

## **Global Survey Points to Growing Optimism Among Private Market Investors as Headwinds Ease**

*Two-thirds of respondents expect to increase private market deployments in 2024*

*Almost nine in 10 investors believe that private markets will  
continue to outperform their public market equivalents over the long term*

*Two-fifths of investors expect technology and healthcare to present  
the greatest investment opportunities in 2024, with AI acting as a catalyst*

CHICAGO, IL – March 5, 2024 – [Adams Street Partners](#), LLC, a leading private markets investment firm with over \$58 billion of assets under management, today released its fourth annual [Global Investor Survey for 2024](#). For the fourth consecutive year, respondents believe that private markets’ superior ability to navigate short-term volatility and economic uncertainty make them more resilient than their public market counterparts.

Specifically, nearly 90% of respondents anticipate that private markets will continue to outperform their public market equivalents, with two-thirds of respondents expecting to increase their private market deployments in 2024.

Respondents confirmed their belief that private markets managers with scale, and a platform that crosses multiple strategies, are best placed to take advantage of investment opportunities in technology, healthcare and other sectors benefiting from change, dislocation, and growth.

While 39% of respondents view rising interest rates and inflation as the biggest challenges in private markets, that is significantly below the 55% level in last year’s survey. There is also growing consensus that rates have peaked, with 46% strongly agreeing that they will be lower at the end of 2024 than at the end of 2023.

Survey results also concluded that geopolitical risk is a key concern for investors, with 55% of respondents citing the US political climate as the biggest threat to global economic stability and growth.

[Jeff Diehl](#), Managing Partner & Head of Investments at Adams Street, said, “Interest rates appear to have peaked and stabilized and may modestly decline this year, which should result in a pickup in deal activity and liquidity. Our experience over more than 50 years tells us that great companies can succeed in any interest rate environment, so our focus is on getting investment exposure to some of the best private companies.”

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

**Geographic Preference Shifts:** While 21% of respondents said North America offers the best investment potential in 2024, the figure represented a drop of five percentage points from a year ago. Similarly, 19% said the best investment opportunities will be in China, a three percentage point decrease from last year. Conversely, emerging Asia Pacific saw a four percentage point rise from the 2023 Global Investor Survey to 13%, while Europe saw a two percentage point rise to 20%.

**Digital Disruption:** A steady 40% of investors expect technology and healthcare to present the greatest investment opportunities in 2024, and view AI as a clear market catalyst. Half of respondents favor financial services, up from 35% last year. Venture capital and growth equity have a disproportionate influence on backing innovative, technology-focused startups, with over 80% of survey respondents considering allocating up to a fifth of their private market holdings to these strategies.

**Spotlight on Secondaries and Private Credit:** The proportion of investors looking to invest in secondaries rose to 36% of respondents, compared with 27% in 2023. The rise in interest in the secondary market demonstrates a stronger investor appetite for diverse asset classes during the liquidity drought in M&A and IPO markets, with 81% and 88% of surveyed investors expected to allocate up to a fifth of their private market assets to private credit and secondaries, respectively. The flexibility offered by private credit providers, coupled with attractive returns from floating-rate structures and greater lender protections, make the asset class highly favored by investors and borrowers.

**Manager Selection:** The characteristics valued most by investors in private market funds are deep sector expertise (44%), advanced digital analytics and reporting in portfolios (43%), the scale and ability to perform large, complex deals (39%) and an emphasis on value creation over debt leveraging (36%).

**Election Year Factor:** With about 40 countries heading to the polls this year, respondents indicated that the potential for policy disruption in 2024 is unprecedented. According to survey respondents, US political uncertainties are seen as the greatest threat to economic stability (55%), followed by the Israel/Hamas war (44%) and US/China tensions (43%).

**Bullish on Blockchain:** Investors are warming back up to blockchain technologies, with nine out of 10 who took part in our survey looking to invest in cryptocurrency or blockchain-targeted opportunities in 2024-25, up 11 percentage points from 2022, and 57% saying they are highly likely to do so.

The report, [“Navigating Private Markets in 2024: Opportunity Knocks as Change Accelerates,”](#) surveyed 100 institutional investors in the US, Europe, and APAC. They were surveyed on a variety of topics over six weeks leading into 2024.



###

### **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 manages \$58 billion in assets under management. Adams Street strives to generate actionable investment insights across market cycles by drawing on over 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, Sydney, and Tokyo. Visit [www.adamsstreetpartners.com](http://www.adamsstreetpartners.com)

*Important Considerations: This information is provided for educational purposes only and is not investment advice or an offer or sale of any security or investment product or investment advice. Offerings are made only pursuant to a private offering memorandum containing important information. Statements are made as of the date hereof unless noted otherwise, and there is no implication that the information contained herein is correct as of any time subsequent to such date. All information has been obtained from sources believed to be reliable and current, but accuracy cannot be guaranteed. References herein to specific sectors, or investments are not to be considered a recommendation or solicitation for any such sector or investment. Past performance is not a guarantee of future results. Projections or forward-looking statements contained herein are only estimates of future results or events that are based upon assumptions made at the time such projections or statements were developed or made. There can be no assurance that the results set forth in the projections or the events predicted will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections or forward-looking statements. Adams Street Partners, LLC is a US investment adviser governed by applicable US laws, which differ from laws in other jurisdictions.*

### **Media Inquiries**

Rich Myers / Rachel Goun

Profile Advisors

+1 347 343 2999

[adamsstreet@profileadvisors.com](mailto:adamsstreet@profileadvisors.com)