

# Omnigence Asset Management Research Challenges Herding in Alternatives, Calls for a Return to Fundamentals

CALGARY, ALBERTA, CANADA, July 2, 2025 /EINPresswire.com/ -- Omnigence Asset Management, a Canadian-based alternative investment platform, is challenging what it describes as the “illusion of alternatives” in today’s investment landscape. In a recently released research commentary “High-



Cost Beta Masquerading as Alpha: The Institutional Illusion of Alternative Investing and the Need to Return to Basics” the firm warns that overexposure to consensus strategies, financial engineering, and over-financialized segments is eroding the pursuit of true alpha—leaving many so-called alternative portfolios as high-cost beta in disguise.

“Alternative portfolios today are suffering from sameness and excess scale.” said Stephen Johnston, Managing Director at Omnigence. “Across infrastructure, private equity, and private credit, we see massive pools of capital crowding into identical trades at inflated valuations—with little regard for durability, downside protection, or investor alignment.”

Omnigence research aligns with the conclusions of numerous studies showing that for many strategies the majority of “excess” return is attributable to systematic risk premia rather than skill. In fact, in private equity, most outperformance relative to public markets disappears after accounting for leverage, size, and illiquidity and that net-of-fee private equity returns often underperform a leveraged small-cap public benchmark. Hedge fund returns, once hailed as uncorrelated alpha sources, now track closely with equity beta, credit spreads, and momentum factors.

The implication is sobering: most alternative returns are just expensive beta—amplified by leverage, hidden by opacity, and marketed as alpha. In response, Omnigence advocates a return to first-principles investing—focusing on strategies with real-world value creation, structural inefficiencies, and long-term resilience.

About Omnigence: Omnigence Asset Management is an independent alternative investment platform delivering high-conviction strategies across farmland, private equity, secondaries, and

healthcare. With offices in Toronto and Calgary, Omnigence is committed to long-term capital preservation, income generation, and true diversification in a world of crowded capital. Omnigence has grown to over CA\$1 billion in platform assets by focusing on what it describes as the neglected middle —investment opportunities that are too small or too operationally complex for large institutions and mainstream alternative managers under pressure to deploy billions in capital.

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