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Global Private Markets Outlook

Extending the cycle: growth and opportunity across private markets

Private markets enter 2026 on firmer footing, with deal activity rebounding alongside a more supportive rate environment. We expect a constructive year ahead, as deregulation, continued easing, and policy support help reinforce momentum across both private and public markets – accentuated by monetary policy easing and deregulation in the United States. Against this backdrop, private markets continue to demonstrate resilience, underpinned by strong credit quality, new liquidity channels, and expanding investor access.

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Key macro forces impacting private markets

Financial conditions are supporting activity
Lower short-end rates and improving liquidity are supporting confidence and deal flow. At the same time, higher long-end rates reinforce discipline, and elevate the importance of underwriting, manager selection, and cashflow durability.

The global policy backdrop is constructive
We expect a supportive global backdrop, led by resilient U.S. growth and aided by stable to improving conditions across Europe, Japan, and China. Policy support is likely to drive investment and economic momentum.

Global megatrends are driving capital-intensive investments
Geopolitical developments reinforce our conviction that global megatrends related to supply chain re-globalization, electrification, and AI are powerful drivers of capital-intensive investments, creating sector and diversification opportunities.

Our view of key asset classes

	OUR VIEWS	INVESTABLE TAKEAWAY
Private equity	Private equity momentum built through 2025, setting the stage for a stronger recovery into 2026.	We favor middle and lower middle market private equity for its greater choice and attractive entry points.
Private credit	As the credit cycle matures, private credit fundamentals remain resilient, supported by strong liquidity and defensive structures.	Focus on resilient segments. In our view, this includes middle market credit, which remains defensive and under appreciated.
Real estate	Diverging paths of rate normalization are creating uneven price discovery across U.S. and European real estate markets.	Leverage regional differences to capture cyclical opportunities while focusing on sectors with durable demand and cash flow growth.
Real assets	Geopolitical developments reinforce our conviction in increased investment in real assets and infrastructure.	Valuations have risen across parts of the AI ecosystem, while energy and materials offer more attractive relative value.

Key takeaway: Private markets remain a core and growing component of portfolios, with opportunity increasingly defined by selectivity, diversification, and transition-oriented exposure. As the cycle extends, investors are leaning into greater complexity and control to unlock differentiated sources of return.

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Objective, top-down analysis

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y: Private markets remain a core and growing

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Seasoned bottom-up expertise

The benefit of our multi-boutique platform

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