

Ross-Arctos Sports Franchise Index (RASFI)

Q1 2024 Quarterly Report

North American franchise valuations continue positive momentum after a near-record 2023.

Sports franchises in the Ross-Arctos Sports Franchise Index (RASFI) representing the “Big 4” North American leagues continued to see valuation growth of **4.8%**, or 20.4% on an annualized basis, in the first quarter of 2024. As such, the market continues to pace above long-term trends: the 20-year trailing RASFI return was 12.0% per annum, or just 2.9% per quarter.

This comes off the back of a near-record calendar year RASFI performance in 2023 of 27.9%, surpassed in recent memory only by a 29% achieved in 1998.

Year-to-date performance has lagged the overall U.S. equity market, which continues to be driven higher by the “Magnificent 7” AI stocks (AAPL, GOOGL, MSFT, AMZN, META, TSLA, and NVDA). U.S. small caps generated a more modest 5.2% year-to-date (quarterly) total return.

Big Four valuations continue to climb due to (a) continued re-expansion in local revenues since the end of the COVID-19 disruption; (b) continued enthusiasm and optimism for upcoming television rights agreement negotiations, especially for the ongoing NBA national media agreements, reflected in higher multiples; (c) strong (but slowing) control transaction frequency for sports assets. In Q1, transaction frequency dropped: the only major control transaction added to the index

RASFI Characteristics

Valuation Dates

Calendar Quarter-End

Launch Date

March 31, 2024

Start Date

December 31, 1960

Base Value

1,000 (December 31, 1991)

Region

North America

Leagues Covered

MLB, NBA, NFL, NHL

Number of Constituents

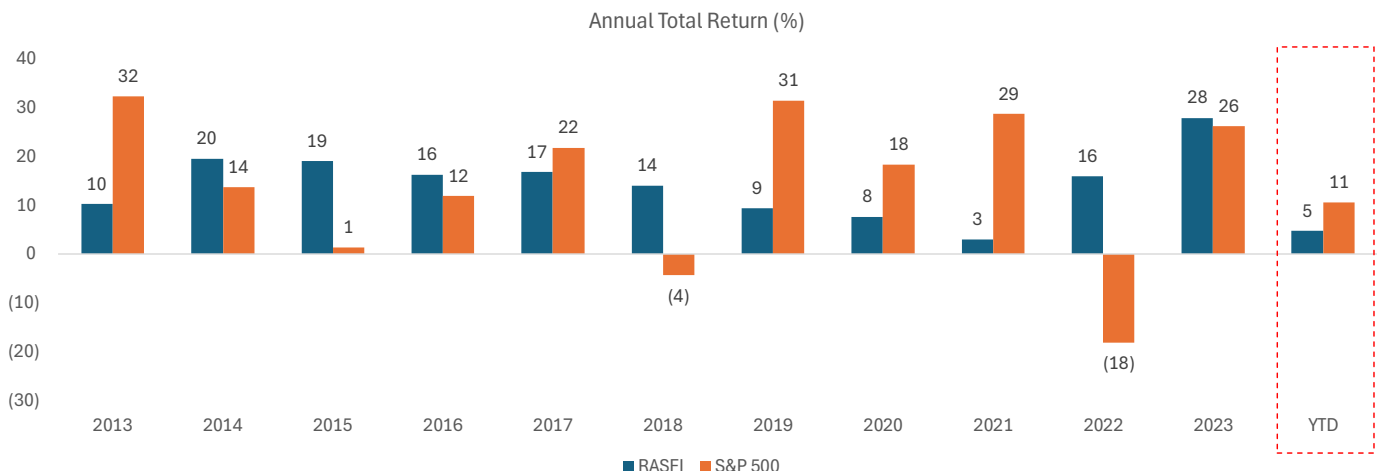
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Weighting

Equally Weighted

Index Type

Price Return



in Q1 was the [Baltimore Orioles sale](#) to David Rubinstein for \$1.725 billion, announced in January, though this represented supportive pricing and was a meaningful signal of continued momentum in the sector.

Annual Average Returns by Asset Class (%)

Asset Class	QTD	YTD	1YR	3YR	5YR	10YR	20YR
Sports (RASFI)	4.8	4.8	28.1	16.7	12.8	15.1	12.0
Global Equities	8.3	8.3	23.8	7.5	11.5	9.2	8.4
U.S. Equities	10.6	10.6	29.9	11.5	15.0	13.0	10.2
U.S. Small Caps	5.2	5.2	19.7	(0.1)	8.1	7.6	8.1
U.S. Media & Ent. Sector	15.5	15.5	53.6	6.1	15.2	12.3	11.0
Fixed Income	(1.7)	(1.7)	1.3	(4.1)	0.3	2.2	N/A
Commodities	8.7	8.7	1.5	7.6	6.1	(1.1)	3.7
Private Equity ⁽¹⁾	2.7	2.7	6.0	12.4	17.6	15.3	14.7
Private Credit ⁽¹⁾	2.4	2.4	8.8	9.6	8.4	7.7	9.2
Real Assets ⁽¹⁾	(0.4)	(0.4)	(1.0)	10.7	7.0	7.7	8.8

(1) Lagged one quarter, due to reporting lag.

Source: S&P, MSCI (Private Markets data). Represent gross total return. Each segment represented by the following indexes: Global Equities (MSCI ACWI), U.S. Equities (S&P 500), U.S. Small Caps (Russell 2000), U.S. Media & Ent. Sector (MSCI USA Media & Entertainment), Fixed Income (Barclays Capital U.S. 7-10 Year Aggregate Bond Index), Commodities (S&P GSCI), Private Equity (Burgiss North America + Western Europe Equity TWR Index) Private Credit (Burgiss North America + Western Europe Debt TWR Index), Real Assets (Burgiss North America + Western Europe Real Assets TWR Index).