



**LimmatWealth**

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# Bespoke Conference 2014

Longer term outlook for equities  
Active vs. passive

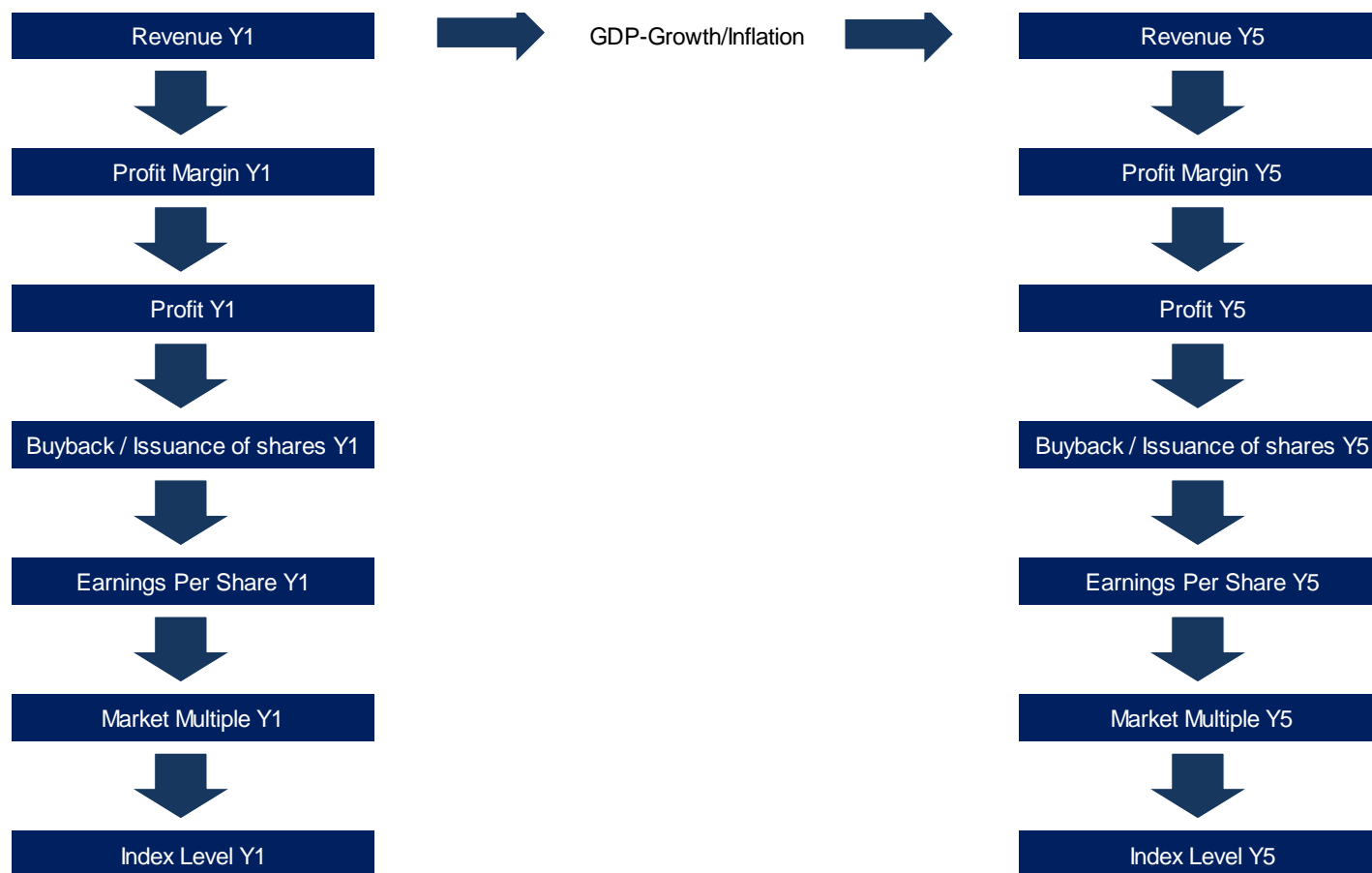
Adrian Scherer, CFA

[www.adrianscherer.com](http://www.adrianscherer.com)

