

APOLLO

Outlook for Private Markets

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Apollo Global Management

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Unless otherwise noted, information as of September 2023.

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Overview

Comparing public and private markets

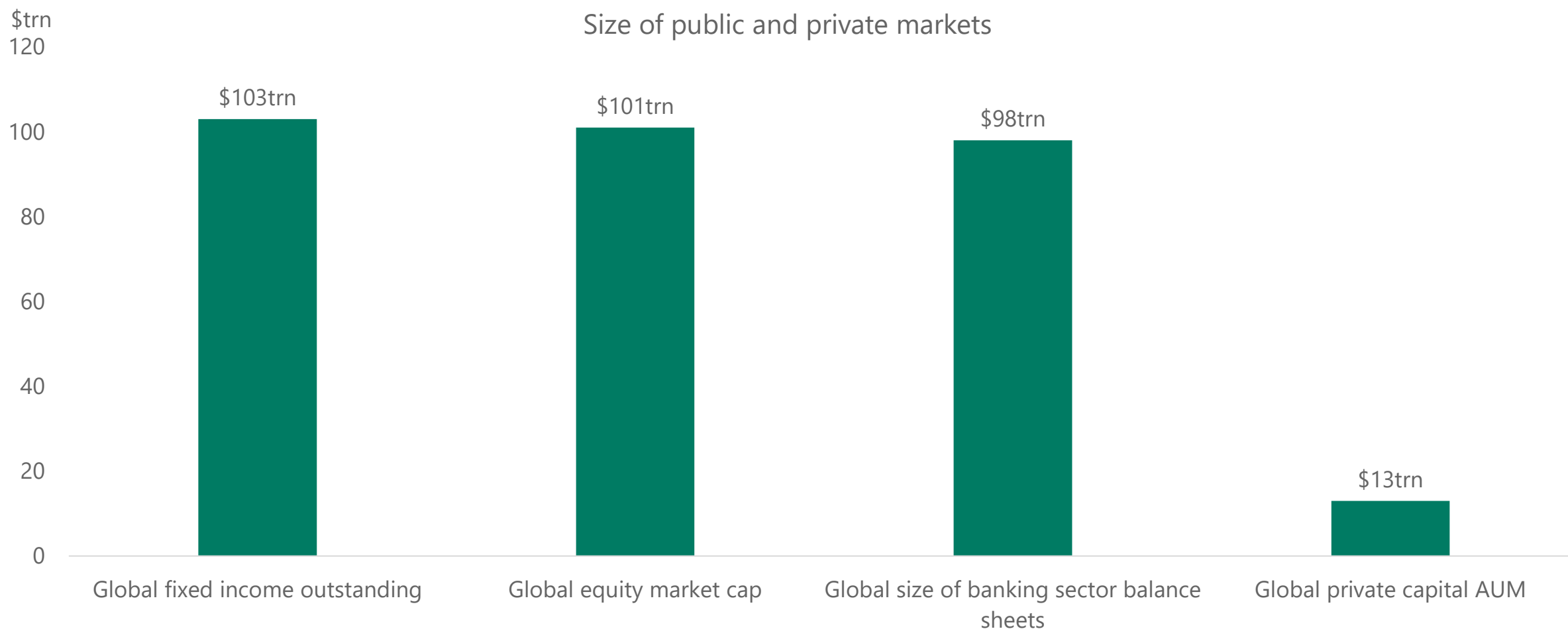
- Global fixed income outstanding: \$130trn (Source: SIFMA)
- Global equity market cap: \$101trn (Source: SIFMA)
- Global size of banking sector balance sheets: \$98trn (Source: BIS)
- Global private capital AUM: \$13trn (Source: Pitchbook)

Private capital makes up less than 5% of global financing markets

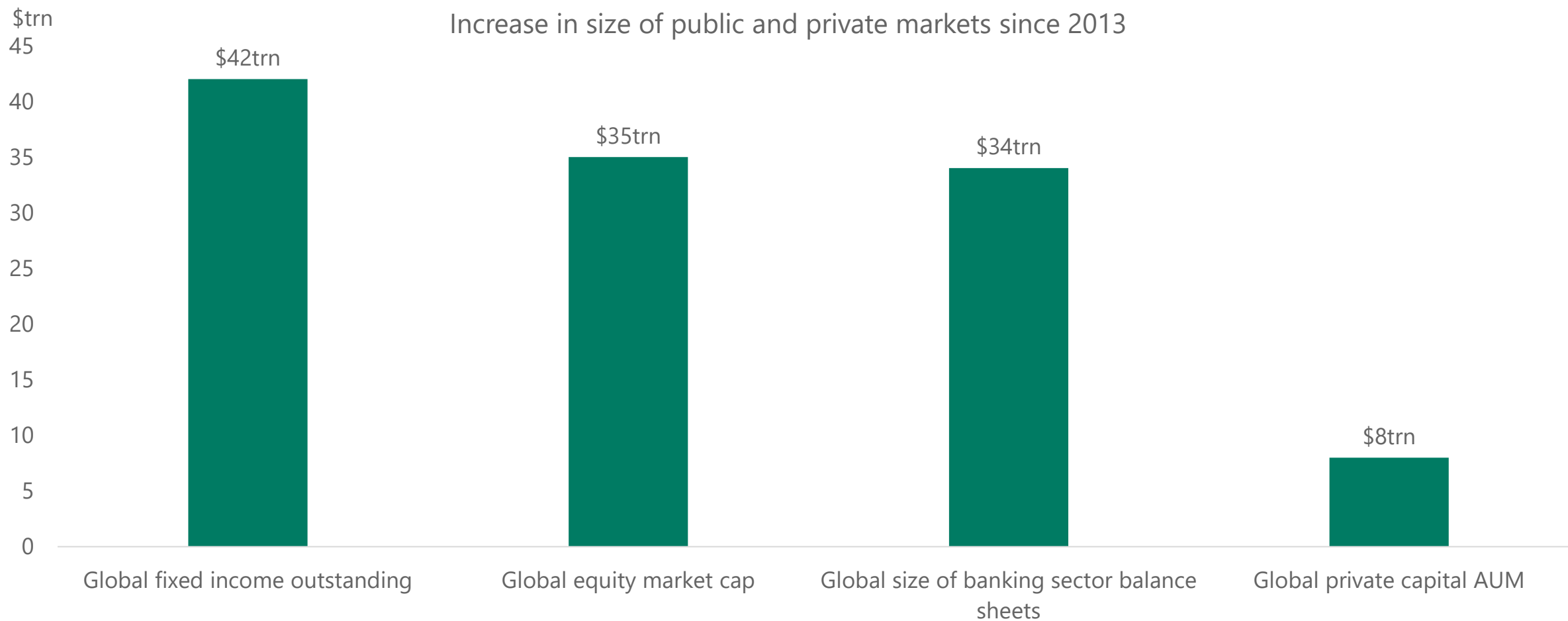
- Increase in the size of global fixed income markets over the past decade: \$42trn
- Increase in the size of global equity market cap over the past decade: \$35trn
- Increase in the size of global banking sector balance sheets over the past decade: \$34trn
- Increase in the size of global private markets AUM over the past decade: \$8trn

Private capital has over the past decade grown much slower than global financing markets

