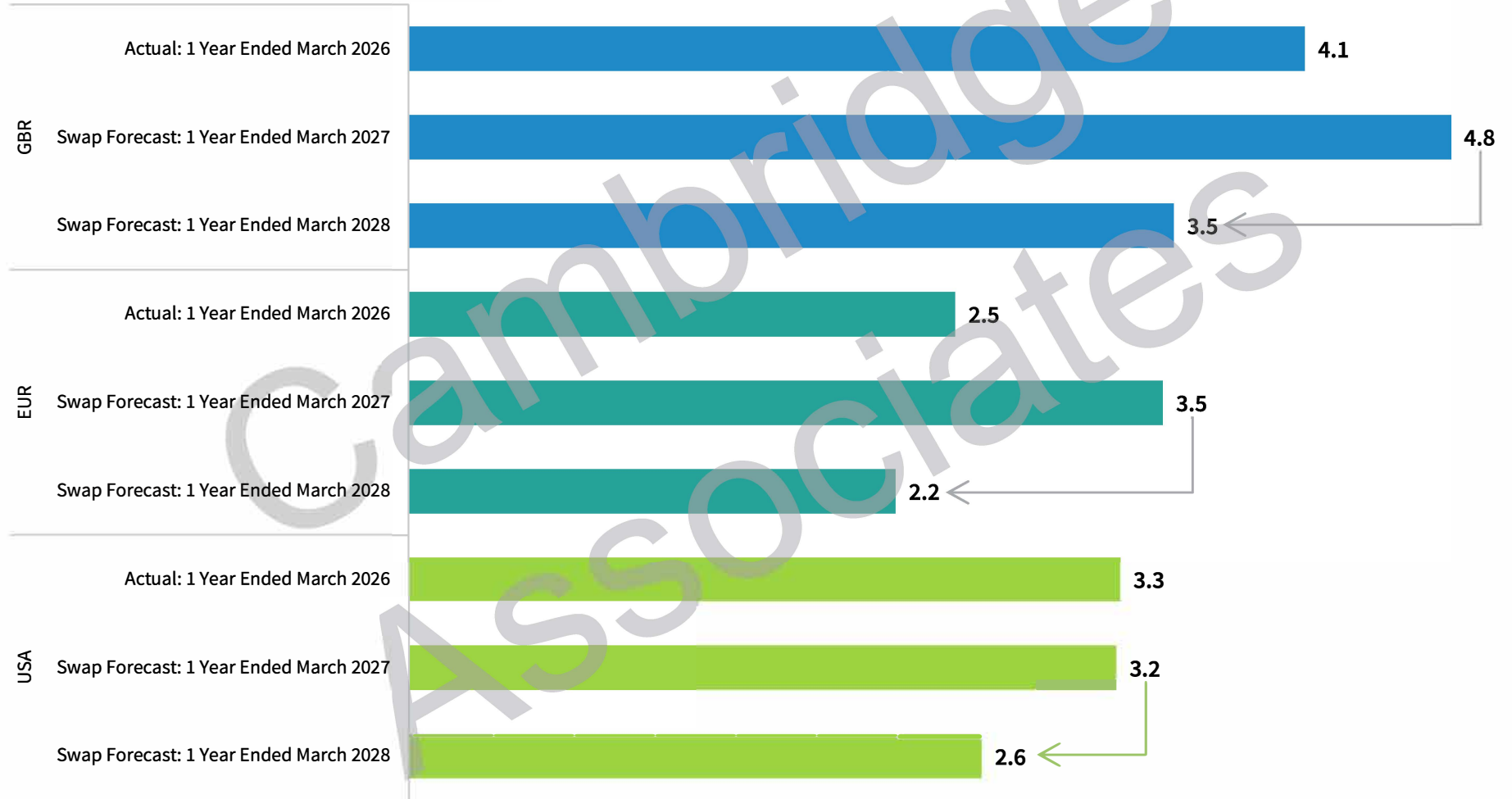
**View 1**

**We expect diversification  
to matter more**

# Geopolitical risks increase downside tail