

Alternative opportunities

2025 outlook and methodology | USD | Q3 update

Invesco Solutions

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Table of contents

1 **Private credit**
Direct lending and real asset debt

2 **Private equity**
Large buyout

3 **Private real assets**
Real estate and infrastructure

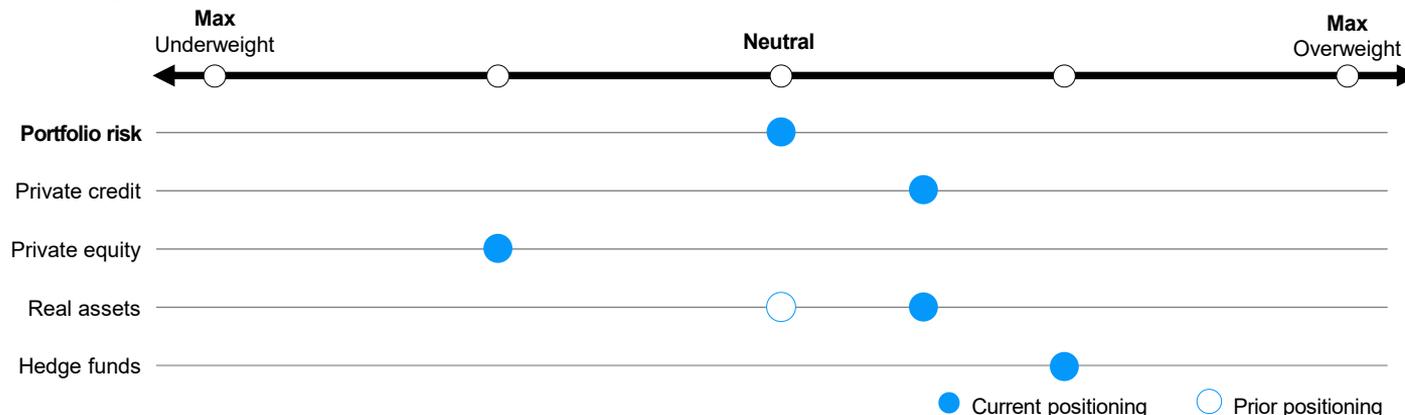
4 **Hedge funds**
Event-driven and systematic trend

2025 alternative opportunities – Q3 outlook: Alternatives

Executive summary



Jeff Bennett, CFA
Head of Manager Selection
Invesco Solutions



Portfolio risk

We remain neutral on how we're allocating risk within our alternatives portfolio, primarily due to the combined impact of high equity valuations with an elevated cost of financing. In general, we're more bullish on defensive alternatives, favoring private debt, real assets, and hedged strategies versus private equity.

Private credit

As market volatility subsides, we're watching for signs of renewed M&A activity. In the meantime, patient credit investors may continue to benefit from a favorable higher-for-longer rate environment.

We are overweight real estate credit given high levels of current income and a recovering real estate equity market.

Private equity

We remain underweight private equity, especially traditional buyout strategies which generally require leverage to generate returns. The combined impact of high equity valuations with an elevated cost of financing may be a significant headwind.

Real assets

We're slightly increasing our exposure to real estate as our conviction for the outlook that valuations have bottomed is beginning to firm. While we are optimistic amid easing financial conditions, we remain vigilant given tight cap rates and a murky outlook from policymakers.

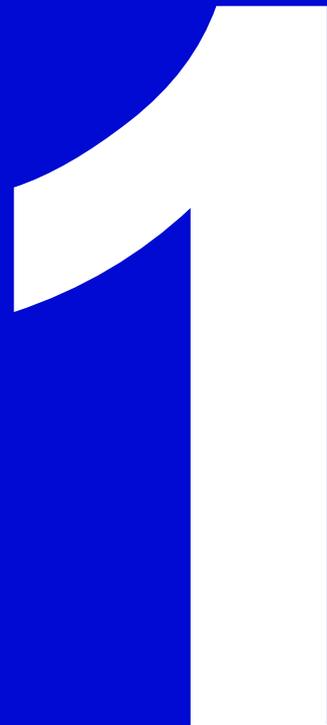
Hedge funds

We believe hedge funds with lower betas to market risk may be a valuable alternative within a portfolio. Spreads within event-driven strategies remain high due to the limited capital markets activity from mergers and acquisitions as private equity remains sidelined.

Source: Invesco Solutions, views as of Aug. 19, 2025. The opinions expressed are those of the author, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals.

Private credit

Direct lending
and real asset debt



2025 alternative opportunities – Q3 outlook: Private credit



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Real Estate Credit

Presently overweight private credit as spreads begin to widen in public markets

Asset class	Overall	Valuations	Fundamentals	Secular trend
Direct lending	Overweight	Neutral	Neutral	Attractive
Real asset credit	Overweight	Attractive	Neutral	Attractive
Alternative credit	Overweight	Neutral	Neutral	Attractive

Direct lending

While we remain encouraged by the strength of the US economy and the pro-business stance of the new administration, a more cautious and measured investment approach is warranted. New policy measures, such as tariffs and stricter immigration enforcement, could prove inflationary and slow growth. Although much anticipated mergers and acquisition (M&A)-related deal flow has yet to materialize for the direct lending market, pressure is building on private equity firms to transact and return capital to limited partners (LPs). As market volatility subsides, we're watching for signs of renewed M&A activity. In the meantime, patient credit investors may continue to benefit from a favorable higher-for-longer rate environment.

Distressed debt and special situations

Several strategies within the special situations investment category are gaining momentum among distressed investors. Unlike past cycles, today's opportunities often involve fundamentally strong companies led by

experienced management teams in industries with solid near-term fundamentals. This shift is driven by a unique market environment — one marked by a period of rapid interest rate hikes and persistent cost inflation.

Commercial real estate debt

We are overweight real estate credit given high levels of current income and a recovering real estate equity market.

Fewer banks are tightening lending standards for commercial real estate with the balance approaching neutral, and prices on commercial properties have appreciated for four consecutive quarters, indicating that valuations have reached a trough and signs of green shoots are beginning to appear for the broader real estate sector.

Despite the ongoing uncertainty from the impact of tariffs and the overall inflationary environment, real estate capital markets have proven to be resilient as evidenced by compression in credit spreads during a

disruptive first half of the year. The impact of tariffs on commercial real estate fundamentals will likely take time to materialize, but it is expected that there will be some cooling of the US economy in the second half of the year as businesses and consumers begin to absorb the impact of tariffs.

Infrastructure debt

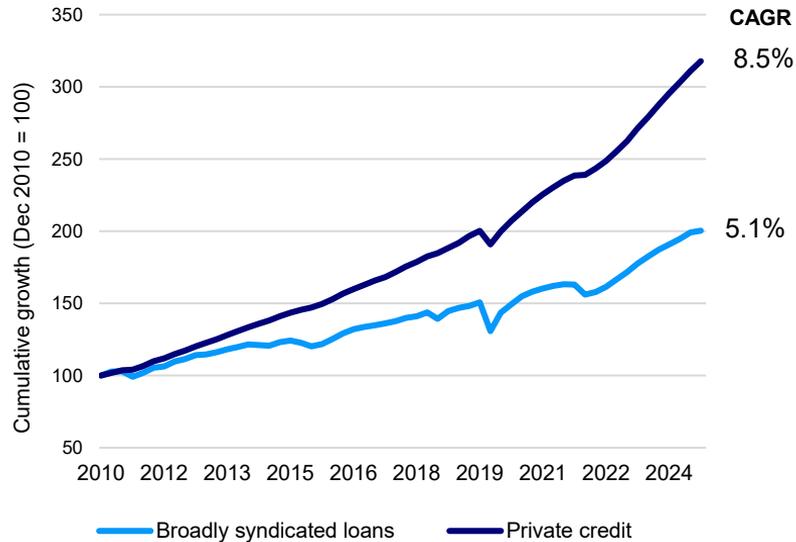
Spreads remain attractive, driven in part by secular infrastructure tailwinds* resulting in large part by the convergence of two powerful themes in digitation and energy transition.

Alternative credit

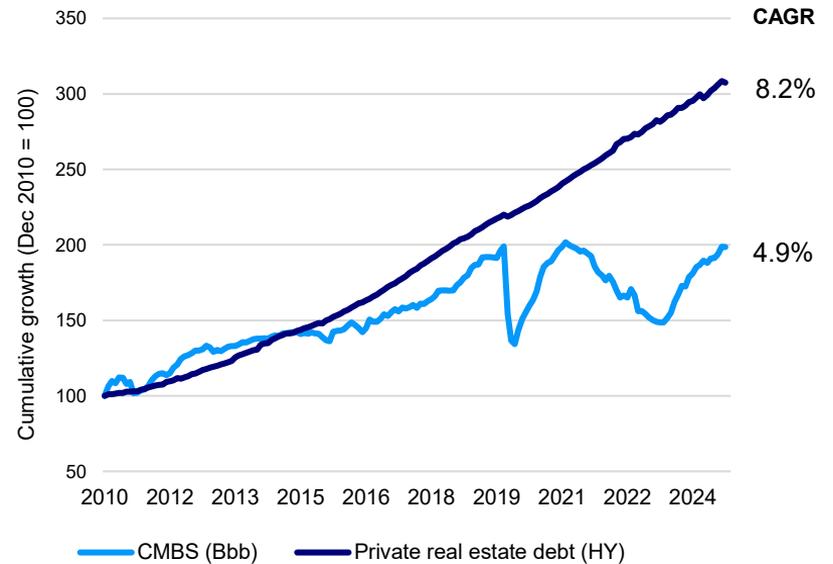
Absolute yields remain attractive relative to longer-term averages, and pockets of outsized return opportunities exist in areas such as venture lending.

