

New York Forum 2019

About the forum

The PDI New York Forum offers leading institutions the chance to evaluate the global spectrum of private debt opportunities and network with the largest group of industry experts who are all navigating a market full of high return expectations, yet fraught with risk. The annual event is attended by investors, fund managers, banks and placement agents.

About this data pack

The Forum brings together these leading professionals to discuss the latest issues affecting the industry and strategies for the asset class. This data pack showcases primary research undergone by *Private Debt Investor*, along with key findings from *Private Debt Investor's* database.

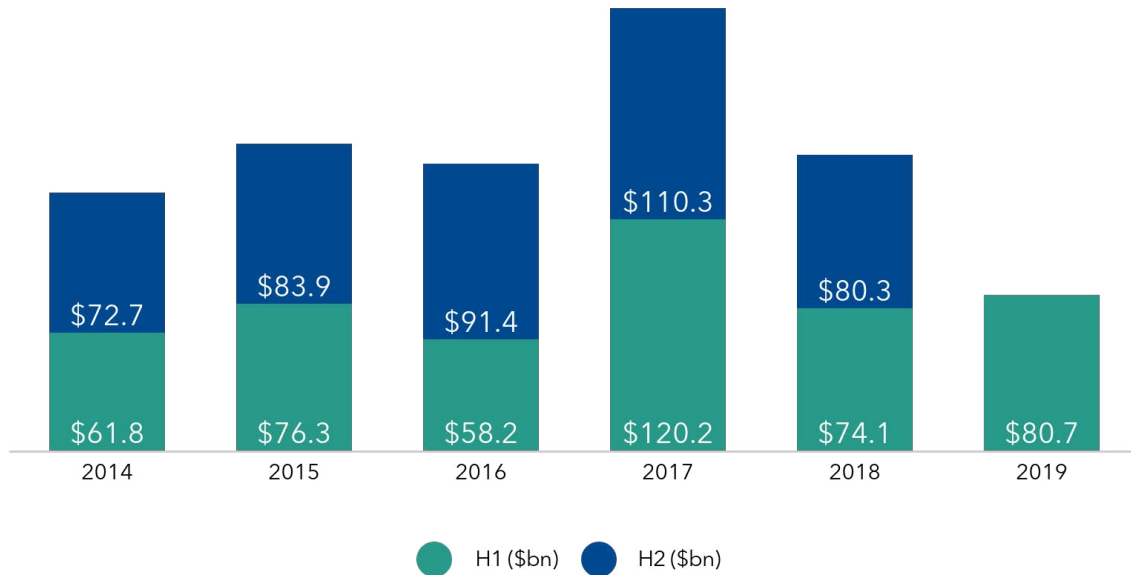
Key findings

Fundraising in H1 of 2019 confirmed one of the most discussed trends in private debt - the concentration of fundraising power in the hands of a relatively small group of elite managers. Nearly \$80 billion was raised, the second highest fundraise since the crisis. The market is experiencing an expansion of private debt across Europe, along with rise of distressed funds dominating the space and an increase in multi-regional fundraising.

Preliminary findings from *Private Debt Investor's* LP Perspectives study found that managing GP relationships and researching new GPs are cited as two of the activities that require the greatest amount of investor time. Also worth noting, though it shouldn't come as a total surprise, that fund due diligence tops the list. With increasing amounts of capital competing for high quality assets, the timeline for due diligence processes is becoming more and more compressed.

