

iCapital®

# BEYOND 60/40

April 2023



# WELCOME TO OUR MONTHLY NEWSLETTER.

Our monthly newsletter is designed to serve as your primary source for navigating the world of alternative investments.

At iCapital, we are committed to providing you with impactful alternative investments insights and research. To this end, we are pleased to announce an extension of this newsletter with the launch of our Beyond 60/40 video series.

Each episode brings you the latest market news and thought-provoking interviews with alternatives industry leaders.

We're looking forward to launching our first episode in May. Check out a [preview](#) to get a first look at the Beyond 60/40 video series.

Thank you for your continued partnership and support.



**Steve Houston**  
Managing Director  
Head of Investment Products

# CHART OF THE MONTH

## Private markets outperform the traditional 60/40 portfolio over the long run

Private market asset class time-period returns (% , per annum)

1YR	3YR	5YR	10YR	15YR
20.2% Natural Resources	18.4% Secondaries	16.8% Venture Capital	15.2% Private Equity	11.4% Private Equity
14.0% Infrastructure	18.1% Private Equity	15.9% Private Equity	14.3% Venture Capital	10.2% Secondaries
5.5% Real Estate	17.8% Venture Capital	15.5% Secondaries	12.8% Secondaries	9.8% Venture Capital
3.0% Private Debt	12.7% Infrastructure	11.7% Infrastructure	11.1% Infrastructure	9.3% Infrastructure
-0.5% Secondaries	11.7% Natural Resources	9.6% Real Estate	11.0% Real Estate	7.4% Private Debt
-3.6% Private Equity	10.9% Real Estate	8.1% Natural Resources	8.7% Private Debt	4.8% Natural Resources
-17.4% Global 60/40	9.8% Private Debt	7.9% Private Debt	6.1% Natural Resources	4.6% Real Estate
-20.3% Venture Capital	1.2% Global 60/40	5.4% Global 60/40	5.1% Global 60/40	3.8% Global 60/40

Source: Preqin, Bloomberg, iCapital Investment Strategy, as of April 20, 2023. Note: Data is as of December 31, 2022. Private market asset class returns are time-weighted returns and are based on Preqin Private Capital Quarterly Indices which includes over 13,000 fund constituents and captures in an index the return earned by investors on average in their private capital portfolios, based on the actual amount of money invested in private capital partnerships. We use the Global 60/40 to represent public market exposure. It includes 60% MSCI World Net Total Return Index and 40% Bloomberg Global Aggregate Bond Total Return Index. The MSCI World Net Total Return Index captures large and mid cap representation across 23 Developed Markets (DM) countries and with over 1,500 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The Bloomberg Global Aggregate Bond Total Return Index is a measure of global investment grade debt from a multitude local currency markets and includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. For illustrative purposes only. Past performance is not indicative of future results. Future results are not guaranteed.

# WEEKLY MARKET PULSE



The economy is cooling, not cratering – and that’s exactly what the Fed wants to see. Find out what this means for the market, and why investors shouldn’t pre-trade the recession just yet, in Chief Investment Strategist [Anastasia Amoroso's Market Pulse](#).

[Subscribe to Market Pulse](#)

# MONTHLY MARKET ROUNDUP

## J.P.Morgan ASSET MANAGEMENT

### [Core Private Infrastructure Outlook: Strong Despite Headwinds](#)

Discover why significant attractive investment opportunities in core private infrastructure remain despite various macro headwinds.

# PREQIN

### [Fundraising from Private Wealth: A Guide to Raising Capital](#)

The latest in Preqin's capital raising guide series, this report examines the opportunities and challenges in the burgeoning private wealth management space, and the emerging distribution channels providing access to it.



Hamilton Lane

### [What Does Secondary Market Growth Mean for You?](#)

Secondaries' share of private markets liquidity and fundraising has been rising for long enough now that it cannot be dismissed as a fad or sideshow. Learn more on the recent growth of secondaries.

# IN CASE YOU MISSED IT



We break down the most common hedge fund strategies and how they fit within a portfolio.

[Read more.](#)



Private equity secondaries may offer investors a particularly attractive entry point relative to primary private equity funds because of their unique risk and return profile. [Read more.](#)



Fund managers are looking beyond institutional investors to expand their LP base, but tapping into the wealth management channel requires a strategic approach, tailored to financial advisor needs. [Read more.](#)

[Gain More Insight](#)

## NEW AT iCAPITAL



iCapital is focused on creating education and training to support financial professionals around the world. Coming soon, the AltsEdge Certificate Program curriculum will be available to financial professionals in their native language, empowering them with resources to build their knowledge of the alternative investment space and better serve their clients.

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## PODCAST: THE LATE STAGE MARKET CYCLE



Catch Anastasia Amoroso, iCapital's Chief Investment Strategist, on [The Alternative Investment Podcast](#) with host Andy Hagans where she shares her perspective on how investors can succeed in a late stage market cycle.

[Listen Now](#)

# SPOTLIGHT: WHAT IS PRIVATE EQUITY?



[Discover More](#)

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