2024


# FCLTCompass

SHRINKING HORIZONS, RISING STAKES

# FCLTGLOBAL

DECEMBER 2024

Focusing capital on the long term to support a sustainable and prosperous economy.

Millions of people around the world are saving money to meet personal goals—funding a comfortable retirement, saving for someone's education, or buying a home, to name a few.

The funds to support these goals are safeguarded by institutional investors—pension funds, sovereign wealth funds, insurers, and asset managers—who invest in companies for the prospect of growth and security. These savers, their communities, and the institutions that support them make up the global investment value chain, and each benefit from long-term decisions in different ways.

Data shows that long-term-oriented investors deliver superior performance, and long-term-oriented companies outperform in terms of revenue, earnings, and job creation. But despite overwhelming evidence of the superiority of long-term investments, short-term pressures are hard to avoid. A majority of corporate executives agree that longer time horizons for business decisions would improve performance, and yet half say they would delay value-creating projects if it would mean missing quarterly earnings targets.

Today, the balance remains skewed toward short-term financial targets at the expense of long-term value creation.

FCLTGlobal's mission is to focus capital on the long term to support a sustainable and prosperous economy. We are a non-profit organization whose members are leading companies and investors worldwide that develops actionable research and tools to drive long-term value creation for savers and communities.

## MEMBERS

AIA, AIMCo, AON, apg, Baillie Gifford, BainCapital, Bank of America, Barclays

BlackRock, Blackstone, Bloomberg, bp, Bridgewater, Brookfield, Brunswick, Bunge, CalSTRS

Carlyle, CDPQ, Cisco, CPP Investments, Dow, Edelman, EQT, euroclear

Evercore, EY, Fidelity Investments, futurefund, GIC, Goldman Sachs, Hillhouse, Hines

Hong Kong Monetary Authority 香港金融管理局, HKIC, IFM Investors, J.P.Morgan, JSR, KPMG, Macquarie, mastercard

McKinsey & Company, MFS, MSCI, Nasdaq, Norges Bank Investment Management, nuveen A TIAA Company, Ontario Teachers' Pension Plan

PSP Investissements Investments, pwc, Russell Reynolds Associates, Schroders, State Street, Tata, Temasek, TPG

T.RowePrice, Unilever, Vista, Votorantim, Wachtell Lipton Rosen & Katz, Wafra, Walmart, Washington State Investment Board

# Contents

# FCLT Compass is an annual benchmarking tool that tracks the state of global long-term investing.

FCLT Compass measures the investment horizons of the global investment value chain, how households are saving and allocating their money, and how long they can live and retire off of those savings. Calculating these metrics yearly provides a holistic understanding of the long- or short-term orientation of global capital markets and how that orientation impacts the savings and retirement of millions of people worldwide.

FCLT Compass now reflects 15 years of data, examining global wealth and investment horizon shifts since 2009. In addition to answering the question, “Are capital markets becoming more long-term or short-term?” this project will now draw the essential connection between investment horizons, global participation in capital markets, and the health of household savings, demonstrating the power of long-term investing.[1, 2, 3]

**Allen He**
Director, Research

**Jessica Pollock**
Senior Associate, Research

# Key takeaways

## 1

**Investment horizons remain misaligned**: 2023 saw macroeconomic conditions that shortened investment horizons for savers and asset classes and slightly lengthened for companies; however, the gaps between asset classes, companies, and savers' horizons persist.

## 2

**Led by notable shifts in Asia and the Middle East, global wealth has more than doubled since 2009, but investment horizons in many countries have shrunk in the same period**: the management, ownership, and character of this new wealth varies dramatically around the world.

## 3

**Market participation drives economic mobility – but it is easier said than done**: Broader capital market participation is critical to unlocking economic mobility, secure retirement, and longer investment horizons, but it remains a luxury primarily benefitting those who can afford it.

# A SNAPSHOT OF THE WORLD’S WEALTH

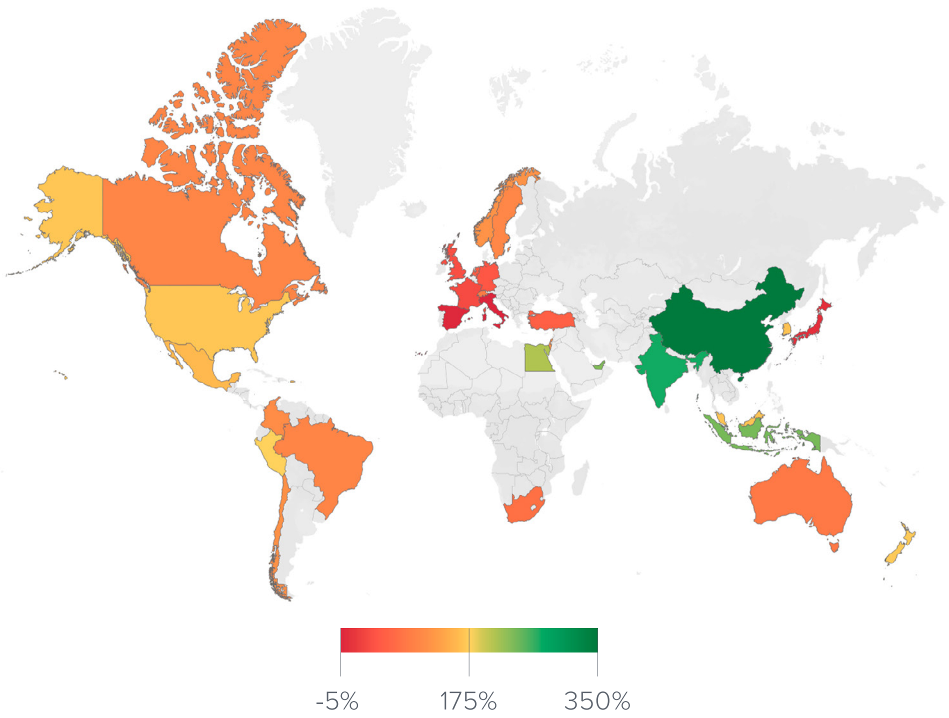
Where is the world’s capital, and how has it changed?

# Household wealth has more than doubled since 2009. However, investment horizons have shortened significantly.

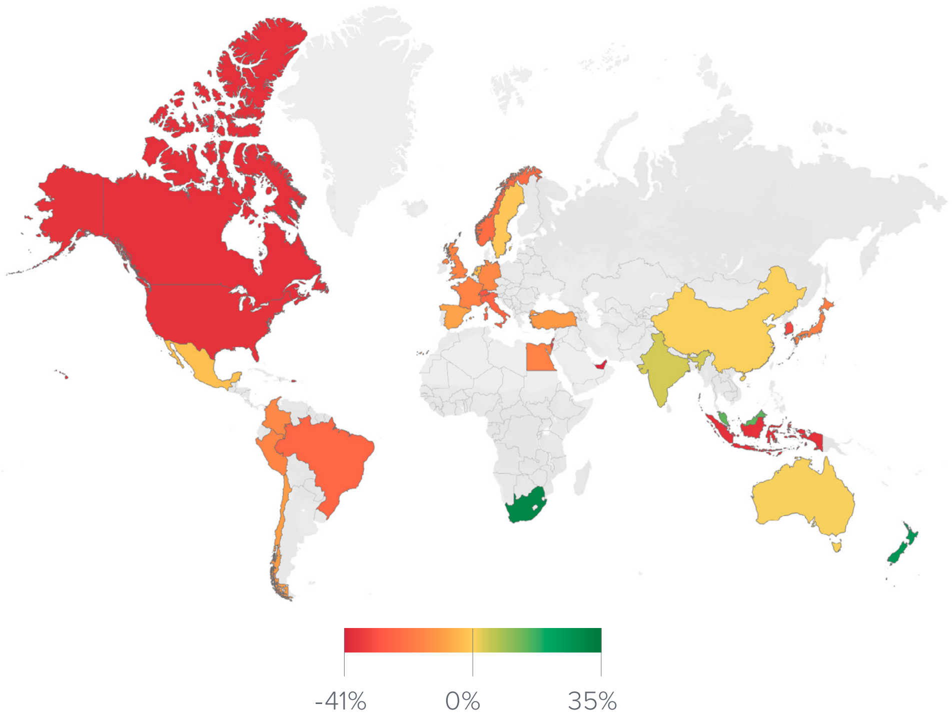
Household wealth has more than doubled over the past decade, led by significant increases in China and India.[4] While the U.S. has also experienced substantial growth, its percentage increase appears smaller due to its already high starting level of wealth.

However, this growth has come alongside a pronounced shortening of household investment horizons. Households overall are allocating less towards long-term savings vehicles and more towards cash and short-term equity.

**Change in Household Wealth (2009–2023)**




**Change in Household Investment Horizon (2009–2023)**



# While the U.S. accounts for much of global corporate market value and dominates the global asset management industry, the ownership of those assets is concentrated outside the U.S.

The U.S. leads global capital markets, dominating corporate market value and asset management, while asset ownership remains more geographically dispersed. In 2023, the U.S. accounted for 50%[5] of global corporate market value, an 18% increase since 2009, and 74%[6] of assets under management (AUM), up from 67% in 2009.

Contrary to common belief, however, the origins of this institutional wealth are far from concentrated in the U.S. While American firms may oversee most institutional assets, only 27% of the AUM held by the top 100 asset owners* belongs to U.S-based institutions. The rest is spread across the globe, with 31% originating from Asia and another 17% from the Middle East.

