

Setter

Volume Report FY 2025

26th Edition

First in the secondary market.

Highlights

The Setter Volume Report analyzes global secondary market activity in FY 2025 and covers the following topics:

- › Total Volume of Secondary Deals
- › Breakdown of Volume between LP-led and GP-led
- › Breakdown of Volume by Type of Assets Purchased
- › Breakdown of Volume by Geography of Assets Purchased
- › Maturity of Funds Purchased
- › Profile of Buyers
- › Number of Deals and Average Deal Size
- › Payment Terms
- › Execution Risk
- › Buyers' Scope of Interest
- › Buyers' Target Returns
- › Profile of Sellers
- › Percentage of Intermediated Deals
- › Predicted Secondary Deal Volume
- › Change in Level of Buyer Competition
- › Changes in Debt Levels
- › Pricing
- › Expected Hiring
- › Expected Returns of Secondary Purchases
- › Expected Distribution and NAV Changes
- › General Partners' Approach to the Secondary Market

The survey

As the secondary market continues to grow and evolve, we seek to take a comprehensive and methodical approach to quantifying the market and identifying trends. Using a survey approach, we directly asked principals the same questions that buyers, sellers and secondary fund LPs often ask us. How many transactions were completed in FY 2025? How much was completed in LBO, venture, real estate, infrastructure, private credit, energy, real asset and hedge fund secondaries? How many GP-led transactions were completed? What are the expected returns and buyer debt levels?

This report summarizes the results of our 35-question survey of the most active global buyers in the secondary market for alternative investments, conducted at the end of December 2025. Volume is defined as total exposure (NAV + unfunded in USD) purchased by the respondents, including only deals where a binding agreement was entered into during FY 2025. Please note that all values throughout the report are denoted in USD.

We were pleased by the high response rate, as 97 of the 143 most active and regular buyers in the secondary market agreed to share their confidential results (see partial list of participants on page 26). The respondents to our survey represented 82.9% of the total market volume, making it the most reliable, consistent and exhaustive study of the industry's activities.

Being mindful of response bias, we compared the list of respondents to those who had declined to respond and did not find any obvious or meaningful differences in the known and observed levels of activity between the two groups. We then estimated and charted the total volume, number of transactions, and other reported figures herein by prorating the survey results based on the proportion of small, medium and large buyers that participated.

We hope you find the results interesting and useful. We welcome any questions and would be happy to provide further insights into the results.

More Insight.

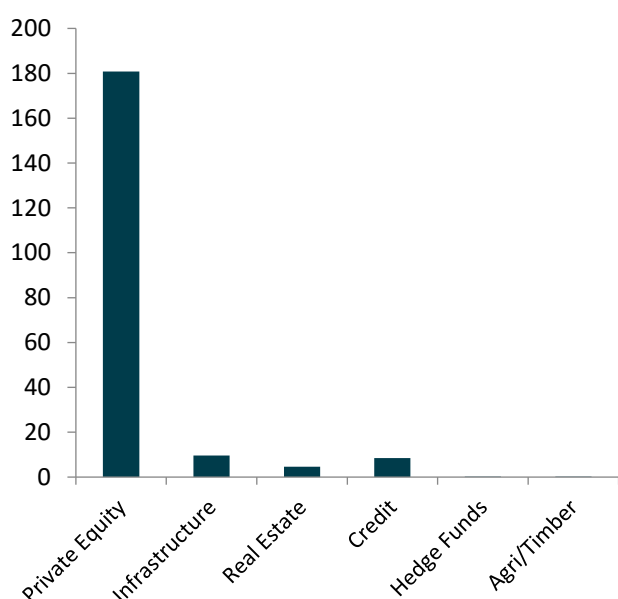
In the secondary market, knowledge is power.
By providing granular custom portfolio analysis and
industry-leading market research, we empower our
clients to make the most informed decisions.

Setter

Total volume

Total secondary market volume for FY 2025 was \$203.76 billion. This is the volume estimate derived from the 143 secondary buyers surveyed with dedicated secondary efforts and includes 116 secondary funds, 15 funds of funds, 5 hedge funds, 5 investment consultants, 1 family office and 1 pension. We believe this estimate is reliable as the 97 survey respondents alone reported \$168.96 billion of volume in their survey responses. **The figure is conservative, as it does not include the activity of over 2000 opportunistic and non-traditional buyers,** whose combined activity may be significant and it also does not capture the activity in the secondary market for shares in venture-backed companies. For instance, the activities of all sovereign funds (including ADIA, ADIC, GIC, Temasek, etc.) were excluded entirely, even though some have built teams dedicated to secondary purchases.

Types of assets purchased



Private Equity (GP-led¹ & LP-led): \$180.72 billion
(26.7% increase YoY)

Infrastructure (GP-led & LP-led): \$9.55 billion
(26.7% increase YoY)

Real Estate (GP-led & LP-led): \$4.68 billion
(67.2% increase YoY)

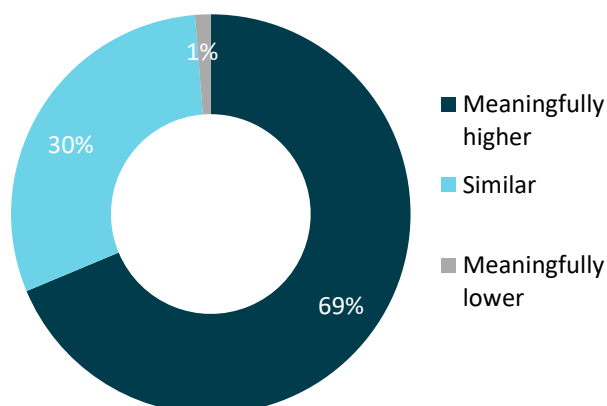
Private Credit (GP-led & LP-led): \$8.47 billion

Hedge Fund sales: \$190 million
(7.3% decrease YoY)

Agriculture/Timber Funds (GP-led & LP-led): \$150 million
(10.2% increase YoY)

¹ GP-led deals include fund recapitalizations, tenders, continuation funds and fund liquidations.

FY 2025 volume vs. FY 2024 volume

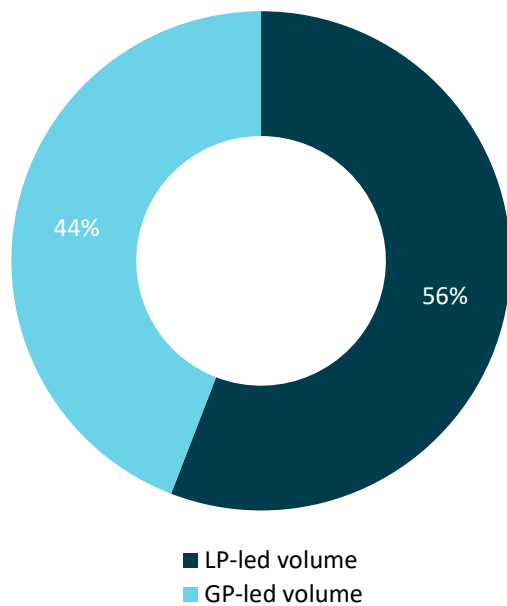


FY 2025 volume increased 32.9% compared to FY 2024, which was \$153.31 billion.

Only 1.3% of survey respondents felt their volume was lower in FY 2025, 30.0% felt their volume was similar and 68.7% of the respondents reported that their volume was meaningfully higher than FY 2024.

Assets purchased

LP-led vs. GP-led secondaries

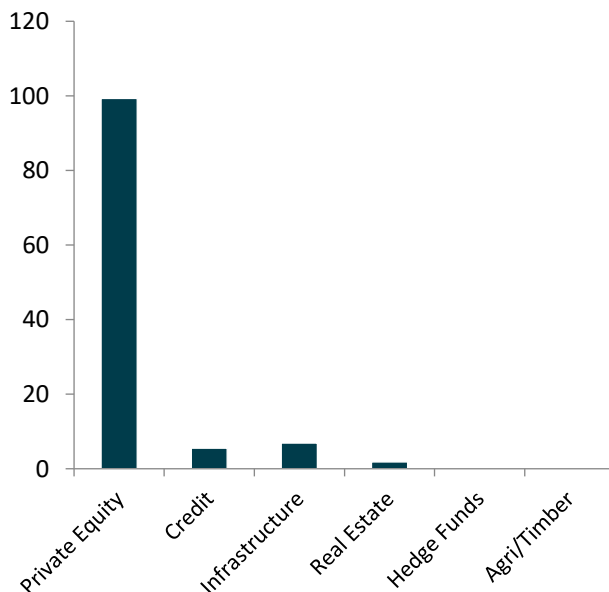


Fund secondaries (LP-led) jumped 55.9%, from the \$87.55 billion recorded in FY 2024 to \$113.84 billion in FY 2025. GP-led secondaries, increased 36.7% from \$65.76 billion in FY 2024 to \$89.93 billion in FY 2025.

