

# Global institutional investors shifting risks from public to private markets, says BlackRock survey

**(HedgeWeek) -Amid rising concerns about a downturn in the economic cycle, institutional investors are looking to mitigate risks by increasing allocations to private markets, according to BlackRock's annual survey of global institutions.**

Globally, over half (56 per cent) of clients stated that the possibility of the cycle turning is one of the most important macro risks influencing their rebalancing and asset allocation plans. The survey indicates that private markets will be particularly popular in 2019. In a continuation of a multi-year structural trend of reallocating risk in search of uncorrelated returns, illiquid alternatives are set to see further inflows, with 54 per cent intending to increase exposure to real assets, 47 per cent to private equity, and 40 per cent to real estate.

According to the survey of 230 institutional clients, representing over USD7 trillion in investable assets globally, over half (51 per cent) intend to decrease their allocation to public equities in 2019. This shift is accelerating, as 35 per cent of clients planned reductions in 2018 and 29 per cent in 2017. This trend is most pronounced in the US and Canada, where over two thirds (68 per cent) plan to reduce equity allocations, compared to just 27 per cent in Continental Europe.

For the complete article, please click this link to [HedgeWeek.com](https://www.hedgeweek.com)

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