Comparing public and private markets

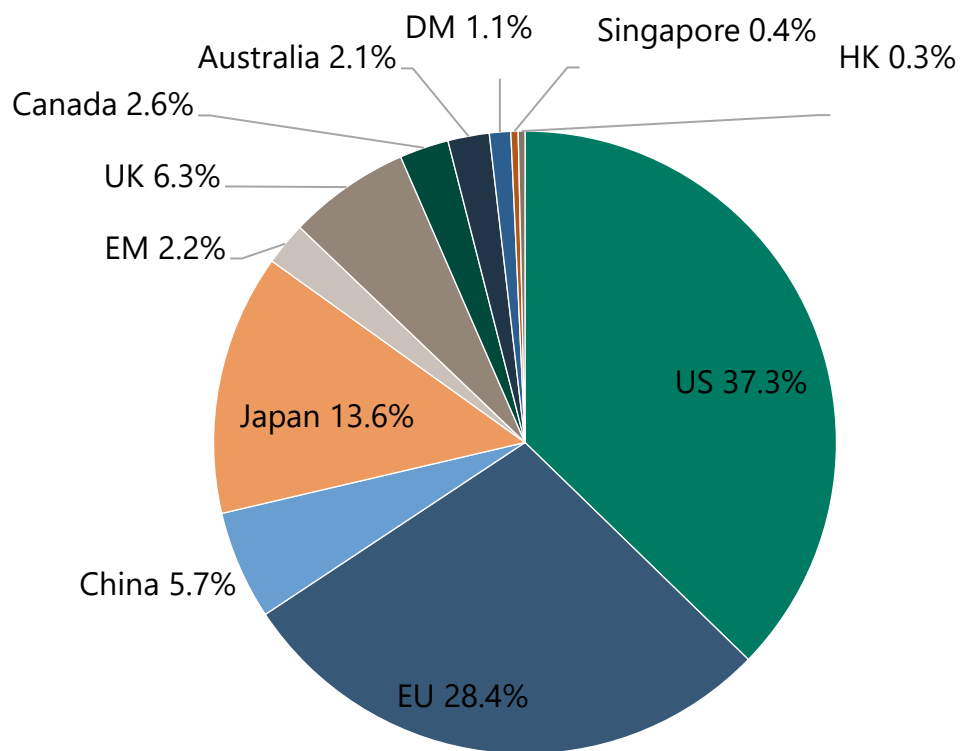


Comparing growth in public and private markets over the past decade

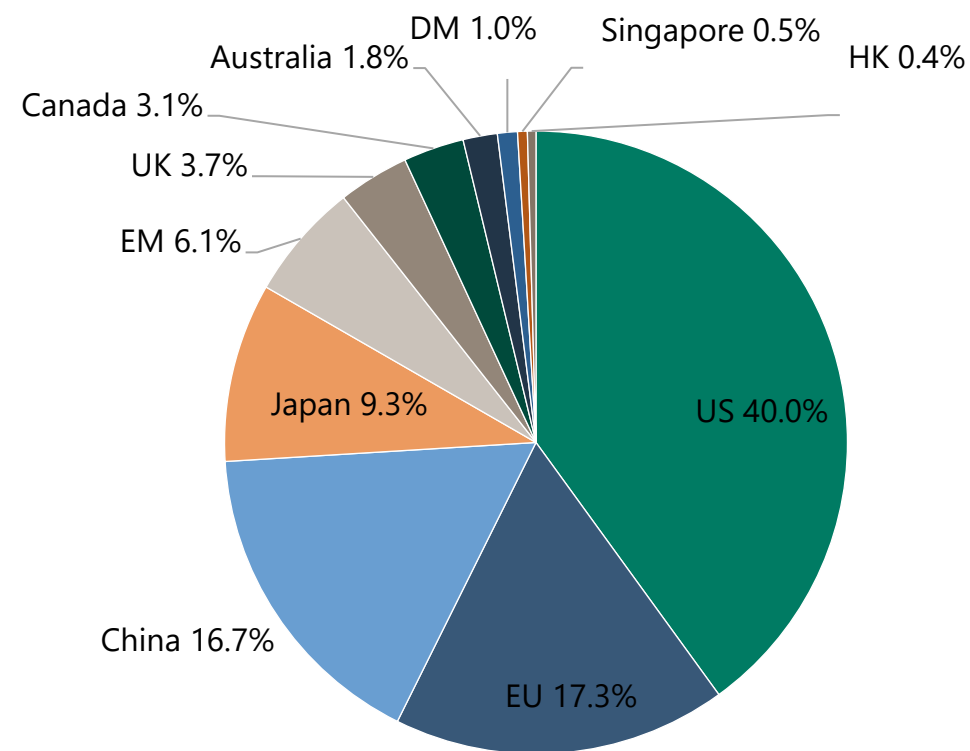


Global fixed income markets have grown \$42trn over the past decade

**Global fixed income outstanding
2013: \$87.8trn**

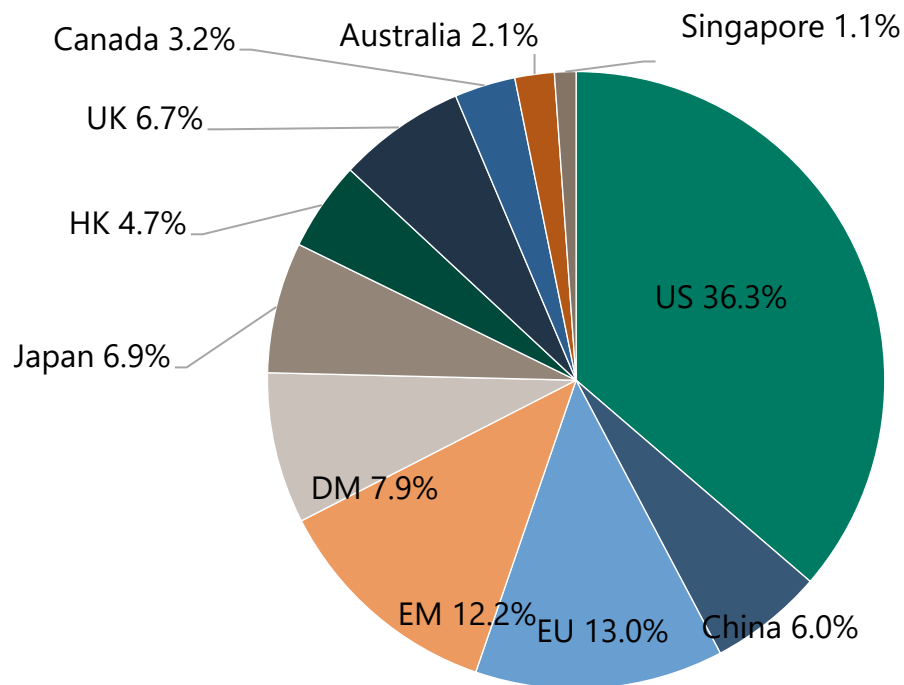


**Global fixed income outstanding
2022: \$129.8trn**

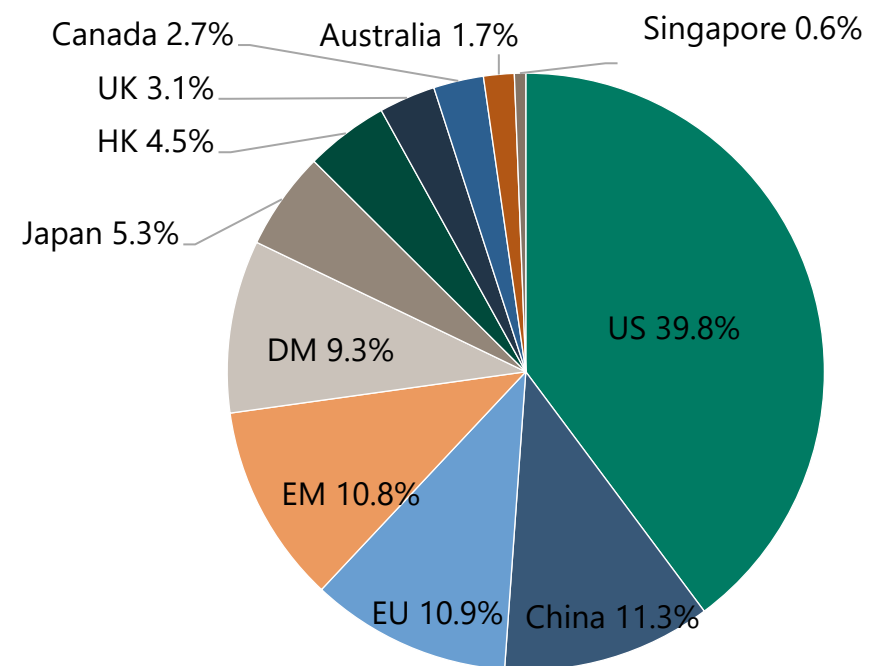


Global equity markets have grown \$35trn over the past decade

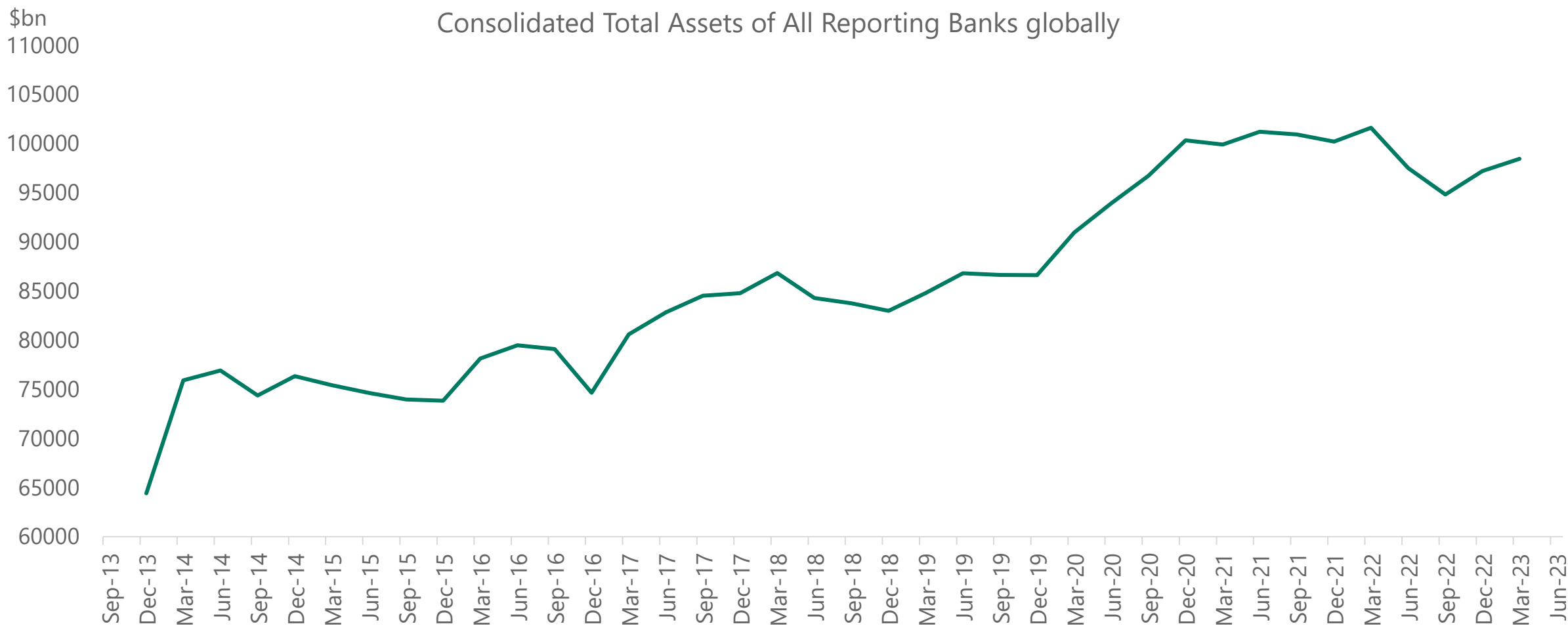
**Global equity market cap
2013: \$66.2trn**



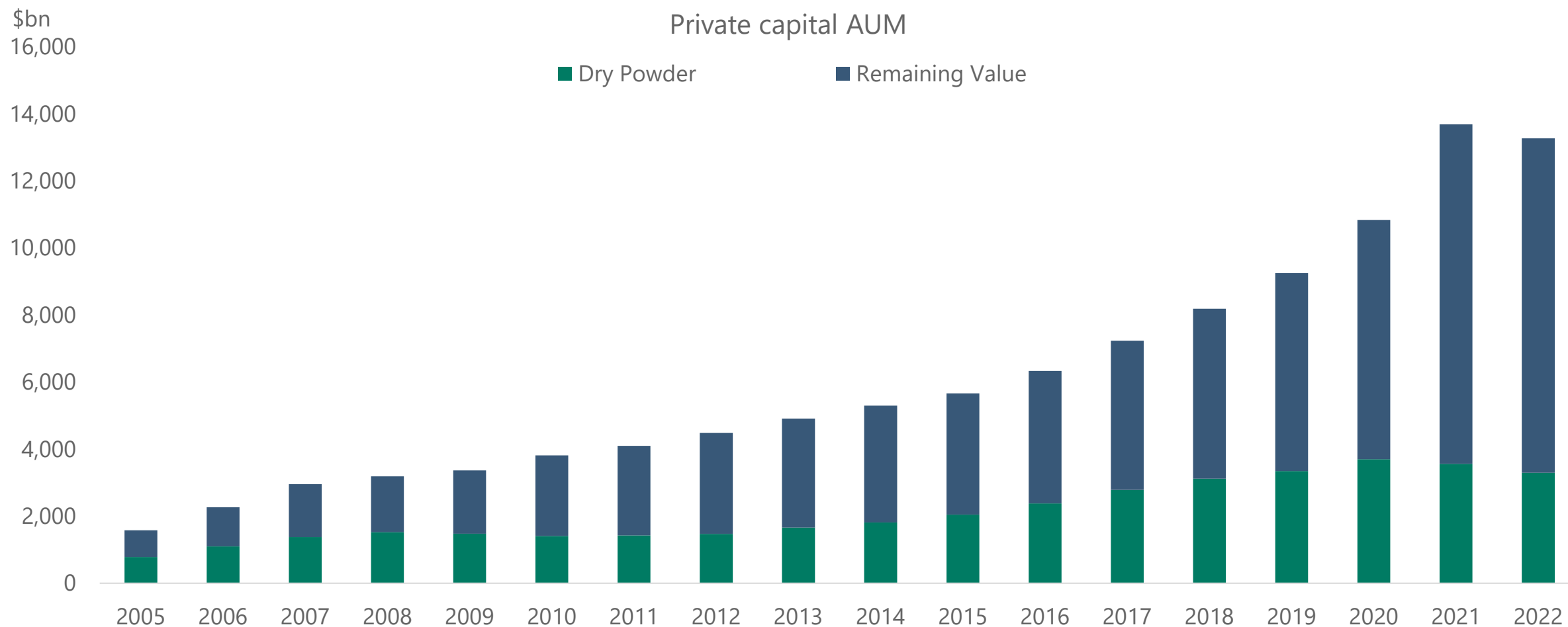
**Global equity market cap
2022: \$101.2T**



Total assets in the global banking sector have grown \$34trn over the past decade

