

## Growth of and trends in the private equity secondaries market

**19 October 2019**

*Sovereign Investor Insights*

Over the past few years the historically illiquid private equity market has found a new path to liquidity through the meteoric rise of the private equity "secondaries" market, which is generally defined by the buying and selling of pre-existing investor commitments in private equity and other alternative investment funds. This development has fundamentally changed the private funds landscape. The secondaries market, which was once a niche and relatively simplistic market characterized by distressed sellers looking to exit certain long-term difficult-to-exit positions, has become a functional and active marketplace with increasingly sophisticated participants looking to take a more active role in the management of their investment portfolios. Through the first half of 2019, the worldwide private equity secondary market transaction volume reached an estimated US\$55.4 billion, up 32% from the same period in 2018, according to an analysis conducted by NYPPEX.

In this article, we seek to (i) identify driving forces behind the growth of the secondaries market by analyzing the motivating factors for each of the main players in the market, (ii) provide a high level overview of the mechanics of a standard secondary transaction, and (iii) discuss a few of the current trends and issues in the market.

Click [here](#) to read more.

## Contacts

Bryan R.  
Ricapito

Partner

> [Read the full article online](#)