

2018 BNP PARIBAS PRIVATE ASSETS SURVEY

EXPLORING TRENDS IN PRIVATE EQUITY AND PRIVATE REAL ESTATE FUNDS



PRIVATE INVESTORS: GREATER APPETITE IN PRIVATE MARKET FUNDS

Based on the insights of **337 High Net Worth Individuals** (HNWIs) with a minimum of \$5M in investable assets, spanning 9 countries across Europe, Asia and the Gulf region, this exclusive report explores the behaviours and trends of private investors looking at **Private Equity** and **Private Real Estate**.

This new survey confirms the increasing appetite for private investment solutions* and underlines the need for information and advice for private investors.

*Private Equity consists of investing in unlisted companies at different stages of growth, with a view to optimising their value creation by supporting their managers' development strategies.
Private Real Estate consists of investing in real estate assets that are vacant or need to be repositioned or renovated.

> OVER

60%

of HNW individuals indicate that they are **either familiar or extremely familiar with Private Equity and/or Private Real Estate Solutions.**

> ON AVERAGE,

active investors in Private Equity and Private Real Estate hold

16.3%

of their portfolio - their **#1 asset classes** - while holding 15.8% in cash and a further 15.3% in stocks/ equities.

> OVER

40%

of HNW non-investors in Private Equity or Private Real Estate indicate that they are **likely to invest into these asset classes in the near future.**

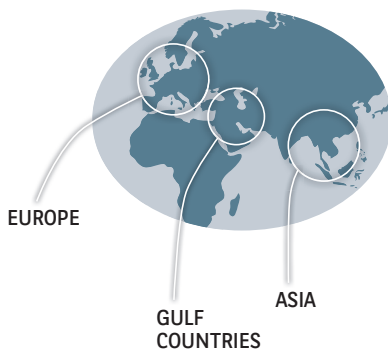
METHODOLOGY



337
HIGH NET WORTH
INDIVIDUALS

\$5M
MINIMUM INVESTABLE
ASSETS

REGIONS



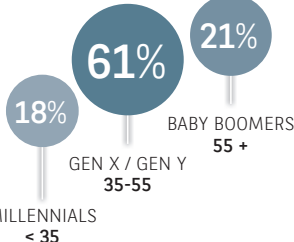
GENDER

35%
FEMALE

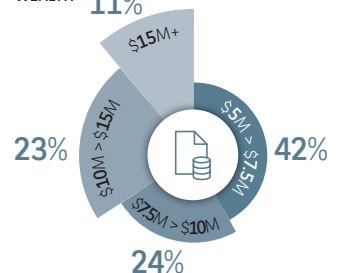


65%
MALE

AGE



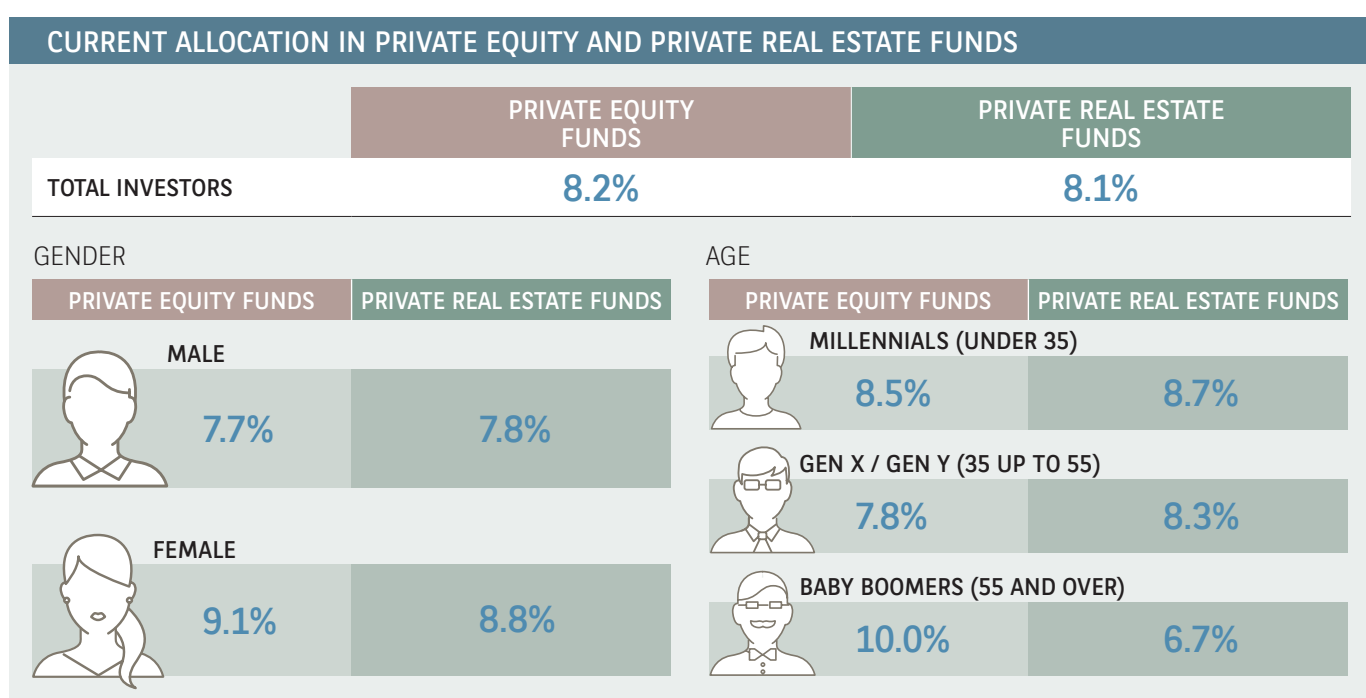
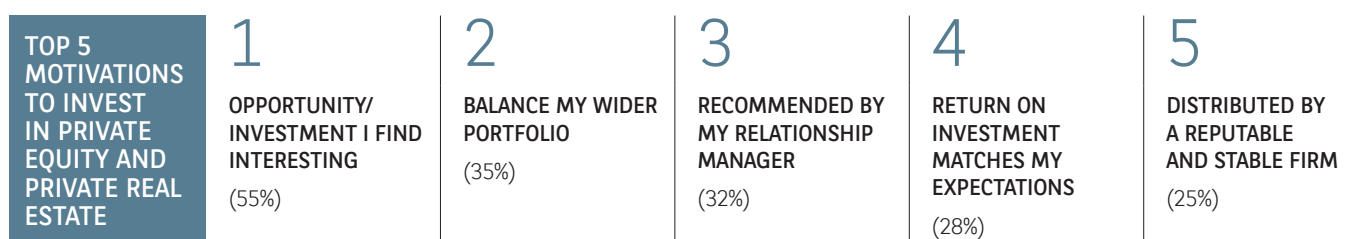
WEALTH