Cumulative growth of private credit vs. public credit

Senior direct lending and broadly syndicated loans



Real estate debt and CMBS



Sources: Investment growth of 100; Private credit represented by the Cliffwater Senior Direct Lending Index and broadly syndicated loans represented by the Credit Suisse Leveraged Loan Index, quarterly from Dec. 31, 2010 to Mar. 31, 2025 or most recently available; CMBS (BBB) represented by Bloomberg Non-Agency Investment Grade CMBS: Bbb Total Return Unhedged Index and private real estate debt (HY) represented by the Gilberto-Levy High Yield Commercial Real Estate Debt Index (G-L 2), monthly, from Dec. 31, 2010 to Mar. 31, 2025 or most recently available. Private credit is net of normative fees, while loans are gross of fees. An investment cannot be made directly into an index. **Past performance is no guarantee of future results.**

Views on private assets: Private credit

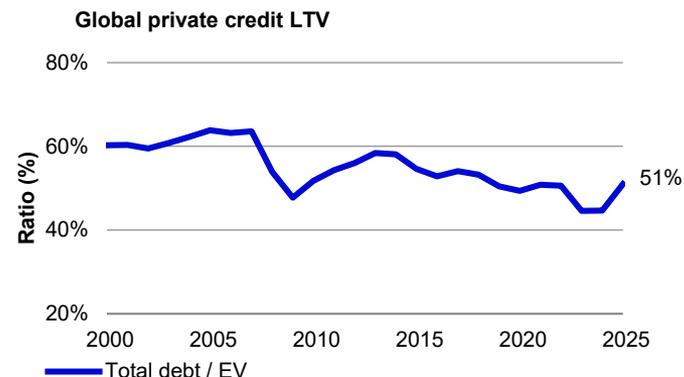
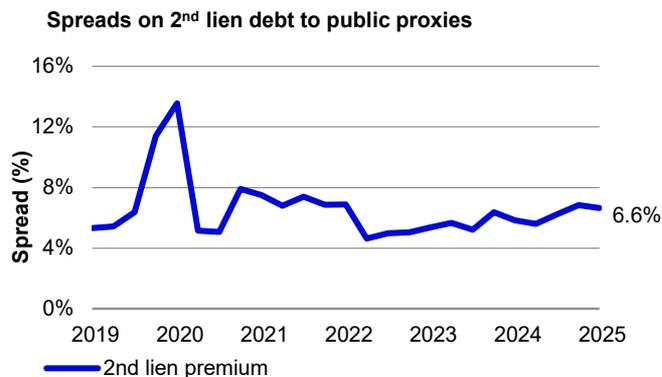
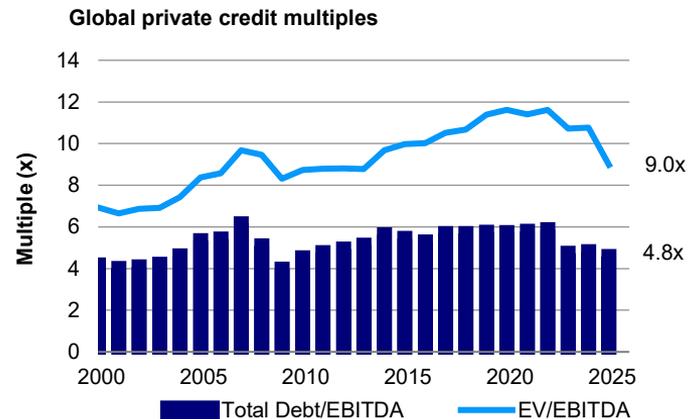
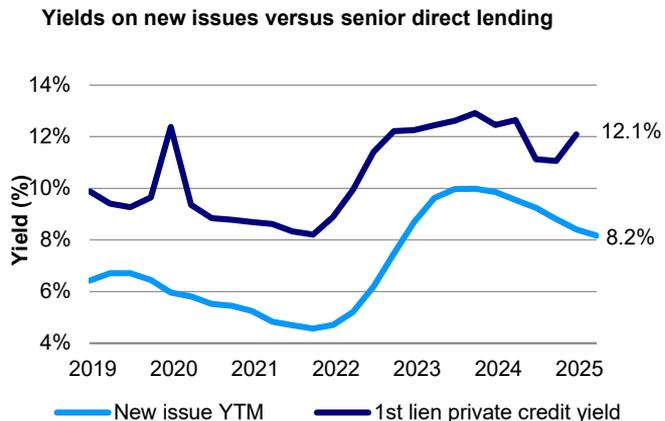
Investment type	Spread (SOFR+, bps*)	Allocation range			Comments
		Underweight	Neutral	Overweight	
Direct lending senior (1st lien)	500-600				<ul style="list-style-type: none"> Anchor for diversified private debt portfolios. Favorable environment for creditors, with strong covenants and call protections.
Direct lending junior (2nd lien/mezz)	750-950				<ul style="list-style-type: none"> Borrowing that occurs behind senior/1st lien private corporate debt. Potential for opportunistic financing with attractive risk/reward.
Real estate debt (Mezz)	550-750				<ul style="list-style-type: none"> Mortgage secured by a lien on a commercial property. High single-digit returns**. Low CMBS issuance and pullback from US regional banks have improved opportunity.
US infrastructure debt (HY)	500-600				<ul style="list-style-type: none"> Current environment allows for 1st lien secured Opco loans. Long-term contractual cash flows, CPI linkages, and lower defaults/higher recoveries. Secular trends driving growth in digital and renewables sectors and limited competition from regional banks drive favorable supply-demand dynamics.
Alternative credit	500-900				<ul style="list-style-type: none"> Non-traditional markets such as loans, leases and other receivables. Asset-backed nature of collateral and amortization schedules.
Venture debt (1st lien)	900+				<ul style="list-style-type: none"> Loans to well-capitalized venture-backed borrowers with LTVs typically below 20%. Limited access to IPO markets and increased cost of capital for venture equity drive favorable pricing and higher creditor protections.
Distressed debt/special situations	900+				<ul style="list-style-type: none"> Focus on capital solutions and special situations opportunities. We see many small companies pressured by higher rates and inflation looking for capital solutions.



Spotlight: Private credit

1st lien private credit – new issue YTM and leverage ratios

Spreads on offer to 1st lien lenders are attractive on an absolute, relative, and risk-adjusted basis.

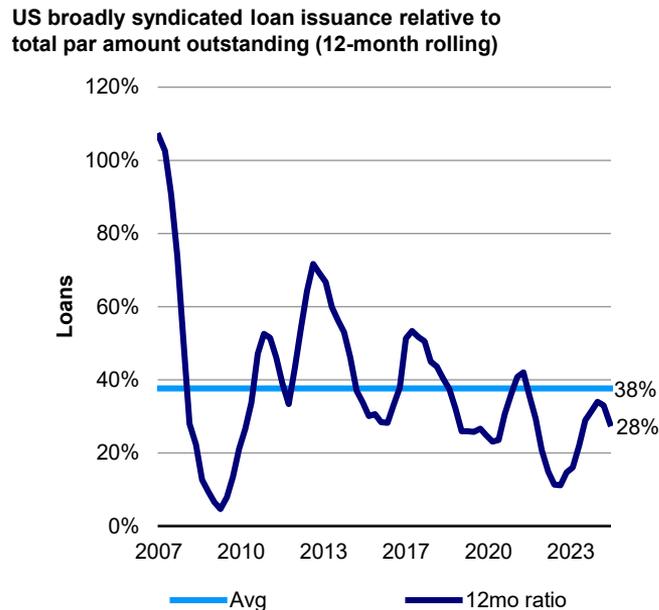
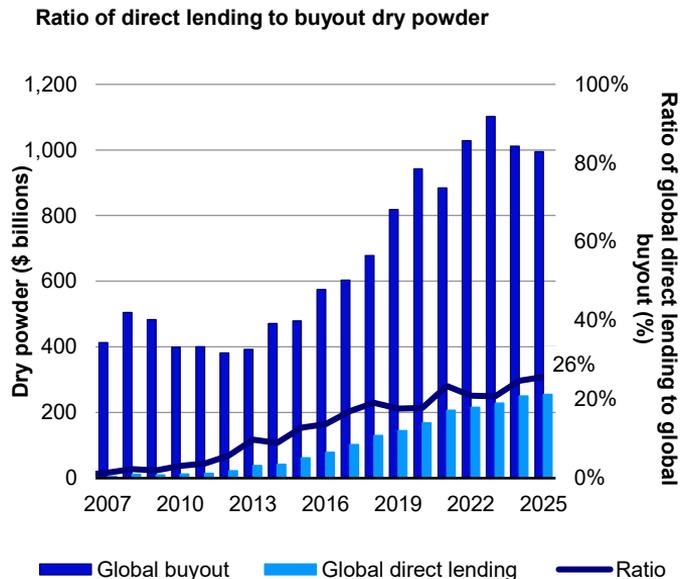


Sources: Pitchbook, LCD Leveraged Loan, SEC EDGAR, JPMorgan, Bloomberg L.P., as of June. 30, 2025. Most recent global multiples and LTV data presented as a YTD figure as of June 30, 2025. New issues refer to broadly syndicated loans over \$200M issued within the quarter and presented as a 4Q moving average and are as of June 30, 2025. 2nd lien spread over LIBOR estimates based on SEC filings by a representative sample of BDCs and is calculated by subtracting an HY corporate bond yield based on Option-Adjusted Spread on BBG US Corp HY Index. **Past performance is no guarantee of future results.**

Supply-demand dynamics

Direct lending and buyout dry powder and loan issuance

Supply-demand dynamics support a robust environment for lenders with available dry powder. While still not at average levels, we have seen a notable uptick in broadly syndicated loan volume as markets reopened.

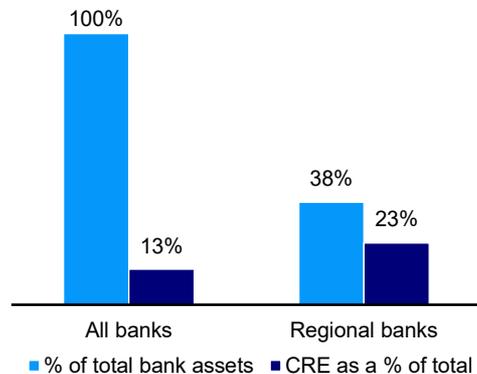


Sources: Invesco Solutions, Preqin, Pitchbook LCD, data as of Jun. 30, 2025.

