



Private Markets

e-Learning Course

Private Markets

Understanding Private Equity and Its Inner Workings

Course Overview

Private Market investments consist of Private Equity, Private Debt, Private Real Estate, Private Infrastructure and Natural Resources. Investing in private markets is different. This course will highlight the differences between listed asset and private market investments. It will then focus on Private Equity to dive into the details of illiquid and commitment-based investing.

Who Is This Course For?

For client advisors promoting Private Markets investments to their clients.
For interested investors considering investing in Private Markets.

Course Format

This is a modern self-paced e-learning course in which the learner has full control over his learning path. You are not just a passive participant; you get fully involved in teaching yourself.

Course Content

This is a modern, self-paced e-learning course where the learner has full control over his or her learning path. This course consists of 2 parts

Part 1: Private Markets 1

Part 2: Private Markets 2

The following is a brief description of each of the lectures.

Lecture Descriptions

Part 1: Private Markets 1

Lecture 1 - Alternative Assets and Their Role in the Portfolio

What can you invest in? The range of possible investments or investment types is referred to as the investment universe. But the investment universe is not static, it has been expanding over the history of investing.

- The roles of asset classes in a portfolio
- Traditional vs. alternative asset classes
- Sources of return and risk

Lecture 2: Private Markets

Asset classes are a way of grouping investments with similar risk and return characteristics. The industry differentiates between traditional and alternative asset classes. It is central to understand the return and risk drivers of each asset class its role in a portfolio.

- The market for capital (issuers and investors)
- Funding alternatives of a company – Private Equity vs. Private Debt
- What is Private Real Estate / Infrastructure
- Why go private, why go public

Lecture 3: What is Private Equity

Private Market investments consist of Private Equity, Private Debt, Private Real Estate, Private Infrastructure and Natural Resources. We highlight the difference between private and listed markets.

- What is Private Equity
- Private Equity stages : Funding of a company throughout its lifecycle
- PE Companies and PE Funds structures
- Why Invest in Private Equity

Lecture 4: The Dell Case Study – Lifecycle of a Company and Funding Needs

We follow Dell from its early garage days to its leveraged buyout and restructuring many years later. We focus on how the company financed itself throughout its lifecycle.

Lecture 5: Private Equity Funds

Private equity funds are closed-end funds organised as limited partnerships. How is a partnership organised? Why is a closed-end fund suitable. What are the implications for the investor? We dive into the details and answer all these questions.

- Private Equity Funds – the typical way to invest
- Limited partnerships and main fund terminology
- Life cycle of a private equity fund
- Other ways to invest into Private Equity

Part 2: Private Markets 2

Lecture 6: The J-Curve

The J-curve represents the cumulative cash inflows and outflows of a closed-end private market fund. It is a fundamental concept in commitment-based investing. We introduce the J-Curve and investigate its impact on topics such as the fund's net asset value, vintage years, return measurement or private equity portfolio construction.

- Commitment based investing explained
- Exit strategies (cashflow event)
- Cashflows and the J-Curve
- PE and Vintage years
- Building PE Portfolios

Lecture 7: Measuring PE Returns: Multiples

In this lecture, we introduce you to the concept of return multiples, one of the two essential cashflow based measures of return in private markets. We will examine the main measures of multiples commonly used by investors and highlight their uses and limitations. Time weighted returns

- Cashflow based return measures
- Multiples
- Multiples and Vintage year

Lecture 8: Measuring PE Returns: IRR

The Internal Rate of Return (IRR), a cash flow-based measure of return that is widely used in private markets. During this lecture, we will provide a comprehensive introduction to the concept of IRR and guide you through practical calculation examples to deepen your understanding. We will also discuss the advantages and limitations of IRR compared to other measures of return, enabling you to make informed investment decisions. Money weighted returns

- IRR
- Since-Inception IRR
- Comparing multiples and IRR
- Reading a typical PE Report

Lecture 9: PE Valuation

In the world of private equity, understanding how much to pay for ownership of a private company is paramount. In this lecture we introduce the primary valuation approaches used in the private equity sector. We work through a buyout example, to gain practical insights into the valuation process. We demystify the differences between enterprise and equity value and explain the most important valuation multiples such as EV to EBITDA.

- A buyout example
- Cashflows and EBITDA
- Enterprise vs equity value
- Valuation multiples
- Other valuation approaches

Your Educational Partner and Coaches

Nosco Partners is a Swiss based company with international finance experience, servicing banks, asset managers and institutional investors. The Nosco Partners are all banking professionals with a strong academic background and extensive education experience. They have worked for many years on the business and education side of a large international bank, where client focus and practical relevance is key.

Walter Braegger, Ph.D., Partner

Walter is an expert in developing and delivering finance & risk education. For more than 20 years, he has educated finance market professionals around the globe. His expertise includes derivatives, equities, foreign exchange, fixed income and commodities, as well as special topics such as corporate finance, equity & credit analysis, risk management & control, portfolio construction and behavioral finance.

Vincent Couson, CFA, CAIA, Partner

Vincent has more than 20 years of financial market experience. Before joining Nosco Partners he was a Senior Member of the UBS Strategic Investment Advisory team developing tailored investment solutions for institutional clients around the globe. His expertise covers portfolio construction & analysis, asset & risk management as well as derivatives and structured products.

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Are you interested? Send us an e-mail to register: education@six-group.com

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