

Introducing Private Markets: Starting the conversation

You can build confidence — and spark interest — by focusing on three clear, resonant points.

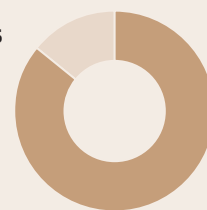
1

A bigger opportunity set

Access a larger investable universe.

The vast majority of companies are privately held — and that's where private markets primarily invest.

Public companies
14%¹



Private companies
86%¹

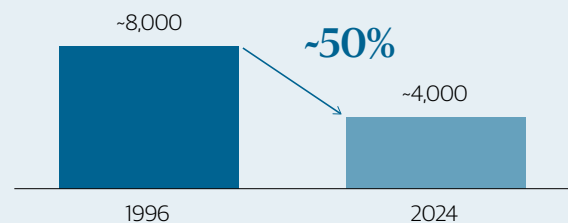
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Potential diversification² benefits

Public markets are increasingly concentrated.

Private markets have the potential to reduce volatility and portfolio drawdowns.

NUMBER OF US-LISTED PUBLIC COMPANIES⁴

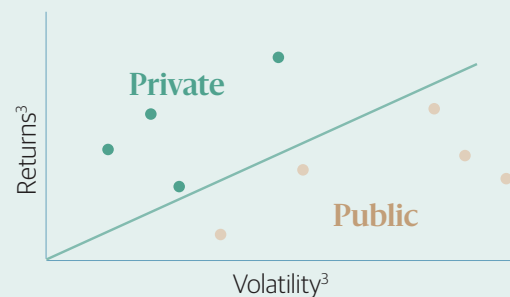


3

Attractive returns

Diversification² doesn't mean giving up performance.

Private markets have historically delivered strong returns over time.³



Next steps

Use our step-by-step guide.

Turn the page for a conversation framework you can use to introduce these ideas.

1. Source: Capital IQ, as of June 2024.

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

3. Source: Morningstar, over the 10-year period from January 1, 2015 to December 31, 2024. **Past performance does not predict future returns.** There can be no assurance that any alternative investment asset class will achieve its objectives or avoid substantial losses.

4. Source: World Federation of Exchanges.

Building client confidence in private markets

For each big idea, you'll see potential client responses and how you might reframe them.

A larger opportunity set

Potential client response

"Public markets already give me access to leading global companies. Why look beyond them?"



Lightbulb moment

Highlight that public markets represent only about 14% of companies worldwide. The other 86% are privately held — and private markets open the door to this much larger, often untapped, universe of opportunities.

Notes

Greater diversification¹

Potential client response

"My portfolio is diversified across stocks and bonds. What would private markets add?"



Lightbulb moment

Explain that diversification isn't just about asset classes — it's about return drivers. Private markets can provide exposure to sectors, geographies, and strategies not available in public markets, reducing reliance on a narrow set of public market leaders.

Notes

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Attractive returns

Potential client response

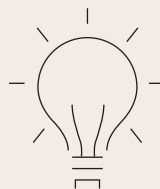
"Why do private markets generate attractive returns?"



Lightbulb moment

Show that an illiquidity premium can enable long-term strategies that avoid short-term pressures. Historically, private equity, private credit, and real assets have delivered compelling returns over extended periods.²

Notes



Quick tips for creating light bulb moments

Start with their view

Ask how your clients see private markets before sharing your perspective.

Build on their viewpoint

Use their existing ideas as a starting point for the discussion.

Link to their goals

Connect each idea directly to what they want to achieve.

Back it up

Use clear data or examples to make the point stick.

2. Source: Morningstar, over the 10-year period from January 1, 2015 to December 31, 2024. **Past performance does not predict future returns.** There can be no assurance that any alternative investment asset class will achieve its objectives or avoid substantial losses.

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