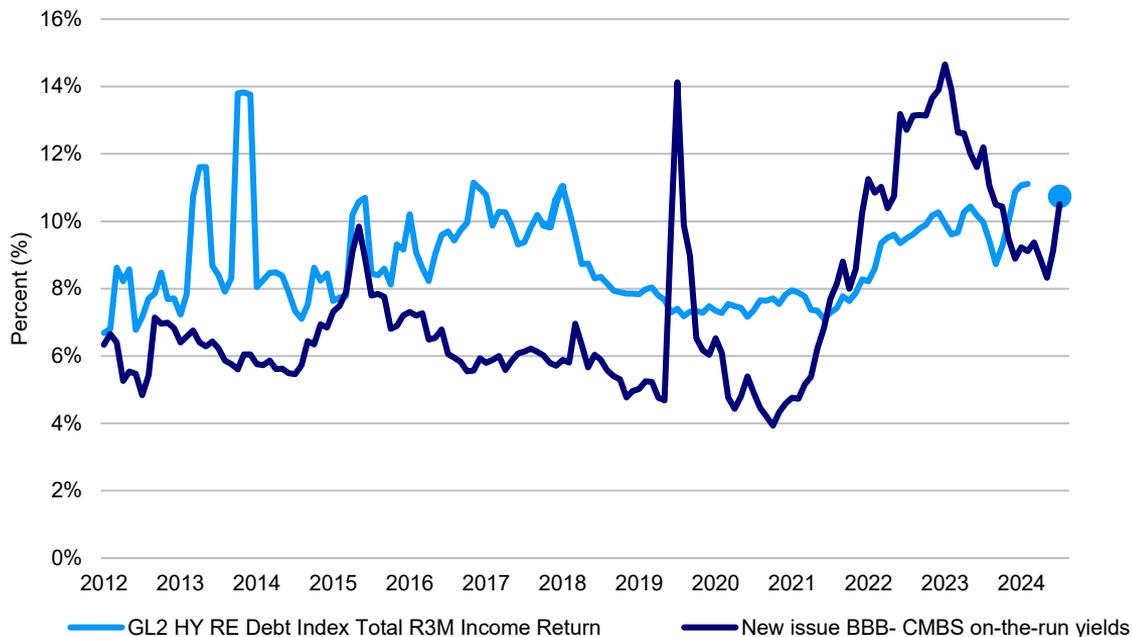
Real estate credit

High absolute yields and “illiquidity premium” supported by reduced supply of loans from regional banks.

Regional banks as a percentage of CRE loans



Real estate credit yields compared to proxy new issue BBB- CMBS new issue on-the-run yields



Sources: Invesco Solutions, Gilberto-Levy, FDIC, Bloomberg L.P., as of Apr. 3, 2025. Regional bank data as of Mar. 31, 2025. Regional banks defined as “Assets \$1B - \$250B.” **Past performance is no guarantee of future results.**

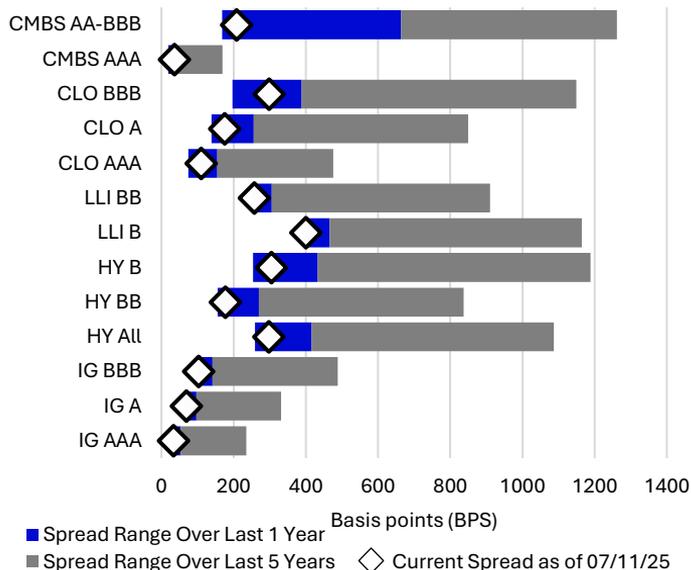
Spotlight: Alternative credit

Liquid alternative spreads and venture lending

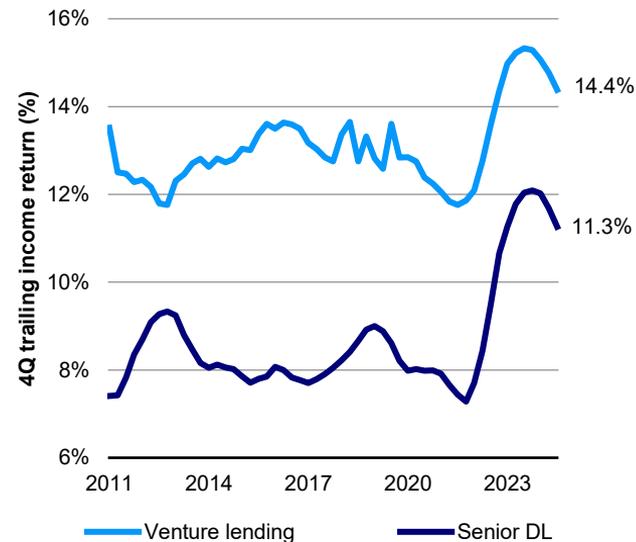
Spreads within alternative credit have returned to recent tights following a short period of tariff related market volatility.

The more illiquid parts of the alternative credit market, such as venture lending, also offer a spread premium over direct lending.

Liquid alternative spreads (current, 1-year and 5-year ranges)



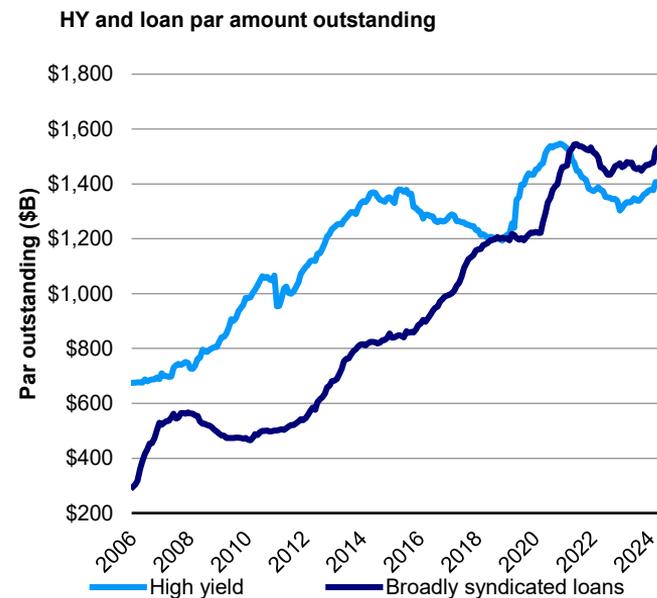
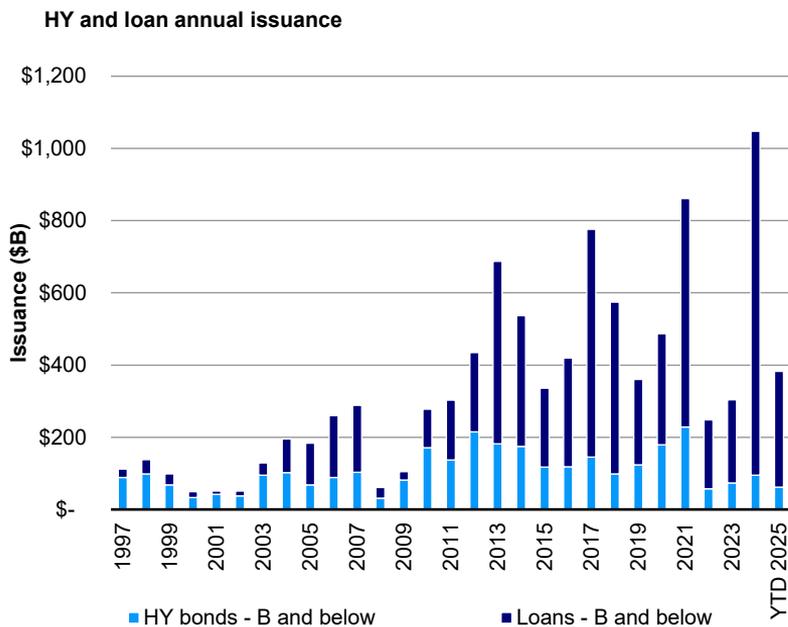
Venture lending versus senior direct lending income return



Sources: Invesco Solutions, Bloomberg L.P., FRED, ICE, Morningstar, JPM, as of July 11, 2025. Cliffwater, as of Dec. 31, 2024. IG, HY, CMBS, and ABS spreads are OAS to spot treasury, LL is spread to maturity over SOFR, and CLO is discount margin to SOFR. Please see appendix for index proxies. **Past performance is no guarantee of future results.**

Distressed

Significant issuance in the loan market rated single B and below, showcasing the opportunity set relative to history.



Sources: Invesco Solutions, ICE BofA, JP Morgan, as of Jun. 30, 2025.

Private equity
Large buyout

2

2025 alternative opportunities – Q3 outlook: Private equity



Jeff Bennett, CFA
Head of Manager Selection
Invesco Solutions

Underweight private equity (PE) as valuations are moderating, with pockets of opportunity in private-to-private transactions

Asset class	Overall	Valuations	Fundamentals	Secular trend
Private equity	Underweight	Unattractive	Neutral	Neutral

Private equity outlook and positioning

We remain underweight private equity, especially traditional buyout strategies which generally require leverage to generate returns. The combined impact of high equity valuations with an elevated cost of financing we believe will be a significant headwind. While private market valuations in the growth equity and venture space have modestly corrected to become inline with public markets, both are elevated relative to history. The familiar tale of limited distributions, aging portfolio companies, and challenged mergers and acquisitions (M&A) environment persists for private equity (PE). Maturity walls are looming for the majority of PE funds with 55% entering the second half of their investment lifecycle; 26%

are older than a decade. Fundraising has continued to slow, with 2025 trending to be the lowest year since 2020. Last year's optimism for dealmaking has clearly faded due to trade policy uncertainty and rates have remained high. The rebound in public stock markets may lead to a reversal of the initial public offering (IPO) malaise. Elevated public market valuations certainly limits potential acquisitions and the high costs of financing raises the hurdle rate for dealmakers.