As a proportion of total volume, GP-led secondaries went up from 42.9% in FY 2024 to 44.1% in FY 2025.

Survey respondents estimated the split between fund and GP-led secondaries in three years will be 53.2% LP-led and 46.8% GP-led.

Breakdown of LP-led fund secondaries



Private equity (non-credit): \$99.31 billion
(26.8% increase YoY)

Infrastructure: \$6.88 billion
(8.7% decrease YoY)

Real estate: \$1.81 billion
(31.4% increase YoY)

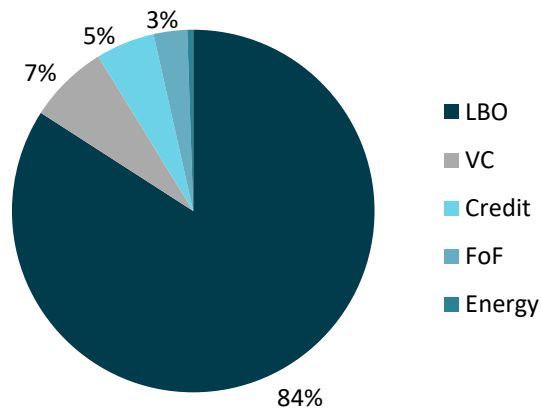
Private Credit: \$5.51 billion

Hedge funds: \$190 million
(7.3% decrease YoY)

Agriculture/Timber: \$150 million
(10.2% increase YoY)

Types of funds purchased

Private equity funds



LBO – \$88.15 billion
(Up 34.0% YoY from \$65.80 billion)

VC – \$7.46 billion
(Up 34.3% YoY from \$5.56 billion)

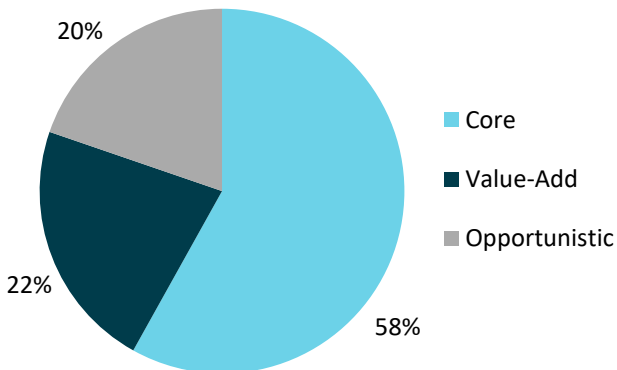
Private Credit – \$5.51 billion
(Up 29.6% YoY from \$4.25 billion)

FoF² – \$3.14 billion
(Up 34.3% YoY from \$2.34 billion)

Energy – \$554 million
(Up 52.1% YoY from \$364 million)

² Includes total for both Fund of Funds and Secondary Funds

Real estate funds



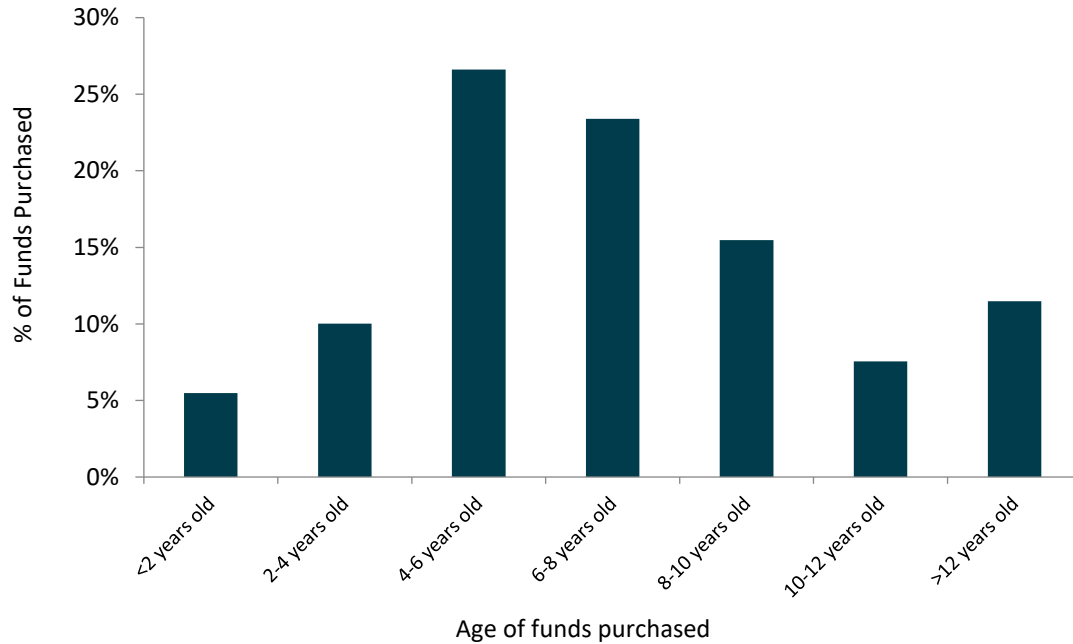
Core – \$1.05 billion
(Up 128.6% YoY from \$460 million)

Value-Add – \$400 million
(Down 13.5% YoY from \$460 million)

Opportunistic – \$360 million
(Down 21.3% YoY from \$450 million)

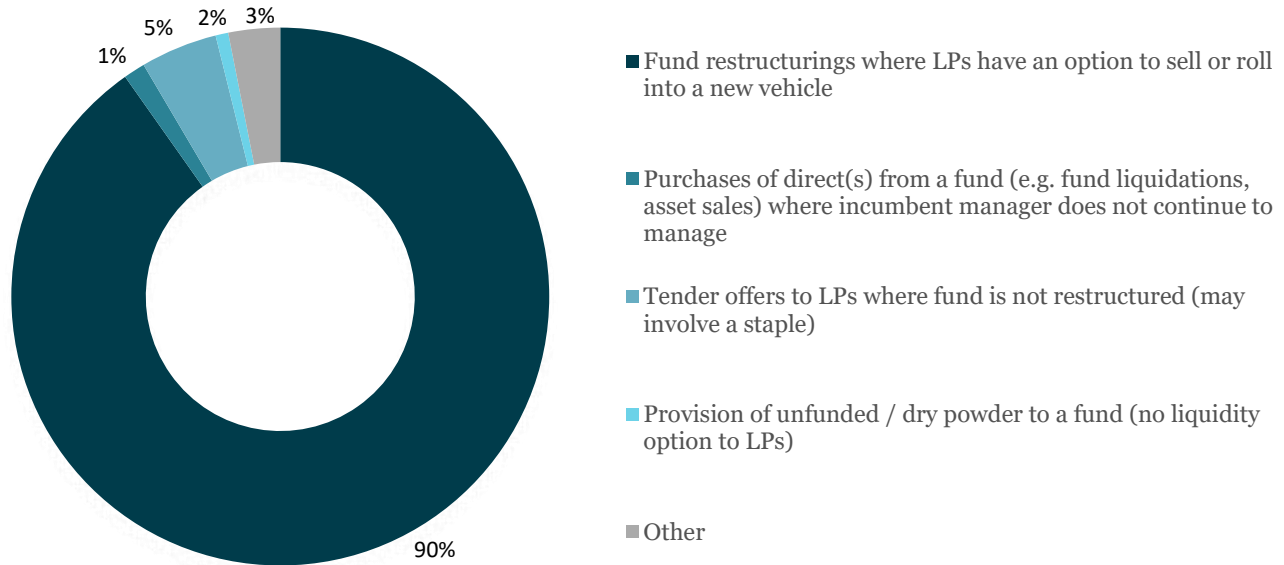
Maturity of funds purchased

Buyers bought funds across various vintages, whether as a portfolio or on a single line basis. The average fund purchased was 7.04 years old which is more mature than the average in FY 2024 (6.01 years old).

