

## **Gamma Explains – Episode 2 / 2026 – Private Markets**

Financial education is about knowledge and behaviour. If you have more knowledge about the basic elements of financial education, you are likely to make better choices.

What Gamma hopes to do with this series is conveying a few basic elements of financial education in a very simple and entertaining way.

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**Anchor:**

**Claudia Pensotti – Class CNBC**

**Guests:**

**Andrea Beltratti – Full Professor at Bocconi University and Chairman EFG Gamma Foundation**

**Andre Portelli – Head of Investment & Client Solutions, EFG International**

**Ludmila Andriouchchenko – EFG Talent, Zurich**

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**Claudia Pensotti – Senior Anchor Class CNBC**

Welcome to our second episode of Gamma Explains. Today we're going to talk about private markets. We're going to do it with our guest that I would like to introduce. Andrea Beltratti, who is Chairman of EFG Gamma Foundation, as well as professor at Bocconi University.

**Andrea Beltratti – Full Professor at Bocconi University and Chairman EFG Gamma Foundation**

Thank you.

**Claudia Pensotti**

And we have Andre Portelli, who is Head of Investment & Client Solutions at EFG International. Thank you for being with us.

**Andre Portelli – Head of Investment & Client Solutions, EFG International**

Good morning and thank you very much for having me. It's a pleasure to be on the show today.

**Claudia Pensotti**

So let's start right off by going to hear what EFG Talent had to say about private markets.

**Ludmila Andriouchchenko – EFG Talent, Zurich**

It is actually an umbrella term for any investments in companies or real assets which are in private ownership. This means that the company or the real assets are not traded on the stock exchange.

Since private markets is a very generic term, let's take a look at all the types within private markets. So when we talk about investing in privately owned companies, specifically in the equity of the privately owned companies, we refer to that as private equity.

If we think of providing credit to a private owned company, we can say that we refer to that as direct lending, which is part of private debt. Investing in the equity or providing credit to projects, investing in real assets like a real estate project or an infrastructure project, is referred to as private infrastructure or private real estate.

**Claudia Pensotti**

So we heard what the talent had to say. Beltratti, let's go further into the definition of private markets, their size, as well as why they are so interesting.

**Andrea Beltratti**

Well, first, we should think about investable private assets, which is the subset of private assets that is actually hit by collective investment vehicles like funds, like private equity funds or private debt funds. So the financial intermediation sector has made a lot of progress in extending the reach towards investable private assets.

The size is hard to measure. There are many estimates. A recent estimate that I saw puts the value of the overall investable part to about 10 trillion USD around the world, which is a pretty large number. But actually, a lot less than the estimated value of private assets, also including those that are non-investable. For example, in real estate, there are estimates suggesting that about 1 trillion USD around the world is investable real estate, whereas real estate in general is a lot larger than 200 trillion USD around the world.

Why are they so interesting to investors? Well, a couple of reasons. First, they are through long-run investment, and they are put into vehicles that really prevent investors from having short-term reactions that sometimes are irrational and go to the detriment of average return. So that's an important point. Second, also due to their accounting that does not involve mark-to-market, but it's about fair value. They have stability in valuation, perhaps more accounting and psychological stability, the true financial stability, which is very useful for many investors.

**Claudia Pensotti**

So Portelli, as we hear from Beltratti, it's an interesting asset class, but it's been around for many years, 30 years. But it's just in the recent, last maybe four or five years, that it's become a very interesting asset class. Why is that, first of all? And then also, how should one that is interested in investing in private markets approach this portfolio?

**Andre Portelli**

I think to answer the first part of your question, it's true. It's an asset class that has been around for 30 years plus. But it's more recent that it has become, I would say, more diversified than just private equity, which is where the asset class is born, if you like, 30 years ago. So we've moved on from the industry being just about buyouts and leveraged buyouts. It's now more about private markets, which means in private markets, you can access credit investments, you can access infrastructure investments, you can access growth investments. And that has caused the asset class to become much larger and much more relevant and also more investable.

Also, it is true that it has become much easier to access. The larger managers in private markets have opened up the asset class to smaller investors historically. It has been very much institutional investors and ultra-high net-worth clients who have had access to the asset class. I think over the last three or four years, it's become much more widespread with lower minimum requirements. And also the private banks and advisors have built up their teams to be able to advise their clients to be exposed to the asset.

And then I think the second part of your question is how does this form part of a portfolio? I think, in general, it should be part of portfolios because a lot of value is being created in private markets. If you think about just in equity markets, by the time a company goes public, already a large amount of value has been created in the private markets. So one has to have an exposure to it to be in that value creation phase. And then in newer sectors, when you think about artificial intelligence and the whole scale up in data centres and the infrastructure around it, a lot of the financing of that activity is happening in private markets, not so much in public markets when you look at the the quantum involved and what is likely to be required for the future.

So an asset class that definitely has evolved and for sure clients across the spectrum, now that they have an ability to access it in a much easier way, should make it an integral part of their portfolio for now and also going forward.

**Claudia Pensotti**

So Portelli, what are the main takeaways on private markets?

**Andre Portelli**

Beyond what I mentioned, I think there are three main points that an investor has to always be focused on.

First of all, manager selection is important. Not all managers are good by definition. So you have to really make sure that from an advisor perspective, you are choosing the right managers and that's an important role for advisors. That's one key takeaway.

The second is that diversification matters. What that means is diversified across not just managers, but also private market strategies. So as I mentioned, there are a number of strategies now and you should have a widespread portfolio.

And most importantly, I think one key takeaway is the asset class is here to stay. So yes, we will go through up and down cycles like any other asset class, but private markets and the way of investing in private markets is here to stay for the long term. Those would be my key takeaways.

**Claudia Pensotti**

So again, thank you. Thank you to Andre Portelli, Head of Investment & Client Solutions, EFG International. And thank you also to Andrea Beltratti. Thank you for being with us.

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