This contrast underscores a critical trend: while U.S. corporate and asset management capital grows increasingly concentrated, asset ownership continues to diversify globally, driven by emerging markets.

### Asset Owners (AUM)

| Country | 2018 | 2023 | +/- |
|---|---|---|---|
| United States | 28% | 27% | -1% |
| China | 9% | 11% | +2% |
| Japan | 10% | 8% | -2% |
| UAE | 6% | 7% | +1% |
| Canada | 3% | 7% | +4% |
| Singapore | 6% | 6% | |
| Norway | 6% | 6% | |
| Netherlands | 5% | 4% | -1% |
| Kuwait | 4% | 4% | |
| South Korea | 4% | 4% | |
| Rest of World | 20% | 17% | -3% |

### Asset Managers (AUM)

| Country | 2009 | 2023 | +/- |
|---|---|---|---|
| United States | 67% | 74% | +7% |
| United Kingdom | 9% | 7% | -2% |
| France | 7% | 4% | -3% |
| Japan | 2% | 3% | +1% |
| Canada | 3% | 3% | |
| Germany | 3% | 2% | -1% |
| Switzerland | 2% | 2% | |
| China | 0% | 1% | +1% |
| Netherlands | 1% | 1% | |
| Australia | 1% | 1% | |
| Rest of World | 5% | 2% | -3% |

### Corporates (MV)

| Country | 2009 | 2023 | +/- |
|---|---|---|---|
| United States | 32% | 50% | +18% |
| China | 10% | 10% | |
| Japan | 8% | 5% | -3% |
| India | 2% | 3% | +1% |
| Saudia Arabia | | 3% | +3% |
| France | 5% | 3% | -2% |
| United Kingdom | 7% | 3% | -4% |
| Canada | 3% | 3% | |
| Switzerland | 3% | 2% | -1% |
| South Korea | 2% | 2% | |
| Rest of World | 28% | 16% | -12% |

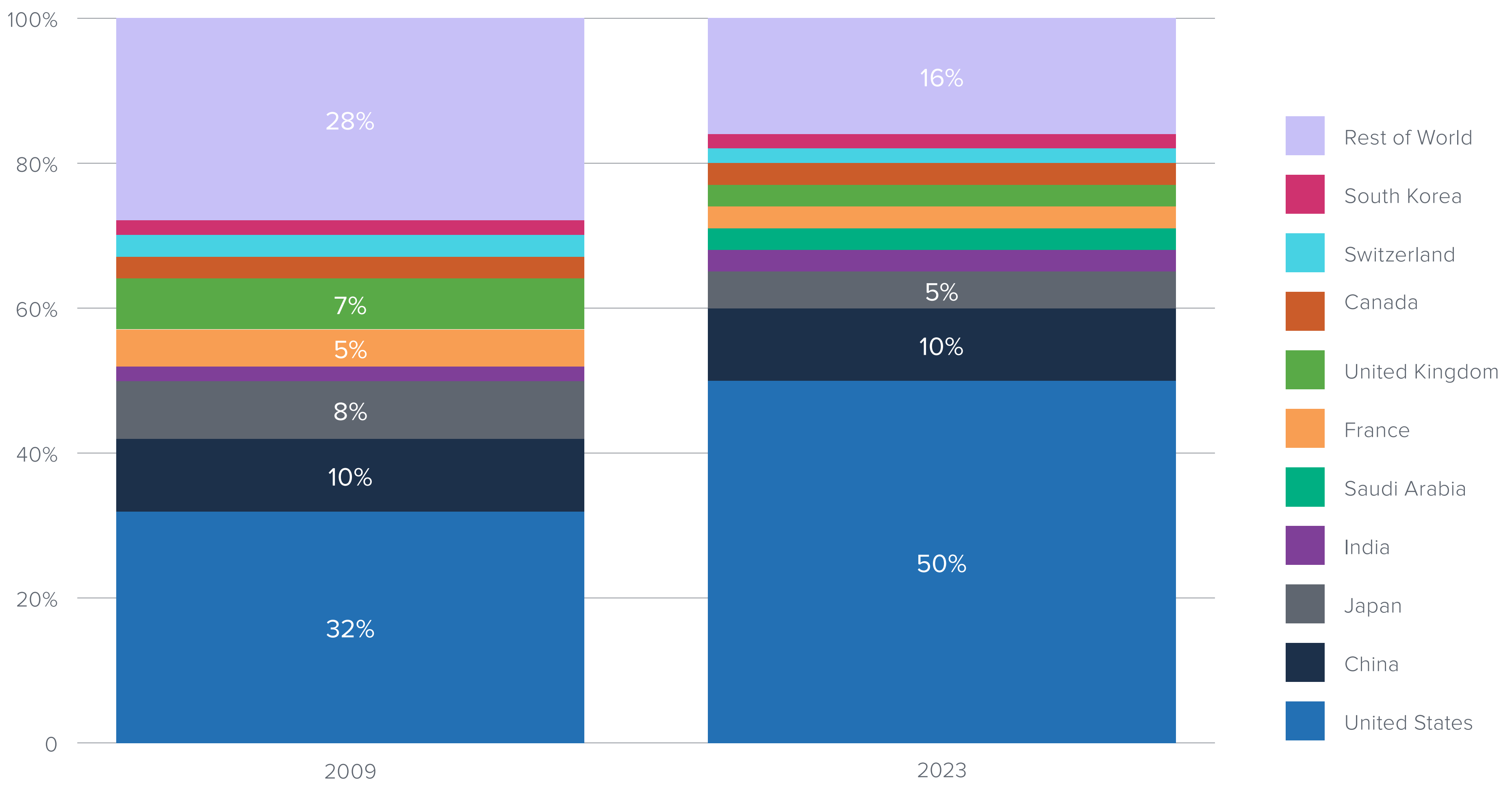
*Asset owners include Sovereign Wealth Funds (SWFs), Outsourced Chief Investment Officers (OCIOs), pension funds, and foundations & endowments[7]

Source: Thinking Ahead Institute's 2024 Asset Owner 100, eVestment, FactSet, MSCI ACWI.

# The U.S.'s share of global corporate market value has substantially increased in the past 15 years—it now makes up half of the world's total.

In 2009, corporate wealth was more evenly spread across multiple regions, but by 2023, the U.S. has taken a dominant position, accounting for roughly half of global corporate market value.[5] The success of high-performing U.S. companies partly drives this consolidation, sometimes called the "Magnificent Seven"—Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta, and Tesla.

**2023 Saver AUM ($T USD)**




Source: FactSet, MSCI ACWI.

# Nearly 75% of the world's institutional AUM is managed by U.S. asset managers. Most of that is owned by non-U.S. institutions.

The influence of U.S. asset managers on global finance is undeniable. Giants like BlackRock, Vanguard, and Fidelity lead a concentrated industry where U.S.-based firms manage 75% of the world's institutional AUM. These American firms also include the six largest managers in the world.[6]

Among the world's ten largest asset owners, only one is from the U.S.: the Federal Retirement Thrift – while the other 9 originate from 8 different countries.[7] Thus, while the U.S. asset managers play a central role in deploying capital, the sources of that capital reflect a more diverse, interconnected global economy. Emerging markets are also increasingly making up a larger share of the top 100 owners over the last several years.[7]

**Top 10 Asset Owners by AUM**

| Rank | Name | Country |
|---|---|---|
| 1 | GPIF | Japan |
| 2 | Norges | Norway |
| 3 | CIC | China |
| 4 | SAFE | China |
| 5 | ADIA | UAE |
| 6 | KIA | Kuwait |
| 7 | NPS | South Korea |
| 8 | Federal Retirement Thrift | U.S. |
| 9 | GIC | Singapore |
| 10 | Public Investment Fund | Saudi Arabia |

**Top 10 Asset Managers by AUM**

| Rank | Name | Country |
|---|---|---|
| 1 | BlackRock | U.S. |
| 2 | Vanguard | U.S. |
| 3 | Fidelity | U.S. |
| 4 | State Street | U.S. |
| 5 | JP Morgan | U.S. |
| 6 | Goldman Sachs | U.S. |
| 7 | UBS | Switzerland |
| 8 | Capital Group | U.S. |
| 9 | Allianz | Germany |
| 10 | Amundi | France |

Source: Thinking Ahead Institute's 2024 Asset Owner 100, eVestment.

