

The Brackendale Private Equity LP Sentiment Survey H1 2020

Why?

At Brackendale we were keen to explore LP sentiment amidst an unprecedented backdrop of market turbulence, as we continue to provide our GP clients with investor marketing support.

Who?

LPs surveyed hail from across Europe and the US, and comprise a mix of pension funds, insurance companies, family offices and fund-of-funds from our extensive contact network.

What?

There are a fair few surveys flying around at the moment, so we decided to keep ours short and punchy to capture the key trends.

We asked:

On a scale of 1-5 how happy are you with the information you're getting out of GPs on the state of their portfolio investments? (1 is very unhappy and 5 is delighted)

They answered:



Choice comments:

"Proactive communications from most GPs on the Covid impact to the existing portfolio on a regular basis"

"Bell curve of transparency and communicativeness; the best GPs are setting a high bar on this and making the laggards look weak in comparison"

"In most of the cases weekly or semi-weekly updates"

"Most have thought of (or had it impressed upon them!) what LPs are wanting with respect to information, and are addressing on a timely basis. Pretty transparent"

"RAG ratings are easy to digest when have many portfolio companies. Focus, correctly, tends to be on operational metrics, but those that have been able to either give, or give a steer to, Q1 valuations early on are viewed preferably"

"Most GPs have been reasonably forthcoming with candid and timely information, but not all have a very good plan of what's more to come"

"Some GPs are not communicating enough (or at all) given the current situation"

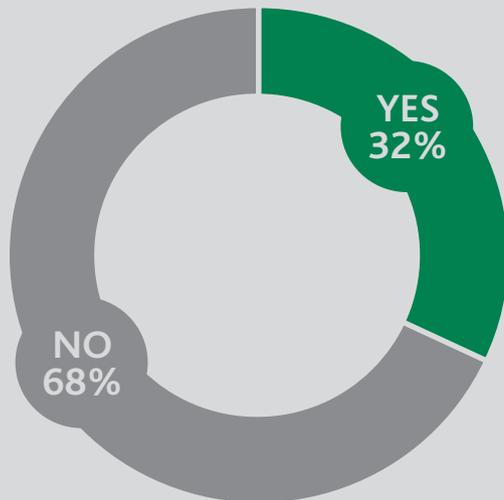
"Lot of transparency and they keep us informed"

"Additional information is being provided ('COVID-calls')"

We asked:

Have you placed any of your fund commitments on hold because of the current situation?

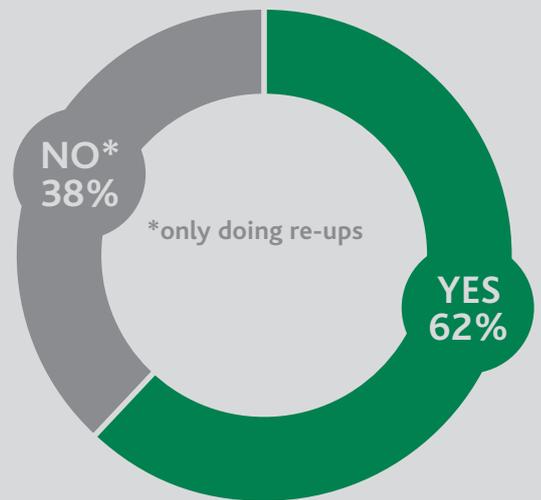
They answered:



We asked:

Are you willing to make commitments to new funds even if you can't visit them?

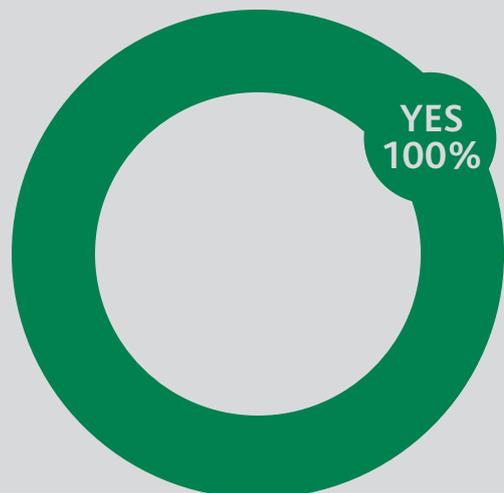
They answered:



We asked:

Are you maintaining the same exposure to private equity as pre-lockdown?

