



# **Mercati pubblici e privati per il finanziamento delle imprese: complementari o in competizione?**

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OECD

***AIFI – PRIVATE CAPITAL tra risparmio e occupazione***

17 June, 2023

Ischia



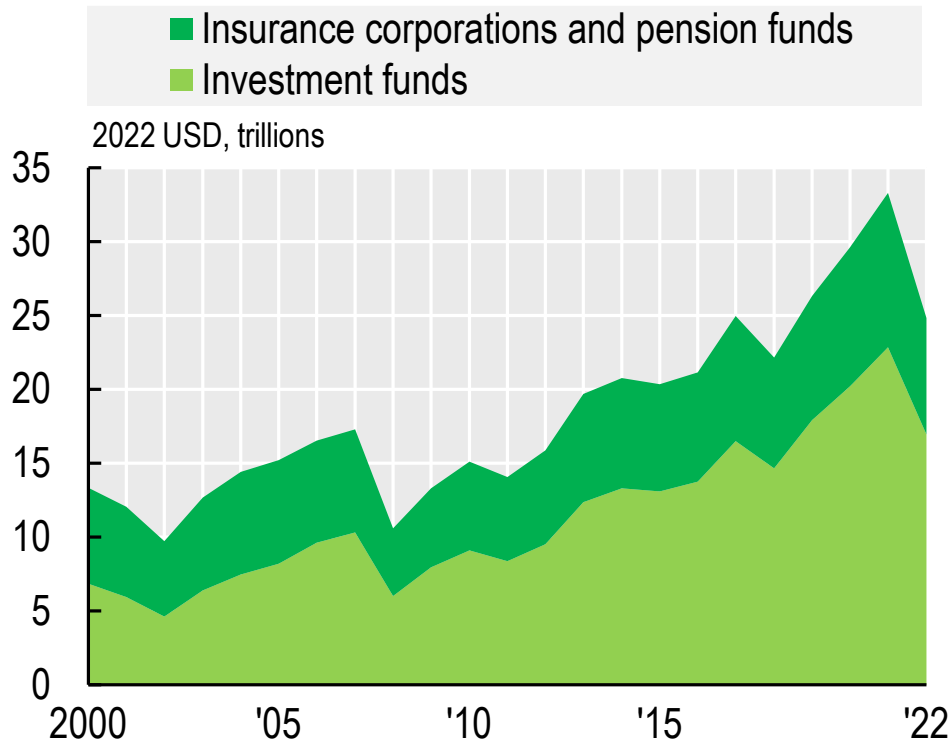
# Outline

- 1 Developments in public markets
- 2 Developments in private markets
- 3 Outlook in a changing macroeconomic landscape
- 4 Policy questions

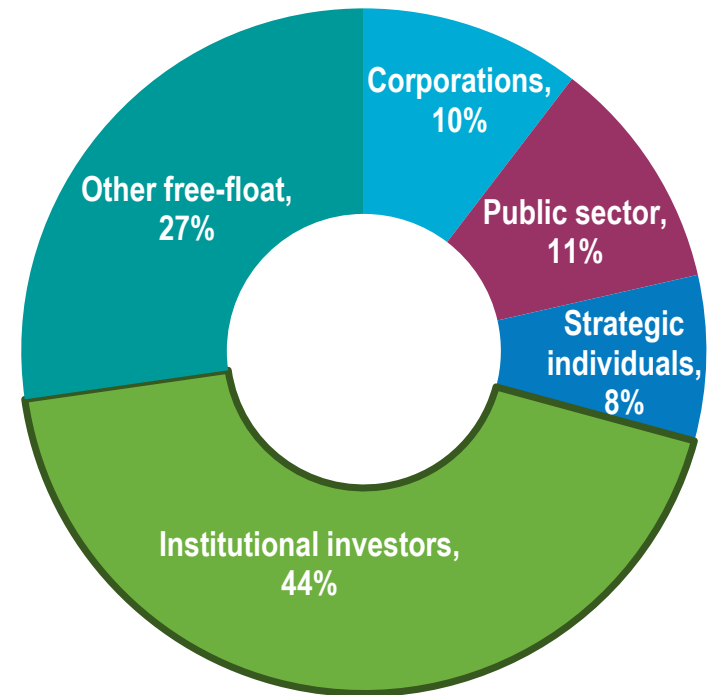


# Institutional investors' equity holdings have grown significantly in real terms

### US institutional investors' total equity investments



### Ownership of listed companies globally, end-2022



Note: The left-hand side panel data is adjusted to 2022 prices based on US CPI data.