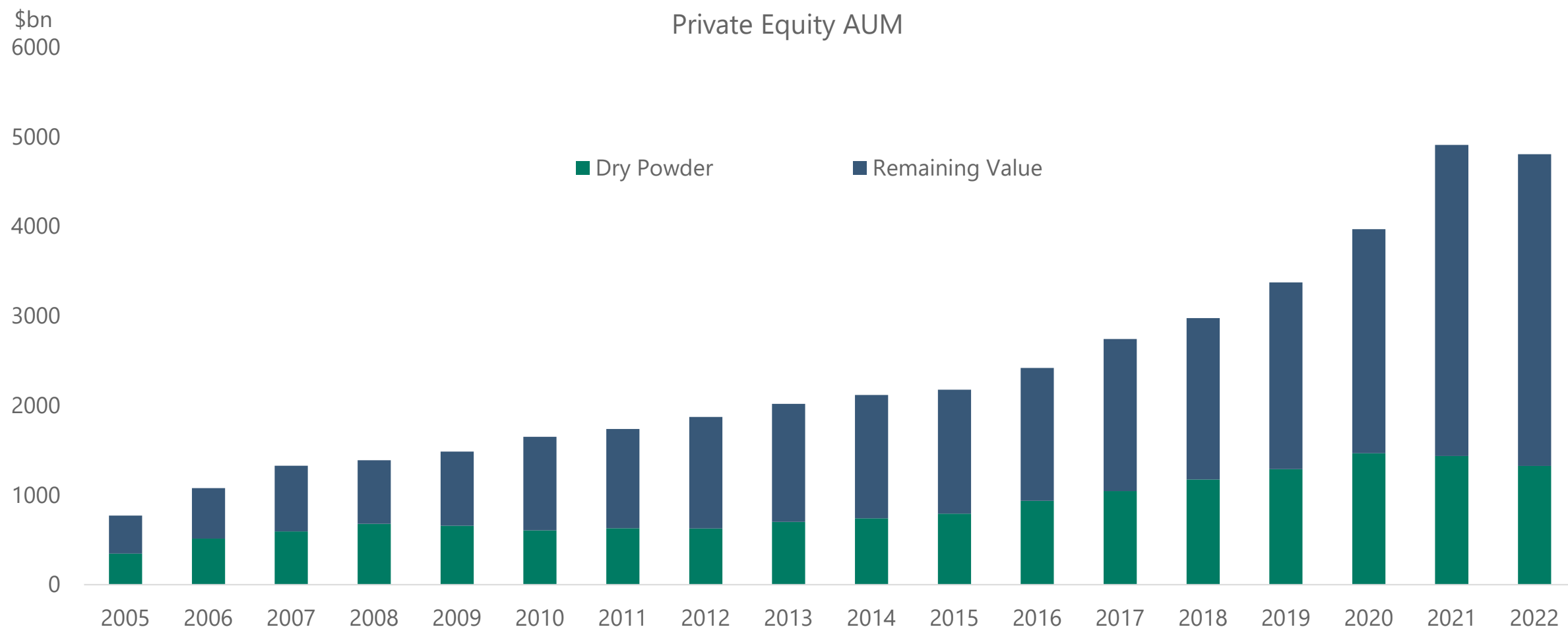


Global private capital markets have grown \$8trn over the past decade

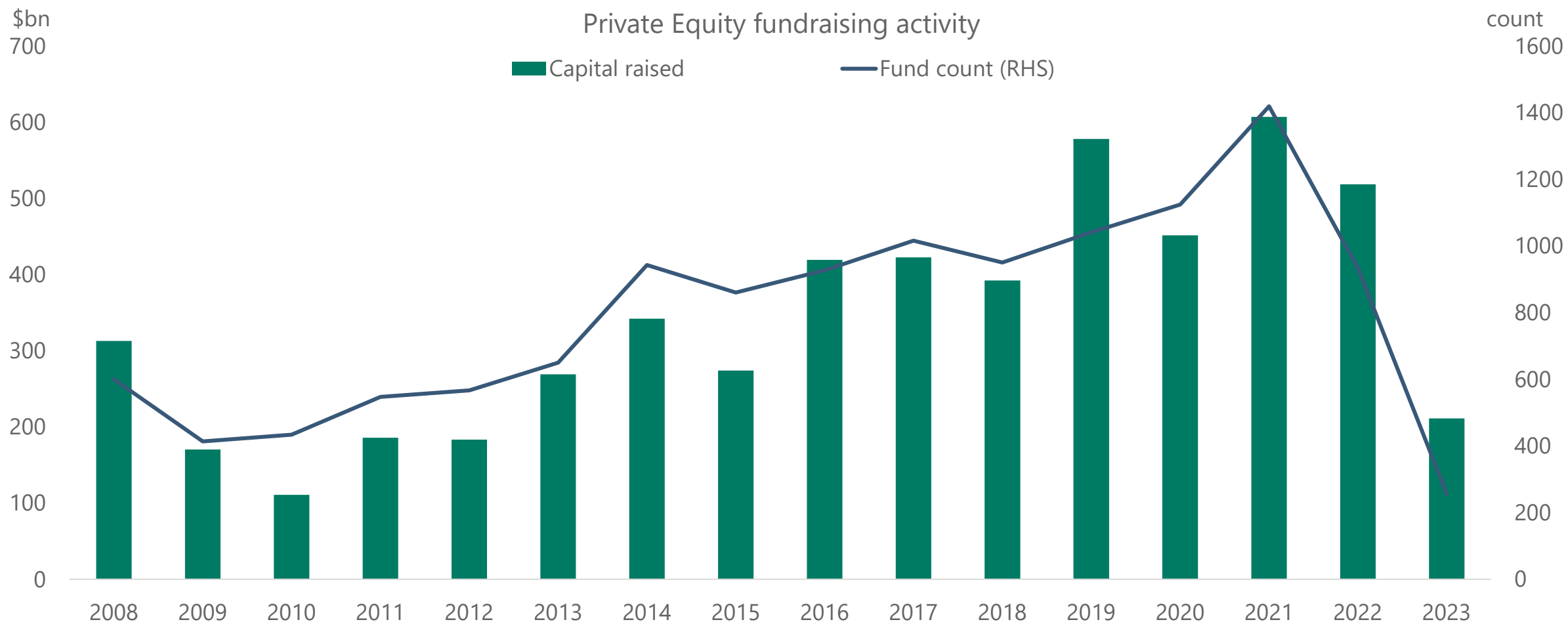


Private equity

Global private equity AUM is around \$5trn

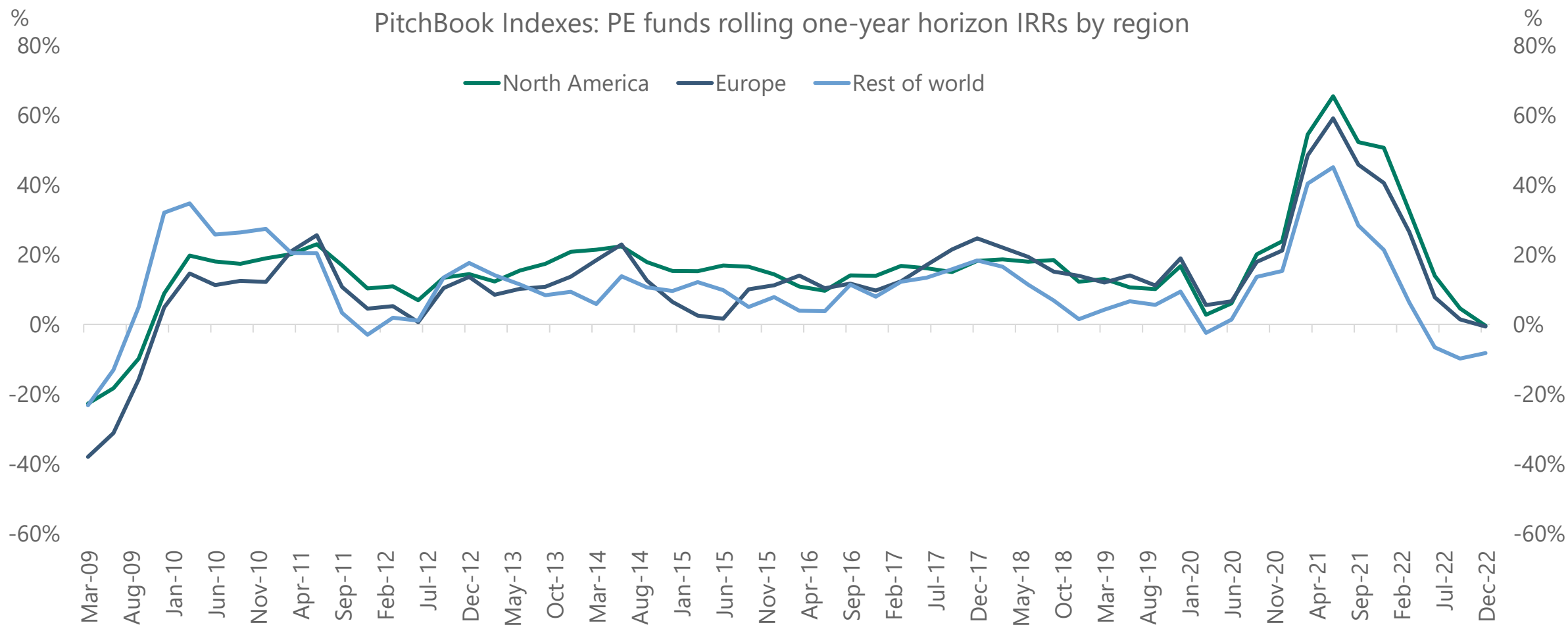


Fundraising activity



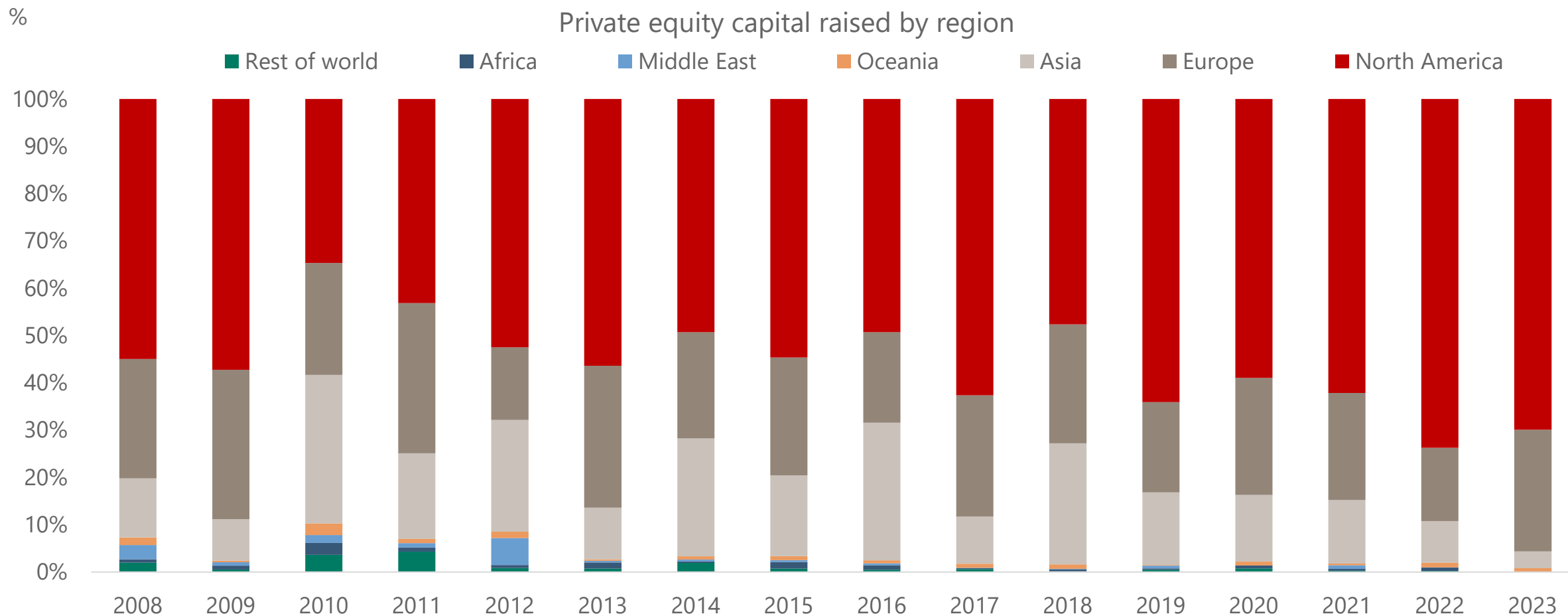
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Private Equity returns by region



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 31st December 2022

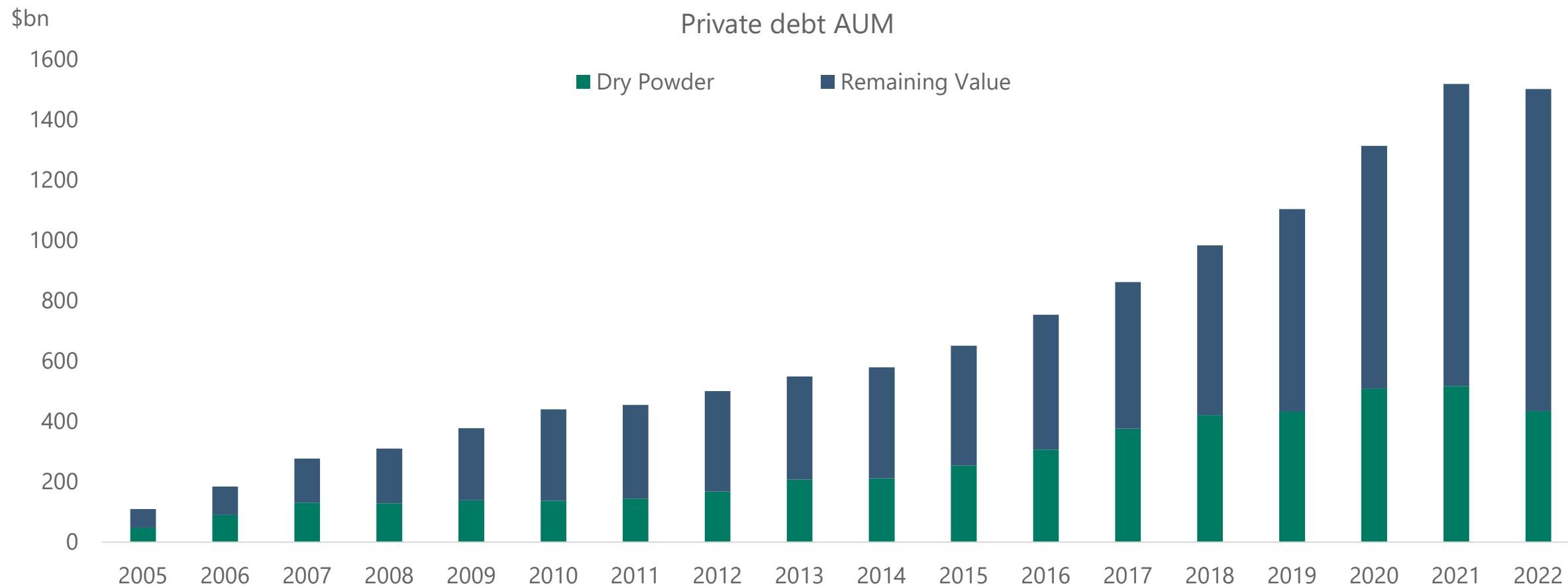
70% of private equity capital is raised in North America



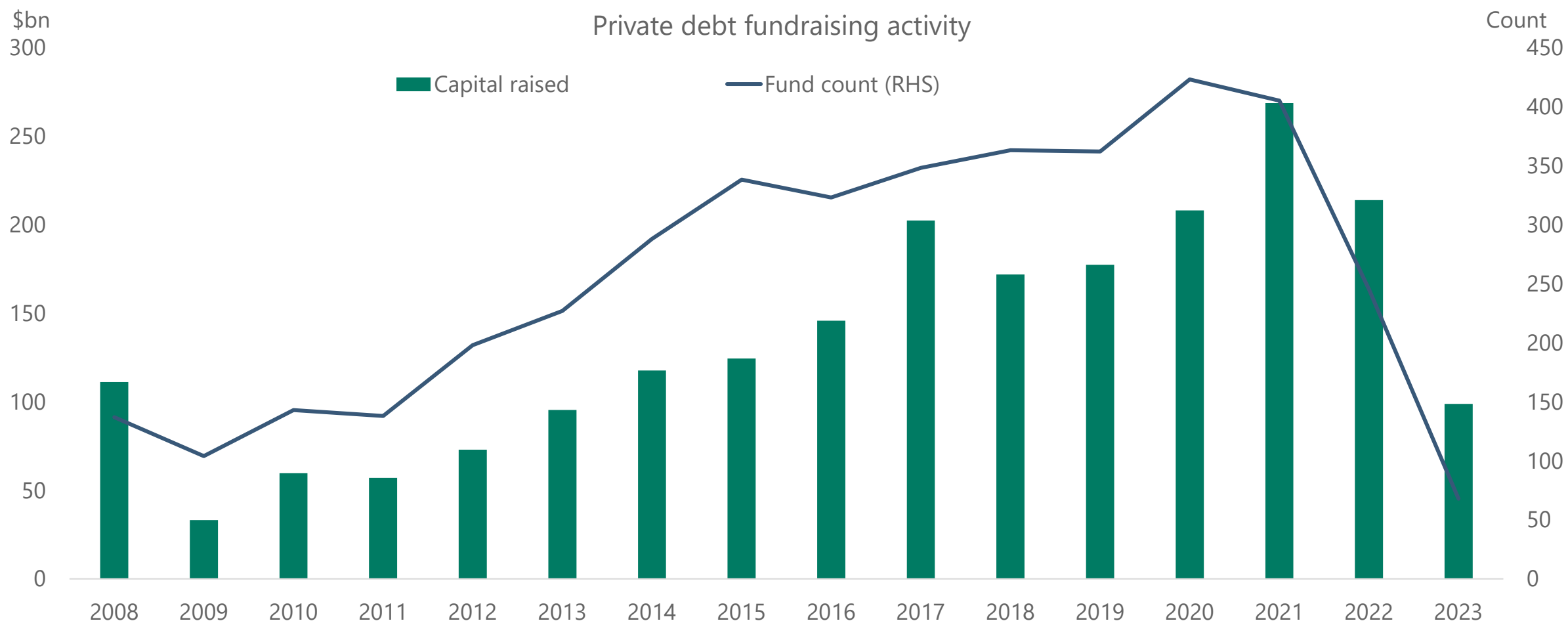
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Private credit

About \$1.5trn in private credit globally

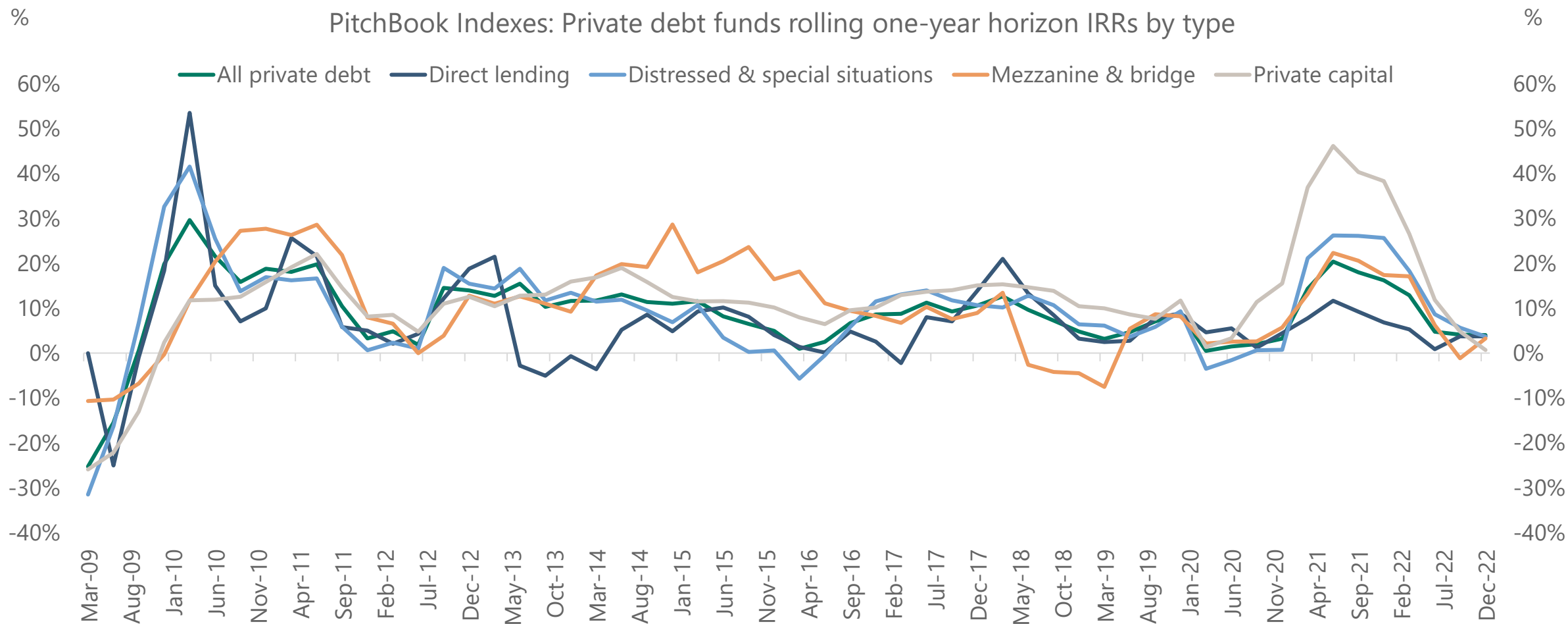


Private debt fundraising



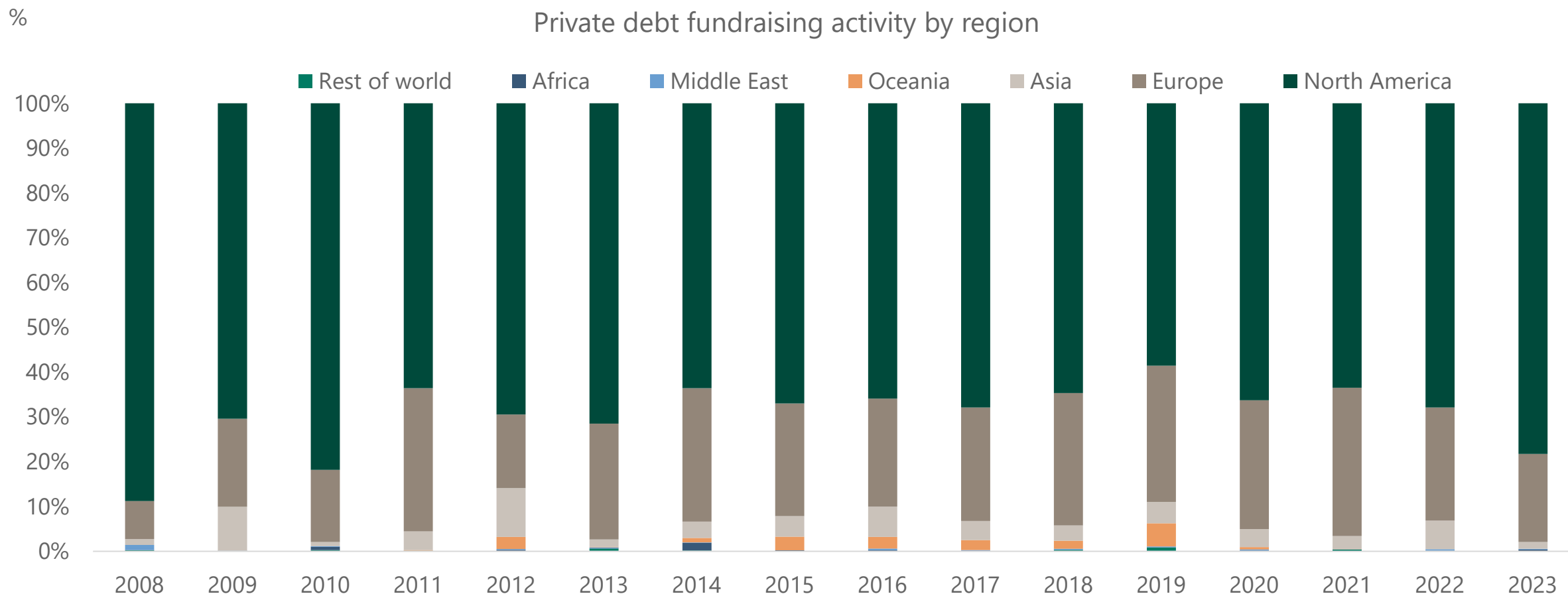
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Private debt returns by strategy



