Strong fundraising among secondaries

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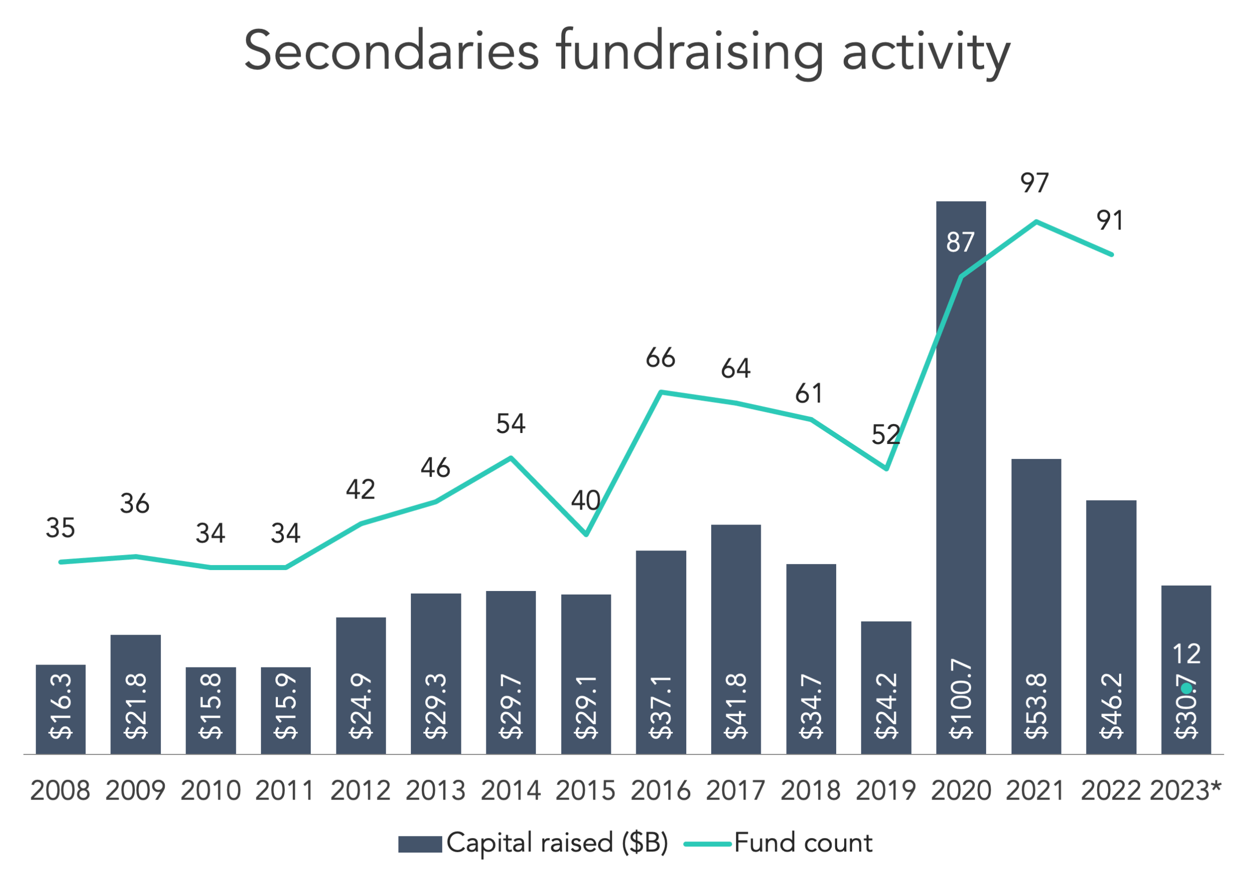

Download PitchBook's Report here.

Secondaries fundraising is off to a strong start in 2023, according to PitchBook's Q1 2023 Global Private Market Fundraising Report. With $30.7 billion raised through Q1, secondaries fundraising is already two-thirds as high as all of 2022, which was a strong year itself. The past quarter was the second highest total on record and comes on the heels of $200 billion raised between 2020 and 2022. The bulk of the Q1 total was due to a $22 billion closing for Blackstone Strategic Partners Secondaries IX, which is twice as big as its predecessor.

More big funds are on the way. Lexington Capital, Ardian and Dover Street are all still in the market with targets above $10 billion. LPs are eyeing the secondaries market as liquidity issues and the reverse denominator effect impact the PE world. Secondaries funds are taking advantage of current dynamics, but there's also interest in GP-led continuation vehicles for PE managers that need extra time for growth. As the report notes, continuation vehicles "could put downward pressure on pricing" the assets that will be involved in those funds, "which may generate outsized returns for the investments when exited."

(Past performance is no guarantee of future results.)