Continued focus on growth

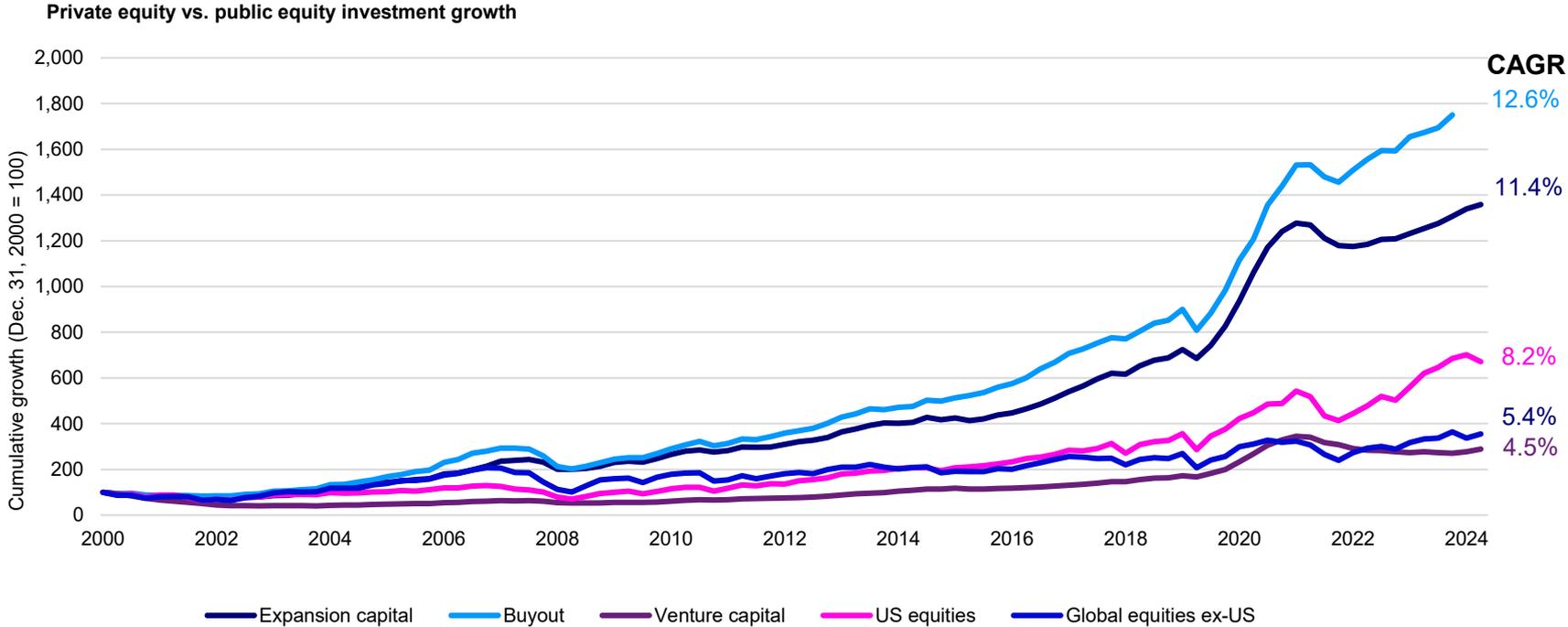
Returns for large buyouts have performed well despite the challenges facing the asset class*. We anticipate growth equity and expansion capital to outperform, given significant investor

demand for equity-financed deals versus those that are backed by expensive debt. Venture capital has begun to recover as valuations outside of AI have begun to expand.

Late-stage VC backed companies with post-money valuations of at least \$1 billion have continued to perform well in today's environment, outperforming broad VC funds and publicly traded technology companies. These "Unicorns" have returned a combined 19% over the past 10 years, nearly doubling the returns of broader VC at 10%**.

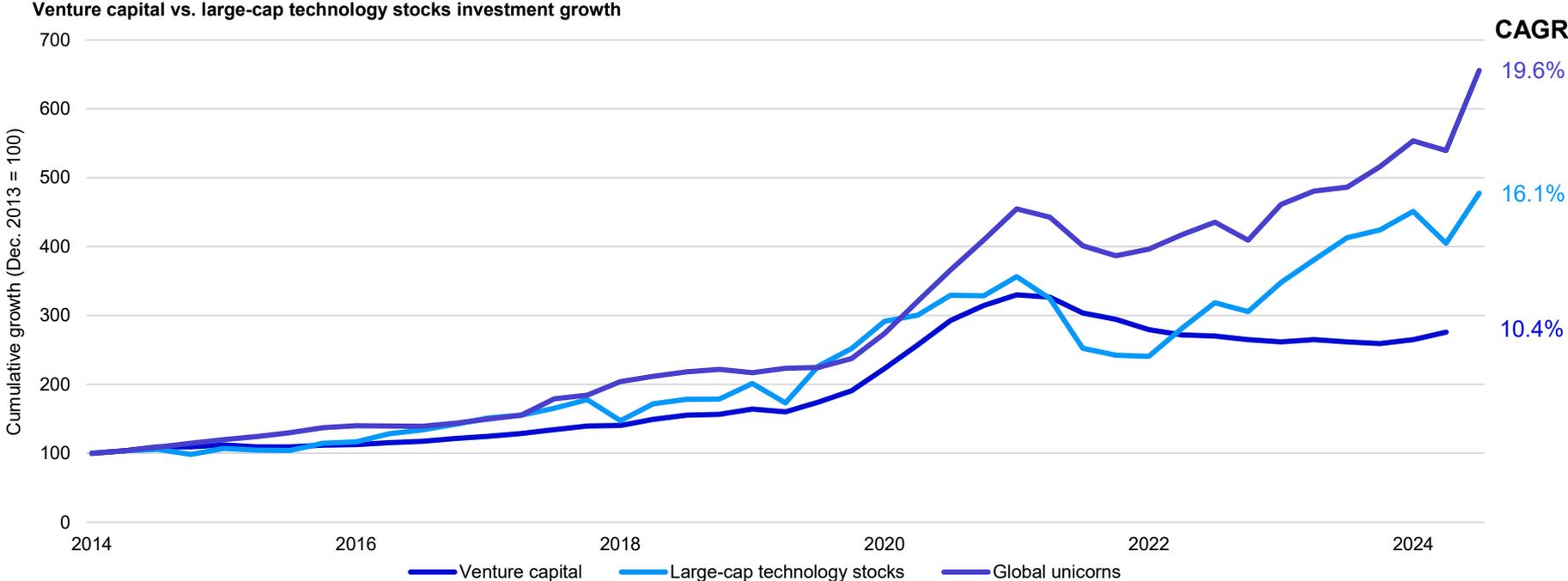
Sources: Invesco Solutions, Pitchbook, views as of Aug. 19, 2025. *See slide 15. **See slide 16.

Cumulative growth of private equity vs. public equity



Sources: Investment growth of 100; Private asset index return data: expansion capital, and VC / growth equity from Preqin; large buyout index return data from Burgiss and are net of fees. US equity returns represented by Russell 3000 TR index; Global ex-US equity returns represented by MSCI ACWI ex USA net TR index are gross of fees. All data is quarterly from Dec. 31, 2000 to Mar. 31, 2025 or most recently available. **Past performance does not guarantee future results.** Please see appendix for index proxies.

Cumulative growth of VC, tech stocks, and unicorns



Sources: Investment growth of 100; Private asset index return data (VC) from Burgiss and are net of fees, quarterly from Dec. 31, 2014 to Mar. 31, 2025; Technology stocks represented by Nasdaq Composite TR Index are gross of fees, quarterly from Dec. 31, 2014 to Mar. 31, 2025. Global unicorns are represented by the Morningstar PitchBook Global Unicorn Index which tracks privately held, late-stage venture capital-backed global companies with post-money valuations of at least \$1 billion. from Dec. 31, 2014 to July. 31, 2025. **Past performance does not guarantee future results.**

Views on private assets: Private equity

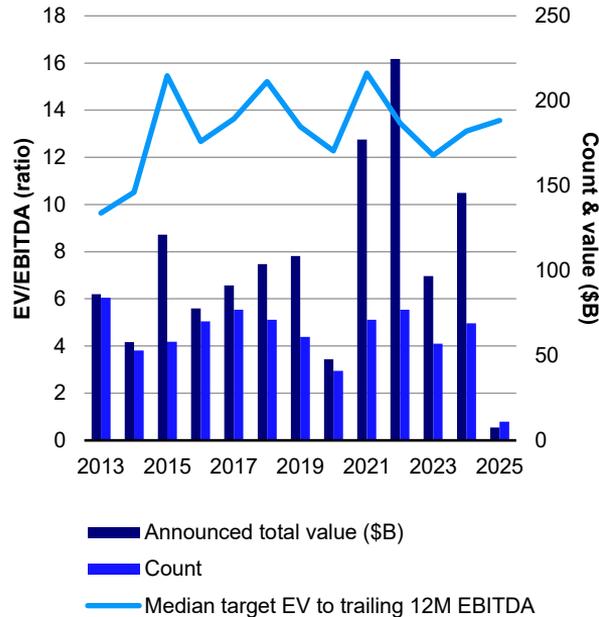
Investment type	Allocation range			Comments
	Underweight	Neutral	Overweight	
Large buyout				<ul style="list-style-type: none"> Exposure to high quality companies backed by strong management teams. Renewed opportunity for take-private transactions and private-to-private exits at favorable valuations balanced by headwinds from high cost of debt.
Growth/expansion equity				<ul style="list-style-type: none"> Profitable franchises exposed to secular growth themes. Less competition for deals from the IPO or SPAC markets. Heightened focus on platforms.
Venture capital				<ul style="list-style-type: none"> Exposure to a wide variety of disruptive technologies and secular growth themes at an early stage. Challenging exit environment with the potential for a sustained period of “down rounds.” Valuations have corrected meaningfully in recent quarters.
Secondaries				<ul style="list-style-type: none"> Robust volumes. Attractive discounts, particularly in venture and real estate. Secular tailwinds in GP-led space.

Source: Invesco Solutions, views as of Aug. 20, 2025. For illustrative purposes only.

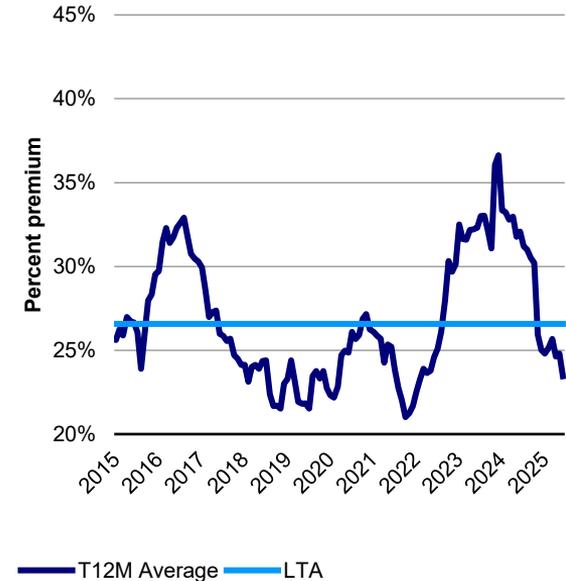
US large buyout take-private volume and EV/EBITDA valuations

Transaction volume near pre-COVID-19 levels. Premiums have reverted to their long-term averages from recent peaks.