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 31st December 2022

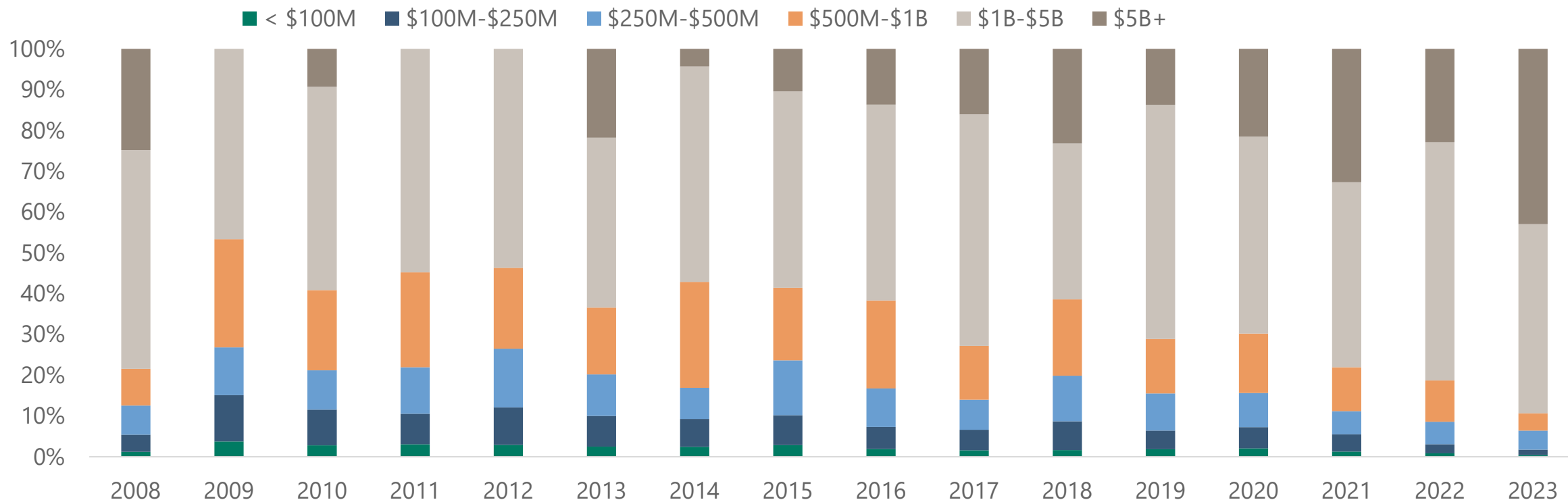
Private debt fundraising activity by region



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

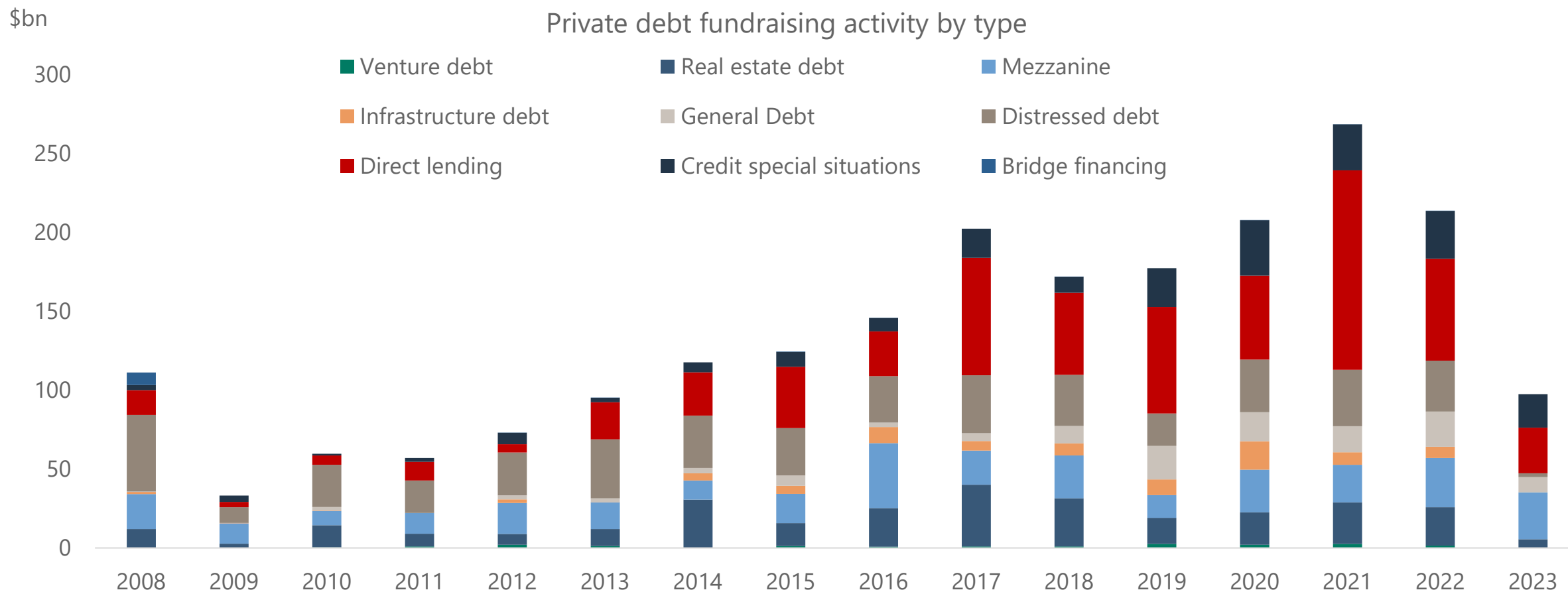
Private debt fundraising activity by size

%



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

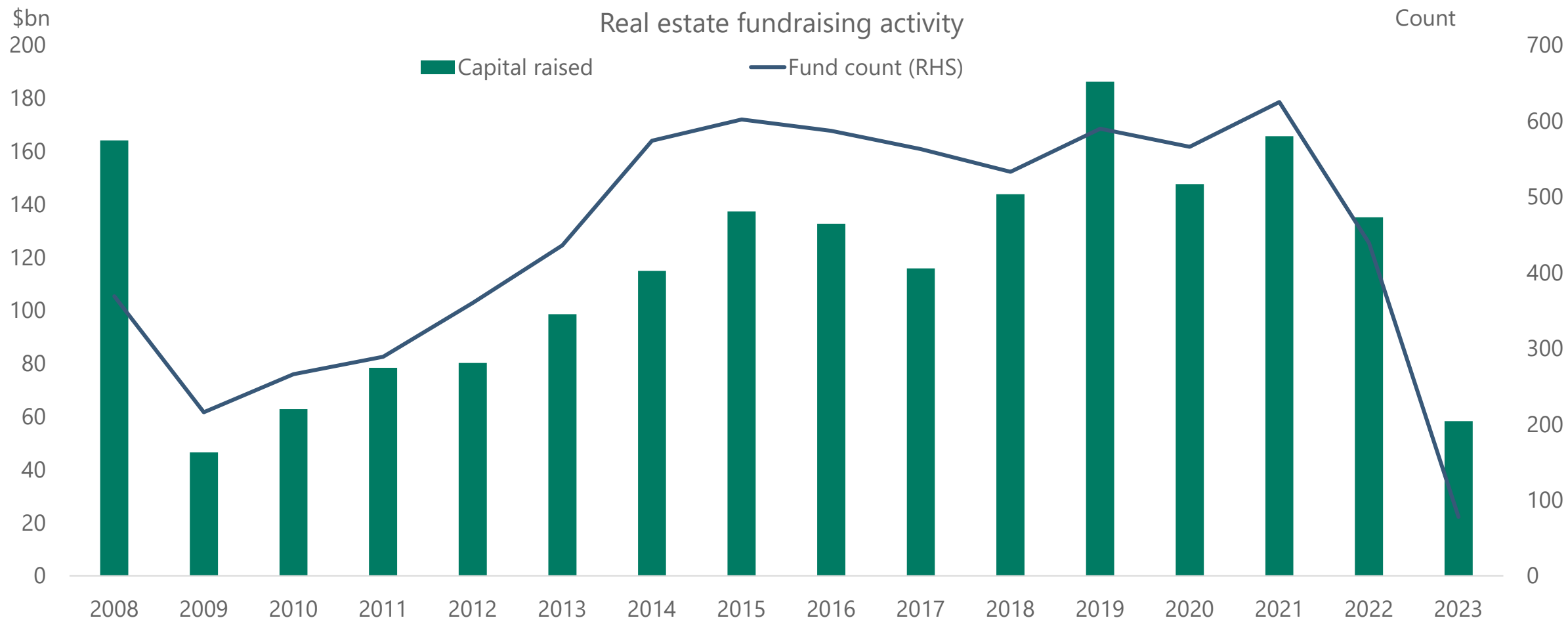
Private debt fundraising activity by type



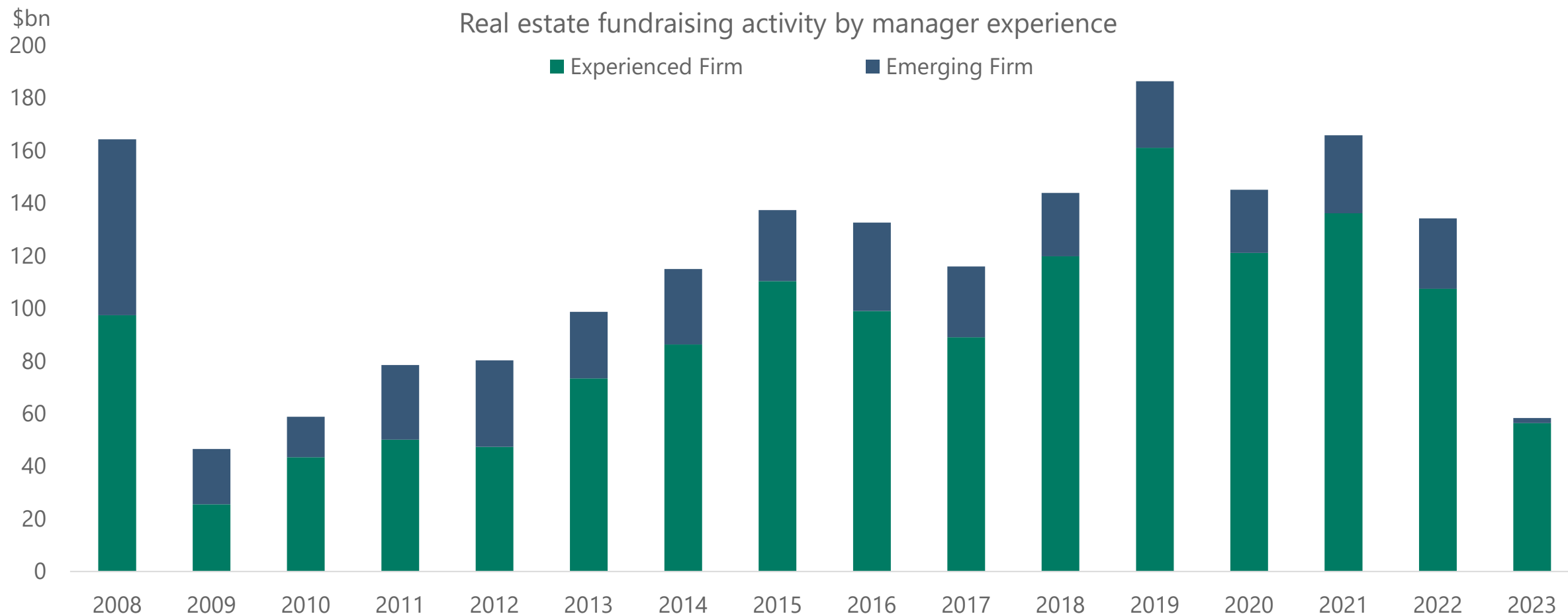
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Real estate

