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LLP

Alternative Credit Council

Financing the Economy – the future of private credit

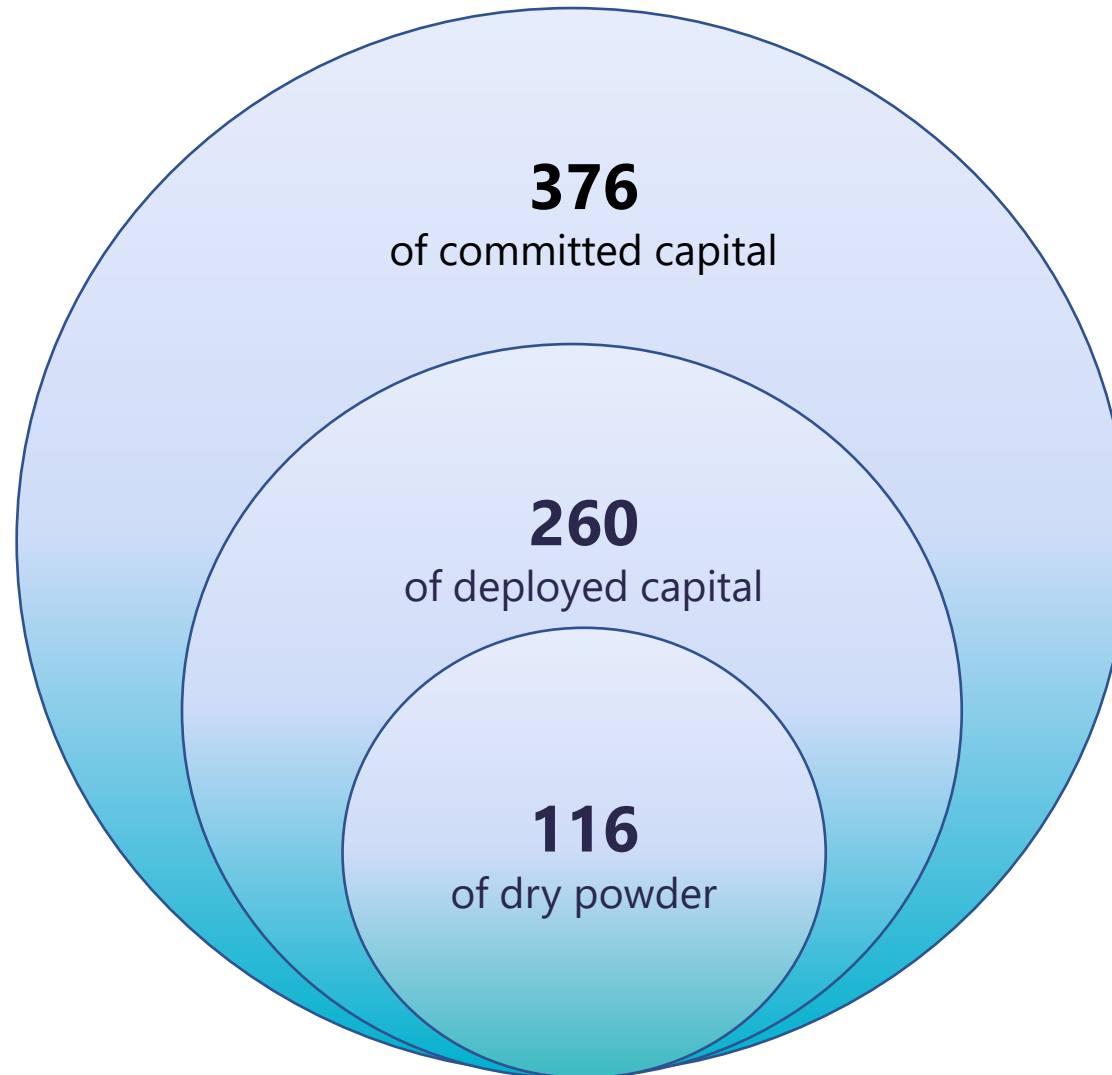
Jack Inglis

20 November 2019

Respondent demographics by private credit AUM (\$bn)

