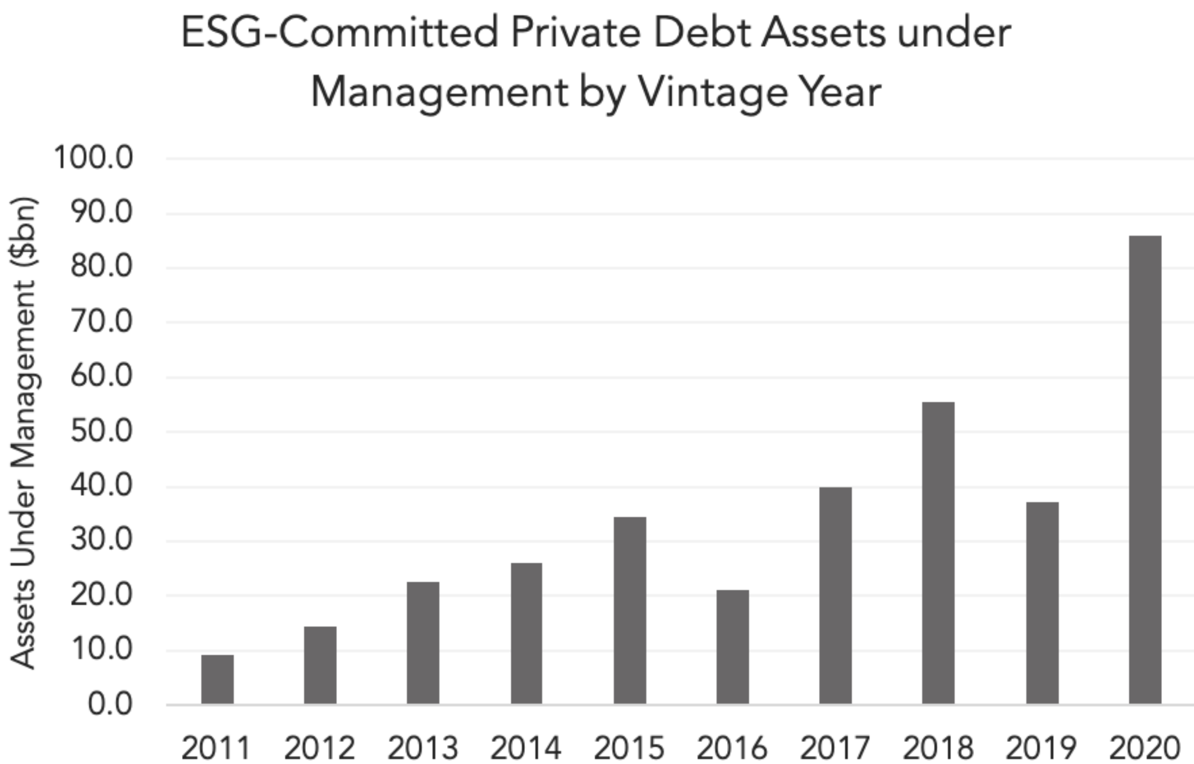
Private Debt Intelligence – 12/7/2020

THE LEAD | December 9, 2020

The Rise of ESG in Private Debt

Chart



Download Data

[wpdm_package id=’40557?]

Although private equity funds continue to dominate the ESG opportunity set, private debt has found its way to embrace ESG. Since 2011, 450 funds have come to market and $346bn has been raised – but 2020 has been a big year for the asset class. The combination of low interest rates and COVID-19-driven stress has made private debt the asset class investors to look towards. The ESG-committed private debt AUM from funds with 2020 vintage have reached almost $86bn as of September 2020. The aggregate target size of those funds, both closed and still raising, is up more than 130% through September, while total asset growth is up 86% among that group. These figures are expected to grow exponentially as more firms subscribe to ESG principles.

Contact: Maria Zapata
maria.zapata@preqin.com