

Asset Allocation:

Building growth portfolios with private markets

Start with the Goal

When a client's investment objective is growth, asset allocation should focus on strategies that can deliver long-term capital appreciation — while managing risk in a way that supports staying invested.

Key private market growth drivers:

1

Private equity

Active value creation

Private equity managers work directly with portfolio companies to accelerate growth.

Actionable insight

Position private equity as the "growth engine" in a portfolio.

2

Private credit

Growth support with stability

Private credit provides financing to companies in expansion phases, while generating steady income for investors.

Actionable insight

Consider using private credit as a tool to help mitigate volatility.

3

Real assets

Tangible growth opportunities

Real estate and infrastructure can diversify¹ a growth portfolio. These asset classes have historically offered inflation protection and capital appreciation.

Actionable insight

Position real assets as both a growth contributor and a tool to help mitigate risk.

Next steps

Use our step-by-step guide.

Turn the page for key questions to answer when allocating to private markets for clients seeking growth.



1. Diversification does not ensure a profit or protect against losses.

Growth portfolio Q&A: Advisor worksheet

Use these questions to prepare before discussing private markets with clients seeking growth:

Question 1:

Portfolio construction



How will I define the role private markets will play in driving this client's growth objectives?

Notes

Question 2:

Asset class mix



What is the right balance between private equity, private credit, and real assets to meet the client's goals?

Notes

Question 3:

Time horizon & liquidity



How will I align the investment timeline with the client's patience for illiquidity and long-term capital commitments?

Notes

Growth portfolio Q&A: Advisor worksheet

Question 4:

Access & differentiation



How will I showcase growth opportunities and considerations in private assets that clients can't find in public markets?

Notes



Four tips for client conversations

Explain the strategy

Position private equity as the growth engine within the broader portfolio.

Set realistic timelines

Growth strategies often require years before realizing gains.

Highlight diversification¹ benefits

Access to opportunities beyond public markets.

Balance ambition with transparency

Discuss both potential upside and inherent risks.

1. Diversification does not ensure a profit or protect against losses.

Important disclosure information

The information provided herein is for education purposes only. Nothing herein constitutes investment advice or recommendations and should not be relied upon as a basis for making an investment decision. This material is being provided as an illustrative framework for how to think about private markets but this does not replace suitability processes that advisors conduct on their clients to ensure eligibility for private markets products. Advisors should work with their clients to determine the most appropriate investments for their client's circumstances. Opinions expressed reflect the current opinions of Blackstone as of the date hereof and are based on Blackstone's opinions of the current market environment, which is subject to change. Past events and trends do not imply, predict, or guarantee, and are not necessarily indicative of, future events or results.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any security or instrument, or a solicitation of interest in any Blackstone vehicle, account, or strategy. If any such offer is made, it will only be by means of an offering memorandum or prospectus, which would contain material information including certain risks of investing including, but not limited to, loss of all or a significant portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity, and volatility of returns.

The Blackstone logo, consisting of the word "Blackstone" in white serif font on a black rectangular background.

Blackstone
345 Park Avenue
New York, NY 10154
www.blackstone.com