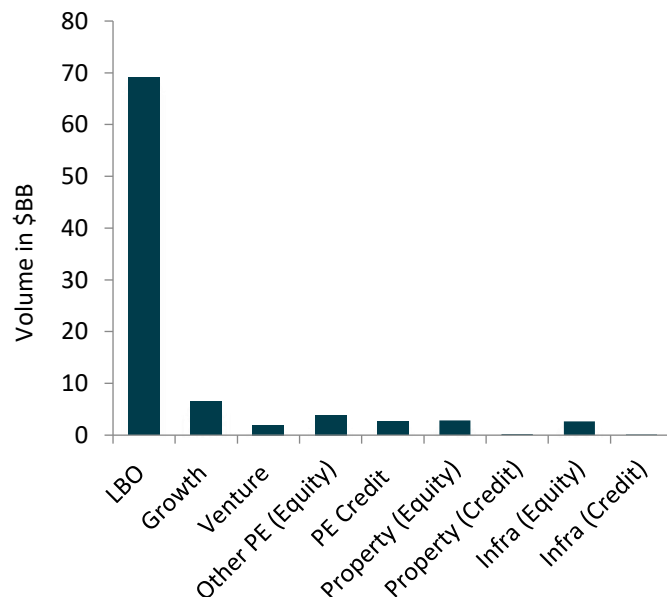


Types of GP-led secondaries

Types of deals completed

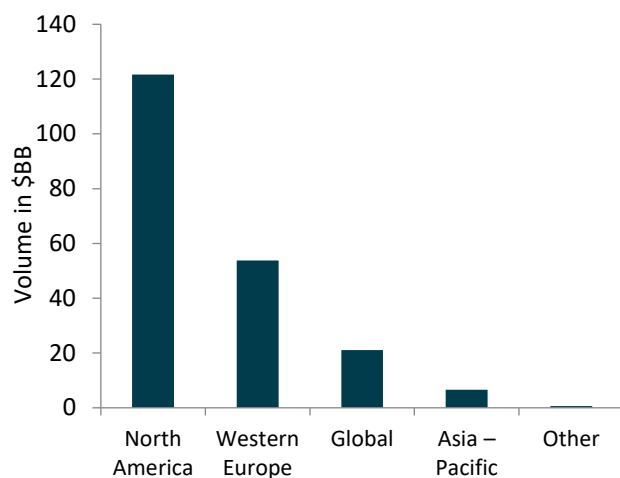


Types of assets purchased in GP-led deals



Assets purchased in GP-led transactions was as follows: 76.8% LBO, 7.2% Growth, 2.2% Venture, 3.0% Credit, 4.4% Other Private Equity (non-debt), 3.2% Real Estate (non-debt), 3.0% Infrastructure (non-debt) and .1% Infrastructure (credit).

Geography of assets purchased



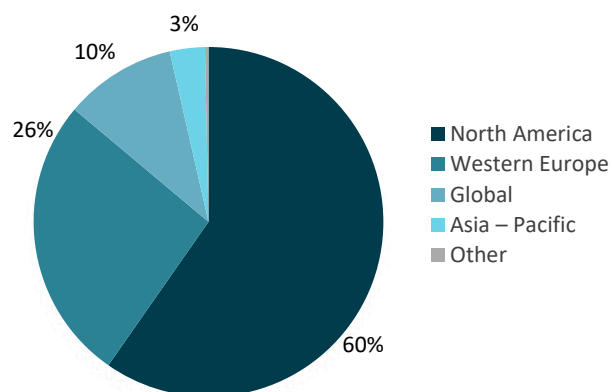
North American and Western European focused funds/GP-leds accounted for the vast majority of assets purchased in FY 2025:

North America – \$121.66 billion
(Up 23.4% YoY from \$98.56 billion)

Western Europe - \$53.80 billion
(Up 38.8% YoY from \$38.77 billion)

Global – \$21.04 billion
(Up 83.8% YoY from \$11.45 billion)

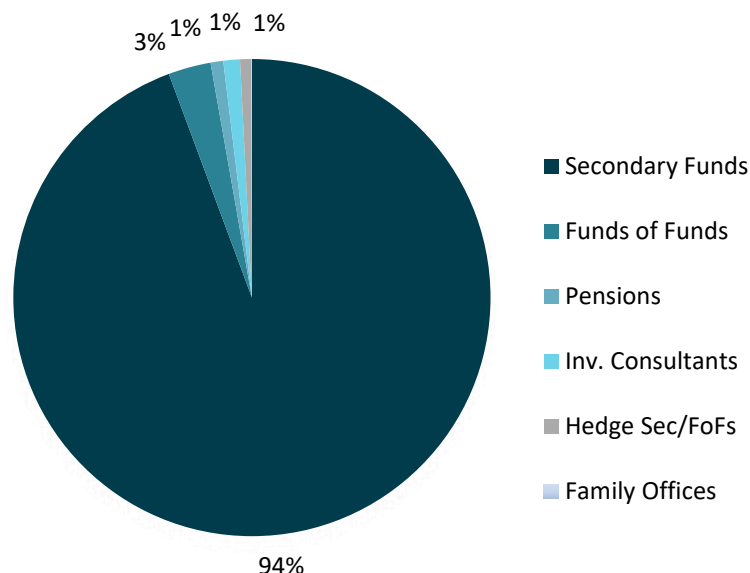
Asia-Pacific – \$6.61 billion
(Up 55.7% YoY from \$4.25 billion)



In terms of percentage, North American assets accounted for 59.7% of total volume, Western European assets accounted for 26.4%, global assets accounted for 10.3% and Asia-Pacific assets accounted for 3.2% of sales.

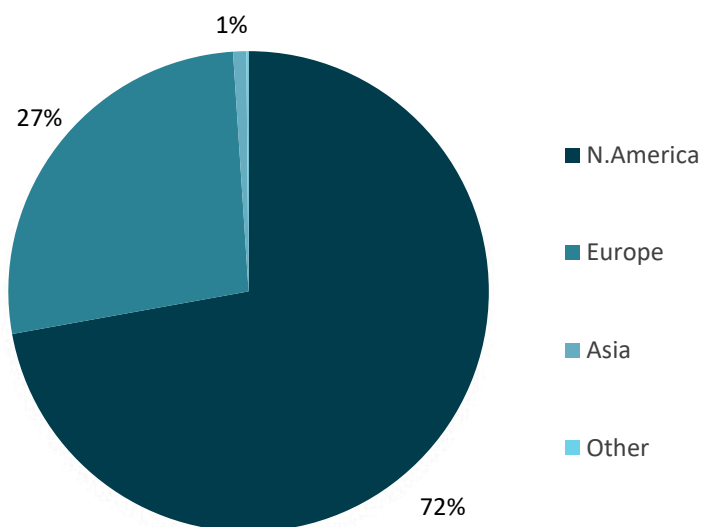
Profiles of buyers

Types of buyers



Secondary funds were again the most active buyers, accounting for 94.3% (\$192.23 billion) of total purchases while funds of funds accounted for 2.9% (\$5.88 billion).

Locations of buyers³



North American buyers transacted the most (72.2% of total volume) in FY 2025, up slightly as a percentage from 71.9% total volume in FY 2024.

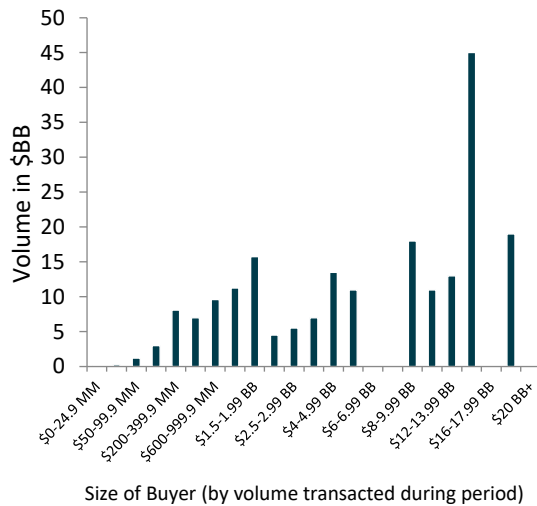
European buyers accounted for 26.8% of total volume in FY 2025, which was up slightly from FY 2024 (26.7%).