# INVESTMENT HORIZONS

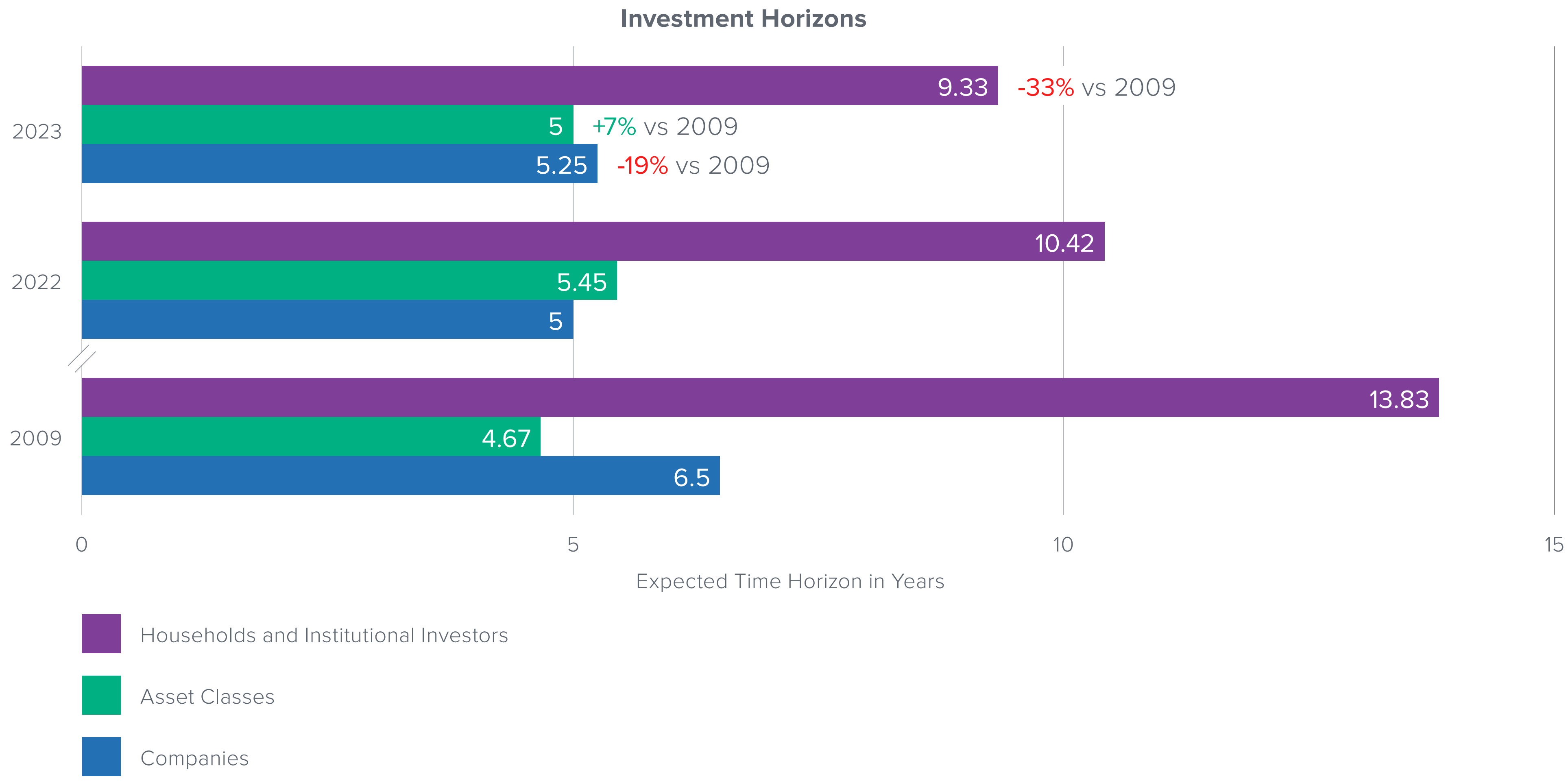
Gaps in investment horizon persist between savers, asset classes, and corporations.

# Investment horizons in 2023 shortened across the investment value chain.

In 2023, household and institutional investor (saver) horizons decreased by 10%, asset class horizons decreased by 8%, and corporate horizons increased by 5%.

However, since 2009, the investment horizon gap between companies, asset classes, and savers has persisted. While savers maintain the longest horizons, asset class and corporate horizons remain significantly lower.

The disconnect between global wealth accumulation and time horizons in this period highlights an underlying tension: while resources have grown, the patience to invest for the long term has diminished. For households, this means prioritizing cash and short-term equity over long-term investments. For companies, it reflects a focus on short-termism, with greater emphasis on dividends and buybacks.



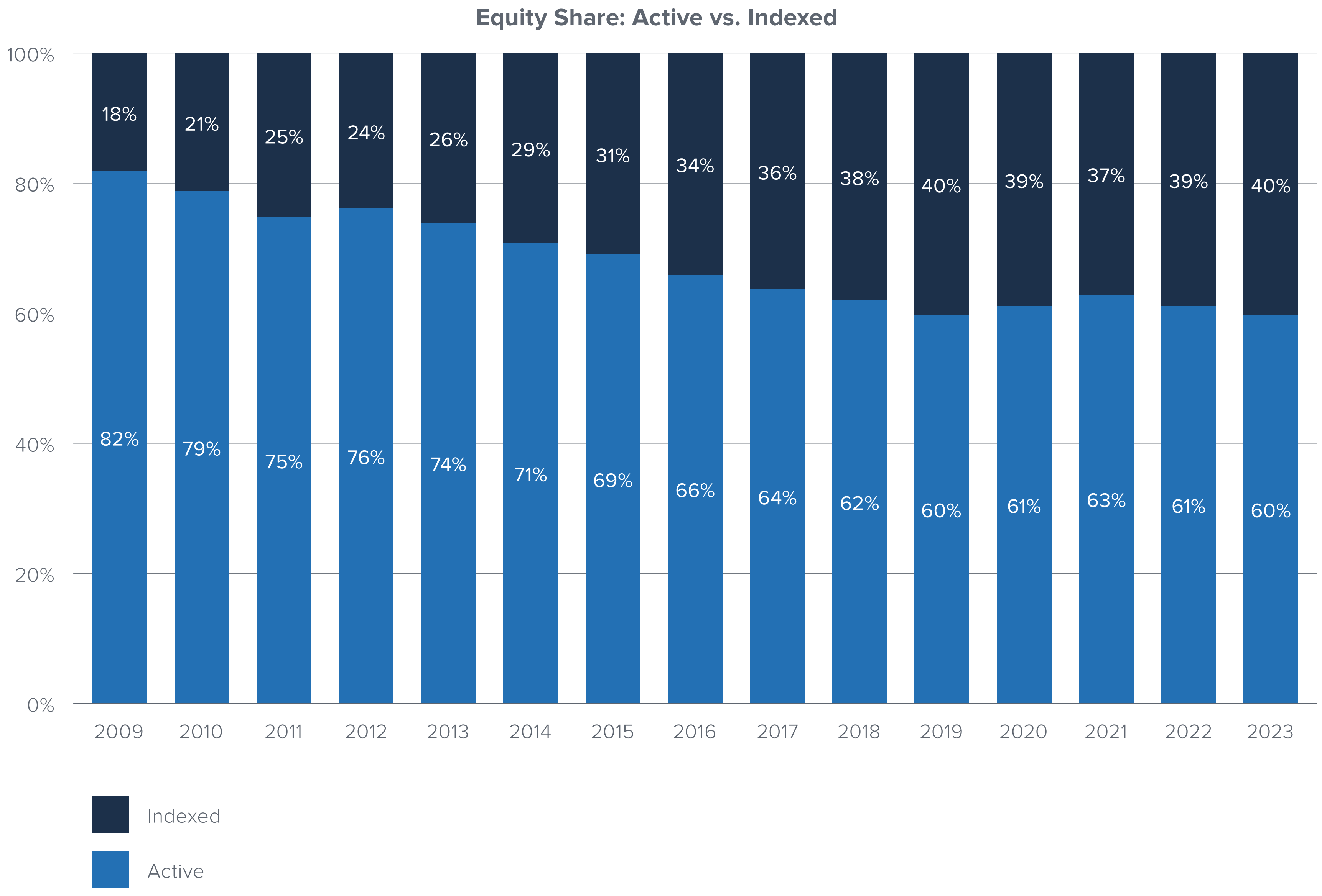

Source: OECD, eVestment, FactSet, MSCI ACWI.

# Asset class horizons have lengthened mainly due to the rise of index funds.

Over the past decade, the emergence of index funds, with low turnover and long holding periods, has driven a 7% increase in average asset class horizons.[6]

2023, however, marked a notable reversal, as horizons decreased by 8%, from 5.45 years in 2022 to 5 years.

This decline was driven by rising interest rates, which reduced fixed-income durations, and increased turnover in the active equities market, reflecting broader market dynamics.




Source: eVestment.