Take-private deal volume compared to EV/EBITDA



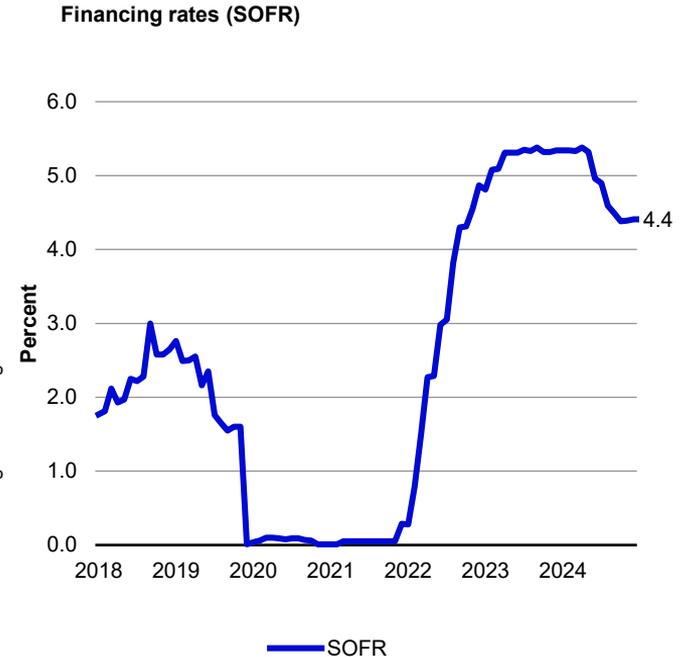
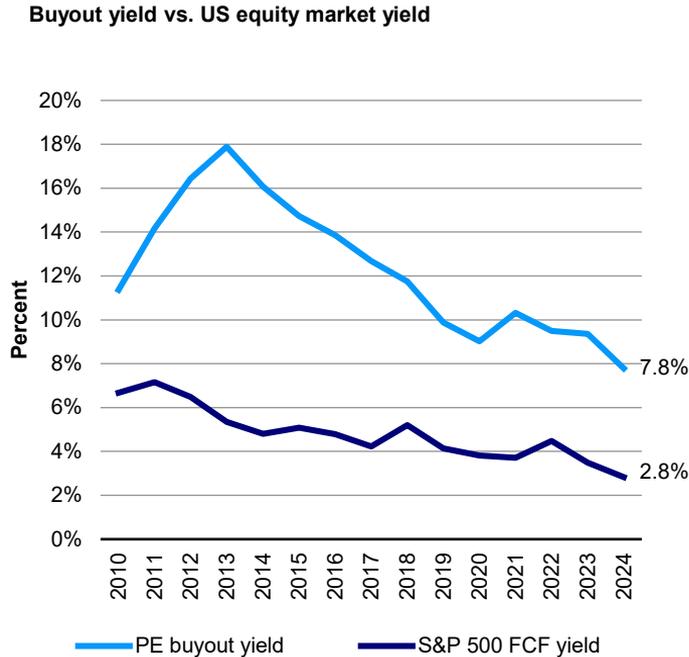
M&A deal premium vs. long-term average



Sources: Invesco Solutions, Pitchbook, Bloomberg L.P., as of Jun. 30, 2025. 2025 date in left-hand side is YTD.

US large buyout vs equity market yield

Purchase prices rebounded following tariff volatility. The environment for M&A has been made more challenging by elevated financing costs. We anticipate this pressure will ease as base rates are lowered.

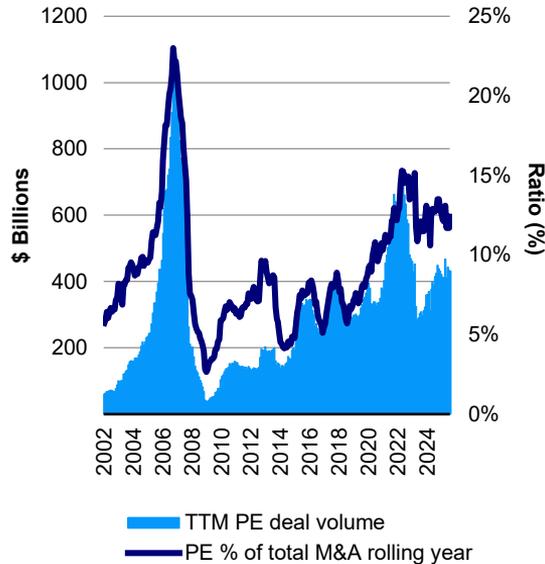


Sources: Invesco Solutions, Pitchbook LCD, Bloomberg L.P., as of Feb. 28, 2024. SOFR as of June 30, 2025. PE buyout yield is calculated from Pitchbook LCD using their global PE LBO universe multiples weighted by LBO loan volume and subtracting maintenance capex (assumption of 1.25%) and financing costs (a 3-year average of leveraged loan spreads from Bloomberg multiplied by current Debt/Equity levels from Pitchbook LCD). **Past performance is no guarantee of future results.** An investment cannot be made into an index.

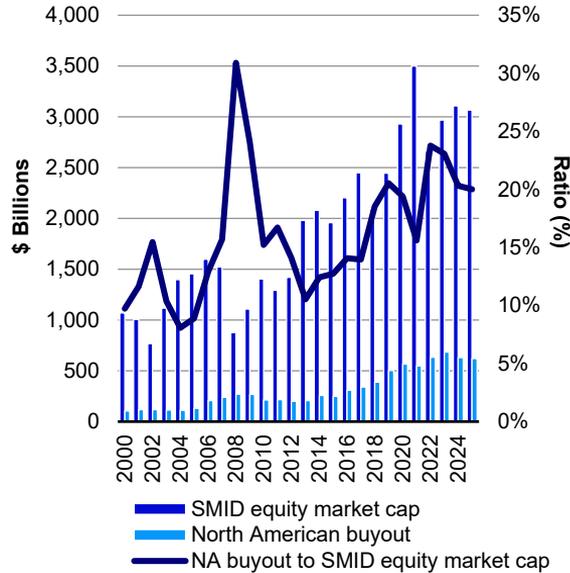
Buyout and IPO deal volume

Limited exit opportunities favor those with dry powder and should drive an increase in private-to-private deal activity

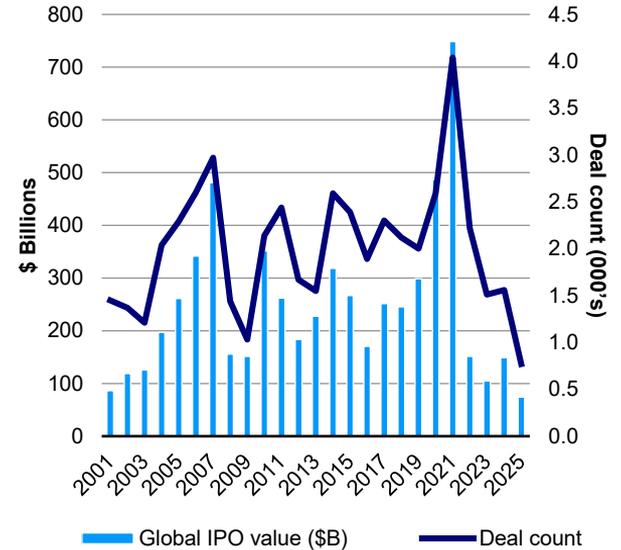
PE deal volume



PE dry powder to target's market cap



Trailing year IPO activity



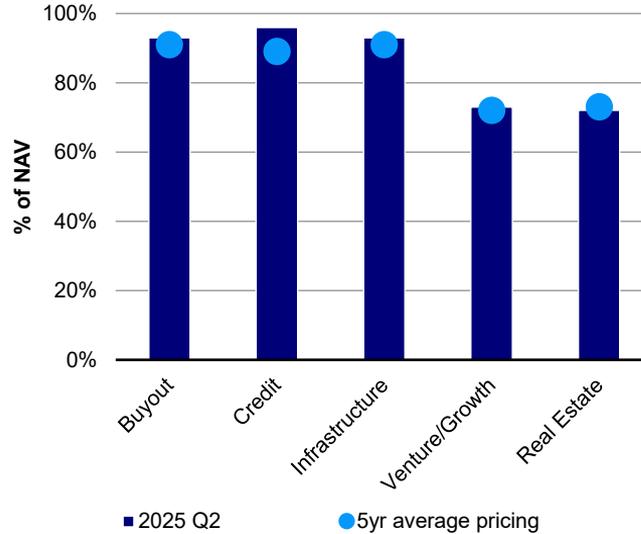
Sources: Invesco Solutions, Pitchbook, Preqin, Bloomberg L.P., latest data available, as of Jun. 30, 2025. 2025 data in the middle chart, PE dry powder to target's market cap, is YTD.

Secondaries pricing and market dynamics

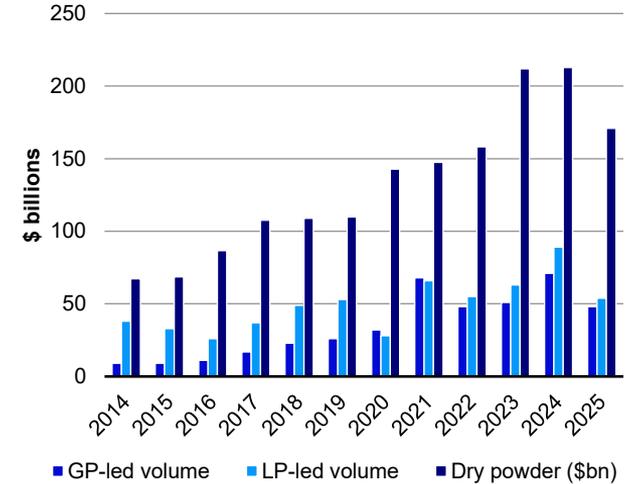
Outside of private credit, most secondaries are pricing near their post-COVID averages. Venture and Real Estate remain at significant discounts to NAV.

While secondary transaction volume has increased every year since 2022, dry powder is also growing rapidly.

Secondary market pricing



GP/LP transaction volume and dry powder



Sources: Invesco Solutions, PJT for secondaries pricing, Evercore for dry powder, as of Jun. 30, 2025. Latest dry powder figure is an H1' 25 estimate.

Real assets

Real estate and
infrastructure

3

2025 alternative opportunities – Q3 outlook: Real assets



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Mike Bessell, CFA
MD, Investment Strategist
Invesco Global Real Estate

Slight overweight to real assets as valuations approach trough, starting to appear attractive in real estate equity

Asset class	Overall	Valuations	Fundamentals	Secular trend
Real estate	Overweight	Attractive	Neutral	Neutral
Infrastructure	Overweight	Unattractive	Attractive	Attractive

Real estate

We're slightly increasing our exposure to real estate as our conviction that valuations have bottomed is firming. Core real estate equity performance is turning positive amid easing financial conditions, though we remain vigilant given tight cap rates and a murky policy outlook.

