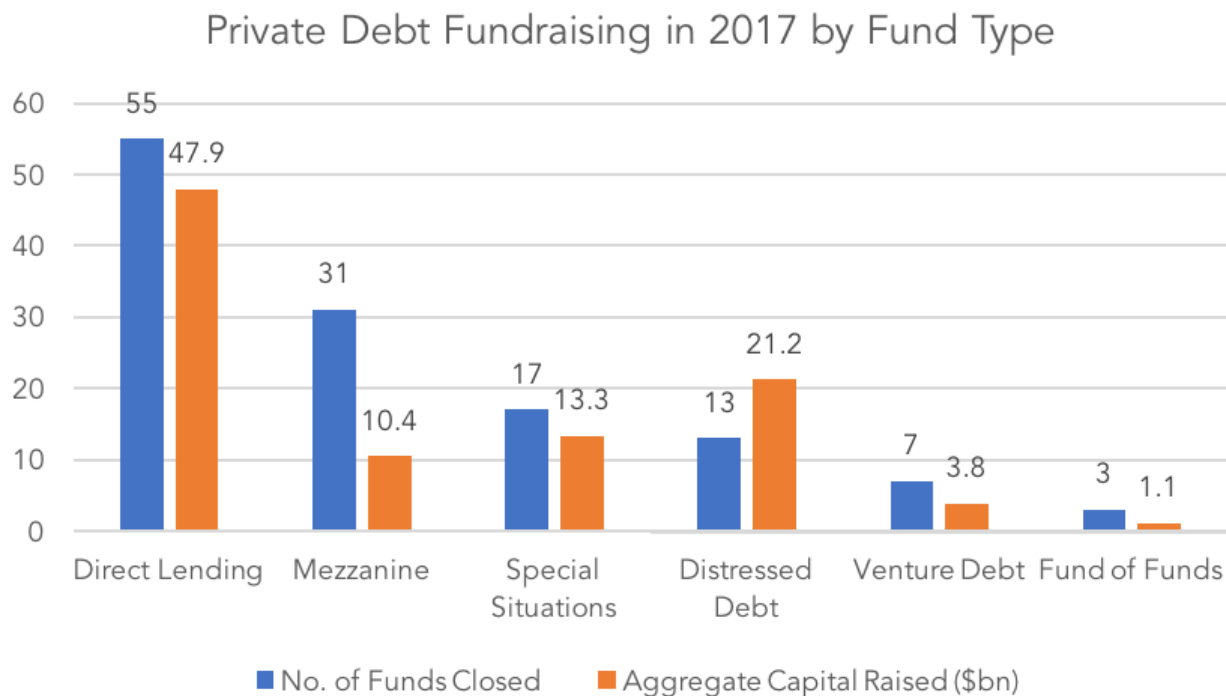


Private Debt Intelligence – 1/1/2018

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Private Debt Fundraising in 2017 by Fund Type

Chart



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2017 was a record year for private debt fundraising, as 126 vehicles secured a total of \$98bn in capital. In comparison, 2016 saw 164 vehicles reach a final close, raising \$99bn in capital. Preqin expects the 2017 figures to rise up to 10% as more information becomes available, putting the year beyond the previous record of \$100bn raised by 169 vehicles in 2015.

The record fundraising activity was primarily driven by direct lending funds: 55 vehicles following this strategy secured a total of \$48bn. This is significantly above the previous high of 2015 when this strategy raised \$38bn. Thirteen distressed debt funds closed and secured \$21bn in capital. Although the strategy accounted for the second largest proportion of capital raised in 2017, this is the lowest total raised for the debt type since 2014. Additionally, 31 mezzanine funds reached a final close, raising \$10bn, while 17 special situations funds secured \$13bn. Although seven venture debt funds secured just \$3.8bn in 2017, this is a record amount raised by the fund type; in the previous year the strategy saw seven funds close as well, but the vehicles raised around half a billion dollars. Finally, 3 private debt fund of funds closed, which raised \$1.1bn.

As at the beginning of 2018, there are 339 private debt funds in market with an aggregate target size of \$156bn. Of those, 160 are direct lending vehicles targeting \$66bn, accounting for the largest proportion of private debt funds in market. There are 65 mezzanine vehicles targeting \$25bn, and there are 46 distressed debt funds with a target of \$37bn. Additionally, there are 38 special situations vehicles with an aggregate target of \$24bn, while 20 venture debt vehicles are targeting \$1.7bn. Private debt fund of funds make up the smallest proportion of funds in market, with 10 vehicles with an aggregate target of \$2.4bn.

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