risk

## Markets expect a temporary increase in inflation

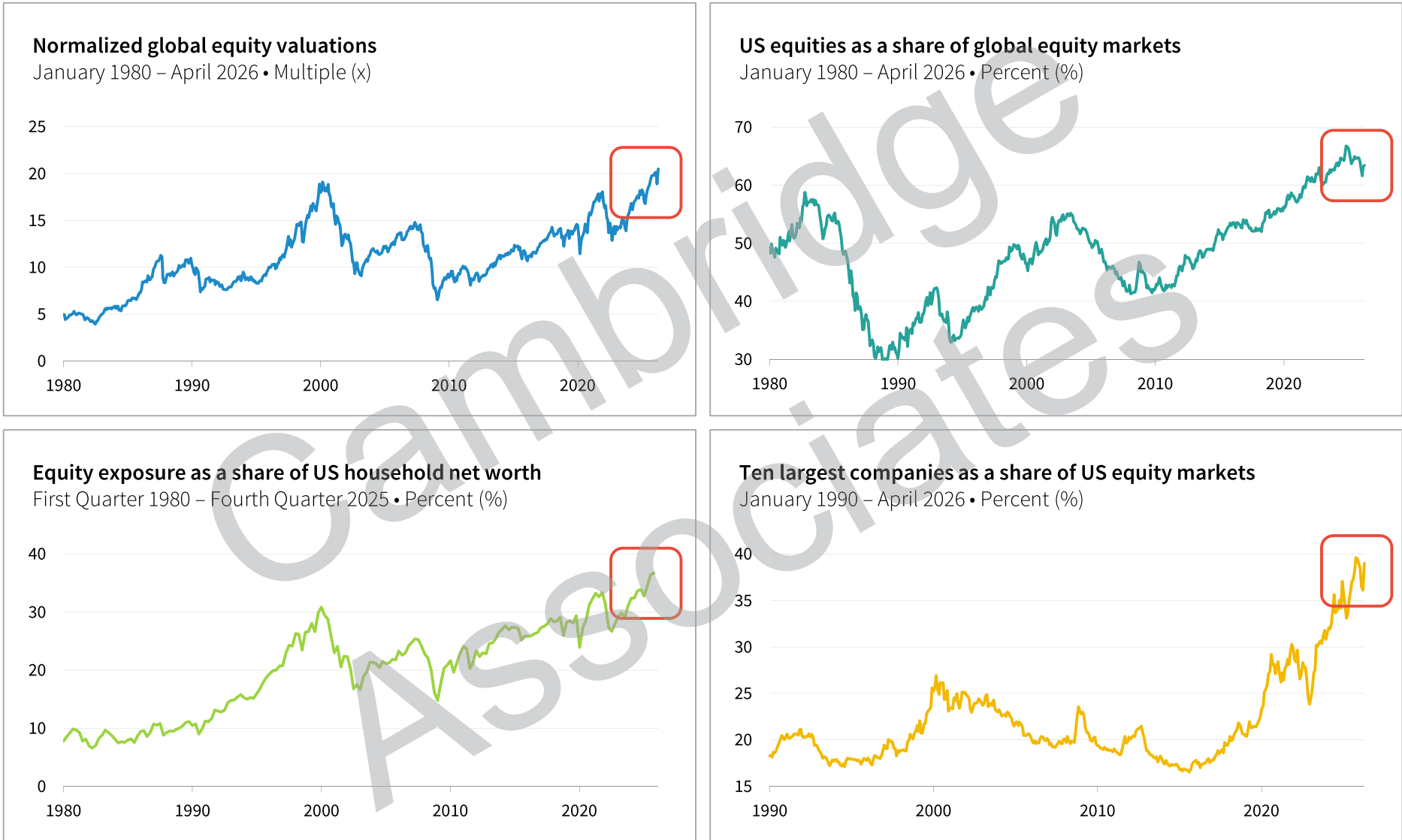
As of May 8, 2026 • Percent (%)



Source: LSEG.

