Alternative Investments

Private Equity & Venture H1 Report

2024

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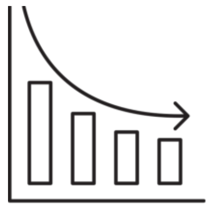
Key Facts*



$435bn

drop in AUM across Buyout in 2023

45%

of Buyout and Growth sector focus for 2024 is in Technology and Healthcare

~$50bn

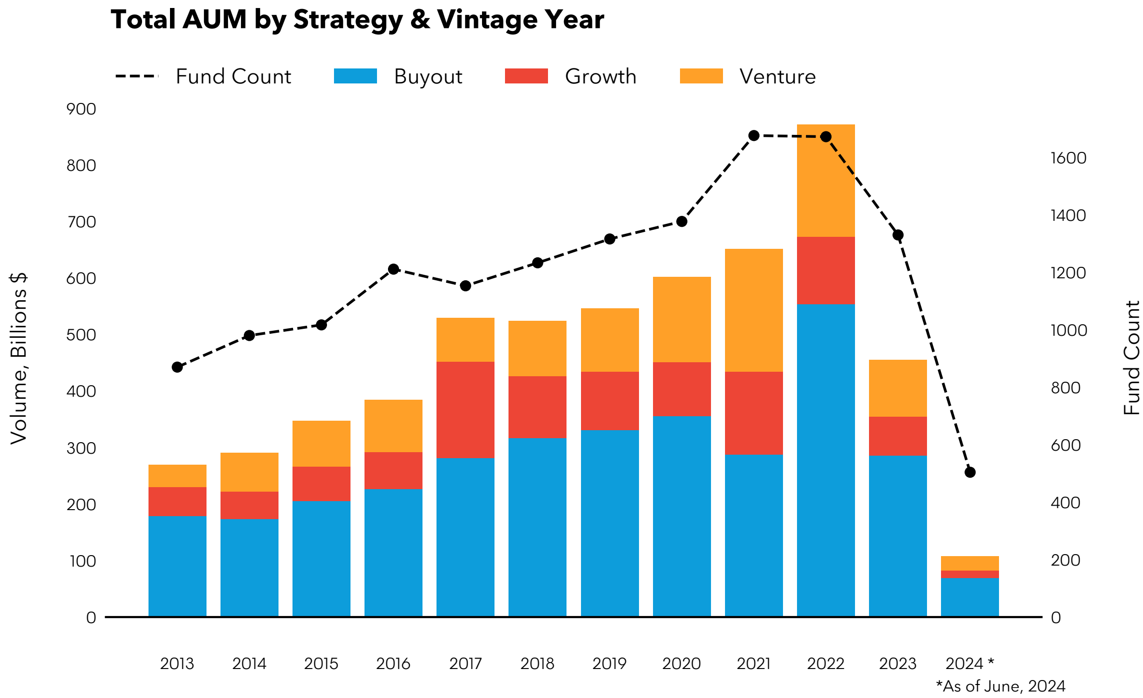
of Venture capital deployed in North America

