1H 2026 Secondary Market Flash Report

CAMPBELL LUTYENS

Introduction

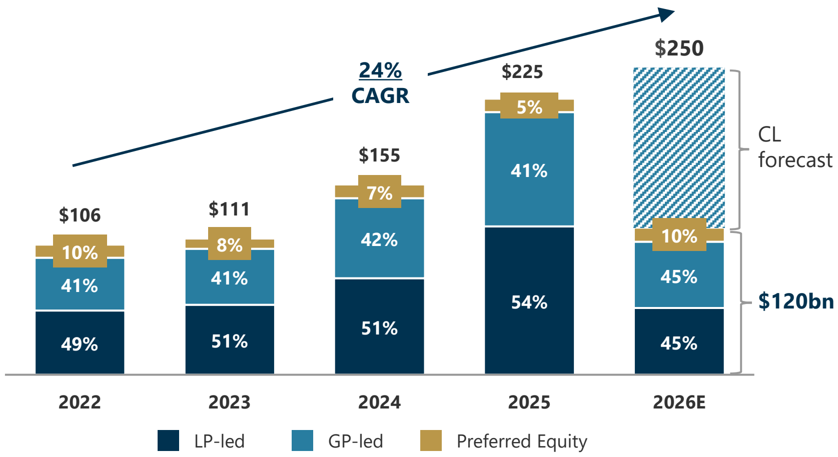
Campbell Lutyens (CL) is pleased to share our 1H 2026 Secondary Market Flash Report. Our analysis is based on proprietary data gathered from survey responses from over 120 of the most active market participants. CL's full report will be distributed in the coming weeks.

Key themes

- **Volumes up 9%; record FY 2026 in sight**
- **LP-led pricing remains anchored at ~13% discounts**
- **Market volatility curbs Q2 LP-led momentum**
- **SACVs capture 62% of GP-led volume**

Solid 1H 2026 volumes building on 2025 highs; on track for another record year

Annual secondary volume by transaction type ($bn / % total)

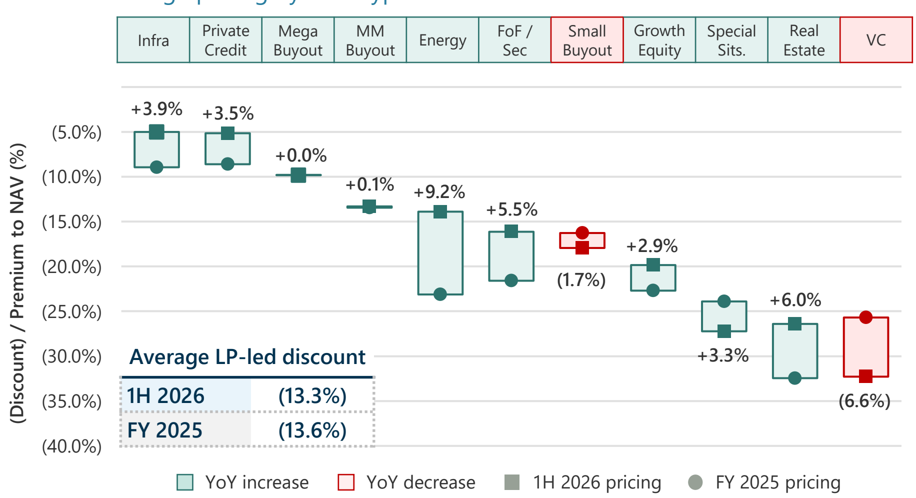


- **1H 2026 secondary volume reached $120bn,** up modestly from $110bn in 1H 2025 and building on record FY 2025 levels
- Growth **underscores sustained demand** for alternative liquidity solutions amid a recovering M&A environment that remains well below historical averages
- **Secondary buyer activity became slightly less concentrated in 1H 2026, with the top 19 participants accounting for 70% of total volume** (compared to 14 participants in both FY 2025 and FY 2024), reflecting a broadening buyer and seller base
- **LP- and GP-led activity reached parity in 1H 2026, each representing approximately 45% of total secondary volume,** narrowing the gap from FY 2025 when LP-leds accounted for 54% of volume versus 41% for GP-leds
- Preferred equity volume **represented approximately 10% of total volume in 1H 2026,** reflecting the growing usage of **structured solutions at the GP level**

LP-led pricing remained resilient despite some growing dispersion across underlying strategies

