Fiducient Advisors, Nonprofit Investment Stewards Podcast
Episode 68, January 10, 2024

Quarterly Quick Take: Prepare for 2024 and Beyond with Brad Long

[00:00:00] Welcome to Nonprofit Investment Stewards with Bob DiMeo and Devon Francis from Fiducient Advisors. Bob and Devon are passionate about helping non-profit organizations prosper. Whether you oversee endowment foundation or retirement plan investments, this podcast exists to help stewards improve performance, reduce costs, and discover strategies that enable your charitable organization to prosper and advance its mission.

[00:00:26] Now onto the show. Hello, and welcome back to the Nonprofit Investment Stewards podcast. I'm Bob DiMeo. Great to be joined by co-host Devon Francis. Well, by the time you hear this, it's 2024, and to say that last year delivered many unexpected results would be an understatement. From global events to the markets, to the economy, we had both surprising and startling occurrences.

[00:00:53] That is for sure, Bob. Um, so I think it's a particularly opportunistic time to speak [00:01:00] with our CIO Brad Long. And in this episode, we plan to not only do a quick review of 2023, but also share Fiducient's insights on what to expect from the markets and the economy this year and beyond. So Brad, it's nice to have you back on the show.

[00:01:15] Thank you both for having me. Great to have you here, Brad. Brad, just about a week ago, I had a meeting, this was a December meeting, with a large nonprofit client. They're an Arboretum, and once a year we go out, we update the board on sort of what's happening and what the finance and investment committee, uh, has been doing throughout the year.

[00:01:33] So I usually start this meeting by saying what Fiducient was expecting going into the new year. So, I said, oh, in January, we're expecting this, this, and that. And I, in fact, reached out to you after this meeting and I said, Brad, that was an awesome meeting because you and your team got this so right.

[00:01:49] And I know we're not in the business of perfect predictions, but maybe we can start with having you talk a little bit about what we were expecting coming into 2023, how that played out, and then we'll [00:02:00] eventually jump to, uh, the go forward outlook. Yeah, well, appreciate you saying that, Bob. And yes, I think you'll hear humility throughout our remarks, especially into 2024, but there were, there were three themes we were talking about that were gonna influence prices in 23.

[00:02:13] So the first was moderating inflation, and that's probably been, you know, one of the biggest winners in regards to what's happened to market expectations and prices moving upward. You know, there's a lot of glad handing and backslapping at the Fed on the success that has happened, taking from inflation from, you know, above nine in 22, uh, down to low threes, which is where we sit today.

[00:02:34] And so, moderating inflation has been a big catalyst for market expectations for 23. And, you know, we are on the right side of that opinion. The other was continued volatility. I mean, fixed income markets have been not as volatile as we've seen them since the GFC and really even going back to the 1980s, uh, late 1970s and eighties when you saw, you know, a lot of interest rate volatility under Paul Volcker.

[00:02:55] But, you know, as we look at volatility today, even in the equity market, you have [00:03:00] you know, select bankruptcies that were, you know, quite unexpected in March through the financial system, you know, that's SVB and others, and the AI craze where some of those positions are up over 200%. So, you know, that's enough to make a lot of, uh, market participants' head spin.

[00:03:14] So we think the volatility is kind of here to stay. The last was a bear market bottom, and this is probably the one where we were the most out of consensus. You know, this time last year, speaking of lack of humility, there was almost a uniform howl for recession in 2024. You know, to the, to a…in 23 actually. Correct?

[00:03:34] Yeah. Right. I'm sorry. In 23, to a surprising degree, some were saying, I don't know if it's gonna be January 15th or March 1st, but it's one of the two. You know, we were really calling for a bear market bottom right, that we don't know precisely what it would be, the catalyst, but, you know, markets would be moving up and that's, that's clearly been the case in 23.

[00:03:52] So it's nice, uh, to be on the right side of those kind of larger views. But also, we would acknowledge we didn't get everything perfect. And [00:04:00] frankly, we don't need to get everything perfect. We're in the probabilities game, not in the precision game. Uh, but 2023 all in has been a fairly successful year.

[00:04:09] So let's get to what I think investors are probably most interested in, uh, folks who are listening to this episode, and that's our go forward expectation. So, big picture, what are we expecting Brad, in 2024? So three key themes coming into 24. The first is a continuation of last year. So moderating inflation was a key theme, and that's obviously come to bear.

