

Press release

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For immediate release

Private asset impact funds show resilience in the face of the COVID-19 pandemic, forecast double-digit growth in 2021

Geneva, 17 November 2021 - **With a record sample size of 175 impact funds, the 2021 edition of Tameo's flagship research report brings refreshing transparency and a holistic understanding of key trends and benchmarks inherent to impact investing strategies through funds.**

The 2021 Private Asset Impact Fund (PAIF) report analyzes a subset of the impact investing universe, focusing on fund investment strategies that target emerging and frontier markets, with a development finance impact bias. This ecosystem comprises over 250 specialized investment boutiques and the 500 private asset funds that they manage or advise, with an estimated size of USD 38 billion. The survey captures close to two thirds of the market in assets under management (AUM), with USD 24 billion covered in the study sample.

"We are truly pleased with the wide market response received by our efforts to provide a fully independent and exhaustive update on the state of the private asset impact fund industry. We want to thank SECO, Symbiotics and TCX, as well as the 18 entities active in the impact space co-sponsoring this study with us, and most importantly the 175 funds that reported on over 300 data points, making this second edition possible", says Ramkumar Narayanan, Head of Research & Investments at Tameo.

The results notably show a flat market growth of +1.5% for the sector in 2020. Growth forecasts are, however, much higher for 2021 (+12.3%) and this is the case across all impact sectors and asset strategies. Net returns have decreased across the board but remained positive in most cases, whereas two-thirds of funds expect an increase in their performance in 2021.

"Although growth and returns were stagnant in 2020, it is comforting to see how impact funds have been resilient considering the COVID-19 pandemic, and that fund managers incorporated 40 new impact investment products last year. This is a record figure, with a further 34 new funds created to date in 2021, which shows the timely response from impact fund managers to raise and deploy impactful capital to markets and a clientele in dire need of liquidity and support", he continues.

Tameo held a pre-release event for the report on October 13, followed by a panel discussion with industry experts at the Warwick Hotel in Geneva. The panelists were Christian Brändli (SECO), Christoph Eckart (Impact Asset Management), Kim-Andrée Potvin (Bamboo Capital Partners) and Ivan Agabekov (INOKS Capital).

“We view this report as a public good. It provides more transparency in the market, thus spurring competition and innovative approaches of impact strategies. It is time to step up private impact capital towards emerging and frontier countries”, observes Christian Brändli, Deputy Head of the Private Sector Development at the Swiss Secretariat for Economic Affairs (SECO), co-lead sponsor of the study.

In the coming weeks, the report will be presented at several international conferences, including the European Microfinance Week (November 17) and Building Bridges (November 30).

Other takeaways show that fund cash levels have witnessed 21% growth year-on-year, whereas the COVID-19 pandemic brought record levels of loan provisioning and write-offs in 2020. A new report section, developed jointly with TCX, reveals that funds invest in more than 60 developing market currencies, but most use foreign exchange hedging to mitigate risk.

[Download](#) the full report.

Watch our [video summarizing](#) the report.

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about Tameo

Tameo Impact Fund Solutions SA is a Switzerland-based start-up specializing in the provision of independent and expert services aiming to mainstream the impact investing industry. Tameo provides specialized fund managers and investors with market intelligence, fund research, impact reporting and analysis, and deal valuation, as well as other consulting services.

Incorporated in December 2020, Tameo currently employs eight people.

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