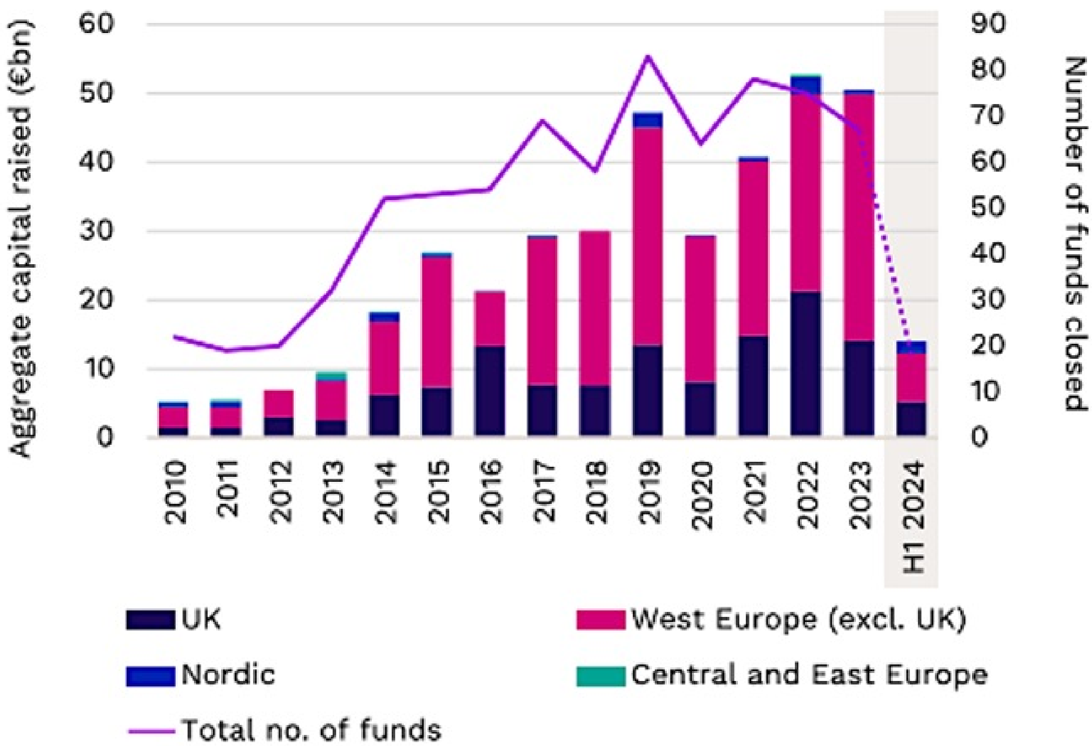
Private Debt Intelligence – 10/7/2024

THE LEAD | October 10, 2024

Private debt fundraising in Europe falls despite rapid pace of deployment

Chart



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After two record fundraising years in 2022 (€54.1bn) and 2023 (€71.0bn) for private debt, there has been a sharp decline in capital raised by Europe-based managers. In the first half of 2024, just €13.9bn was raised from 18 funds, lagging the 75 raised in 2022, and the 67 in 2023.

Despite the increase in funds raised, private debt dry powder steadily decreased from $450bn in 2021 to $394.1bn in December 2023, as GPs were able to find plenty of opportunities to deploy capital. As a proportion of assets under management, private debt dry powder has dropped from 40.1% in 2018, to 25.7% in 2023, indicating that despite the market's rapid growth the balance of supply and demand is still tilted in lenders' favour.

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