PE nowcast vs. reported returns

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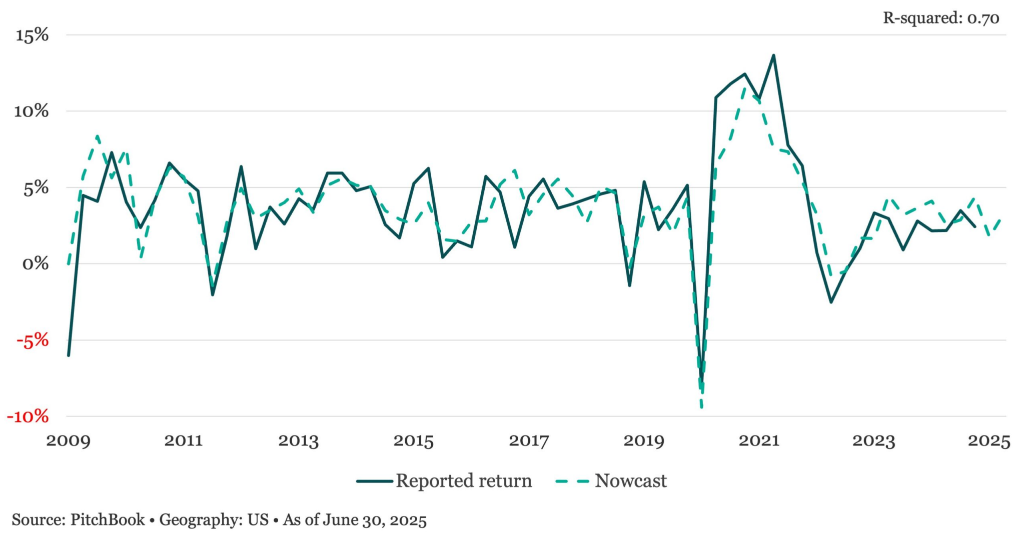

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Like many asset classes, US PE funds experienced strong performance gains in the market acceleration during the COVID-19 pandemic. Since 2023, however, returns have moderated, settling into a range of 1% to 3.5% per quarter. This trend reflects a broader environment of tempered deal activity, rising borrowing costs, and extended exit timelines, all of which have contributed to the normalization of PE returns post-pandemic. Currently, the PE Barometer sits firmly in neutral territory with a score of 54, producing a nowcast of 3.3% and a desmoothed nowcast of 4.4% for Q2 2025. We expect finalized aggregate PE returns for Q2 to align closely with the long-run average for the asset class.

(Past performance is no guarantee of future results.)