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FOR GROWTH



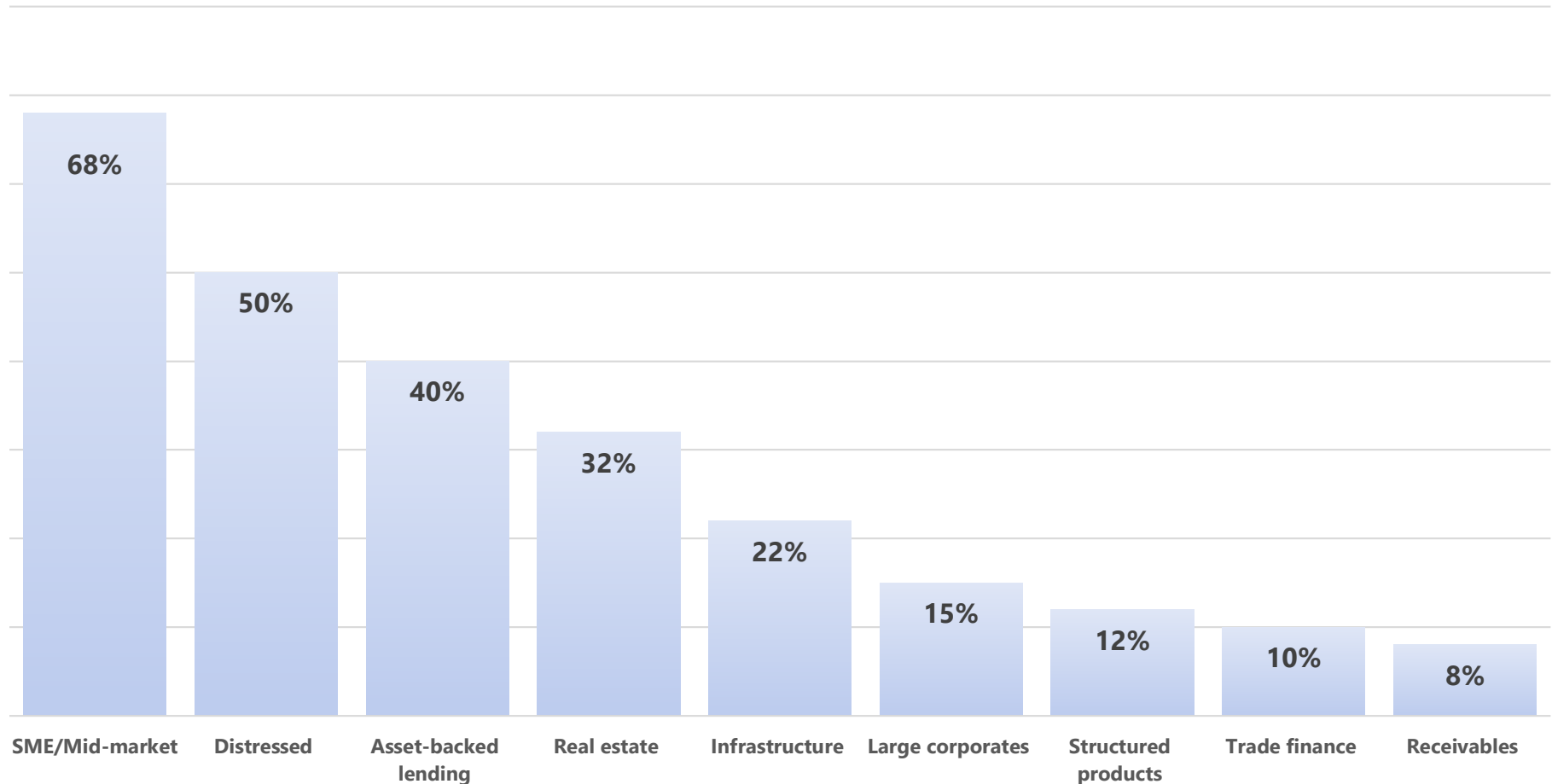
Financing the Economy research

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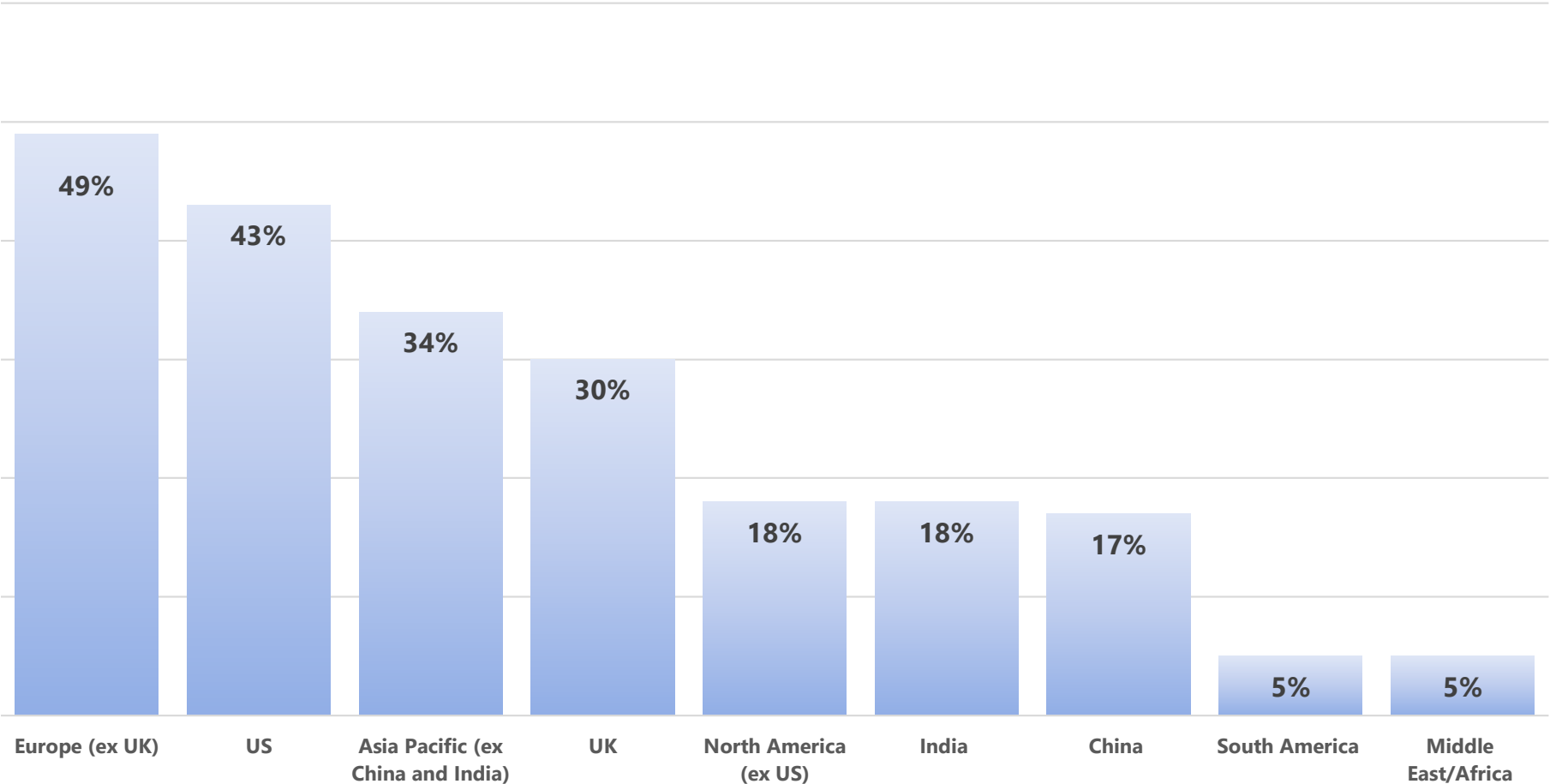
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- Long term drivers of growth will meet near-term headwinds
- Growth will require compromise between LPs and GPs
- Transparency is the key to sustainability

