

# A New Building Block: The Role of Infrastructure in a Diversified Portfolio

Infrastructure is the backbone of society, comprising of physical assets that enable everyday life and economic activity.

## Examples:



### Transportation

Roads, Railways, Seaports



### Energy & Utilities

Power Plants, Water, Waste



### Digital

Data Centers, Cell Towers, Fiber



### Social

Hospitals, Schools, Housing

## Infrastructure Correlations with Private and Public Market Assets

(03/31/2010-03/31/2025)

		PRIVATE MARKETS				PUBLIC MARKETS			
Asset Class		Private Infrastructure	Private Equity	Private Credit	Real Estate	U.S. Stocks	Global Stocks	Bonds	Listed Infrastructure
PRIVATE MARKETS	Private Infrastructure	1.00							
	Private Equity	0.48	1.00						
	Private Credit	0.55	0.81	1.00					
	Real Estate	0.46	0.62	0.55	1.00				
PUBLIC MARKETS	U.S. Stocks	0.29	0.61	0.61	0.25	1.00			
	Global Stocks	0.30	0.63	0.64	0.23	0.98	1.00		
	Bonds	-0.16	-0.05	-0.19	-0.21	0.12	0.15	1.00	
	Listed Infrastructure	0.42	0.53	0.58	0.32	0.77	0.83	0.24	1.00

Sources: Preqin, FactSet.

## Infrastructure Attributes

- **Diversification:** Low correlation with other asset classes
- **Stability:** Exposure to essential services can offer lower volatility and downside mitigation
- **Income:** Predictable cash flows can support consistent distributions
- **Inflation-Linkage:** Long-term contracts often have embedded features to mitigate inflation

**Past performance does not guarantee future results.** There is no guarantee that the attributes listed will be achieved.

Correlations are represented by the following indices: **Private Infrastructure** = Preqin Private Infrastructure Index; **Private Equity** = Preqin Private Equity Index ex. VC; **Private Credit** = Preqin Private Credit Index; **Real Estate** = Preqin Real Estate Index; **U.S. Stocks** = S&P 500® Index; **Global Stocks** = MSCI World Index; **Bonds** = Bloomberg U.S. Aggregate Bond Index; **Listed Infrastructure** = S&P Global Infrastructure Index.

## MORE INFORMATION

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