³Location is based on head office location.

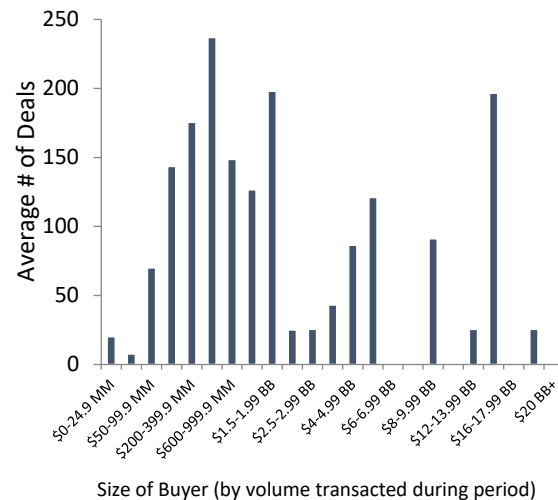
Activity levels of small, medium and large buyers

Applying the survey respondents' dollar volume and transaction numbers, while taking into consideration the proportion of small, medium and large buyers that did not participate, we estimated the market share of small, medium and large buyers as follows:

Volume distribution by size of buyer



Avg. number of deals by size of buyer



37 large buyers (defined as those that deployed \$1 billion or more in FY 2025) purchased \$174.50 billion, representing approximately 85.6% of total volume across 1139 transactions with an average deal size of \$153.27 million. This was an increase from FY 2024, where large buyers accounted for 79.90%.

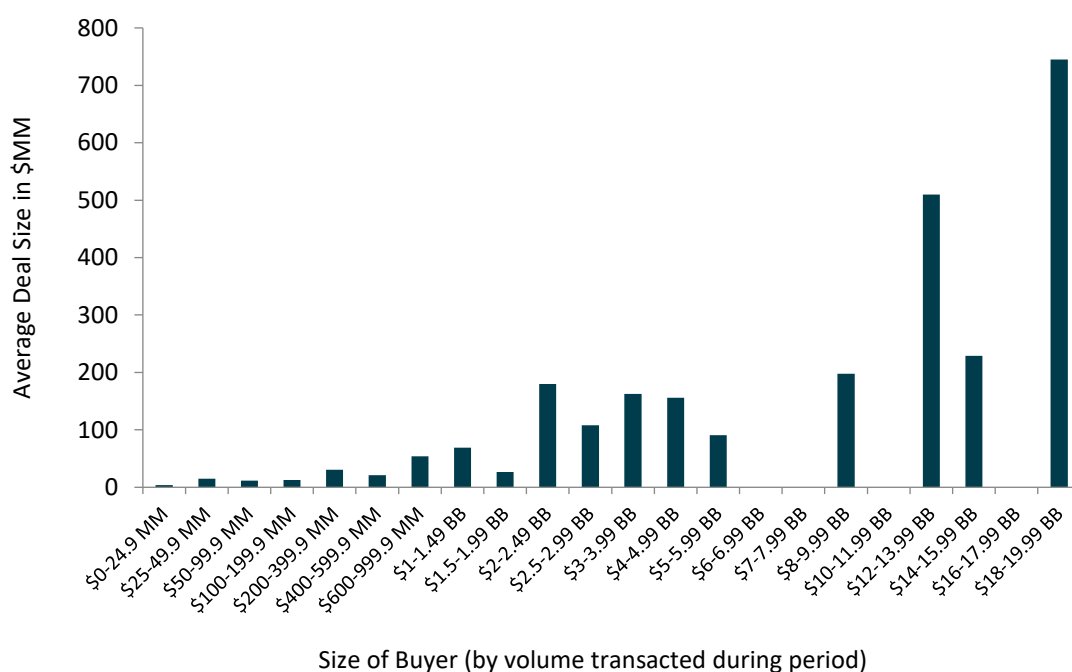
73 medium-sized buyers (defined as those that deployed \$100 million to \$1 billion in FY 2025) purchased \$27.7 billion, representing approximately 13.6% of total volume across 966 transactions with an average deal size of \$28.67 million. This was a decrease from FY 2024, where they accounted for 19.0%.

33 small buyers (defined as those that deployed less than \$100 million in FY 2025) purchased \$1.56 billion, representing approximately 0.8% of total volume across 150 transactions with an average deal size of \$10.38 million. This was a decrease from FY 2024, where they accounted for 1.1%.

Number of deals and average deal size

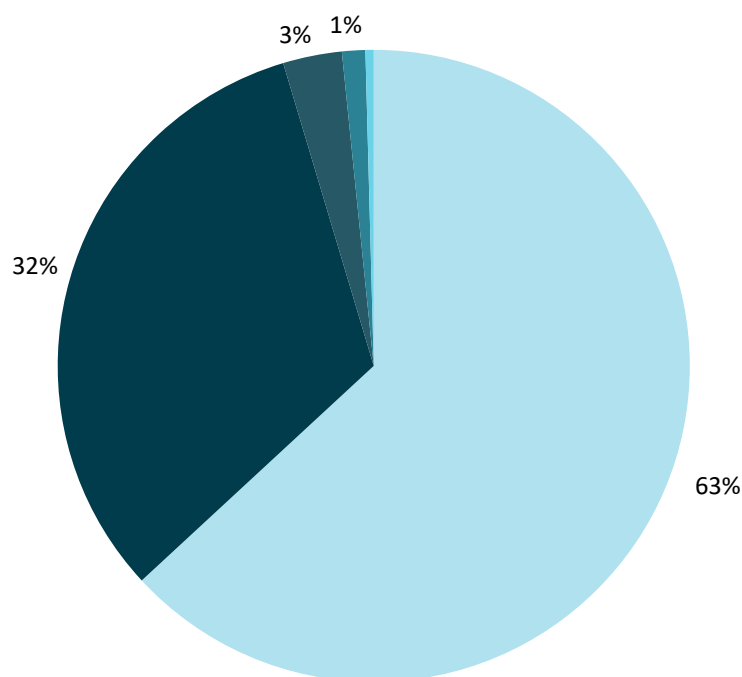
Secondary buyers completed 2255 transactions in FY 2025, with an average size of approximately \$90.36 million. The number of transactions increased slightly from the 2213 transactions in FY 2024, while the average deal size increased 30.4% from \$69.29 million in FY 2024.

Average deal size by size of buyer



Payment terms

For 63.1% of their deals, buyers paid 100% cash on closing, while the balance of deals involved other payment terms or structuring as outlined below. For 32.3% of deals, buyers paid a portion of the consideration in cash up front with the rest of the consideration deferred. This payment structure was utilized more than in 2024 (25.2% of deals), as more buyers used deferrals to improve their prices and bridge the bid-ask spread.



■ 100% cash paid on closing

■ Payment was partially deferred (e.g. half on close, half in a year)

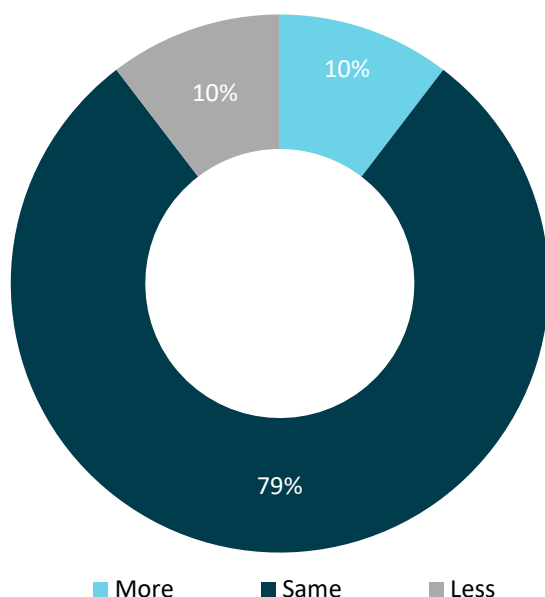
■ Preferred equity - a smaller consideration paid on closing - the buyer is entitled to a preferred return on distributions until some hurdle is achieved & little upside thereafter

■ Partial payment on close plus some upside sharing if a certain return or event occurs