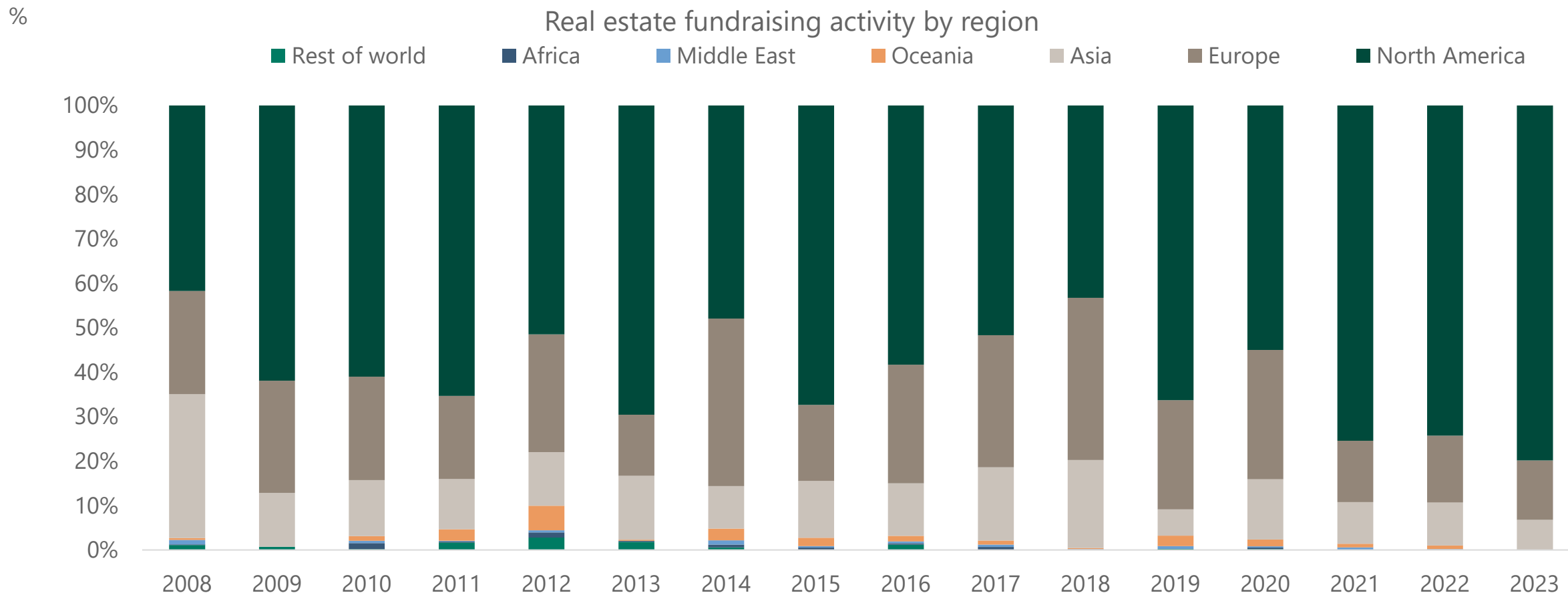
Real estate fundraising activity



Real estate fundraising led by experienced firms

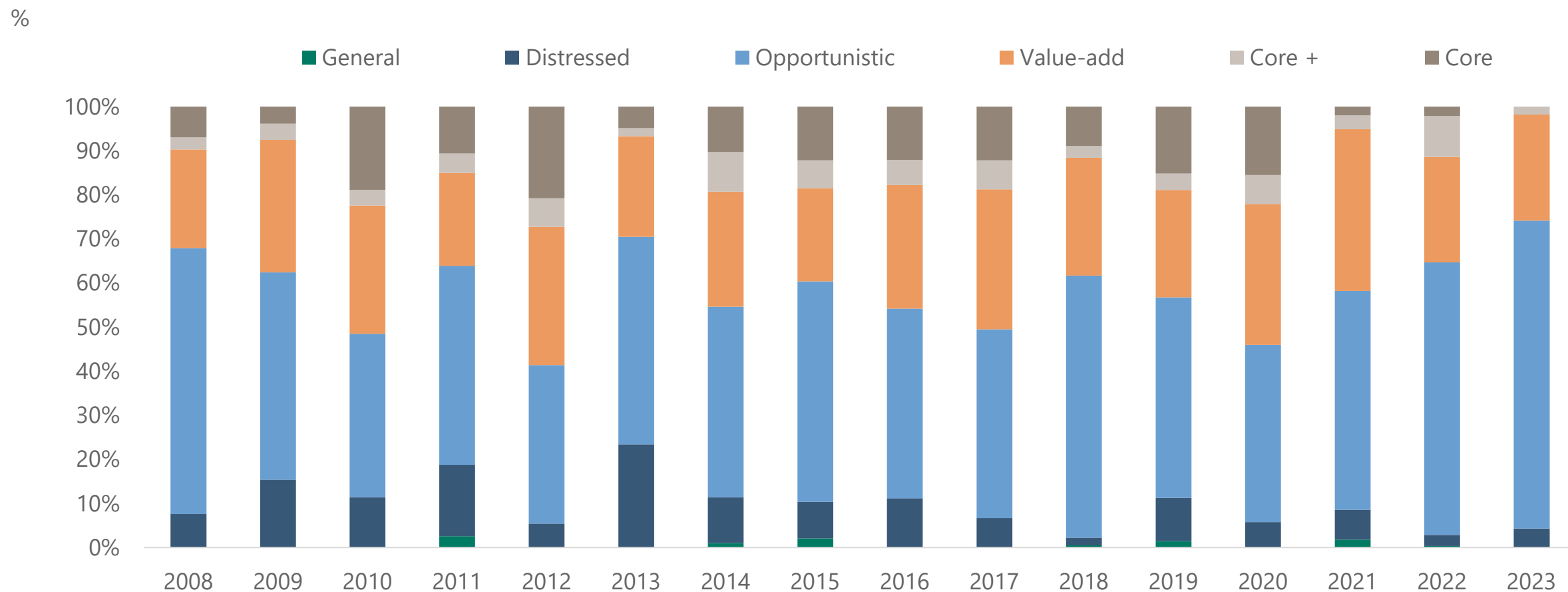


80% of real estate fundraising is in North America



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

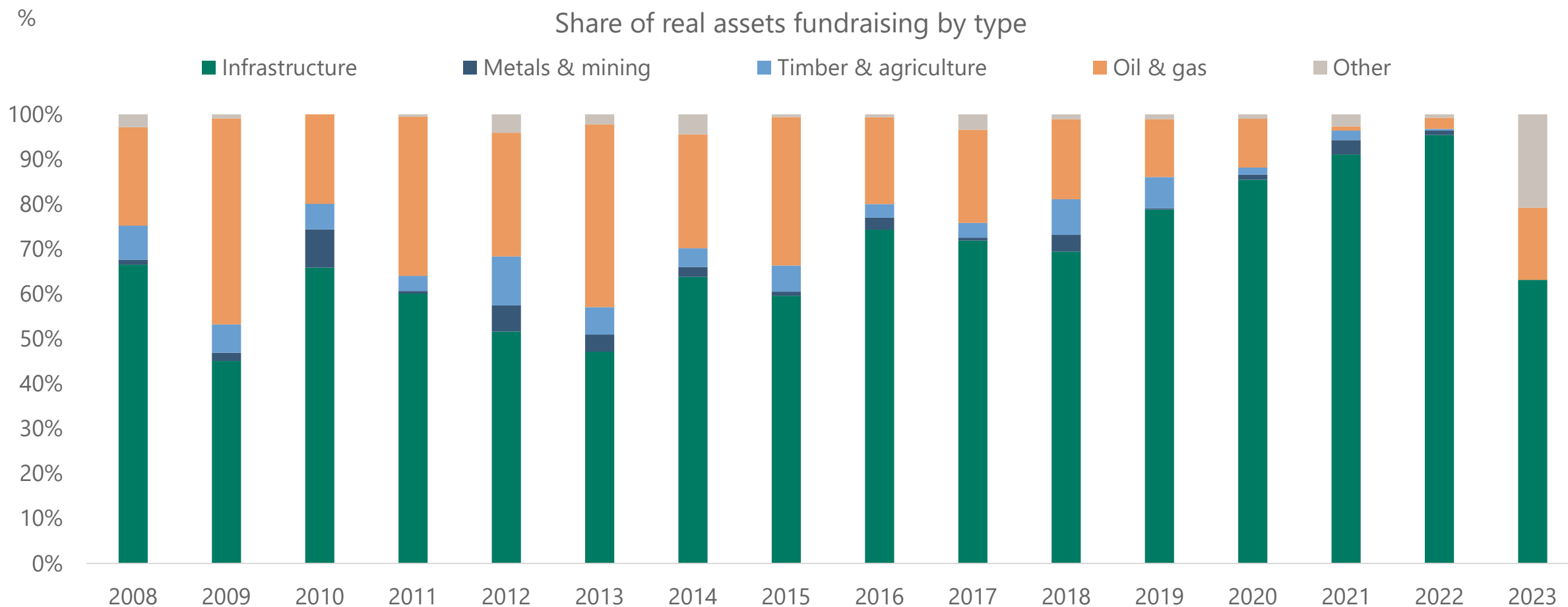
Real estate fundraising activity by type



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Real assets

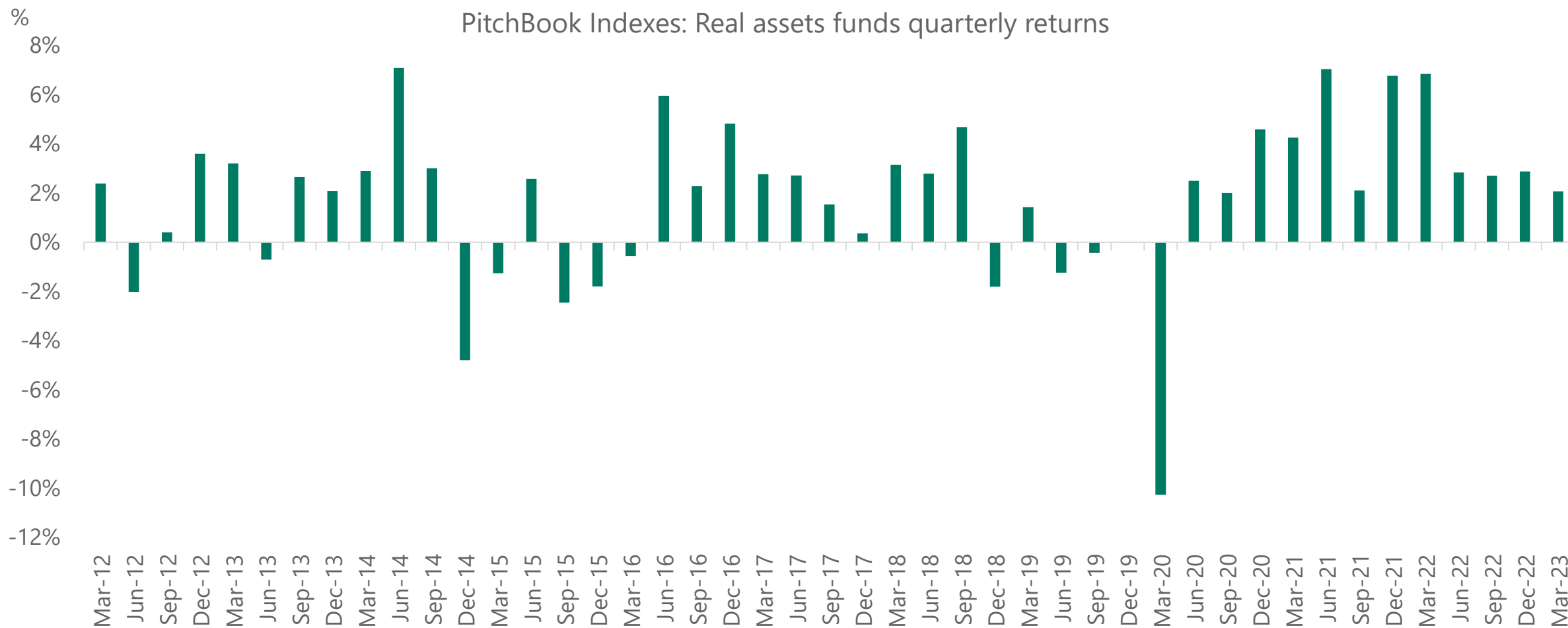
Real assets is mainly infrastructure



Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Real assets performance

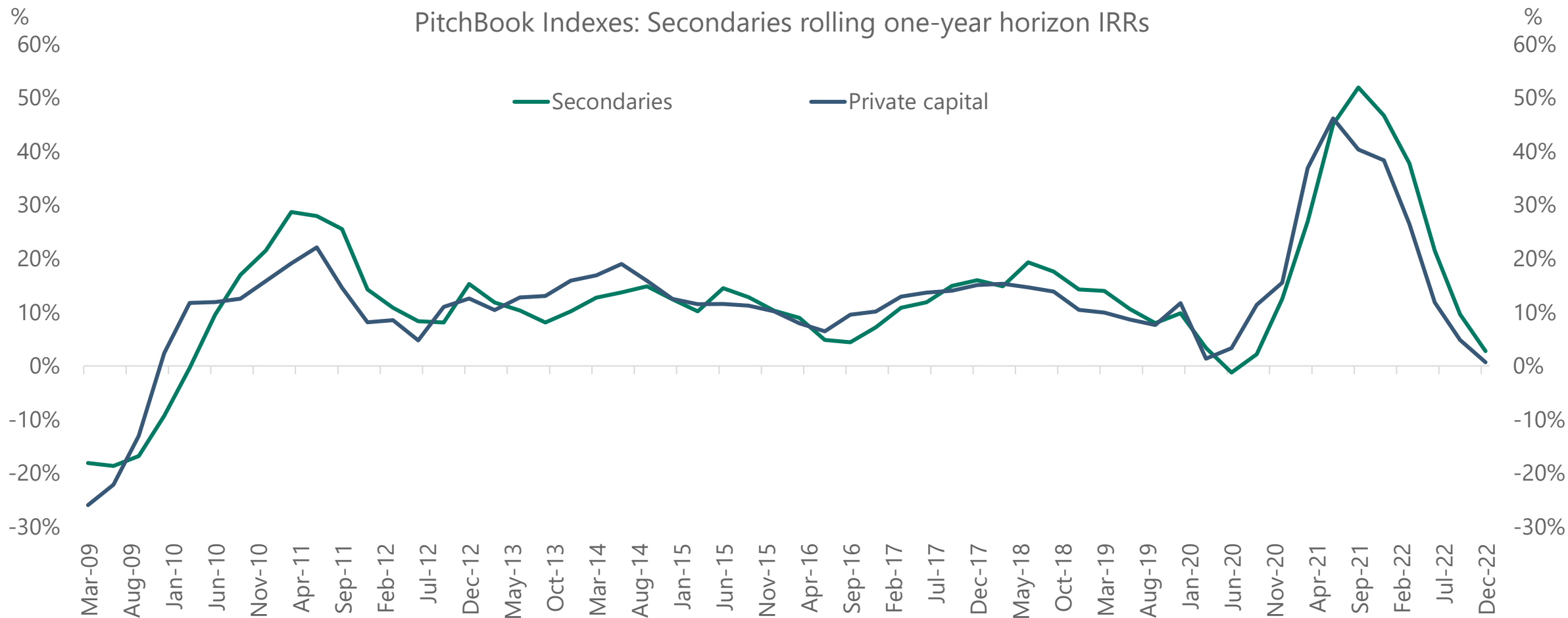
PitchBook Indexes: Real assets funds quarterly returns