Notes: Inflation swap data are over the counter prices reflecting the relevant inflation benchmark in each country or bloc. Issued by Cambridge Associates. For professional clients and eligible counterparties only. This should not be construed as legal, tax, investment, financial, or other advice.

# Fundamentals shift expected equity returns lower



Sources: LSEG, Federal Reserve, and MSCI Inc. MSCI data provided “as is” without any express or implied warranties.  
 Notes: Equity valuations reflect the ratio of the index price level to cyclically adjusted cash earnings. Equity data are based on relevant MSCI indexes. Issued by Cambridge Associates. For professional clients and eligible counterparties only. This should not be construed as legal, tax, investment, financial, or other advice.



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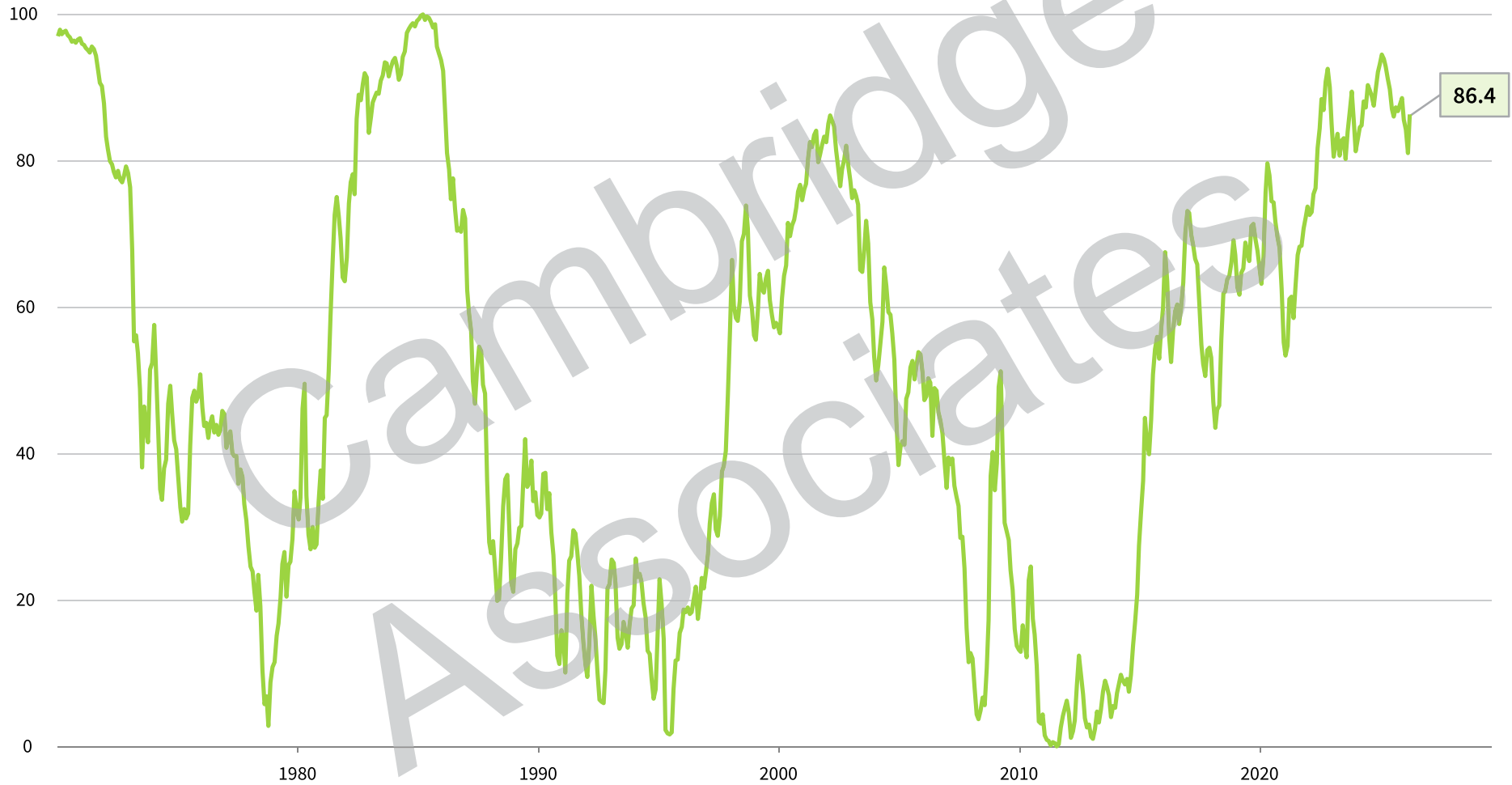
**View 2**