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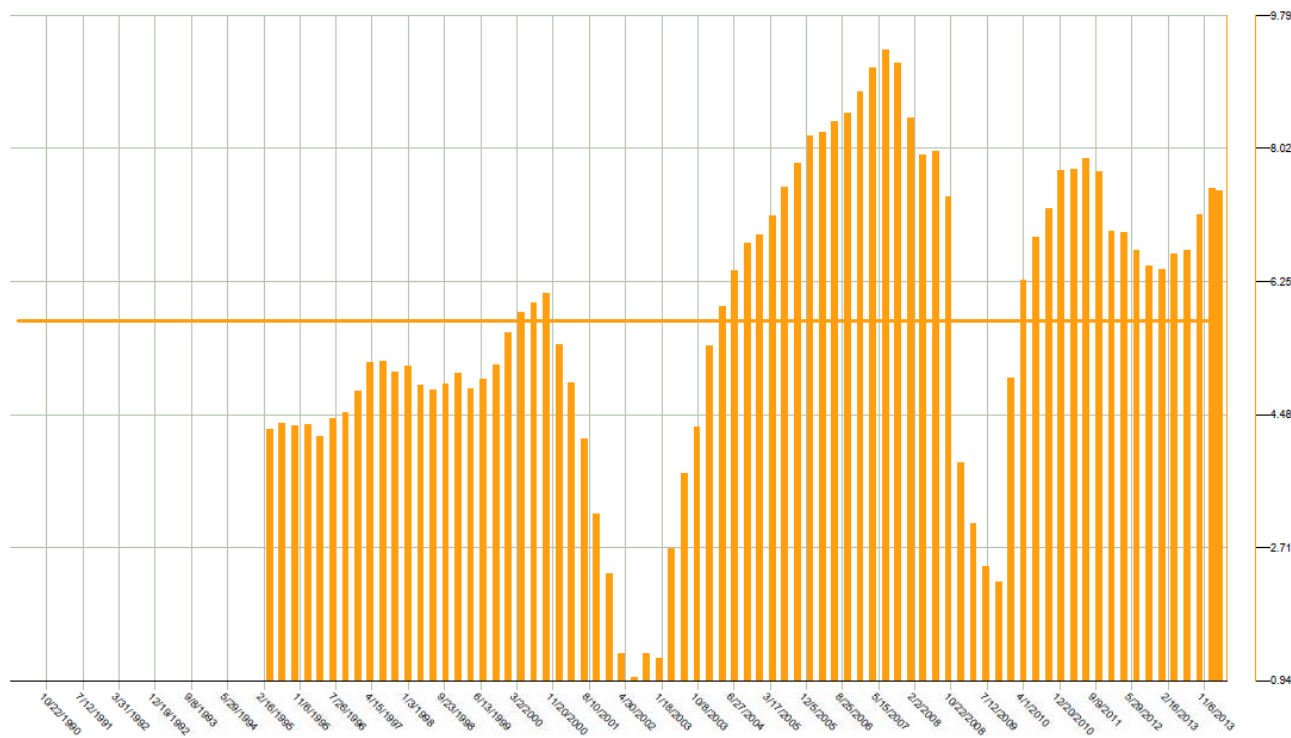


