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State Street Private Capital Index Trends – Q2 2025

SSPCI records highest quarterly return since 2021 peak

Key Highlights

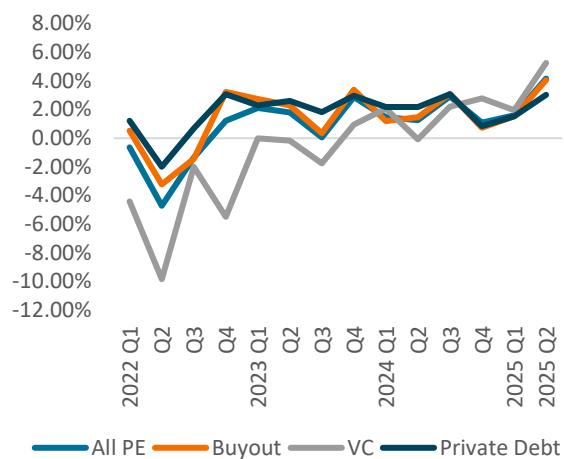
- 4.16% total quarterly return - highest since 2021.
- Venture capital (5.25%) led gains, followed by Buyout (4.05%) and Private Debt (3.03%).
- Europe focused funds (8.35%) outperformed U.S. (3.55%) and Rest-of-World (3.35%).
- Financials (5.31%) and Information Technology (4.66%) sectors led performance.
- Fundraising totaled \$157 billion H1 2025, trending below 2024's \$435 billion.
- Dry powder reached \$1.09 trillion across SSPCI-tracked funds.

The State Street® Private Capital Index (SSPCI) recorded a strong gain of 4.16% in Q2 2025, the highest quarterly return since Q4 2021. This acceleration was driven by broad-based strength across strategies: Venture Capital (5.25%), Buyout (4.05%) and Private Debt (3.03%), up 3.29%, 2.53%, and 1.50% respectively from Q1 2025. (see Exhibit 1A).

Following a tariff-induced stumble in Q1, public equity markets rebounded sharply in Q2. The S&P 500 delivered a 10.94% total return during the quarter and 15.16% year-over-year, while small-caps (Russell 2000) gained 8.5% for the quarter and 7.68% over the year. Consequently, private capital once again trailed U.S. large-cap equities (see Exhibit 1B).

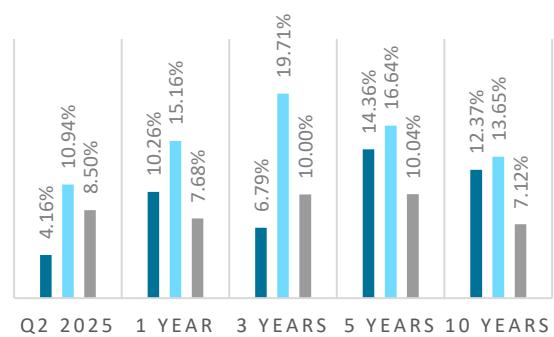
Exhibit 1: Private Capital Performance

A. Quarterly return by strategy



B. Private Capital Performance vs Public Equity

All PE S&P 500 Russell 2000



Source: State Street Data Intelligence, DataStream, as of Q2 2025.

Regional Performance

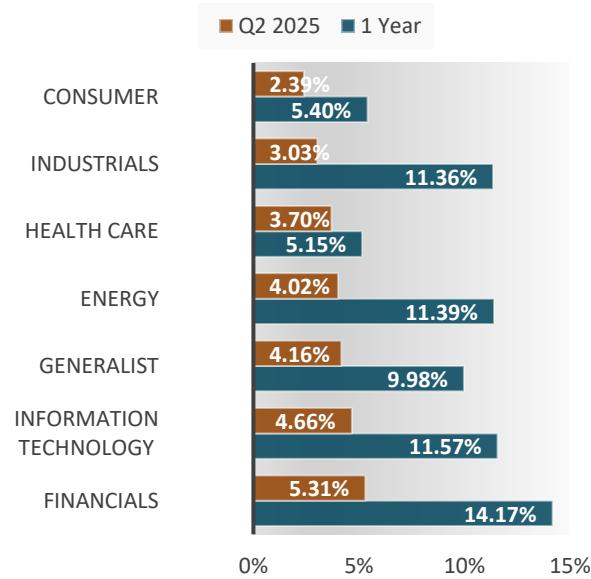
Europe-focused funds posted a 8.35% quarterly return, aided by the depreciation of U.S. dollar against major currencies. U.S. focused and Rest of

the world funds, reported modest gains of 3.55% and 3.35% respectively.