**We expect the dollar to weaken**

# Dollar valuation and US policy shifts argue against sustained strength

## US dollar currency valuation

January 1970 – March 2026 • Percentile



Sources: OECD and Thomson Reuters Datastream.

Notes: Data reflect the monthly OECD US Dollar Real Effective Exchange Rate Index. Values above (below) 50 indicate that the US dollar is more (less) expensive relative to historical data. Issued by Cambridge Associates. For professional clients and eligible counterparties only. This should not be construed as legal, tax, investment, financial, or other advice.



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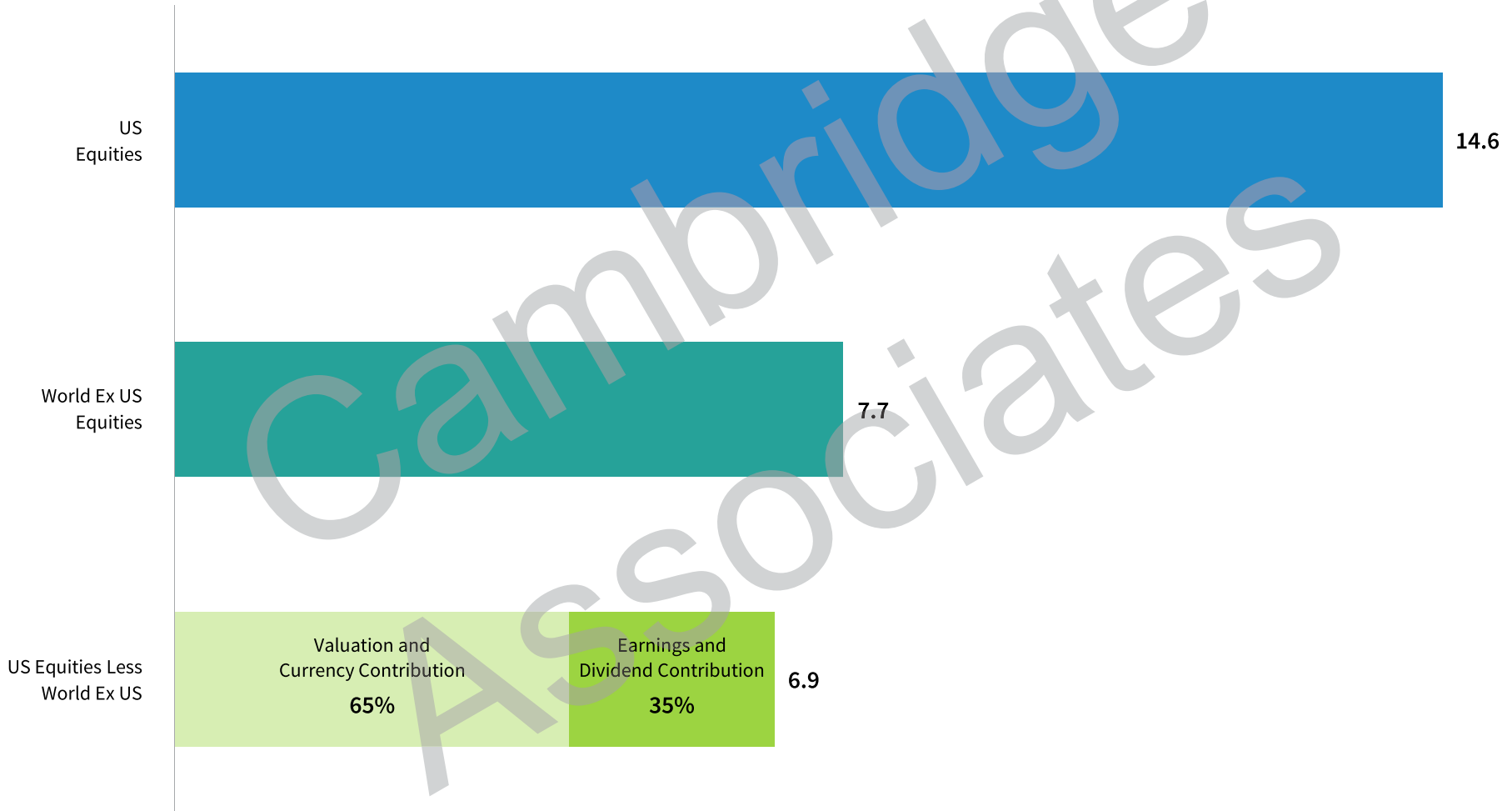
**View 3**