Fundraising

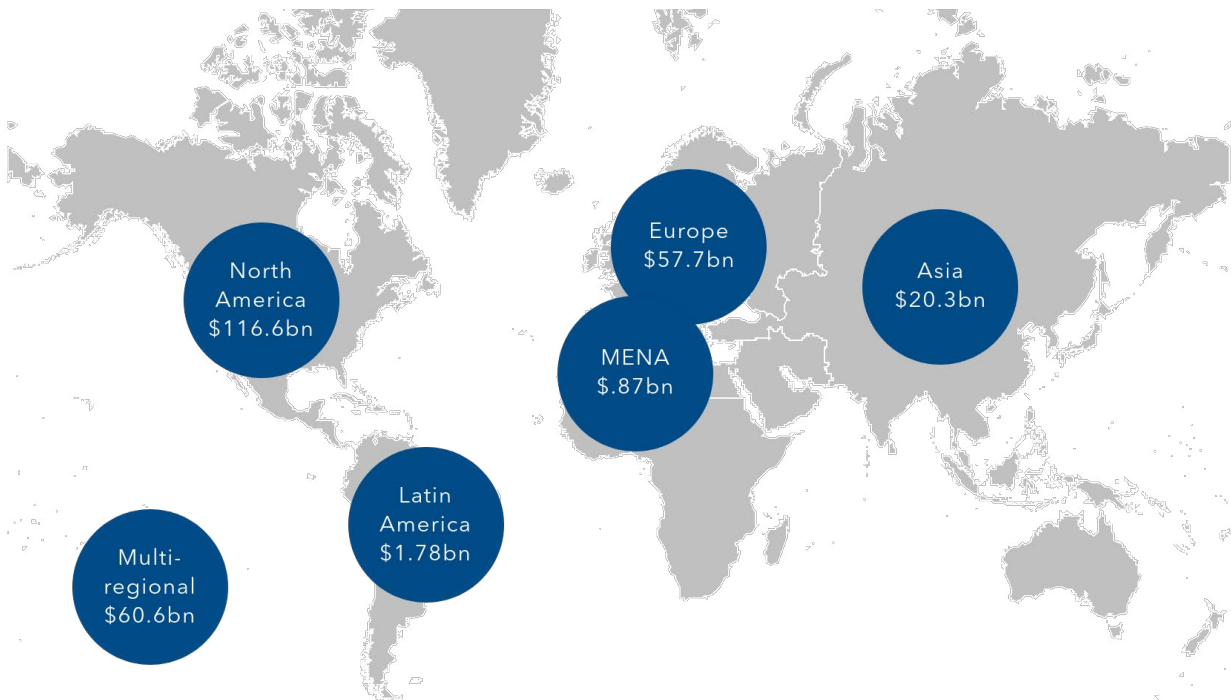
Private debt fundraising by year (\$bn)



Regional focus of capital sought by funds in market, July 1st, 2019

\$257.9bn

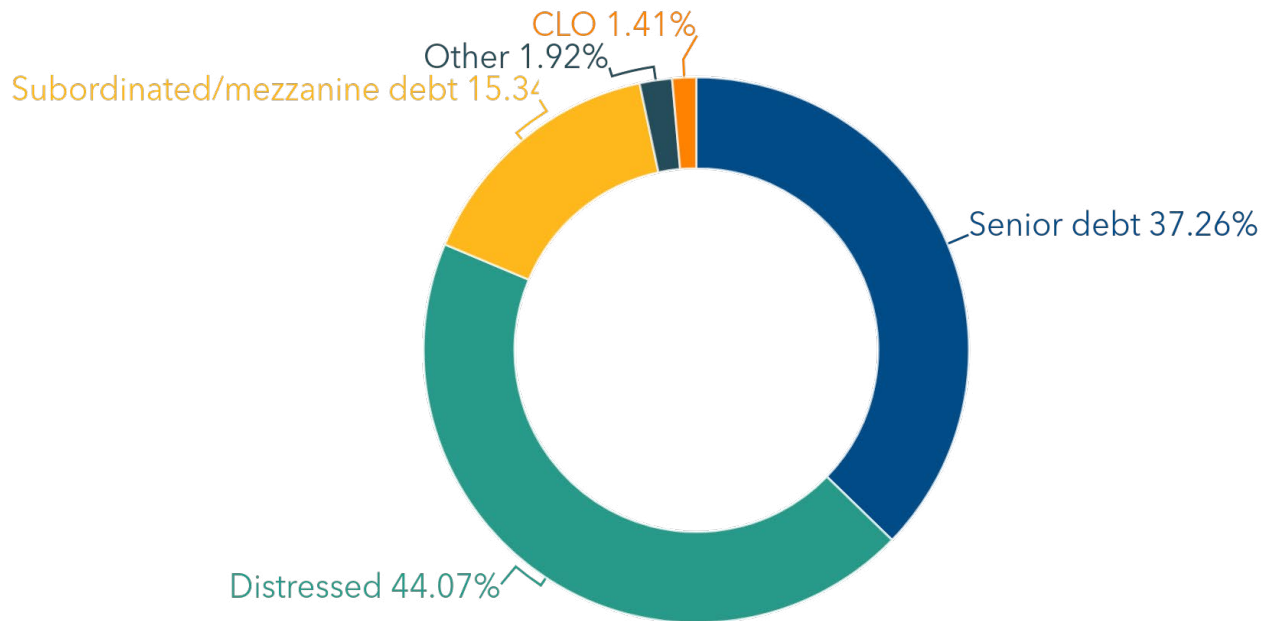
Amount sought by private debt funds in market, globally



