League tables & funds – a game of one half

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It's been a busy time for *IJ* with our half-yearly league tables for global infrastructure and project finance and the H1 2018 funds and investor report – the finishing touches to which have been put on today.

The past month has been spent wading through spreadsheets, to the extent we all look like junior financial modellers at a bulge-bracket bank… in days of yore – before these enlightened days – when ferocious bosses had them slaving around the clock, sleeping (briefly) under their desks to be dragged out by their (grubby) collars to get back to work.

That's all changed, of course. Nowadays they're all packed off at 5.30pm with a smile and a wave from a work/life balance boss (HR director hovering in the background) for them to come back and complete the job tomorrow.

As they say in Scotland – aye, right! It's not changed that much.

As to our findings, on the funds side, it's looking fairly healthy with 31 unlisted infrastructure funds making it to final close this half, pulling in more than $44.3 billion to target infrastructure and energy around the globe through equity and debt. To put that into context, that's $10 billion more data than one of our most established competitors.

That is a considerable uptick on the last half (H2 2017) when we logged $25.7 billion in final closes, but it comes in about the same as the corresponding half last year (H1 2017) when we had $44.6 billion.

Looking back across the years of fund activity – and our data reaches back to the early 1990s, but we tend with our analysis to focus on the environment post global financial crisis – the second half of 2016 and the first half of 2015 stand out for having raised $52 billion and $50.6 billion, respectively.

To put that into perspective, the average amount raised – at final close – in each half from the start of 2015 to the mid-point of 2018 comes in at $39.6 billion. Taking that into account, H1 2018's actually looking pretty tasty with $44.3 billion.

This latest piece of research follows nicely from our launch *IJInvestor's Funds & Investors Report* that we published at the end of Q1 with $22.5 billion at final close across 17 funds. This second quarter has seen $21.7 billion raised by 14 funds.

As to drilling down into the data, there were not many surprises – more a lot of confirmation of market wisdom that everyone and their dog wants to invest or lend to renewable energy.

Beyond that, 74% of all asset acquisitions (by number of deals) were in Europe; while PPP remains broadly out of favour, unless you find a listed infra fund (say… JLIF) that you can snap up for a bargain… and the Carillion effect doesn't fill you with all-consuming terror.

And then there's the speed at which fund managers make it to first close. In many cases, this is not data that fills me with joy. Many play with a straight bat, announcing the fund launch and then religiously informing the market of closes as they progress. Others play their cards close to their chests and pretty much announce launch and first close in the first breath.

Fund size is largely trending upwards with H1 2018 seeing an average size of fund to hit final close coming in at $1.48 billion, a hefty uptick on H2 2017 when it was $1.08 billion. The lowest data point in recent time was achieved in H1 2011 when average fund size failed to impress at $421 million.

There's a lot more data in the report, which we will struggle to get out today – but hope to have with you on Monday.

IF & PF

We were quicker off the mark with our league tables for infrastructure finance and project finance… for obvious reasons – we've been doing them for donkeys' years. The report for H1 2018 can be accessed here…

The total value of transactions closed in H1 2018 amounted to $453.4 billion of which $309.8 billion was debt. In project finance that came to $116.6 billion and debt of $96.6 billion. As to the value of transactions to have closed over the last 12 months, that has settled into a healthy rhythm with traditional lenders maintaining a strong – if not dominant – role in the financing equation, while bonds continue to carve a healthy niche on a global scale.

Japanese lenders once again dominate the table with MUFG Bank leading the field by a comfortable margin, followed by Mizuho and SMBC. ING comes in at its favoured position – the jam in the sandwich – just after the most active, displaying (as they will tell you free for the asking) willingness to lend but still allowing them to be selective… the implication being that the table toppers will lend to anything that moves!

As to bond financing, JP Morgan and Citi are once again rampant with BAML and SMBC occupying the level beneath them.

When it comes to advisory, there are few surprises with most of the leading players switching positions around the top of their respective tables while niche local advisers make one-off appearances for working on local spike deals.

Allen & Overy leads by deals closed while Clifford Chance leads by deal value. EY and Macquarie lead by number of deals, but Morgan Stanley romps home by value. Mott Mac leads in technical advisory on both counts.

In project finance, SMBC is the leader while BNP Paribas wins for number of bond financed deals closed and Goldman Sachs wins by value. A&O wins by deal number, with CC leading for value. EY wins in both categories for financial advisory, as did Mott Mac in technical.