



2025 Secondary Market Review

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2025 Secondary Market Highlights

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\$229B

Total Secondary Volume

\$105B

GP-led Volume

\$124B

LP-led Volume

\$299B

Dedicated Available Capital

1

2025 Sets Secondary Market Record

The secondary market reached \$229B in transaction volume in 2025, surpassing the 2024 record of \$158B and representing a 48% YoY increase

2

GP-Led Activities Continue to Grow

GP-led volume reached a record \$105B in 2025, driven by increased adoption of CV technology even as IPO and M&A markets showed signs of improvement in H2 2025

3

Continued Lag of Distributions Behind Contributions Dampens Overall Fundraising Market

LPs, aiming to manage their own liquidity, are pushing sponsors for exits, considering liquidity on their own via an LP secondary and/or asking sponsors to delay their fundraise

4

LP-Led Volume Surged as Liquidity Remained a Strategic Priority

LP-led volume reached a record \$124B in 2025 as LPs increasingly utilized secondary transactions as a programmatic portfolio management tool

5

Secondary Investors Remain Under-Capitalized

Dry powder available to secondary buyers can be deployed in just 1.3 years vs. 2.7 years for the broader PE buyout market, even with record levels of secondary fundraising momentum

6

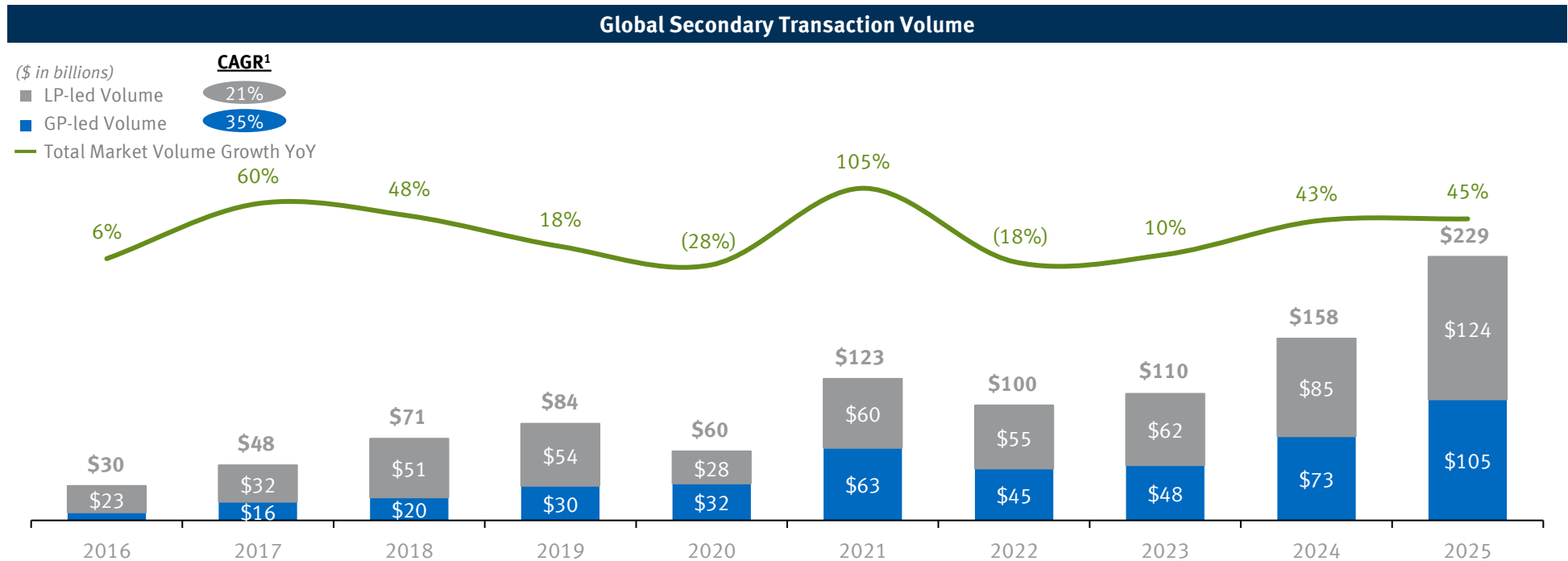
Secondary Market Poised for a Blockbuster 2026