- **Infrastructure** and **private credit** achieved the strongest pricing across the market, with **average discounts of 5.0% and 5.1%, respectively,** driven by a **scarcity of quality funds coming to market**
- **Mega and mid-market buyout remained attractive as core portfolio allocations,** driving a steady pricing environment, while **small buyout softened** as buyers showed less appetite for **unfamiliar managers** in a volatile environment
- Despite relatively limited volume, **energy saw the widest YoY pricing improvement,** improving **9.2%** as energy-focused buyers entered the market with **conviction that oil prices will stay higher for longer** and provide **tailwinds for cash-flowing assets**
- **Venture discounts widened** from 26% in FY 2025 to **32% in 1H 2026**, as heavy **software concentration** in venture portfolios collided with **uncertainty over AI-driven disruption**, pushing buyers toward greater caution and wider pricing

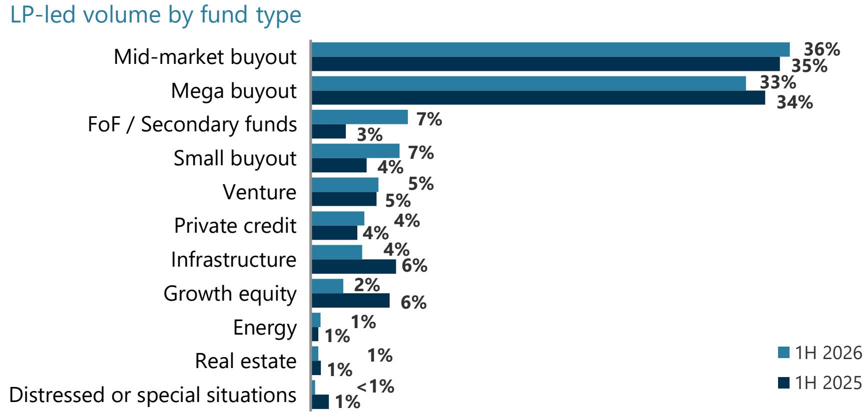
Trend in average pricing by fund type[1]



Buyout dominated, though fund of funds and secondary funds emerged as growing sources of volume

- **Buyout funds drive LP-led activity,** representing **76% of 1H 2026 volume,** up from 74% in 1H 2025
- The **secondary fundraising boom is coming full circle,** with **maturing secondary funds** increasingly becoming assets in LP-led trades
- **Software** impacts decreased **venture & growth** volumes by 36% since 1H 2025, now making up just 7% of volume combined
- **Private credit remained stable**, as organic liquidity from credit products and growing credit GP-led activity reduced LPs' need to sell credit positions to generate liquidity

LP-led volume by fund type



Source: CL 1H 2026 Market Report; 1. Weighted by transaction value (purchase price plus unfunded) per respondent.

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SACV activity drove majority of GP-led volumes in 1H 2026

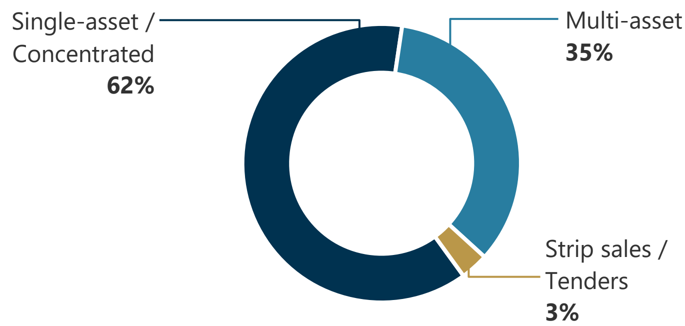
- **The GP-led market expanded further in 1H 2026, with volumes reaching $54bn (+14% YoY),** as a growing number of sponsors use CVs to extend ownership of "trophy" assets
- **SACV activity gained share back from MACVs,** representing **62% of GP-led volume** (vs. 48% in FY 2025 and 56% in FY 2024)
- SACV discounts tightened to 2.9% amid strong demand for high-conviction assets
- While **pricing remains strong for SACVs,** discounts **widen** materially for **MACVs** as investors differentiate between high-quality and mixed-quality portfolios

Average discount

	FY 2025	1H 2026
Single-asset	(3.1%)	(2.9%)
Multi-asset	(4.2%)	(10.5%)

- SACV pricing improved 21 bps, with 69% of all SACVs pricing at par or higher
- 33% of MACVs priced at par or higher, though average pricing widened back to 2024 levels