# Drivers of equity returns





# Profit Margin MSCI World AC (MXWO)



7.5%

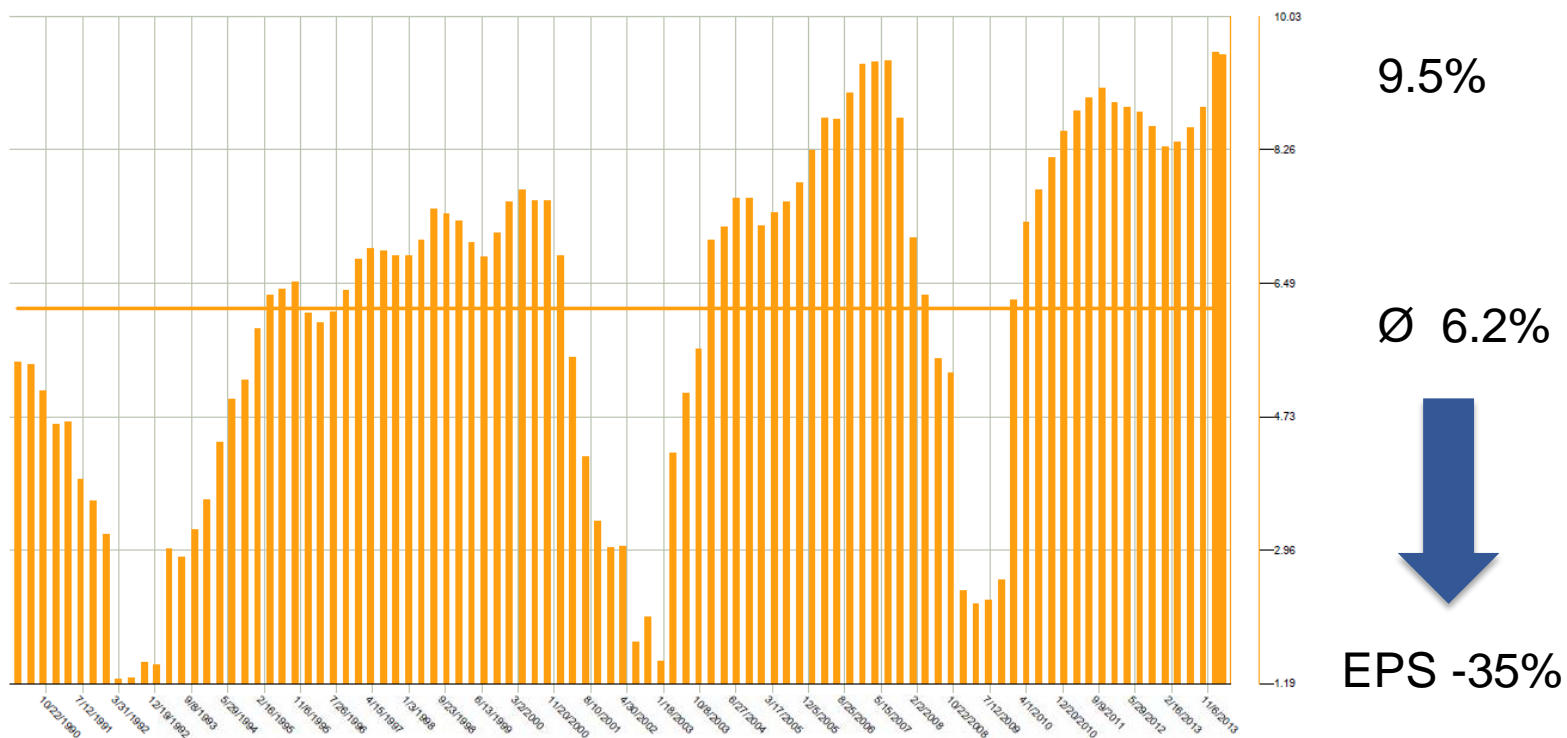
