

# Q3 2018 FUNDRAISING REPORT

*Infrastructure Investor's* interactive and downloadable review of the Q3 2018 fundraising environment.

Fundraising | Strategy Review | Geography

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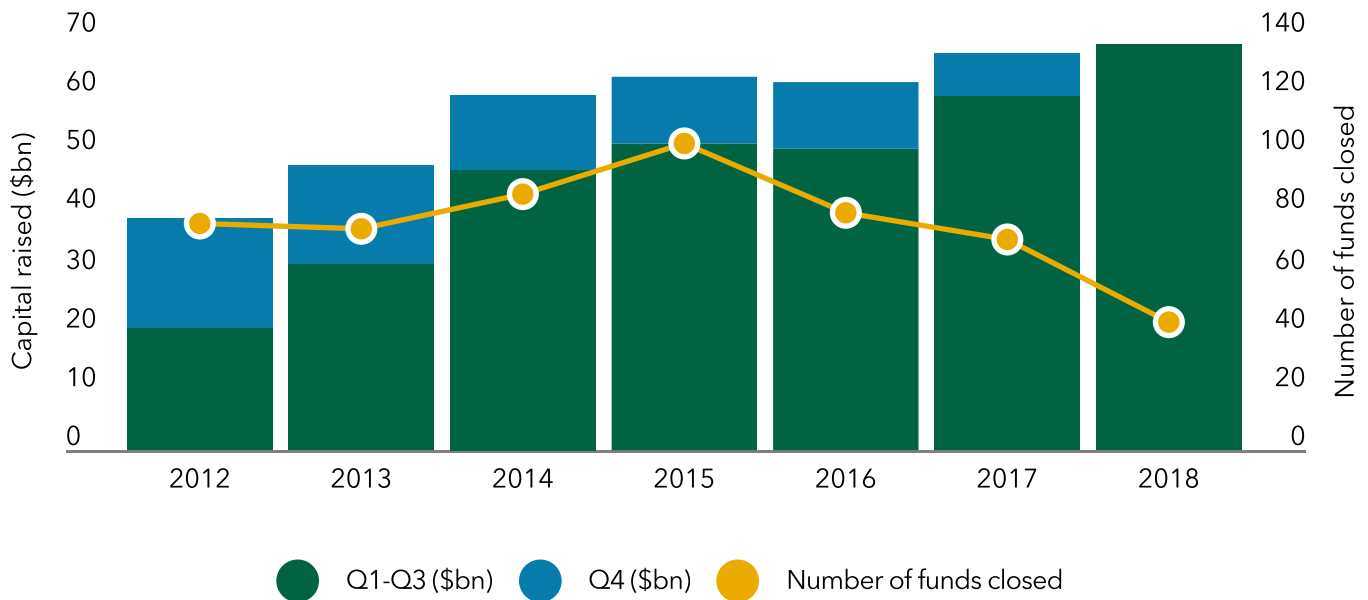
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# Overview