**We expect ex US equities to  
outperform US equities**

## Valuation and currency tailwinds are likely to turn into headwinds

### Annualized returns

December 31, 2010 – December 31, 2025 • Percent (%) • GBP



Past performance is not a reliable indicator of future results. All financial investments involve risk. Depending on the type of investment, losses can be unlimited.

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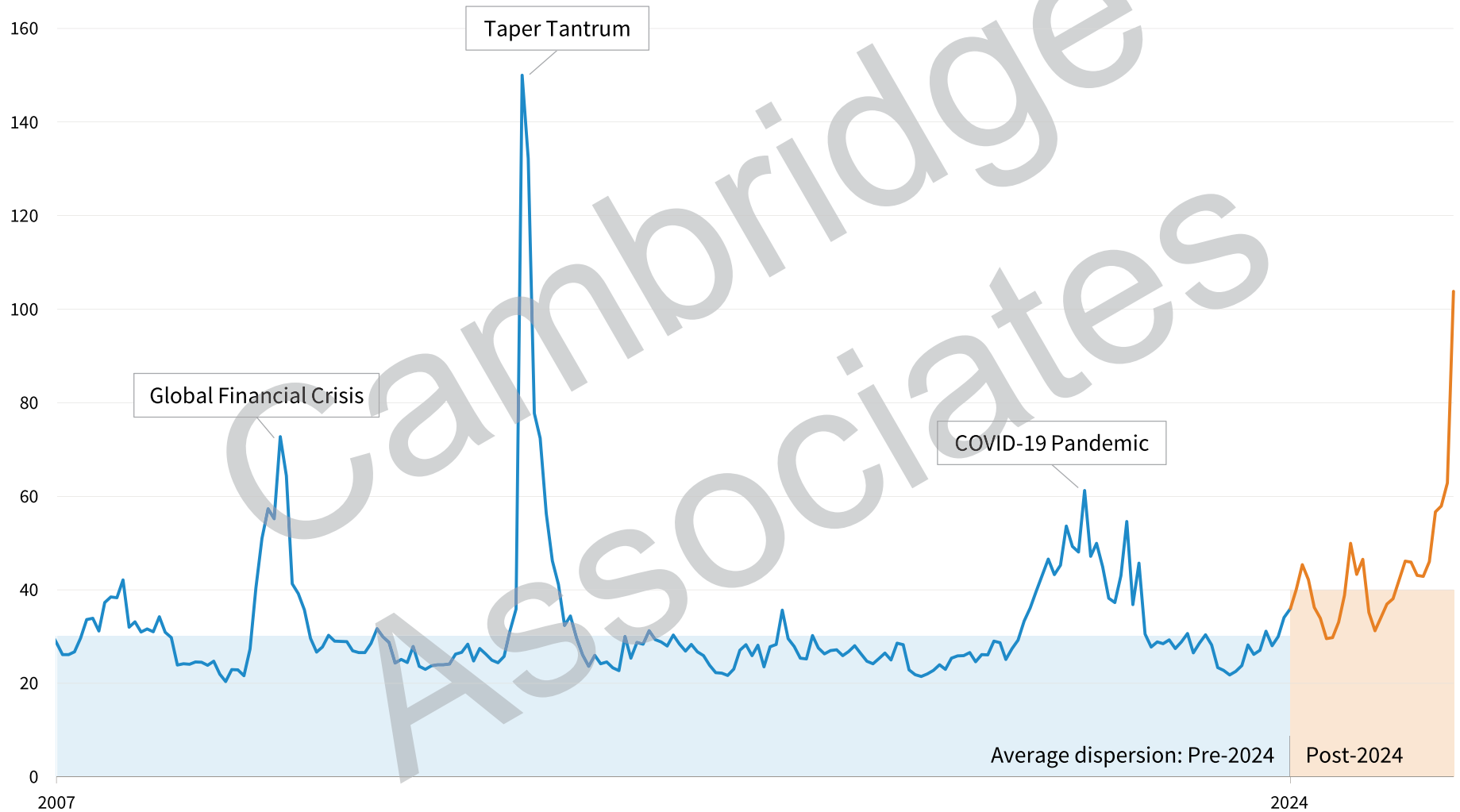
**View 4**

