

PE FUNDRAISING AT A GLANCE

Q3 Trends

▶ **Challenging Fundraising Market**

Private equity fundraising declined in Q3.

▶ \$137.7bn was raised globally in Q3, down 19% from \$169.6bn raised in Q2, and marking the lowest quarterly fundraising since Q3 2022.

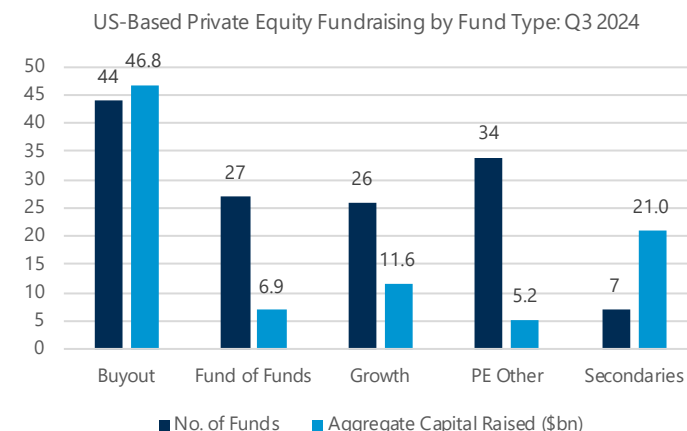
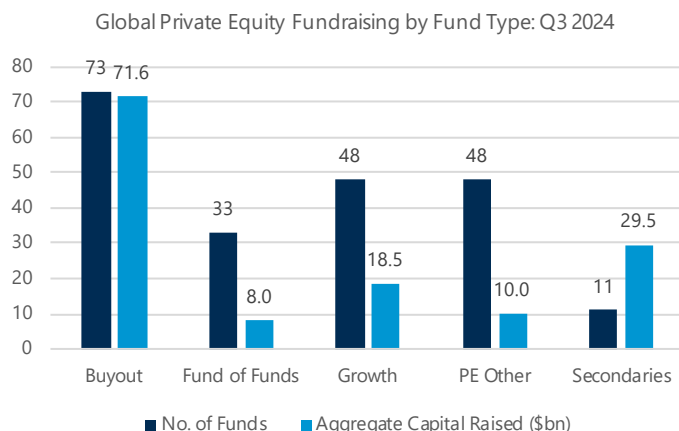
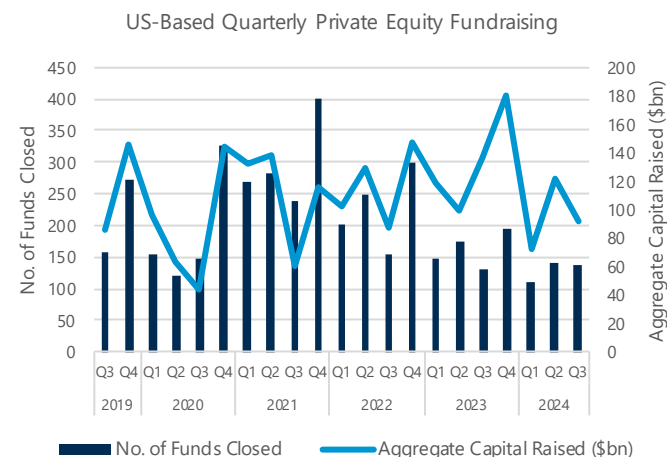
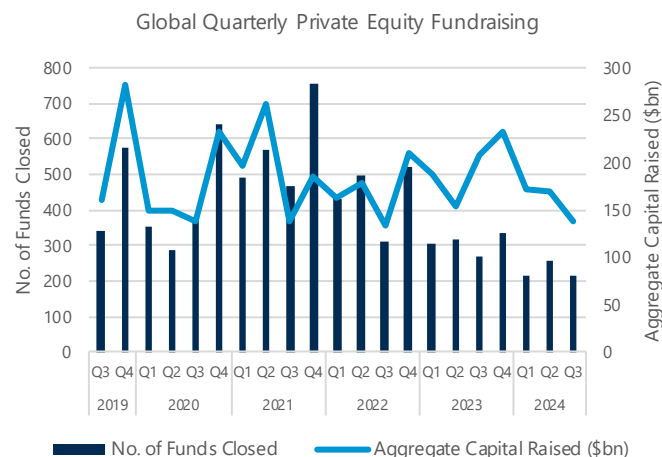
▶ The pace of funds closing slowed in Q3 with 213 funds reaching a final closing globally, down 17% from 258 funds that closed in Q2, and marking the lowest number of funds closed in any quarter over the last five years.

▶ **Growing Interest in Secondaries Funds**

Secondaries funds represented 21% of aggregate capital raised globally in Q3, up from 10% in Q2. Buyout funds continued to account for the majority (52%) of aggregate capital raised globally in Q3, down from 67% in Q2.

▶ **Smaller Fund Sizes.** The average final fund size in Q3 dropped 1.7% to \$646mn from \$657mn in Q2.

Third Quarter 2024



*PE Other includes balanced, co-investment, co-investment multi-manager, direct secondaries, hybrid, hybrid fund of funds, and turnaround funds.

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All charts were compiled by Preqin, and the data contained therein have not been reviewed for accuracy by Paul, Weiss.