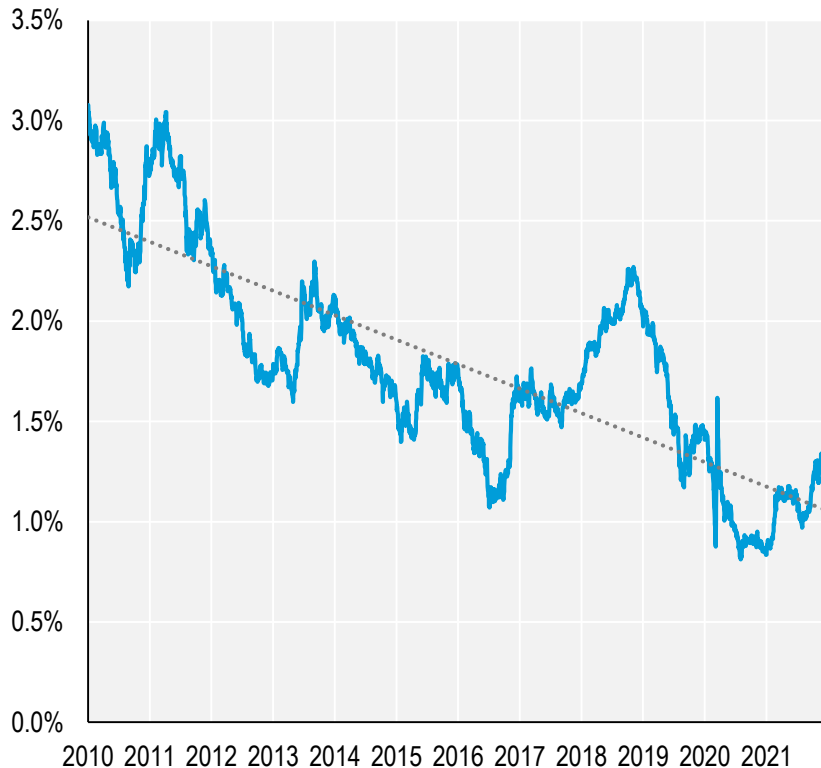
Source: OECD Institutional Investors Statistics; OECD Capital Market Series dataset, FactSet, Thomson Reuters Eikon, Bloomberg.



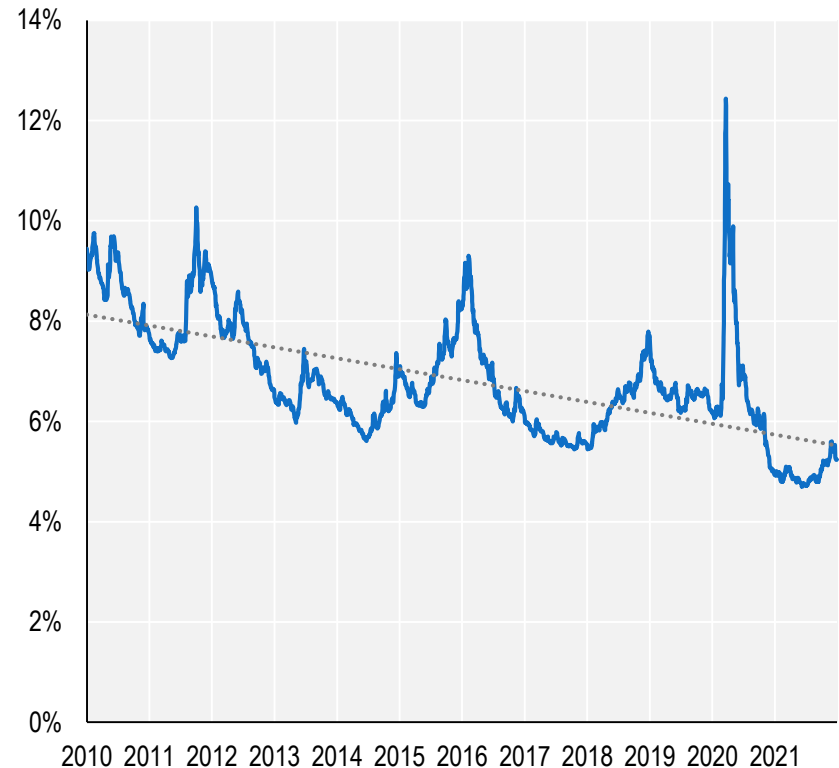
# Before 2022, there was a global and secular decline in yields

## Yield to maturity, global debt indices (sovereign and corporate)

### Investment grade



### High-yield



*Note:* Based on Bloomberg's GlobalAgg and Global High Yield indices. Both indices include sovereign and corporate debt.