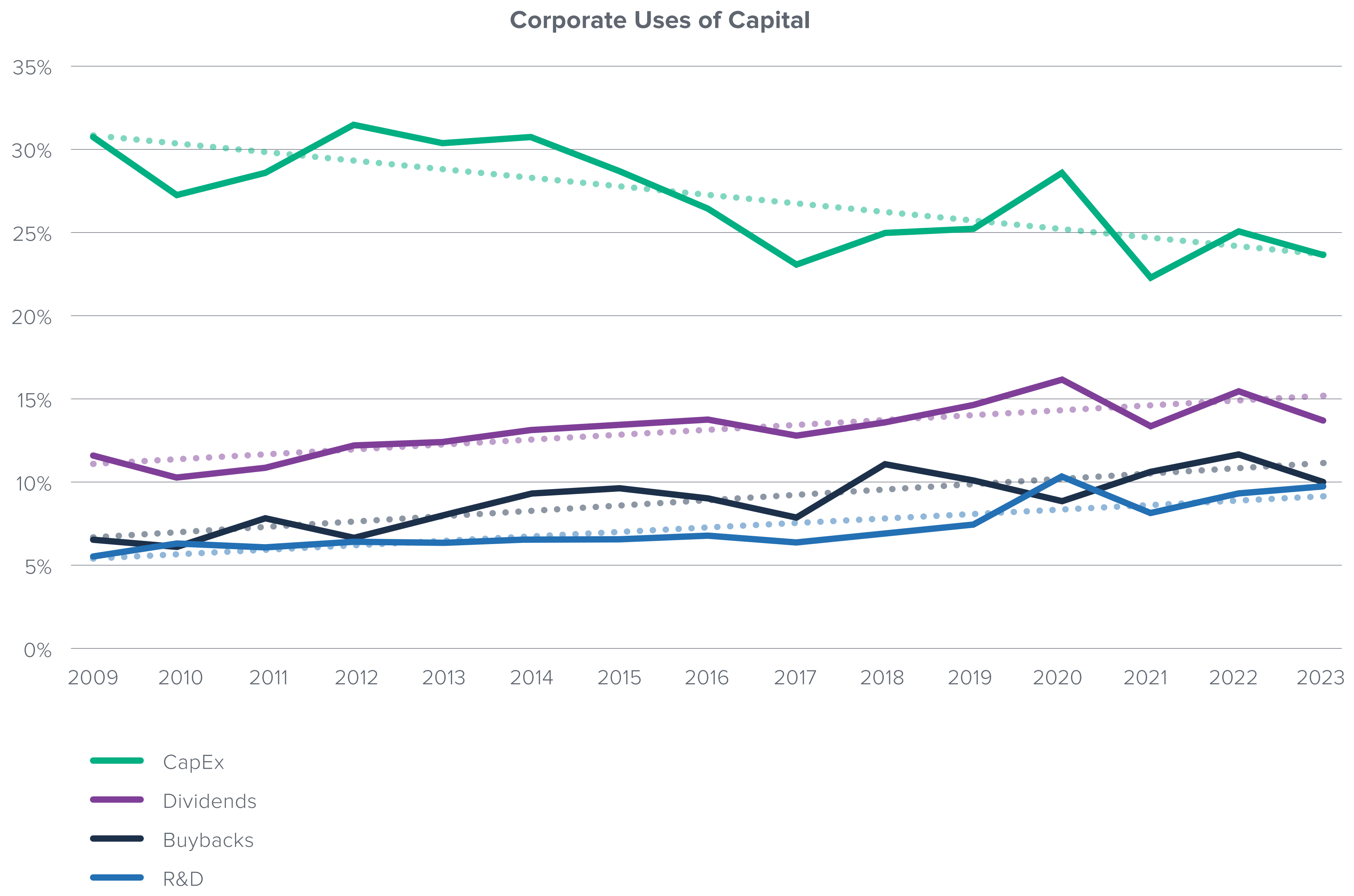
# Corporate investment horizons have shortened due to lower CapEx and increased allocation towards dividends and buybacks.

Since 2009, corporate investment horizons have shortened by 19%, driven in large part by two key trends.

The decrease in capital expenditures indicates a significant market shift toward asset-light business models. Whereas CapEx-intensive sectors like energy and industrials dominated indices in the past, CapEx-light sectors like information technology and healthcare now make up a significant portion of the market, leading to lower CapEx spending as a percentage of use of capital and, ultimately, shorter horizons.

Second, the return of capital to shareholders, in the form of buybacks and dividends, has nearly doubled between 2009 and 2022. While companies must deliver meaningful financial returns to shareholders, allocating capital towards R&D and retained earnings enhances future competitiveness and resilience in an uncertain market.[5]

In 2023, there was a slight reversal in these decade-long trends: corporate horizons increased by 5%. Buybacks decreased, becoming a less-attractive use of capital after the U.S. enacted a 1% tax on share repurchases, leading to increased spending on R&D. It remains uncertain whether these trend reversals observed in 2023 will persist in the coming years.



# Households' shift toward cash and short-term equity outweighs institutional investors' shift toward long-term assets, shortening savers' overall investment horizon.

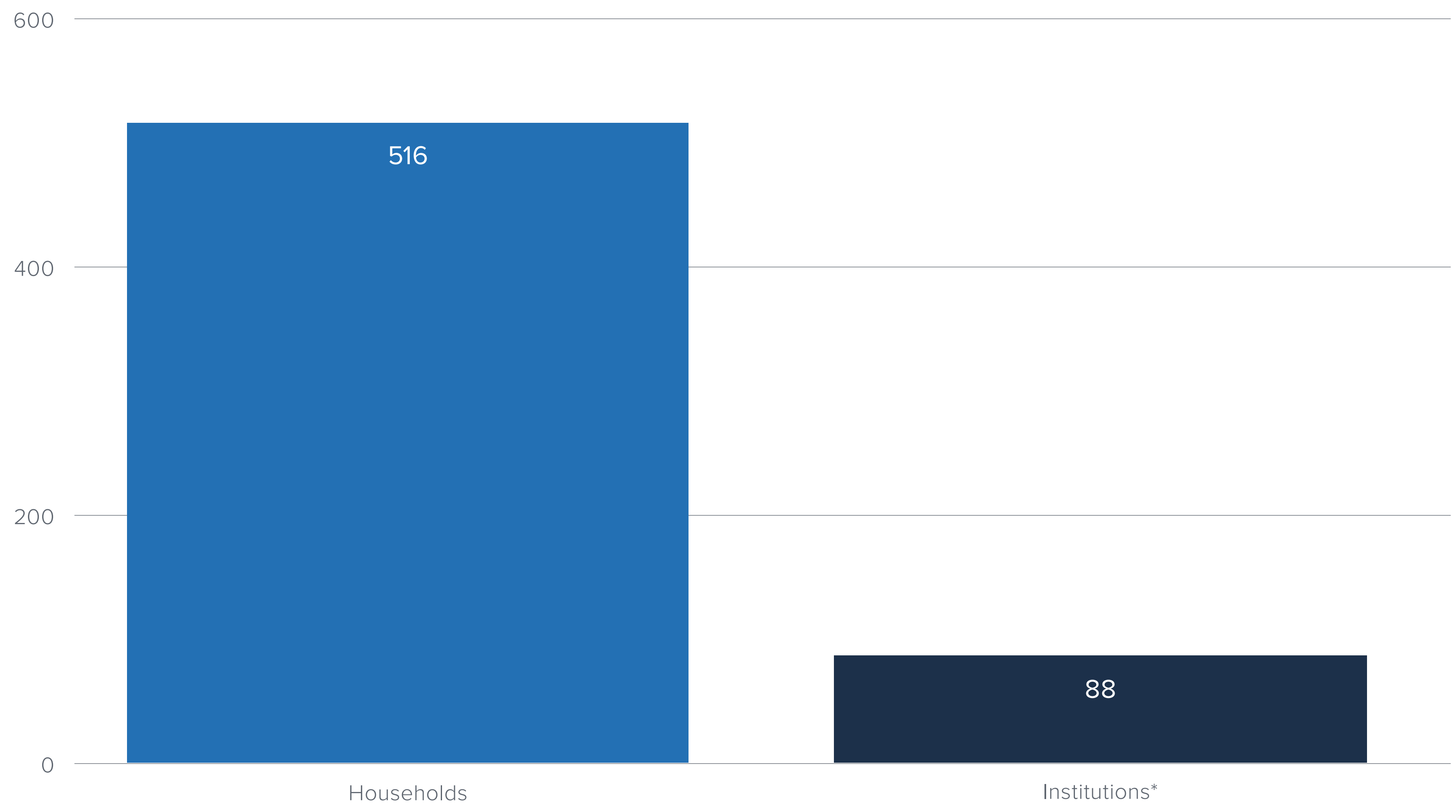
Due to differing asset allocation strategies, institutional investors' and households' investment horizons have increasingly diverged.

Households continue to dominate global wealth, but their investment behaviors are increasingly short-term. Since 2009, household investment horizons have decreased by 35%, with savers shifting more towards cash and short-term equity while allocating less to long-term savings. This preference for liquidity reflects a broader shift away from sustained, long-term investments, undermining the potential for long-term wealth accumulation and economic mobility.

Institutional investors have extended their horizons by 9%, led by sovereign wealth funds and endowments, shifting towards longer-term assets such as private equity, real estate, and infrastructure, reflecting a strategy focused on growth and resilience. Despite this, the impact of households' shorter investment horizons, due to their dominant share of overall wealth, is far more significant in shaping the broader financial landscape.

