

PEI Annual LP Perspectives Survey

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Higher interest rates have rearranged the investment landscape with liquid products offering more attractive value while forward private market returns are somewhat uncertain in light of challenges facing valuations and the path to realization. Given this setup, *Private Equity International* latest edition investor survey, provides timely insight into LP priorities. **Interesting observations in the report included the following:**

- 82% of LPs plan to invest the same amount or more in PE funds over the next 12 months. This total is up modestly after weakening somewhat in 2023. The number of investors reporting an overallocation to PE dropped to the lowest since 2021.
- While the majority of LPs saw PE as having outperformed or met benchmark returns over the past twelve months, the share of investors in this camp was the lowest since 2021.
- A slim minority of LPs—around a quarter—see restrictions around the use of NAV lines as very important. On the other hand, the share of LPs neutral on NAV loan restrictions increased meaningfully from the prior survey. This result may indicate that investor education initiatives on NAV may be paying off.

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