

Private Debt Performance Update: November 2015

Fig. 1 displays the median proportions of committed capital called up by the end of the first and second investment years among all private debt funds for vintage years 2006-2014. Post-2008, the median proportion of capital called up during the first two years of investment is lower than before the financial crisis. Fundraising success could be a driving factor, as dry powder levels have outgrown deal flow in a competitive marketplace. As of November 2015, private debt dry powder stands at a record level \$189bn.

As shown in Fig. 2, direct lending funds account for the largest proportion of dry powder globally at \$66bn. Distressed debt funds have also seen a notable increase in dry powder levels, up to \$56bn, the largest witnessed increase by proportion and total capital among private debt strategies. Mezzanine funds have also received a net increase of \$3.4bn since December 2014, reaching \$44bn in total dry powder.

Europe-focused private debt funds have seen dry powder increase to \$59bn (Fig. 3), an increase of 8% since December 2014. North America-focused dry powder currently stands at \$118bn, up from \$113bn eleven months prior.

Fig. 2: Private Debt Dry Powder by Fund Type, December 2006 - November 2015

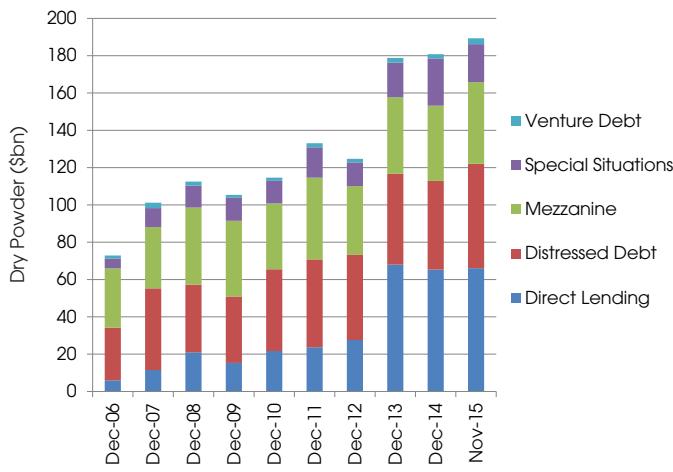


Fig. 1: Private Debt Funds: Median Proportion of Capital Called-up by the End of the First and Second Investment Years, Vintage 2006-2014 Funds

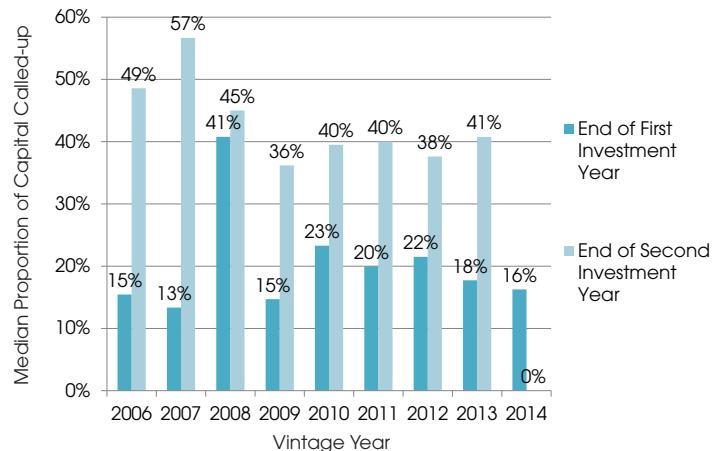
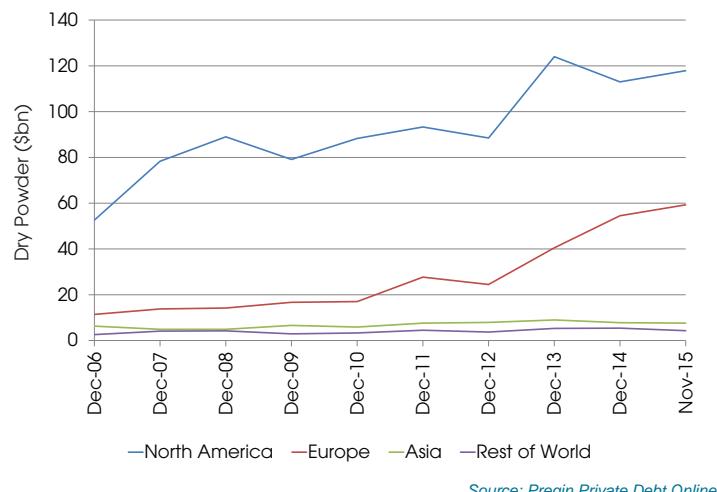


Fig. 3: Private Debt Dry Powder by Primary Geographic Focus, December 2006 - November 2015



Did you know?

Preqin's **Private Debt Online** now contains full performance metrics for over 100 direct lending funds with key information on size, vintage, type, called-up, distributed, unrealized value, multiple and IRR.

View and analyze performance metrics for over 650 individual private debt funds and benchmark them against their peers.

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