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## Private investment in emerging markets fell in 2015: industry group

NEW YORK | BY [TARIRO MZEZEWA](#)

The raising of private capital and investment in emerging markets sank last year, driven by a combination of volatile currencies, falling commodity prices and capital outflows in the sector, the Emerging Markets Private Equity Association (EMPEA) said on Wednesday.

Fund managers raised \$44 billion for emerging markets in 2015, or 17 percent less than in the prior year. Private capital investment also declined, with investors paring inflows to emerging market companies to \$29 billion, down from \$38 billion in 2014, EMPEA said.

Emerging economies' share of global fundraising dipped from 14 percent in 2014 to 12 percent in 2015 and the sector's share of global investment slipped from 9 percent to 7 percent during the same period.

Although private fundraising and investment in 2015 came in lower than in 2014, it was in line with annual totals for 2012 and 2013, "suggesting that private fund managers remained resilient in the face of what, for many emerging markets investors, was a difficult year," the association said in a statement.

In addition to the commodity price slump felt in most emerging markets and volatile currencies across the sector, worries about slowing growth in China added to the lower investment to emerging markets.

"Declines in fundraising and investment in China in part contributed to lower 2015 EM private capital totals overall, since the market typically accounts for a large share of EM activity," it said.

Despite the decline in fundraising and investment in dollar terms, more emerging market companies were backed by private funds than ever as recorded by EMPEA. Investors backed 1,475 companies in 2015, marking an 8 percent increase from the previous year.

(Reporting by Tariro Mzezewa, editing by G Crosse)