



IMCO CEO not backing away from private assets despite recent pressure on returns

James Bradshaw
Institutional Investing Reporter
Published April 9, 2026

The market for private assets has changed but Investment Management Corporation of Ontario chief executive Bert Clark says he isn't backing away from private equity or private credit in spite of recent pressure on returns.

Toronto-based IMCO earned 7.4 per cent on its investments last year, missing its benchmark by 1.4 percentage points. The bulk of those gains came from its portfolio of publicly traded stocks, which rose in value by 19.1 per cent.

Returns from private assets were muted, in keeping with a trend that has played out with other large investors. IMCO earned 5.1 per cent on infrastructure investments, 6.5 per cent from private equity and 6.7 per cent from its global credit portfolio, according to annual financial results released Thursday.

Real estate posted a modest loss of 0.5 per cent, and is now down an average of 5 per cent annually over the past three years.

Private assets make up roughly half of IMCO's \$91-billion portfolio, and Mr. Clark said he plans to keep it that way. "We still think there's a role for private markets," he said in an interview.

But private-market investing "has changed a lot in the last five years," he added.

The largest institutional investors have gotten bigger, making it hard for smaller funds to compete for deals directly. The cost of financing transactions has gone up. And it is still hard to know the impact of an influx of money from everyday investors into a market that has traditionally been dominated by large, sophisticated funds.

Even so, Mr. Clark said he expects private assets will pay off for investors that partner with the strongest fund managers and avoid the sorts of big, concentrated bets that can blow up in times of market turmoil.

“We think that over the longer term, they provide diversification benefits, the potential for better performance at times – not always, but at times,” he said.

IMCO began operations in 2017, consolidating public-sector fund assets in Ontario, and invests on behalf of eight clients, the largest of which are the Workplace Safety and Insurance Board and the Ontario Pension Board.

Total assets increased to \$90.7-billion, from \$86-billion at the end of 2024.

Strong performance from stock markets has propped up earnings for multiple large pension funds.

IMCO’s stock portfolio had a \$1-billion windfall from the sale of part of its stake in U.S.-based artificial-intelligence cloud provider CoreWeave Inc. CRWV. The pension fund invested US\$150-million in CoreWeave in 2023, before the company went public. The partial sale of IMCO’s stake added 77 basis points to its overall return for the year. (There are 100 basis points in a percentage point.)

Otherwise, IMCO has taken a measured approach, including having a large share of its public equities portfolio invested passively, a plan to avoid outsized positions, and a recent boost to holdings of Canadian stocks.

IMCO has followed the same philosophy for private assets, where no portfolio makes up more than 13 per cent of the total fund.

Mr. Clark said the fear gripping private credit appears to revolve mostly around retail investment funds with jittery clients and pockets of direct loans to middle-market companies, especially in the software sector.

IMCO holds a broader credit portfolio with a mix of public and private credit, including lending against infrastructure and real estate.

“We’re not seeing issues in our portfolio at this point,” he said, adding: “Credit is going to have cycles.”

After a jarring period for markets, turbulence has become “a fact of investing,” Mr. Clark said, and he feels “very good” about the fund’s performance in 2025, given the many potential pitfalls it faced that year. Over three years, IMCO’s average annual return is 7.6 per cent.

Those results reflect “our approach to investing, which is to build highly diversified portfolios that are resilient in the face of the inevitable surprises,” he said.

<https://www.theglobeandmail.com/business/article-investment-management-corporation-of-ontario-ceo-private-assests/>

© Copyright 2025 The Globe and Mail Inc. All rights reserved. The Globe and Mail and globeandmail.com are divisions of The Globe and Mail Inc., The Globe and Mail Centre, 351 King Street East, Suite 1600, Toronto, ON M5A 0N19. Andrew Saunders, President and CEO.