43%

of Venture capital deployed in Europe and Asia

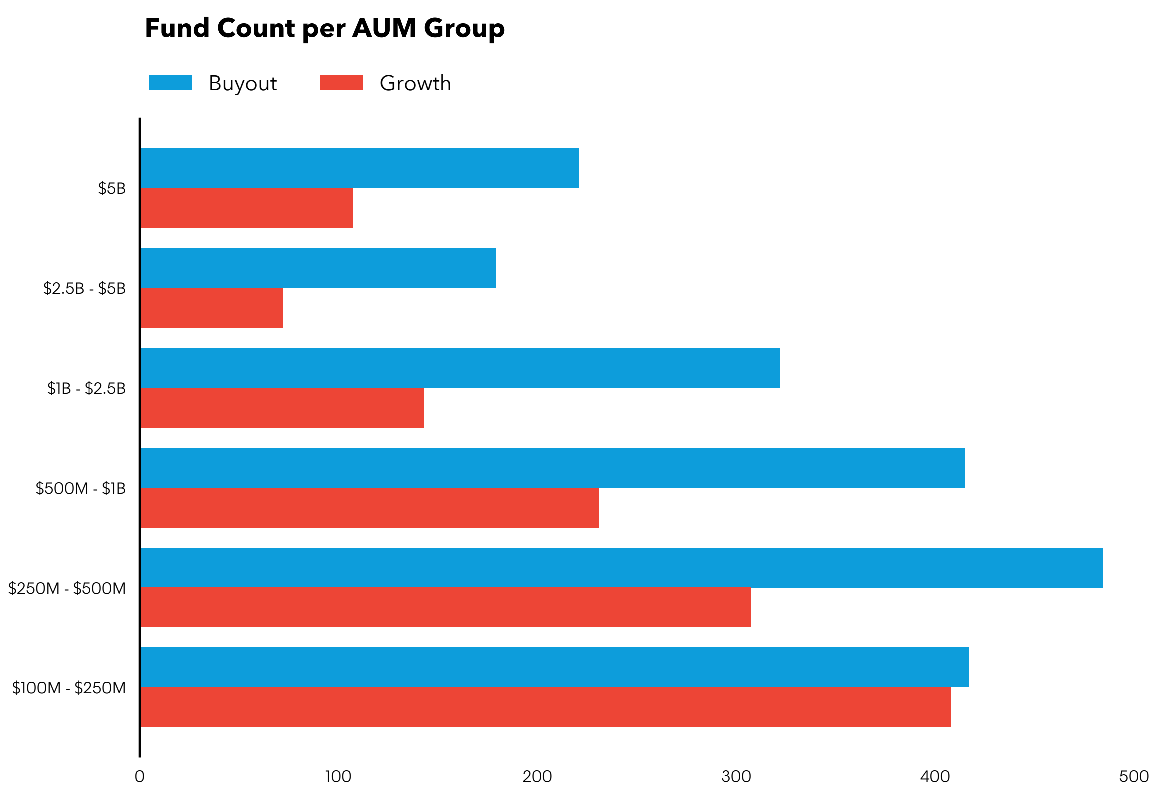
* As of June, 2024

Fund Count & AUM Breakdown



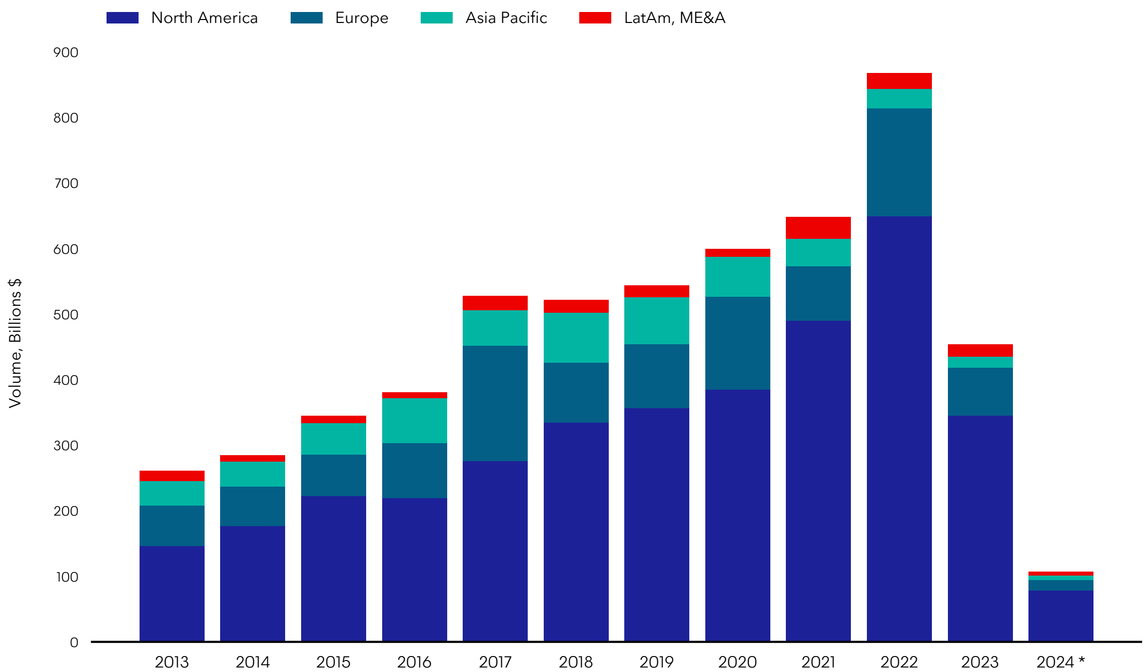
After a significant drop in fundraising for 2023, Private Equity Funds are attempting to bounceback in 2024. Buyout Funds are on track to surpass 2023 fundraising numbers but have a long way to go to match 2022 fundraising. Buyout Funds also saw a 39% decrease in fundraising from Q4, 2023 to Q1, 2024.

Venture is attempting a comeback, with AI-led funds leading the charge for capital raised. Growth Equity however, has been significantly lagging fundraising numbers from previous years.



Despite the average Buyout Fund size topping $1bn in Q1, 2024, a majority of active Funds are sub $1bn. The trend, however, is shifting towards larger Fund sizes as LPs rely on experienced managers with credible track records.

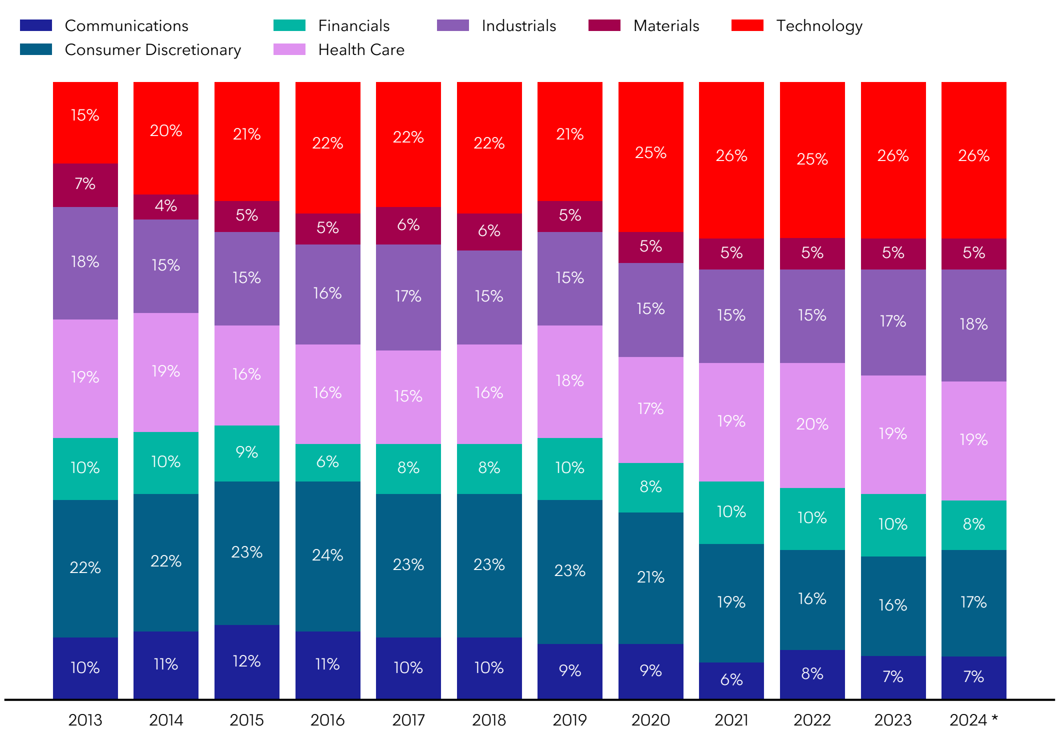
Total AUM by Fund Domicile & Vintage Year



*As of June, 2024

North America continues to dominate AUM across all three strategies, followed by Europe and Asia. European Funds with US HQs are gaining significant traction, showcasing a desire for capital to flow towards the region managed by experience US managers.

Buyout/Growth: Total AUM by Fund Sector as a % by Vintage Year



*As of June, 2024

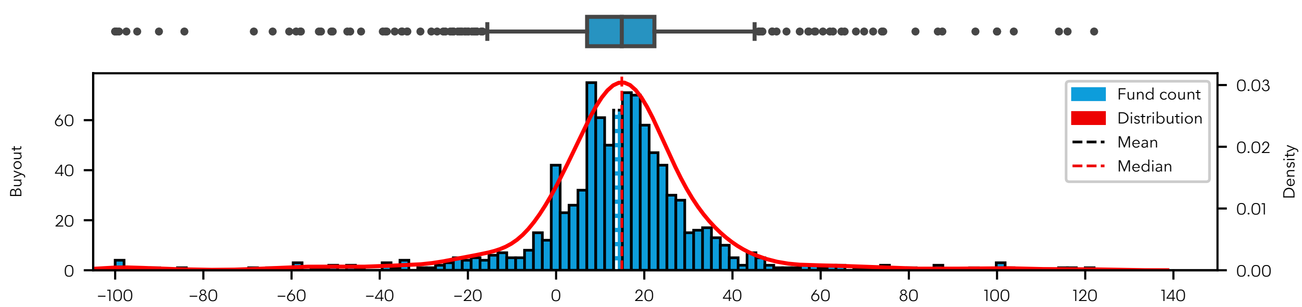
No major adjustments in sector focus has occurred thus far in 2024 as compared to the previous year. Technology and Healthcare continue to dominate the space and will likely do so for the rest of the year.