Volume is projected to hit a record \$275B, supported by ~\$218B in near-term fundraising targets and the continued evolution of secondaries into a liquidity tool for GPs and LPs

2025 Secondary Market Overview

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\$229 billion full-year transaction volume, outpacing all annual totals recorded in the past decade



- Driven by a **momentous H2 2025** accounting for up to **~56% of annual activity**, global secondary transaction volume reached a record **\$229B in 2025** and eclipsed 2024's \$158B volume
- The spike in market activity occurred against a backdrop of ongoing geopolitical uncertainty, which suppressed traditional PE exits and prompted **sponsors and limited partners to tap into the secondaries market**
- Buyout transactions continue to dominate ~70% of the GP-led market but there has been a **noticeable uptick in activity from other asset classes (e.g., venture, growth and credit), signaling a shift towards thematic CVs**, fueled by buy-side demand through secondaries funds' **specialized strategy platforms**
- **Evergreen and retail capital surged to over \$113B in AUM**, emerging as the **fastest-growing source of dedicated secondary capital** and narrowing bid-ask spreads through **high-velocity deployment**
- The secondary market is poised for a **"blockbuster" 2026**, with **~\$218B in near-term fundraising targets** and a projected **path toward \$300B in annual volume** within the next several years

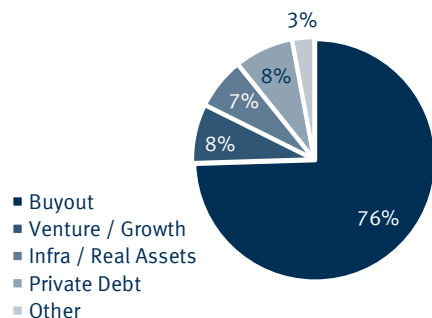
LP-led Market Snapshot

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LP-led deals represented ~54% of total 2025 secondary transaction volume, reflecting strong demand for diversified LP portfolios

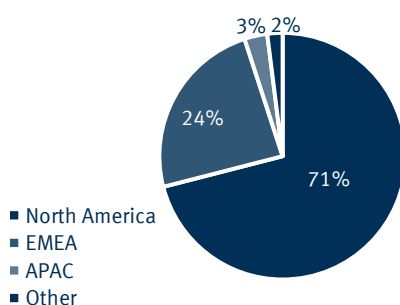
LP-led Transaction Volume Breakdown

LP-led Volume by Strategy



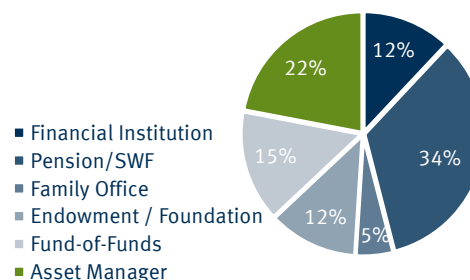
Buyout represented the vast majority (76%) of LP-led volume

LP-led Volume by Geography



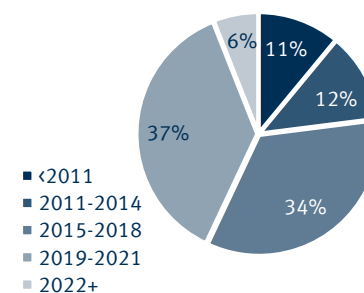
North America led LP-led activity with 71% of total volume

LP-led Volume by Seller



Pensions/SWFs and Asset Managers accounted for 56% of volume

LP-led Volume by Vintage



Mid-life vintages (2015-2021) drove 71% of LP-led volume

2025 LP-led Market Themes

Market Dynamics

- Record LP-led volume was driven by sustained liquidity needs and a desire for DPI acceleration in a muted exit environment
- The seller base significantly broadened as secondaries became more of a mainstream portfolio management tool

Buyer Focus on Diversification

- While buyers maintained a preference for well-diversified buyout portfolios, the buyer landscape broadened, with sector specialists and retail/evergreen vehicles increasingly pursuing more niche strategies

Price Improvement

- Blended LP portfolio pricing settled at 88% of NAV, a decline from 2024's 89% levels, primarily due to a mix of older-vintage buyout portfolios and increased venture activity in the market
- Pricing is sharply bifurcated by vintage, with recent funds commanding as high as 95% of NAV, while tail-end funds average closer to 73%

Buyer Bifurcation by Size of Portfolios

- The secondary market continues to be split between a handful of buyers who consistently bid on large portfolios, and many other buyers who selectively focus on smaller portfolios