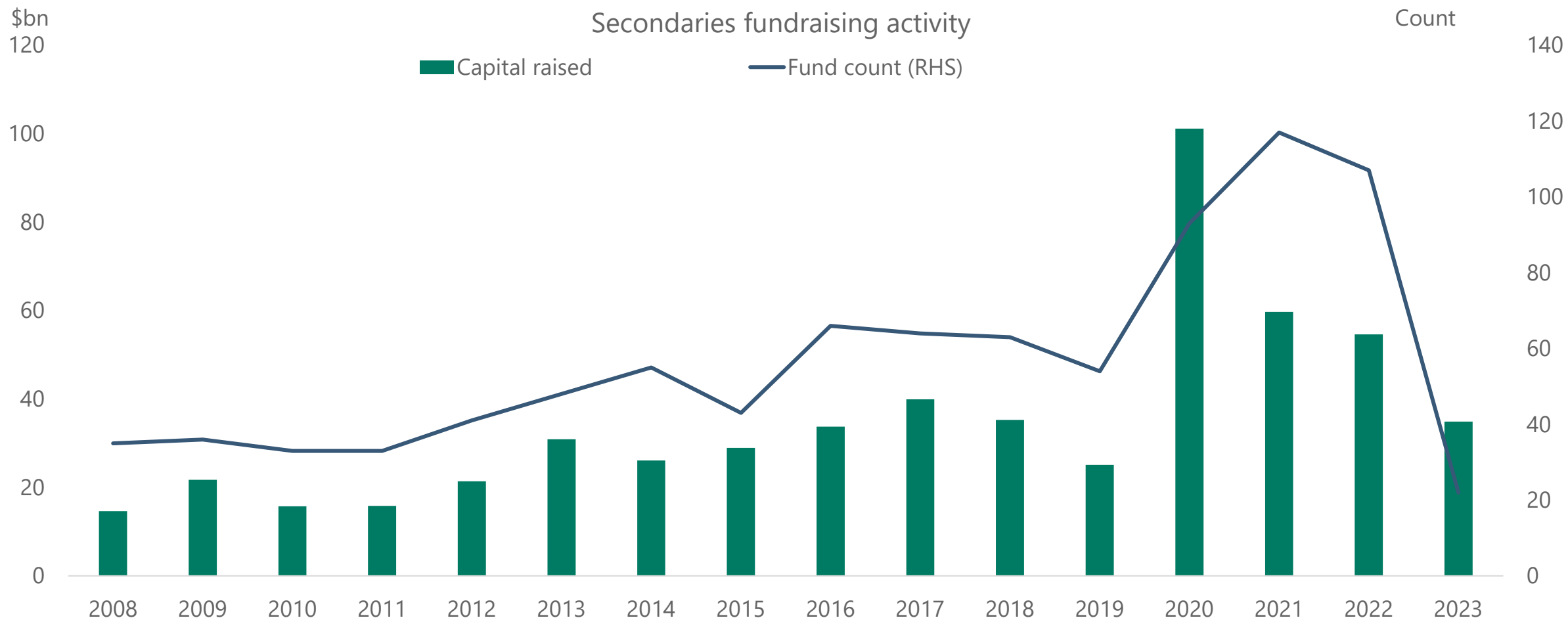
Source: Pitchbook, Apollo Chief Economist. Note: Q12023 preliminary figure

Secondaries

Secondaries performance

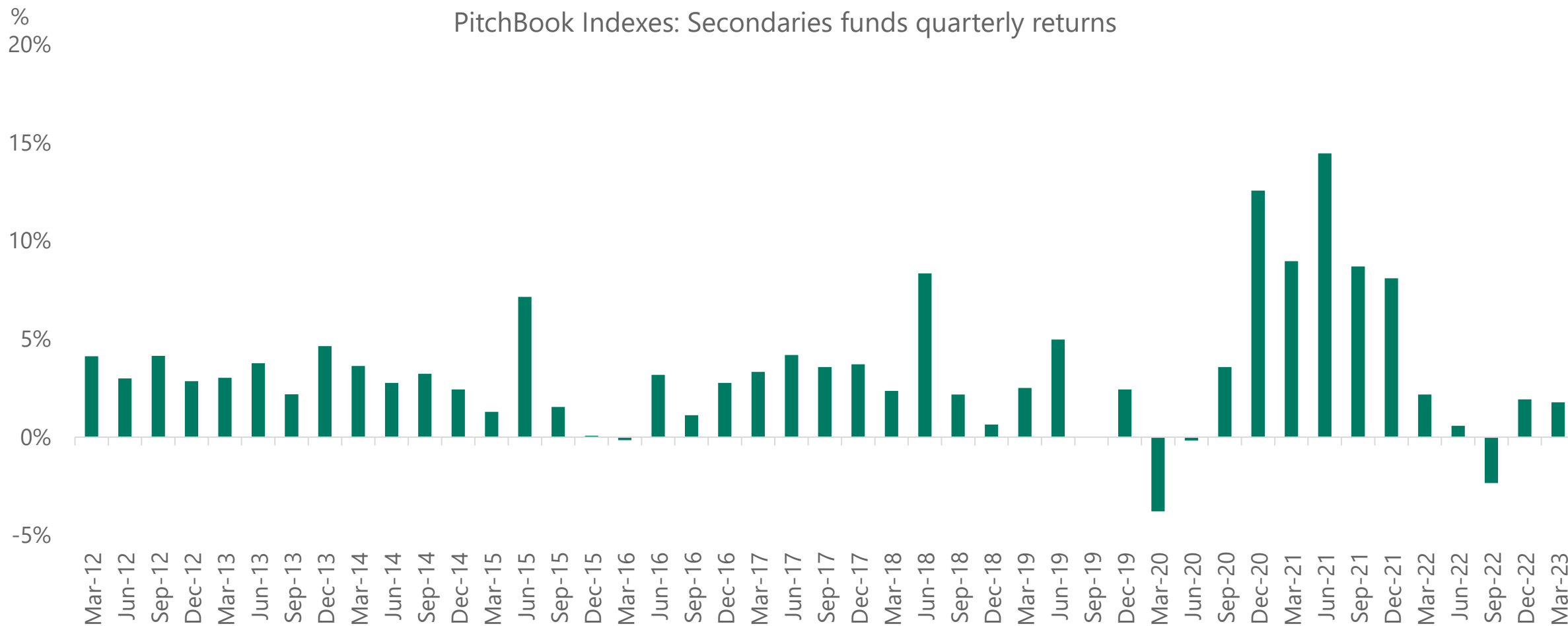


Secondaries fundraising activity



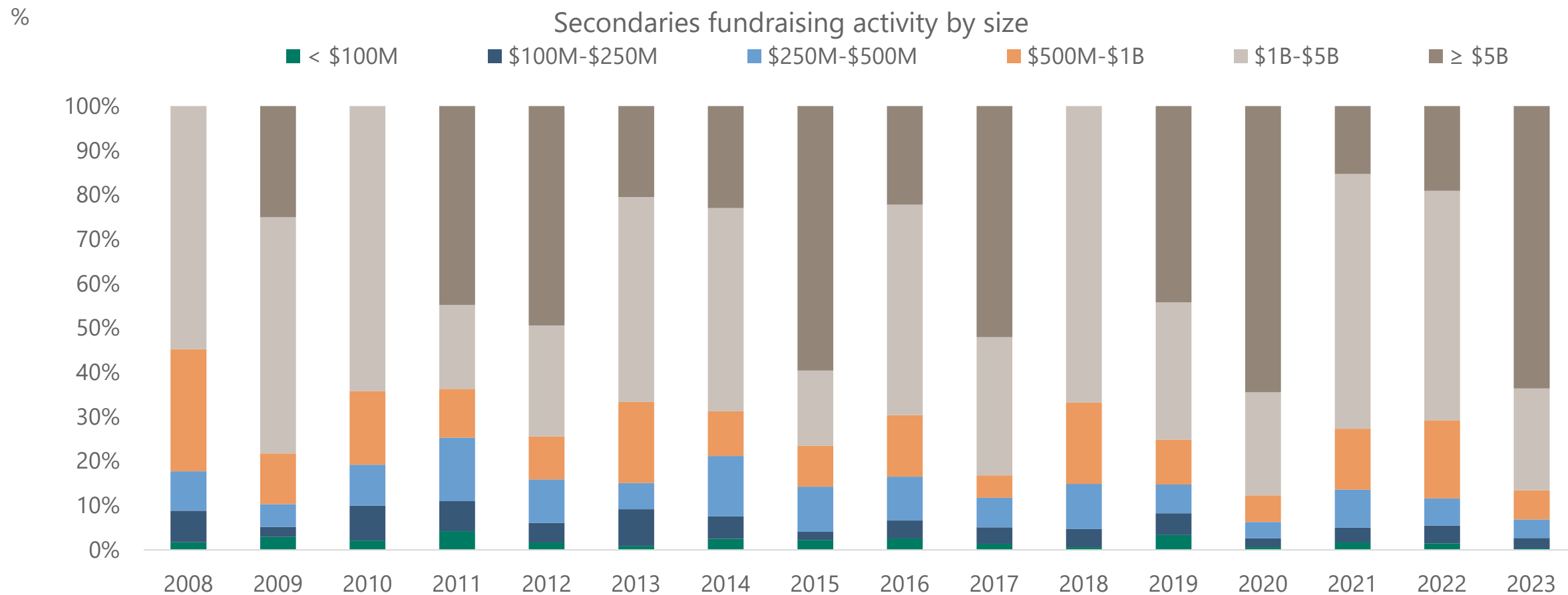
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Secondaries quarterly returns



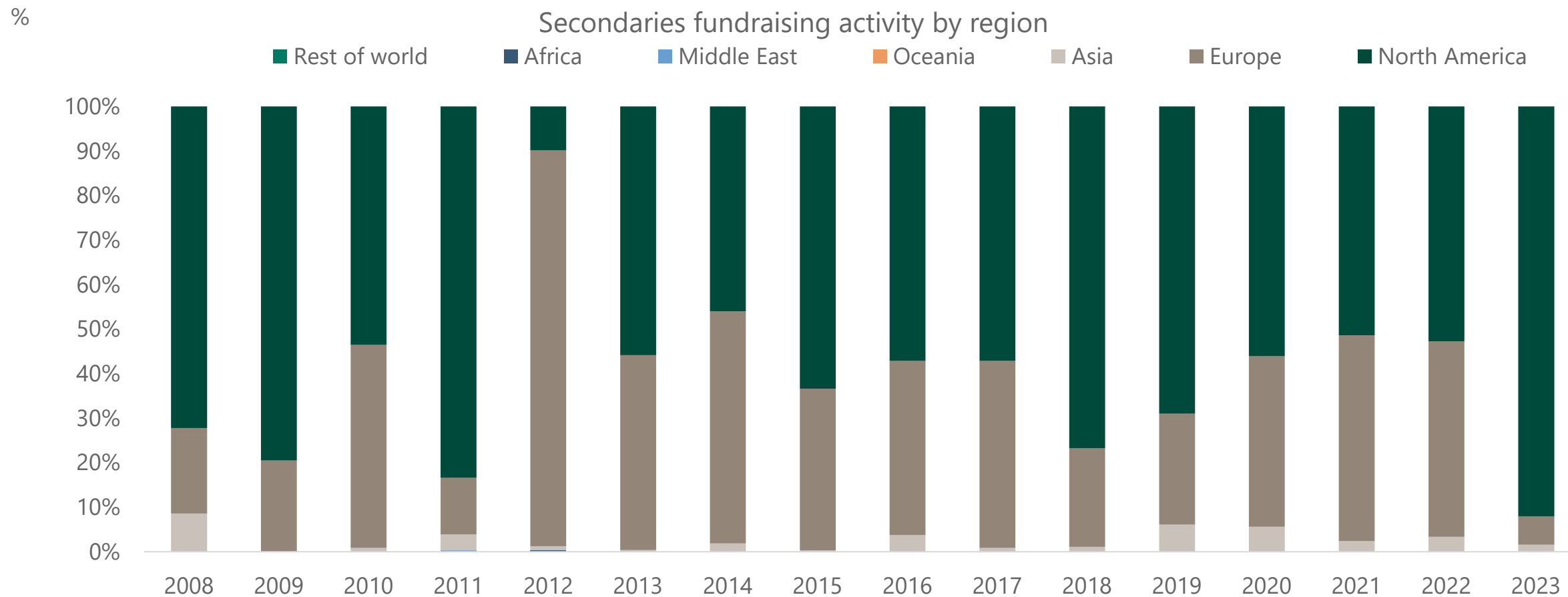
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Secondaries fundraising activity by size



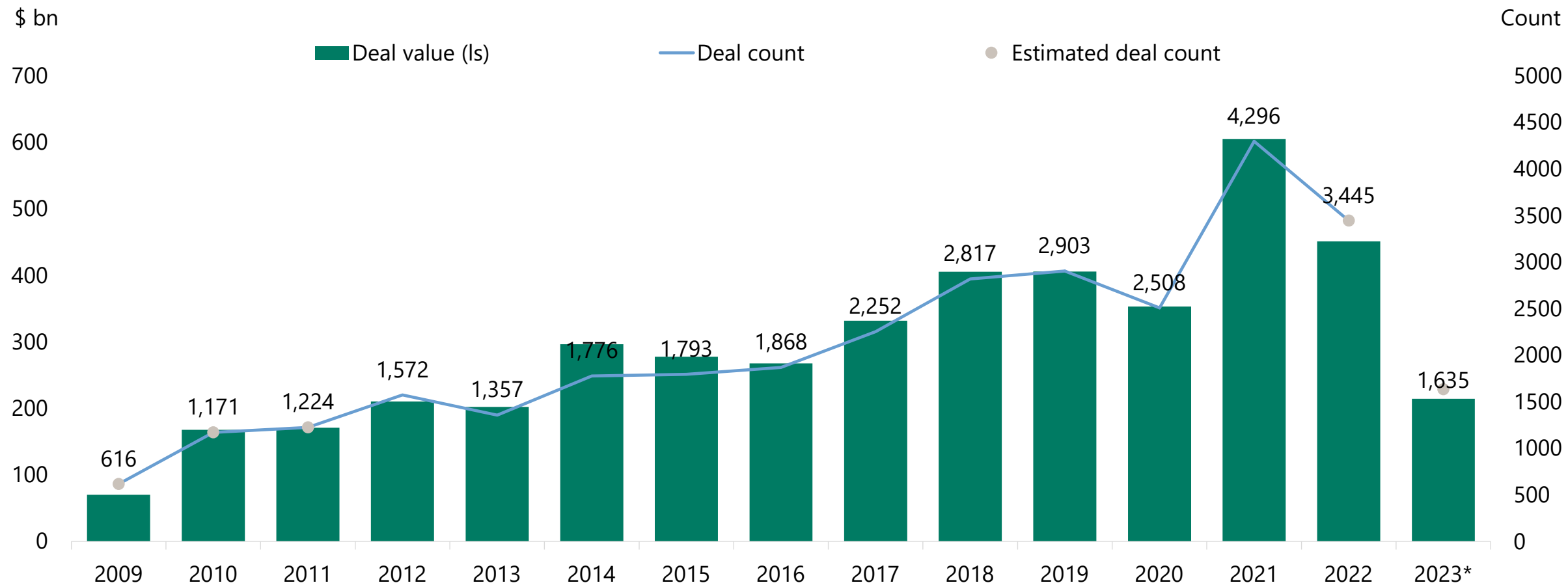
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30th June 2023