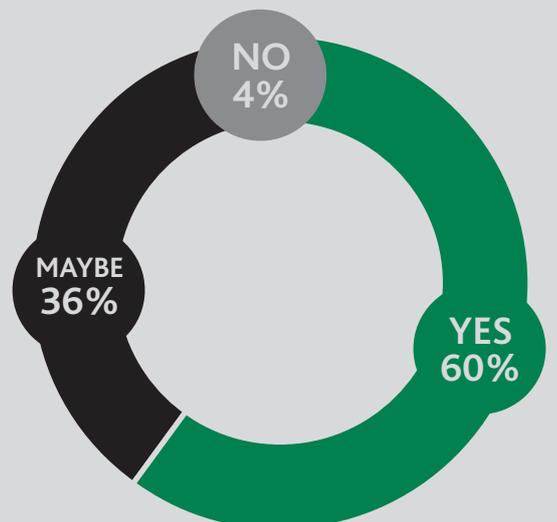
They answered:



We asked:

Do you see the value in fund manager pitches via video conferencing?

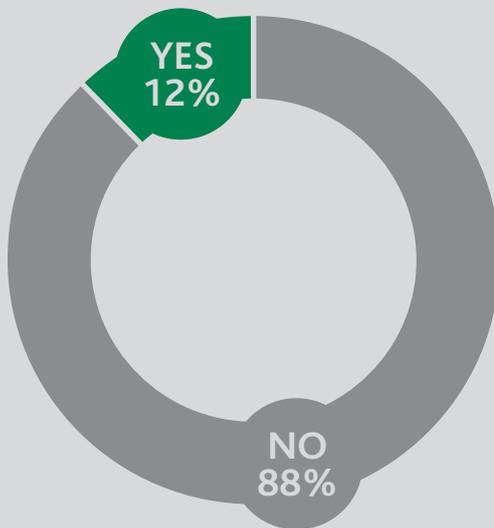
They answered:



We asked:

Are you turning to any different market segments because of the pandemic?

They answered:



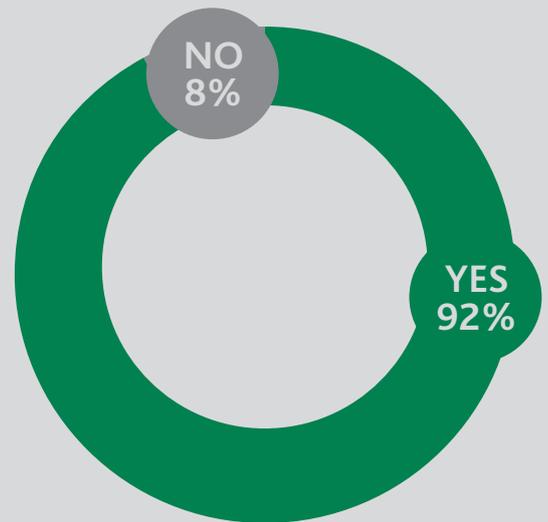
New segments include:

- Special situations
- Turnaround
- Private Debt
- Distressed
- Dislocated credit
- Less consumer and energy

We asked:

Have LP distributions been negatively affected by the pandemic?

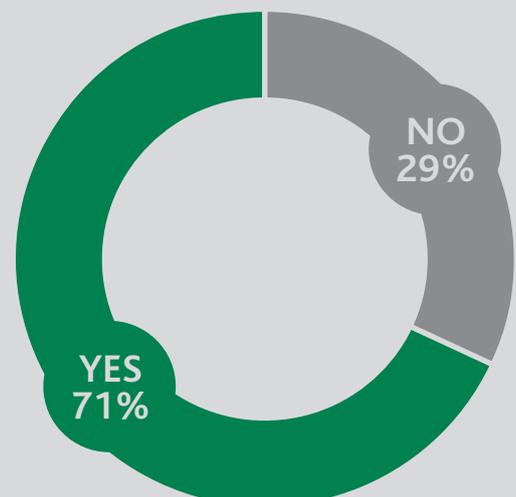
They answered:



We asked:

Do you believe you will be more active in the secondary market as a result of the pandemic?

They answered:





Brackendale Consulting Ltd is a European agency offering investor marketing and communications services to clients within the private equity industry. The firm specialises in writing and designing professional investor marketing materials such as investor pitchbooks, PPMs, ESG reports, quarterly reports and investor newsletters, as well as offering investor pitch training. Brackendale devises effective media and communications campaigns, and its graphic design team is skilled at corporate identity, branding, logos and redesigning websites.

Brackendale employs multilingual staff with deep sector experience and an extensive contact network across the private equity community.

For more information please visit
www.brackendaleconsulting.com