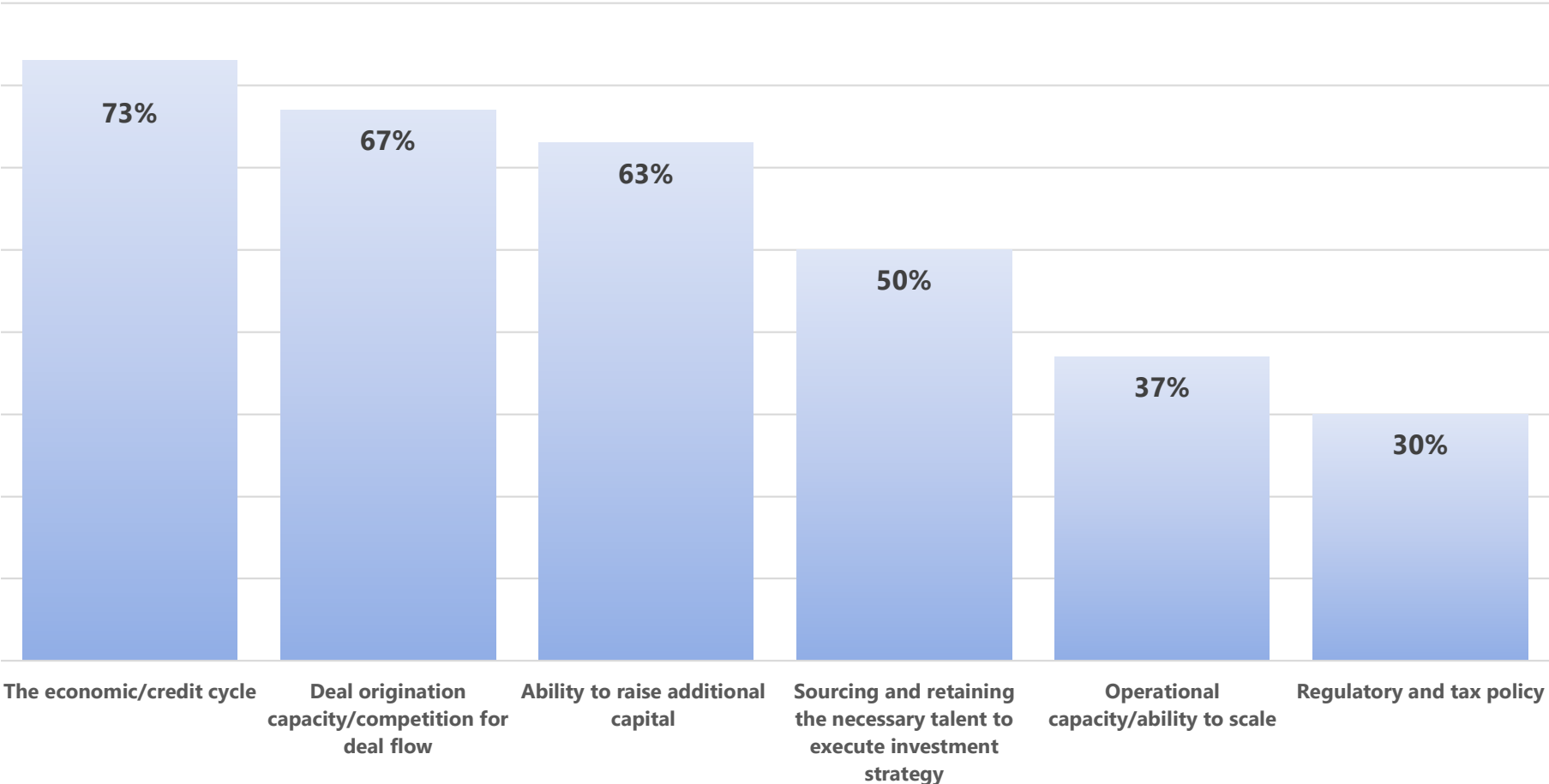
How do private credit managers see their investment in private credit markets changing over the next three years?