In North America, political volatility and policy uncertainty have weighed on sentiment, increasing downside risks to growth. This has slowed new investment activity, especially in residential and industrial sectors. While in-progress deals have held firm, investors are reassessing how to price risk. Slower revenue growth expectations are prompting greater selectivity, with a focus on high cap rate sectors and stable income streams. We believe real estate credit continues to offer attractive relative value, though the gap with equity has narrowed.

Outside North America, macro conditions are mixed but improving, buoyed by inflows redirected from the US and a depreciating dollar. Inflation is moderating and monetary policy is easing in several regions, creating a more supportive backdrop. Capital markets remain cautious, but repricing is creating selective opportunities. Across Europe and Asia Pacific, secular drivers like demographic shifts, urbanization, and demand for experiential and non-traditional real estate remain attractive. In this environment, disciplined execution, thematic alignment, and a focus on resilient sectors are key to navigating volatility and capturing value.

Infrastructure

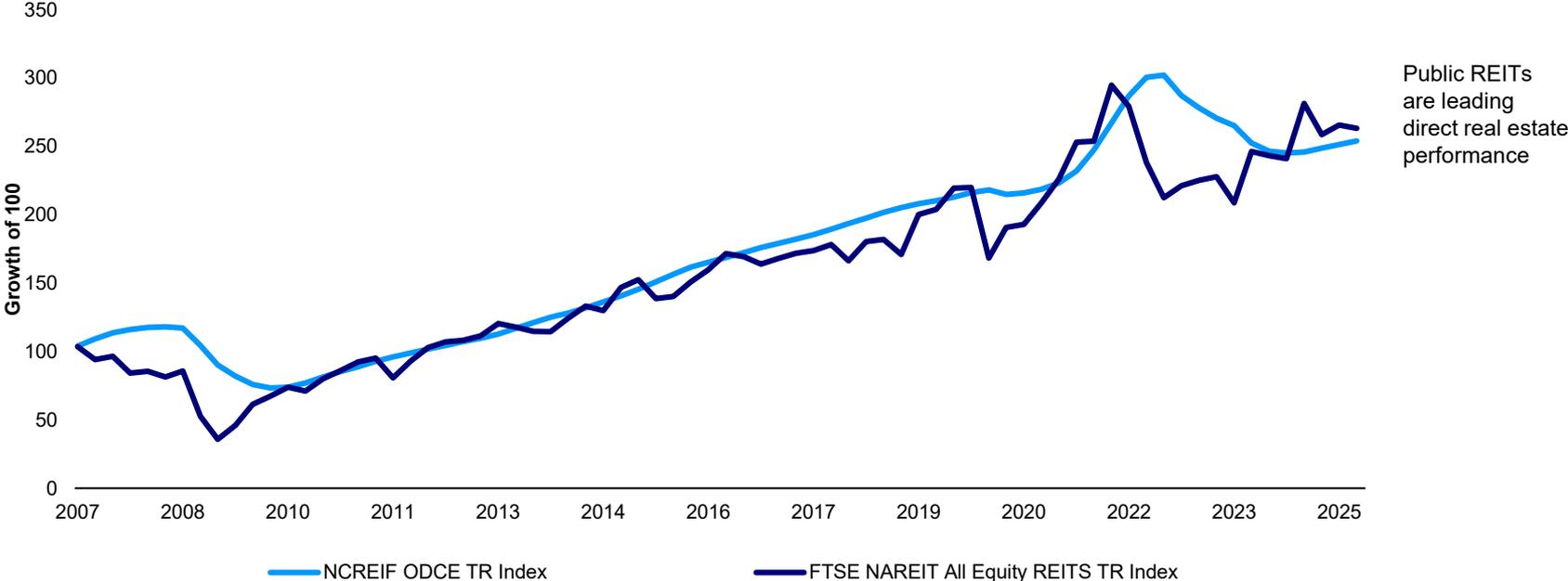
We've elevated our view on infrastructure, driven by improved valuations, strong fundamentals, and powerful secular tailwinds—especially in digital infrastructure and its impact on power generation and transmission. While reversal of the Inflation Reduction Act may reduce capital for green projects, the long-term trend is supported by digital expansion and improved unit economics that no longer require subsidies.

Energy transition funds have dominated fundraising over the past decade, so limited capital raising is no surprise. Data center and digital infrastructure demand will likely continue from the AI theme, with potential extra capacity from oil and gas. We're watching for impacts on transportation from reduced trade due to heightened tariffs.

Sources: Invesco Solutions, Invesco Real Estate, views as of Aug. 19, 2025.

Cumulative growth of listed vs. unlisted real estate

Listed and unlisted real estate performance 2006-2025, Dec. 2006=100



Source: Invesco Solutions, based on data from NCREIF ODCE TR Index representing unlisted real estate performance, as of Mar. 31, 2025, and FTSE NAREIT All Equity REITS TR Index representing listed real estate performance as of Mar. 31, 2025. Listed real estate is gross of fees while unlisted is net of fees. **Past performance does not guarantee future results.**

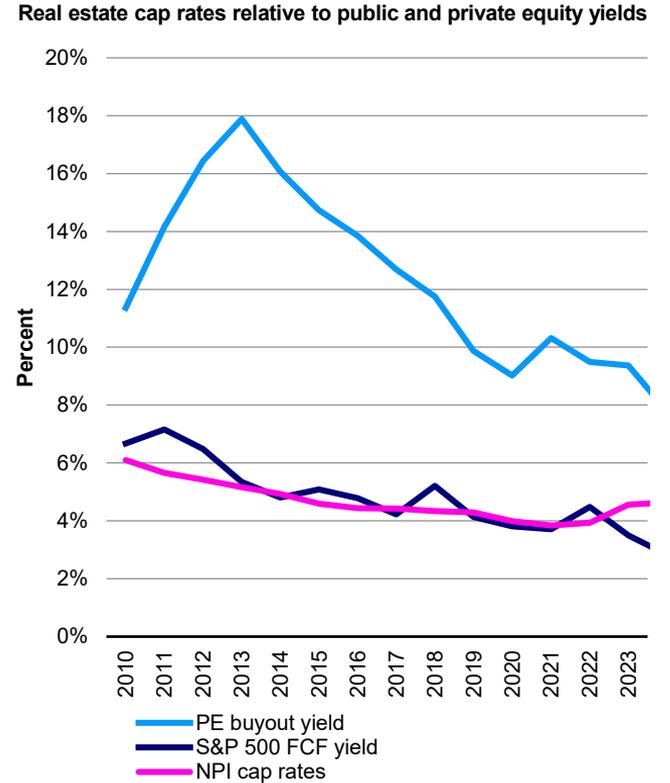
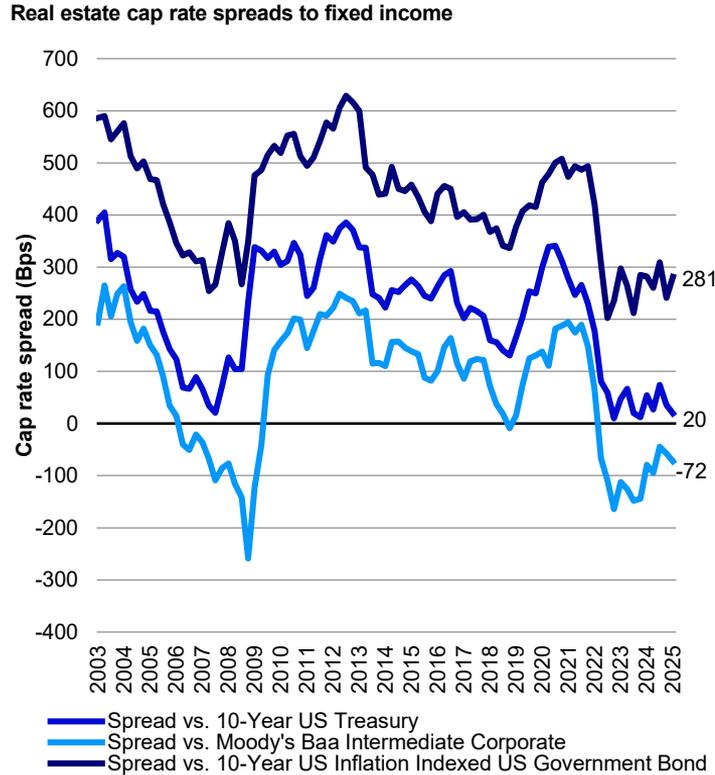
Views on private assets: Real assets

Investment type	Allocation range			Comments
	Underweight	Neutral	Overweight	
Real estate core				<ul style="list-style-type: none"> Public and private valuations have converged, and we expect the trough in valuations is imminent. Exposure to high quality real estate assets with stable current income*. Potential headwinds to existing cap rates resulting from rapid rise in interest rates. Mixed outlook varies by sub-sector.
Real estate value add/opportunistic				<ul style="list-style-type: none"> Focus on dislocations in credit markets. High levels of economic and market volatility may create attractive opportunities.
Infrastructure core				<ul style="list-style-type: none"> Exposure to current inflation-linked income backed by long-term contracts and/or concessions. Broad-based fundamental tailwinds across sub-sectors balanced by high valuations.
Infrastructure value add/opportunistic				<ul style="list-style-type: none"> Includes exposure to brownfield and greenfield projects. Tailwind from secular growth themes (renewables, digital) and increased government support (IIJA).

Source: Invesco Solutions, views as of Aug. 20, 2025. For illustrative purposes only. *Per NCREIF “The term Diversified Core Equity style typically reflects lower risk investment strategies utilizing low leverage and generally represented by equity ownership positions in stable U.S. operating properties.”

Real estate cap rate spreads

Direct real estate valuations remain elevated relative to other income-generating alternatives; however, they appear to have bounced from recent lows and stabilized. Cap rates relative to public equity yields are the most attractive they've been post-GFC.



Sources: Invesco Solutions, NCREIF, Moody's Analytics, S&P, Pitchbook LCD, as of Jun. 30, 2025.

