

IPC Current Issues in Alternatives Symposium

Tuesday, April 29, 2025

Fidelity Investments, 245 Summer St, Boston, MA 02210

1:00 PM

CHECK-IN

1:15 – 3:00 PM

SESSION I: CURRENT ISSUES IN PRIVATE MARKETS

Welcome

Greg Brown, *UNC Kenan-Flagler & Institute for Private Capital*

Does Fund Size Affect Private Equity Performance? Evidence from Donation Inflows to Private Universities

Abhishek Bhardwaj, *Tulane University A.B. Freeman School of Business*

Abhinav Gupta, *UNC Kenan-Flagler School of Business*

Sabrina Howell, *New York University, Leonard N. Stern School of Business*

Kyle E. Zimmerschied, *University of Missouri, Trulaske College of Business*

What is the effect of fund size on performance in private equity? This question is increasingly urgent amid larger funds and new focus on the retail market. While on average there is little relationship, we show that in causal estimation, there are decreasing returns to scale. Larger funds do larger deals, which perform worse. We find no change in risk, in part because additional deals are more levered.

What Do We Know About Risk-Adjusted Returns?

Greg Brown, *UNC Kenan-Flagler & Institute for Private Capital*

Christian Lundblad, *UNC Kenan-Flagler & Institute for Private Capital*

William Volckmann, *UNC Kenan-Flagler & Institute for Private Capital*

This paper uses a comprehensive dataset to examine the historical risk-adjusted performance of private funds across diverse asset classes and geographies. We find that buyout funds, private debt, and infrastructure funds have tended to perform well on a risk-adjusted basis. In contrast, real estate funds and venture capital funds have more mixed performance, and sometimes negative excess returns. Contrary to common opinion, funds based outside North America tend to perform well on a risk-adjusted basis when benchmarked against public market indices outside North America.

Panel Discussion: AI in Private Markets

Participants: Linda Huang, *Fidelity*

Qi Liu, *Stepstone*

(tbc), *EY*

AI is transforming private markets by revolutionizing investment strategies across the spectrum of alternative asset classes. AI-driven tools have the potential to enhance deal sourcing, due diligence, and predictive modeling; and machine learning and data analytics may be used to improve risk assessment, asset valuation, and portfolio optimization. But beyond these uses, could PE be a driver of AI adoption in across companies and industries?

3:00 – 3:20 PM

BREAK

3:20 – 5:00 PM

SESSION II: PE AND THE BROADER ECONOMY

Private Equity Through the Macro Lens

Victoria Ivashina, *Harvard Business School*

Abstract forthcoming.

Stakeholder Impact of Private Equity Investments

Morten Sorensen, *Dartmouth, Tuck School of Business; NBER*

Ayako Yasuda, *University of California, Davis - Graduate School of Management*

This paper surveys the academic literature about the impact of private equity investments in the broader economy. Private equity fund managers respond to high-powered incentives and seek to maximize shareholder values via a variety of channels. The literature identifies two broad approaches to value creation taken by private equity funds with sharply divergent outcomes for stakeholders and the aggregate economy, and this paper considers both.

Panel Discussion: Access to Private Funds

Participants: Luis O'Shea, *MSCI*

Drew Snow, *HarbourVest*

(tbc), *Fidelity*

With the increasing prevalence of evergreen fund structures, how are institutional investors thinking about these funds? What are the different approaches to valuations – and is there a set of valuation 'best practices' beginning to emerge?

5:00 – 6:00 PM **CLOSING REMARKS & NETWORKING RECEPTION**

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