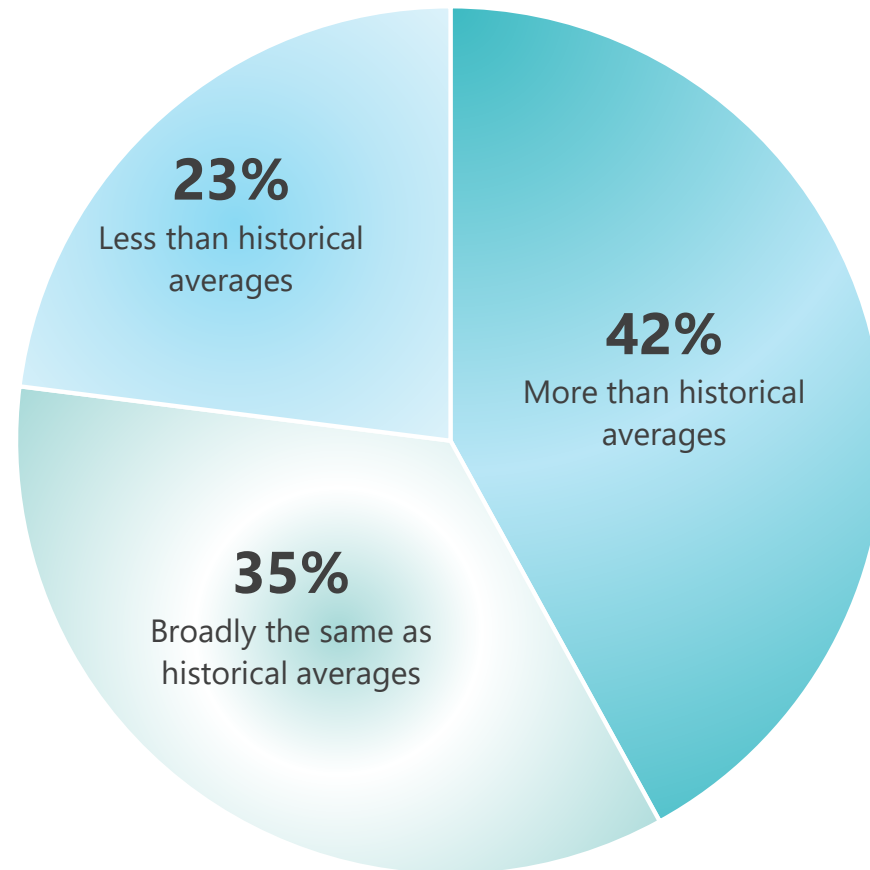
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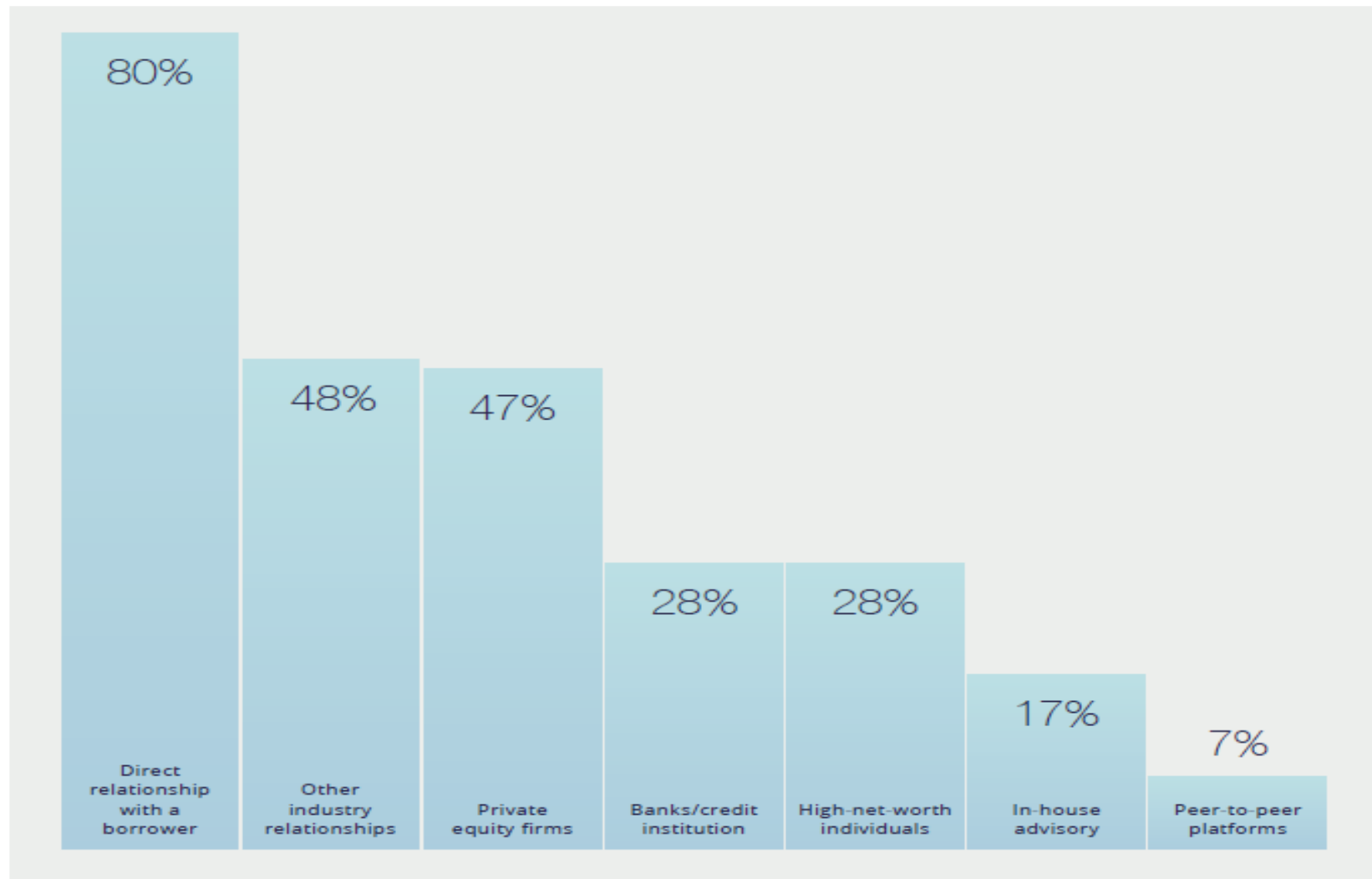
Which factors will have a significant impact on the future growth of private credit firms?