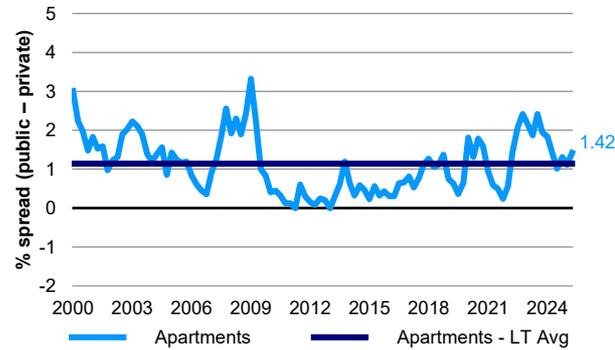
VALUATIONS

Public - private real estate cap rate spreads

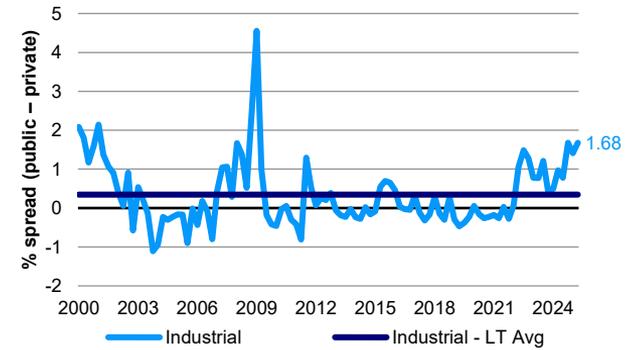
The spread between public and private cap rates remain in line with long term averages for most major sectors outside of industrial, where public cap rates are widening relative to private.

This spread indicates a relative value differential in the public or private real estate markets.

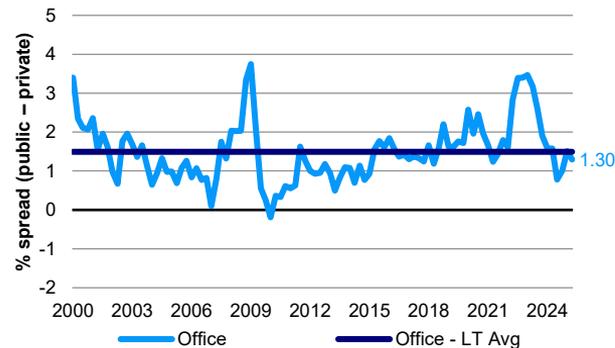
Apartments



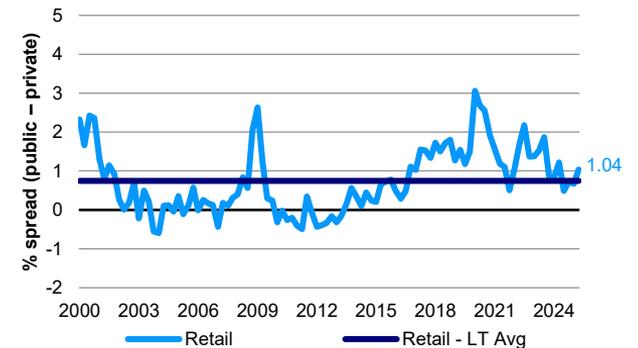
Industrial



Office



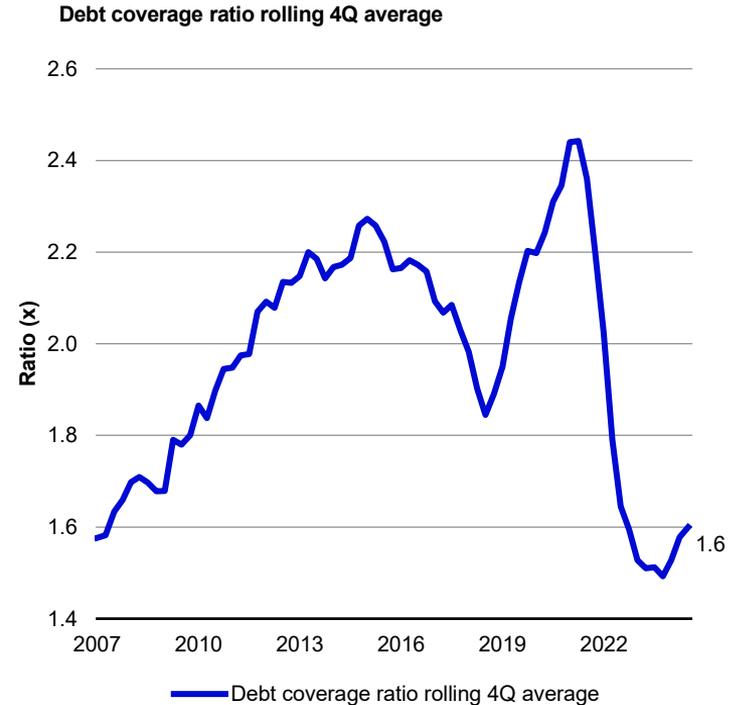
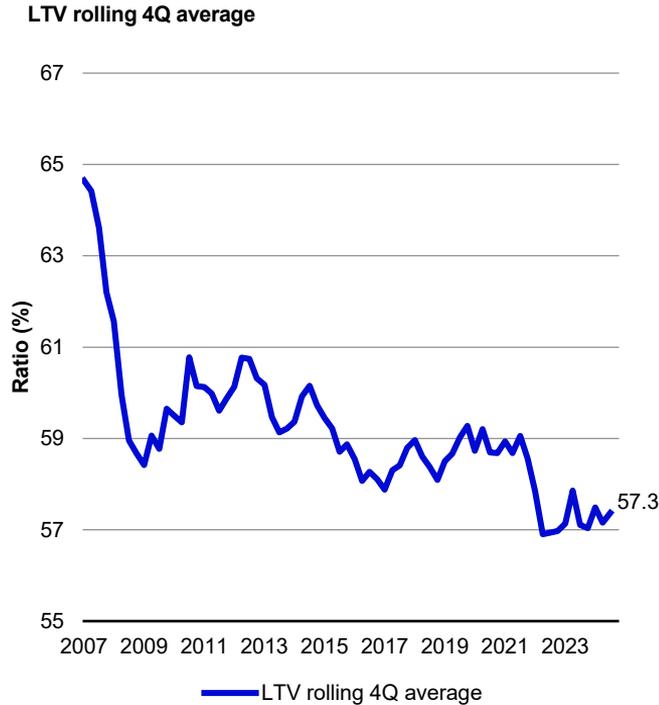
Retail



Sources: Invesco, NARIET, NCREIF, as of June. 30, 2025.

Real estate leverage (loan-to-value, LTV) and debt coverage ratio

Modest levels of leverage in the system post-GFC should moderate systemic risk. We are currently monitoring interest coverage ratios.

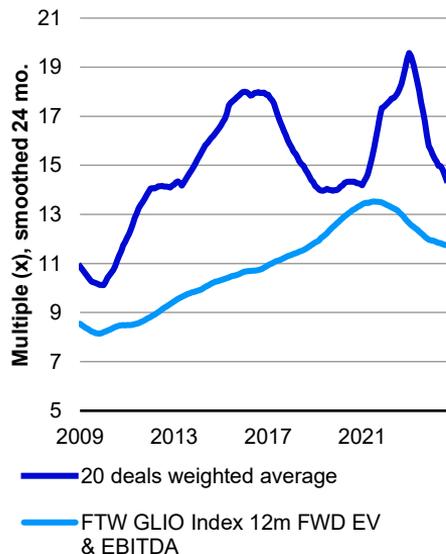


Sources: Invesco Solutions, NCREIF, Moody's Analytics, as of Mar. 31, 2025.

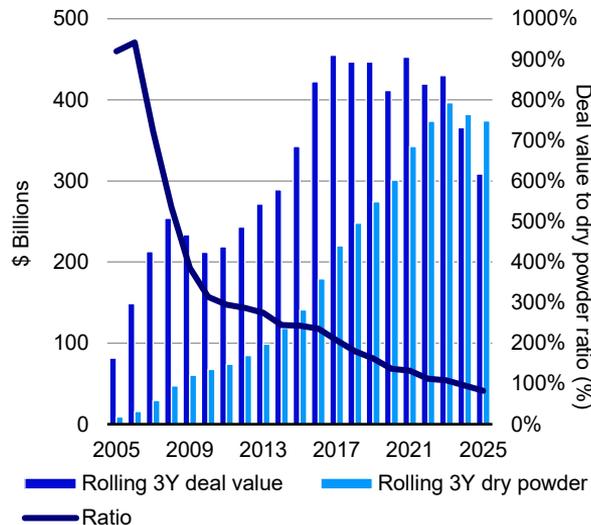
Infrastructure

Elevated valuations combined with robust dry powder are offset by an expanding opportunity set with long-term secular tailwinds

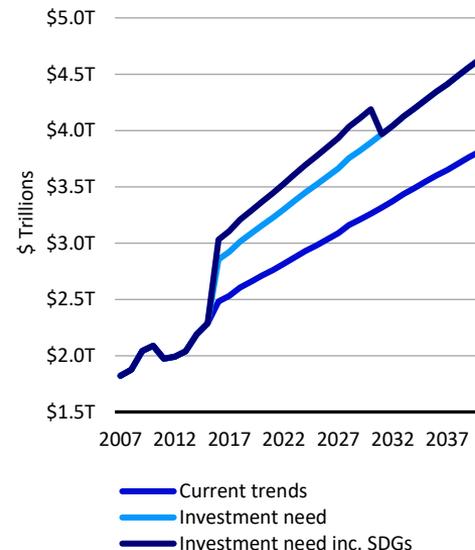
Infrastructure EV/EBITDA



Deal value to dry powder ratio



Investment need in infrastructure



Sources: Invesco Solutions, Pitchbook, Preqin, Global Infrastructure Hub, as of Jun. 30, 2025.

Hedge funds

Event-driven and
systematic trend

4

2025 alternative opportunities – Q3 outlook: Hedge funds



Jeff Bennett, CFA
Head of Manager Selection
Invesco Solutions

Overweight hedge funds, given current levels of arbitrage spreads and a central bank easing cycle

Asset class	Overall	Valuations	Fundamentals	Secular trend
Event-driven and arbitrage	Overweight	Neutral	Neutral	Attractive
Systematic trend	Overweight	Neutral	Neutral	Attractive

Hedge funds

With low correlations to traditional assets* and the possibility for higher-for-longer interest rates, we believe hedge funds are particularly attractive. Since hedge funds operate off a spread, elevated base rates provide a generous tailwind. While not our base case, a deeper market correction due to a recession or inflation resurgence may prove hedge funds to be a valuable alternative within a portfolio.

Event-driven and arbitrage

Spreads within event-driven strategies remain high despite limited capital market activity from mergers and acquisitions as private equity remains sidelined. With the possibility of an improved corporate action environment due to aging private equity capital, lower interest rates, and a potentially easier, albeit volatile, regulatory environment post-election, these strategies may have tailwinds into 2025.