[00:04:31] We would now call inflation is the messy middle. So, two to 5% inflation, you know, not kind of falling directly to the fed's target at 2%. We'll talk more about that in a moment. But, you know, inflation moving around in that range offers a lot of opportunity. Uh, one, it offers multiple paths for the Fed to move interest rates lower. That could be through a soft landing, which is kind of the consensus now on moderate inflation with full employment.

[00:04:57] It could also be a path towards a hard landing, [00:05:00] right? Where the Fed could move lower. You know, and they often say the Fed raises rates on an escalator, but takes them down on an elevator, right? So, the Fed could move down materially if we saw, uh, economic traction or recession show in 24. But most importantly is, you know, we think.

[00:05:14] If the Fed is moving rates higher, you're really talking about inflation, structural inflation, moving in a material way above 5%. Remember, the Fed funds is at five and a half today, and the average real fed funds rate, so the Fed funds above annual inflation at the time since 1954, is about 1%. Or just under.

[00:05:35] So if we took that today, inflation's at 3.1% and we add, you know, 1% to it, that would give us a rough proxy, the Fed funds that, you know, kinda low fours and that's in a, you know, a, a pretty nice scenario of a soft landing. So multiple pass lower potential, pass higher, but we think very few. And that creates some pretty important, uh, price inferences, which we'll get to in a moment.

[00:05:56] Second key theme, we call it concentrated consequences. [00:06:00] So a lot of many investors have heard magnificent seven or a handful of securities really driving, uh, a lot of the S&P 500 or US stocks forward. You know that that bucket of securities is up almost a hundred percent in 2023, where the rest of the S&P 500 while up, you know.

[00:06:16] Is, you know, much closer to flat, uh, than up a hundred percent. And, you know, this is not the first time the market has kind of played this trick, if you will, where you know, concentration has driven. That both creates fragility and opportunity. So, think about a sports team. If you lose your best player, your top two or top three, it's harder and harder to continue to compete at the same level. And the likelihood that, you know, the same small, large group of securities, uh, continue to be perennial out performers.

[00:06:46] It's fairly low. Doesn't mean that they can't, you know, but we've seen this. 1980s, it was the peak oil cycle where a lot of largest securities, uh, in the United States were energy companies. 1990s, if you look at the five largest global stocks, they're all Japanese stocks. [00:07:00] Japanese technology, Japanese banking, or Toyota Motor and Automotive company, right?

[00:07:04] So, this cycle of change, right? And change in leadership. Again, it creates potential fragility in markets, but it also creates opportunity and opportunity for new leadership, which we'll get into in a moment. Uh, and then the last is, as you would expect, given you know, some of our comments early on is this idea of prepare, not predict.

[00:07:24] Some of the quotes coming into 23 were, you know, our recession is all but inevitable, or 23 will go down as one of the worst, uh, for the economy in the last four decades. You know, here we are in December, you know, through you know, Q4 22 through Q3 23, which is the last GDP data we have. We're up almost 5%, 4.7% on GDP.

[00:07:47] So, you know, when we talk about this notion of prepare, not predict, it also gets into a mentality, uh, for investors. So, if I am sitting on an investment committee of an endowment, or I'm an individual investing my [00:08:00] personal portfolio, think about if we would've taken those headlines, like a recession is all but inevitable.

[00:08:06] So if you had a million dollars and you invested in just cash in 2023, you know, call it, you know, through November, you're up about 5%. Okay? So positive return, you know, someone, you're in the green, somewhat of a victory lap. You know, if you're in the S&P, year to date, you know, it's al almost 25%. So just keeping the mass simple on, you know, the bookends of 101 or 100% in the other.

[00:08:29] That's a difference of $200,000. And what endowment or investment committee wouldn't like another $200,000 for, you know, their, their programming or, you know, as a personal individual? So, this idea that, you know, we should predict precisely these outcomes is, we think, uh, one kind of a fool's errand.

[00:08:48] Um, but two is that, you know, in the preparation for potential volatility, we also think there's a lot of opportunities for investors there as well. Super helpful, Brad, and, uh, that messy middle, it's a [00:09:00] catchy phrase and it has me thinking, we're, we're constantly talking about to clients, about being broadly, thoughtfully diversified.

[00:09:08] And boy, that I know we'll chat a little bit more about it, but that's, uh, a sort of a compelling reason of, of why you don't want to forget about diversification. So taking the three themes, how would you, and it's probably a great time to mention that anything we talk about on the show, these are not specific recommendations.