*Source:* Bloomberg.



# Private markets – a snapshot

## Key sectors

Private equity

Venture and growth capital

Private credit

Real assets

Global AUM,  
Q1-21 (USDtn)

3.5

2.2

1.5

2.5

**\$9.7tn**

## Notable characteristics

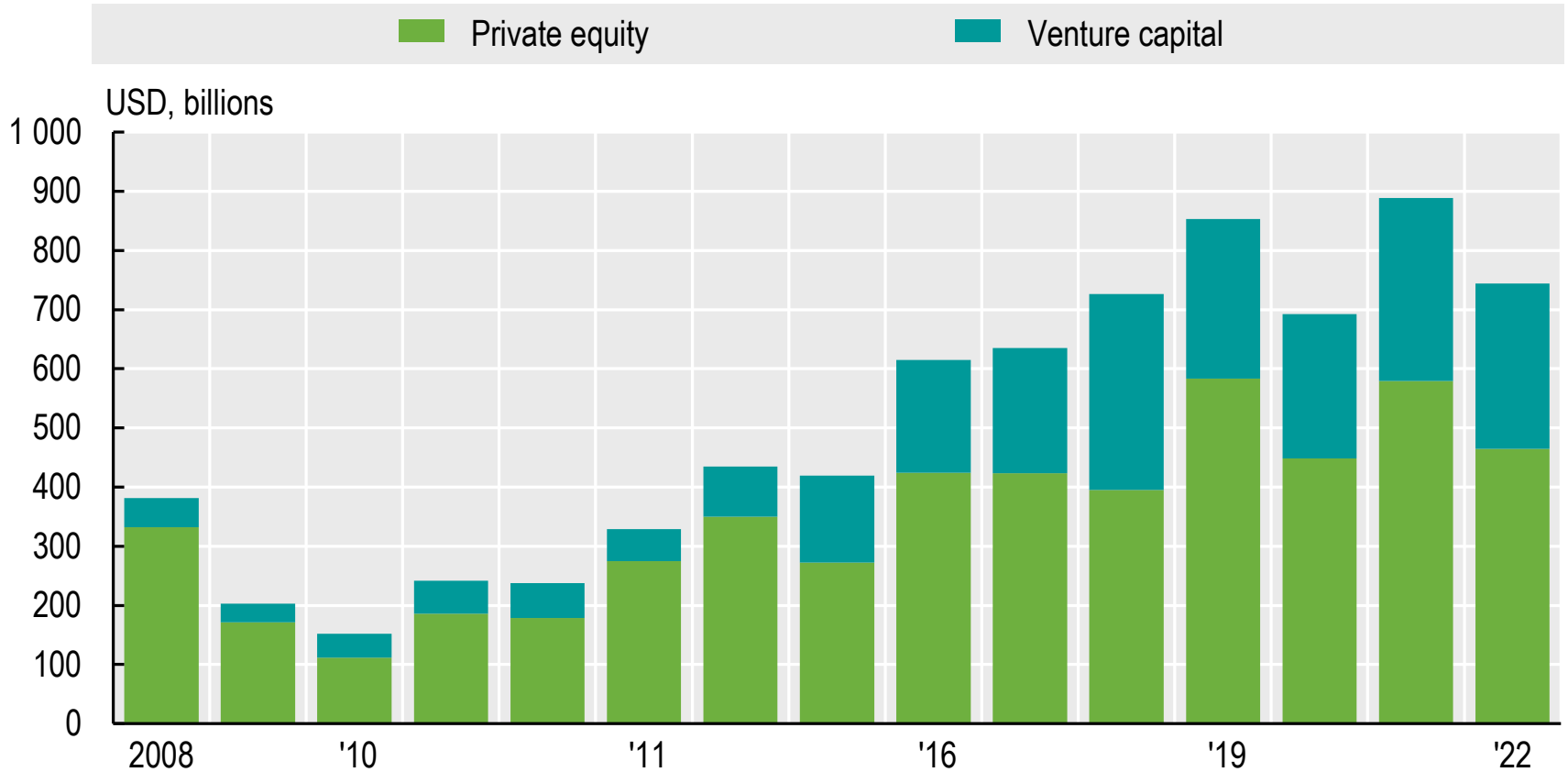
- Dominated by large institutional investors
- Relatively long-term investment horizons
- Limited liquidity transformation
- Less rigorous regulation than in public markets

Note: Values are expressed in nominal USD.  
Source: BIS (2021).



