

iCapital®

BEYOND 60/40

June 2023



WELCOME TO OUR MONTHLY NEWSLETTER.

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

Last week, we announced important enhancements to our [iCapital Marketplace](#). Wealth managers can now gain access to an expanded selection of alternative investment strategies from a wide range of investment providers and asset managers who complement the diverse strategies already available on our platform.

With iCapital Marketplace, wealth managers can access education and training, portfolio construction and analytics, streamlined electronic subscription processing, and integrated lifecycle and reporting – all in one place. Furthermore, a new suite of digital communication tools allows wealth managers to engage directly with product specialists at investment provider firms.

These expanded capabilities make finding, researching, investing in, and managing alternative investments easier than ever, and allow wealth managers to seamlessly create efficient alternative portfolios to meet their clients' goals.

Thank you for your continued partnership and support.

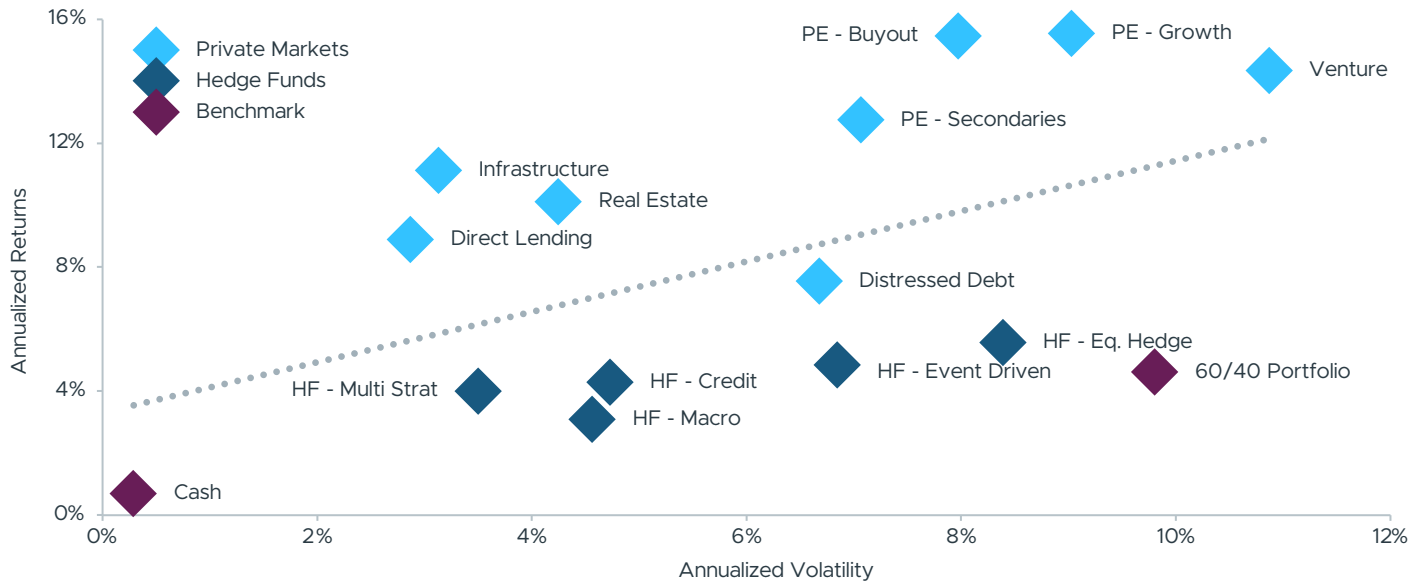


Steve Houston
Managing Director
Head of Investment Products

CHART OF THE MONTH

Alternative Investments Risk/Return Profile

Annualized volatility and returns based on trailing 10-year data (Q4 2012 – Q4 2022)