LPs Turning to Secondaries for Distributions

- In a relatively slower IPO and M&A environment, more LPs are proactively utilizing secondaries to create innovative portfolio management solutions
- Secondaries continue to demonstrate stability over time, and the LP-led market has proven to be an effective tool to accelerate distributions to LPs

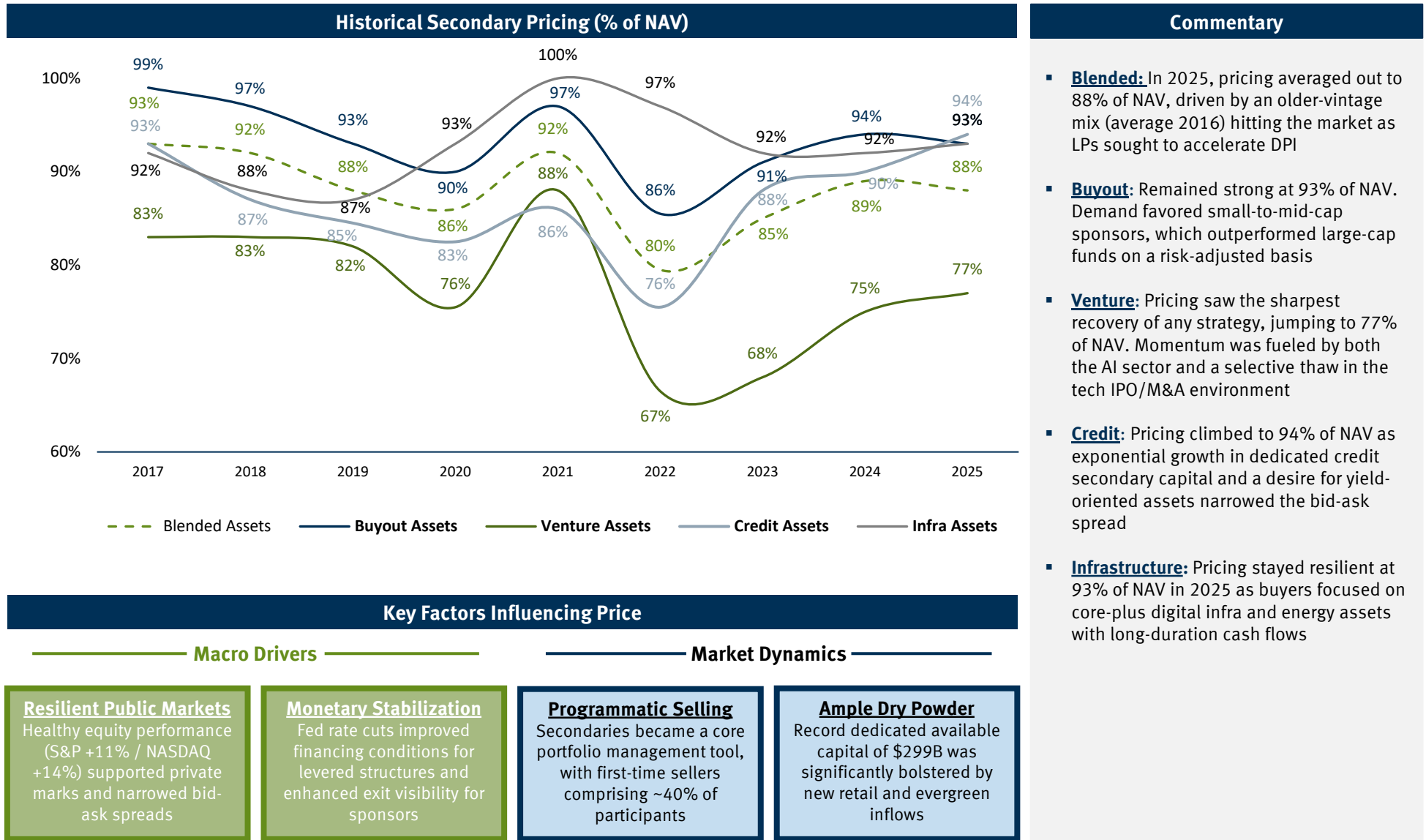
Buyside Competition

- Increasing participation and demand from non-traditional capital sources as well as the retail channel via '40 Act Funds led to an increase in buyside competition for deals, creating favorable market dynamics for sellers