Sector Performance Highlights

Financials and Information Technology-focused funds outperformed the generalist strategy, returning 5.31% and 4.66%, respectively. Funds targeting Consumers (2.39%), Industrials (3.03%), Healthcare (3.70%), and Energy (4.02%) underperformed. On a one-year basis, sector-specialists continued to outperform generalists, with Financials (14.17%), Information Technology (11.57%), Energy (11.39%), and Industrials (11.36%) all exceeding the 9.98% return of generalist funds (see Exhibit 2).

Exhibit 2: Performance of Sector-Focused Funds

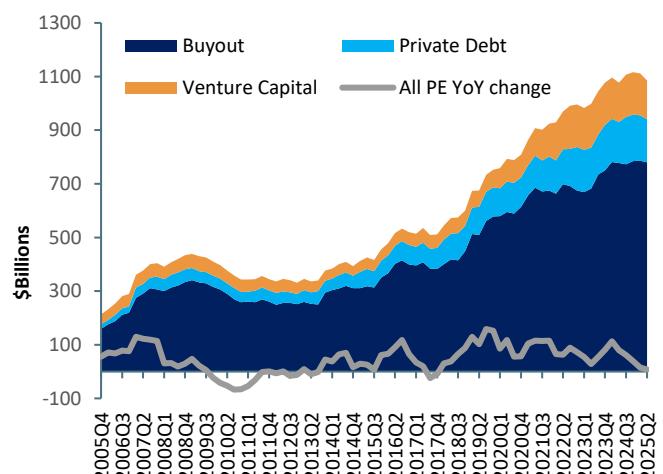
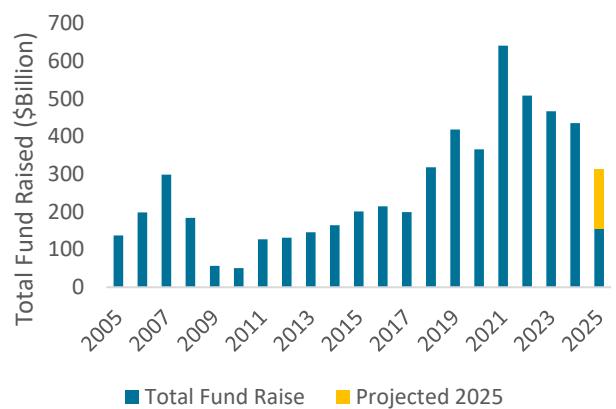


Source: State Street Data Intelligence, as of Q2 2025.

Fundraising and Dry Powder

Fundraising totaled \$157 billion in the first half of 2025, constrained by competition from public market and lingering uncertainty around trade and monetary policy. At this pace, full-year fundraising is projected at \$314 billion, well below the \$435 billion raised in 2024. Meanwhile, dry powder—committed but uninvested capital—reached \$1.09 trillion across the SSPCI universe. (see Exhibit 3).

Exhibit 3: Private Capital Fund Raised by Vintage Year



Source: State Street Data Intelligence, as of Q2 2025.

ABOUT THE STATE STREET PRIVATE EQUITY INDEX

Participants in private capital markets need a reliable source of information for performance and analytics. Given the non-public nature of the private equity industry, collecting comprehensive and unbiased data for investment analysis can be difficult. The State Street Private Capital Index (“SSPCI”) helps address the critical need for accurate and representative insight into private equity performance.

Derived from actual cash flow data of our Limited Partner clients who make commitments to private equity funds, SSPCI is based on one of the most detailed and accurate private equity data sets in the industry today. These cash flows received as part of our custodial and administrative service offerings are aggregated to produce quarterly Index results. Because the SSPCI does not depend on voluntary reporting of information, it is less exposed to biases common among other industry indexes. The result is an index that reflects reliable and consistent client data, and a product that provides analytical insight into an otherwise opaque asset class.

- Currently comprises more than 4,200 funds representing more than \$5.9 trillion in capital commitments as of Q2 2025.
- Global daily cash-flow data back to 1980.
- The Index has generated quarterly results since Q3 2004.
- Published approximately 100 days after quarter-end.

SSPCI web portal link

<https://globalmarkets.statestreet.com/peindex>

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