Fundraising

Private debt fundraising breakdown

Strategy breakdown of funds that held final closes in H1 2019

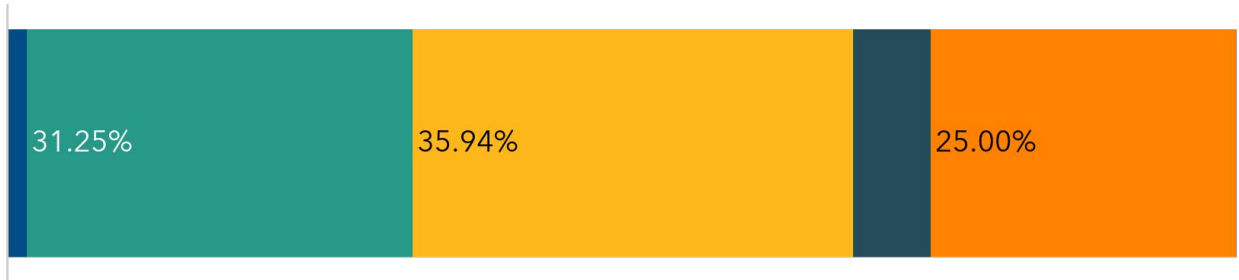


Largest private debt fund closes in H1 2019

Lone Star Fund XI \$8.2bn	Lone Star Real Estate Fund VI \$4.7bn	Cerberus Global NPL Fund \$4.1bn	American Industrial Partners Capital Fund VII \$3.0bn
	GSO Energy Select Opportunities Fund II \$4.5bn		
BlueBay Direct Lending Fund III \$6.8bn	Broad Street Senior Credit Partners II \$4.4bn	AG Direct Lending Fund III \$2.8bn	Levine Leichtman Capital Partners VI \$2.5bn
		Taiga Special Opportunities Fund \$2.5bn	