[00:09:26] These are broad, uh, concepts and thoughts and principles that we as a firm are working on. But that said, let's talk about how the three themes might play into portfolio construction and, and maybe just at a high level, and then we'll drill down on some specific categories. If you, if you think across the three themes, and as we, as we, you know, converse about these themes and our research team conducted our onsite, and we go through and we talk about kind of primary things moving markets, we talk about and evaluate these themes somewhat [00:10:00] independently.

[00:10:01] But there is one common thread that moves through them and that's fixed income. So the messy middles, we mentioned inflation in two to 5%. That gives a lot of headroom for the Fed to potentially move lower, prepare or, uh, versus predict, right with higher interest rates, uh, forward-looking returns on fixed income are much higher than they've been and, and certainly over the last couple of decades, that allows investors an opportunity to.

[00:10:27] Frankly reconsider, uh, the risk profile that they need to take to achieve the same level of return. Now, I would stop short of saying we don't think investors should materially change their asset allocation just based on one year's move in interest rates, but it's a thoughtful conversation that we should have.

[00:10:45] If you have a six and a half, seven, seven point a half, 8% rate of return, do you still need the same level of risk? And if you do, why? And if you don't, why not? And that's a, that's an important dialogue we'll be having with our clients, uh, coming forward. And so one of the key themes that pulls through [00:11:00] all, uh, all three themes is that idea that fixed income is attractive relative to equities and helps prepare for volatility.

[00:11:07] And we do think that there's some, you know, more micro considerations on why it's attractive now. So, let's dig into fixed income a little bit deeper. And you know, as you mentioned, if someone had put a million bucks into cash at the beginning of 2023, they would've generated a pretty healthy return throughout the calendar year.

[00:11:24] What is our thought on positioning in terms of bonds versus cash, you know, in in the current environment? Any updates since our last discussion where we talked a little bit about this? It's, it's one we've been harping on because frankly, it's a question we get a lot and it's the right question. You know, a client comes and says, well, look, I can get, you know, call it 5% on cash and 5% on bonds.

[00:11:47] Why would I bear the risk? November's a great example of that. And don't get me wrong, one month does not make a trend. It, you know, so this is, this is not to be overly precise or kind of cherry pick a certain data point, but [00:12:00] if you look at the month of November, you know, cash was up about a half a percent, 45 basis points.

[00:12:05] So three-month T-bills. The long bond index was up almost 10%. So there's a lot of coil that's built into that spring. And our last conversation, Devon, we talked a lot about how cash is good at protecting itself, but bonds are better at protecting the portfolio and that's, that's the concept of where it comes back to thoughtful diversification.

[00:12:24] It doesn't mean that cash is evil, right? There are a lot of uses for cash and especially for shorter-term needs, operating pools, like we can use cash to our advantage, but when we try to build long-term structural allocations that are designed to outperform and help us meet our objectives, I think bonds to play a very meaningful role there.

[00:12:43] So, you know, as we look at again, that kind of messy middle and current yields in fixed income, I think there's a reasonable level that, you know, frankly, investors are gonna be revisiting their current allocation of fixed income, both in aggregate and also the type of fixed income. US investment [00:13:00] grade is much more attractive today in our view versus say like high yield or things that just have more credit risk in them.

[00:13:06] Talk a bit about that probably in a, you know, I have a, I'm guessing that that's gonna come up later as we talk about, uh, private credit, but we do think that that's something important to note because frankly, from a credit perspective, the market's been a little bit on autopilot for 10 years on credit risk.

[00:13:23] The likelihood that that will continue and, and frankly the risks that are rising there, uh, are rising in a meaningful way and it's something we think investors should be aware of. So let's dig a little bit deeper into the equity markets. And in 2023, as you already mentioned, Brad, you know, large caps dominated and, and small caps quite significantly lagged behind.

[00:13:43] So what are our thoughts going forward when it comes to, to market caps, small versus large, and then also, um, from a domestic versus international perspective, what, what are we thinking in, in that realm? So you know, year over year, as we look at our 10-year forward [00:14:00] return assumptions, our forward-looking equity returns have fallen slightly.

[00:14:04] That's largely based on the idea that prices have gone up pretty materially and earnings have not caught up. So the valuations for those, you know, global equities broadly are less attractive.

