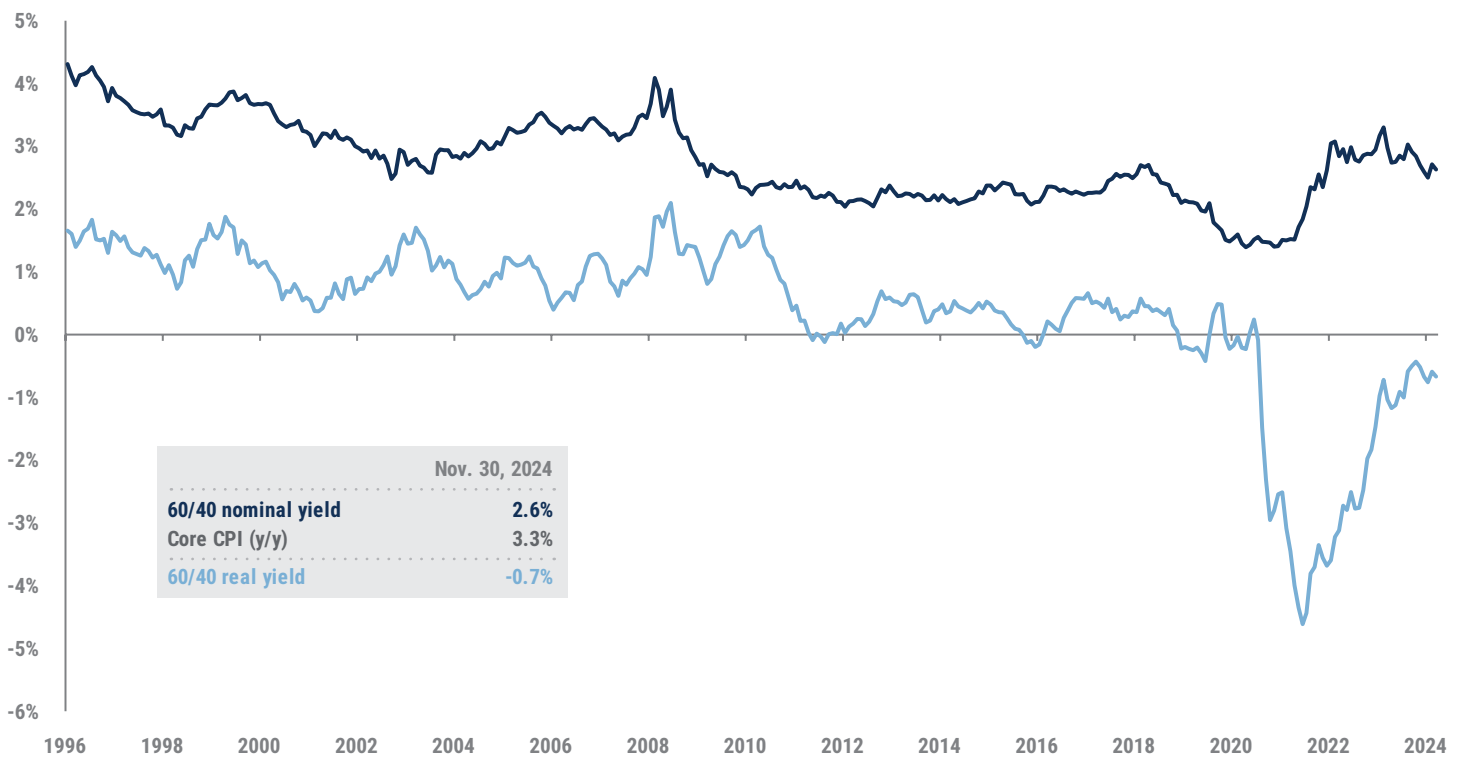


# Negative Real Yields for Traditional 60/40 Portfolios Highlight the Need for Alternatives

BLUEROCK CHART OF THE MONTH

Real yields, deducting the annual inflation rate from nominal yields of a 60/40 stock/bond portfolio, have been negative since 2020. This implies that yields from a traditional investment portfolio have not even been keeping up with inflation. We believe an alternatives allocation could help build better portfolios by enhancing income through private real estate and private credit, both historically good sources of income.

**60/40 PORTFOLIO REAL YIELD**  
60/40 Portfolio Yield Minus the Y/Y% change in Core CPI (Monthly)



Source: Chart courtesy of JP Morgan Guide to Alternatives, 12.31.2024

**Core CPI:** the consumer price index excluding the prices of food and energy.

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