

Fund Finance Friday



PEI Articles Relevant for Fund Finance

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There has been a flurry of articles relevant to the fund finance community that were published this week and last. In a follow-up to an earlier article about two instances of European LPs defaulting on capital commitments, *Private Equity International* (PEI) issued a brief response aptly labeled “**Investor liquidity: reading the runes.**” The original article struck a chord and became PEI’s most-read article since the crisis hit, but PEI’s latest article states that the two defaults are isolated cases with little expectation of defaults among large established investors and that liquidity may be the bigger issue, even topically likening increased capital calls as the PE equivalent of hoarding toilet paper. On Tuesday, *Buyouts* editor Chris Witkowsky published an article titled “LPs feel liquidity heat but no fears of widespread defaults.” The article focuses on a reported uptick in capital calls and LPs focused on monitoring their liquidity position. Steve Moseley, the Head of Alternative Investments at Alaska Permanent Fund, is quoted. The article is available [here](#). And Thursday, PEI published an article by Alex Lynn titled “Eaton: Large US institutions grappling with capital calls,” available [here](#). The article quotes Peter Martenson, a partner at advisory firm Eaton, on calls he has reportedly fielded from investors seeking liquidity solutions in light of the slowdown in PE distributions and other incoming cash flows.