

FUNDTRACKER TRENDWATCH

Infra slows in 1H2015

Fewer funds launched and closed than 1H2014

Infrastructure appears to be taking a breather. After setting fundraising records in 2013 and 2014, the number of funds launched in first half 2015 has fallen by 39 percent in comparison to the number

launched in first half 2014.

The absolute number of funds closed has also fallen, though the amount of capital raised has increased. In first half 2014, 18 funds closed with an aggregate total raised of \$26.3 billion. First half 2015 saw only 14 funds close, but those funds managed to raise an aggregate total of \$30.6 billion. Ten of the 14 funds that closed in first half 2015 raised more than \$1 billion. Two of them — NGP Natural Resources XI and

EnCap Energy Capital Fund X — raised more than \$5 billion each. And of course, we cannot forget Blackstone, which closed its Blackstone Energy Partners II at \$4.5 billion.

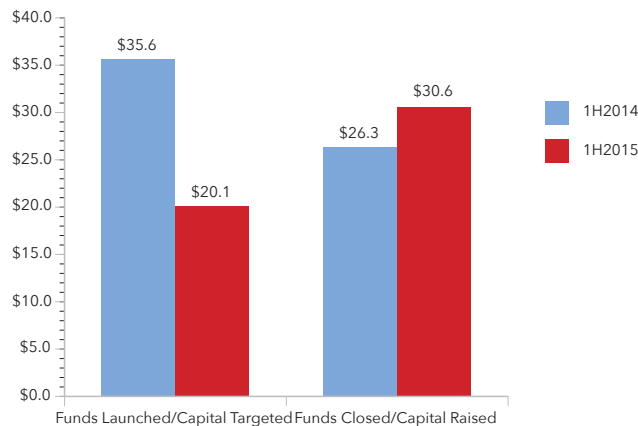
Americas-focused funds blew away the competition when it came to capital raising. Funds focused on this region raised \$17.2 billion compared to the \$9.4 billion for global

strategies and \$4.0 billion for Europe-specific strategies. Global funds led the pack in terms of capital targeted by newly launched funds, but the Americas remain on top in terms of absolute numbers. Although 2014 saw a bit of activity aimed at Asia Pacific, no funds focused on this region were launched or closed in the first half of 2015. It appears that managers and investors have decided to roll their Asia investments into global funds while they work to get their arms around this diversified area of the world. The “Other” funds launched and closed in first half 2014 were funds focused on Africa or the Middle East. Like Asia Pacific, no funds specific to these regions appear in the first half 2015 data.

One thing that has not changed since 2014 is the focus on energy. Even the diversified funds have an energy component. The fall off in the number of diversified funds launched in the first half 2015 is likely due in part to managers simply admitting that their diversified funds were really just investing in energy, so why not just call them what they were — energy funds. Water has seen a couple of funds launched in the past year, but none has closed. Conversely, social funds have seen a couple close, but none has launched.

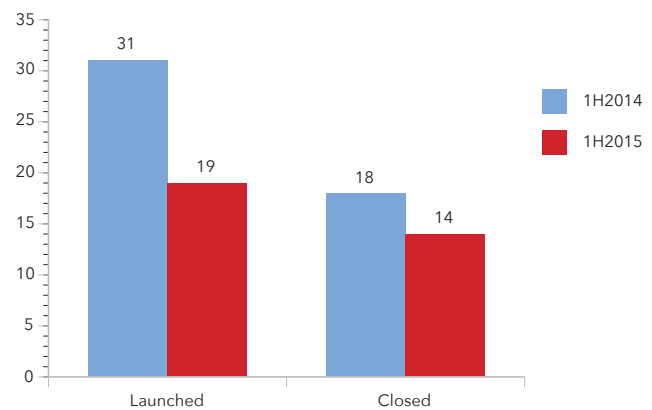
- Number of funds launched falls by 39 percent in 1H2015
- Amount of capital raised by closed funds increases by 16 percent
- Americas remains main regional focus