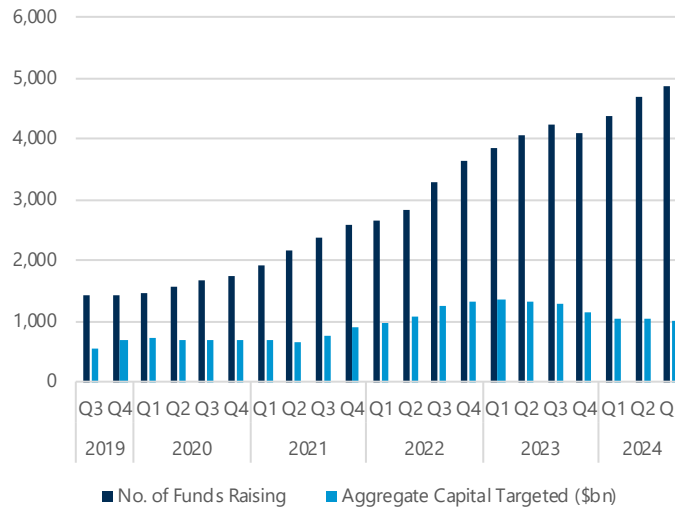
Q3 Trends

Third Quarter 2024

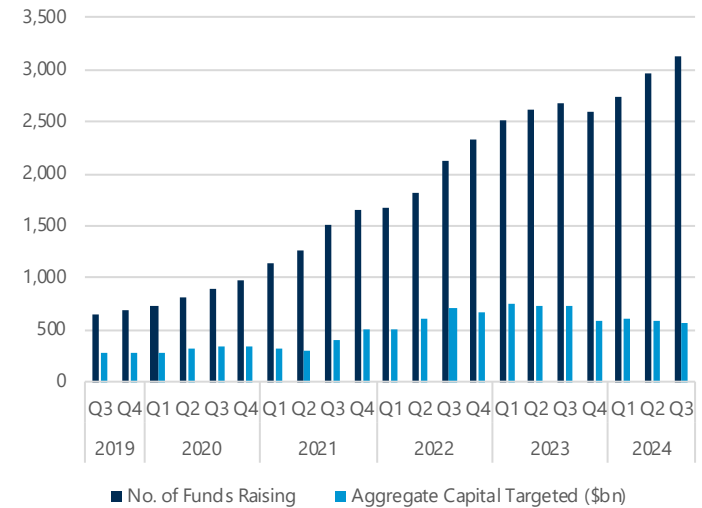
- More Funds in Market.** In Q3, there were 4,860 private equity funds in the market globally, a 3.5% increase from 4,688 funds in Q2 and representing the most funds in market during any quarter to date.
- Less Capital Targeted.** Aggregate capital targeted globally in Q3 was \$1.004tn, down 4% from \$1.045tn in Q2 and representing the lowest quarterly capital targeted since Q1 2022.
- Longer Offering Periods.** The average number of months to reach a final close increased to 24 months in 2024 YTD, marking the longest average period to reach a final close to date.¹
- Pressure on Fund Terms.** With a record number of private equity funds currently fundraising and LPs facing overallocations and slowed distributions, GPs are competing over limited investor dollars. As such, many GPs are modifying terms in response to the difficult fundraising market, including management fee discounts, key person triggers, reporting, and transparency.
- AUM; Dry Powder.** In Q1 2024, global private equity AUM reached an all-time high of \$6.309tn, a 5% increase from the prior quarter end, while dry powder dropped to \$1.54tn, a 6% decrease from the prior quarter end.

¹ Preqin.

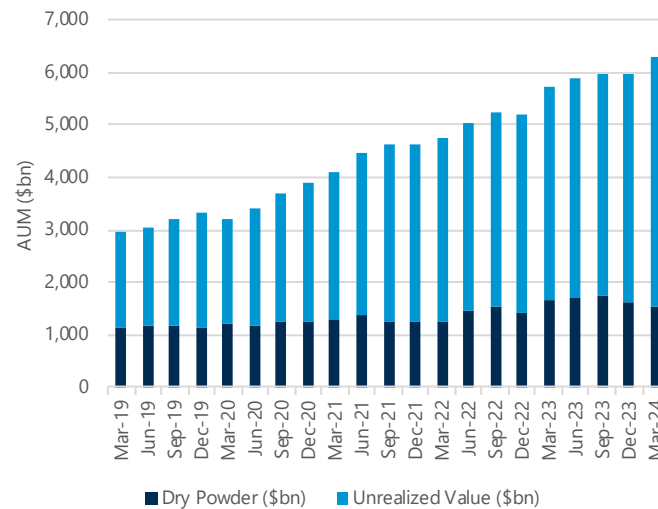
Global Quarterly Private Equity Funds in Market



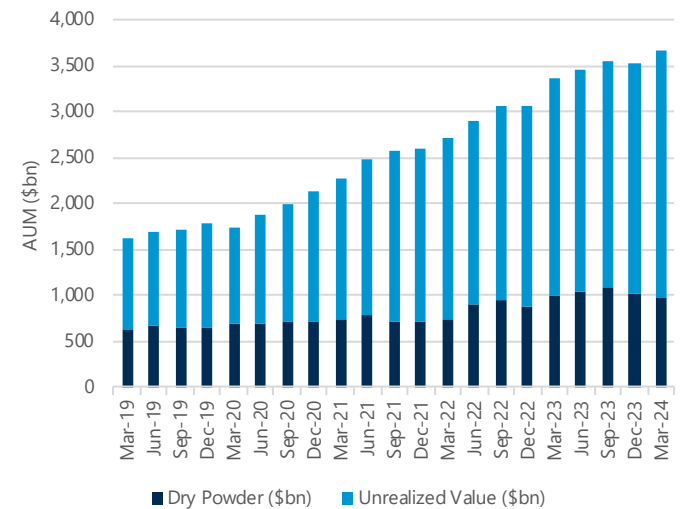
US-Based Quarterly Private Equity Funds in Market



Global Quarterly Private Equity AUM



US-Based Quarterly Private Equity AUM



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The editors of PE Fundraising at a Glance are Marco V. Masotti, Caitlin Melchior, and Karen J. Hughes.

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