Valuation & Risk

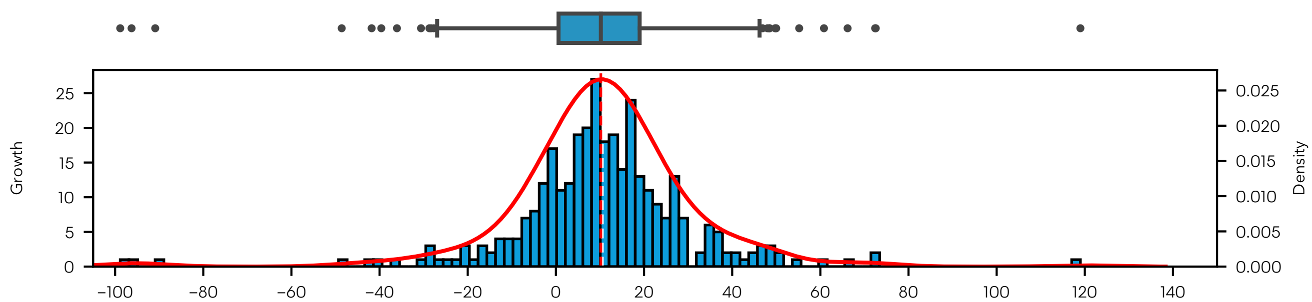
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
IRR	Buyout	15.1	15.2	17.56	17.5	18.76	17.6	17.96	10.14	11.37	--	--
	Growth	11.74	10.13	10.8	18.31	14.48	13.26	13.26	9.48	8.02	--	--
	Venture	12.5	19.82	13.7	15.77	20.6	18.57	14.98	5.0	-1.01	--	--
MOIC	Buyout	1.71	1.72	1.77	1.72	1.6	1.5	1.4	1.19	1.12	1.0	0.9
	Growth	1.4	1.66	1.3	1.56	1.6	1.39	1.21	1.19	1.05	0.99	1.0
	Venture	2.01	2.36	1.9	1.8	1.92	1.51	1.41	1.1	0.99	0.95	0.91
PIC	Buyout	101.34	99.02	98.41	96.26	97.0	91.92	83.44	68.29	46.29	23.66	8.54
	Growth	99.48	100.0	94.95	99.77	95.6	92.73	88.11	80.77	41.49	25.28	9.85
	Venture	98.98	96.57	98.45	97.92	95.5	90.64	76.0	79.0	66.29	26.11	13.75
DPI	Buyout	1.2	1.21	0.89	0.72	0.52	0.34	0.2	0.03	0.0	0.0	0.0
	Growth	0.99	0.58	0.47	0.45	0.34	0.2	0.07	0.02	0.01	0.0	0.0
	Venture	0.81	0.82	0.56	0.37	0.31	0.03	0.0	0.0	0.0	0.0	0.0
RVPI	Buyout	0.63	0.75	0.86	0.98	1.1	1.17	1.19	1.1	1.08	0.98	0.88
	Growth	0.53	0.93	0.95	0.96	1.16	1.12	1.07	1.05	1.0	0.93	1.0
	Venture	1.2	1.29	1.31	1.29	1.33	1.38	1.37	1.03	0.99	0.94	0.91

IRR: Standard Deviation & Volatility*

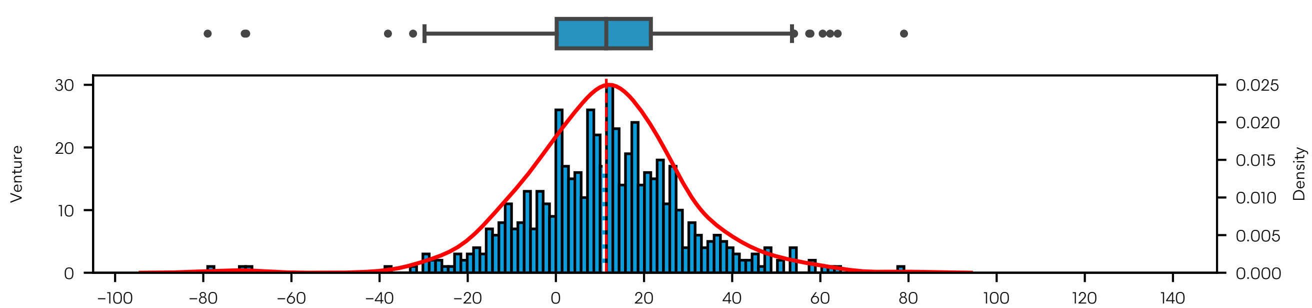
The histograms and interquartile ranges below show the range and spread of IRR values for Buyout, Growth, and Venture funds respectively. These values belong to funds with a vintage between 2012 and 2023, inclusive. Density is represented by the red curve, while fund count per IRR value is represented by the blue histogram bars.



When looking at Buyout, the first observation made is the density of values within the 0% to 35% IRR range. A majority of values are within the -20% and 50% range.



Growth funds have a larger spread in IRR values, with a lower density of values between -12.5% and 27.5%. The majority of values can be found between -40% and 50%. There is a more even skewness on both ends for Growth Funds with a mean and median IRR of ~10%.



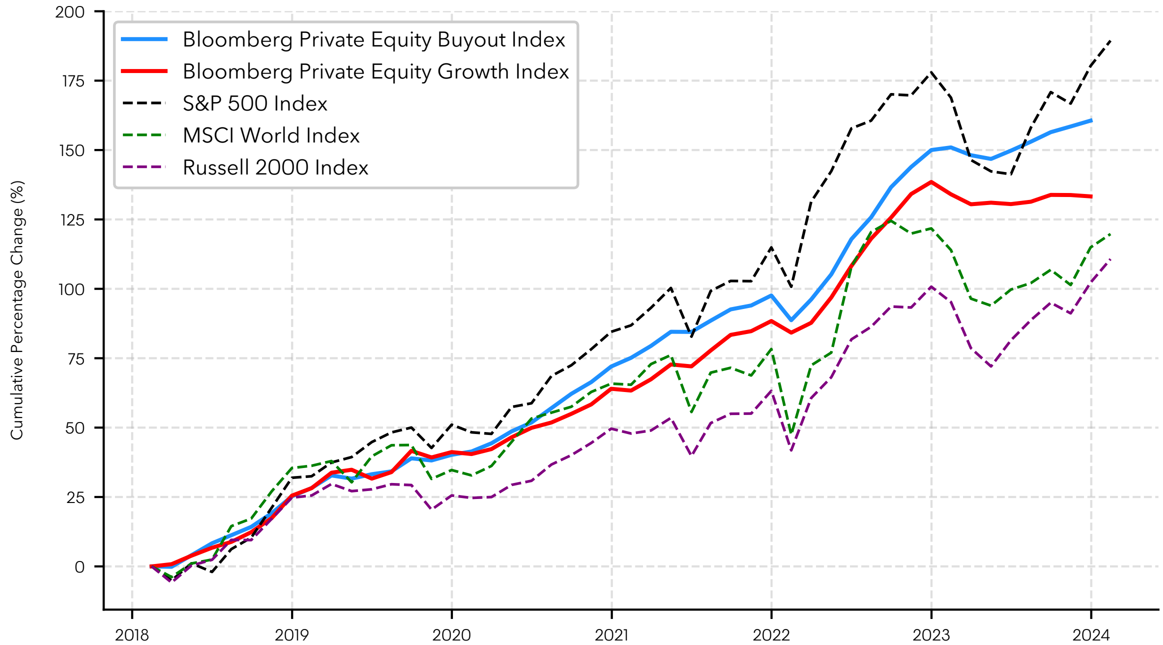
Finally, when observing the distribution of IRR values for Venture funds, we can see these are closest to a normal distribution of values. Compared to Buyout and Growth funds, the mean and median for all Venture IRR values trend closer to 15%.