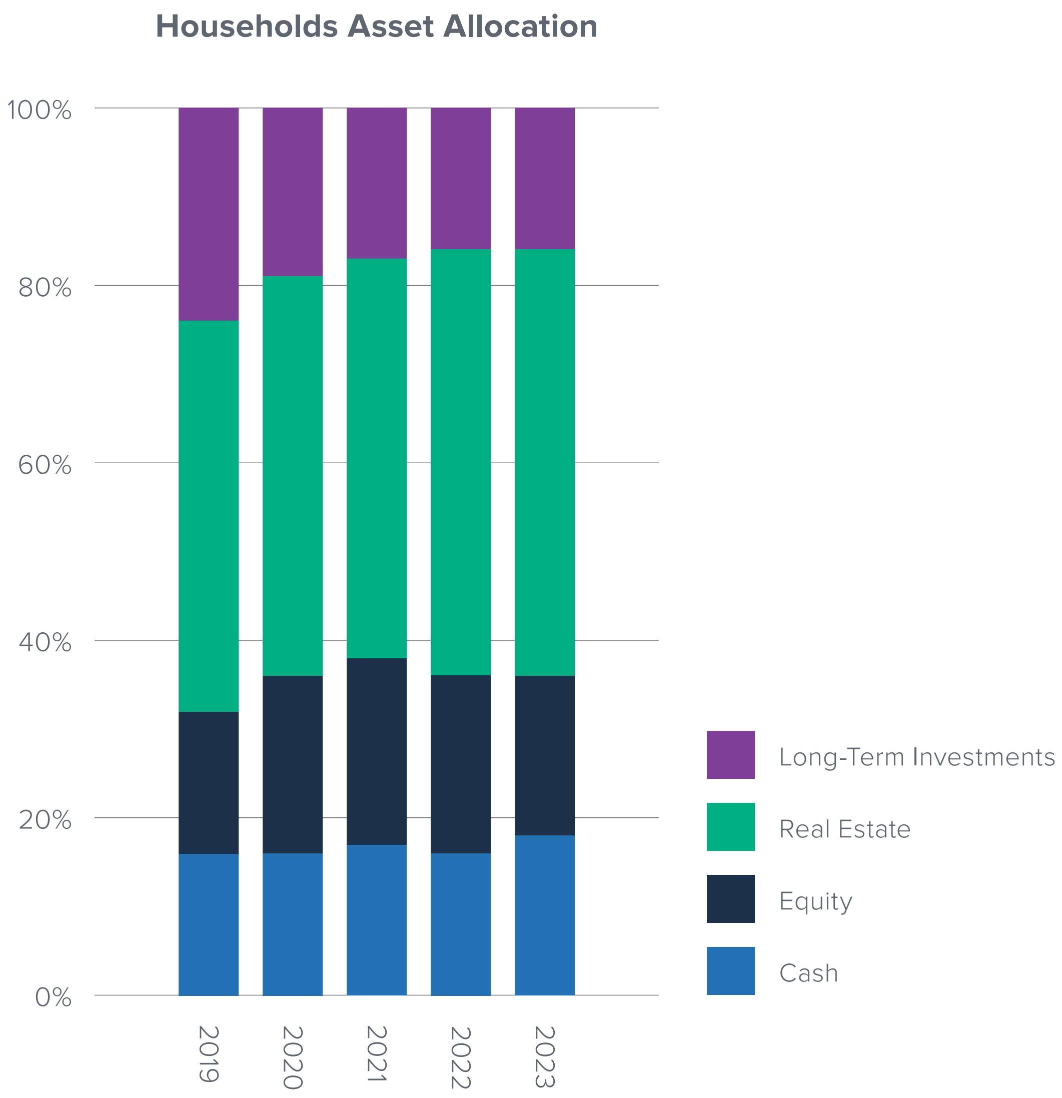
This growing divide between institutional investors' longer-term outlooks and households' preference for liquidity highlights the contrasting approaches to capital allocation, with potential long-term implications for financial resilience and stability.

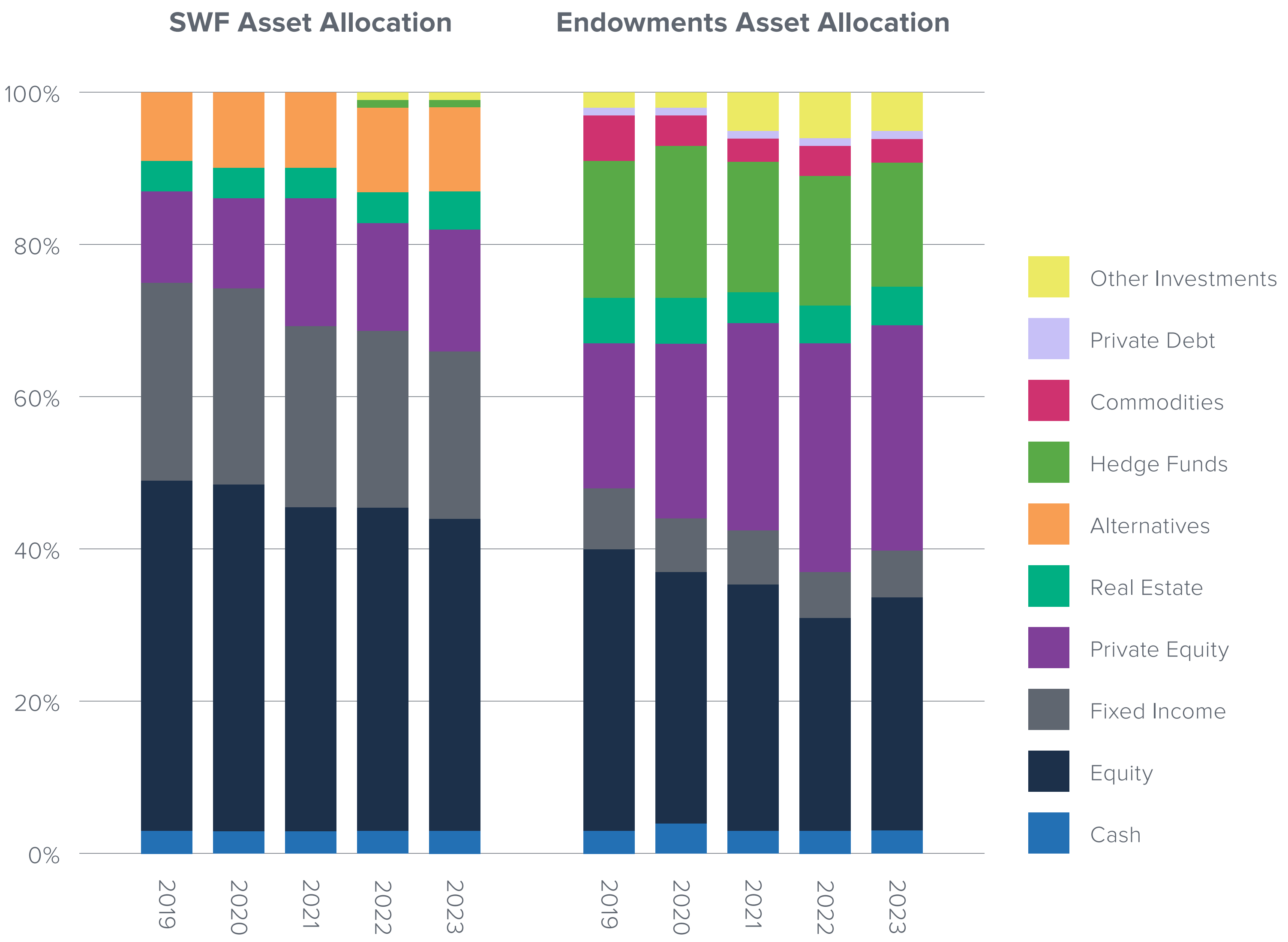
**2023 Saver AUM ($T USD)**




*Institutions include pensions, insurance companies, sovereign wealth funds, and endowments.

# Institutional investors' longer-term outlooks contrast with households' preferences for liquidity.



# HOUSEHOLD MARKET PARTICIPATION & ALLOCATION

Capital market participation can lead to greater economic mobility and long-term decision-making

# Lower capital market participation correlates with a shorter household investment horizon.

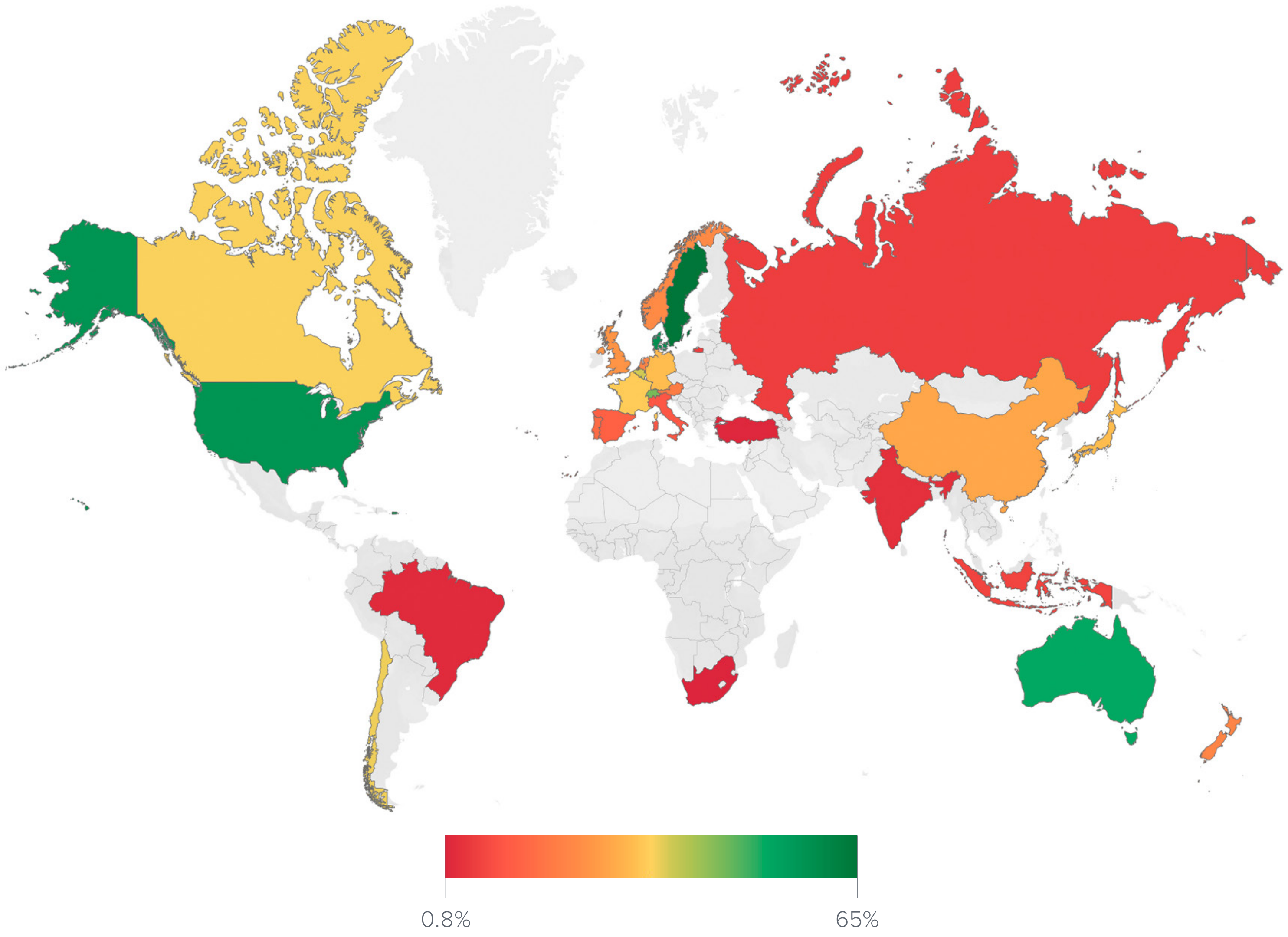
Broader trends in capital market participation underline the connection between low participation rates and shorter investment horizons.