What are private credit managers' expectations around recovery rates on defaulted loans during the next three years?



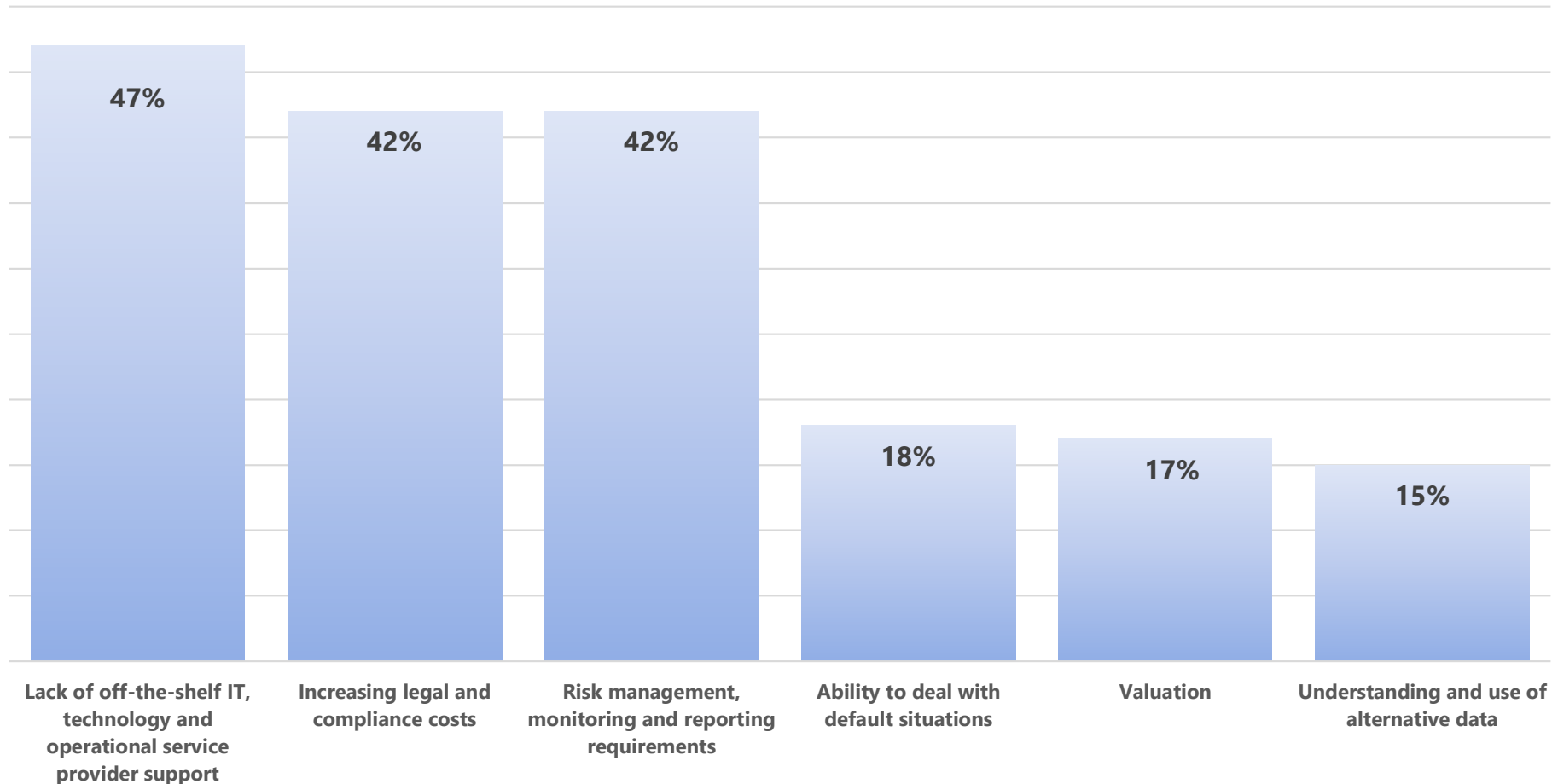
How do private credit managers plan to develop their origination channels for potential credit opportunities over the next three years?