* For a breakdown of our methodology calculating Standard Deviation and Volatility, visit DOCS 2145758 <GO>

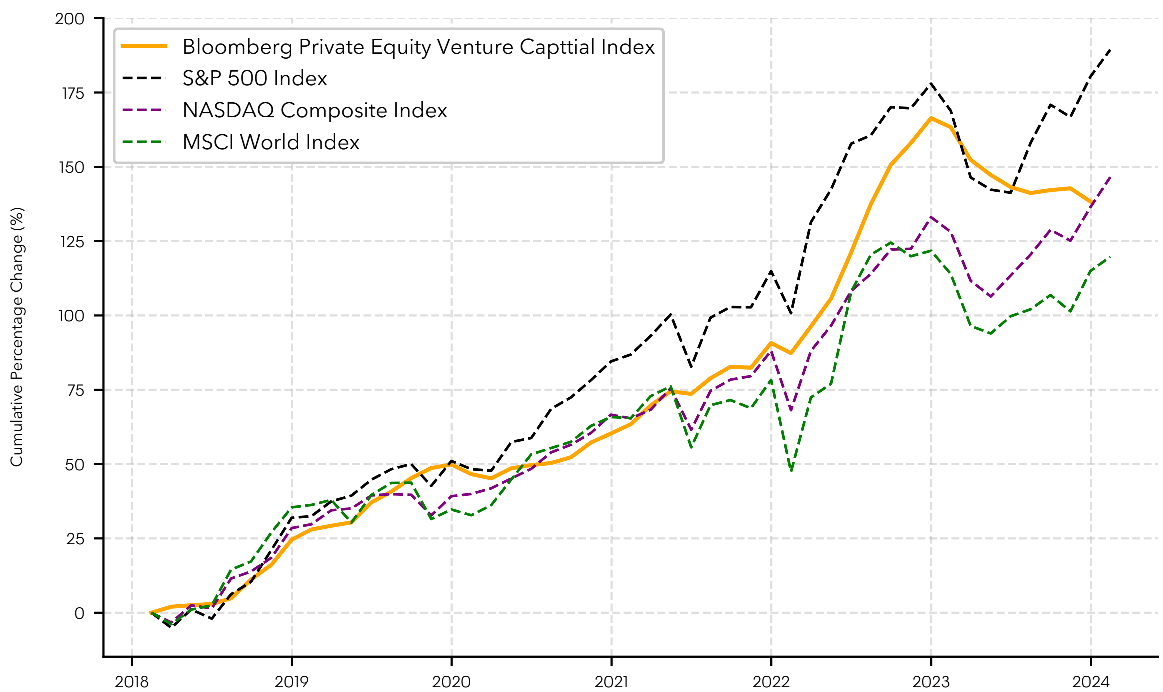
Benchmarks*

The Bloomberg Private Equity Indices provide insights as to how Alternative Investment strategies are performing. These can be benchmarked against public market indices by studying cumulative percentage change over time, as shown below. In most cases, over the last decade, Private Market Indices outperform Public Market Indices.

Buyout & Growth Indices vs. Public Market Indices



Venture Capital Index vs. Public Market Indices



*Public Market Indices as of June, 2024
*Private Market Indices reported with 2 quarter lag

Bloomberg Intelligence: Report

Thematic Strategy: VC Bellwether Checkup

Breanne Dougherty
BI Strategist

Venture-Capital Read Reveals Health, Fintech, AI Opportunity

Contributing Analysts Matthew Vitha

(Bloomberg Intelligence) -- Private markets are in the midst of a transformation following 2021's valuation craze and 2023's inevitable reset, with venture-capital holdings analysis showing a clearer focus this year on innovative health, fintech and AI/AI-adjacent themes. Relatively subdued deal activity has kept the noise level low, which we believe provides greater visibility into more discriminating investment shifts.

For more of our research, visit **BI <GO>**. (06/13/24)

1. VC Bellwether Deals Coming Back; Genomics, AI Focus

VC Bellwethers represent 25 VC firms from our dataset with the highest number of private-company deals since January 2018.

In 2024, these VCs have participated, either as sole investor or with partners, in transactions involving over 485 unique private companies.

The five most prevalent themes those companies map to being genomics, AI, novel neuro, cloud and generative AI. The graphic highlights the top five deals by each VC Bellwether year to date.

Scale AI stands out as compelling, sought by five of our VC Bellwethers. The company provides data for AI applications, including autonomous vehicles, AR/VR and robotics.

VC Bellwethers' deal count may have hit a nadir in 4Q. Though May M&A is still well off the June 2021 peak, the count has steadily climbed in 2024. (06/13/24)

