

**A COMPARATIVE ANALYSIS**  
**OF THE PRIVATE EQUITY MARKET:**  
**EUROPE AND PORTUGAL**

Master's thesis:

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## ABSTRACT

In this document, we examine the European and Portuguese Private Equity markets through a descriptive analysis of funds raised, investments and exits. The analysis relies on the data made available through the 2015 Invest Europe Yearbook. The main findings of the analysis are: (1) in Europe, the Private Equity market is concentrated in few countries; (2) the peripheral countries have experienced only a marginal increase in their Private Equity market; (3) in Portugal, the overall Private Equity market is undeveloped compared to other countries; (4) however, in Portugal, Venture Capital investments have experienced a significant development in the last years.

We run an exploratory quantitative analysis finding that Private Equity investments: (1) have a positive impact on GDP; (2) whereas they increase the unemployment rate in the short run, they do not affect the long run unemployment rate.

Finally, we look at the most recent regulatory initiatives affecting the European Private Equity market. It is clear that these initiatives benefit investors and market stability, but at the same time, they entail high compliance costs, which do not seem to be justified by the systemic risk profile of the sector.