**We expect hedge funds  
to add more value**

# Increased dispersion to support hedge fund returns

## Global equity trailing 1-year return dispersion

January 31, 2007 – April 30, 2026 • Percent (%)



Sources: LSEG and MSCI Inc. MSCI data provided “as is” without any express or implied warranties.

Note: Data show the cross-sectional standard deviation of 1-year MSCI World constituent returns, measured monthly. Issued by Cambridge Associates. For professional clients and eligible counterparties only. This should not be construed as legal, tax, investment, financial, or other advice.



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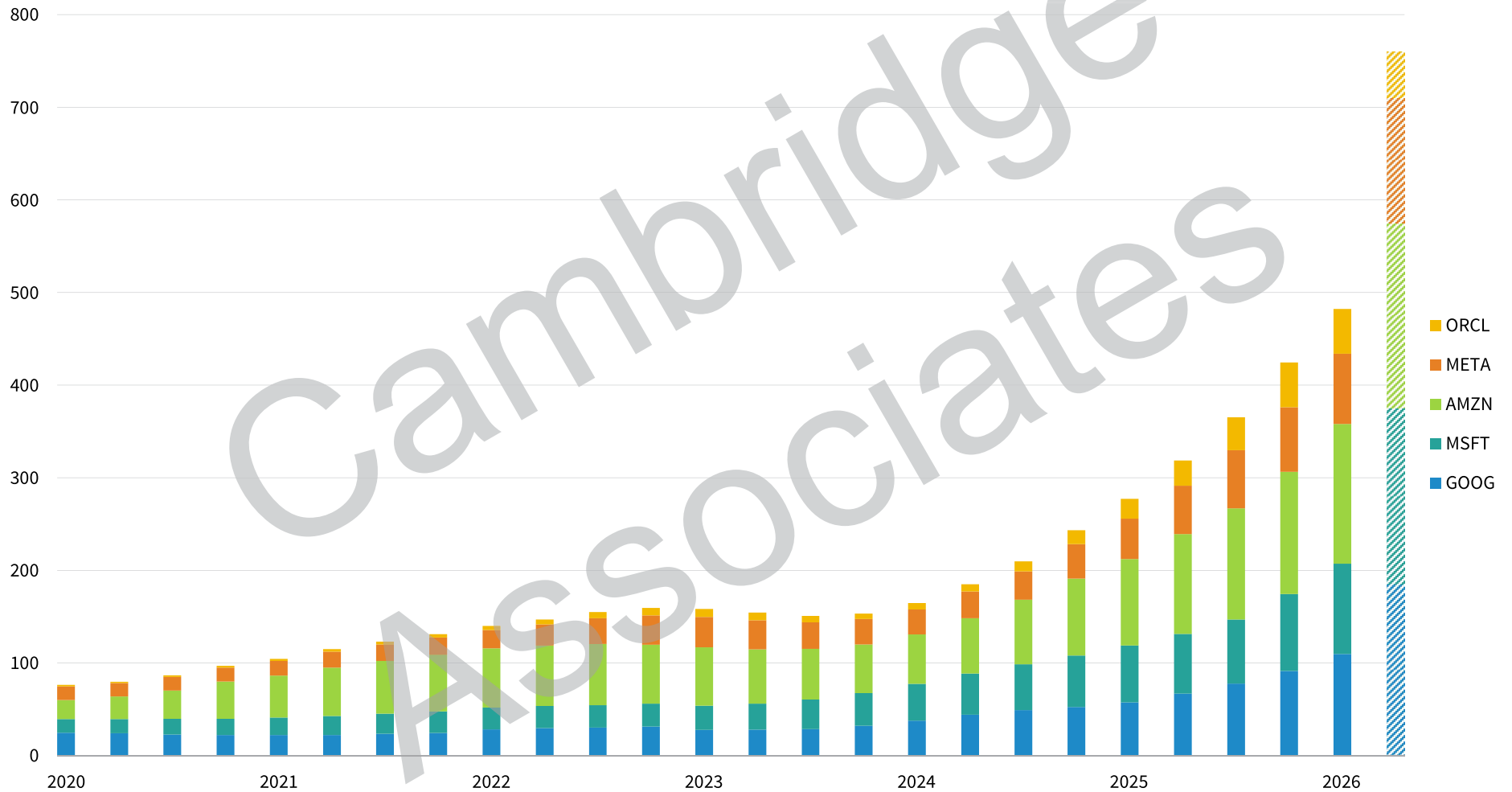
**View 5**