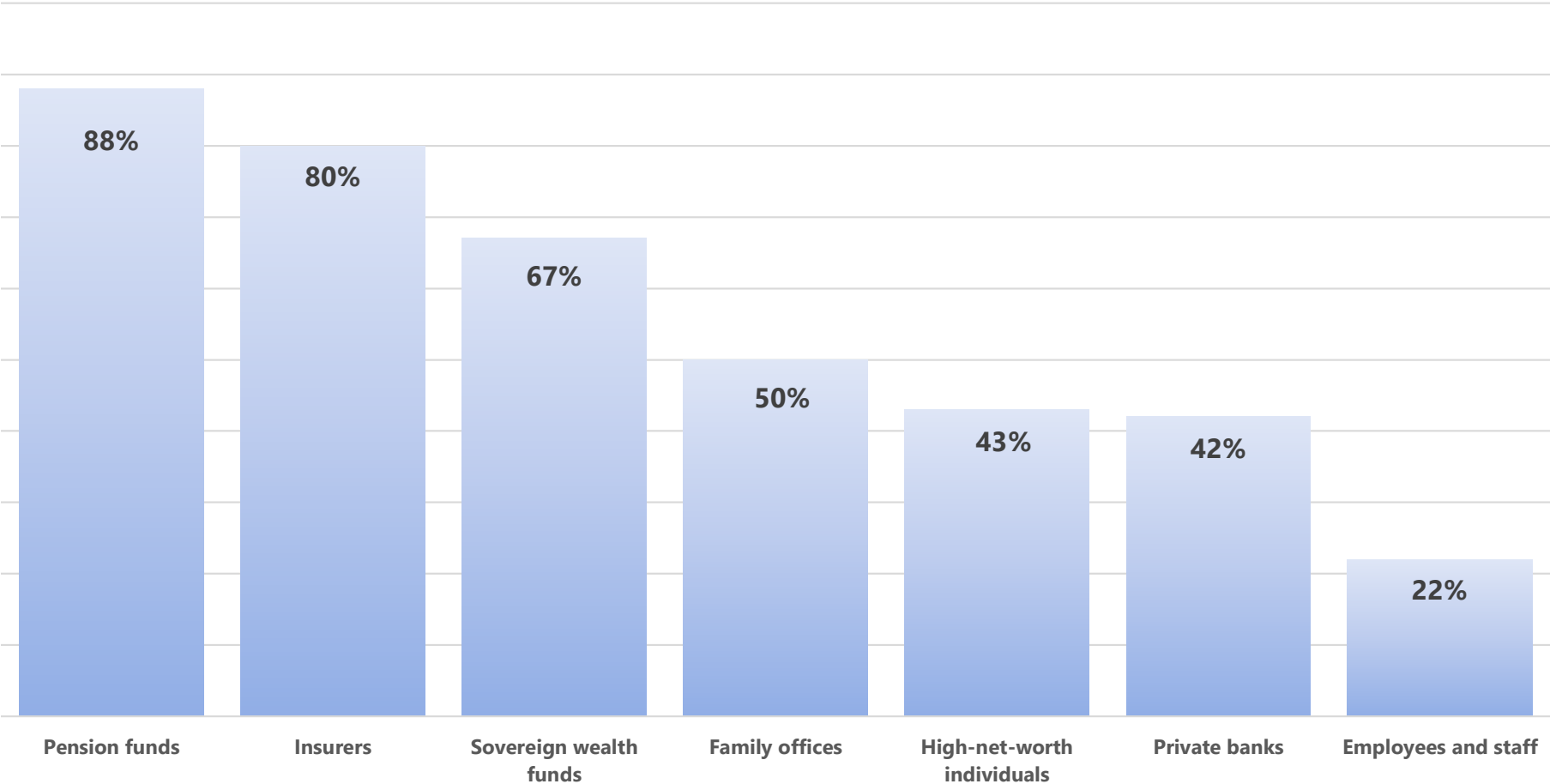
What are the biggest operational challenges facing private credit managers?