So on a forward-looking basis, you know, our, our expectations are falling slightly. Now, that's disproportionate in success or lack thereof.

[00:14:21] Devon, as you mentioned, small caps have underperformed large caps in a very material way. Frankly, one of the widest deviations we've seen, uh, in recent history. Typically and historically, small caps traded at a premium valuation relative to large caps because usually, you know, small caps are our future large caps, right?

[00:14:40] They grow faster. Uh, there's a potential greater opportunity set for both top line and bottom line growth. Yet today they actually trade pretty darn close to one another, almost on top of one another. So, you know, as we look at, not just from a valuation perspective, but again the distribution of.

[00:14:57] If, you know, a handful of [00:15:00] securities, you know, are not the perennial winners going forward, where do those next winners come from? We think there's a great opportunity both down cap and small caps and also abroad, right? Even in the month of November, we saw international, uh, developed outperform here in the US.

[00:15:17] Even with a lot of success coming from those large handful of securities. And so, you know, as a broadly thoughtfully diversified portfolio, yes, have we succeeded with or have we had success with owning the S&P in a handful of securities? Sure. But do we think that there's better opportunity sets, both from a valuation and on a forward-looking basis in other sectors?

[00:15:37] We, we, we think that as well. Brad, we want to talk alternative investments in a moment, but before that, can you just speak to expectations or, or thoughts around volatility for stocks and bonds and such, uh, this year and beyond? So one of our themes last year was this idea of continued volatility and if those that kind of read the [00:16:00] outlook, that was not a 2023 component, that was almost more of a secular idea.

[00:16:05] And it's really based on this reversion back to the norm. Since the global financial crisis, we've had, you know, close to or at zero bound interest rates, you know, today we have a fund, fed funds rate of five and a half. It doesn't mean we have to stay at five and a half, but with interest rates back towards normal levels, we think that creates more volatility across really all types of securities, whether that's fixed income, whether that's, uh, equities, that's both US, small cap, international. But don't forget, volatility is also kind of the unnecessary evil or cousin for opportunity. Um, and so it does create some opportunity, but we should, to some degree, expect higher volatility in aggregate.

[00:16:46] While interest rates are not at these kind of very, very benign or low levels. Makes great sense. So, if we do jump to alternative investments sort of the topic du jour and has been for some time would be private equity. [00:17:00] And, uh, we had a recent webinar where you and some of our esteemed colleagues in our private markets group, uh, really provided some great insights.

[00:17:08] Could you share a little bit about the sorts of, let's say themes and strategies, that Fiducient favors and how that might play out on a go-forward basis? Yeah. One of the tailwinds to success in private equity, and that's not, uh, public equity has benefited from this as well, was low interest rates.

[00:17:31] That has perpetuated more of a, a type or style of investing in private equity where, you know, if you buy a private business, much of the return that's generated from the purchase and sale of that is just what's called an increase in multiple, right? So, you're not fundamentally improving the business, but with low interest rates, uh, someone's willing to pay more for it in the future, and that creates a lot of the return.

[00:17:56] With a higher interest rate environment, multiples have [00:18:00] come down, right? So that is a strategy just in and of itself has not been as successful. And the number of exits we've seen of private companies in 2023 is materially lower. And that's really emblematic of this idea that many investors were kind of riding, private equity investors, were riding that tailwind of exiting with higher multiples.

[00:18:21] As we think about, and this is not a 23, 24, 25 strategy, this is a secular view because private markets, especially private equity, is a very long lived asset. We're not really interested. Look, if we get a higher multiple on a sale from a private business, great. But we'd rather, you know, be lucky there than rely on that.

[00:18:40] What we are very much interested in paying for is more organic improvement of a business, right? So you're growing the earnings of the business, you're growing the revenue of the business, you're fundamentally improving the business, and that's why it's worth more. Those type of strategies have done fairly well in a market that's [00:19:00] struggled in 2023, meaning private equity and aggregate, especially venture capital, which has been more reliant on higher multiples, uh, but buyout as well.

[00:19:09] The second thing, just structurally as you look at the businesses that we own, they tend to own a lot less leverage. Leverage has not been the friend of, uh, markets in general, but especially private markets because most of that is floating rate debt. And so the cost to those businesses, of those private businesses, has been increasing materially the interest rate costs because interest rates have been moving up.