Secondaries fundraising activity by region



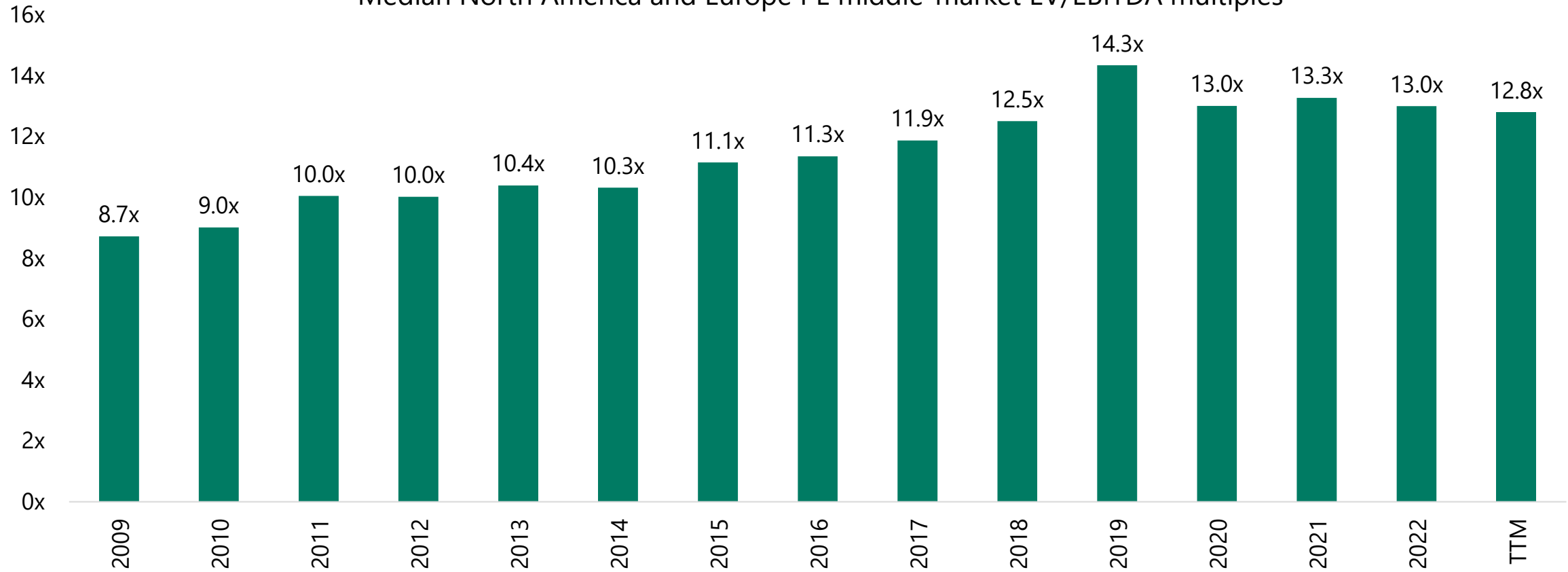
Middle Market

US PE middle-market deal activity



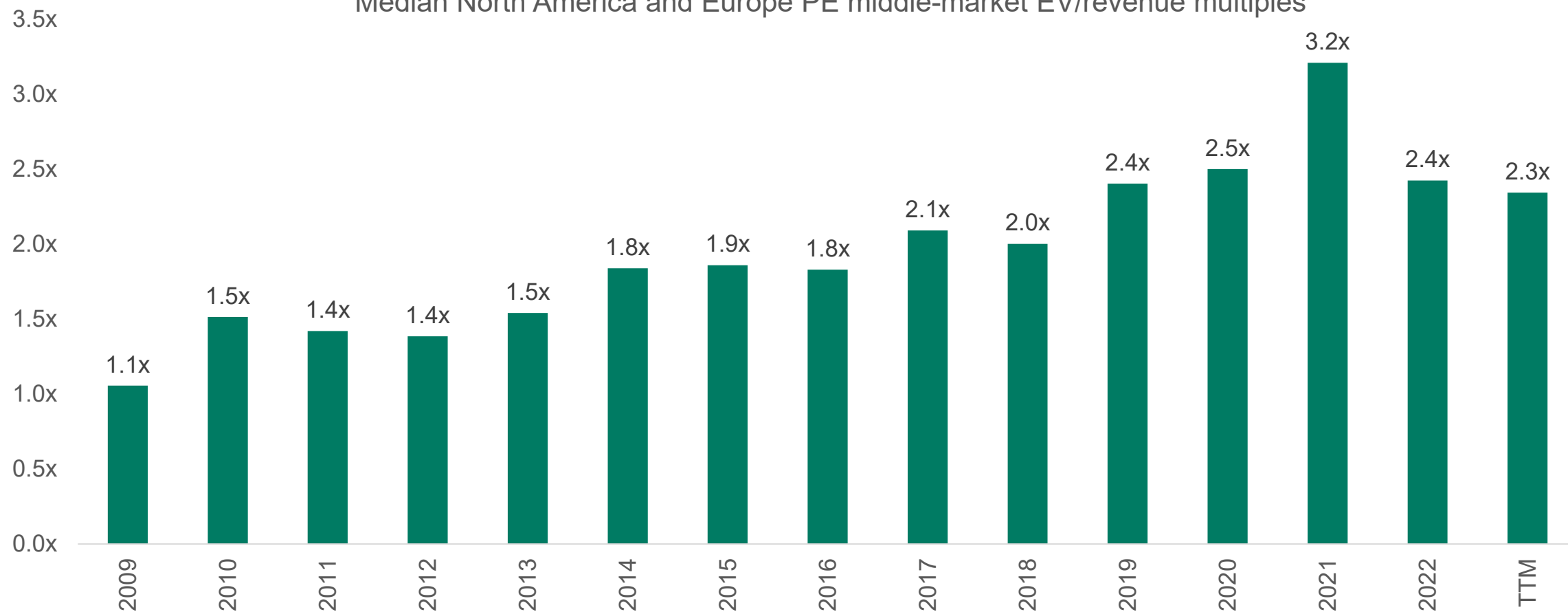
Median North America and Europe PE middle-market EV/EBITDA multiples

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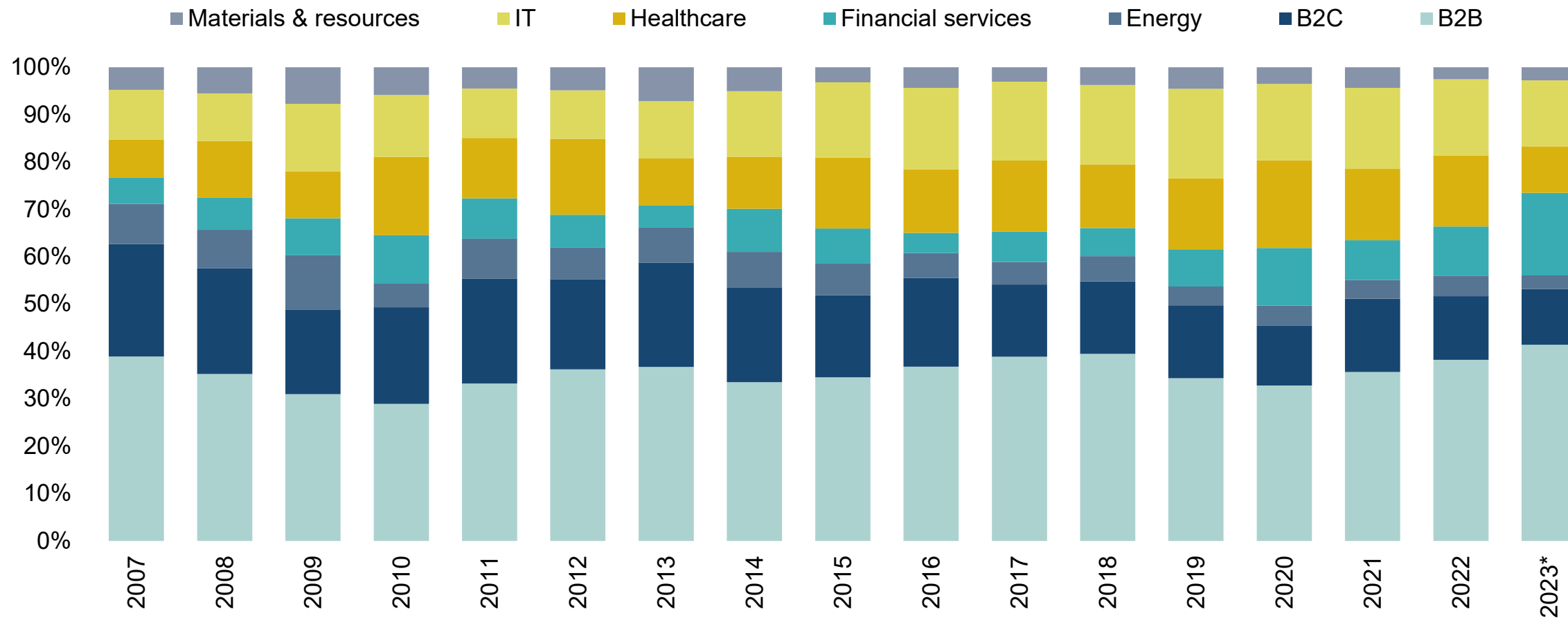


Median North America and Europe PE middle-market EV/revenue multiples

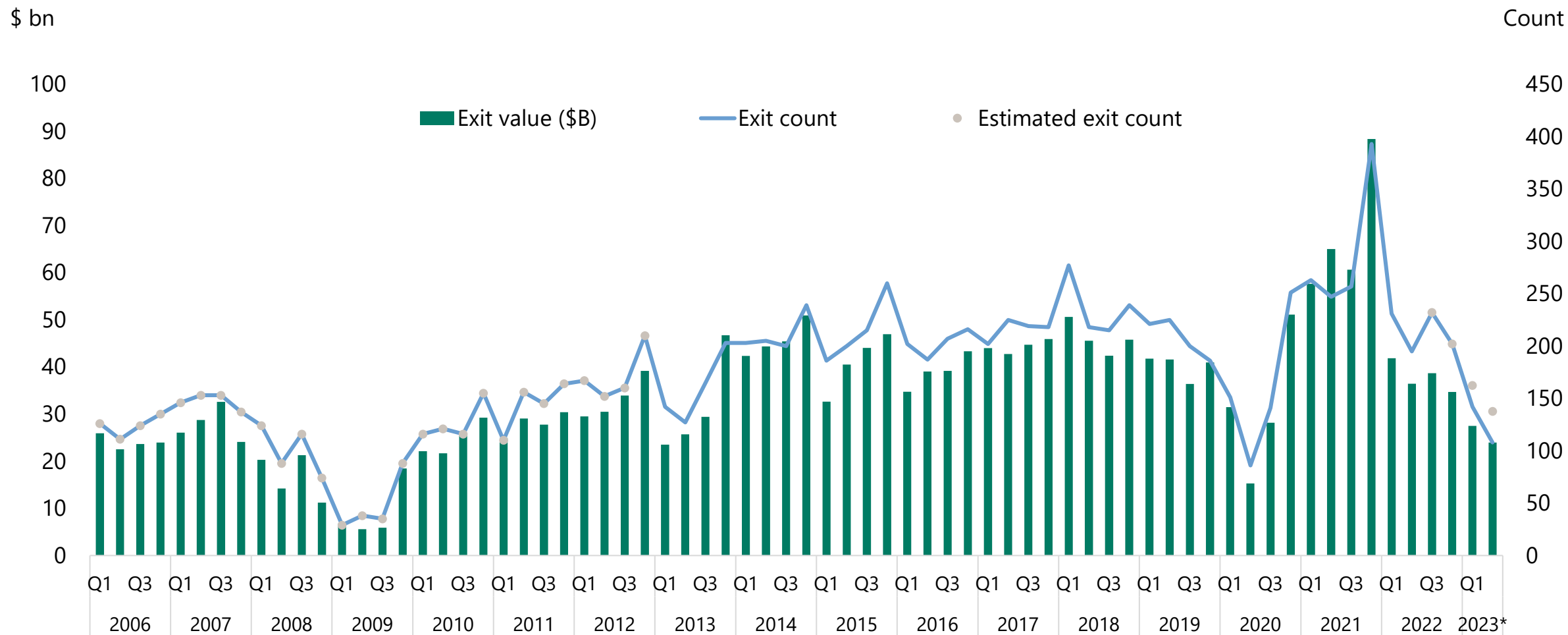
Median North America and Europe PE middle-market EV/revenue multiples



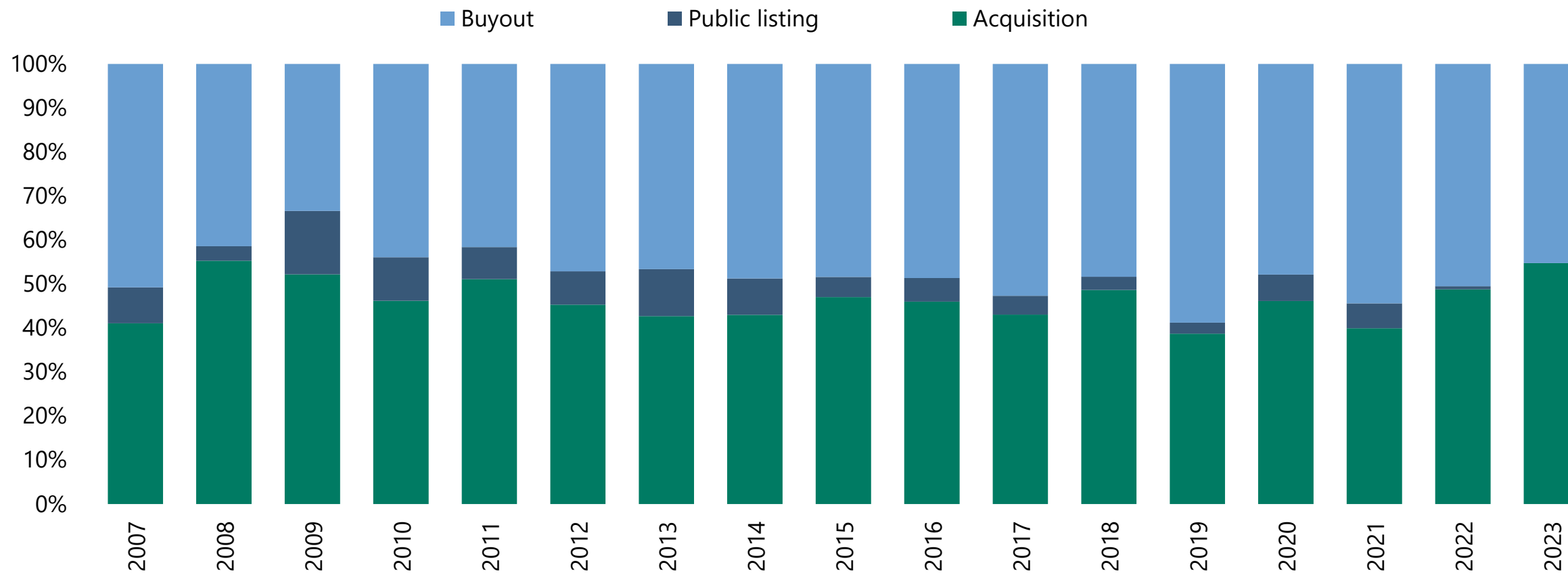
Share of US PE middle-market deal value by sector