Ø 5.7%



EPS -24%



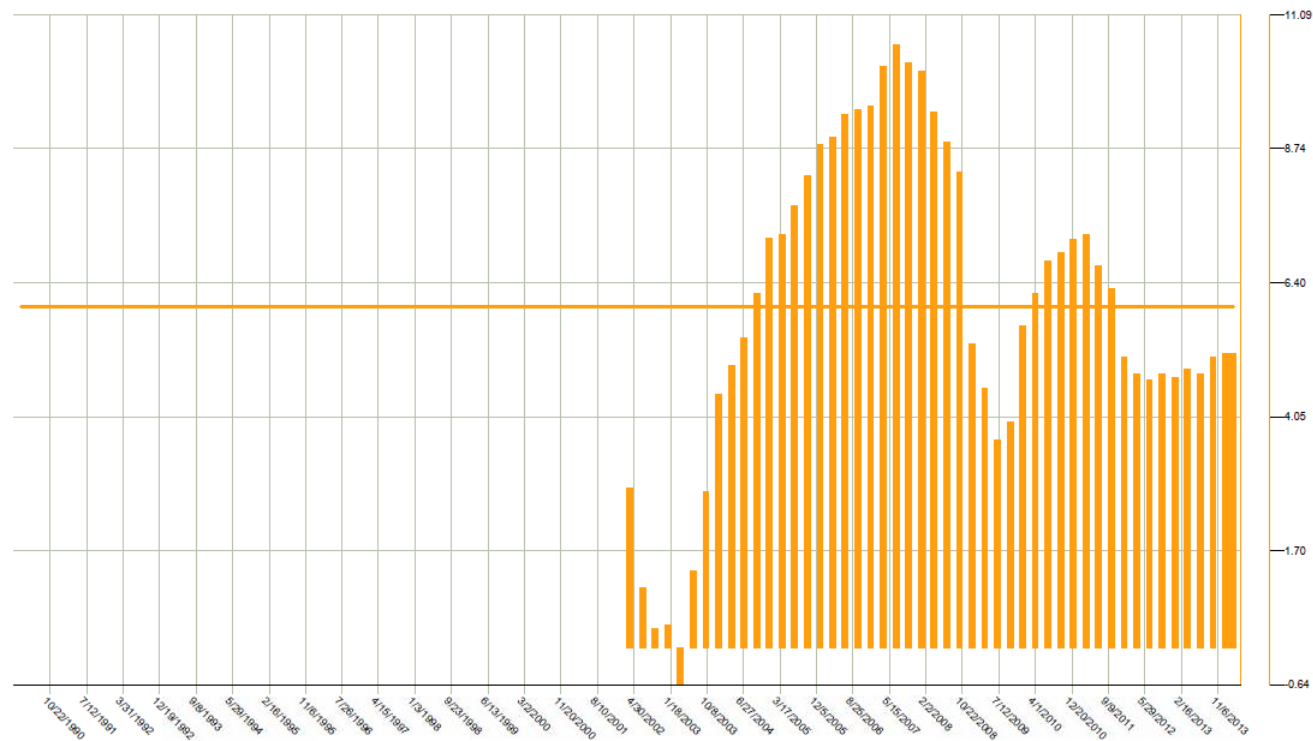
# Profit Margin S&P500 (SPX)







