Private Debt Intelligence – 2/22/2021

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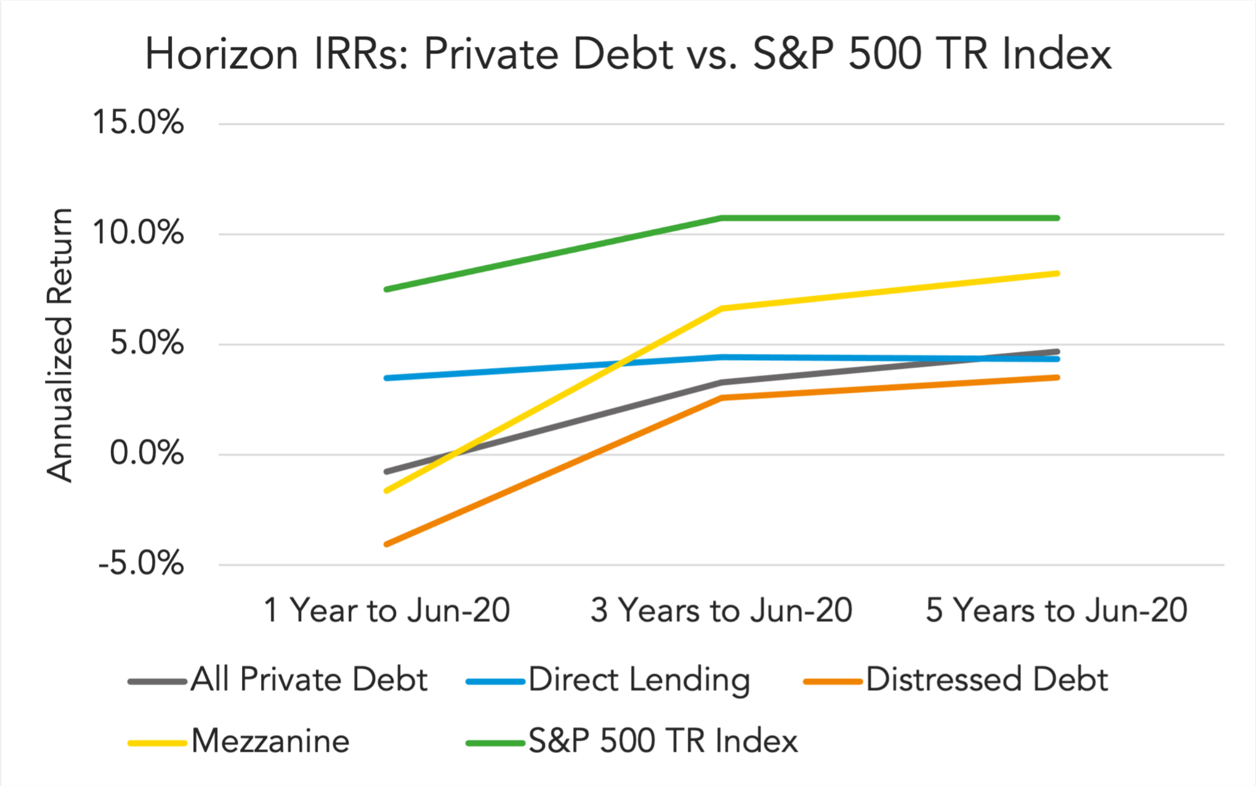
Private Debt near-terms IRRs decline

Chart



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In comparison to its peers, private debt lags over short- and mid-term investment horizons. A downturn in Q1 2020 pulled the private debt asset class down to a one-year IRR of -0.8% to the end of June. Low interest rates and pandemic related write-offs might have been the cause of this. However, three- and five- year IRRs are both standing still, with 3.3% and 4.7% respectively. Mezzanine funds are the best performing strategy in the three- and five- years IRRs to June 2020, surpassing the whole private debt asset class returns with 6.6% and 8.2% respectively.

(Past performance is no guarantee of future results.)

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