Hiding the target

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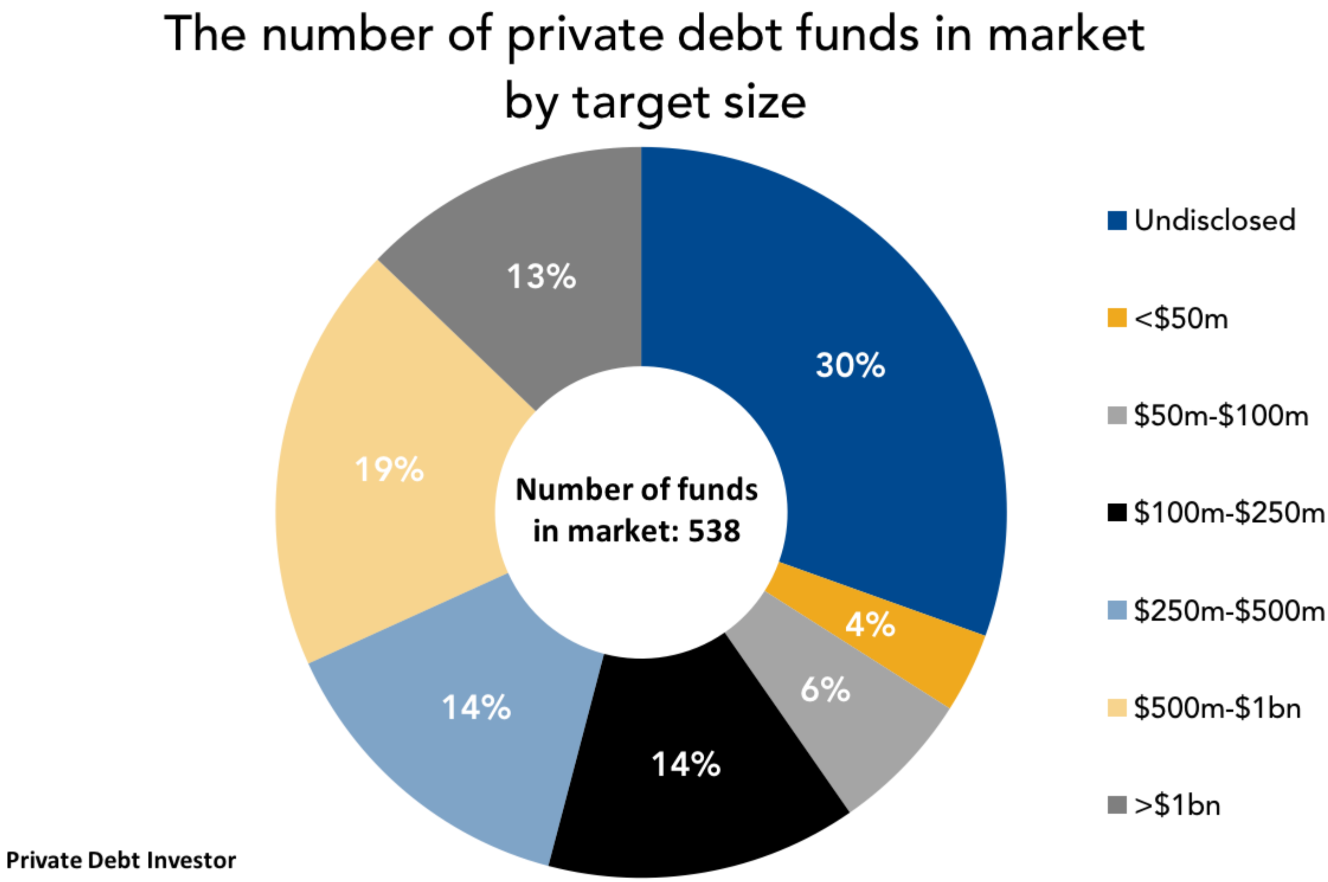

Many fund managers are now not revealing how much their vehicle is hoping to raise.

Managers may be becoming more secretive as the private credit pool has proliferated, as many now do not reveal fund targets, according to PDI data. A full 30 percent of funds in market have not disclosed their target size, our numbers show, a majority of all those vehicles when the numbers are broken down by size.

Many firms have become much more sensitive about discussing fundraising data over the years, we have noticed. While the process is currently anything but transparent, it may be poised to become even more opaque as managers become more guarded.

Indeed, even some public pension funds, among the most transparent limited partners, redact large swathes of information. On more than a couple occasions, PDI has submitted a request for meeting materials and received an investor presentation for a given fund with nearly all information redacted.

This certainly may be good for the managers, as fund economics and terms and conditions are even more likely to stay secret if a firm doesn’t even feel obliged to disclose a fund target. But the ultimate constituencies of the LPs do deserve an array of information about funds and moves to keep things hushed up feels like a retrograde step.