Private debt fundraising: As top-heavy as it's ever been

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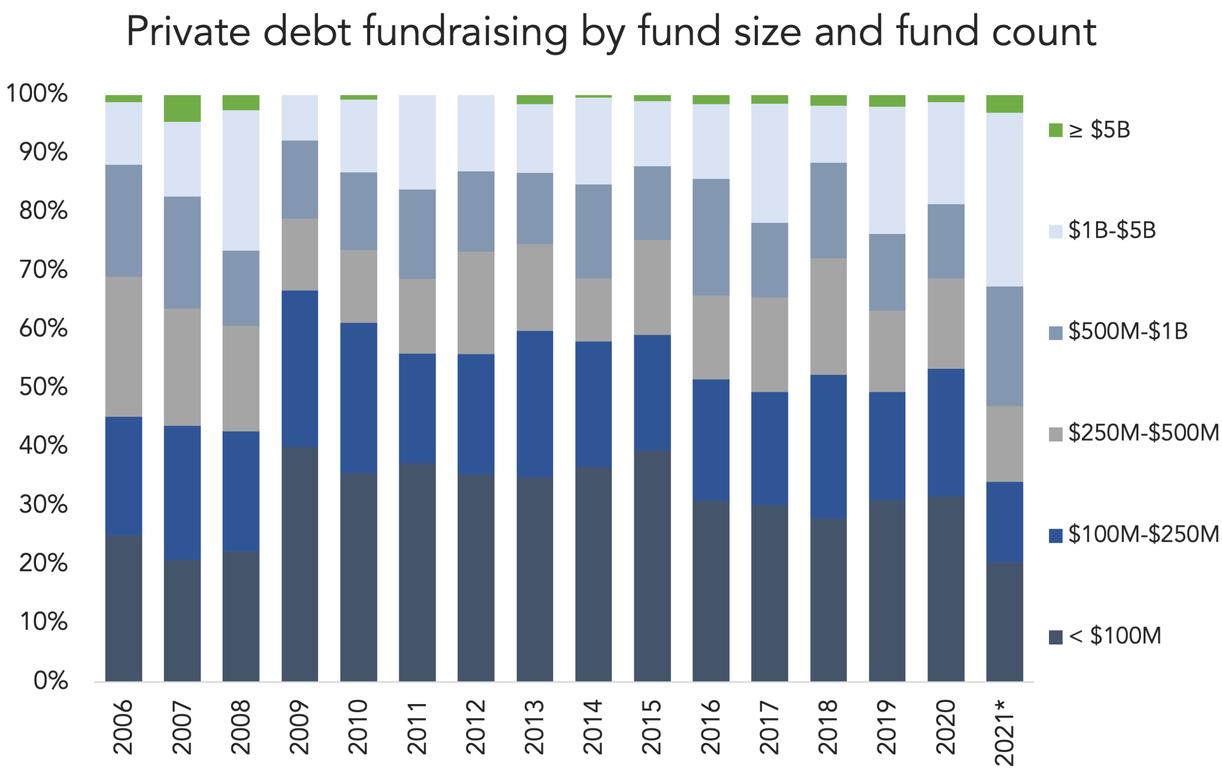

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Globally, private debt fundraising is on pace for another strong year. According to PitchBook's latest Private Fund Strategies Report, about $138.0B has been raised this year across 137 new funds. By combined value, that's in line with recent years, but the number of new funds are down significantly. This year will mark an end to six straight years of at least 300 new private debt fundraises.

But the funds that are being raised are, as a whole, substantially bigger than anything the market has recorded in years past. For the first time, the average private debt fundraise is over $1 billion. Broken down by fund size, the numbers are illuminating. Through Q3, almost a third (32.6%) of all new private debt funds are over $1 billion in size. By comparison, only 18.6% of the 2020 vintage are over $1 billion. The last time the private debt market was that top-heavy was in 2008. Over the intervening decade, $1B+ funds have reasserted themselves. The same holds true, unsurprisingly, by combined value. Funds of at least $1 billion account for 78.3% of all private debt dollars raised this year, up from 70.2% last year.

(Past performance is no guarantee of future results.)