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# 5 Questions With Strategic Investment Group Co-CIO Jeffrey Nasser

By COLIN RAJALA

**Jeffrey Nasser** joined **Strategic Investment Group** as director of private markets in 2015 and has held a variety of titles at the Arlington, Va.-based outsourced cio, including managing director and deputy cio, before being promoted to co-cio at the start of the year.

Nasser is responsible for all aspects of the firm's investment process, portfolio construction and implementation in client portfolios as co-cio, while retaining "significant responsibilities related to the private investment program at Strategic," according to his biography.

He also serves as a member of Strategic's sustainability committee, working with clients that want to more fully integrate sustainability, impact and mission-alignment principles into their portfolios.

Nasser joined Strategic after working ten years at **PricewaterhouseCoopers** in its financial markets advisory practice, where he advised private equity firms, sovereign wealth funds, REITs and banks.

Nasser took the time to answer five questions, plus a few extra, with FIN News.

**1) What are the largest investment opportunities and risks you see on the horizon and how is Strategic looking to address them?**

The largest risk that we see on the horizon, which has clearly manifested itself over the past weeks and months, has been the implementation of tariffs by the new administration and the potential for escalation into a full-blown trade war. While new tariffs in and of thems are not a surprise, the size and scope of what has been announced have shocked markets. Leading up to “Liberation Day”, we were already seeing an erosion of soft data such as consumer and business confidence. Policy uncertainty surrounding tariffs operates like a tranquilizer on the decision-making and confidence of both businesses and consumers. The longer that tariffs and uncertainty surrounding their permanence continues, the more likely there will be damage to the real economy, including a potential recession and earnings deterioration. Given high starting valuations in many pockets of the market, greater uncertainty tends to result in lower multiples that investors are willing to pay for earnings. Writing these responses during the first week of April, that is what markets are reacting to.

We need to take risk to earn investment returns. We are deliberate in budgeting risk and determining where we believe that risk will be best compensated in a cycle. 2025 has been a pretty interesting year so far and we expect the excitement to continue. Already we have seen some fairly significant reversals of what has worked in the recent past: U.S. underperforming non-U.S., Magnificent 7 underperforming U.S., growth underperforming value and so forth. Diversification, which had been a drag on portfolios in recent years, became hugely beneficial. While this has been a difficult environment to take top-down risk in our view, the combination of high valuation dispersion, volatility and rates have combined to create lots of opportunities to exploit mispricings at the security level, which has been beneficial for our clients. While reducing some of that top-down risk in client portfolios, we have leaned in further toward niche strategies in areas like country specialists, sector specialists and our evergreen search for the best private investment strategies affected by operational specialists.

**2) What is your favorite part of your current role? What gets you excited to come into work?**

I have one of the best investment roles in the world – every day I get to work with incredible endowments, foundations, healthcare and defined benefit pensions to help them serve their missions and solve their investment problems with the help of an amazing team. My favorite part of my current role is that no two days are the same – markets obviously are quite dynamic; but so too are the concerns or challenges being faced by clients. For example, changes being proposed and/or enacted by the new administration to tax laws for endowments as well as reductions in federal dollars being received by higher education and research institutions can impact their operations and also have implications for their portfolios. Some clients may need to take on additional risk to achieve the same net-of-returns, while others are considering changes to long-term strategic asset allocations to enhance the liquidity profiles of portfolios. We get deeply involved in situations like these to ensure that together, we get to the right customized portfolio, with the appropriate balance of risk and return for each client's unique situation.

**3) What was your most interesting experience meeting with an investment manager?**

We generally review around 1,000 investment opportunities each year, taking meetings on around one-third to one-half of those. Over the past decade with Strategic I have had the opportunity to meet with hundreds of these managers and have had many "interesting" meetings. A few highlights (or low lights) include celebrity presenters, colorful language, fire alarms, sickness, confrontations between colleagues … Let's just say I could tell some real stories. More professionally, I find the most interesting meetings to be those where in addition to hearing a compelling pitch, you get a true insight which can change your perspective or lead to the exploration of new vectors of investment ideas. A few general examples of this have included a wide variety of orphaned investment themes, the amazing progress but intimidating amount of work to do surrounding the energy transition, and many, many venture capital strategies.

**4) How does your approach change when investing in an up market versus a down market?**

We find that our investment approach tends to deliver in most markets, up or down; however, when market pricing is at extremes and valuations became significantly untethered from fundamentals in periods such as the late 90's tech bubble, an approach like ours may not be rewarded for our discipline. With that said, our conviction as long-term investors has been an important guiding principle that we believe has led to our successful periods. Separately, while it's never fun to talk about portfolios declining in value, our clients have often told us that portfolio protection in down markets is when they need it most. At Strategic, we are total portfolio builders, not just manager selectors. In so doing, we intentionally employ a substantial amount of diversification: across geographies, asset classes, styles, sizes, et cetera when building a portfolio with the goal of generating "all weather" returns for clients. We aim to get lots of small things right, so that no one decision can overwhelm the portfolio. We know that our clients need consistent dollars to fund their important missions, and our investment approach has served them well over decades.

**5) What has been the biggest change in the investment landscape over the course of your nearly two decades in the industry?**

The biggest change is consistently increasing portfolio complexity. The growth of alternatives within portfolios has continued unabated over decades, particularly with regard to illiquid investments. I have spent much of my career in and around the private markets, so this is an issue that is near and dear to my heart. Institutions with great access and strong ability to select skilled managers have benefited tremendously from ever-growing allocations to these strategies. Those without skill and access have missed out, or worse, created an illiquid, line item-laden mess. We often have the opportunity to review investment portfolios we do not manage and see the inevitable legacy illiquid investments from prior investment regimes (internal team shifts or changes in advisors or outsourced cios). While some are well constructed, others appear to be built with no consideration for pacing or vintage year diversification, may have extreme concentrations in what recently did well (*e.g.*, natural resources in the mid-teens, venture capital in the late teens/early 2020s), or a host of other issues.

**6) If you could live anywhere else in the world, where would it be and why?**

If proximity to work, family and friends were not a concern, I would love to live in Italy. The mix of lifestyle, architecture, history, food and drink have always appealed to me. See response to next question…

**7) What is your favorite type of food or dish?**

I enjoy eating (and cooking) many types of cuisine. I love grilling and smoking barbecue, and I am not intimidated by a complex recipe. Italian, Middle Eastern, Indian and Mexican are some of my favorite cuisines to both eat and cook.

**8) What are you currently reading personally and/or professionally?**

I am a sucker for a self-improvement book. Currently, I am reading *Think Faster Talk Smarter* by Matt Abrahams. Personally, I just finished the John Michener classic, *Chesapeake.* I spend some time on the Eastern Shore, so this has been such an interesting read for me.

**9) What has been the best movie or show you have watched recently and why?**

Like many, The White Lotus is a guilty pleasure. I find Mike White's character development, the acting and the overall satire of the show to be superb. The caricature of the very wealthy, their myriad of real and perceived problems, and juxtaposition and interactions with hotel staff has drawn me in each season and season three is no exception. While I may find any one episode to be slow or unsatisfying, at the same time I find myself regularly talking with family, colleagues and friends about episodes and getting excited about Sunday night.