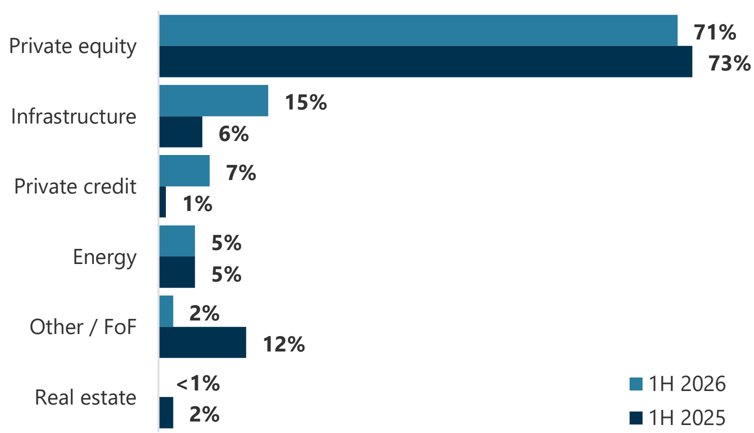
GP-led transactions by type, 1H 2026[1]



GP-leds diversify beyond private equity, with infrastructure and private credit leading the way

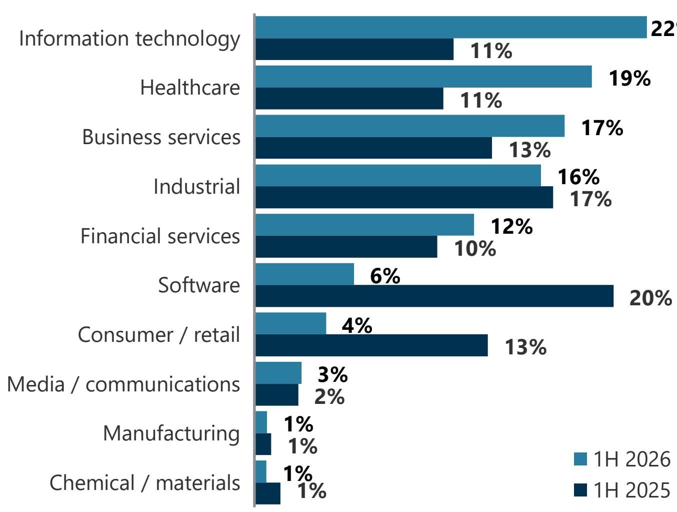
- **Private equity remains the dominant GP-led asset class at 71% of 1H 2026 volume**, though its share eased as continuation vehicles expanded across broader platforms and adjacent private-market strategies
- **Private credit GP-led volumes rose significantly (7% of volume)** despite elevated software exposure prompting a modest Q2 slowdown as sponsors reassessed valuation and underwriting
- **Infrastructure accounted for 15% of 1H 2026 GP-led volume** reflecting demand for longer-duration high-quality assets with contracted, inflation linked yields and defensive cash flows
- **The sharp growth in GP-led activity across private credit, infrastructure, real estate, and other strategies** marks the evolution of CVs from a private equity tool into a broad private markets liquidity solution and strategic fundraising tool
- **Energy remains more GP-led than LP-led**, as buyers prefer asset-level underwriting and sponsors seek to extend ownership of cash-flowing platforms

GP-led activity by asset class (% of total volume)



Private equity CVs concentrated in scaled, high-quality sectors and assets

Private equity GP-led activity by sector (% of total volume)



- **Information technology emerged as the largest GP-led sector in 1H 2026,** representing 22% of transaction volume, up from 11% in 1H 2025. Sponsors are seeking to retain ownership of scaled, mission-critical technology assets benefiting from secular digitalization and AI-related tailwinds
- **Software activity dropped meaningfully** in 2026, declining from 20% to 6% of volumes. Buyers may take a **more constructive view in 2H 2026** given adjusted valuations, while software remains a meaningful portion of private equity unrealized NAV
- **Healthcare** increased to 19% of GP-led volume while consumer declined to just 4%, reflecting investors' **growing preference for defensive sectors** characterized by non-cyclical demand, resilient cash flows, and protection from broader uncertainty
- **Business services (17%) and industrials (16%)** remained key contributors to GP-led volume, reflecting buyer demand for asset-light service models and resilient industrial platforms with tangible earnings, defensible growth, and clearer value creation pathways

Source: CL 1H 2026 Market Report; 1. Weighted by transaction value (purchase price plus unfunded) per respondent.

Campbell Lutyens is a leading global private capital advisor with 35+ years experience

Secondary advisory | Fund placement | GP capital advisory ← across → Private equity | Private credit | Private infrastructure

$27bn
1H 2026
advised secondaries transaction volume

$16bn – LP-leds

$11bn – GP-leds

90+
dedicated secondaries professionals

15
locations