TOP MOTIVATIONS AND PORTFOLIO ALLOCATIONS

Motivated by investments and opportunities that they find interesting, private investors use Private Equity and Private Real Estate investments to balance their portfolio and to attain their return objectives.



STRONG INTEREST IN FUTURE PRIVATE EQUITY/ PRIVATE REAL ESTATE FUNDS OPPORTUNITIES

Most private investors are convinced by the value of Private Equity and Private Real Estate and will reinforce their investments in the future.



A GROWING APPETITE

> OVER **70%** of investors are likely to reinvest into Private Equity or Private Real Estate funds in the near future

> GIVEN THE RIGHT OPPORTUNITY, MORE THAN **50%** of HNWIs are willing to invest \$500k+ in the next 12 months in future Private Equity or Private Real Estate funds

A NEED FOR ADVICE

1/3 of non-investors have yet to be introduced to Private Equity and Real Estate opportunities.

One in two HNW non-investors seek financial advice to find the best options for their wealth and investments.

To familiarise themselves with Private Equity and Private Real Estate opportunities, 44% of millennial HNW believe their providers can hold conferences or workshops to help them; 45% of Baby Boomers want regular updates.

MAIN BARRIERS TO ENTRY TO NON-INVESTORS

LEVEL OF RISK	(31%)
EXPENSIVE	(25%)
NO NEED IN PORTFOLIO	(20%)
ILLIQUIDITY	(20%)
DURATION	(16%)

TOP 5 ADVISORS WHEN INVESTING IN PRIVATE EQUITY / PRIVATE REAL ESTATE

1

PRIVATE BANKER
(44%)

2

INDEPENDENT FINANCIAL ADVISOR
(39%)

3

INTERNET
(20%)

4

FRIENDS
(15%)

5

BUSINESS PARTNER
(15%)

“Over the past 12 months, we have seen a significant pick up in investor appetite for Private Equity and Private Real Estate. In this still low interest rate environment, investors are looking for double digit returns to optimize their portfolio’s risk return profile”

Claire Roborel de Climens,
Global Head of Private and Alternative Investments, BNP Paribas Wealth Management



DIVERSIFY YOUR WEALTH

At BNP Paribas Wealth Management, our alternative and private investment teams help clients to diversify their portfolio, by providing a wide range of solutions that offer a low correlation with core financial markets.

Since 1998, BNP Paribas Wealth Management has established **a proven track record in private equity and real estate investments** offered to its clients.

Our dedicated team of senior experts offers an extensive range of exclusive investment opportunities from some of the best performing private equity and real estate solutions in Europe, in the USA and in Asia. These solutions cover a gamut of different strategies including leveraged buyout, growth, mezzanine and added-value real estate, opportunistic real estate as well as tangible assets, and provide our clients with the ability to invest in the real economy.

Thanks to a global organization covering Europe, Asia, the United States and the Middle East, we also offer co-investment opportunities for our Ultra High Net Worth clients.

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BNP Paribas Wealth Management is a leading global private bank and #1 Private Bank in the Eurozone. Present in three hubs in Europe, Asia and the USA, over 6,800 professionals provide a private investor clientele with solutions for optimising and managing their assets. The bank has €364 billion worth of assets under management as of December 2017.

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