■ Other

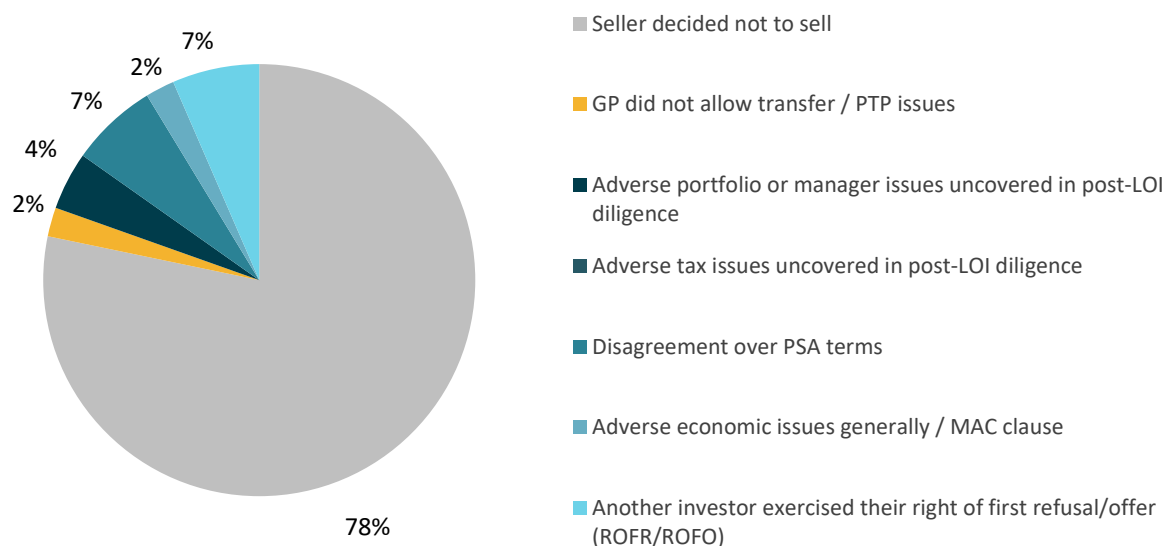
Execution risk

Percentage of deals that fell apart



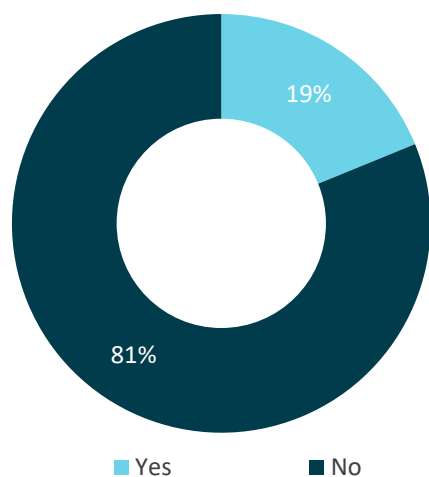
The majority of respondents had the same proportion of deals fall through in 2025 versus 2024, while only 10.4% of respondents had more fall through. This is slightly higher than in FY 2024, when 10.1% reported a higher proportion of their deals falling through.

As outlined below, the main reason that deals fell apart was that the seller simply decided not to sell (78.3%). Other reasons were disagreement over PSA terms, another investor exercised their right of first refusal/offer (ROFR/ROFO) (both 6.5%), adverse portfolio or manager issues uncovered in post-LOI diligence (4.3%), adverse economic issues generally / MAC clause and GP did not allow transfer / PTP issues (both 2.2%).



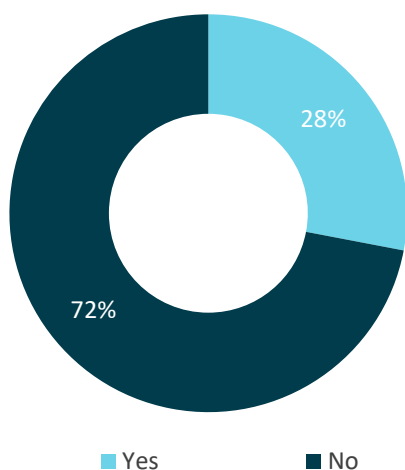
Buyers' scope of interest

Buyers broadening their focus in FY 2025



18.8% of participants broadened their secondaries focus in FY 2025 to include buying other alternative investment types (GP-leds, infrastructure, private debt, etc.).

Buyers that intend to broaden their focus in FY 2026

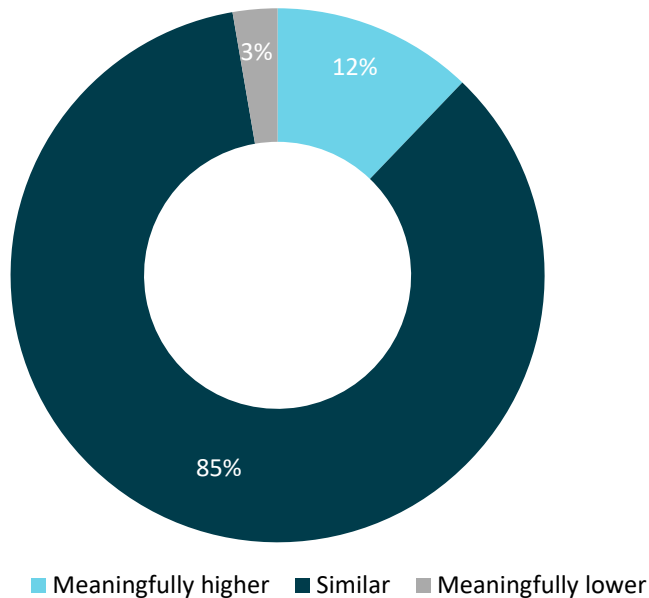


28.0% of participants plan to broaden their secondaries focus in FY 2026 to include buying other alternative investment types.

Respondents also expected to increase their headcount by 5.14% in FY 2026.

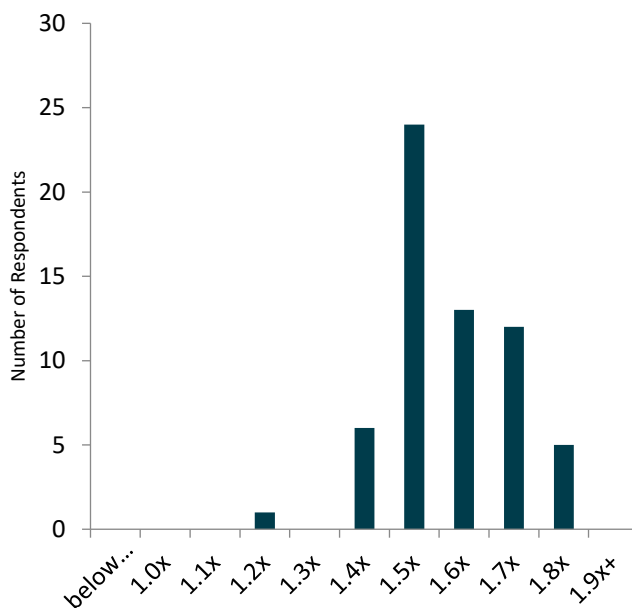
Leverage and returns

Level of debt used by buyers



Debt usage continued to be prevalent in 2025. 85.1% of respondents believed the level of debt used by buyers was the same as 2024, 12.2% felt it was more and only 2.7% felt it had decreased significantly.

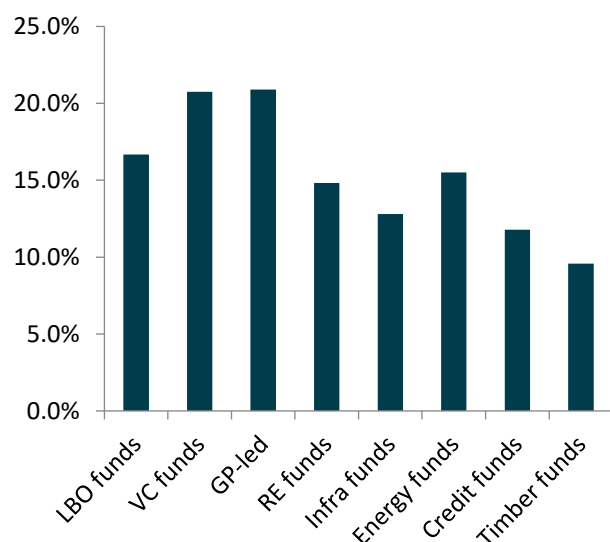
Expected multiple for secondary deals completed in FY 2025



Respondents predicted that the average gross multiple for secondary deals completed in FY 2025 will be 1.57x, approximately the same as the 1.58x they expected for their FY 2024 deals (as per FY 2024 volume report).