# Profit Margin Euro Stoxx 50 (SX5T)



6.0%

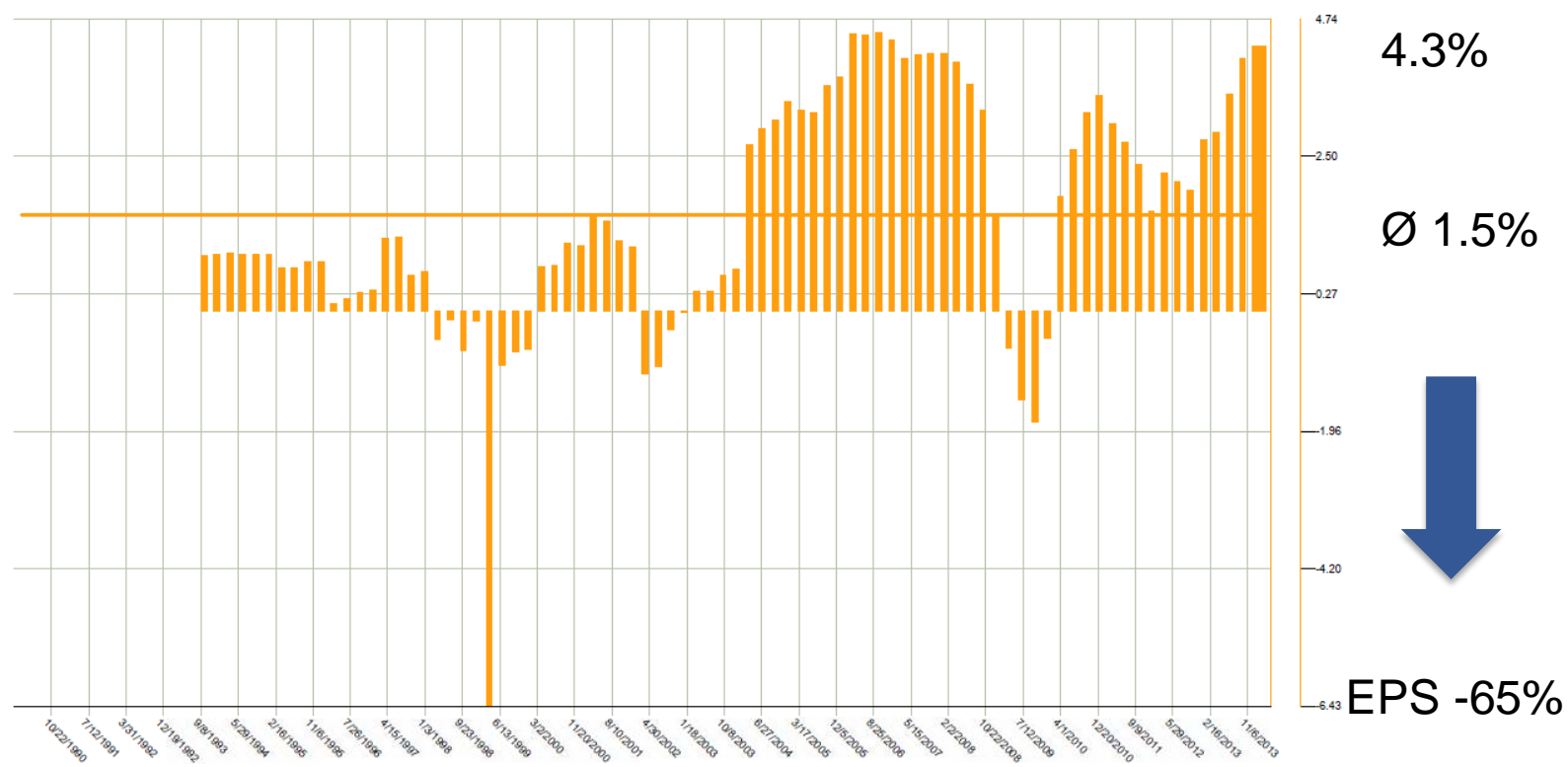
Ø 5.1%



EPS +18%

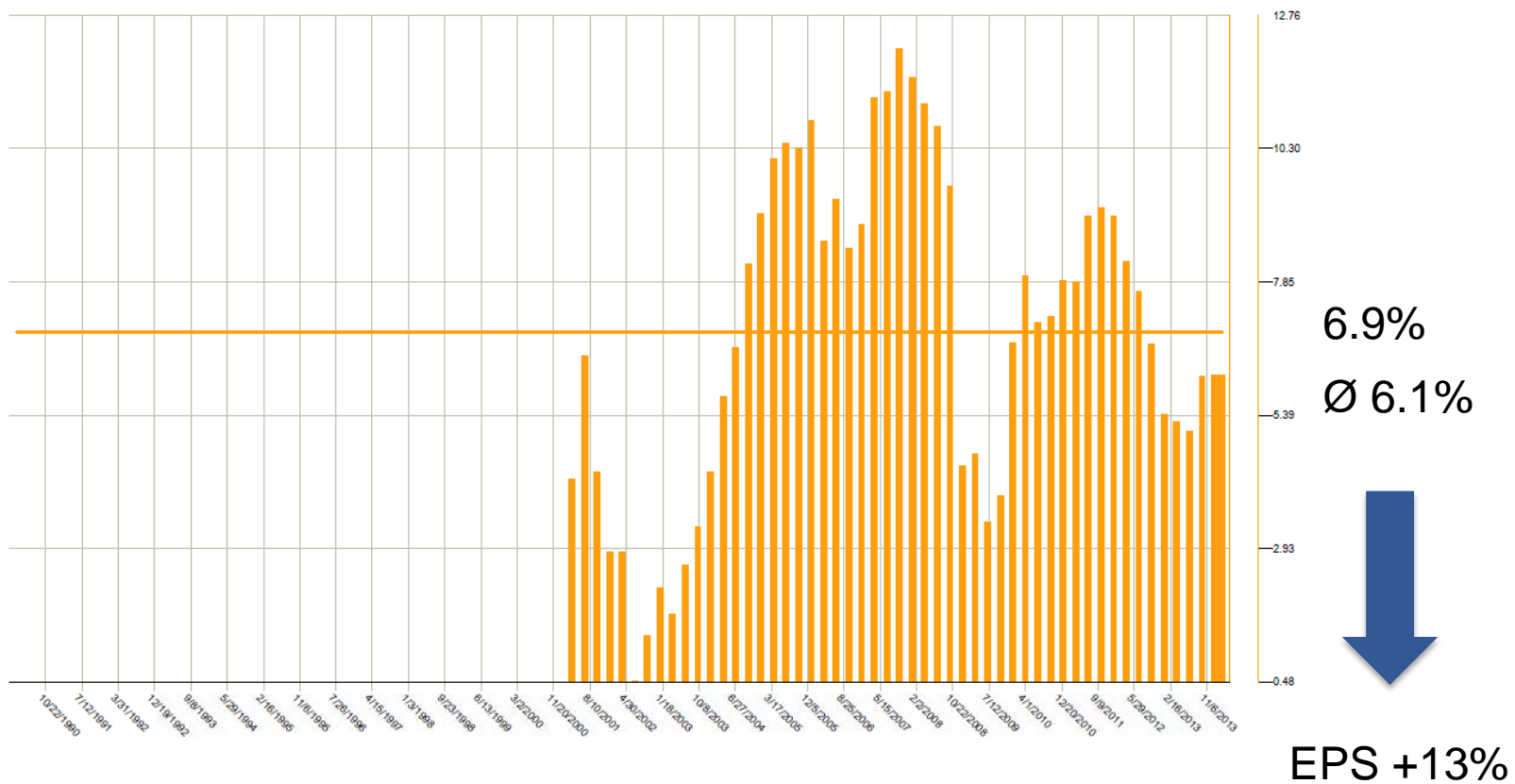


# Profit Margin Topix (TPX)





# Profit Margin FTSE 