

Leveraging Opportunity in Change

Navigating the Trends Shaping Private Markets in 2021 and Beyond

Investors seek private markets for long-term commitments that are less susceptible to short-term volatility. However these investments are not impervious to global risks. Investing in private markets requires strategic foresight to identify how market dislocations can create opportunities in times of change.



Risk scenarios that investors believe will have the greatest impact on private markets strategies in 2021:

86%

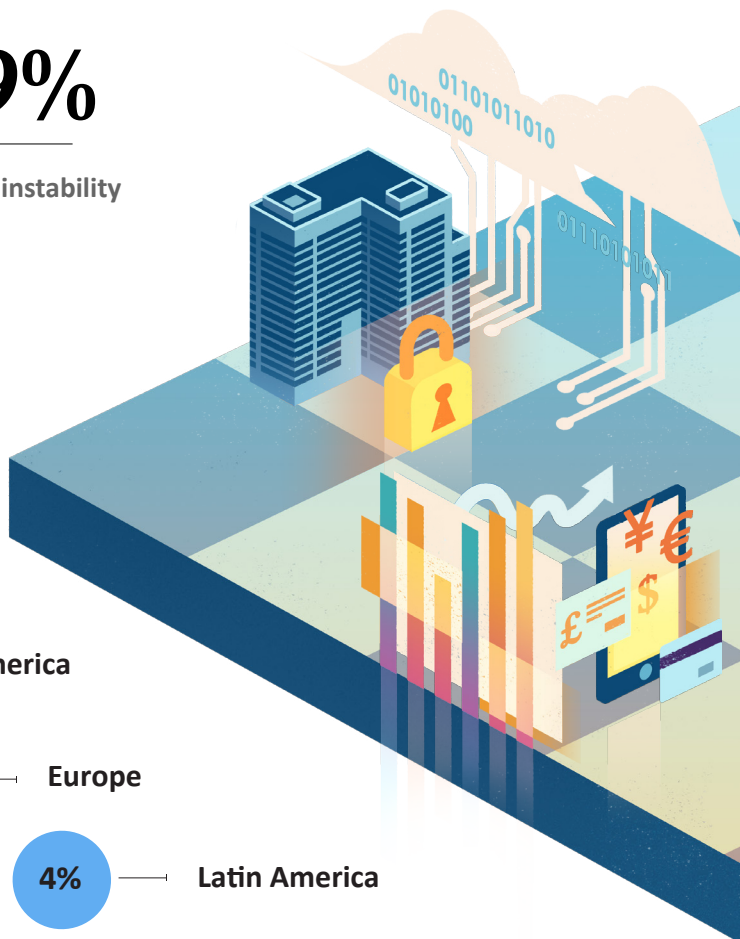
Continued spread of covid-19 and vaccine distribution issues

82%

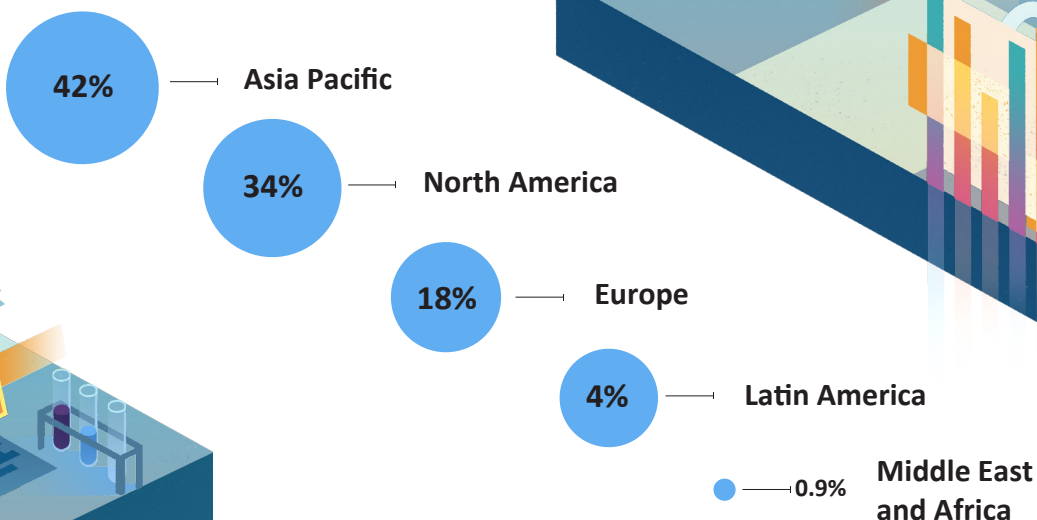
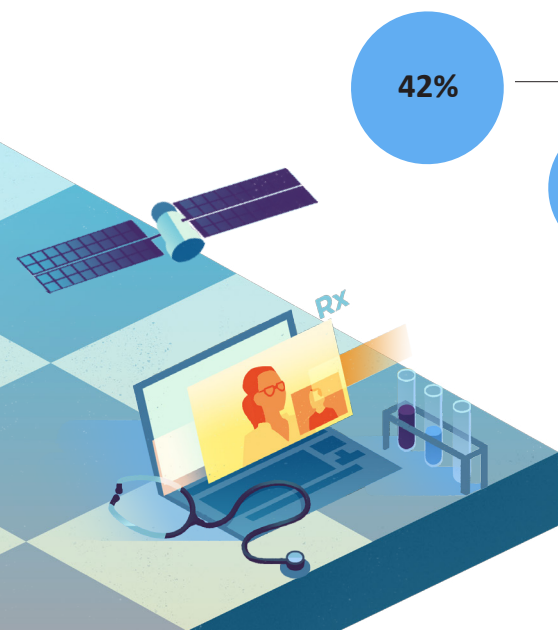
Increasing anti-globalist policies (trade barriers and tariffs)

