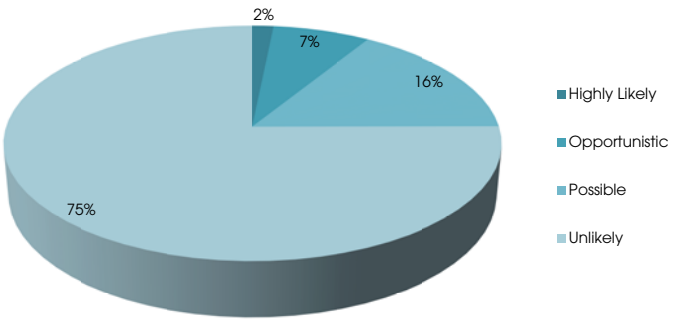
This report is an excerpt from: **Quarterly Update: Private Equity, Q2 2013**. To download the full report please visit:
https://www.preqin.com/docs/quarterly/pe/Preqin_Quarterly_Private_Equity_Update_Q2_2013.pdf

Secondaries

A quarter of institutional investors (excluding fund of funds managers) that Preqin has spoken to recently have indicated an interest in buying fund stakes on the secondary market in the next 24 months (Fig. 1). Preqin has identified 440 LPs that are interested in purchasing fund stakes on the secondary market, with public pension funds representing the highest proportion (19%), followed by private sector pension funds at 15% (Fig. 2). Endowment plans and foundations constitute 12% and 10% of potential secondary market buyers respectively.

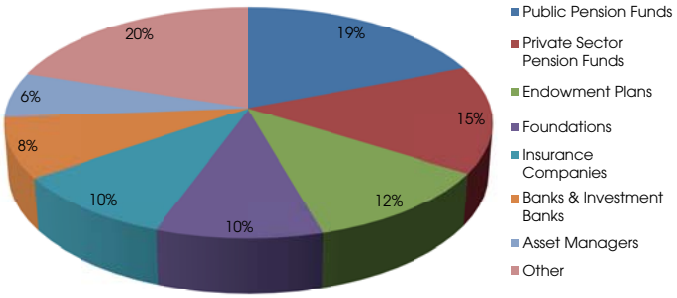
In terms of selling private equity fund interests, only 16% of investors (including fund of funds managers) have shown an interest in selling fund interests on the secondary market in the next 24 months (Fig. 3). Public pension funds represent 16% of potential sellers, again followed by private sector pension funds at 13%. Institutional investors facing regulatory pressures, including insurance companies and banks, comprise a further 16% of potential secondary market sellers (Fig. 4).

Fig. 1: Likelihood of Investors Purchasing Private Equity Fund Interests on the Secondary Market over the Next 24 Months



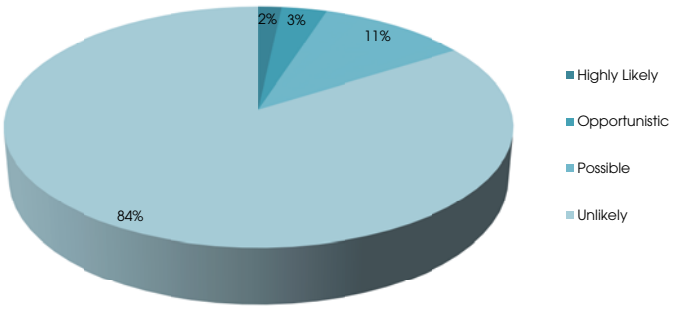
Source: Preqin Secondary Market Monitor

Fig. 2: Breakdown of Potential Secondary Market Buyers by Type



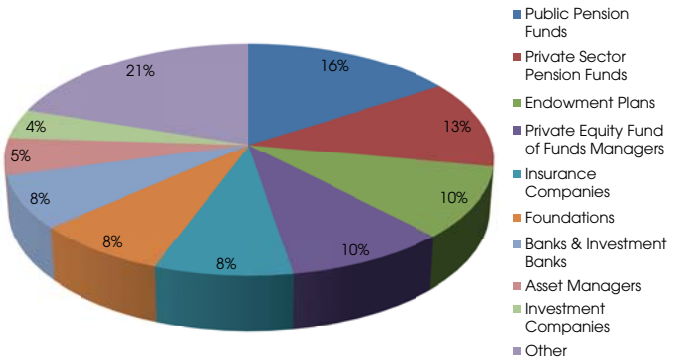
Source: Preqin Secondary Market Monitor

Fig. 3: Likelihood of Investors Selling Fund Interests on the Secondary Market over the Next 24 Months



Source: Preqin Secondary Market Monitor

Fig. 4: Breakdown of Potential Secondary Market Sellers by Type



Source: Preqin Secondary Market Monitor

Preqin's Secondary Market Monitor can be used to access comprehensive information on all aspects of the secondary market. View detailed profiles for 440 potential buyers of fund interests and 322 LPs looking to sell fund interests on the secondary market, as well as 36 secondaries funds currently in market and 187 closed historically.

This vital tool is constantly updated by Preqin's team of dedicated analysts through direct contact with institutional investors and fund managers around the world.

For more information, or to register for a demonstration, please visit:

www.preqin.com/smm