Vantage Point

Vantage Point is **your trusted source** for carefully selected research and insights. In this series, our team of analysts curates a relevant report to help you navigate the ever-changing financial landscape with confidence.

Vantage Capital

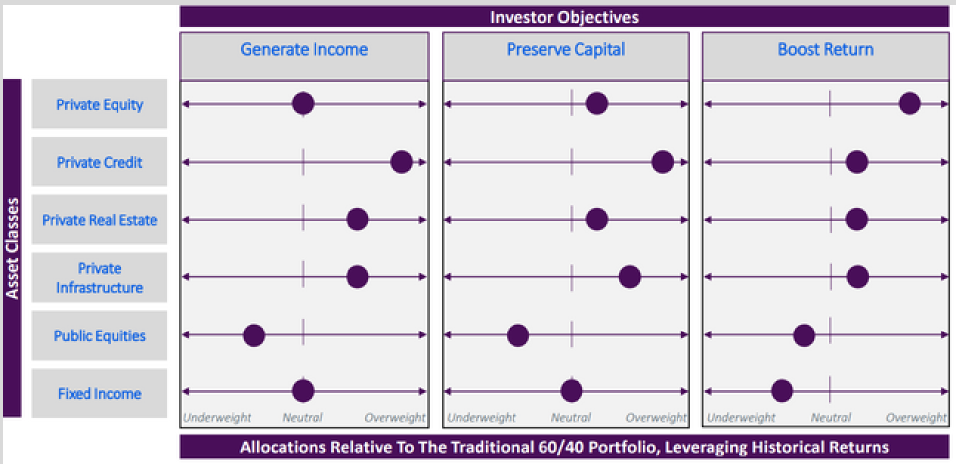
PURPOSE-DRIVEN WEALTH MANAGEMENT

December 9, 2024: KKR - Investment Playbook 4Q '24

Navigating macro uncertainty with Alternatives

KEY POINTS

- **Alternatives are essential:** Private equity, infrastructure, and private credit provide diversification, income, and inflation protection.
- **Inflation risks persist**: Higher inflation volatility calls for strategies that withstand unpredictable macro shifts.
- **Private equity and real assets**: Growth sectors like tech drive private equity, while real assets offer stable, inflation-linked returns.



Source: KKR

SUMMARY

Shifting macroeconomic conditions are driving the need for greater portfolio diversification. Elevated inflation volatility and geopolitical uncertainties are reshaping asset allocation strategies, with alternatives like private equity, infrastructure, and private credit becoming vital for generating returns and managing risk.

Real assets, offering inflation-linked cash flows, and growth sectors within private equity, such as technology, present compelling long-term opportunities.

As traditional 60/40 portfolios face limitations, adapting portfolio to this new landscape is essential for resilient wealth management, in our view.

OUR VANTAGE POINT

At Vantage Capital, we believe this evolving macro environment underscores the **need for disciplined diversification**.

The shift away from traditional 60/40 portfolios toward greater allocations in alternatives aligns with our view that private equity, infrastructure, and private credit are crucial for enhancing returns and managing risk. As inflationary pressures persist, we see opportunities in real assets for inflation hedging and in private equity to capture transformative growth trends.

For a more detailed analysis and personalized investment strategies, please contact one of Vantage Capital's advisors.

OTHER REPORTS WE ARE WATCHING

- **Bank of America**: Capital market outlook, available here
- **Morgan Stanley**: Navigating the Trump Trade, available here

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REACH ONE OF OUR ANALYSTS

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