Source: Preqin, HFRI, Cliffwater, NCREIF, Bloomberg, iCapital Investment Strategy, as of June 2, 2023. Note: Data is as of December 31, 2022. Buyout, Growth, Venture, Secondaries, Infrastructure and Distressed Debt returns are based on Preqin Private Capital Quarterly Indices. Direct Lending returns are based on Cliffwater Direct Lending Total Return Index. Real Estate returns are based on NCREIF ODCE Total Index. Hedge fund returns are based on HFRI Indices. The 60/40 Portfolio represents public market exposure. It includes 60% MSCI ACWI Net Total Return Index and 40% Bloomberg Global Aggregate Bond Total Return Index. For illustrative purposes only. Past performance is not indicative of future results. Future results are not guaranteed. See disclaimers for index definitions.

SPOTLIGHT: BEYOND 60/40: EPISODE 3



Anastasia Amoroso, iCapital Chief Investment Strategist, discusses private equity secondaries with [Ryan Cooney](#) of [Hamilton Lane](#); and iCapital's Shan Hasnat provides insights on the opportunities in the commercial real estate market.

[Watch Now](#)

MONTHLY MARKET ROUNDUP



[Alts Angle: Rethinking Retirement with Alternative Investments](#)

After a challenging 2022, many investors began to question their traditional retirement approach to investing. Discover the potential impact of adding alternative investments during the accumulation and distribution phases of retirement.

APOLLO

[Beyond Beta: How to Use Alternatives to Replace Public Equity](#)

In this white paper, Apollo explores how a purpose-built portfolio of alternatives can replicate the return profile of public equities while mitigating key vulnerabilities of the asset class—namely high volatility, elevated inflation sensitivity, and a shrinking investable universe.

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[The Case for Private Markets: Three Things to Know](#)

In this uncertain market environment, investors struggle to enhance returns and reduce risk. Private markets may help achieve those goals. Investors should consider three important benefits as they evaluate allocating to private markets.

**Goldman
Sachs**

Asset
Management

[Unpacking Private Equity Valuations and Returns](#)

Accounting rules dictate that general partners must establish quarterly marks that reflect the fair value of their current private equity holdings, but approaches differ. Learn why fund returns need to be assessed through multiple lenses to gain a full picture.

IN CASE YOU MISSED IT



While higher interest rates and tighter lending standards pose a challenging environment for commercial real estate, it could provide compelling conditions for opportunistic strategies. [Read more.](#)



A shifting relationship between stocks and bonds means the value of diversification is on a cyclical upswing that may last for years to come. [Read more.](#)



We break down how asset-backed lending strategies can offer diversification, a potential inflation hedge, and downside protection. [Read more.](#)

[Gain More Insight](#)

WEEKLY MARKET PULSE



While the IPO market has been muted for much of 2023, with the macro environment improving, we see reasons for it to pick up in the remainder of the year. Find out why in Chief Investment Strategist [Anastasia Amoroso's Market Pulse](#).

[Subscribe to Market Pulse](#)

PODCAST: GOOD THINGS HAPPEN



iCapital's Chief Investment Strategist [Anastasia Amoroso](#) joins Citi's [Megan Malone](#) on Episode 2 of the [Good Things Happen](#) podcast, where they discuss the opportunities for alternative investing in the private wealth channel.

[Listen Now](#)

NEW AT iCAPITAL



We're honored to be recognized on the [Forbes Fintech 50 list](#), which highlights the year's most innovative private fintech companies. iCapital is featured as one of just three firms in the Future of Investing category, and it is the only investing company to be recognized for six years running.

[Connect with Us](#)

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Preqin Private Capital Quarterly Indices include 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. Cliffwater Direct Lending Total Return Index is an asset-weighted index of 12,000+ directly originated middle market loans. NCREIF ODCE Total Index is an index of investment returns of the largest private real estate funds pursuing lower risk investment strategies utilizing low leverage and generally represented by equity ownership positions in stable U.S. operating properties. HFRI Indices track the performance of HF managers based on manager strategy. The MSCI ACWI Net Total Return Index is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 24 emerging markets. 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.

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