## Year-on-year fundraising



**\$148.3bn**

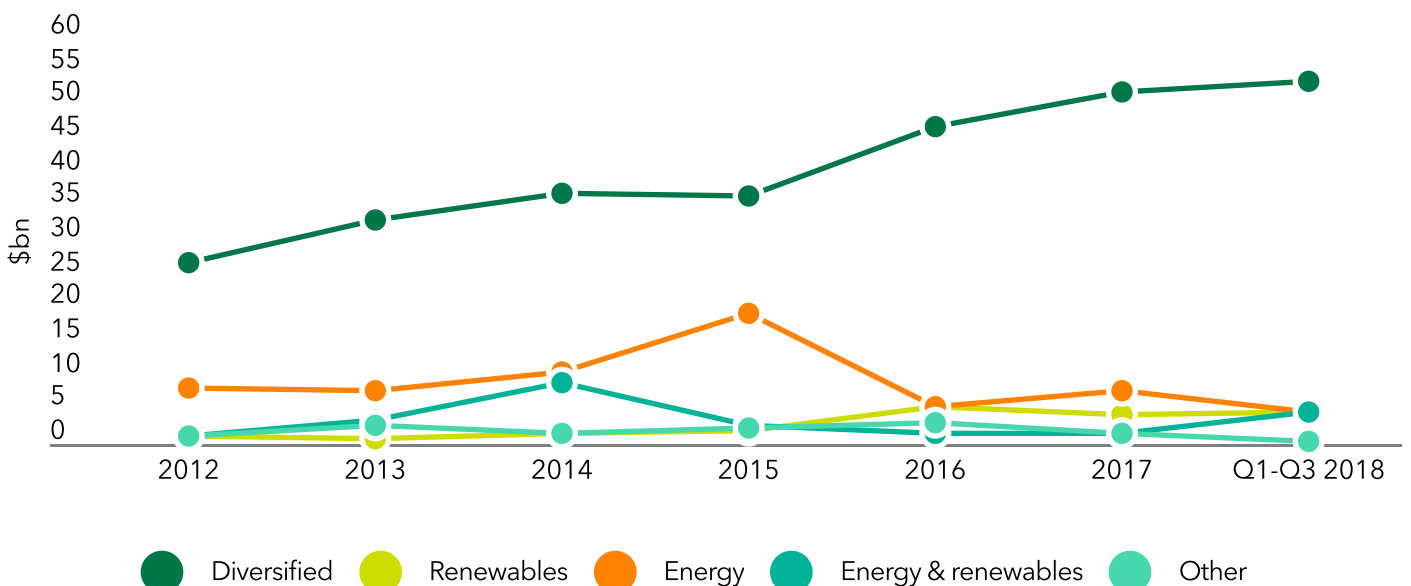
Total amount raised between 2012 and Q3 2018 by the 10 largest managers.



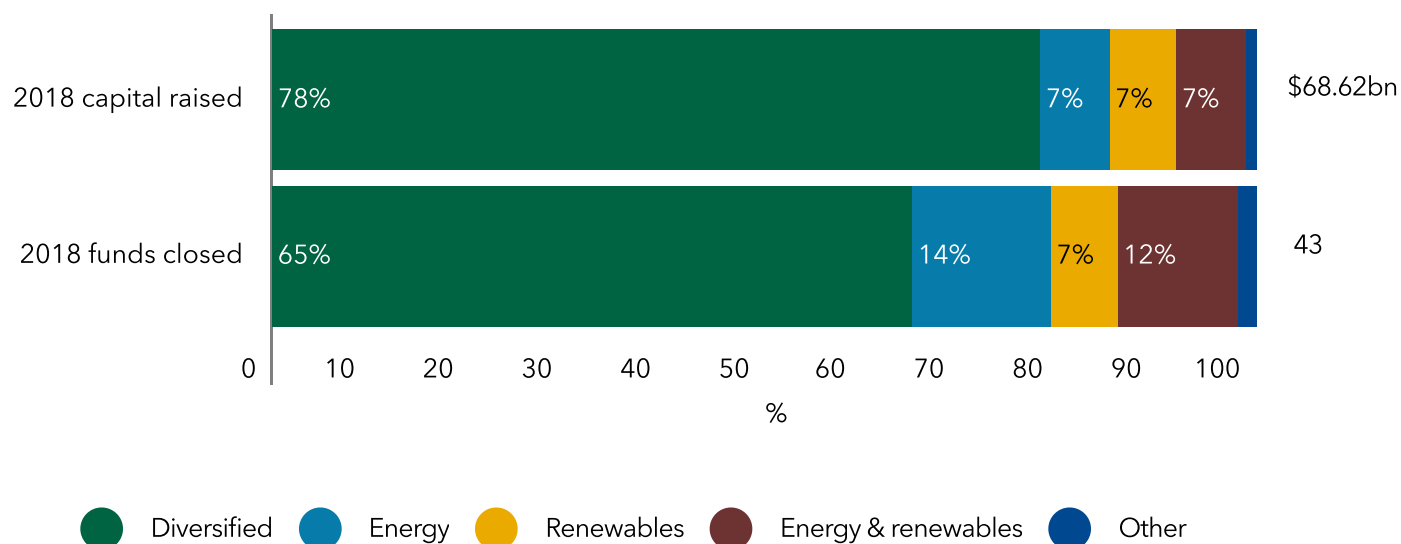
**40%**

Of the total amount raised between 2012 and Q3 2018 was by US-headquartered firms.