Investors

Investors' current allocation to private debt



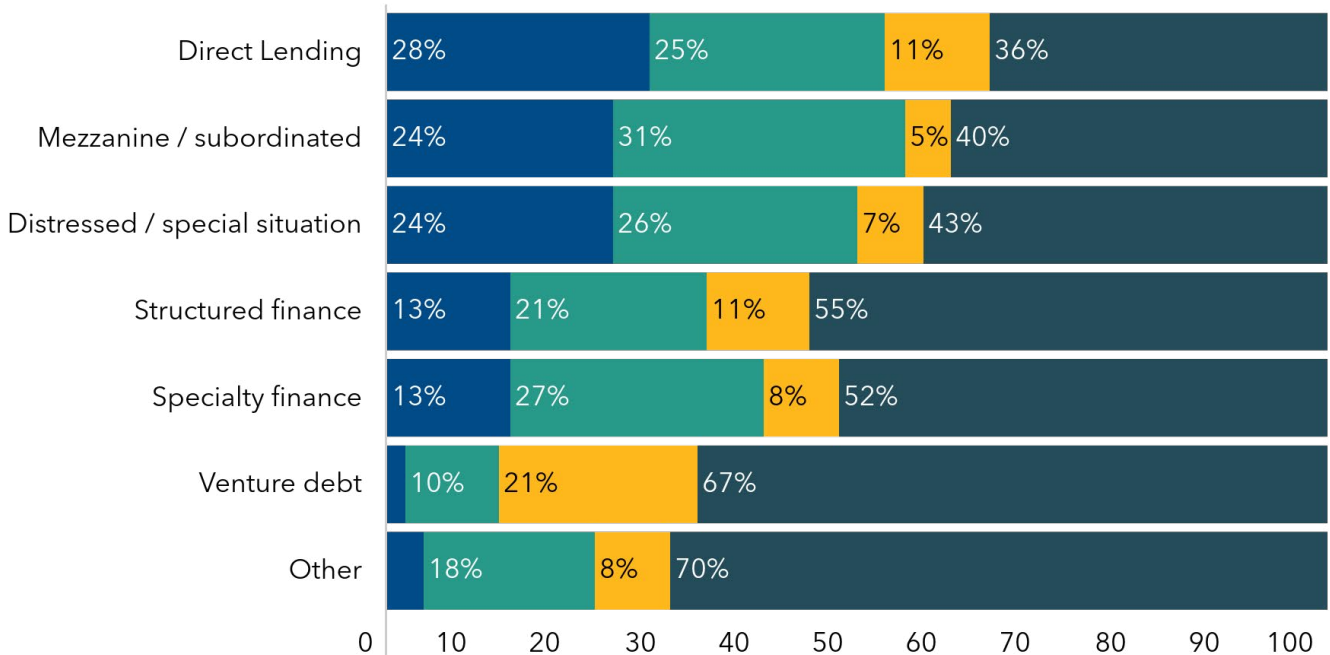
- Over allocated
- At target allocation
- Under allocated
- Invest opportunistically (no set allocation)
- Do not invest