LP-led Market Pricing

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Portfolio pricing continued to improve in 2025, demonstrating robust momentum amidst stabilizing macroeconomic conditions

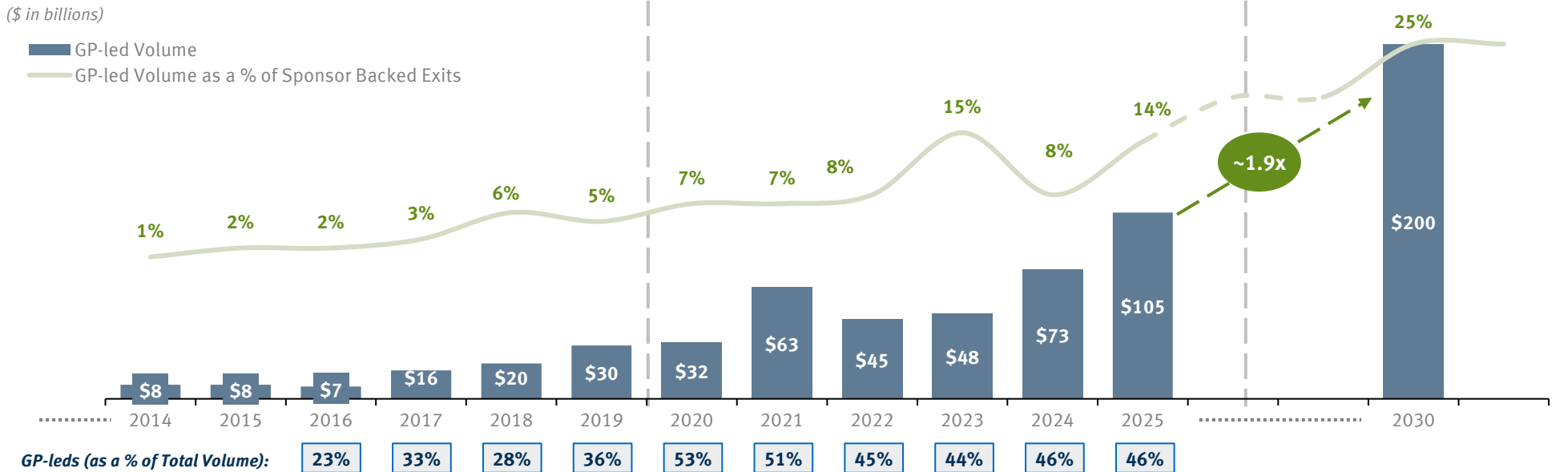


Rapid Adoption of CV Technology by Sponsors

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We are in the accelerated growth phase of the GP-led market evolution – with CV transactions at the forefront – as sponsors increasingly view CVs as a fourth alternative to traditional exit paths

Early Stage	Accelerated Growth	Maturity
<ul style="list-style-type: none"> Emergence of GP-led transaction activity, still a nascent part of broader secondary market Many sponsors viewed GP-leds as a “last-resort” option only for “distressed” assets (vs. opportunistic tool today) LP portfolio sale activity dominated secondary volume, with GP-leds only representing around one-third of total volume 	<ul style="list-style-type: none"> More established sponsors begin to opportunistically utilize the secondary market In 2023-25, we saw a spike in mid-market sponsors moving trophy assets into CVs, raising more capital in these vehicles than even their latest flagship funds Secondary fundraising hits record levels, creating significant dry powder for GP-led transactions 	<ul style="list-style-type: none"> GP-led market is projected to reach \$200B in size by 2030 GP-leds are estimated to account for ~25% of total sponsor-backed exits at maturity stage