# Private equity and particularly venture capital fundraising has grown substantially in recent years

Private equity and venture capital – global fundraising



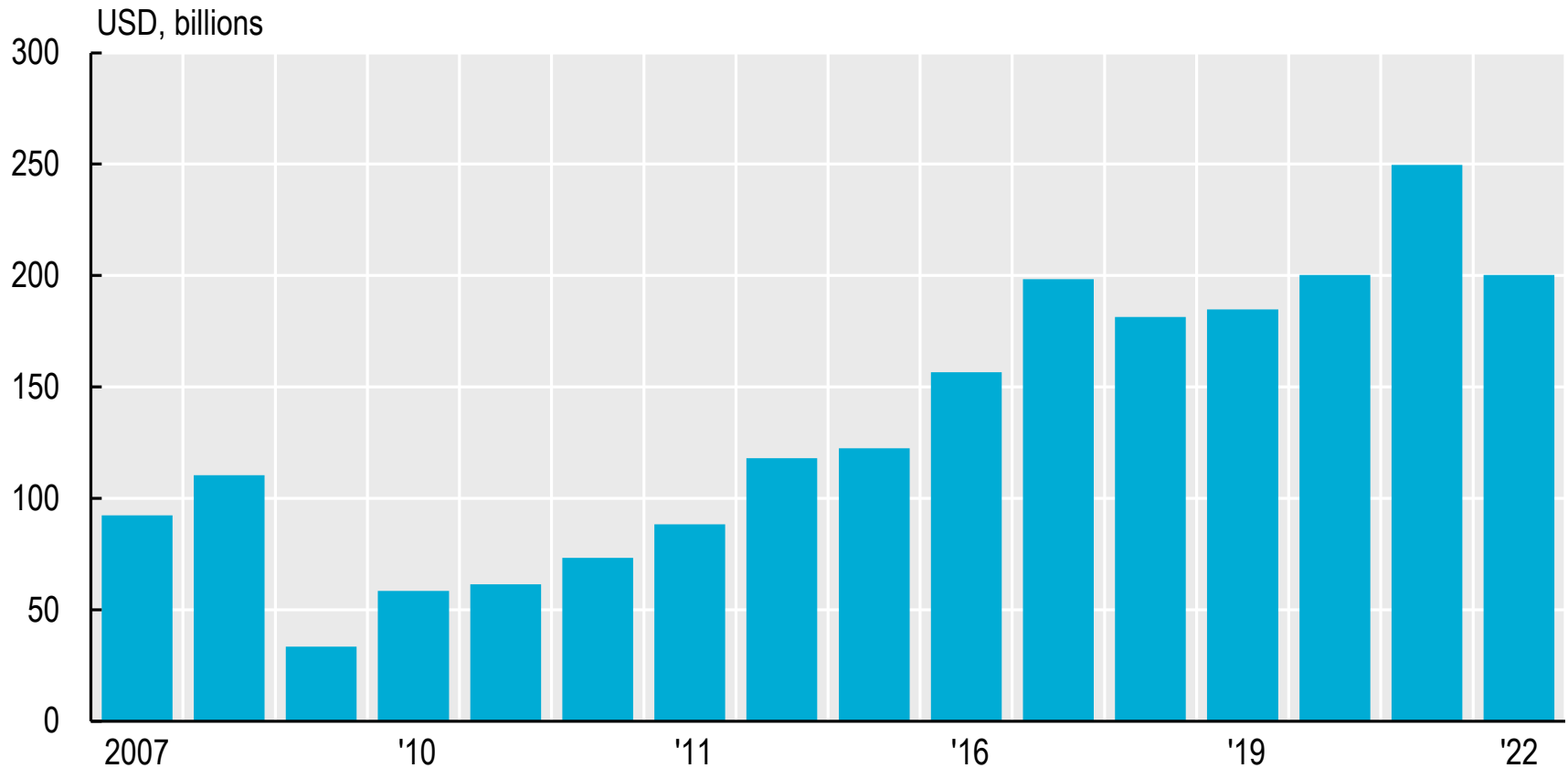
Note: Values are expressed in nominal USD.

Source: PitchBook (2022).