29%

Percentage of investors plan to invest more capital to private debt in 2020

How investors plan to allocate to private debt strategies in 2020

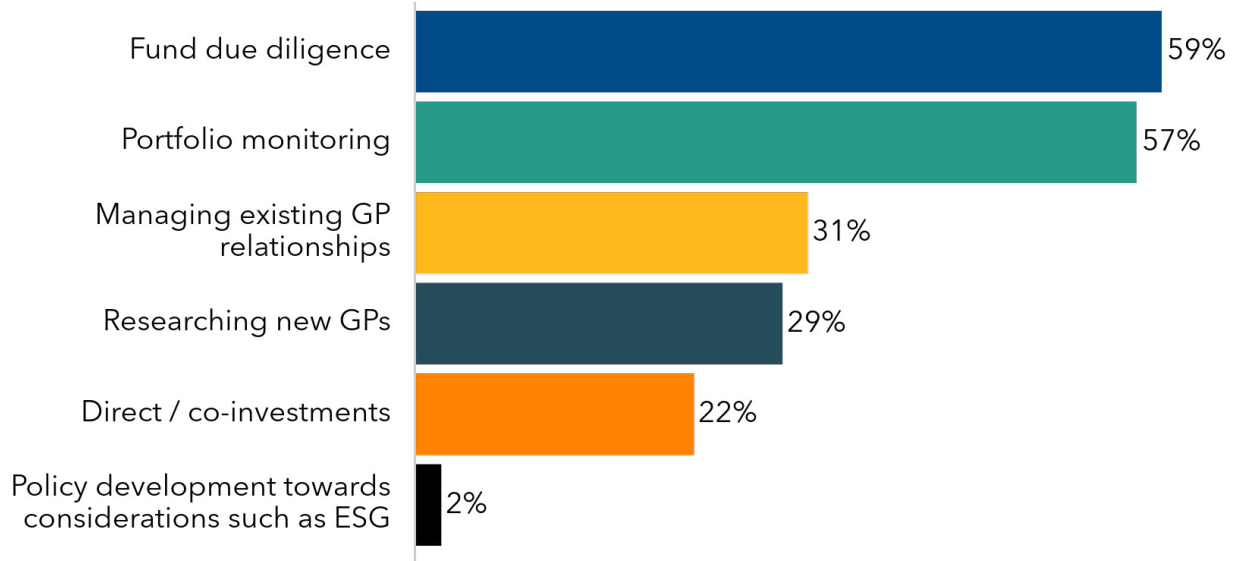


- Invest more capital
- Keep investment the same
- Invest less capital
- Invest opportunistically (no set allocation)

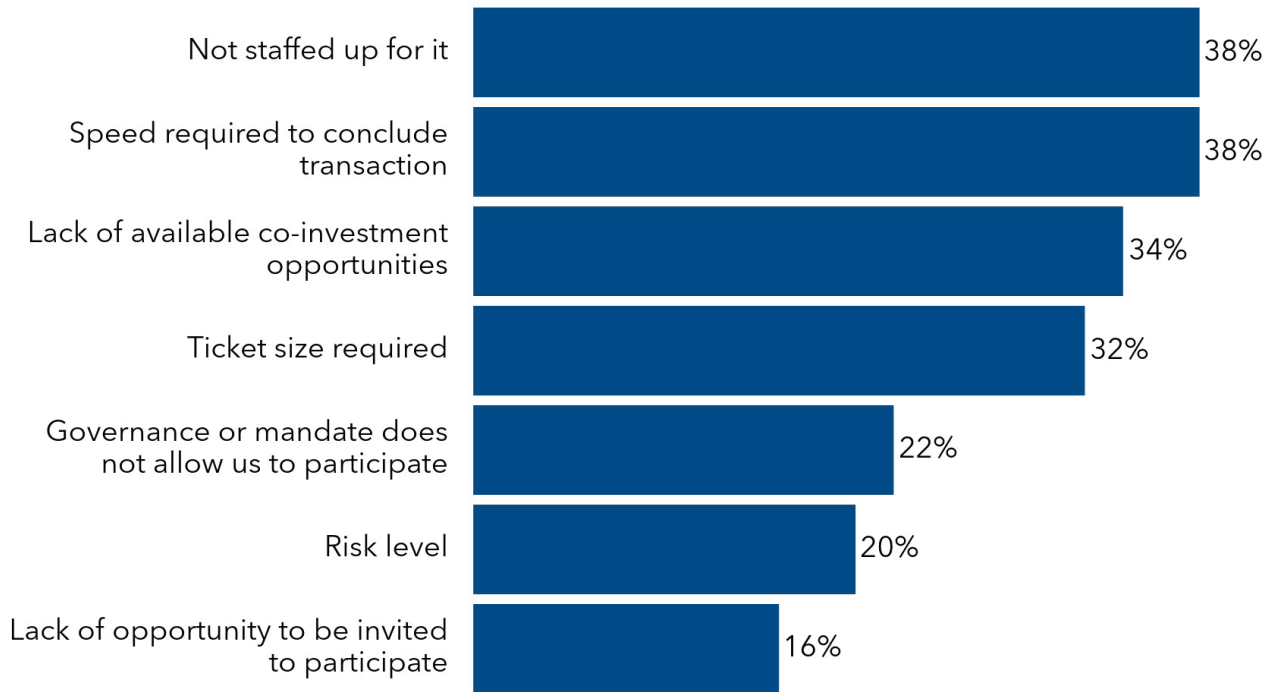
Source: Private Debt Investor's LP Perspectives 2020 Study

Investors

Which two of the following activities requires the greatest amount of the LPs time?



Which factors hinder LPs participation in co-investing opportunities?



Source: Private Debt Investor's LP Perspectives 2020 Study