

FUND FINANCE FRIDAY

Quite the Pipeline

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While it's not exactly big data, we track a few indicators to gauge our forward deal pipeline. All signs point to a high-volume first quarter. Here are a few supporting numbers:

- Our time spent on prospective U.S. matters in January more than doubled the 2019 pace to reach an all-time high. February continues apace.
- A week-and-a-half into February, we're a stone's throw away from exceeding the 2019 average monthly LPA review count.
- January LPA reviews, by the way, were nearly 70% above the recent monthly average.
- New U.S. matters opened in January exceeded the 2019 monthly average by more than 30%. This builds on the acceleration we saw in Q4, and we're seeing the trend maintained in February.

We're operating in an environment where lenders are on the lookout for asset growth, the yield curve favors capital allocation to the short-end of the curve and fundraising trends support growth in lending. Admittedly, these are largely near-term drivers. We also see durable long-term drivers at work as private markets continue to expand. The most significant of these may be the developments towards increasing Main Street participation in the market. In line with this, we continue to position our practice for sustained growth.