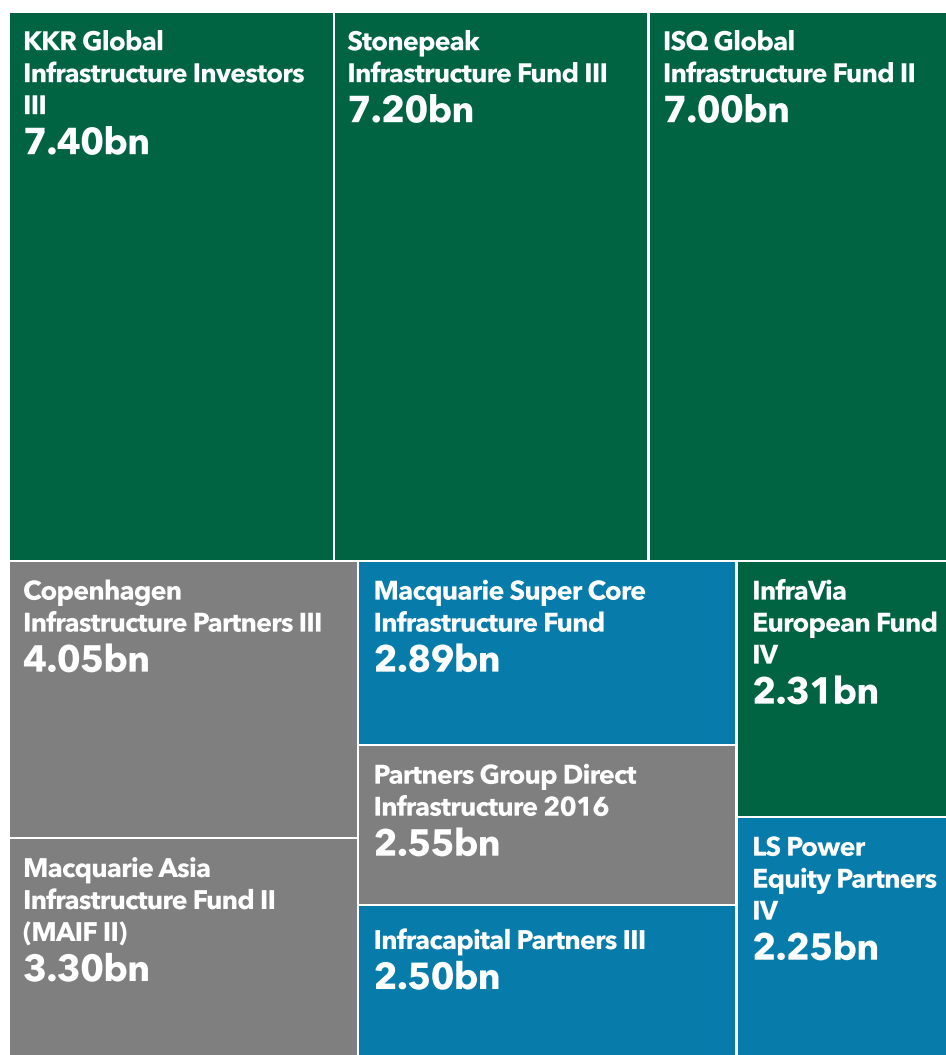
## Year-on-year by strategy



## Q1-Q3 2018 fundraising strategy breakdown



## Largest fund closes, Q1-Q3 2018 (\$bn)

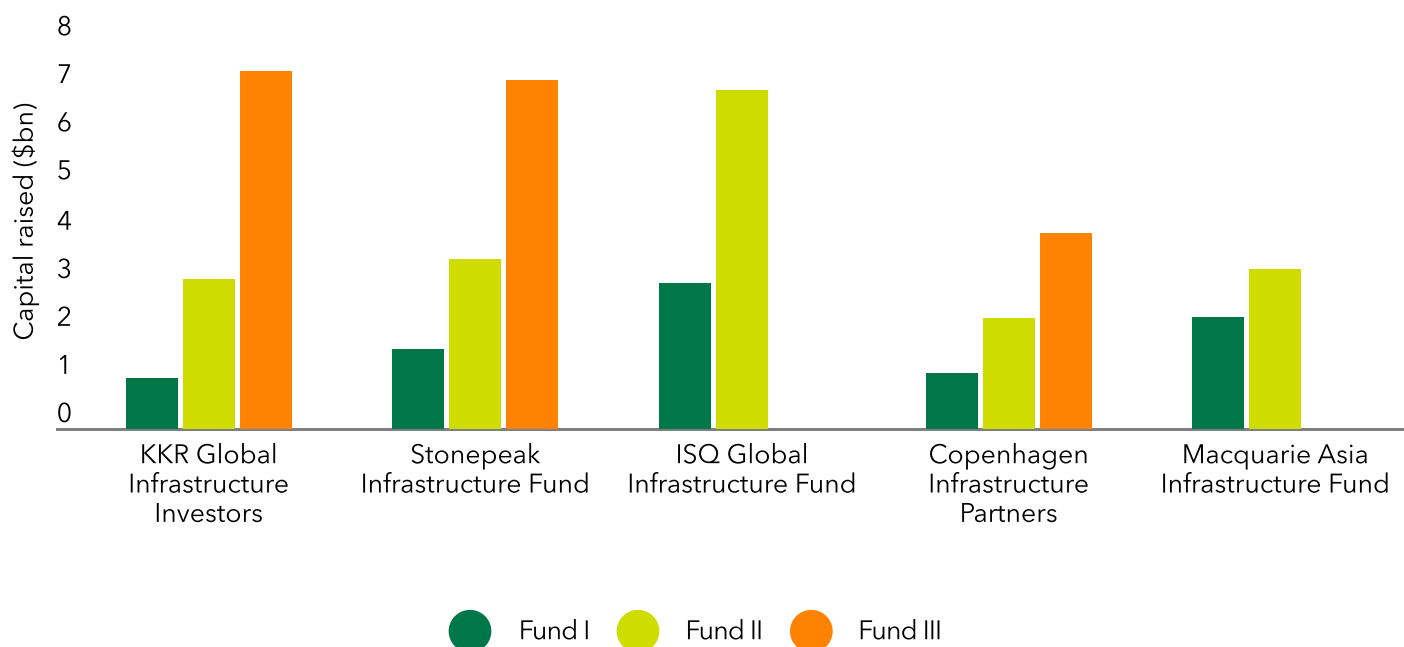


A diminishing number of larger funds are dominating the unlisted infrastructure space. Almost \$70 billion was raised by managers through funds that held a final close in the first nine months of 2018, more than any full-year raise since 2012. And this capital was amassed by only 43 funds, meaning the average unlisted infrastructure fund size in Q1-Q3 2018 stood at \$1.6 billion.

The 10 largest funds closed in the first nine months of 2018, collecting more than \$40 billion from third-party investors and accounting for 60 percent of the total year raise. A busy Q3 saw three funds closing at or above the \$7 billion mark, highlighting the increasing investor interest in the asset class.

# In focus: Rise of the megafund

## Five largest Q1-Q3 fund closes and their predecessors



Global Infrastructure Partners and Brookfield Asset Management closed their third funds on \$15.8 billion and \$14 billion respectively over the past couple of years, so who was going to lead infrastructure fundraising in 2018? Investors are insatiable, and with interest in the infrastructure market only going in one direction, other fund managers stepped up their game.

Within a matter of months, three managers closed funds at or above \$7 billion – KKR (\$7.4 billion), Stonepeak Infrastructure Partners (\$7.2 billion) and I Squared Capital (\$7 billion). Most impressive is the fact that each of these managers more than doubled the amount raised compared with their predecessor funds in the series. With three months to go to year-end, the overall 2018 haul will be the highest ever for the asset class.

And 2019 could be even more exciting. The re-emergence of GIP and Brookfield – along with other potential fundraises from Antin Infrastructure Partners, Ardian and EQT – could see just five funds collecting around \$60 billion from investors. Could 2019 be the year that infrastructure hits \$100 billion?



