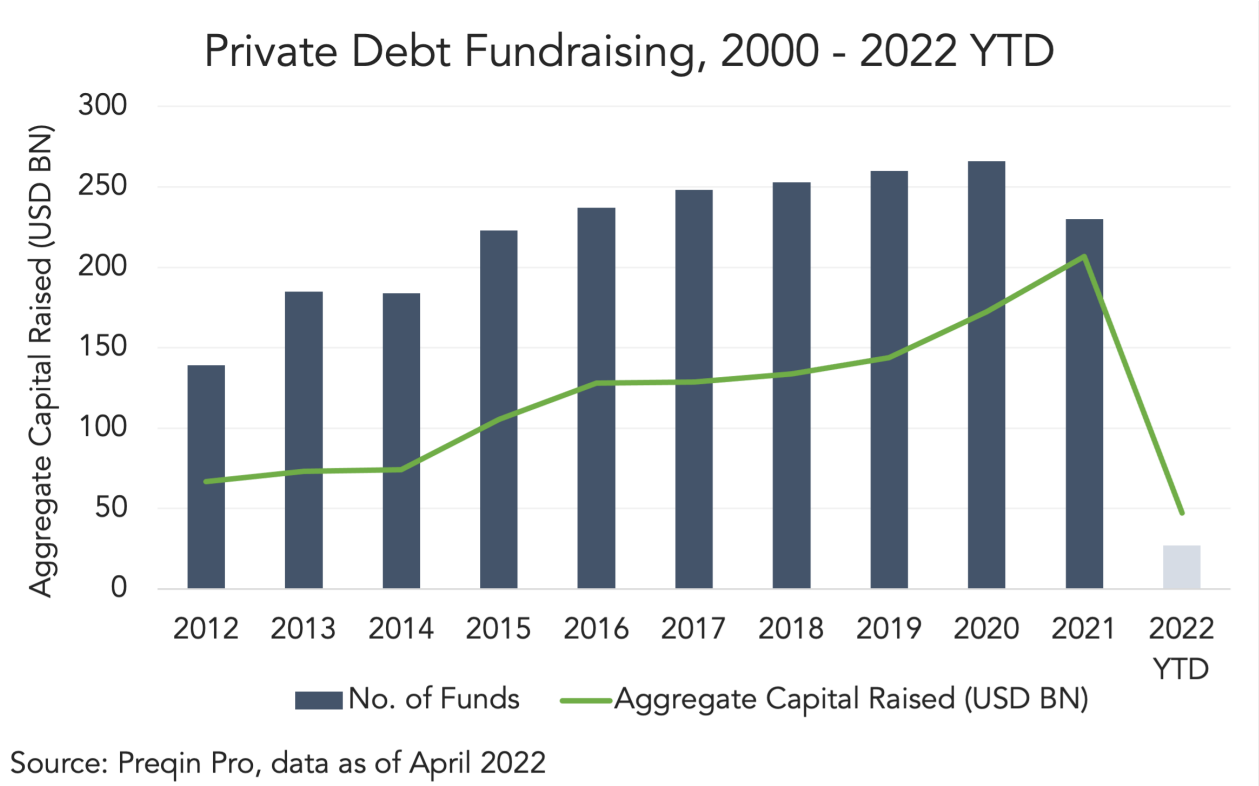
Private Debt Intelligence – 4/11/2022

THE LEAD | April 13, 2022

Private debt grows as capital flows in

Chart



Source: Preqin Pro, data as of April 2022

Download Data

[wpdm_package id=’53765?]

Private debt has emerged over the past decade as an attractive asset class for investors and form of finance for companies. Private debt has higher yields than comparable instruments, a shorter duration than some other alternative asset classes, while the prevalence of floating rate structures gives investors some protection against rising interest rates. Authorities in the US and the UK have already started to raise rates to combat inflation and, whilst the ECB is no rush to follow suit, future rises are expected. Private debt fundraising grew through the COVID-19 pandemic, with aggregate capital raised rising from $143bn in 2019 to $172.6bn in 2020 and

$206.9bn last year, and demand is expected to remain strong.

(Past performance is no guarantee of future results.)

Contact: Grant Murgatroyd
grant.murgatroyd@preqin.com