## Similar trends can be seen in private credit

Private credit – global fundraising



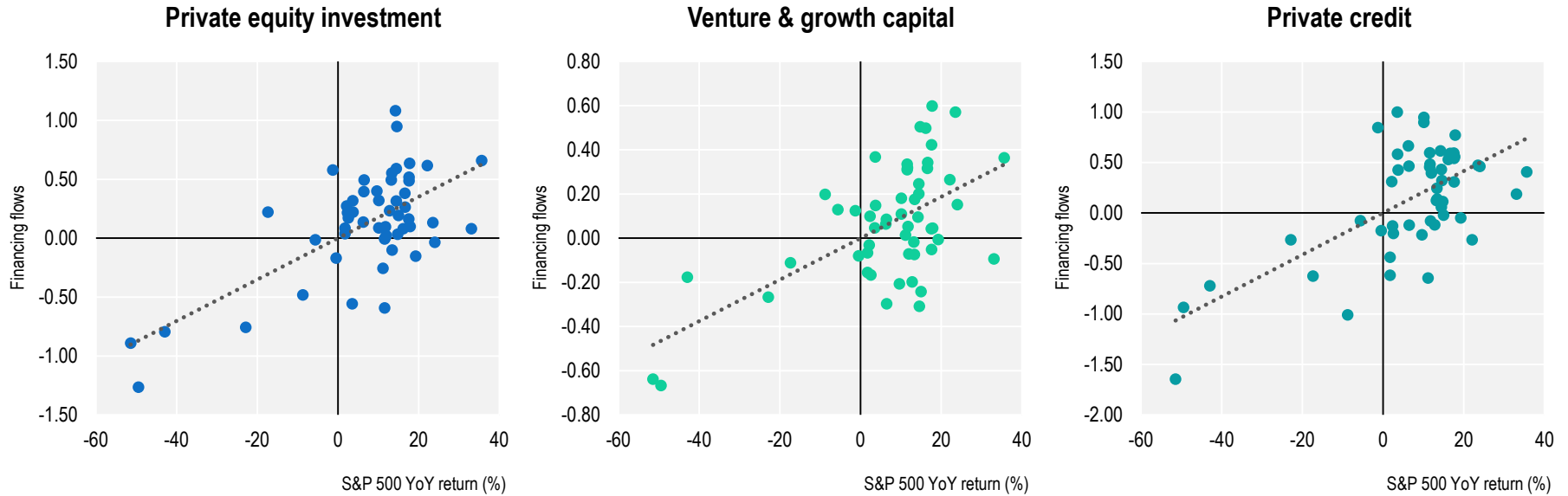
Note: Values are expressed in nominal USD.

Source: PitchBook (2022).

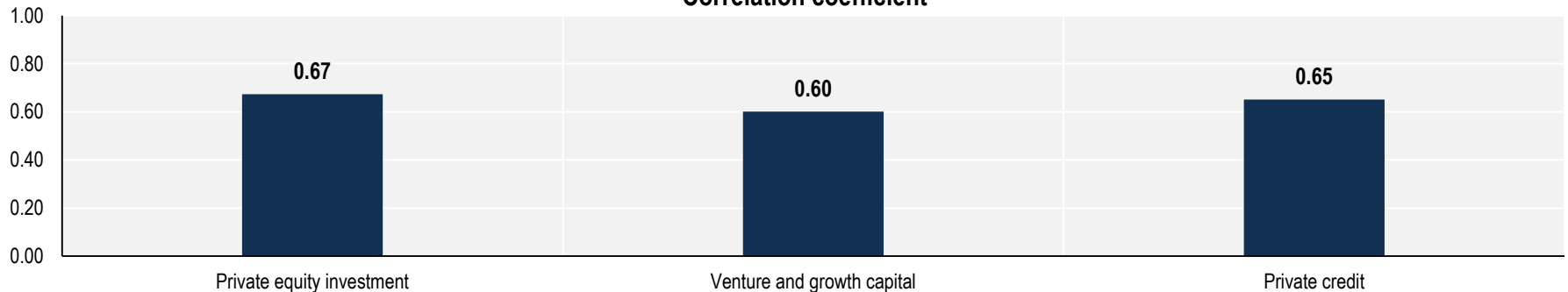


# Significant co-movement between public stock markets and private capital flows historically

## Correlation between S&P 500 returns and...



## Correlation coefficient



Note: Data from Q2 2007 – Q2 2021. S&P returns based on averages of daily prices.

Source: BIS (2021).





## These developments raise a number of policy questions

- Should the promotion of public markets be a policy objective?
- To what extent are public and private markets complementary?
- Are disclosure and compliance requirements between public and private markets properly calibrated?
- How will private markets react to changing macroeconomic conditions?



**Thank you!**

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