

80% of CFOs forging ahead with 2024 fundraising plans, Aztec Group and PEI report finds

In a bold testament to the resilience of the private funds market, Aztec Group, in partnership with PEI Private Funds CFO, can reveal that 80% of CFOs are either currently actively fundraising, or are planning to do so in the next 12 months.

The report underscores the resilience and optimism within the industry, as more than 70% of respondents anticipate their next fund to be larger than the previous one.

The survey of more than 100 U.S. C-Suite individuals of both domestic and international funds provides critical insights into the current state and future outlook of the private funds market.

In response to the challenges in attracting new investors, General Partners (GPs) are adopting innovative strategies such as extending fundraising periods, adjusting fund sizes and exploring alternative financial vehicles. The report highlights the expectation that fundraising will pick up pace in the latter half of 2024, with a market correction keenly anticipated.

A significant trend identified in the report is the move towards fund managers outsourcing key back-office functions, with 72% of funds now engaging specialist fund administrators. “To support our growing business in the U.S., we engaged a range of CFOs to understand their key priorities for the year ahead. The trend towards partnering with specialist fund administrators like Aztec is significant, and highlights their ability to guide General Partners through the increasingly complex landscape of regulatory change, rapidly-advancing technology and an ever-changing fundraising backdrop,” said Ore Adegbotolu, Head of Markets, U.S. at Aztec Group.

The report also addresses the critical role of technology in the industry. While the rapid advancement of technology presents opportunities for efficiency and growth, the survey indicates a gap in effectively integrating these tools due to a

lack of expertise. The findings suggest a need for partnerships with technology experts to maximise business outcomes.

Aztec Group Managing Director – Markets, James Gow, said: “The findings of this report are a clear indicator of the forward-thinking approach of CFOs in the private funds sector. Despite facing unprecedented challenges, the report shows that the majority are not only persevering but are also planning for expansion in the year ahead. This speaks volumes about the underlying strength and potential of the market.

“Now more than ever, managers expect high standards; they want providers who adopt a relationship-led approach, where the administrator acts as an extension of their in-house team. They expect a provider to have market-leading technology, ensuring seamless fund operations that adhere to the strictest compliance and best practice in the industry, allowing them to focus on what they do best; investment management and strategic decision-making,” he said.

Since its inception in 2001, Aztec Group has been at the forefront of providing administration, accounting, compliance and other outsourcing services to managers in the alternatives sector, cultivating specialist teams and centres of expertise around the major asset classes. The Group’s local expertise in the U.S. is complemented by its global capabilities and experience, with more than 1,900 employees around the world including a team of 40+ in its offices in Philadelphia and New York.

The report serves as a vital resource for fund managers navigating the complexities of the current landscape and planning for future growth, and industry professionals seeking to gain a deeper understanding of the trends shaping the private funds market.

For more information or to access the report, please visit <https://azt.gr/3NBld0J>