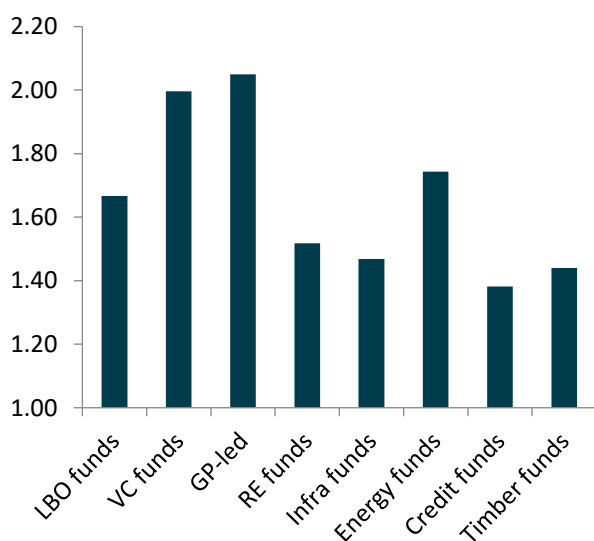
Buyers' target returns

Targeted IRRs on secondary purchases



When underwriting new purchases, buyers' targeted IRR was 16.7% for LBO funds, 20.8% for VC funds, 20.9% for GP-led deals, 14.8% for real estate funds, 12.8% for infrastructure funds, 15.5% for energy funds, 11.8% for performing debt funds and 9.6% for timber funds.

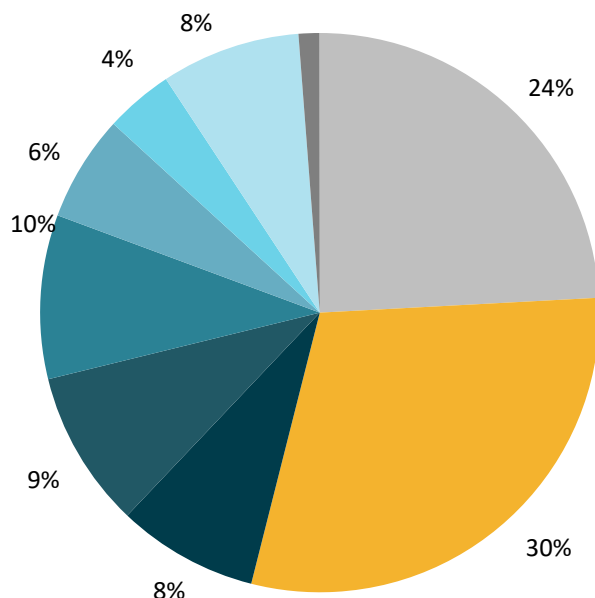
Targeted multiples on secondary purchases



On average, buyers' targeted multiple was 1.67x for LBO funds, 2.0x for VC funds, 2.05x for GP-led deals, 1.52x for real estate funds, 1.47x for infrastructure funds, 1.74x for energy funds, 1.38x for performing credit funds and 1.44x for timber funds.

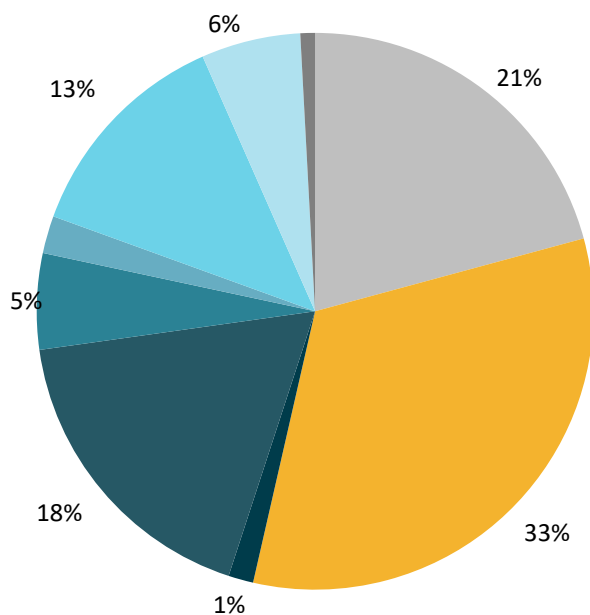
Seller profiles

Types of sellers in FY 2025



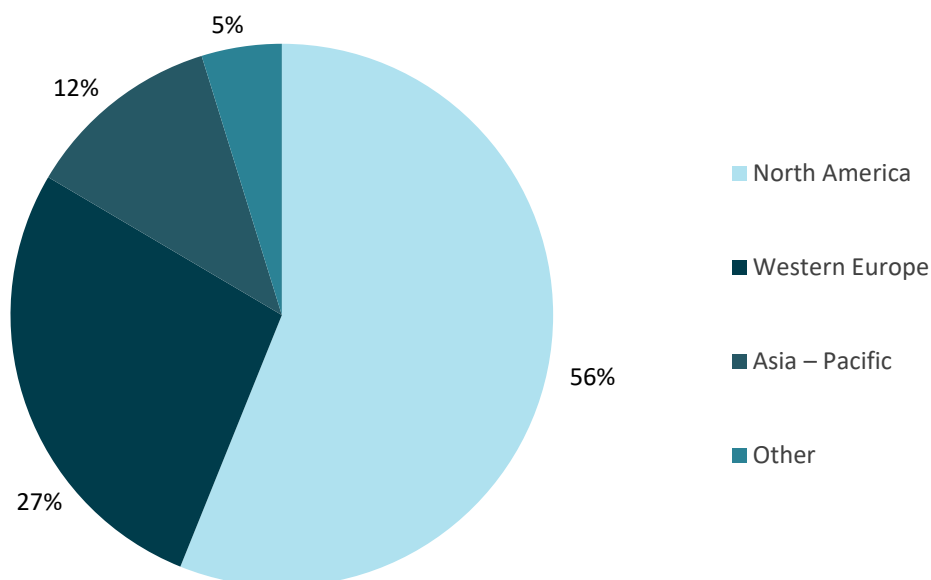
Pensions and GPs (that are not funds of funds or secondary funds) were the most active sellers in FY 2025 making up 29.8% and 24.2% of the FY 2025 volume, respectively. Most buyers expect pensions to be the biggest sellers in FY 2026 (32.8% of total transaction volume).

Expected sellers in FY 2026

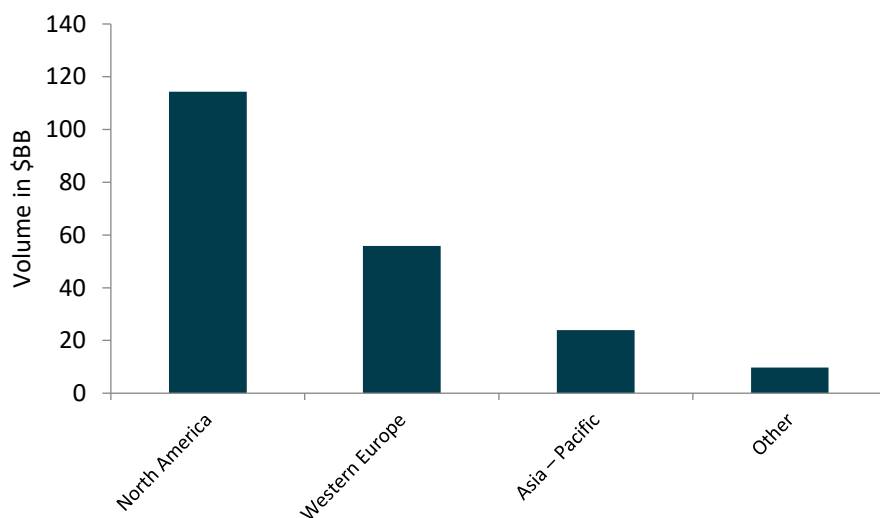


- GPs (non FoF or Sec Funds)
- Pensions
- Sovereign Funds
- Fund of Funds / Secondary Funds
- Family Offices
- Banks
- Insurance Companies
- Endowments / Charities
- Corporate - Balance Sheet (non-financial)
- Hedge Funds / Hedge Fund of Funds

