



The Top Way to Play the Private Equity Space in Canada

Description

The private equity space is one that's not generally well understood by the public. That's because private equity firms operate somewhat in the shadows, relative to equity markets or bond markets, which are more transparent.

By providing private capital to businesses, investors hope to gain market-beating returns over time. However, it's typically the case that most private equity firms have onerous investment minimums or accreditation requirements that preclude most investors from partaking in this space.

Enter **Brookfield Business Partners** ([TSX:BBU.UN](#))([NYSE:BBU](#)). This company is the private equity arm of **Brookfield Asset Management**. Publicly traded Brookfield Business Partners allow individual investors to benefit from the private equity space.

Let's take a look at why this company is a great way to gain exposure to private equity right now.

Analysts have optimistic outlook on BBU stock

Currently, analysts such as Elias Foscolos have noted a bullish outlook for Brookfield Business Partners. The thesis on this stock is relatively simple to understand once investors look closer at what Brookfield Business Partners does.

Brookfield Business Partners seeks to monetize assets that are either misused or misallocated. The company attempts to bring in capital and expertise to maximize EBITDA at the companies it invests in. Accordingly, by redeploying capital and expanding and diversifying its operations, Brookfield Business Partners aims to extend the growth profile of its various investments.

Analysts believe that Brookfield Business Partners is among the best of its peer group and in delivering robust net asset growth. After an array of acquisitions in 2021, Brookfield Business boasts of a healthy pipeline of future opportunities worth US\$20 billion in potential equity capital. Considering this, analysts suggest BBU has an advantage in executing and sourcing fascinating deals through its partnership with Brookfield Asset Management.

I'm of the belief that Brookfield Business Partners's structure (being in the BAM family of companies) is one attribute that can't be overlooked. Apparently, analysts agree on this point.

Bottom line

Brookfield Business Partners has an impressive balance sheet that's structured to be highly resilient. Indeed, the ability of BBU to raise money quickly, with the backing of BAM, provides investors with a unique advantage in the private equity world.

This is a company that's been able to make some absolutely incredible deals in recent years. Those bullish on the private equity space may want to take a look at Brookfield Business Partners's portfolio.

As the economy continues to improve, the fundamentals of many of Brookfield's businesses are also stabilizing. Accordingly, those bullish on a robust recovery may want to consider this stock right now.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BBU (Brookfield Business Partners L.P.)
2. TSX:BBU.UN (Brookfield Business Partners)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. chrismacdonald
2. kduncombe

Category

1. Dividend Stocks
2. Investing

Date

2025/08/14

Date Created

2021/10/11

Author

chrismacdonald

default watermark

default watermark