

Global Survey Finds Innovation Supercycle Driving Perception of Private Markets Investing Opportunities

Private market investors optimistic despite inflation, rising interest rates, and geopolitical risks

CHICAGO, IL – March 14, 2022 – [Adams Street Partners](#), LLC, a private markets investing firm with over \$51 billion of assets under management, released its [2022 Global Investor Survey](#) which reports that 86% of respondents believe private markets will outperform their public market equivalents over the long term. The risks identified by respondents, including inflation, rising interest rates, and geopolitical conflict, weren't enough to upend their overall optimism in the innovation supercycle that is driving a decades-long digital transformation of the global economy.

Key findings from the survey of institutional investors in private markets globally include:

- **Valuations Lead to Interest in Europe, APAC:** 44% of surveyed investors believe that the APAC region (China, Japan, Australia, and emerging markets) continues to offer the best investment potential in 2022. Europe is now on par with North America for investor sentiment, with respondents citing more attractive valuations in Europe despite an increase in “unicorns” valued at \$1 billion+ in 2021.
- **Investors Prioritize Tech, Healthcare, and Financial Sectors:** For the second year in a row, survey participants see three sectors offering the most opportunity – financial services, technology, and healthcare.
- **Near-Universal Adoption of ESG:** In a significant change this year, nearly all respondents (98%) said ESG considerations affect their investment strategy, up from 81% in 2021.
- **Blockchain Goes Mainstream:** 92% of participants indicated their companies are likely or very likely to invest in digital assets backed by blockchain technology in the next two years, citing it as “an indispensable technological foundation” and a gateway for new asset classes.
- **A “New Normal” in the Workplace:** 87% of respondents say their companies have implemented a hybrid model or have plans to do so this year. 89% offer flexible scheduling or working hours depending on individual needs. 83% believe that the pivot to meeting online for external meetings is more efficient than in-person meetings.
- **New Concerns with Inflation and Interest Rates:** While generally optimistic, respondents cited inflation (81%) and interest rate rises (84%) as new concerns. 87% of participants remain cautious of the continued impact of the pandemic.



Jeff Diehl, Managing Partner and Head of Investments at Adams Street, said, “The pandemic accelerated shifts in markets and sectors, creating an innovation supercycle that presents potentially attractive opportunities for private market investors. Companies are staying private longer, suggesting there is plenty of value to be created outside of the glare of public markets.”

The report, “**Private Markets Insights: Optimism in an Age of Change**,” is the second annual global investor survey published by Adams Street. Over six weeks leading into 2022, Adams Street Partners surveyed 118 limited partners for their views on a variety of topics that were a cause for optimism or concern. Participants included pension funds, institutional accounts, and portfolio managers located in the US, Europe, and APAC.

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About Adams Street Partners

Adams Street Partners is a global private markets investment manager with investments in more than 30 countries across five continents. The firm is 100% employee-owned and has over \$51 billion in assets under management. Adams Street strives to generate actionable investment insights across market cycles by drawing on 50 years of private markets experience, proprietary intelligence, and trusted relationships. Adams Street has offices in Austin, Beijing, Boston, Chicago, London, Menlo Park, Munich, New York, Seoul, Singapore, and Tokyo. Visit www.adamsstreetpartners.com

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