VC Bellwethers and Their Top 5 2024 Deals

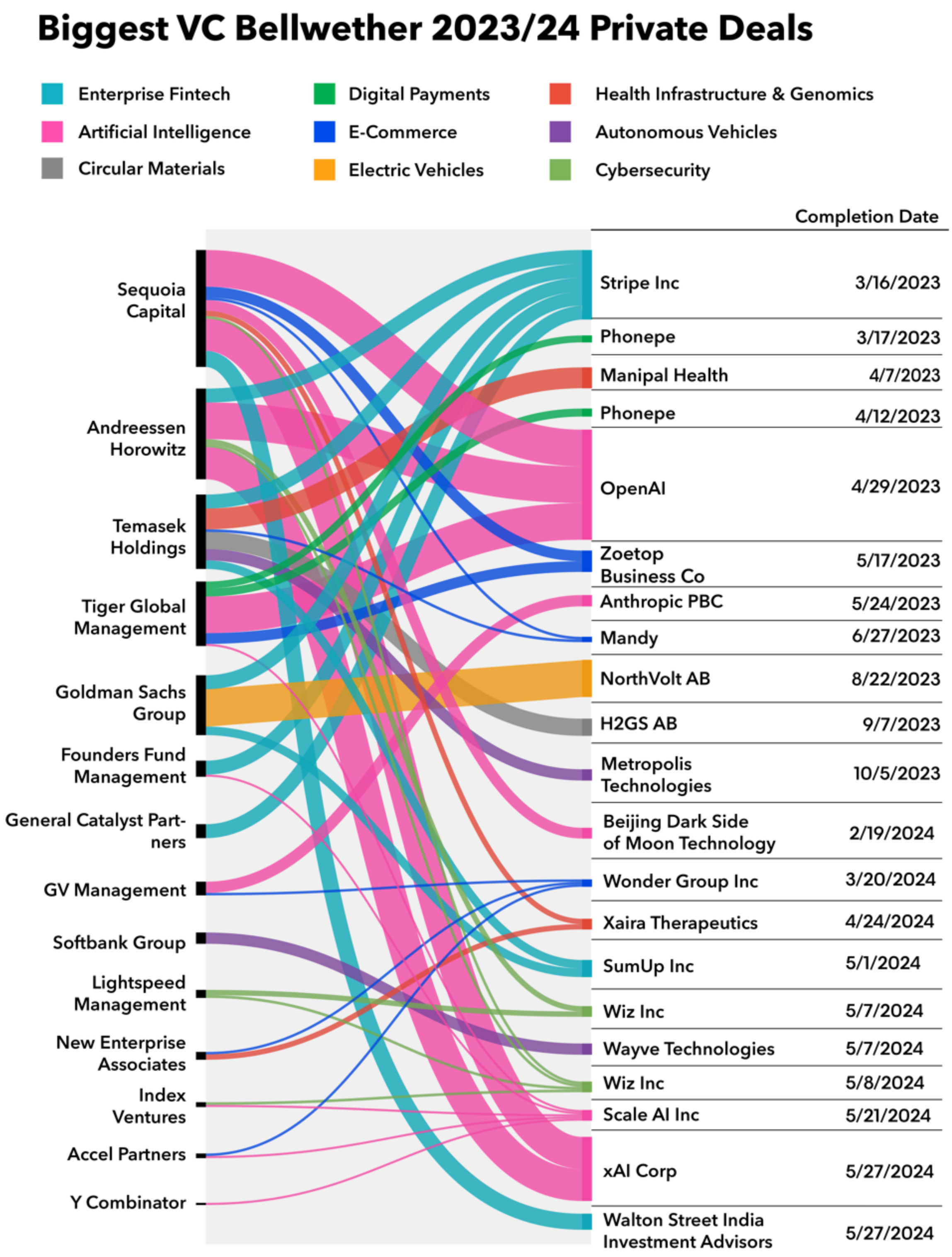
VC Bellwether	Top 5 Largest Deals in 2024
Sequoia Capital Operations LLC	xAI Corp, Walton Street India Investment, Wiz Inc, Xaira Therapeutics Inc, Beijing Dark Side of Moon Tech
Y Combinator Inc	Scale AI Inc, Heart Aerospace AB, Digital Therapeutics Inc, PhotoRoom Inc, Simple Account Payment Solutio
Tiger Global Management LLC	Scale AI Inc, Fashnear Technologies Pvt Ltd, Vercel Inc, SmartShift Logistics Solutions, Alkira Inc
Andreessen Horowitz	xAI Corp, Wiz Inc, Wiz Inc, Freenome Holdings Inc, BioAge Labs Inc
Accel Partners LP	Scale AI Inc, Wonder Group Inc/NY, Vercel Inc, Corelight Inc, K-Dimensional Holdings Inc
Insight Venture Partners LP	DeepL SE, Perplexity AI Inc, Abridge AI Inc, DataSnipper BV, K-Dimensional Holdings Inc
Lightspeed Management Co LLC	Wiz Inc, Wiz Inc, Xaira Therapeutics Inc, Augment Computing Inc, Augment Inc
GV Management Co LLC	Wonder Group Inc/NY, Monzo Bank Ltd, Lambda Labs Inc, Metsera Inc, Vercel Inc
500 Startups Management Co LLC	Fresh Lending SAPI de CV, Bunny & The Duchess Sdn Bhd, My Blink Co Ltd, Elevarm Technologies Pte Ltd, Storia Originals Inc
SoftBank Group Corp	Wayve Technologies Ltd, Metsera Inc, Zum Services Inc, Karius Inc, Upstage.ai
General Catalyst Partners LLC	Bilt Technologies Inc, Glean Technologies Inc, Indsystems IT Pvt Ltd, inDriver Holdings Inc, Fog Pharmaceuticals Inc
Bpifrance Investissement SASU	Bureau Veritas SA, Electra SAS/Paris, H AI SAS, Fives SAS, Unseenlabs SAS
GFC Global Founders Capital SA	Carv.com BV, Smartpay Co Ltd, Mark Gilbert Inc
Deer Management Co LLC	Perplexity AI Inc, Abridge AI Inc, Perplexity AI Inc, Smarter Dx Inc, Givebutter Inc
Matrix Partners Management Ser	Suno Inc, Luma AI Inc, 1T9 Technology Pvt Ltd, UXUY Ltd, Smartpay Co Ltd
Tencent Holdings Ltd	Monzo Bank Ltd, Minimax Beijing Fire Fighting, GMM Grammy PCL, G4al Entertainment SL, Jiangsu GenSciences Co Ltd
Khosla Ventures LLC	Koloma Inc, Sword Health Inc, Collaborative Robotics Inc, Karius Inc, Varda Space Industries Inc
New Enterprise Associates Inc	Xaira Therapeutics Inc, Wonder Group Inc/NY, Perplexity AI Inc, Zenas BioPharma USA LLC, Avenzo Therapeutics Inc
Temasek Holdings Pte Ltd	SumUp Inc, 91Streets Media Technologies P, Lenskart Solutions Pvt Ltd, Celestial AI Inc, Aira Group AB
Index Ventures SA	Scale AI Inc, Wiz Inc, Deep L Co Ltd, DeepL SE, Augment Inc
GGV Capital LLC	Torq Technologies Ltd, Swap Energi Indonesia PT, Unlink, Inngest Inc
Founders Fund Management LLC/T	Scale AI Inc, People Center Inc, Sword Health Inc, Hadrian Automation Inc, Varda Space Industries Inc
Goldman Sachs Group Inc	SumUp Inc, Bureau Veritas SA, Fundpark Ltd, 91Streets Media Technologies P, Attovia Therapeutics Inc
Alumni Ventures Group LLC	Frore Systems Inc, Montera Inc, Blue White Robotics Ltd, Lightship Energy Inc, ARRIS Composites Inc
Gaingels LLC	ByHeart Inc, Latus Bio Inc, Fuel Me LLC, Overt Bio Inc, Novel Capital Inc/United State

Bloomberg Intelligence

2. Amid Activity Retrenchment Some Big Deals Still Do

June 2021 marked the peak for deal activity in our VC Bellwethers cohort. Deal pace held relatively strong through June 2022, but then came rising interest rates, building risk-off sentiment and a period of private-company valuation reset, which triggered a distinct shift in activity in 2H22. Amid activity retrenchment, however, opportunity persisted for some.

Andreessen Horowitz, Seqouia and Tiger Global participated in the most valuable deals since January 2023, investing in targets like OpenAI, Stripe, xAI, and Zoetop (SHEIN). The targets are representative of themes that retained significant VC interest during the lull: namely AI and fintech, the latter including digital payments. Notably, the VC Bellwethers are shown to be both early entrants on companies, as well as later-stage investors. (06/13/24)



