

Are You Overlooking a Strategic Opportunity in Private Markets?

It's a common misconception among small to mid-sized insurers that private investments and alternative strategies (ALTS) are out of reach. You may believe that your company:

- Is too small to access private market solutions;
- Can't meet high minimum investment thresholds;
- Must avoid assets lacking public ratings or perceived transparency;
- Lacks the in-house expertise to evaluate ALTS; or
- Is too conservative to consider these "riskier" investments.

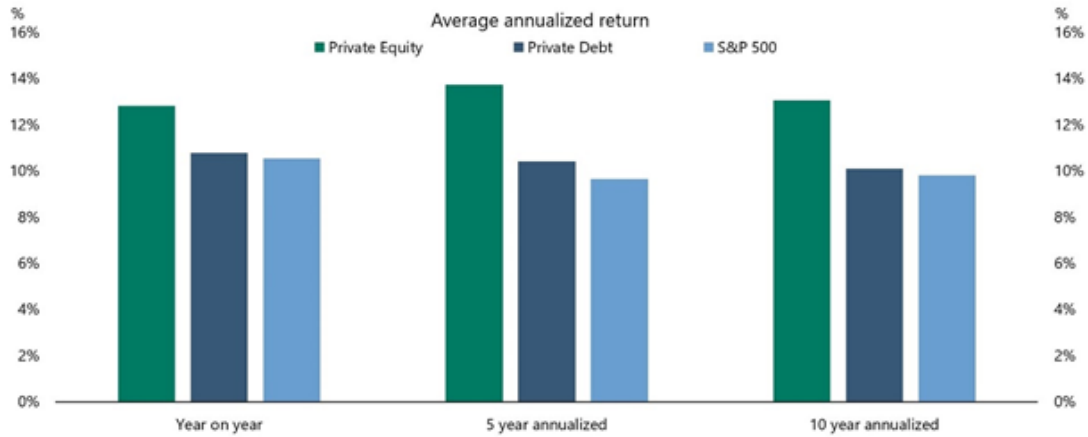
In today's evolving investment landscape, **these assumptions no longer hold true.**

- All insurance companies qualify as accredited investors—opening the door to institutional-quality opportunities.
- Minimums have come down significantly, with many institutional alternative strategies accessible starting at \$500,000.
- Transparency has improved dramatically—many ALTS strategies are now rated by the NAIC and assigned designations equivalent to investment-grade bonds.
- CapVisor has conducted rigorous due diligence on over 20 private investment solutions specifically tailored for insurers.
- These strategies are not just viable—they're valuable. When modeled within a broader insurance portfolio, they have shown the potential to **reduce overall risk and enhance long-term returns**, thanks to their low correlation with traditional public market exposures.

Apollo's Chief Economist, Dr. Torsten Slok, recently illustrated how modest allocations to alternatives can materially improve risk-adjusted returns for insurers.

In a challenging rate environment, the question is no longer "can we invest in ALTS?" but "can we afford not to?"

Private equity and private credit outperforming the S&P 500 at all horizons



Note: The calculation takes 5-year annualized and 10-year annualized returns for every 5-and 10-year window with sample starting in 2000 to 2024 and averaging returns over time. Sources: Preqin, Apollo Chief Economist

And, the S&P 500 has been a difficult index to beat! **To learn more, check out our detailed reports at:** <https://capvisorassociates.com/research.html>

Articles titled **“Private Credit Research Report”** & **“The Strategic Case for Private Debt”**

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