Core Portfolios and Capital Efficiency

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Jeremy Schwartz, CFA
Global Chief Investment Officer

On Behind the Markets*, a podcast brought to you by Jeremy Schwartz, WisdomTree Global Head of Research, we talk to market strategists, business executives and financial advisors about important trends underpinning the financial markets.*

In this episode, Jeremy talks to Corey Hoffstein, Co-Founder and Chief Investment Officer at Newfound Research.

Listeners will hear about:

- How expected returns have shifted over the past 30 years, what that means for finding portfolio diversifiers, and the risk levels inherent to achieving different investment objectives.
- How Corey's investment strategies shifted after his research concluded that the dominating market force is a pro-cyclical liquidity cascade that reinforces sharp market moves in both positive and negative directions.
- Trends underpinning passive investing and what that means for momentum strategies.
- Why he considers capital efficient investment strategies an important element of portfolio construction, and what type of strategies make natural complements to a capital efficient core.
    - Spoiler Alert: In Corey's view, gold and managed futures strategies focused on commodities are perfect examples of what complements an efficient core, particularly in today's macro environment.
- What type of strategies can help manage volatility.
- We also talked about how liquidity cascades propagate in the cryptocurrency markets, and how crypto assets are particularly vulnerable to liquidation cascades given the decentralized nature of their trading and exchanges.

You can listen to our full conversation with Corey Hoffstein below.

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