[00:19:31] It's not as if that's debt in the future that they'll have to worry about. That's actually a debt problem today. So having lower leverage is creating more flexibility and frankly more benefit to the types of businesses that we've owned. So, you know, the market, to some degree, has been coming to us on those components.

[00:19:49] But again, that's not a 2023 or 24 theme. That's a long-term view in which how we structurally want to interact with that market. So let's stick with the private markets [00:20:00] for a moment. And you know, you already made mention of private credit and obviously that area has garnered a ton of attention lately.

[00:20:07] What are your thoughts? Kind of high level on private credit? So private credit is one of the spaces where, you know, especially with banking regulation, shadow banking, has raised a lot of money and there's been a ton of interest over a, a longer period of time. One of the things that we've been hearing from investors recently is this idea that, you know, private credit is really a, a lower risk asset.

[00:20:31] And I think when investors are talking about that, they're really talking about interest rate risk, uh, because a lot of private credit is floating rate debt, meaning it doesn't have for the investor, it's a zero duration asset. There's no interest rate volatility associated with it. One of the fundamental things that I think is misunderstood there is.

[00:20:50] There's no, um, financial alchemy, right? So, risk doesn't disappear. It simply moves. And so, if I'm a private credit investor [00:21:00] and we saw, you know, 2022 or 2023, as interest rates are rising, I'm not feeling that risk as an investor, but the business that I'm invested in is feeling that risk. So, I'm shifting interest rate risk for credit risk.

[00:21:16] Well, now I have more credit risk in a market that has, you know, more risk for default with higher interest rates. So, I think for investors that are interested in that space, they really need to understand kind of the risks that they're trading on and off and the role it plays in their portfolio. And then also, you know, our private markets team would fundamentally come back to this notion on, you know, because Bob just mentioned private equity, if I'm gonna lock up capital for a long period of time, my opportunity costs to private equity is, is probably fairly high, my expected return on private equity over the long term.

[00:21:49] Is higher than my return on private credit. And so making sure that you understand those structural drivers of return, not just the shorter-term nuances, both are very important. I think one that the market [00:22:00] is kind of largely misunderstood as of late. That's really helpful. So, let's move on to hedge funds or, um, as our team likes to refer to them, marketable alternatives. Should presumed volatility, higher interest rates, more economic uncertainty, um, provide a fertile environment for those types of investments?

[00:22:20] I mean, well, it's important to remember hedge funds, uh, are as much a legal structure as they are an asset class, right? Like you meet 10 hedge funds, you've met 10 very different profiles. That being said, a generalization is, uh, hedge funds thrive on volatility, just even in their very name. They're a hedged asset.

[00:22:40] They're not designed to just go up and down by the same percentage of the market, so the market is just up into the right and off to the races. You'd expect hedge funds to underperform if you have more volatility, even if that's not just markets are down, but just sideways volatility. That's something that hedge funds can take advantage of.

[00:22:58] They also tend to be more [00:23:00] shorter term in nature, you know, more trade oriented as opposed to investment oriented. And so shorter shifts or shorter mentalities, uh, of markets is something hedge funds can take advantage of. Whereas long-only investors, you know, they might be kind of bumping along for that ride.

[00:23:15] So, you know, in an environment where you have higher rates, higher credit risk you know, higher potential for economic uncertainty, you know, those things in aggregate, uh, stack up for hedge funds. But again, hedge funds, you know, which hedge funds is probably even more important than do I own hedge funds or not, because they are very different and diverse from one another.

[00:23:36] Brad, why don't we shift to active versus passive, sort of an ongoing debate and discussion. It's funny, we, as I think we mentioned early on, we're recording this in December and I saw a Wall Street Journal article yesterday, and of course it was caused talking about the Mag seven, and it showed the weight of the Mag seven relative to the S&P 500, but there was a [00:24:00] picture worth a thousand words when it showed the value of the Mag 7.

[00:24:04] Relative to total market cap of four giant countries, including China and France, it's, it's just almost mind blowing to see it graphically like that, that these seven stocks are worth more than these four large developed, uh, uh, largely developed nations. So, um, does the, I think we know the answers, everything unwinds at a point in time, but does the Mag 7 trade sort of unwind at a point in time?

[00:24:30] And then what does that mean from an active passive management consideration? So, passive you know, just by, its, its rules based you know, trend following approach. If prices are up, you know, all else equal, relative to other positions, you're gonna own more of that. So basically, what's at the top of the passive stack is what has done the best most recently.

