

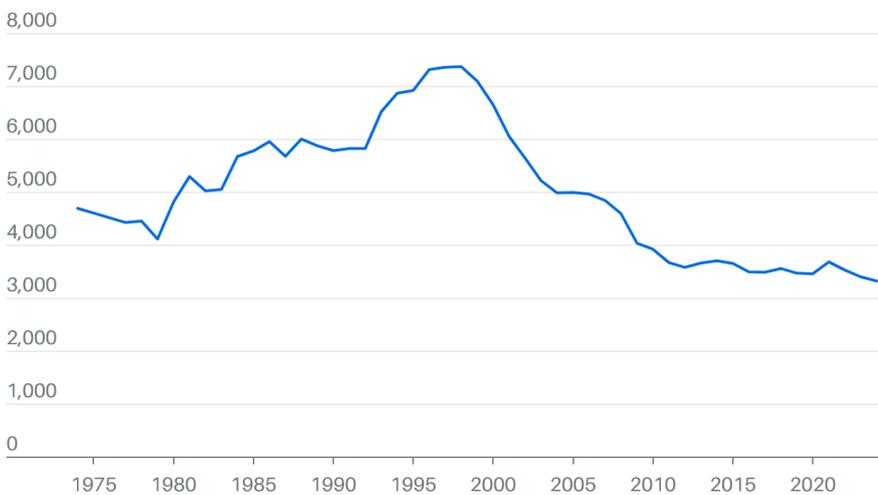
STOCK MARKET NEW HIGHS. REALLY?

Cosima F. Barone—FINARC SA—Membre du GSCGI

The Incredible Shrinking and Growing Public Market

The Wilshire 5000 has fewer stocks than ever...

Stock Count



Note: 2024 data as of Oct. 14
Source: Wilshire Indexes

In his insightful comments, published in BARRON'S, Allan Sloan wrote: "At market close on Oct. 14, the FT Wilshire 5000 Total Market Index reached its highest value ever, \$56.37 trillion, while the number of stocks in the Wilshire was down to 3,328. That's the lowest number of stocks in the index since it was created in 1974. These days, the Wilshire 5000 name feels like a misnomer, given how few stocks are in the index."

Undoubtedly, there are far fewer initial public offerings and, with indexing becoming more popular, fewer new issues being made available to retail investors—thus, paving the way to a huge shift to passive funds in recent years.

Concurrently, 'Privates' (non-public Investments), such as private equity, private credit, and venture capital, and

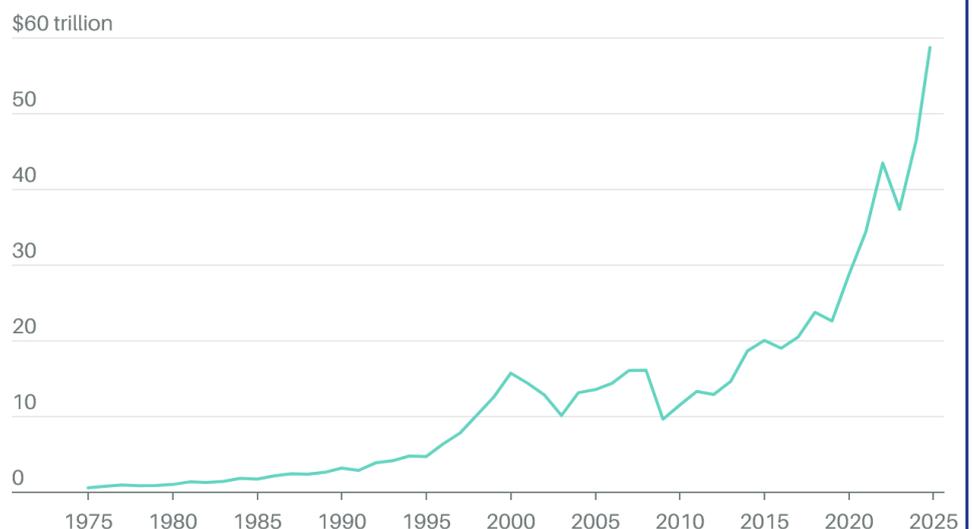
specifically offering, are where the action is. These esoteric vehicles (Alts, or Alternatives) are increasingly being made available to retail investors across the globe, especially in Europe.

This comes as no-surprise to Wall Street's professionals. Since some 87% of companies with over \$100 million in revenue are private, institutions' average allocation to Alts is 23%, while individual investors have only about 5% in Privates. Retail allocation to Alternatives is expected grow by about 10% annually over the coming decade, thus outpacing institutions.

Historical Graphs: 1975 to present, are courtesy of [BARRON'S](#).

... but they're collectively worth more than ever.

Market Capitalization



Source: Wilshire Indexes