**We expect AI to create as much  
misallocation as opportunity**

# Hyperscaler spending is soaring

## Hyperscaler capital expenditures

2020–26E • Trailing 4 Quarters • US\$ billions



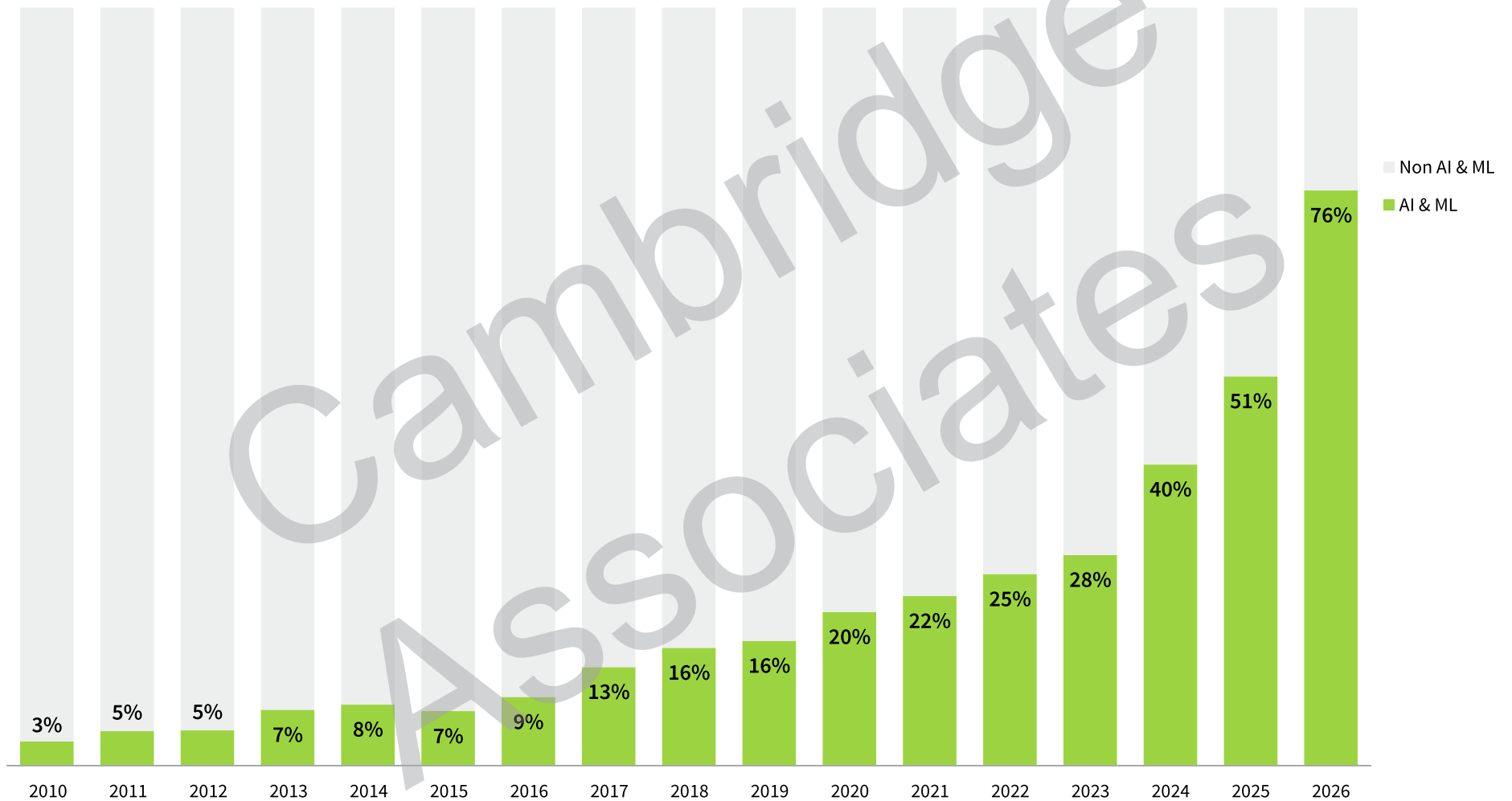
Source: FactSet Research Systems.

Notes: The data are actual reported figures through Q1 2026, except for Oracle, which is reported as of Q4 2025. Full-year 2026 capex figures are estimated based on company earnings reports and forward-looking guidance. Figures reflect each company's total capital expenditures over the trailing four-quarter period. Issued by Cambridge Associates. For professional clients and eligible counterparties only. This should not be construed as legal, tax, investment, financial, or other advice.

## VC is AI now

### The global share of venture capital deals in AI & machine learning

As of May 11, 2026 • Percentage of all VC deals globally



Source: Pitchbook.

Notes: Data are based on deal-level investments made in each year. Figures include all global venture capital activity tracked by PitchBook, encompassing investments made by funds, as well as by other entities. Issued by Cambridge Associates. For professional clients and eligible counterparties only. This should not be construed as legal, tax, investment, financial, or other advice.

## What this means for portfolios

- 1** | Broaden sources of return beyond concentrated equity beta
- 2** | Position portfolios for a weaker dollar
- 3** | Give greater weight to ex US equities
- 4** | Lean into hedge funds and active strategies, where any tax considerations permit
- 5** | Seek thoughtful AI exposure across public and private markets

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