Regions with lower participation see fewer individuals benefiting from the growth opportunities that capital markets can provide. When only a small segment of households invests in financial markets, the advantages of compounding returns and wealth accumulation remain out of reach for most, potentially widening inequality.[10]

The relationship between capital market participation and economic development is evident when examining the countries with the highest and lowest levels of participation. With a GDP per capita of USD 55,430 in 2023[8], Sweden leads in capital market participation. In contrast, South Africa, with a GDP per capita of just USD 6,110[8], has one of the lowest participation rates. This disparity underscores the importance of financial resources as a pathway to entry into capital markets, suggesting that lower-income countries struggle to access these growth opportunities.

Expanding access in areas with low participation can foster greater financial inclusion, creating pathways to long-term resilience for more households. Encouraging broader engagement in these markets would support economic mobility, providing individuals with more tools to build wealth and withstand financial shocks over time.

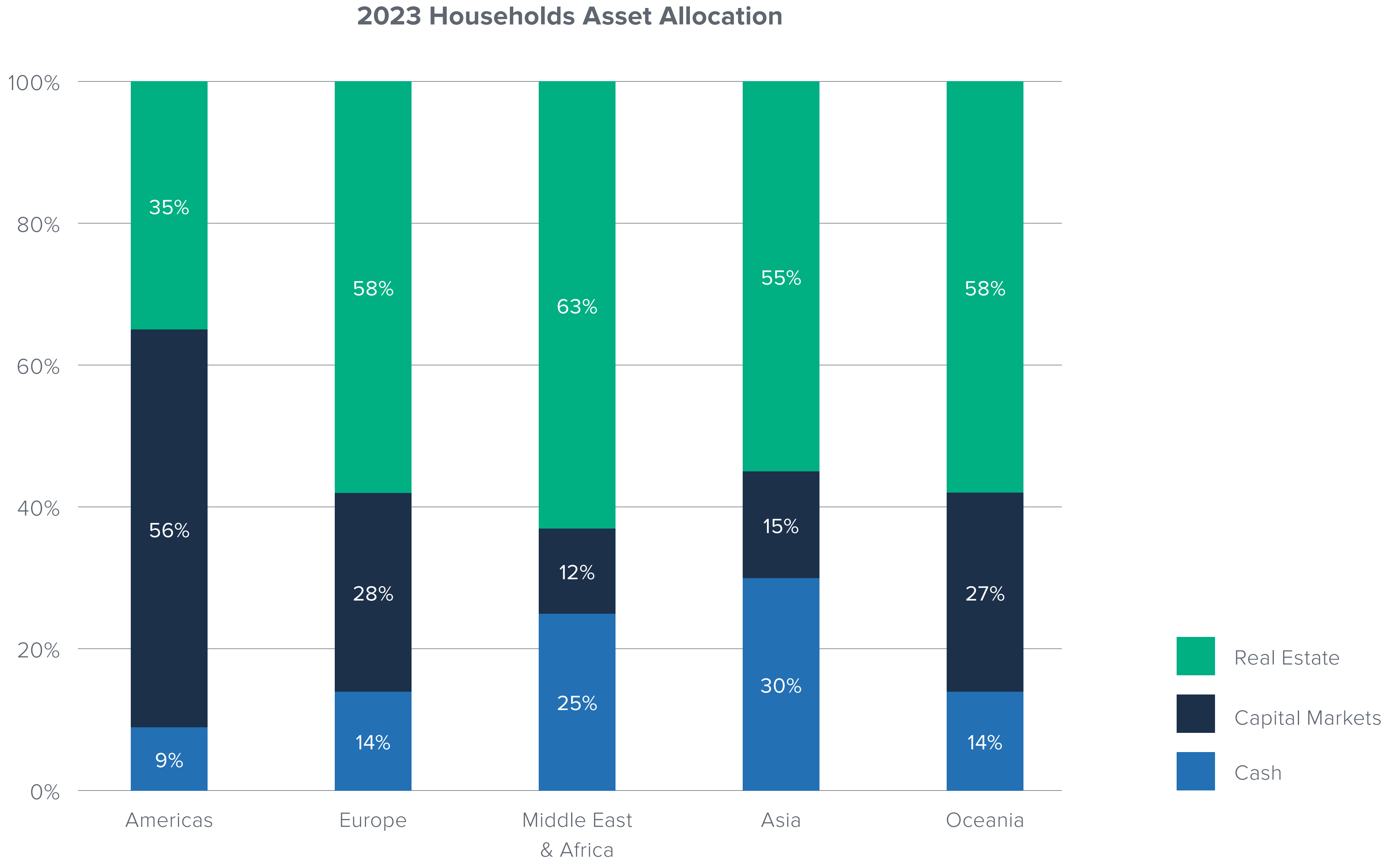
**Global Household Capital Market Participation (%)**



# Less wealthy regions naturally have lower capital market participation and asset allocation to long-term savings.

Household investment horizons are shorter in the Middle East, Africa, and East Asia due to lower overall market participation and lower asset allocation towards the capital markets (equities, bonds, mutual funds, pensions, etc.), especially compared to the Americas and Europe. Even though wealth has increased significantly in these markets, horizons are not getting longer.

Regions with lower capital market participation tend to allocate fewer assets to long-term savings, favoring cash and real estate. This pattern contributes to shorter investment horizons for households in these areas, reflecting a preference for liquidity over growth.[10]

