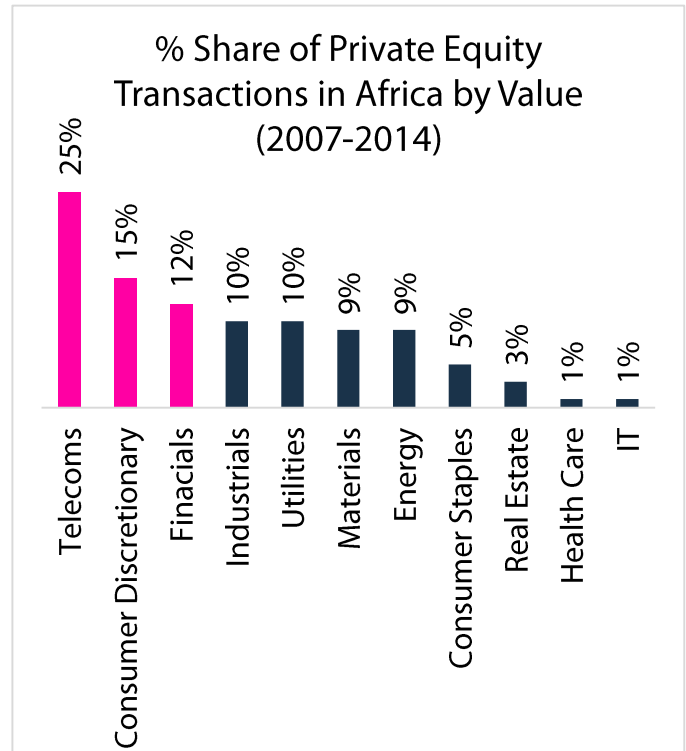


# African private equity deals have quadrupled in value since 2012

The African Venture Capital Association’s African Private Equity Data Tracker summarizes recent trends in private equity (PE) in Africa. From as low as US\$2 billion a year in 2012, Africa has quadrupled its total annual PE transactions by value to reach US\$8.1 billion in 2014. Between 2007 and 2014 there were 983 PE deals in Africa valued at US\$34.5 billion of which 64% (US\$22 billion) of these funds was raised by African PE firms. This indicates significant participation of Africa based PE firms in the sector. The top 4 industries by PE deal volume within the same period include Financials (17%), Consumer Discretionary (14%), Industrials (14%) and Consumer Staples (14%). Telecommunication Services leads in deal value with a 25% share.



By region, Southern Africa is home to 31% (South Africa accounts for 24%) of all PE deals between 2011 and 2014 and is followed by West Africa with a 25% share. Research has attributed part of this growth to relaxed regulations that allow Africa’s vibrant Pension Funds to invest a larger portion of their money in PE. For instance, 10 African countries including South Africa (US\$322 billion), Nigeria (US\$25 billion), Namibia (US\$10 billion) and Kenya (US\$7.3 billion) have over US\$379 billion in pension funds under management of which US\$35 billion can be invested in PE. If these funds were to be invested in PE it would double the value of Africa’s PE market.