### 2.2x

On average, Fund II in the series for the top five managers that held closes in 2018 is 2.2 times larger than its predecessor.

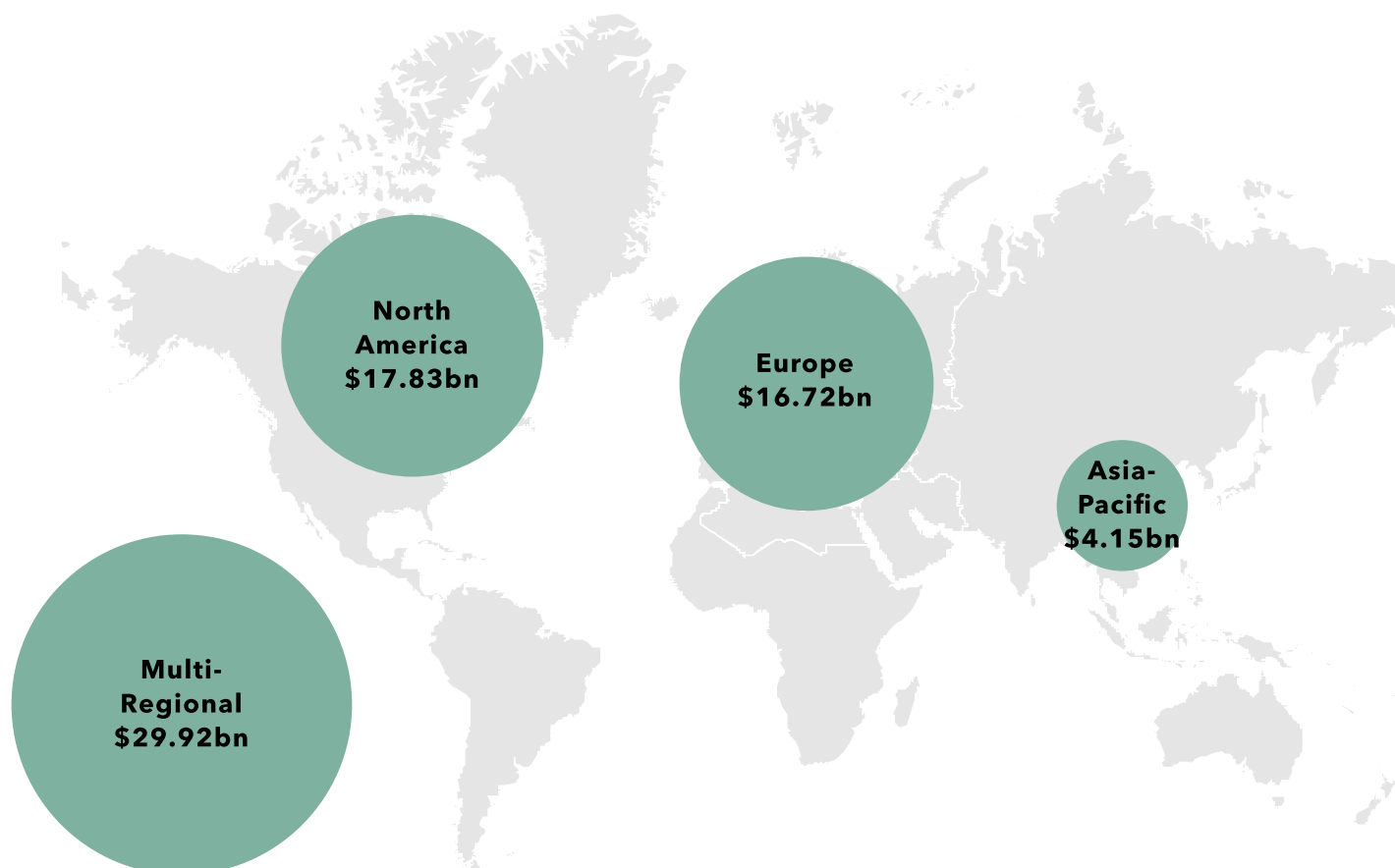