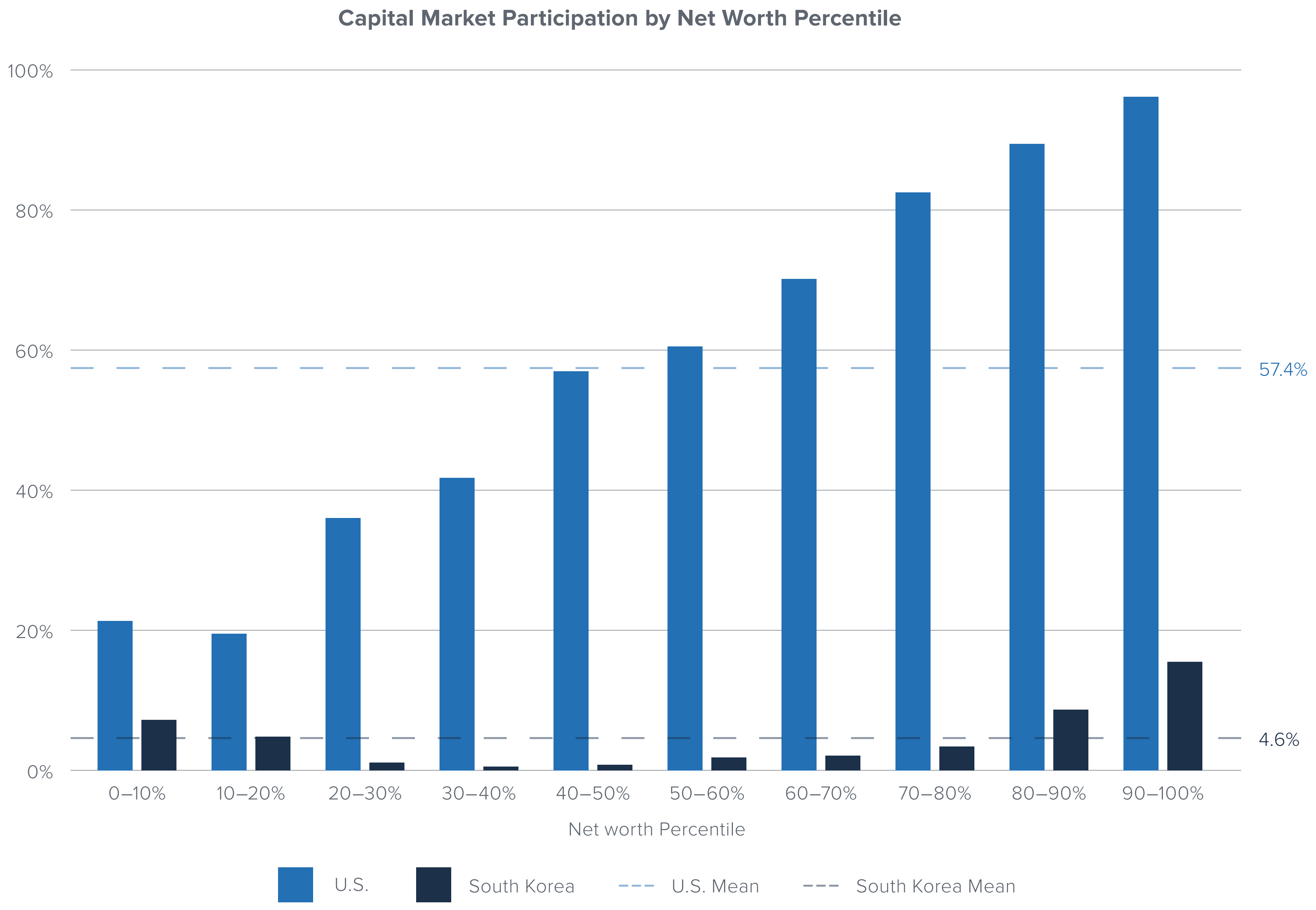


# Capital market participation is concentrated in the wealthiest percentiles.

While gaps in capital market participation rates exist between the highest and lowest wealth percentiles within countries, the differences in participation across countries are striking. Data from the U.S. and South Korea demonstrate that the wealthier the population is, the higher the participation in capital markets is.

That said, a country's average capital market participation level also matters. For example, South Korea has an average participation rate of 4.6%[11], 10 times less than the U.S.[12] Koreans allocate wealth primarily to cash and real estate instead of the capital markets, yielding a household investment horizon significantly shorter than the U.S.

The "higher" participation among the 0–10% and 10–20% deciles mainly originates from the younger generation who have not yet had the chance to accumulate wealth.



# Australia's higher capital market participation supports greater long-term economic mobility compared to the U.S.

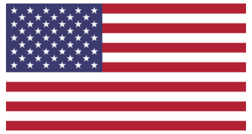
In the U.S., limited economic mobility reflects a broader trend: households not participating in capital markets have not benefitted from the growth in capital markets. 59% of households in the bottom quartile have remained there for the past two decades[12,13]. Without growth, households are less likely to build wealth over the long term.

**In contrast, Australia provides an example of how capital market participation can fuel upward mobility.**

Half of the households in Australia's bottom quartile moved up by 1 to 3 quartiles over a generation, with 9% reaching the top quartile (more than double the U.S.). Households participating in capital markets invested in assets with longer investment horizons, such as retirement savings or real estate. More households could achieve greater economic mobility and long-term financial stability by broadening access to capital markets, fostering resilience across generations.

**Intergenerational Wealth Mobility From Bottom Quartile in 2002**

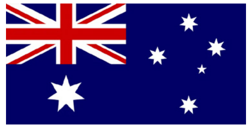
**U.S. 2022 Wealth Quartiles**



| Stayed in 1st quartile | Improved to 2nd quartile | Improved to 3rd quartile | Improved to top quartile |
|---|---|---|---|
| 58.62% | 24.14% | 12.93% | 4.31% |

- Only 4% of the bottom quartile of American households made it to the upper quartiles after 20 Years
- 59% of the bottom quartile of American households remained in the bottom quartile 20 years later

**Australia 2022 Wealth Quartiles**



| Stayed in 1st quartile | Improved to 2nd quartile | Improved to 3rd quartile | Improved to top quartile |
|---|---|---|---|
| 50.07% | 24.58% | 16.45% | 8.89% |

- The percentage of Australian households that moved to upper quartile after 20 Years was more than double the U.S.
- Half of the Australian households moved up 1-3 wealth quartiles 20 years later

# HOUSEHOLD RETIREMENT SAVINGS

Retirement has become a luxury only the wealthy can afford.

# Even in the wealthiest countries in the world, significant portions of the population have insufficient savings.

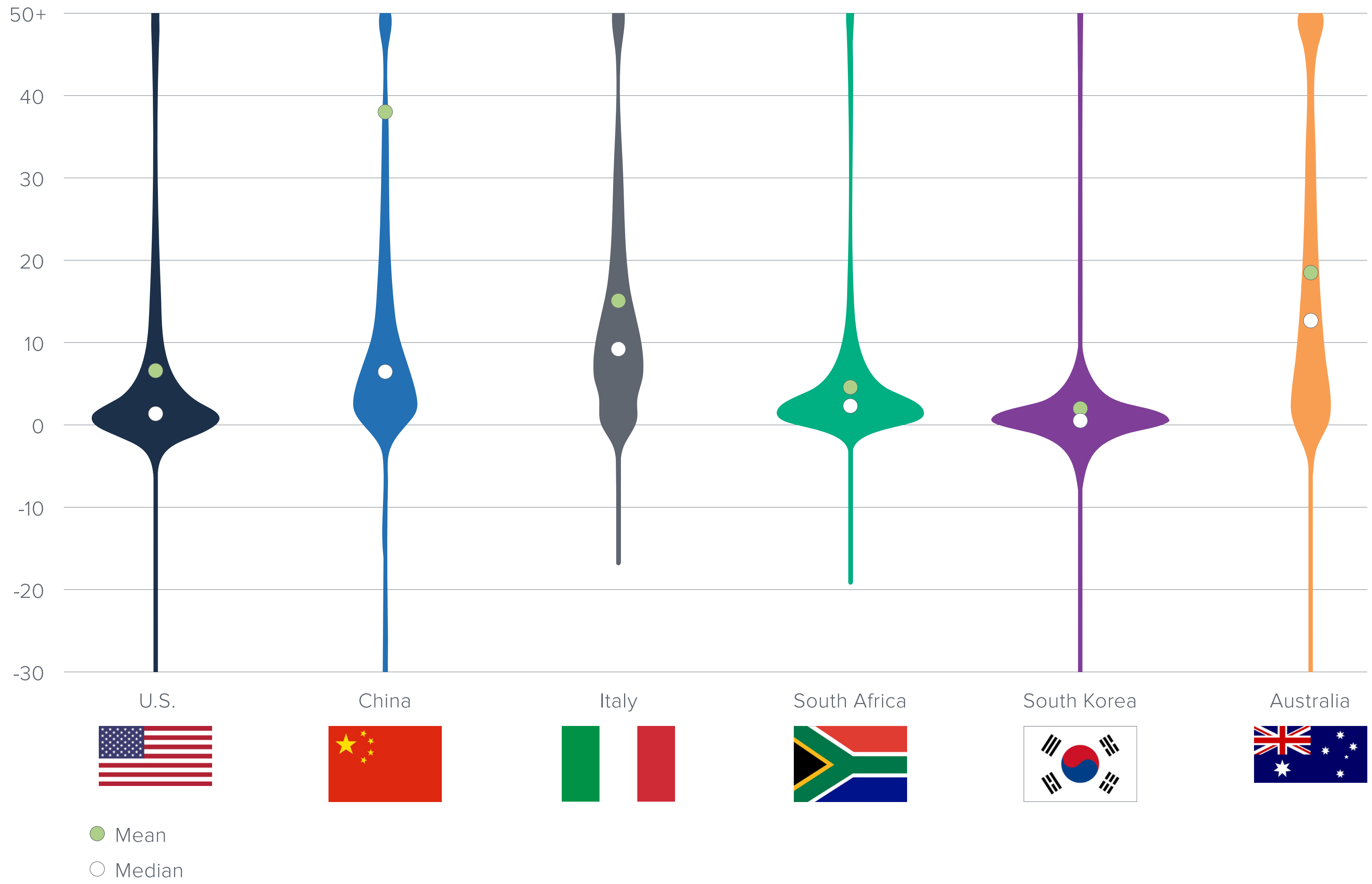
While the select few in the upper wealth deciles can comfortably live off their wealth for multiple decades, the average household can only do so for less than 5 years in many markets.[11, 12, 13, 14, 15, 16, 17]

Among the less wealthy, many have savings equating to "negative" years, meaning they are in debt.

Low savings and low capital market participation form a vicious cycle: adequate savings are needed to participate in capital markets, and capital markets generate wealth and allow households to better secure their financial futures.

The vertical axis shows the range of years households can sustain themselves with current wealth given annual expenditures. The width at each year indicates the concentration of households at that level – wider areas mean more households can sustain that number of years.

**The number of years people can live off their wealth is unevenly distributed**



# Strong retirement systems lengthen household financial security for retirement.

This simplified example measures how long households could live off their savings if they stopped working and accumulating wealth today, assuming no changes to their consumption or expenditure levels.

Notably, households in the U.S. and China, the two largest economies in the world, have a median of 1.3 years and 6.4 years, respectively, which is far insufficient for retirement.

On the other hand, mandated participation in the Australian system has led to better numbers both among the less wealthy and overall, with a median of 12 years.

**Years households can life off their wealth at current expenditure level**

| Country | Mean | Median |
|---|---|---|
| United States[12,13] | 6.5 Years | 1.3 Years |
| China[15] | 38 Years | 6.4 Years |
| Italy[16] | 15 Years | 9 Years |
| South Africa[17] | 4.5 Years | 2.2 Years |
| South Korea[11] | 1.8 Years | 0.5 Years |
| Australia[14] | 19 Years | 12 Years |

United States' mean is likely to be higher but the PSID survey under-samples extremely wealthy households

Source: KLIPS, SCF, PSID, HILDA, CHFS, SHIW, NIDS

# When policy falls short, many households are left without the means to participate in the capital markets.

Social security, defined benefits, and defined contribution plans help households accumulate wealth but, on their own, do not provide enough funding to support a retirement beyond basic needs.

