



Considering Private Markets in Your Portfolio





A new way to think about investing

Most of us are familiar with public markets like shares, bonds, and cash.

They form the foundation of most portfolios. But institutional investors — such as super funds, insurers, and not-for-profits — often take it a step further. They can include investments in what are called private markets.

Private markets investments aren't traded on stock exchanges. Instead, they are privately owned assets in areas such as private equity, private credit, private real estate, private infrastructure, and commodities. While these investments may be less familiar, they have played an important role in helping institutional investors achieve their goals.

For decades, access to these opportunities was restricted to the world's largest investors. Today, with the help of your adviser, you can consider whether private markets may also have a role in your own portfolio.



Private Equity

Own a share in private companies — some before they list on the stock market, and those that stay private — to capture growth opportunities



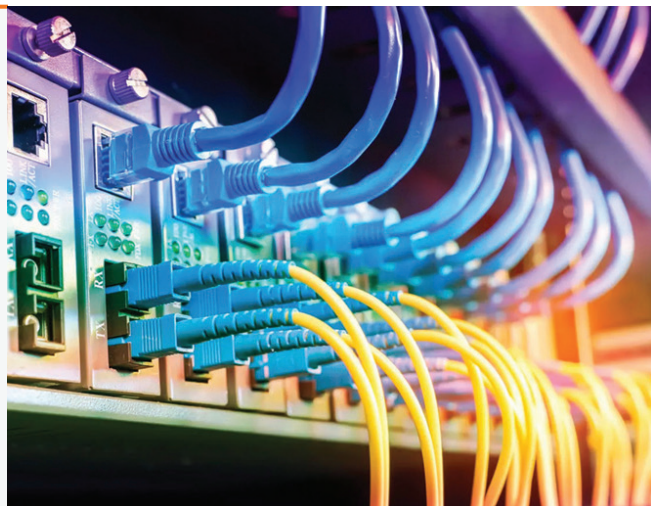
Private Credit

Provide loans directly to businesses, earning regular income in returns



Real Assets

Tangible assets like property, infrastructure, and commodities that can provide income and diversification

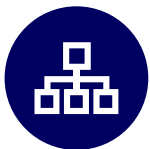


Why you should consider private markets

Adding private markets to your portfolio can broaden your investment opportunities.

Because they sit separate to public markets, they can behave differently, offering a different source of potential return and diversification.

Private markets can help you:



Access a wider range of opportunities

There are far more companies to invest in than just listed ones.



Tap into growth potential

Many companies stay private for longer, and some never list, giving access to growth opportunities not found in public markets.



Achieve a smoother ride

Private markets don't always move with public markets, helping to steady overall portfolio ups and downs.



Earn a reward for patience

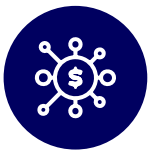
While not guaranteed, private markets can offer an illiquidity premium, which is the potential for higher returns as compensation for holding less accessible (liquid) assets.



The trade-offs to keep in mind

Private markets can be a valuable addition to portfolios, but they aren't suitable for everyone.

It's important to understand the considerations:



Less ready access to your money

Private investments are harder to sell quickly, and some strategies may temporarily restrict withdrawals.



Less frequent pricing

Valuations are updated less often than listed assets, so price movements are not as visible day-to-day.



Longer commitment

Many strategies require a 10-year or longer horizon, making them best suited for investors who can stay the course.



Higher costs

Specialist managers and complex structures often mean fees are higher than for traditional investments.



Valuation risk

Valuations are based on estimates, which may not turn out to be correct.

This is why private markets are best accessed as part of a diversified portfolio, where risks can be managed alongside the potential benefits.



How private markets fit in a portfolio

Private markets aren't about replacing the core of your investments. They are about adding something extra.

A carefully chosen allocation, alongside publicly listed assets, can bring the characteristics that many institutional investors utilise:



Growth potential



Diversification



Long-term opportunity

Until recently, these types of opportunities were out of reach for most investors. Now, with solutions designed for retail investors, you can access private markets in a simple, professionally managed way.



Working with your adviser

Everyone's situation is different. The right balance depends on your goals, time horizon, and comfort with risk.

Your adviser can help you decide if an allocation to private markets is appropriate, and if so, how much to include.

With the right guidance, you can take steps toward building a portfolio that looks more like the ones used by large institutional investors — designed to give you more ways to reach your long-term goals.

Ask your adviser if private markets are right for you.



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