100 (UKX)

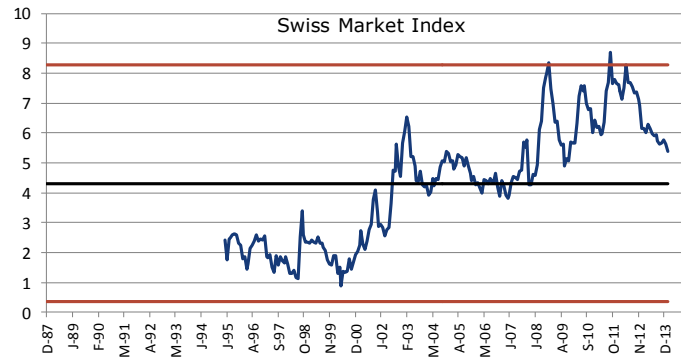




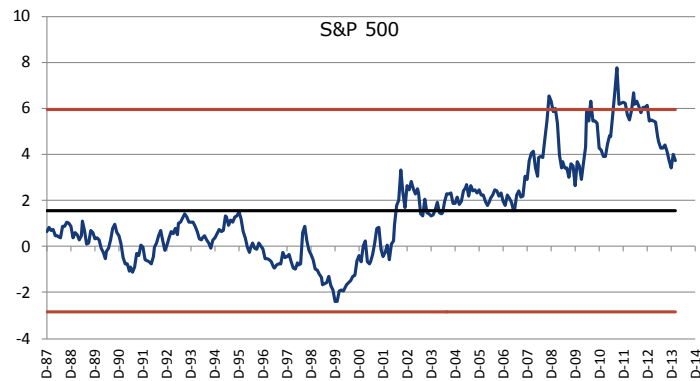
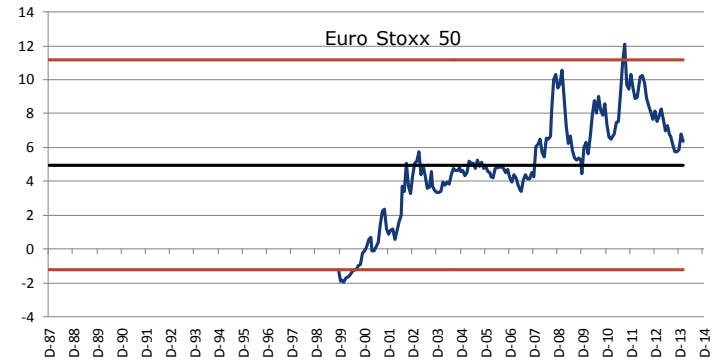




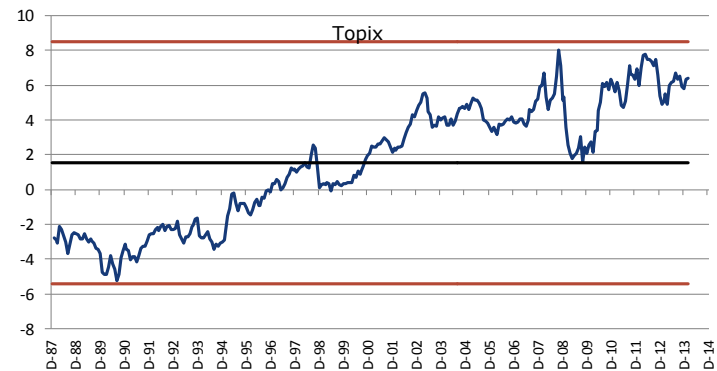