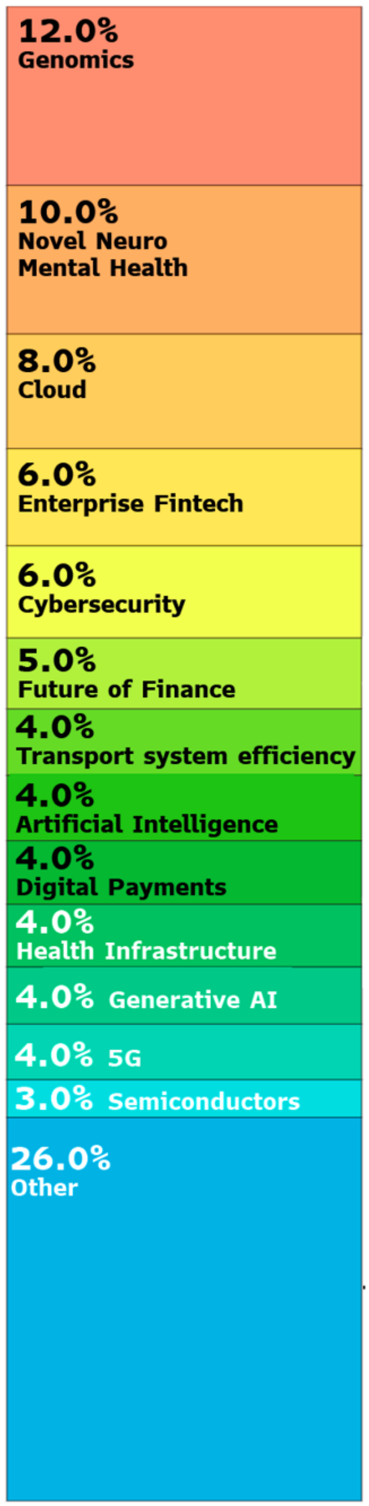
Source: Bloomberg Intelligence

3. Beyond Bellwethers, Health, AI/AI-Adjacent Favored

BI's thematic dataset includes 65,000 private companies mapped to one or more of the 72 themes included in our analysis. The intersection of this dataset with our full venture-capital holdings data show innovative health themes (genomics, novel neuro) as favorites among not just our Bellwethers but all VCs. Those themes represent 20% of all VC thematic exposure. Fintech (enterprise fintech, digital payments, future of finance) and AI/AI-adjacent (cloud, cyber, AI, generative AI) themes are also (when bundled) strongly represented. Physical environment themes hold less representation, but VCs like Breakthrough Energy, Fifth Wall Ventures and ALMI Invest are largely focused on such themes.

The most widely held private companies: Ramp Business (fintech), DataRobot (AI), Stripe (fintech) and Noom (obesity). (06/13/24)

BI Private-Company Themes - VC Holdings

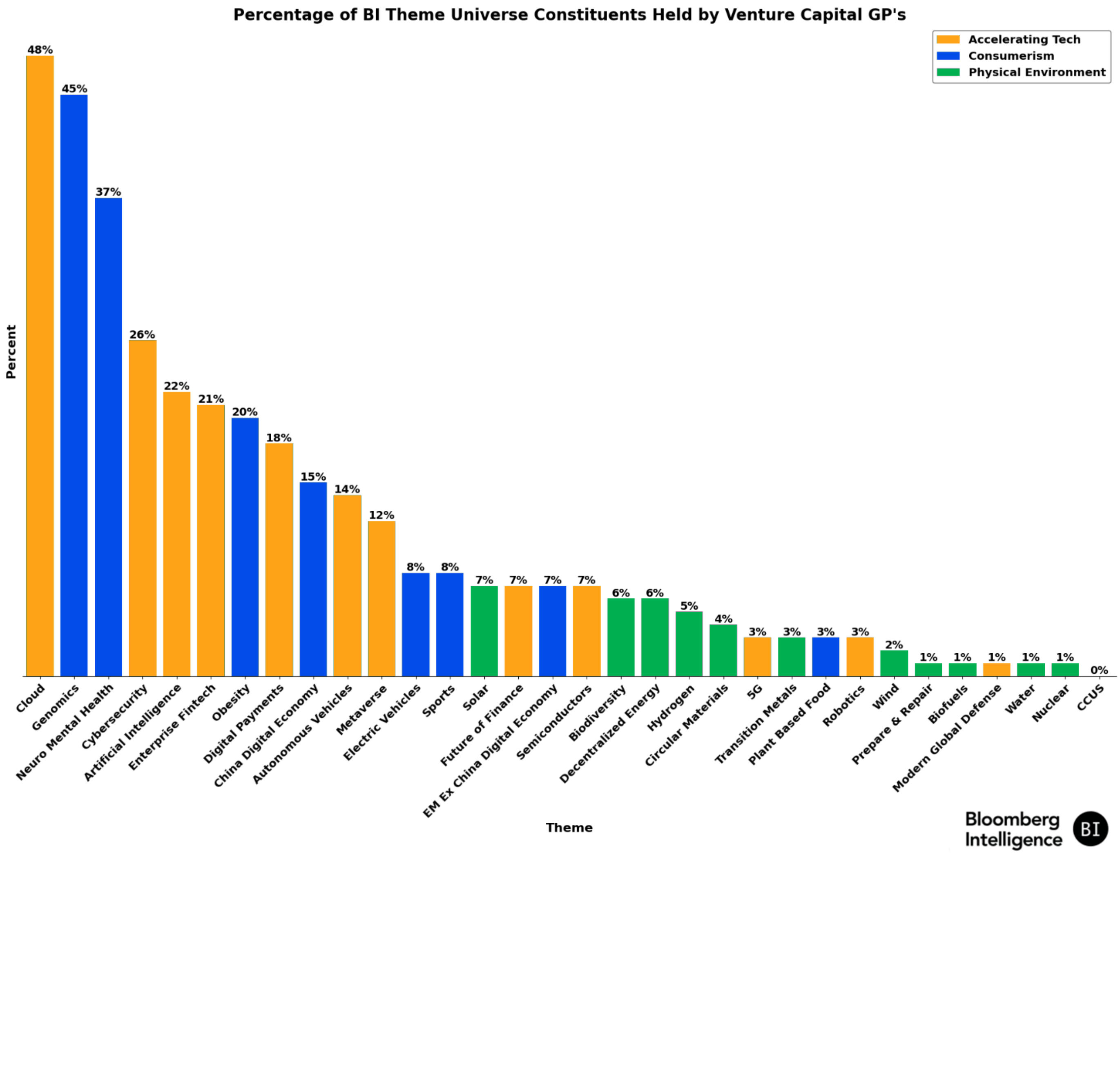


4. VC Love Reserved for Few at 6% Public Equities Exposure

Venture capital is focused predominantly on private-company investments, which represent 94% of their holdings. However, we've uncovered a compelling intersection of VC holdings and our 32 BI theme universes, which consist of only public equities, suggesting some thematically exposed public equities are perceived by at least some VCs as still providing exposure to early-innings innovation they traditionally seek from investments. Cloud, genomics and neuro mental health are BI themes with the highest representation of their names in VC portfolios at 48%, 45% and 37%.

GitLab, Okta, Roblox and SentinelOne are the most frequently held names by VCs from across our 32 theme universes. Notably, our two strongest year-to-date performing themes -- modern defense and nuclear -- have little intersection with VC holdings. (06/13/24)

BI Private-Company Themes - VC Holdings



Fundraising

Largest Funds Raised

The tables below rank Funds based on fund size in USD, and respective strategy groupings.