For example, in the U.S., social security is an integral part of the wealth for lower-income deciles but is comparatively inconsequential for the wealthiest deciles.

For many households, the challenge is often a lack of funds to invest in the first place. Solutions must focus on enabling households to build a financial foundation, such as promoting wage growth and reducing barriers to savings. By aligning policy and practice to meet these needs, capital markets can become far more accessible and become a tool for financial security and economic mobility for those who need it most.

**Social security, DB, and DC funds as a percentage of all assets**

| Country | Bottom decile | Top decile |
|---|---|---|
| United States | 65.9% | 11.1% |
| China | 51.0% | 1.3% |
| Italy | 39.2% | 4.2% |
| South Africa | 35.8% | 2.3% |

# APPENDIX

# Methodology and Assumptions

**Investment horizons**

- Taking the concept of bond duration as our starting point, we sought to measure the amount of time required for an investment to be recouped or come to fruition. The investment horizon represents the intended time horizon of a saver group, asset class, or corporate use of capital. Our overall thinking on the various investment horizons of saver groups, asset classes, and corporate uses of capital comes from a variety of sources, such as investment governance documents, average useful lives of assets, benchmark time horizons, and corporate disclosure documents.

**"Households and Institutional Investors"**

- Households: household assets are divided into cash and checking accounts, long-term savings, equities, and owner-occupied real estate.
- Institutional investors: institutional assets are divided into four subgroups (pensions, insurance companies, sovereign wealth funds, endowments and foundations), based on the specific assets owned and managed. Each group has its own investment horizon methodology and assumptions.

**Asset class allocations**

- We defined asset class investment horizons for cash, public equity (including active and indexed equity), fixed income, real estate, private equity, hedge funds, commodities, and infrastructure

**Corporate uses of capital**

- Corporate uses of capital include CapEx, R&D, acquisitions, intangibles, interest expense, taxes, gross buybacks, dividends, and retained earnings. We have taken an asset-weighted average of the following items to create blended investment horizons.

# Data Collection and Sources

We collected data from several sources, namely global time-series data sets from reputable sources such as the Organisation for Economic Co-operation and Development (OECD), World Bank, and International Monetary Fund (IMF). Where data was incomplete for some countries and years, we supplemented with reputable sources from the respective authorities of those countries' saver groups and assets.

**Savers:**

- Households: Data from UBS Group's Global Wealth Report [4]
- Pensions: Total asset and allocation data for OECD countries from OECD's Funded Pension Statistics data set.[18]
- Insurance companies: Total asset and allocation data for OECD countries from. OECD's Institutional Investors' Assets and Liabilities data set [19]
- Sovereign wealth funds: Data is from the IFSWF.
- Endowments: Total asset and allocation data from historical endowment study collected by the National Association of College and University Business Officers (NACUBO).[20]

**Asset class allocations:**

- Fund level data for equities and fixed-income products from eVestment

**Corporate (public equities):**

- Data from FactSet and the MSCI All Country World Index (ACWI) constituents [21]

**Household survey data:**

- Australia: Data from HILDA [14]
- China: Data from CHFS [15]
- Italy: Data from SHIW [16]
- South Africa: Data from NIDS [17]
- South Korea: Data from KLIPS [11]
- United States: Data from SCF and PSID [12,13]

# Household Wealth, Investment Horizon, and Capital Market Participation

| Change in Household Wealth (2009–2023) | |
|---|---|
| Australia | 87% |
| Brazil | 103% |
| Canada | 103% |
| Chile | 117% |
| Colombia | 111% |
| China | 347% |
| Egypt | 209% |
| France | 34% |
| Germany | 47% |
| India | 271% |
| Indonesia | 237% |
| Israel | 120% |
| Italy | -4% |
| Japan | 7% |
| South Korea | 164% |
| Malaysia | 165% |
| Mexico | 156% |
| Netherlands | 55% |
| New Zealand | 170% |
| Norway | 120% |
| Peru | 175% |
| Singapore | 326% |
| South Africa | 77% |
| Spain | -2% |
| Sweden | 105% |
| Switzerland | 90% |
| Turkey | 57% |
| United Arab Emirates | 232% |
| United Kingdom | 39% |
| United States | 166% |

| Change in Household Investment Horizon (2009–2023) | |
|---|---|
| Australia | 1% |
| Brazil | -25% |
| Canada | -38% |
| Chile | -10% |
| Colombia | -15% |
| China | 1% |
| Egypt | -18% |
| France | -17% |
| Germany | -15% |
| India | 4% |
| Indonesia | -38% |
| Israel | -33% |
| Italy | -25% |
| Japan | -18% |
| South Korea | -32% |
| Malaysia | 17% |
| Mexico | -3% |
| Netherlands | -4% |
| New Zealand | 30% |
| Norway | -23% |
| Peru | -17% |
| Singapore | 8% |
| South Africa | 35% |
| Spain | -9% |
| Sweden | -2% |
| Switzerland | -30% |
| Turkey | -11% |
| United Arab Emirates | -41% |
| United Kingdom | -16% |
| United States | -37% |

| Global Household Capital Market Participation (%) | |
|---|---|
| Austria | 18% |
| Belgium | 36% |
| Switzerland | 44% |
| Germany | 30% |
| Denmark | 58% |
| Spain | 12% |
| France | 32% |
| Italy | 10% |
| Netherlands | 20% |
| Sweden | 65% |
| U.S. | 57% |
| China | 26.40% |
| Australia | 51% |
| Brazil | 2% |
| India | 3% |
| Indonesia | 6.5% |
| Portugal | 15% |
| Singapore | 8.30% |
| Hong Kong | 13.80% |
| Norway | 21% |
| Russia | 5.60% |
| South Africa | 0.80% |
| Canada | 33.30% |
| Turkey | 1.40% |
| Japan | 30% |
| New Zealand | 20% |
| United Kingdom | 23% |
| Chile | 34% |

# Acknowledgments

FCLTGlobal was created to encourage a longer-term focus in business and investment decision-making. Our work is grounded in a focus on the financial needs and ambitions of everyday savers, whose own long-term goals too often are lost in the intricacy of the financial markets. By working across the investment value chain, we aim to make long-term practices the norm, not the exception.

Without sound numbers to form a foundation, we would not have been able to build this project into what it is today. Our sincere thanks go to the teams at State Street and the International Forum of Sovereign Wealth Funds for contributing their unique data to this project and to CoreData Research Services Inc. for making these findings possible with their data collection, methodology, and analysis.

As always, our Members were integral participants in our research process and FCLTGlobal extends its gratitude and appreciation to its staff, Members, and partners, for their support and important feedback on this project. In particular we'd like to especially thank:

**Project Contributors**

VICTORIA BARBARY
International Federation of Sovereign Wealth Funds

MICHAEL MORLEY
CoreData

ADOM OSHAGAN
CoreData

JARED RAYMOND
CoreData

VICTORIA SERVARE
CoreData

ENRICO SODDU
International Forum of Sovereign Wealth Funds

**FCLTGlobal Authors**

ALLEN HE, Lead Author

JESSICA POLLOCK, Lead Author

ZIQING (GLORIA) CUI

YINING (KATHRYN) DUAN

# Endnotes


1. "Rethinking Retirement: The future of savings in the 21st Century," FCLTGlobal, 2021.
2. "Measuring the Economic Impact of Short-termism," McKinsey Global Institute, February 2017.
3. "Predicting Long-term Success for Corporations and Investors Worldwide," FCLTGlobal, September 2019.
4. "The Global Wealth Report 2024," UBS group, 2024.
5. FactSet, MSCI ACWI
6. eVestment
7. Thinking Ahead Institute's 2023 Asset Owner 100
8. "GDP Per Capita," IMF, Accessed 2024.
9. "The World Factbook," CIA, accessed October 2024.
10. For more information, please contact research@fcltglobal.org
11. "Korean Labor & Income Panel Study (KLIPS)," Center for Labor Statistics Research, Korea Labor Institute, Accessed 2024.
12. "Survey of Consumer Finances (SCF)", The Federal Reserve, Accessed 2024.
13. "Panel Study of Income Dynamics (PSID)," University of Michigan, Accessed 2024.
14. "The Household, Income and Labour Dynamics in Australia (HILDA) Survey," Melbourne Institute, Accessed 2024.
15. "China Household Finance Survey (CHFS)," Southwestern University, Accessed 2024.
16. "Survey on Household Income and Wealth (SHIW)," Banca D'Italia, Accessed 2024.
17. "National Income Dynamics Study (NIDS)," NIDS, Accessed 2024.
18. "Funded Pension Statistics," OECD.Stat, accessed August 2023.
19. "Institutional investors' assets and liabilities (edition 2023)" OECD, Accessed 2024.
20. "NACUBO Commonfund Study of Endowments" NACUBO, 2024. NACUBO data is available only for US and Canadian endowments. While other endowments exist around the world,
21. For more information about the MSCI ACWI and its constituents, visit MSCI ACWI Index.

FOCUSING CAPITAL
ON THE LONG TERM

FCLTGLOBAL

31 Saint James Avenue, Suite 890, Boston, MA 02116 USA | +1 617 203 6599 | www.FCLTGlobal.org