# Equities: Valuation according to Fed-Model



cheap  
↑  
↓  
expensive

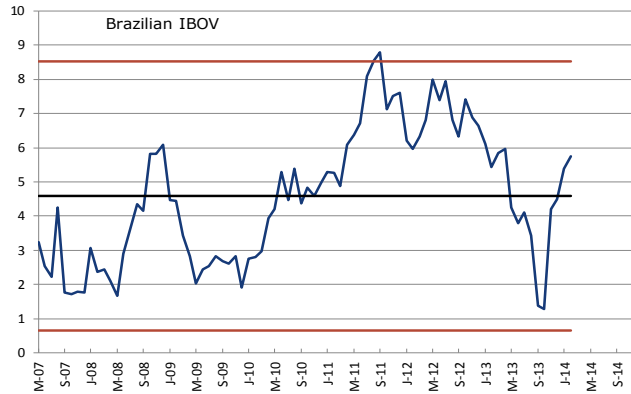


cheap  
↑  
↓  
expensive

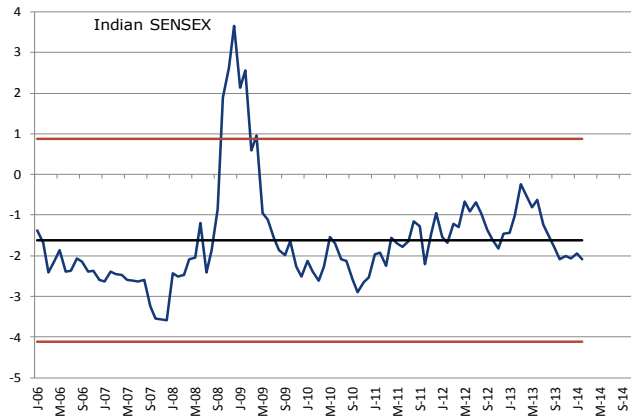
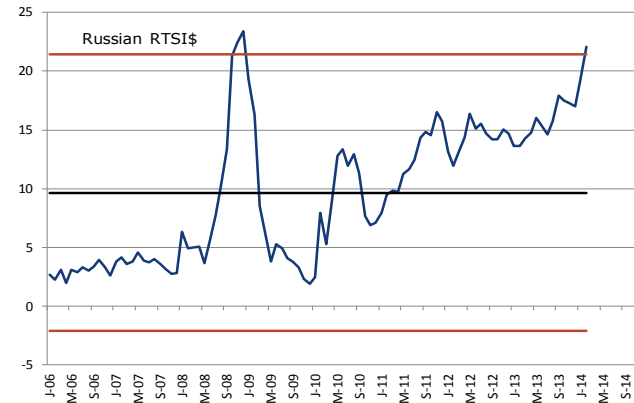