Seller location

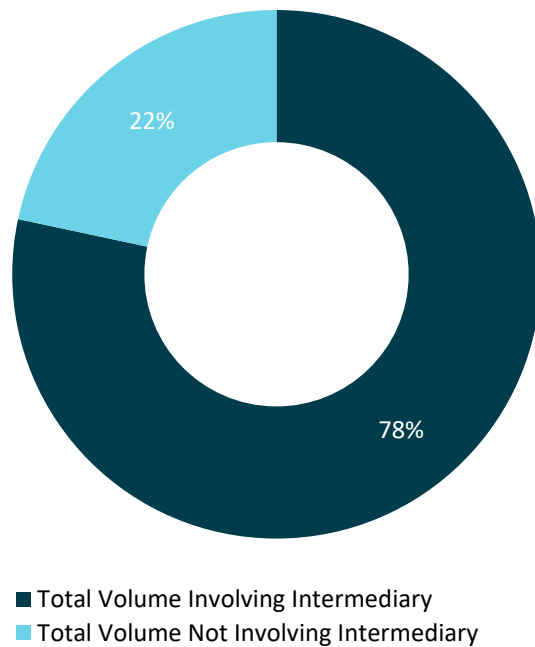


In terms of the location of sellers, North America accounted for the majority of volume in FY 2025. North American sellers sold \$114.32 billion (56.1% vs. 67.3% in FY 2024), whereas Asia-Pacific sellers sold \$23.92 billion (11.7% vs. 8.0% in FY 2024). Western European sellers accounted for 27.4% of the total volume up from 24.3% in FY 2024. Other geographies, such as the Middle East accounted for 4.8% of the total volume in FY 2025, up significantly from 0.4% in FY 2024.



Intermediation and level of competition

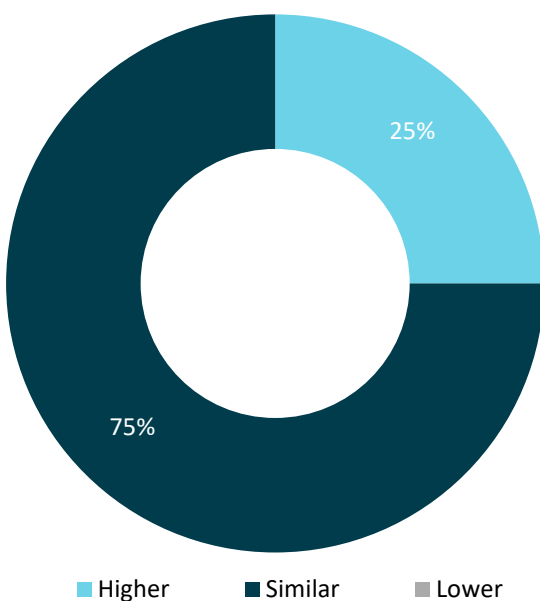
Volume of intermediated transactions



Approximately 78.3% of total secondary volume involved an intermediary, on either the buy or sell-side, up from FY 2024, where 75.4% of deals were intermediated.

In terms of volume, agents intermediated a total of \$159.65 billion in deals, \$79.51 billion more than in 2024, representing an increase of 99.2%.

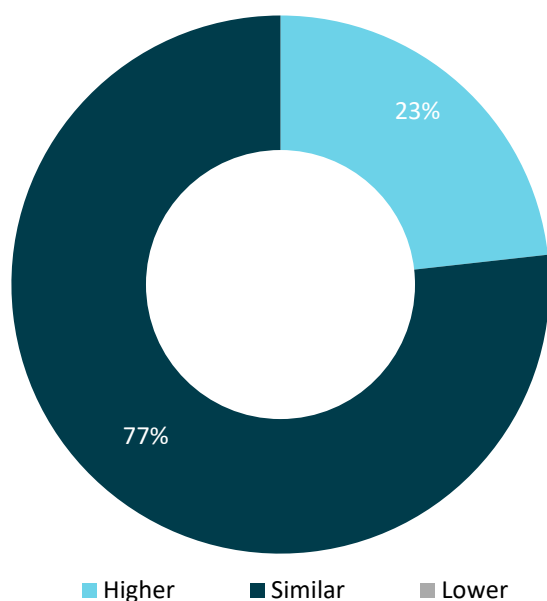
Buyer competition for deals



75.0% of respondents felt buyer competition in 2025 was similar to 2024, while 25.0% felt buyer competition was significantly higher. No one among the survey respondents felt buyer competition was lower in 2025.

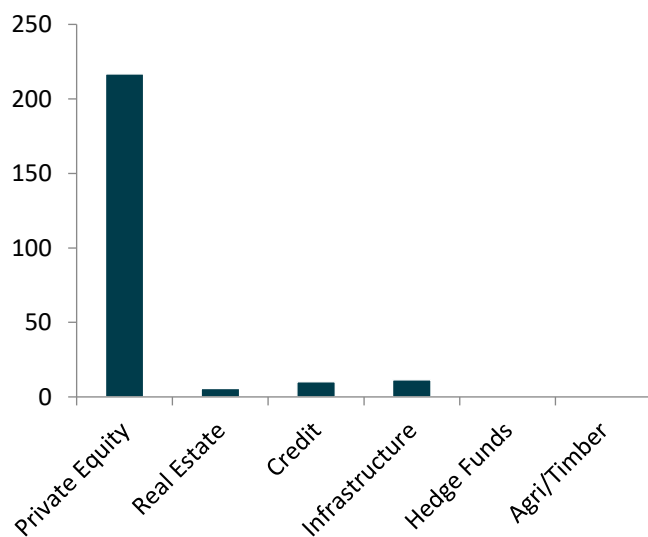
Projected volume for FY 2026

How FY 2026 volume will compare to FY 2025



FY 2026 is expected to be higher than FY 2025, as 23.2% of respondents felt that their FY 2026 volume will be meaningfully higher and 76.8% felt that it will be similar.

Predicted volume for FY 2026

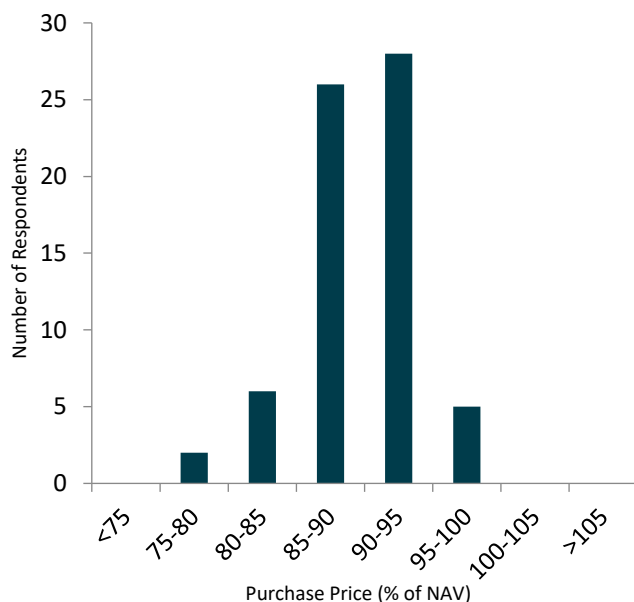


Respondents predicted the total volume for FY 2026 will be \$244.49 billion, which would represent a 20.0% increase.

Assuming proportions do not change in FY 2026, GP-led secondaries will be \$107.90 billion and fund secondaries will be \$136.59 billion. This also suggests that in FY 2026, volume (GP-led and LP-led) for private equity will be \$216.84 billion, private credit will be \$10.17 billion, real estate will be \$5.62 billion, infrastructure will be \$11.46 billion, hedge funds will be \$230 million and agriculture & timber will be \$180 million.