### 2.1x

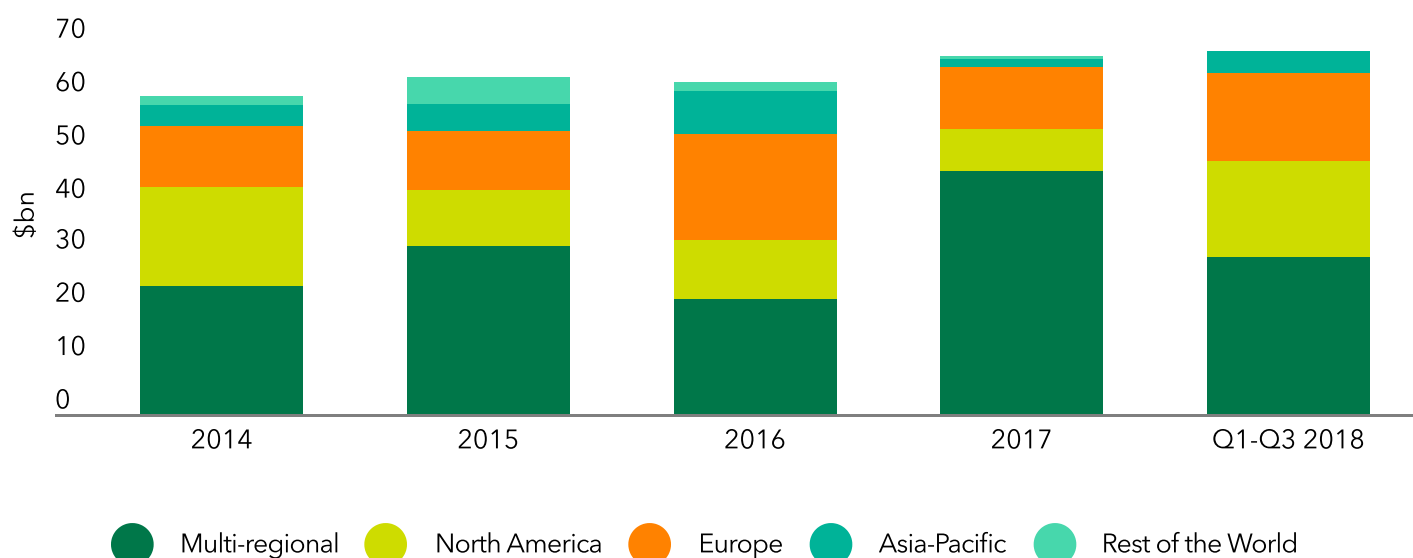
On average, Fund III in the series for the top five managers that held closes in 2018 is 2.1 times larger than its predecessor.