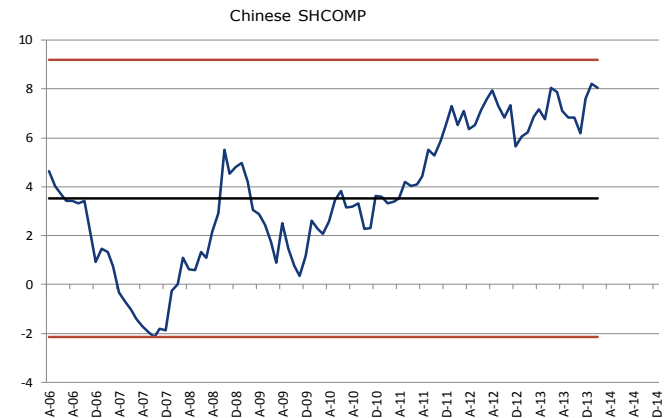
# Equities: Valuation according to Fed-Model



cheap  
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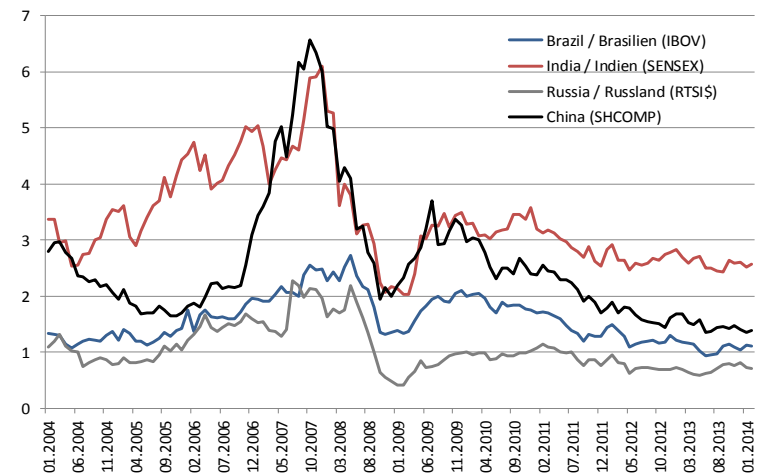
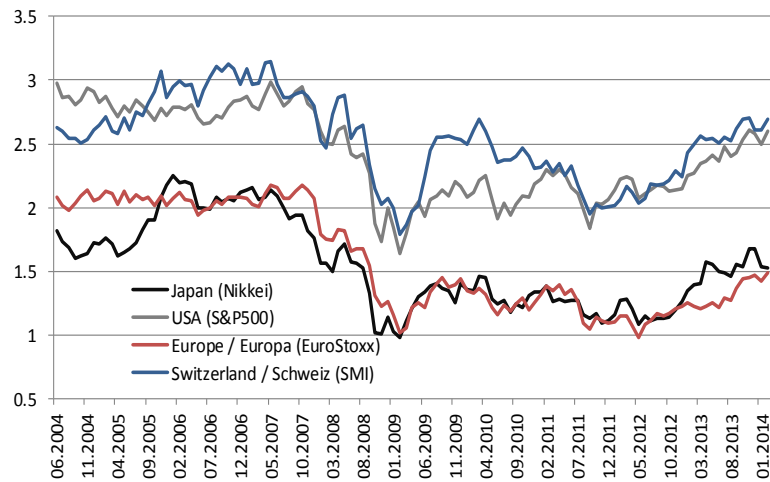


cheap  
↑  
↓  
expensive





# Equities: Valuation by Price/Book





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