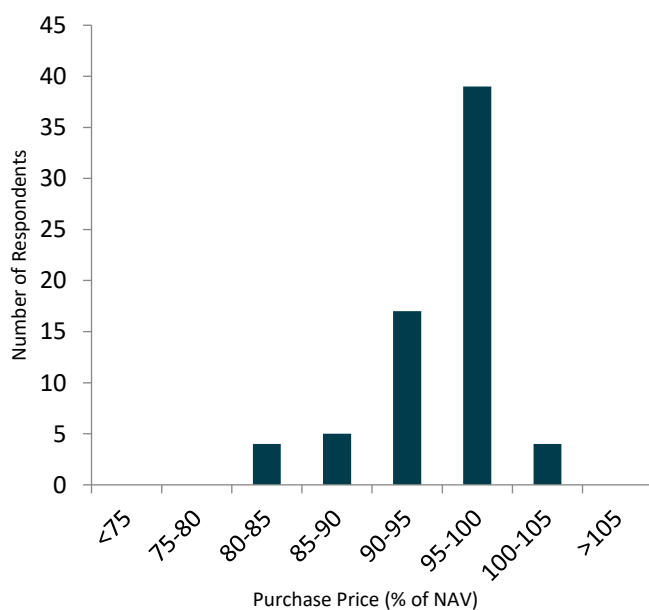
Pricing in FY 2025

Average price for fund sales



Respondents estimated that the average price for fund sales was 89.6% of NAV in FY 2025.

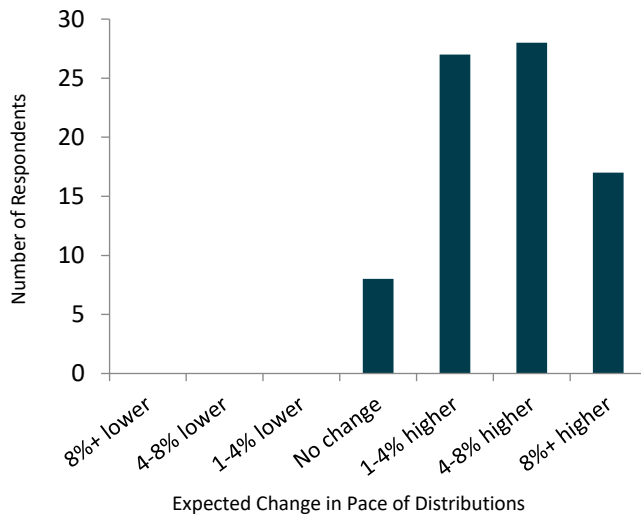
Average price for GP-led deals



Respondents estimated that the average price for GP-led deals was 95.0% of NAV in FY 2025.

Expected distribution and NAV changes in FY 2026

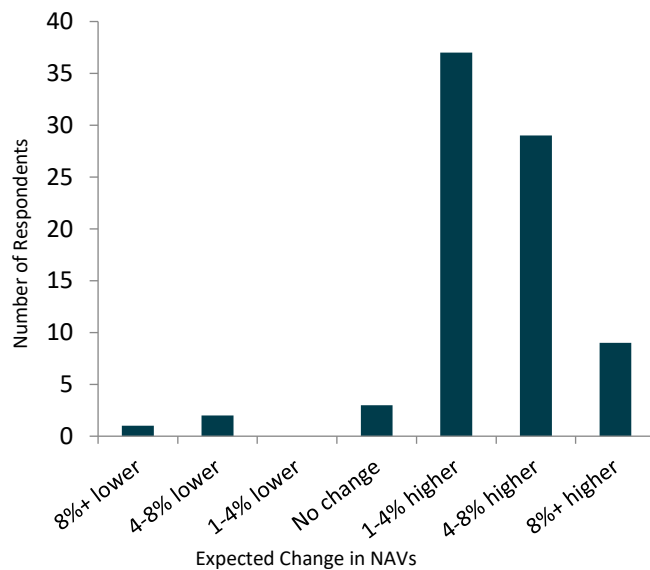
Expected change in distributions



Respondents expect the pace of distributions in FY 2026 to be an increase of 5.1%.

This is slightly less than last year's FY volume survey, when respondents expected the pace of distributions to be up 6.4% in the following year.

Expected change in NAV

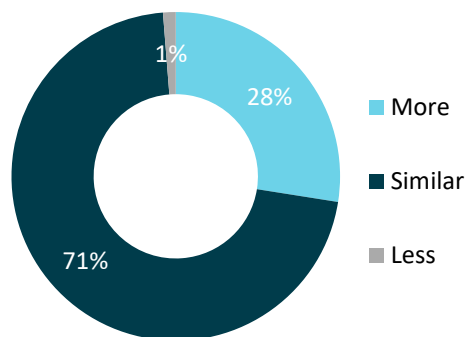


On average, respondents expect NAV valuations to increase by 4.1% in 2026 compared to 2025.

This is slightly lower than last year's FY volume survey when respondents expected NAVs to increase by 4.9% in the upcoming year.

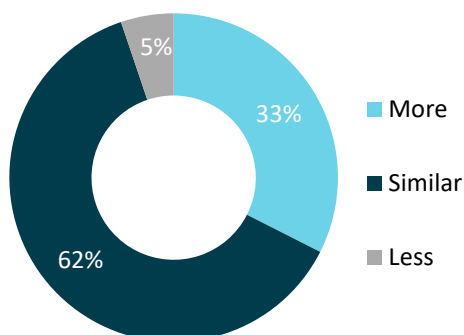
General partners' approach to the secondary market

Liquidations and restructurings



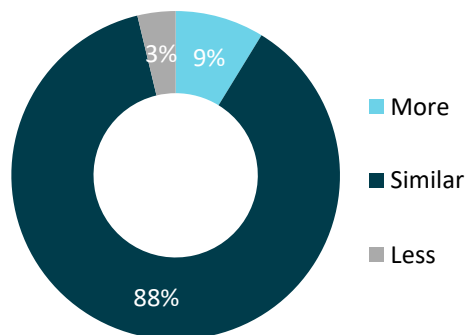
27.5% of respondents felt that meaningfully more GPs attempted to liquidate or restructure older funds in FY 2025 as compared to FY 2024.

Staples sought by GPs



32.5% of respondents felt that meaningfully more GPs sought staples in FY 2025 as compared to FY 2024.

GPs' restrictiveness on transfers



The majority of the respondents felt that GPs' restrictiveness on transfers did not change in FY 2025 as compared to FY 2024.

Select respondents

50 South Capital	Macquarie Asset Management
Aberdeen Standard Investments	Montana Capital Partners
Adams Street Partners	Morgan Stanley
Alpinvest Partners	Multiplicity Partners AG
AltamarCAM Capital	Neuberger Berman
Apogem Capital	Newbury Partners
Arcano Capital	North Sky Capital
Bee Alternatives Limited	Northleaf Capital
BentallGreenOak	Oddo BHF Private Equity
Bex Capital	Overbay Capital Partners
Blackrock	Pantheon Ventures
Capital Dynamics	Partners Group
CF Private Equity	Pathway Capital Management
Churchill Asset Management	PineBridge Investments
Coller Capital	Pomona Capital
CPPIB	Portfolio Advisors
Dawson Partners	RCP Advisors
Eurazeo	Roc Partners
Flexstone Partners	Schroder Adveq
Glouston Capital Partners	Stafford Capital
Golding Capital Partners	Strategic Partners
Grosvenor Capital Management	Sturbridge Capital
Hamilton Lane	Sweetwater Private Equity
HarbourVest Partners	Tikehau Capital Advisors
Headlands Capital	Top Tier Capital Partners
Hollyport Capital	TPG NewQuest
HQ Capital	TR Capital
ICG Enterprise Trust	UBS Asset Management
Industry Ventures	Unigestion
Jasper Ridge	Velocis
Jera Capital	Vintage Investment Partners
Kline Hill Partners	W Capital
Knightsbridge Advisers	Warana Capital
Landmark Partners	Willowridge Partners
LGT Capital Partners	

About Setter

Established in 2006, Setter Capital is a leading independent advisory firm specializing in providing liquidity solutions for fund managers and institutional investors in the secondary market for alternative investments. We serve a diverse client base including some of the world's largest pensions, endowments, investment consultants and fund managers. To date, Setter Capital has completed over 2000 transactions, representing more than \$40 billion in liquidity across venture capital, private equity, infrastructure, real estate, real asset, and hedge fund investments.

Setter Capital's mission is to make the secondary market more transparent and efficient for all market participants. To this end, Setter provides the market with complimentary secondary market research and analytical tools such as:

The Setter Volume Report™

The semi-annual report that provides the most comprehensive and accurate assessments of the secondary market.

The Setter30™

The quarterly ranking of the most sought-after venture-backed companies in the global secondary market.

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