Funds launched and closed by capital (\$B)



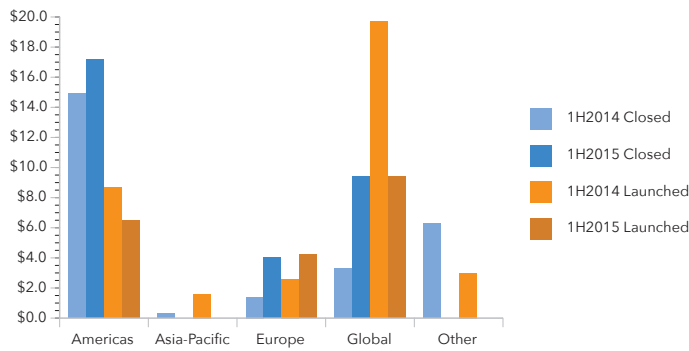
Source: IREI FundTracker

Number of funds launched and closed



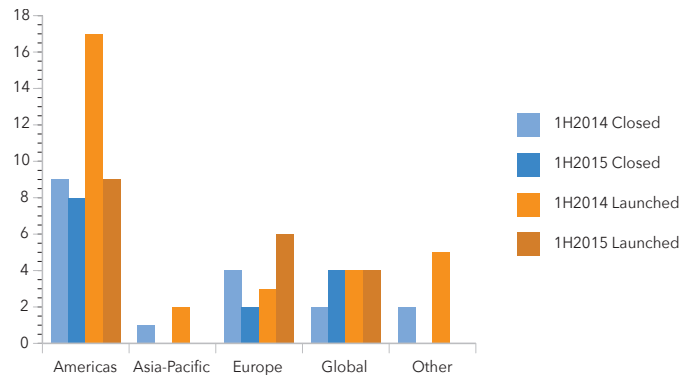
Source: IREI FundTracker

Capital raised or targeted by region (\$B)



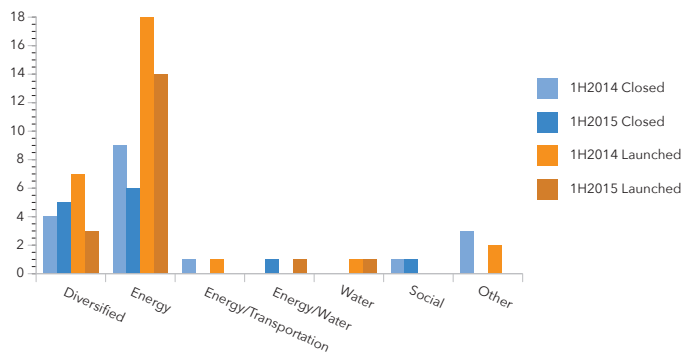
Source: IREI FundTracker

Number of funds launched or closed by region



Source: IREI FundTracker

Number of funds launched or closed by property type



Source: IREI FundTracker

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- Shapoorji Pallonji raises Rs.2,610 crore (\$400 million) for a highway project in India's largest infrastructure refinancing deal.
- Sun Life Global Investments continues growth by deepening product line-up with new energy fund.
- Three infrastructure funds have raised approximately \$2.75 billion in equity commitments.
- Convergence Partners raises \$200 million for largest-ever fund dedicated to Africa ICT infrastructure.
- QIC announces first close of global infrastructure fund at 50 percent of target after raising more than A\$1 billion (\$800 million) of new capital.
- Africa50 raises \$830 million for infrastructure in Africa.
- India's cabinet approves creation of national infrastructure and investment fund.
- The New Mexico Educational Retirement Board has committed \$50 million to the Stonepeak Infrastructure Fund II.
- The European Investment Bank has revealed a €50 million (\$55.6 million) commitment to the latest infrastructure fund from Impax targeting renewable energy investments.

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Information in this report has been drawn from IREI's proprietary FundTracker database. Online subscriptions are available. Click [here](#) for more information.

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A report by Institutional Real Estate, Inc.

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