Private Debt Intelligence – 3/2/2020

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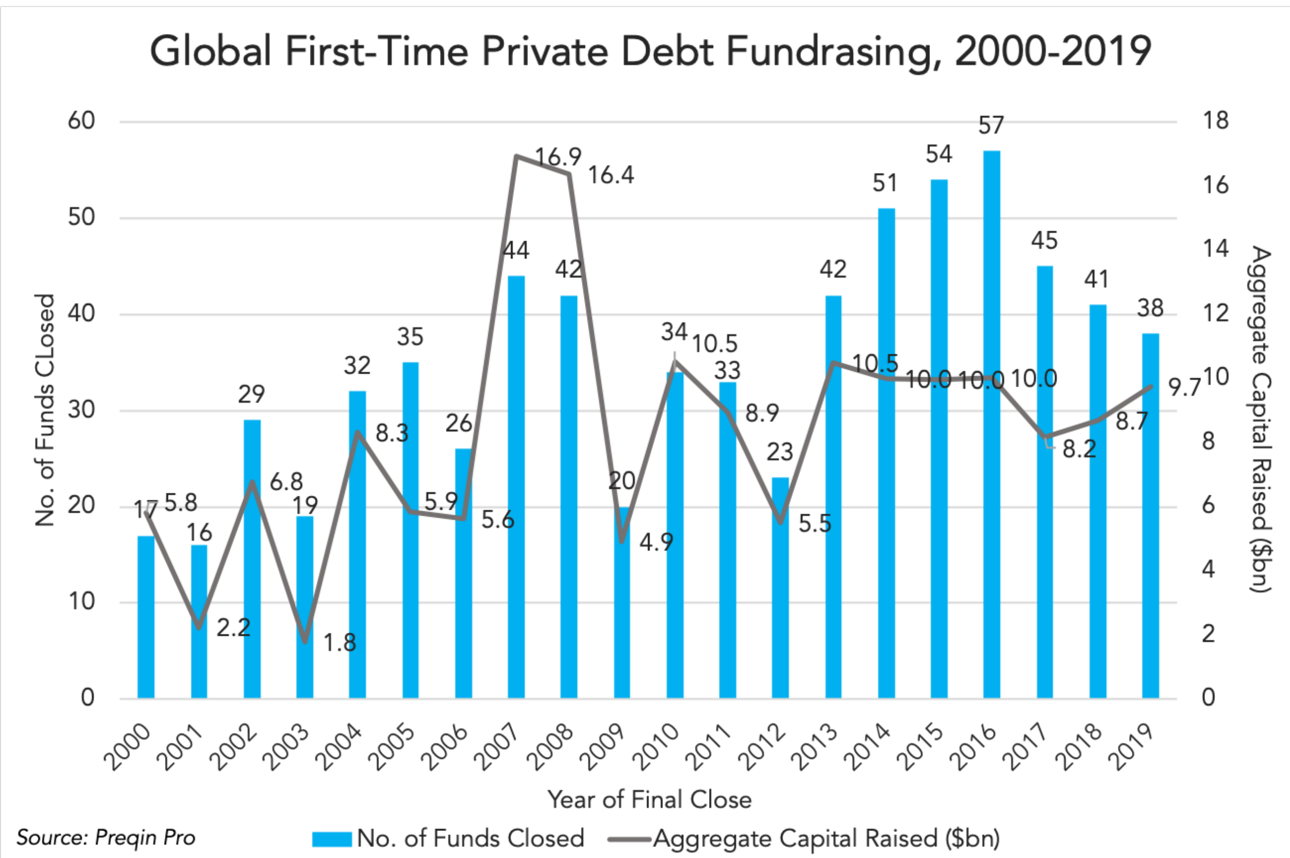
First-Time Private Debt Funds Struggle to Raise

Chart



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First-time fund managers have struggled to raise capital in what has been difficult year for overall private debt fundraising. Managers closing their first private debt fund raised $9.7bn in total in 2019. The 38 first-time funds closed secured 9% of the total amount raised in the year. In fact, the number of first-time funds closed has been on a downward trend since its peak 2016.

Experienced managers are raising larger funds on average, too. The average fund size for first-time managers has remained largely stagnant for the past five years, while for established managers it has mainly followed an upward trend. The average size of funds raised by experienced managers in 2019 was $913mn, a record high and notably 3x as much as for funds closed by first-time managers.

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