

iCapital®

BEYOND 60/40

July 2024



WELCOME TO OUR MONTHLY NEWSLETTER.

Designed to serve as your primary source for navigating the world of alternative investments.

Midway through 2024, a wait and see mode still exists. Interest rate reductions haven't materialized as the U.S. Federal Reserve awaits firmer data on cooling inflation, and that has restrained M&A and IPO activity. But there could be catalysts ahead. Overall deal activity is stabilizing, and the pressure is mounting for long-owned private markets assets to be monetized.

In our mid-year [Private Markets & Hedge Fund Strategy Ratings](#) report, both private credit and infrastructure have been upgraded to "Positive." Our Research Team remains cautious on office real estate but believes other real estate areas are starting to regain their footing. And they may become more constructive on growth equity and hedge fund event-driven strategies as the year continues.

To read our [opinions](#) on each of the major asset classes or strategies, please reference the Strategy Ratings report highlighted in the section, "In Case You Missed It."

To learn more about the private market investment opportunities available at iCapital, please contact our sales team (altsales@icapital.com) or login to the [iCapital Marketplace](#).

Thank you for your continued partnership and support.



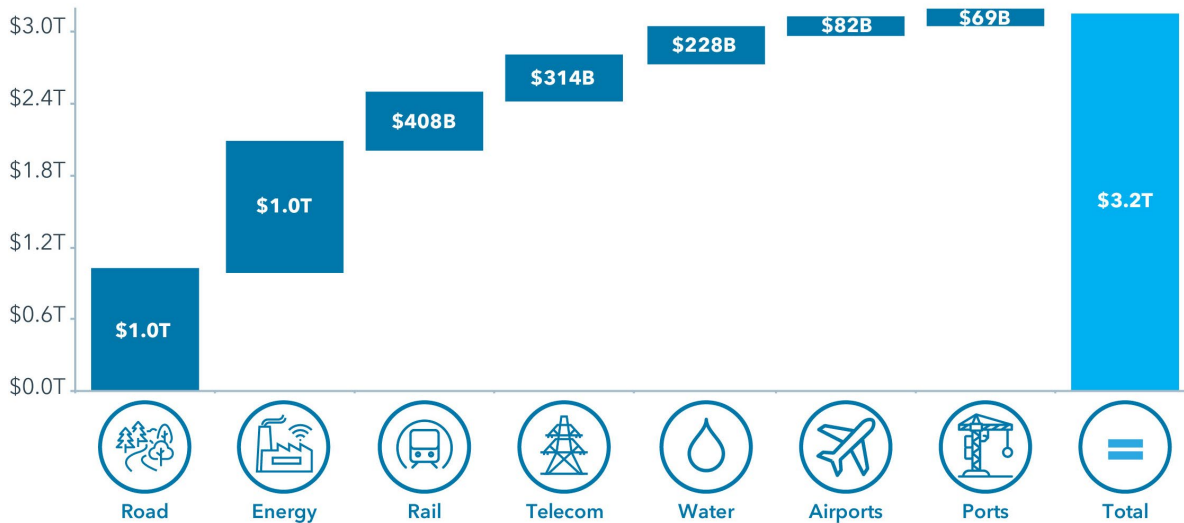
Dan Vene

Co-Founder and Managing Partner
Co-Head of iCapital Solutions

CHART OF THE MONTH

Annual Infrastructure Investment of \$3.2 Trillion Needed Through 2040

Annual global investment needed through 2040 to match 2.6% projected GDP growth



Source: World Bank's G20 Global Infrastructure Hub, Oxford Economics. Note: Historical and projected infrastructure investment/spending is based on a World Bank analysis as of 2016. The average annual global infrastructure investment need through 2040 is a forecast based on the assumption that countries will continue to spend/invest in line with current trends and will match the Oxford Economics baseline 2016-2040 annual global GDP growth projection of +2.6%. For illustrative purposes only. Future results are not guaranteed.