79%

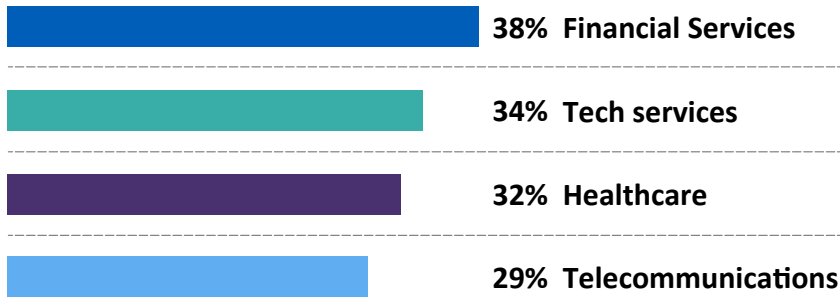
Political instability



Investors see Asia Pacific as the most attractive region for deal making in 2021, as risks in North America and Europe have increased.



According to investors, the sectors that may offer the best opportunities are:



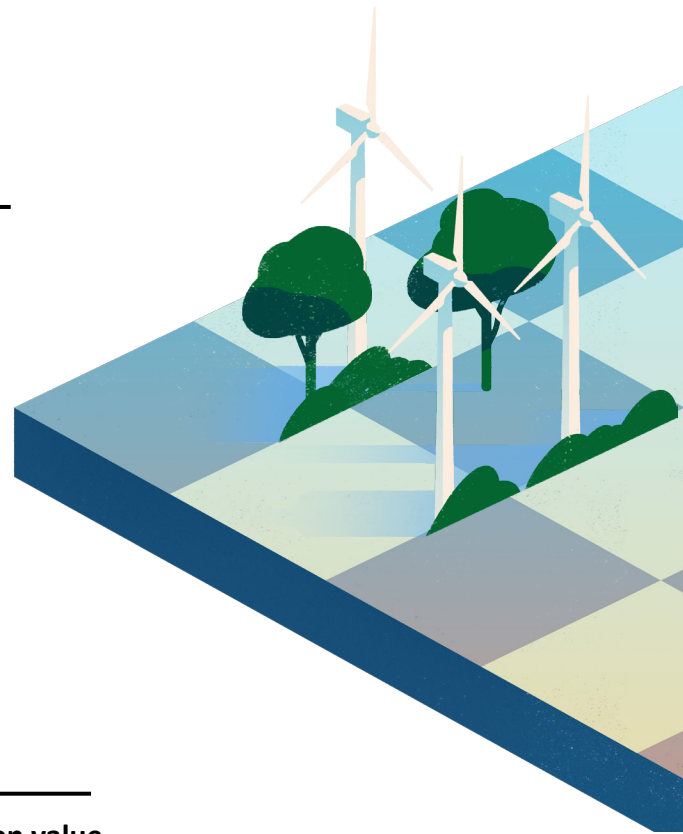
The crisis has cemented the need to incorporate environmental, social and governance (ESG) considerations into long-term strategies, and there is still ample opportunity in this space.

85%

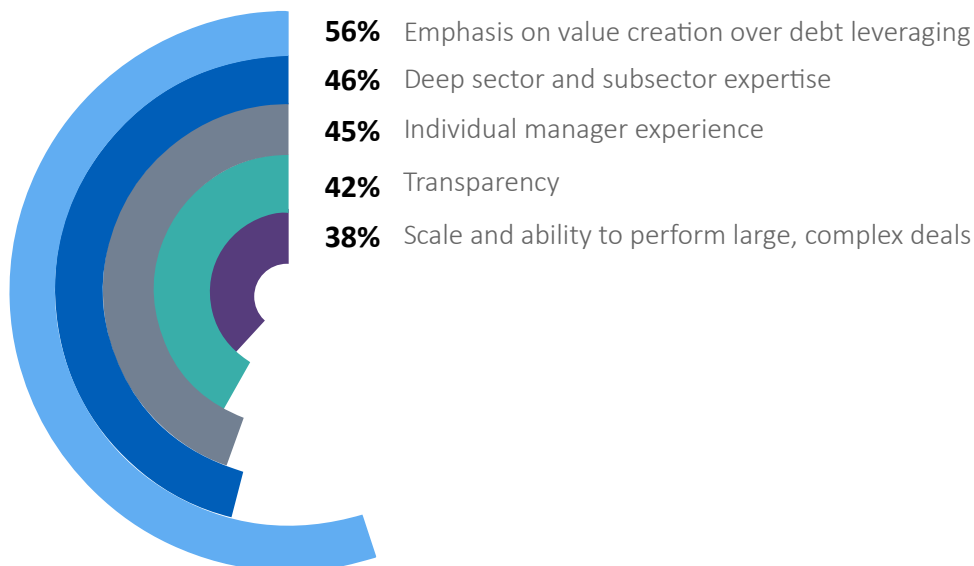
Investors believe that the return value of an investment can be enhanced by ESG factors

46%

Investors have strategies that include ESG restriction



The characteristics investors value most in a fund are emphasis on value creation over debt leveraging and deep sector and subsector expertise.



WRITTEN BY