Buyout & Growth

Fund Name	Fund Size $	Strategy	Vintage	Country of Domicile	IRR	MOIC
SoftBank Vision Fund LP	98,582,800,000	Growth	2017	GB	22.0	--
SoftBank Vision Fund II	30,000,000,000	Growth	2019	JP	119.0	--
CVC Capital Partners IX LP	28,922,920,000	Buyout	2023	JE	0.0	--
Clayton Dubilier & Rice Fund XII LP	26,000,000,000	Buyout	2022	US	--	0.89
Blackstone Capital Partners VIII LP	26,000,000,000	Buyout	2019	US	11.0	1.4
CVC Capital Partners VIII LP	25,213,941,000	Buyout	2020	JE	8.16	1.1
Advent International GPE X LP	25,000,000,000	Buyout	2022	US	0.2	1.0
Apollo Investment Fund IX LP	24,558,555,000	Buyout	2017	US	22.0	1.76
Hellman & Friedman Capital Partners X LP	24,400,000,000	Buyout	2021	US	8.1	1.16
Thoma Bravo Fund XV LP	24,300,000,000	Buyout	2022	US	8.4	1.11
EQT X SCSp	23,871,760,000	Buyout	2022	SE	-12.7	0.88
Silver Lake Partners VII LP	20,500,000,000	Buyout	2023	US	--	--
Hellman & Friedman Capital Partners XI LP	20,164,537,500	Buyout	2023	US	0.0	--
Apollo Investment Fund X	20,000,000,000	Buyout	2022	US	-1.5	1.0
Silver Lake Partners VI LP	20,000,000,000	Buyout	2020	US	2.78	1.05
China Structural Reform Fund	19,003,646,000	Growth	2017	CN	--	--
KKR North America Fund XIII LP	19,000,000,000	Buyout	2021	US	7.9	1.2
EQT IX SCSp	18,733,728,000	Buyout	2020	LU	7.9	1.1
Carlyle Partners VII LP	18,500,000,000	Buyout	2018	US	8.0	1.4
Blackstone Capital Partners VII LP	18,000,000,000	Buyout	2015	US	13.0	2.0

Venture

Fund Name	Fund Size $	Strategy	Vintage	Country of Domicile	IRR	MOIC
Insight Venture Partners XII LP	20,000,000,000	Venture	2021	US	-4.6	0.9
China State Capital Venture Investment Fund Co Ltd	15,077,500,000	Venture	2016	CN	--	--
Tiger Global Private Investment Partners XV LP	12,700,000,000	Venture	2021	US	-17.23	--
Al Andalus Capital FCR	12,447,540,000	Venture	2014	ES	--	--
Wales Technology Seed Fund	11,050,275,000	Venture	2015	GB	--	--
Sembrani Nusantara PT	10,612,335,000	Venture	2020	ID	--	--
Alpha Wave Ventures II LP	10,000,000,000	Venture	2021	US	--	--
Insight Venture Partners XI LP	9,500,000,000	Venture	2020	US	14.6	1.5
China Life Healthcare Fund	7,274,900,000	Venture	2017	CN	--	--
National Advanced Manufacturing Industry Investment Fund II	7,104,900,000	Venture	2019	CN	--	--
Tiger Global Private Investment Partners XIV	6,655,297,100	Venture	2021	US	--	--
National Emerging Industry Venture Capital Guiding Fund	6,452,120,000	Venture	2015	CN	--	--
Insight Venture Partners X LP	6,300,000,000	Venture	2017	US	26.1	2.6
Durable Capital Fund LP	6,000,000,000	Venture	2019	US	--	--
Iconiq Strategic Partners VII LP	5,214,946,667	Venture	2023	US	-27.4	0.76
Andreessen Horowitz LSV Fund III LP	5,000,000,000	Venture	2022	US	--	--
SBLA Latin America Fund LLC	5,000,000,000	Venture	2018	JP	--	--
China Internet Investment Fund LP	4,606,890,000	Venture	2017	CN	--	--
Blackstone Life Sciences V LP	4,605,000,000	Venture	2019	US	10.28	1.19
a16z Crypto Fund IV	4,500,000,000	Venture	2022	US	--	--

New entries since Q3 2023
Increase in fund size since Q3 2023

Top Mid-Market Funds Raised

The following tables display the top Mid-Market Funds (categorized as funds between $400 million to $1 billion in funds size) by strategies respectively.

Buyout & Growth

Fund Name	Fund Size $	Strategy	Vintage	Country of Domicile	IRR	MOIC
Ridgemont Equity Partners II LP	995,000,000	Buyout	2015	US	20.0	2.0
NovaQuest Pharma Opportunities Fund IV LP	990,000,000	Growth	2015	US	-12.2	0.5
Abraaj Sub-Saharan Africa Fund III	990,000,000	Buyout	2014	MU	--	--
Peppertree Capital Fund VIII LP	985,992,000	Growth	2019	US	--	1.2
BlackFin Financial Services Fund III	985,000,000	Buyout	2019	FR	1.64	1.02
Wind Point Partners VIII LP	985,000,000	Buyout	2016	US	25.23	1.97
Quadrant Private Equity No 5 LP VCLP	980,000,000	Buyout	2016	AU	--	1.45
L Capital Asia II	980,000,000	Growth	2013	HK	--	--
LKCM Headwater Investments IV LP	975,000,000	Buyout	2023	US	--	--
GHO Capital Fund II LP	975,000,000	Buyout	2019	KY	--	--
Riverside Capital Appreciation Fund VII LP	973,975,000	Buyout	2018	US	14.75	1.45
Levine Leichtman Capital Partners VII LP	970,245,142	Buyout	2023	US	-44.23	--
HIG Growth Buyouts & Equity Fund III LP	970,000,000	Buyout	2018	US	2.86	1.05
Ridgewood Water & Strategic Infrastructure Fund II LP	969,545,584	Buyout	2022	US	-24.0	1.39
One Rock Capital Partners II LP	964,000,000	Buyout	2017	US	12.76	1.71
Bregal Sagemount II LP	960,000,000	Buyout	2017	US	44.07	--
Enfoca Discovery 2 LP	956,300,000	Buyout	2017	KY	--	--
YFM Equity Partners Buyout Fund III	955,000,000	Buyout	2023	GB	--	--
L Catterton Growth V LP	954,245,000	Growth	2022	US	--	--
CMC Capital Partners III LP	952,800,000	Growth	2018	KY	--	1.1