# Geography

## Regional focus of capital raised in Q1-Q3 2018



## Regional focus of capital 2014-Q3 2018



# Funds in market, October 2018



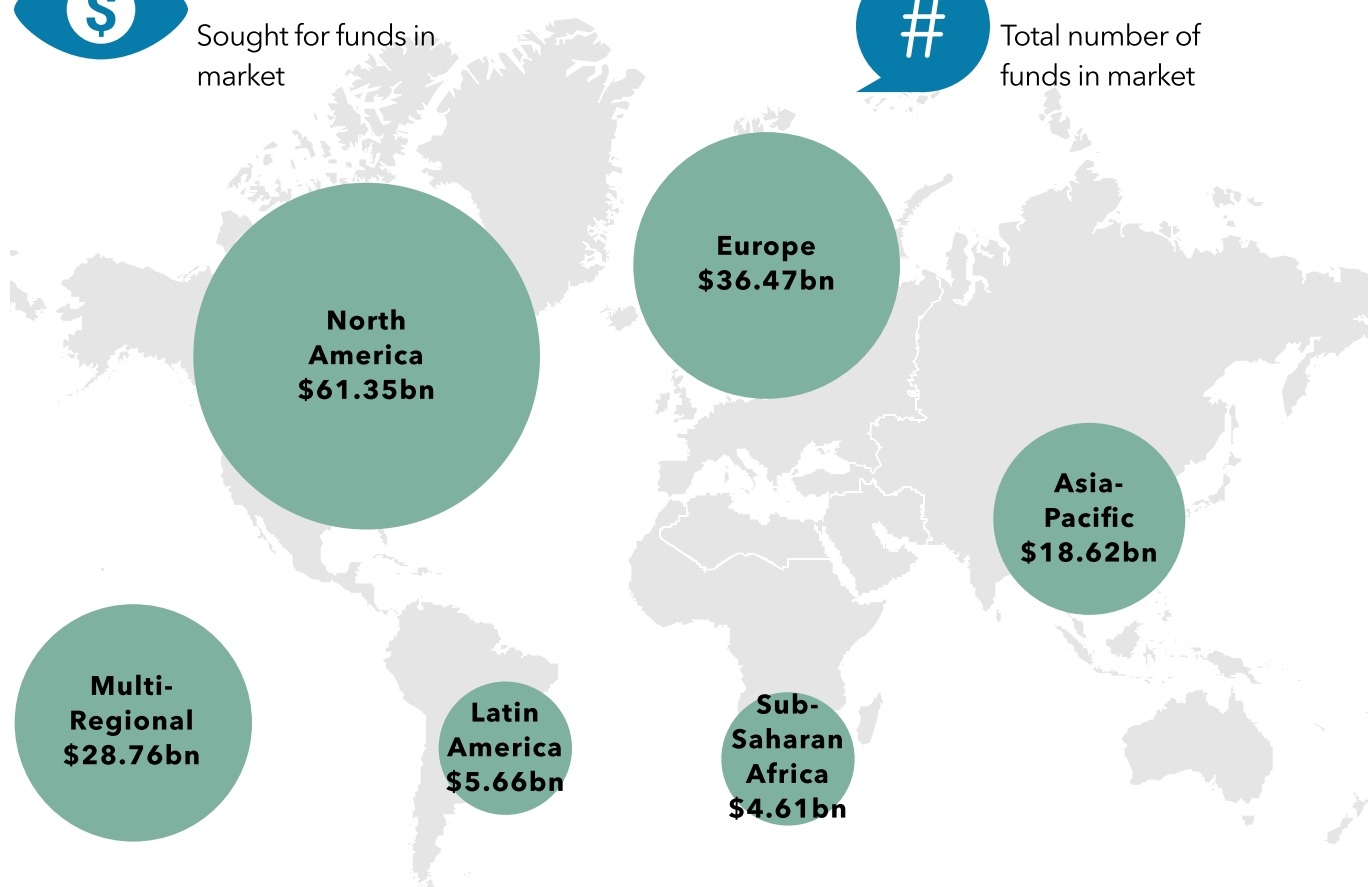
**\$155.47bn**

Sought for funds in market



**243**

Total number of funds in market



## Largest funds in market as of October 2018

Fund Name	Fund Manager	Target Size (\$bn)	Focus
Blackstone Infrastructure Partners (open-ended)	Blackstone	40	North America
Energy Capital Partners Fund IV	Energy Capital Partners	6	North America
NIIF Master Fund	The National Investment and Infrastructure Fund	6	Asia-Pacific
Macquarie European Infrastructure Fund 6	Macquarie Group	5.78	Europe
Global Energy and Power Infrastructure Fund III	BlackRock	3.5	Multi-regional

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# How can we help you?

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## How can PEI's Research and Analytics team help you?

### Sample client case study

This quarter, we pieced together analysis on the future of social infrastructure from the fundraising perspective. A fund management firm was keen to understand the market better, and we analysed fundraising over the past five years, as well as providing a future view on this segment of the infrastructure space by using data on funds in market .

Please get in touch with us if you would like to see a sample of these data.

PEI's Research and Analytics team is made up of researchers and analysts in London, New York and Hong Kong, working on a 24/5 cycle to perform bespoke research requests for you. We track the investment appetite and contact details of LPs and GPs within our fundraising data platform, to help bring together fund investors and managers with matching interests.

Platinum subscribers should email **daniel.r@peimedia.com** for more information on .


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## Other issues to which we also provided solutions:



"Could you provide a list of North American funds that have raised over \$1 billion over the past five years?"



"I would like a list of all funds currently raising capital with a Latin American focus."



"Can you send me a list of European LPs interested in renewable investment funds? "