



Real Asset Investing In An Age Of Volatility – Is It Worth It?

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With global inflation beginning to pick up, real assets like property and infrastructure may give investors interesting alternatives. In such an environment, owning these types of assets may provide opportunities for

portfolio diversification. Although real assets have their own challenges, historically, they have tended to be more stable compared to broader securities or stocks especially with increasing inflation. Here are some other reasons why you could consider real asset investing for your portfolio.

Inflation Hedging

Real assets can offer a way to hedge against both unexpected and

expected inflation. The value of real assets and the incomes typically generated from operating or leasing them may not be adversely affected by the rise in consumer prices. For a number of cases, the value of real assets and incomes from rents and leases may rise against the backdrop of inflation. This may not necessarily be true for all financial assets. A rise in consumer prices may affect stocks and securities negatively putting your portfolio

◀ at risk. Hedging inflation with real assets may therefore give investors an opportunity to grow their wealth, preserve their capital and prevent inflation from eating away their buying power.

Stable Income

Real assets have historically generated stable and significant cash flows in a tax efficient manner. This could be attractive to a wide range of investors including institutional investors, people who are approaching retirement, or those who have already retired. Besides, price appreciation and stable income are often considered two desirable traits for investments.

Value Appreciation

Real assets are often monopolistic by nature simply because they are physical assets that have a limited and finite supply. However, as populations grow worldwide, the demand for these assets rises. But the supply is not necessarily going to rise. In certain occasions, the supply available for purchase will go up but not quickly enough to meet the

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demand. This leads to an increase in the value of assets which in turn results into substantial monetary gain for the investor.

International Opportunities and Global Exposure

Real asset investments are not purely domestic. They give investors an opportunity to get exposed to global population and economic growth. Normally, as economies and populations grow globally, demand for real assets will increase. We are talking about infrastructure, housing, energy etc. Although frontier and emerging markets do have a special set of risks, they still may offer an opportunity for enhanced returns with real asset investing.

Long Term Holding Period

Real assets usually have long term

investment horizons. Individuals who have invested in these assets can monitor their portfolios over a long period of time. This can offer flexibility in investment strategy that can help enhance sound and informed investment decisions.

Investing In Real Assets with the Brookfield Infrastructure Income Fund

Getting exposure in real assets on your own can be tricky. Navigating these waters needs some level of expertise and some experience in real assets. The Brookfield Global Listed Infrastructure Income Fund (NYSE: INF) may provide a chance to diversify your portfolio into real assets through a managed portfolio. The Fund invests in a global universe of publicly listed infrastructure companies, including companies which own and operate toll roads, pipelines, electricity transmission and distribution, communications, airports, water and gas utilities. . You can buy into the Fund on the NYSE under the ticker symbol INF.