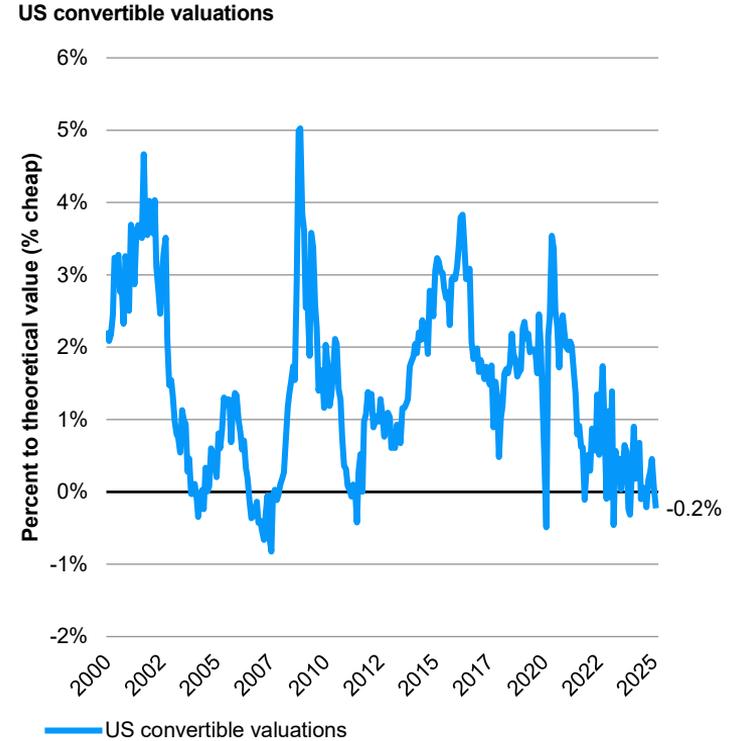
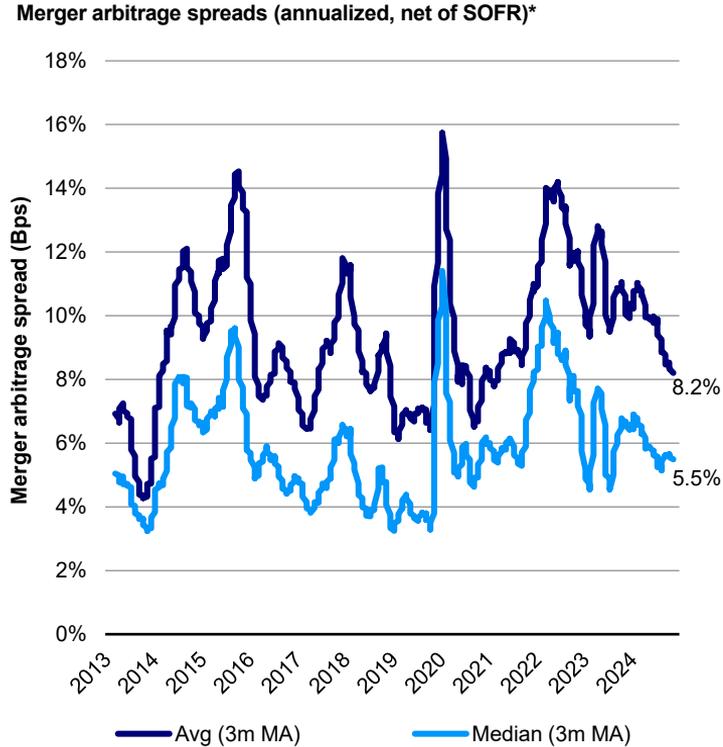
Systematic trend

With the Federal Reserve (Fed) beginning to cut interest rates from elevated levels, we analyzed how systematic trend strategies perform in this market environment. Our first finding is that trend strategies outperform when base rates are above average and falling. Additionally, the correlation of systematic trend funds to US equities is significantly negative as the fed funds rate is lowered, allowing for diversification benefits within asset allocations*.

Source: Invesco Solutions, views as of Aug. 19, 2025. *See slide 33.

Merger arbitrage and convertible arbitrage

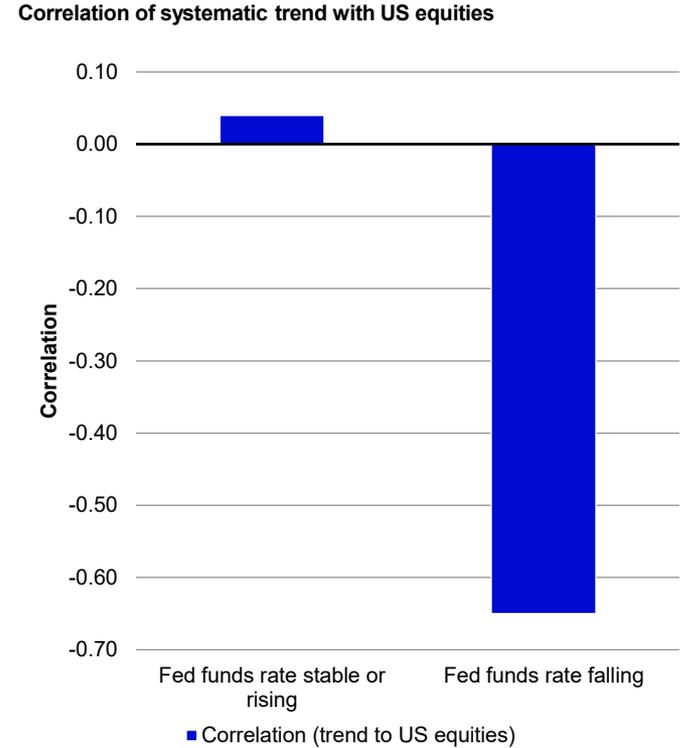
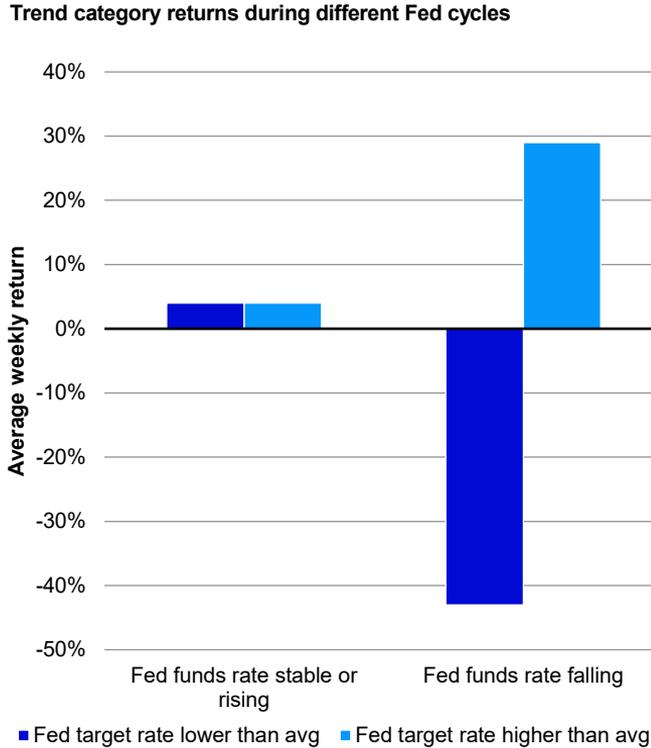
Spreads are wide on a variety of measures within merger arbitrage. Convertible valuations relative to theoretical value are slightly below average.



Sources: Invesco Solutions, UBS Special Situations, Moody's Analytics, S&P, Pitchbook LCD, latest data available as of Mar. 7, 2025. *Merger arbitrage averages and medians are only for definitive deals with more than 5 days to expected closing and impose a 0% floor and 50% cap.

Systematic trend

Trend strategies tend to outperform when base rates are above average and falling. Further, their correlations to US equities are significantly negative as the Fed funds rate is lowered.



Sources: Invesco Solutions, Morningstar, Bloomberg L.P., as of Nov. 30, 2024. **Past performance is no guarantee of future results.**

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Disclosures

Appendix: Asset class proxies and indices

Asset Class	Index Name
IG All	ICE BofA US Corporate Index
IG AAA	ICE BofA AAA US Corporate
IG AA	ICE BofA AA US Corporate
IG A	ICE BofA Single-A US Corporate
IG BBB	ICE BofA BBB US Corporate
HY All	ICE BofA US High Yield
HY BB	ICE BofA BB US High Yield
HY B	ICE BofA Single-B US High Yield
HY CCC	The Bloomberg Caa US High Yield Index measures the USD-denominated, Caa-rated, high yield bonds.
Lev Loan All	MS LSTA Lev Loan Index
Lev Loan BB	MS LSTA Lev Loan Index - BB
Lev Loan B	MS LSTA Lev Loan Index - B
CLO AAA	J.P. Morgan Collateralized Loan Obligation Index (CLOIE)
CLO AA	J.P. Morgan Collateralized Loan Obligation Index (CLOIE)
CLO A	J.P. Morgan Collateralized Loan Obligation Index (CLOIE)
CLO BBB	J.P. Morgan Collateralized Loan Obligation Index (CLOIE)
CMBS AAA	I30885 Index OAS, US Agency CMBS: Agg Eligible
Agency MBS	I16160 Index OAS, US MBS: Agency Fixed Rate MBS
CMBS AA - BBB	CB50 Index
Auto ABS	Bloomberg ABS Auto Total Return Index Value Unhedged USD. (Legacy Ticker: LAATTRUU)

Asset Class	Index Name
Expansion capital	Preqin Expansion Capital Index
Venture capital (VC)	Preqin Venture Capital Index
Growth equity	Preqin Growth Equity Index
Large buyout	Burgiss Global Large Buyout Index
US equity	Russell 3000 Index
Global ex-US equity	MSCI ACWI ex USA Index
Venture lending	Cliffwater Venture Lending Index
Senior direct lending (DL)	Cliffwater Senior Direct Lending Index

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations), and investors may not get back the full amount invested.

Alternative strategies may include investments in private equity, private credit, private real estate and infrastructure, which may involve additional risks such as lack of liquidity and concentrated ownership. These types of investments may result in greater fluctuation in the value of a portfolio. Private Market investments are exposed to risk, which is the risk that a counterpart is unable to deal with counterparty obligations. Changes in interest rates, rental yields and general economic conditions may result in fluctuations in the value of any underlying strategies. These types of strategies may carry a significant risk of capital loss and other market risks.

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