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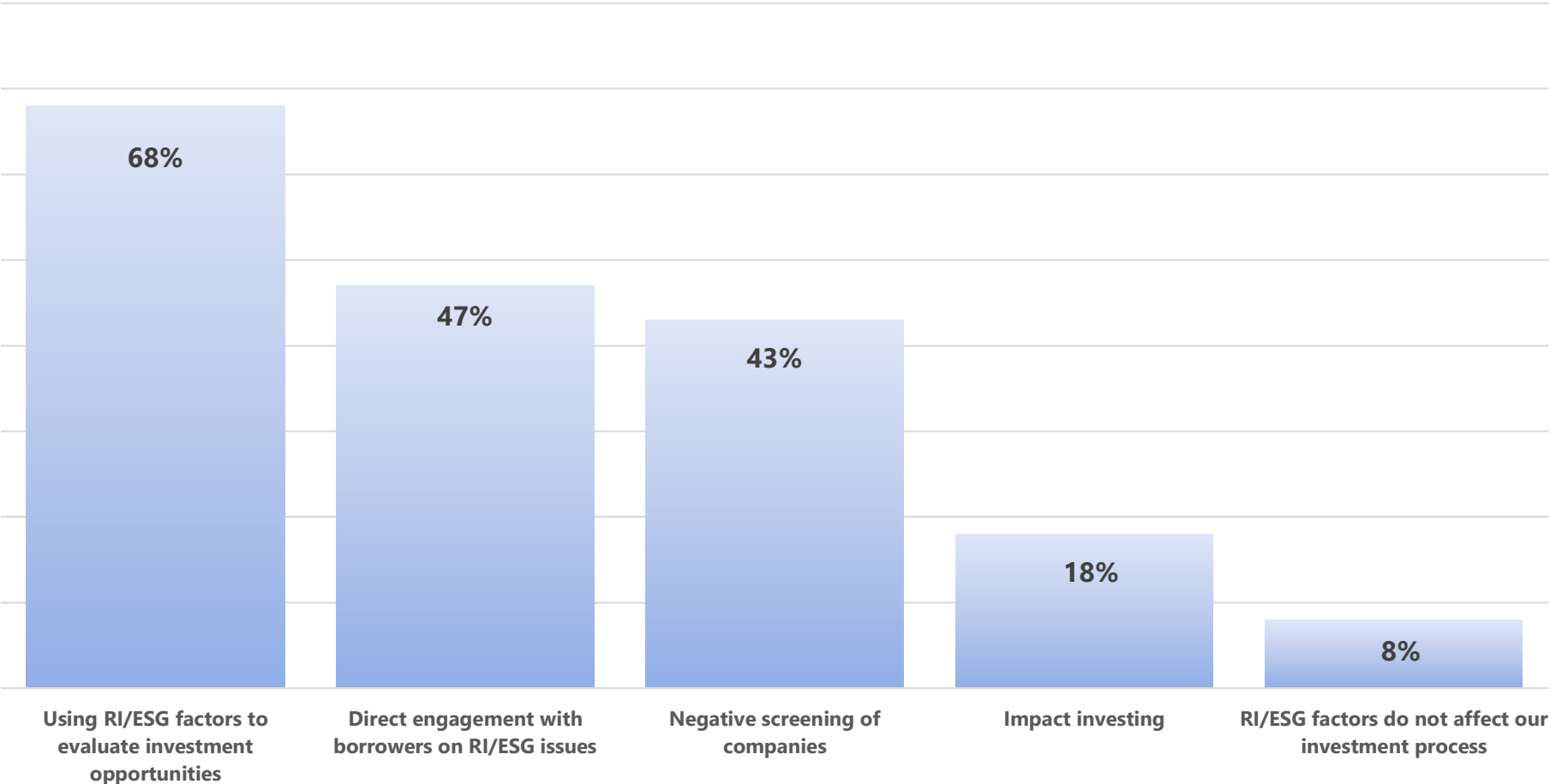
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Where do you expect allocations to private credit to come from over the next three years?



How do private credit managers incorporate Responsible Investment (RI)/ESG into their investments?



What are the biggest challenges to the adoption of RI/ESG factors into a private credit strategy?

