



NORTHERN TRUST

Present

2019 Chicago Private Equity Research Symposium

Friday, May 10, 2019, 8:00 – 11:00 am

Northern Trust | Global Conference Center | 50 S. La Salle Street | Chicago, IL

8:00 a.m. **Breakfast and Gather**

8:15 a.m. **Research Presentation Session**

Welcome

Kim Evans, *Northern Trust*

Allocating to Private Funds in Diversified Portfolios [\[Presentation\]](#)

Prof. Gregory Brown, *UNC Kenan-Flagler Business School*

Abstract: We investigate the risk and return characteristics of feasible private equity allocations to diversified portfolios that include public stocks and bonds. The analysis uses a sample of over 1,000 private equity buyout funds from 1987-2018 to understand the optimal commitment policies. We examine portfolio return and risk characteristics based on simulated portfolios holding stocks and bonds with part of their equity allocated to buyout funds. Our findings suggest return and risk benefits to allocating to buyout funds on average, but also a surprisingly wide range of possible outcomes based on realistic fund allocation strategies.

Are Private and Public Market Returns Really Converging? [\[Presentation\]](#) [\[Paper\]](#)

Prof. Steve Kaplan, *University of Chicago Booth School of Business*

Abstract: Over the last decade substantially more data have become available cataloging the historical returns of private equity. While the long-run returns from U.S. buyout funds have unequivocally exceeded large-cap U.S. public equities, other questions remain. Have recent returns fallen to (or below) public market returns? What is the appropriate public benchmark for buyouts and what impact does this choice have on relative return inference?

9:30 a.m. **Break**

9:50 a.m. **Panel Discussion: Private Market Performance Measurement and Attribution**

Moderator: Paul Finlayson *Northern Trust*

Panelists:

[Luis O'Shea](#), PhD, *Head of Applied Research, Burgiss* [\[Paper\]](#)

[Sidney Porter](#), PhD, *Co-founder & Chief Data Scientist, FEV Analytics*

[Tobias True](#), CFA, FRM, *Partner, Adams Street Partners*

10:45 a.m. **Closing Remarks & Networking**

[Serge A. Boccassini](#), *Northern Trust*