Secondary Market Remains Under-Capitalized Today

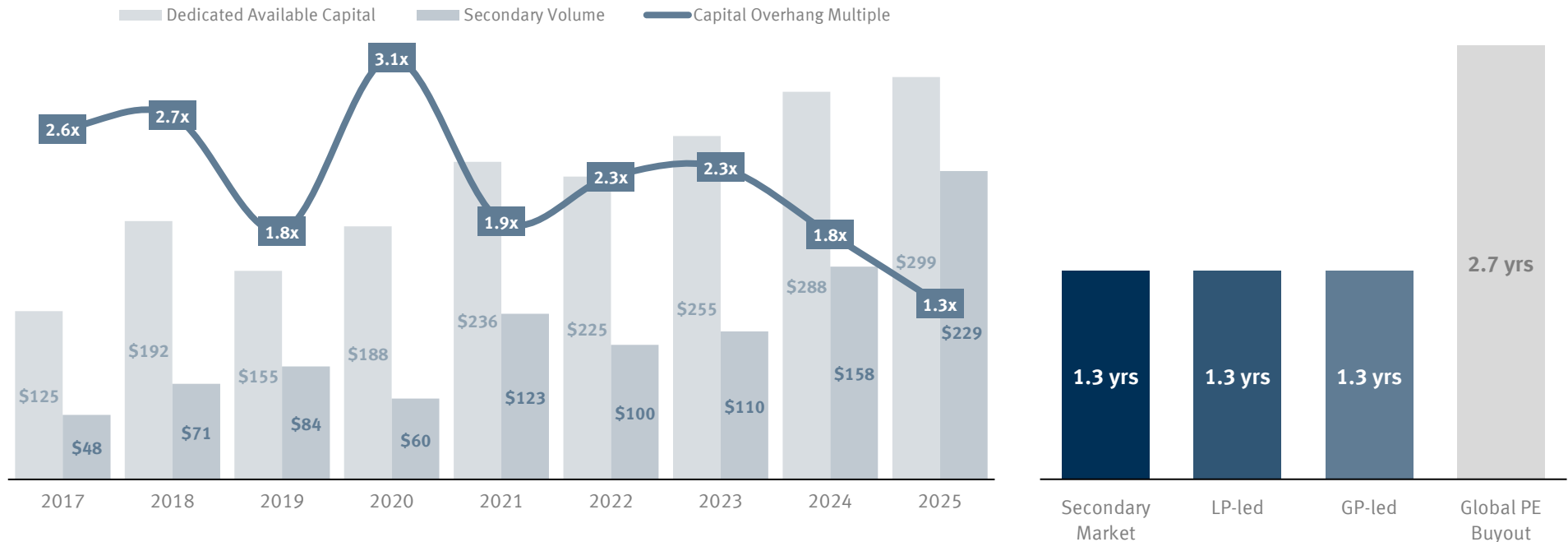
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Even with record levels of fundraising, the secondary market remains under-capitalized compared to the broader PE buyout market, demonstrating the pace and growth of secondary market activity today

Secondary Capital Overhang

Secondary Dry Powder¹

(\$ in billions)



✓ Key Takeaways

- Capital overhang fell to a historic low of 1.3x in 2025, underscoring elevated secondary transaction volumes and sustained liquidity demand
- Dry powder available to secondary buyers can be deployed in just 1.3 years (to hit 2025 transaction volume) vs. 2.7 years for the broader PE buyout market
- We saw increasing participation and demand from non-traditional capital sources including the retail channel (via '40 Act funds) in 2025 and we expect these trends to continue into the coming years to adequately capitalize the secondary market

Source: Preqin, PitchBook, PEI, Bain & Company, Eaton PCA estimates.

¹ Represents the ratio of dry powder relative to LTM transaction volume, expressed in years of implied deployment time assuming the same rate of deployment.

2026 Secondary Market Predictions

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The secondary market is poised for continued growth, supported by increasing sponsor adoption, expanding secondary strategies, and strong fundraising momentum

 <p>\$275 BILLION TOTAL TRANSACTION VOLUME</p>	<p>Secondary market activity will again set a record, with estimated transaction volume approaching ~\$275B</p>
 <p>CVS AS CORE ASSET MANAGEMENT TOOL</p>	<p>Lead investor check sizes will scale as buyers expand underwriting capacity to anchor large-scale CVs, now a standard liquidity tool for nearly 80% of the top 100 sponsors</p>
 <p>VENTURE & GROWTH INFLECTION</p>	<p>Venture and growth strategies will lead 2026 volume growth as maturing tech companies increasingly utilize GP-led processes to provide liquidity while staying private longer</p>
 <p>PRIVATE CREDIT VOLUME</p>	<p>Credit secondaries volume will exceed \$20B in 2026, as demand trends toward yield-heavy middle-market lending</p>
 <p>EVERGREEN CAPITAL GROWTH</p>	<p>Evergreen retail vehicles will be the fastest-growing capital source supporting the secondary market</p>

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