

Fund Finance Friday



PE Firms Set Sights on Retail Investors – WSJ

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These are trying times for the old 60/40 portfolio. *The Wall Street Journal* this week highlighted a pivot among PE firms to court retail investors after firms have successfully convinced pension and sovereign wealth funds to up private market allocations. Rather than an across-the-board increase in high-net-worth investors, a greater retail presence may show up mostly in permanent capital vehicles, such as evergreen funds or BDCs, engineered specifically with individual investors in mind.

U.S. households held \$50.0 trillion in equities at the end of 2021, an all-time high. The share of household investments allocated to equities also reached a record high. The data suggests that greater investment diversification into alternatives may be appropriate. (As a side note, household equity allocation has a good track record as a negative predictor of stock market performance.) *The Wall Street Journal* report is available [here](#).