A significant infrastructure “funding gap” exists requiring annual investment of \$3.2 trillion through 2040. The potential opportunities for private capital to fund these critical infrastructure needs is one of the reasons we’ve upgraded our outlook on infrastructure strategies to “Positive.”

THE 19th HOLE: BEYOND THE GREEN: LARRY FINK



[Larry Fink](#), CEO of the world’s largest asset manager, [BlackRock](#), gives his perspective on perseverance, inspirational leadership, and his unwavering belief that technology, innovation and responsible investment can create a better financial future for all. Hear his conversation with [Lawrence Calcano](#), Chairman and CEO of iCapital.

[Watch Now](#)

IN CASE YOU MISSED IT



Access iCapital's current outlook on the major alternative investment asset classes and strategies, including private equity, private credit, real assets, and hedge funds. [Read more.](#)



While venture capital and buyout strategies get the bulk of the headlines, it's growth equity that remains the top performer. [See why.](#)

[Gain More Insight](#)

MONTHLY ALTS PULSE



[Dan Vene](#), iCapital Co-Founder and Managing Partner, and [Michael Sidgmore](#), Co-Founder and Partner of [Broadhaven Ventures](#), discuss the current state of alternative investing and the role technology has played in creating greater access. [View here.](#)

MONTHLY MARKET ROUNDUP



[Why Middle-Market Co-Investment Opportunities Make Sense Now](#)

In the current environment, middle-market co-investments can provide a broader opportunity set than mega and large deals, along with more paths to value creation and lower leverage levels with limited downside. Hamilton Lane offers their perspective on the current state and shares ideas on how to access this segment of the market.

INSIGHT PARTNERS

[State of Enterprise Tech 2024: Innovation Under Pressure](#)

Enterprises continue to innovate — experimenting with new infrastructure, allocating significant spend to customizing AI models, and upgrading both the employee and customer experience. Insight Partners surveyed over 400 senior technology leaders (across industries) to hear their views and determine where they're placing their bets.

PREQIN

[Private Markets Rise in Q2, but Interest Rates Continue to Hold Investors and Dealmakers Back](#)

The latest quarterly data from Preqin shows a rebound in fundraising, investment, and exit activity across most private market asset classes. While investors remain upbeat about the performance and potential, the private markets are not yet in full bloom.



[Hedge Fund Capital Continues to Rise; Sector Surfs Geopolitical Waves](#)

Strategies such as those in the macro field – where funds try and ride big trends in economics, interest rates and currency moves – performed well during the quarter. Wealth Briefing Asia shares a quick recap on how Hedge Funds fared in the first half of 2024.

BEYOND 60/40: THE VALUE PROPOSITION OF PRIVATE EQUITY



[Anastasia Amoroso](#), Chief Investment Strategist, explores the role private equity plays in diversified portfolios with Rich Friedman, Chairman of [Goldman Sachs](#) Asset Management; and delves into Model Portfolios and Architect, iCapital's new portfolio analytics tool, with [Kunal Shah](#), Head of Private Asset Research and Model Portfolios, and [Anthony Polemis](#), Head of Architect Business Development.

[Watch Now](#)

MARKET PULSE

Market Consolidation and the Great Rotation



We think the recent selling pressure across technology combined with a renewed confidence in upcoming interest rate cuts sets up a rotation that can continue. So how do you position? Trimming positions in technology and communication services sectors and looking at a barbell of defensives and rate sensitive areas including regional banks, real estate, and small caps is one approach. Given the right mix of rate cuts and a soft landing, we believe investors can benefit from such a rotation. Learn more in Chief Investment Strategist [Anastasia Amoroso](#)'s latest [Market Pulse](#).

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NEW AT iCAPITAL



iCapital was named to the [CNBC World's Top Fintech Companies 2024 List](#) in the category of "Wealth Technology." CNBC, together with market research firm Statista, has listed the top 250 fintech companies globally. The World's Top Fintech Companies 2024 report includes companies both big and small, across a variety of different market categories. To determine the firms, a team of analysts at Statista carried out in-depth research into relevant KPIs for more than 2,000 eligible companies between March and May 2024.

[Learn More](#)

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