

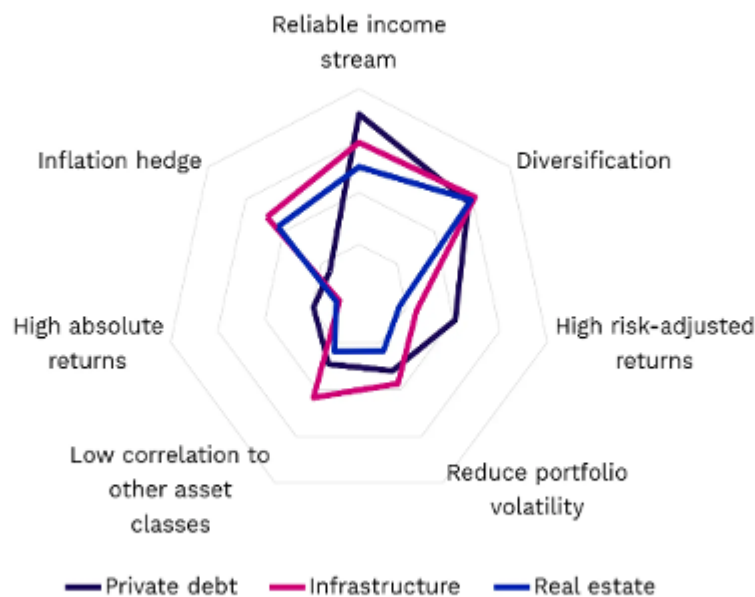
Private Debt Intelligence – 3/11/2024

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LPs target private debt for reliable income streams

Chart

Fig. 1.4: Private debt investors want a reliable income stream
Reasons for investing in private debt by proportion of respondents



Source: Preqin Investor Survey, November 2023

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Private debt investments provide LPs with reliable income streams through contractual repayments, which are particularly attractive in an uncertain macroeconomic environment. Portfolio diversification and high-risk

adjusted returns were the second most common reasons cited by investors surveyed by Preqin for allocating to private debt.

Whilst LPs do not look to the asset class for high absolute returns, the world's largest listed alternatives managers, who provide the earliest insight into private markets performance, delivered [double digit returns](#) from private debt in 2023. The returns were higher than those the same managers delivered from private equity.

For more, read Preqin's Insights+ Report: Strategy in Focus: [Real Assets Debt](#).

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