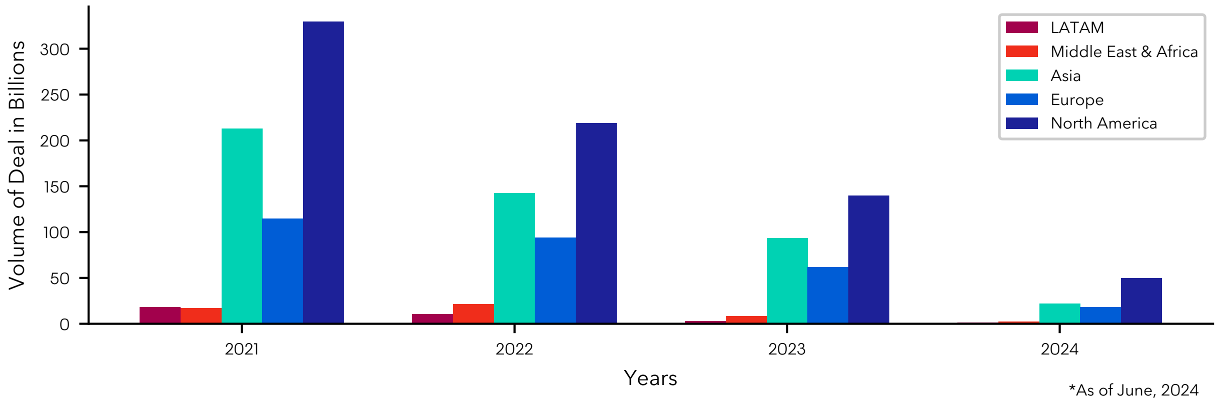
Venture

Fund Name	Fund Size $	Strategy	Vintage	Country of Domicile	IRR	MOIC
Frazier Life Sciences XI LP	987,000,000	Venture	2022	US	2.18	1.0
Hadean Capital I AS	985,677,600	Venture	2017	NO	--	--
Sequoia Capital US Growth Fund VII LP	971,783,592	Venture	2016	US	--	--
Foresite Capital Fund V LP	969,000,000	Venture	2020	US	--	--
MF Venture Private Investments Infinity LP	950,000,000	Venture	2016	AU	--	--
Bain Capital Venture Fund 2021 LP	950,000,000	Venture	2021	US	--	--
Dalus Capital Fund II LP	950,000,000	Venture	2021	MX	--	--
OrbiMed Private Investments VI LP	950,000,000	Venture	2015	US	10.98	1.62
OiDE Fund Investment LP	950,000,000	Venture	2013	JP	--	--
Qiming Venture Partners VI LP	935,000,000	Venture	2018	KY	--	--
Invention Investment Fund III	930,000,000	Venture	2014	US	--	--
Crown Growth Opportunities IV SCSp-RAIF	930,000,000	Venture	2021	LU	--	--
WestCap Strategic Operator PF LP	927,275,000	Venture	2020	US	--	--
General Catalyst Group VIII LP	920,000,000	Venture	2016	US	--	2.87
Sequoia Capital India V Ltd	920,000,000	Venture	2016	US	--	--
FreeS Fund RMB Fund	920,000,000	Venture	2015	CN	--	--
Headline Brazil III	915,000,000	Venture	2022	US	--	--
Red Cell Incubation Fund LP	912,000,000	Venture	2023	US	--	--
Clarus IV LP	910,000,000	Venture	2017	US	9.0	1.6
Vertex Master Fund III LP	900,000,000	Venture	2023	SG	--	--

New entries since Q3 2023

Deployment & Deals

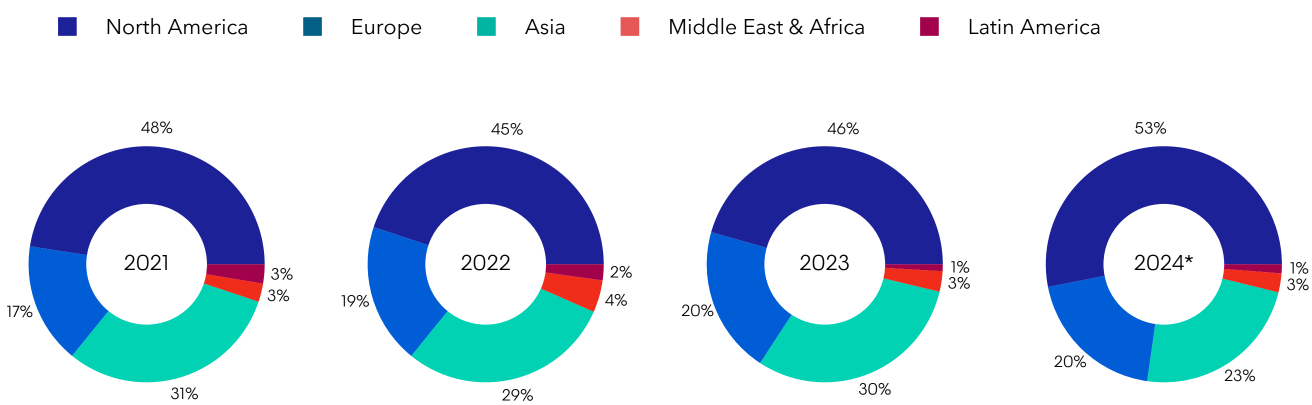
Venture: Total Capital Deployed by Region



*As of June, 2024

Total deal volume has decreased significantly due to the volatility endured by the Venture market. North America continues to hold a significant lead in volume deployed, while Asia has maintained second position. Volume is expected to surpass 2023 this year but will likely not catch up to 2022 numbers.

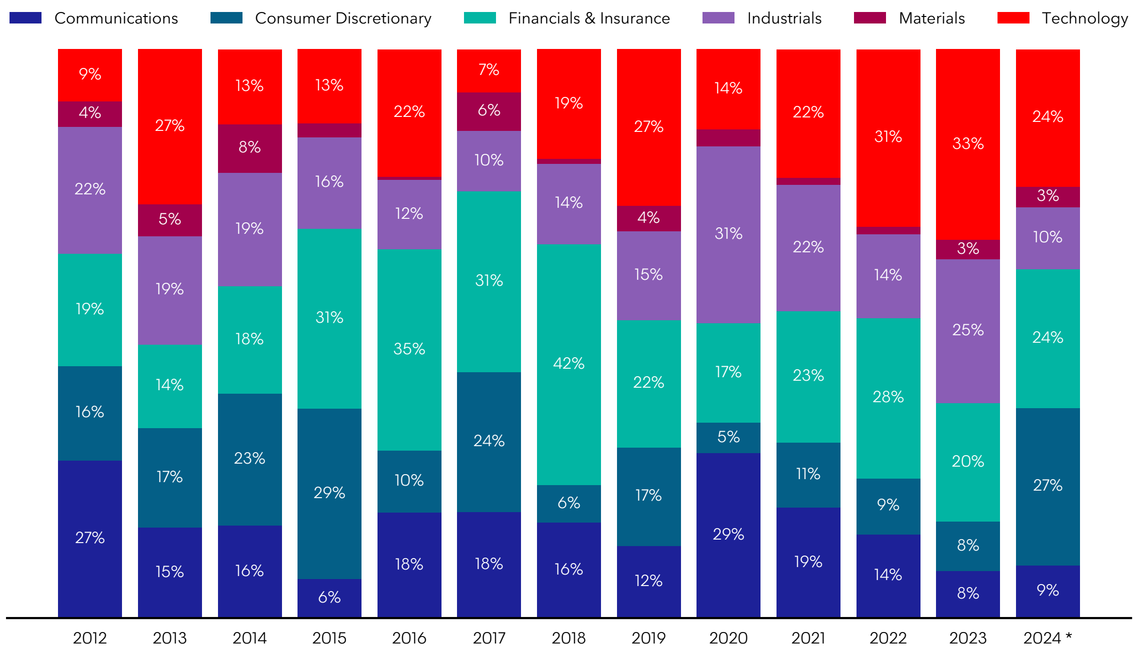
Venture: Total Capital Deployed as a % per Target Region



*As of June, 2024

Despite the volatility in deal volume, geographic representation has remained steady across all regions. North America remains close to half of the total volume while Asia hovers around 30%. 2024 has seen North America jump to a quick start, eating up some of Asia's share, and this trend may continue as the North American market tries to rebound.

Buyout: Deal Target Industry Trends by Year**



*As of June, 2024
**Sectors without labels represent values of 2% or less

Technology has slumped in Q1, 2024 for Buyout, likely seeing Venture attempt a rebound and eat into traditional PE's share, while Consumer Discretionary has seen a 3x increase thus far.

Access deeper data.

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General Partners
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The Private Equity Data Feed delivers data on a large universe of private equity-related companies and funds, including private equity partners, their respective funds, the fund portfolios, the fund investors.

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