Private Debt Intelligence – 9/9/2024

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Investor sentiment towards private debt remains strong

Chart

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Private debt remains the most popular alternative asset class among investors, scoring 70.9% on Preqin's Investor Sentiment Index. It has been the most attractive asset class for LPs since November 2022, when it overtook infrastructure. Half of LPs plan to increase allocations to private debt over the next 12 months, according to our latest survey, with only 8.2% looking to decrease commitments.

LPs' views of private equity are improving, as they have in VC and real estate (although both are still below 50 in Preqin's Investor Sentiment Index). There is renewed optimism in real estate's short-term performance due to expectations of interest rate cuts. However, enthusiasm towards infrastructure and hedge funds has continued to fall, with the latter now the lowest ranked asset class by investor sentiment.

Contact: William Bennett-Lynch
william.bennett-lynch@preqin.com