

FUND FINANCE FRIDAY

\$439 Billion in Private Capital Raised in 1H 2020: PitchBook

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Private capital raised in 1H 2020 totaled \$438.8 billion, roughly 11% below the 2019 pace on an annualized basis, according to data summarized in PitchBook's [Private Fund Strategies Report Q2 2020](#). As can be expected in a volatile market, established names fared much better than emerging sponsors at attracting investors, although it's worth noting that the trend towards greater concentration of capital at top sponsors predates COVID by a couple of years. The number of funds raised totaled 643, well below the 2019 rate of 1,754 for the full year. North American private equity fundraising in 1H 2020 totaled \$115.3 billion, lagging the prior year pace when full-year capital raised totaled \$322.2 billion.

While the 1H 2020 totals underperformed the prior year pace, the bottom line, by our read, is that fundraising handily exceeded mid-March expectations. Volume has certainly been more than sufficient to support a brisk fund finance market. Longer term, the trend towards capital concentration will bear watching. Easing travel constraints or greater adaptation to the COVID-era business environment may facilitate more capital allocation to emerging managers. On the other hand, the clock may just have moved forward a couple of years in the dominance of large multi-strategy platforms.