[00:24:53] The largest single weight, uh, in the S&P 500 at the top of the tech bubble is technology. [00:25:00] Largest single weight, uh, at the top of the S&P right before the financial crisis. Unsurprisingly, banks and financial companies, right? So that trend is not going to change. That is kind of the rules of the road when it comes to passive.

[00:25:13] That said, it's well, so incrementally you can make the argument that with greater concentration in indices, there's a higher likelihood of success for active management. I think it's a fair argument to make. But still, if you look at certain spaces and sectors, regardless, the probability of outperforming as an active investor is still very low.

[00:25:42] Um, and that includes past periods in which the index was over allocated to, you know, the highest returning, uh, or the highest valuation sectors. And that reverted. And so it produced under performance. So as with all things, there's, there's cyclicality and there is kind of knowledge in [00:26:00] price, if you will.

[00:26:00] But there's a funny, um, there's a funny saying, there's a difference between knowledge and wisdom. Like knowledge is, you know, knowing that a pumpkin is a fruit. But, you know, wisdom is knowing not to put pumpkins in your fruit salad, right? So, we don't want to take, um, just the knowledge that price provides in a saying.

[00:26:16] The Mag 7 is the only seven stocks that are gonna succeed. We accept that, you know, passive parts of our portfolio, that it's an important part of the market. We have the knowledge to say, let's lean in, or the wisdom to say, let's lean into other area of the markets where there can be, you know, change in leadership.

[00:26:33] Uh, but without doing that holistically, we're not, we are definitely not arguing, you know, don't own the S&P or don't own the Mag 7 or be all active, right? It's always a balance in these components, but it's thoughtfully leaning in and thoughtfully leaning out of risks and opportunities respectively.

[00:26:49] I think that's a helpful metaphor, and I think we continue to lean into active management in the less efficient areas of the market. And, you know, we still like passive and [00:27:00] in the traditionally, or at least historically, more efficient areas. So, as we close out, when thinking about our listeners who oversee endowments, foundations, retirement plans, what would you add or underscore as they think about being good stewards of their assets in 2024?

[00:27:18] Given the backdrop of some of the themes that I mentioned, I do think it's, it's an important conversation we're having with our clients. Uh, and I think, you know, whomever you work with, it's a conversation you all should have as well. You know, for quite some time portfolios have been increasing their total risk exposure to achieve the same level of return, and that's because interest rates have been very low.

[00:27:41] We're now in a different interest rate environment, and so to achieve the same level of return, you may not need to take the same amount of risk. Now, does that mean that, you know, you should materially change your portfolio? It may or may not. That's obviously in aggregate, that's hard to say. But for an individual client, that's a worthy [00:28:00] discussion to have because the opportunity is different today across much of fixed income, which we haven't seen in quite some time.

[00:28:07] And by the way, that's a good problem to have. The idea that we can have a rate of return that is reasonable in fixed income and not have to chase return in much riskier assets, that's a healthy conversation, but it's a conversation that should be had nonetheless. So that's probably the one thing I would say.

[00:28:25] As you gear up for 2024 and you're thinking about long-term outcomes and how that impacts your constituents and your operating pools, et cetera, that's a discussion that you should thoughtfully have. Well, Brad, it's always wonderful to have you on the show to have you share your expertise and your thoughts with us, so we appreciate you taking the time.

[00:28:43] Thanks. Thanks so much, Brad. You're a great guest on the show and a regular guest on the show. Best wishes to you and your wonderful family this year, and Devon, to you and your wonderful family as well. And for our listeners, two things. One is, encourage you to hit the insight [00:29:00] section at Fiducient.com, you'll be able to reference the paper that Brad mentioned and a whole lot more that I think will be, uh, useful to stewards and fiduciaries in this environment.

[00:29:10] And then secondly, our observations and considerations analysis. This is something that we do for nonprofit organizations where we can look at the portfolio and give a high-level assessment of fees, allocation, performance, governance, and so on. Super useful. And if that's of interest, ping Devon or myself through LinkedIn or on our website.

[00:29:31] So to all you good stewards, thanks for investing time to help your nonprofits prosper. We'll connect with you soon on the next episode. Thank you for listening to the Nonprofit Investment Stewards podcast. Click the subscribe button below to be notified of new episodes and visit fiducientadvisors.com for more information.