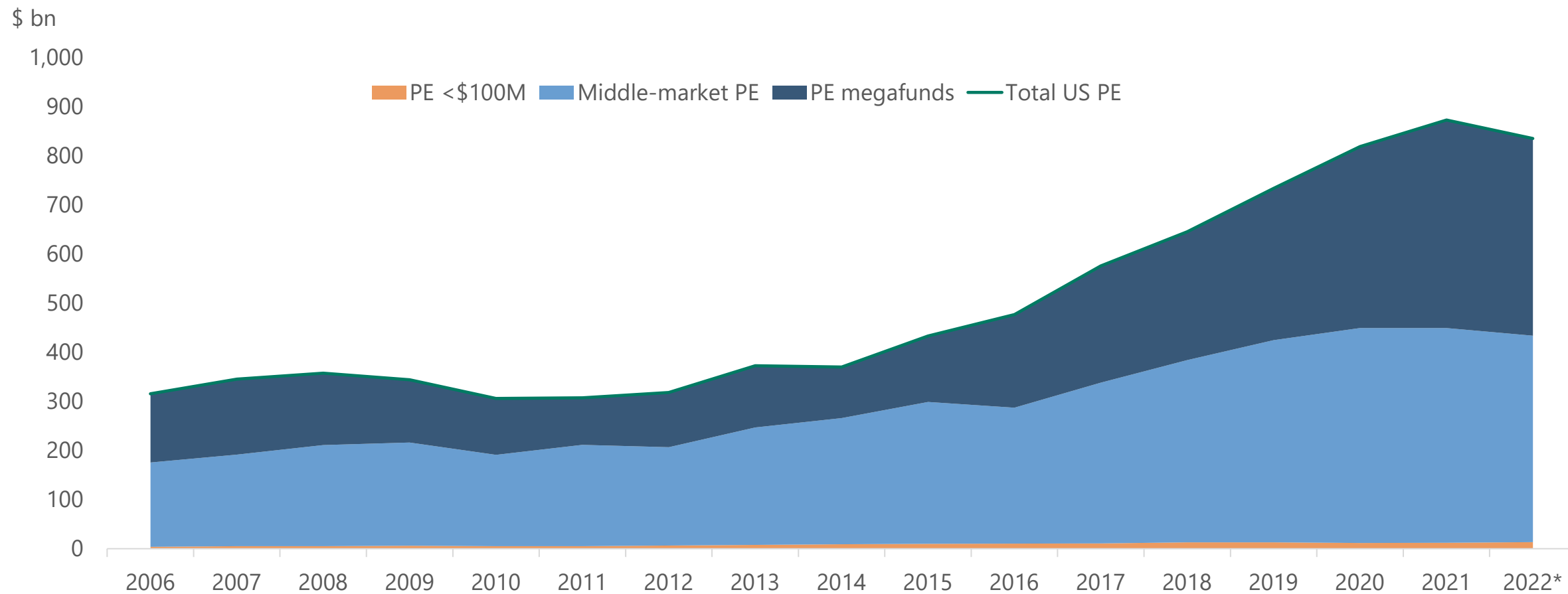
US PE middle-market exit activity by quarter



US PE middle-market exit value by type

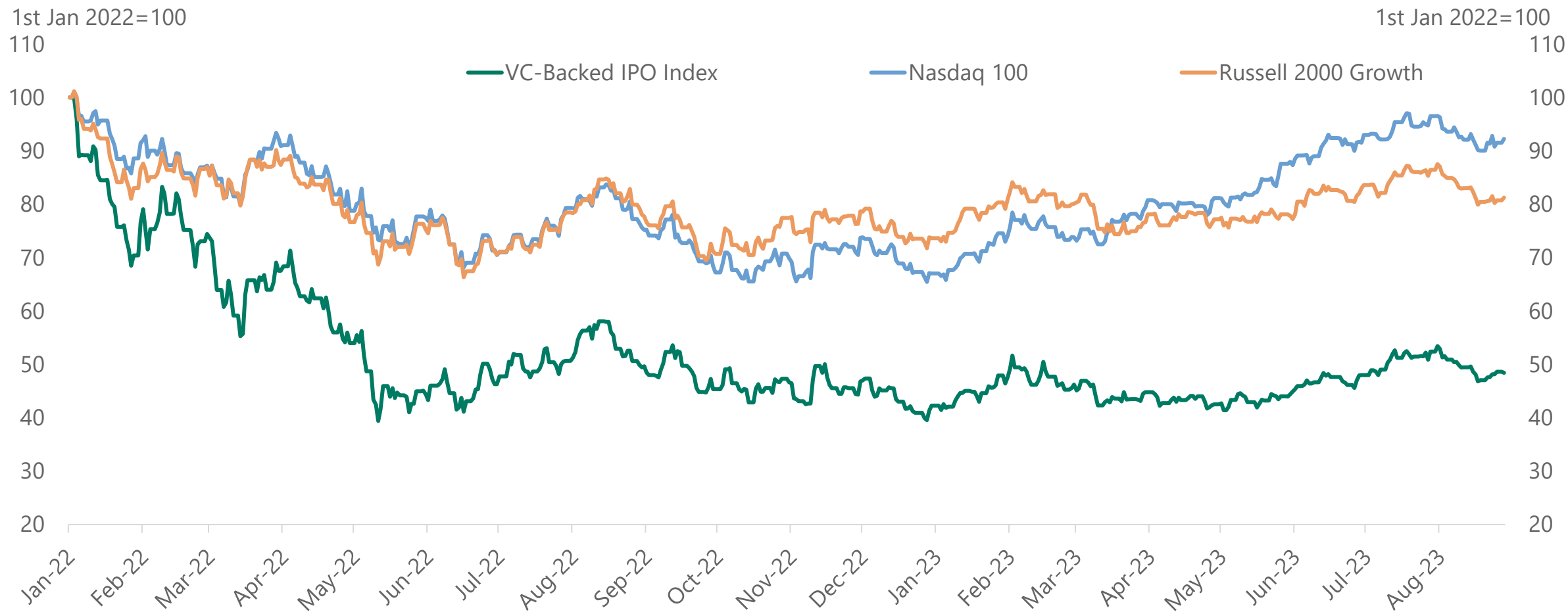


The composition of PE dry powder

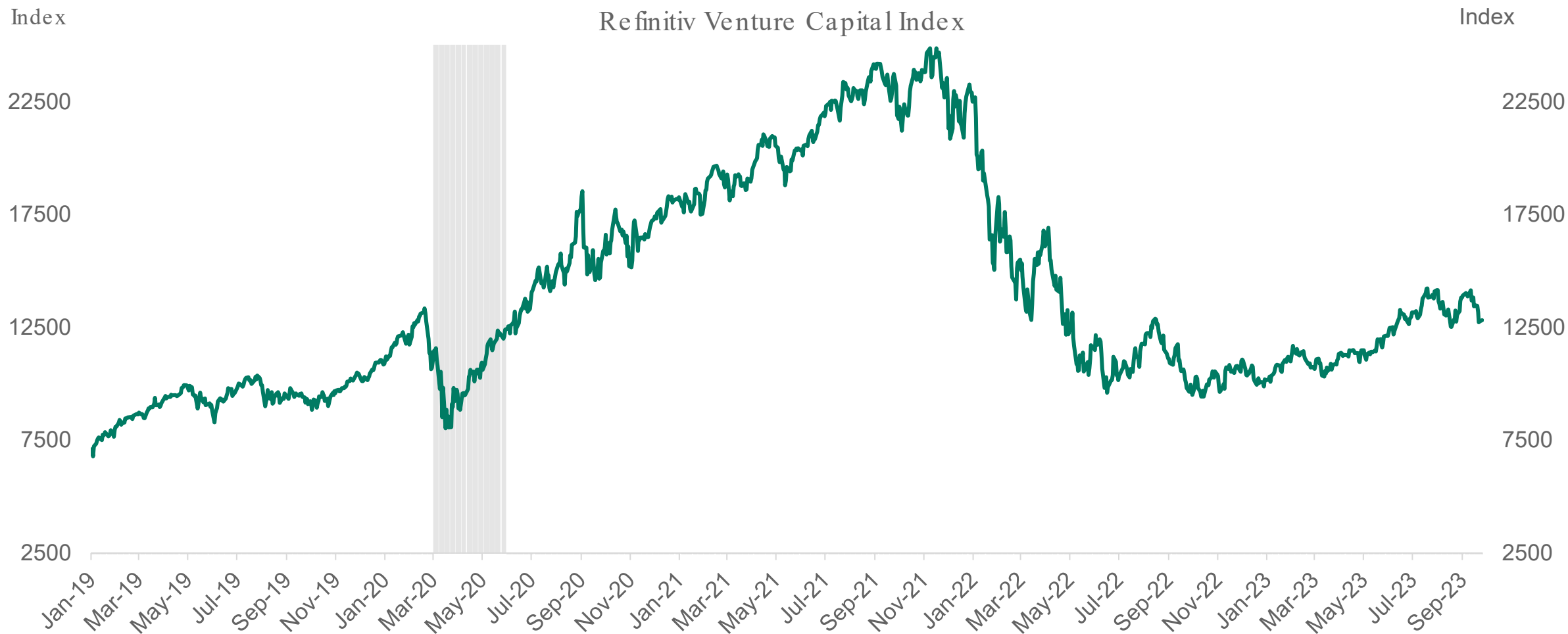


Venture Capital

VC-backed IPOs are down 50%

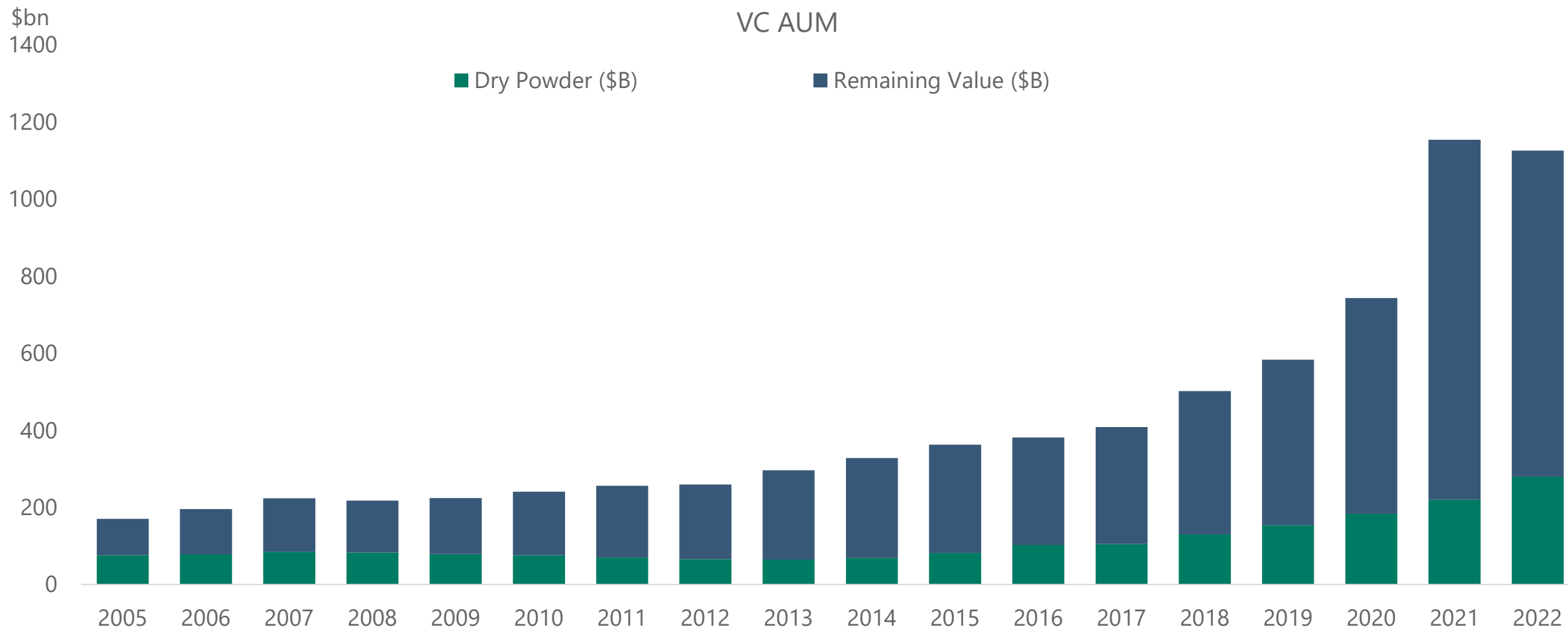


US venture capital valuations down 50% from the peak



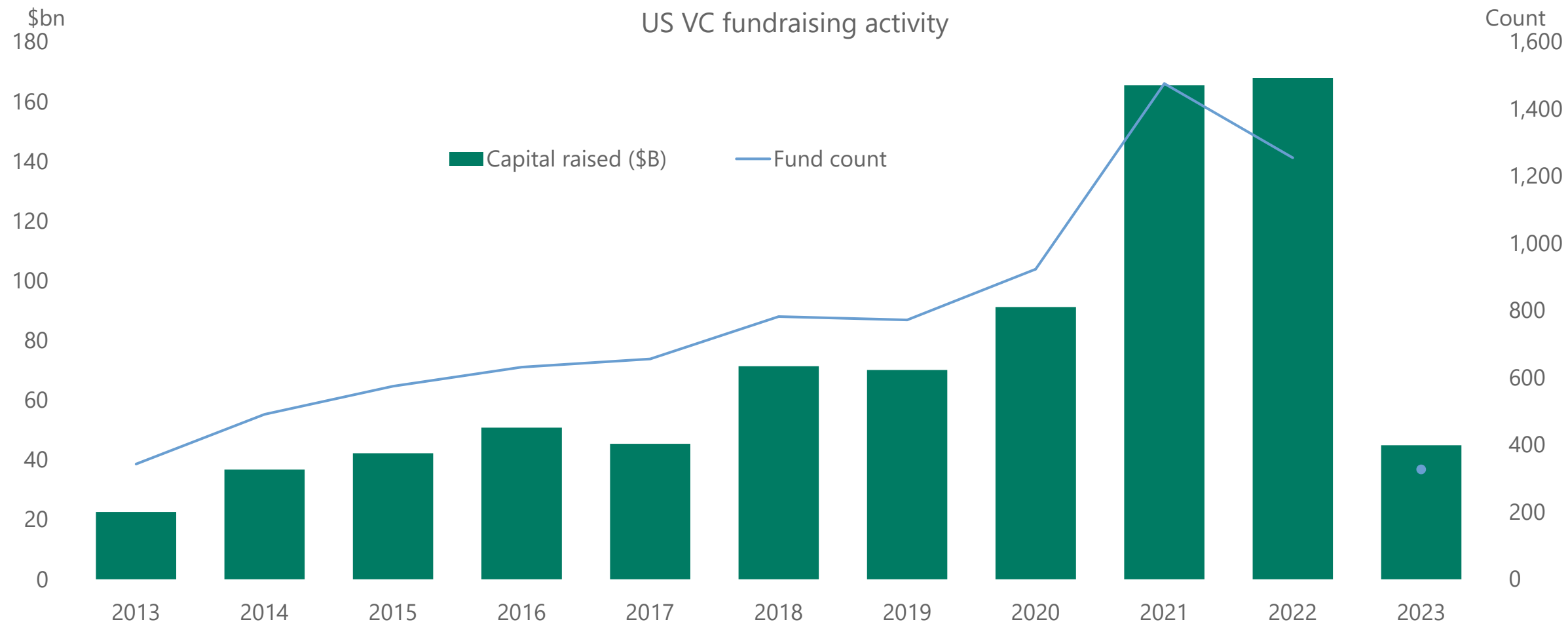
Source: Bloomberg, Apollo Chief Economist. Note: The Thomson Reuters Venture Capital Index is designed to measure the value of the US-based venture capital private company universe in which venture capital funds invest.

VC assets under management



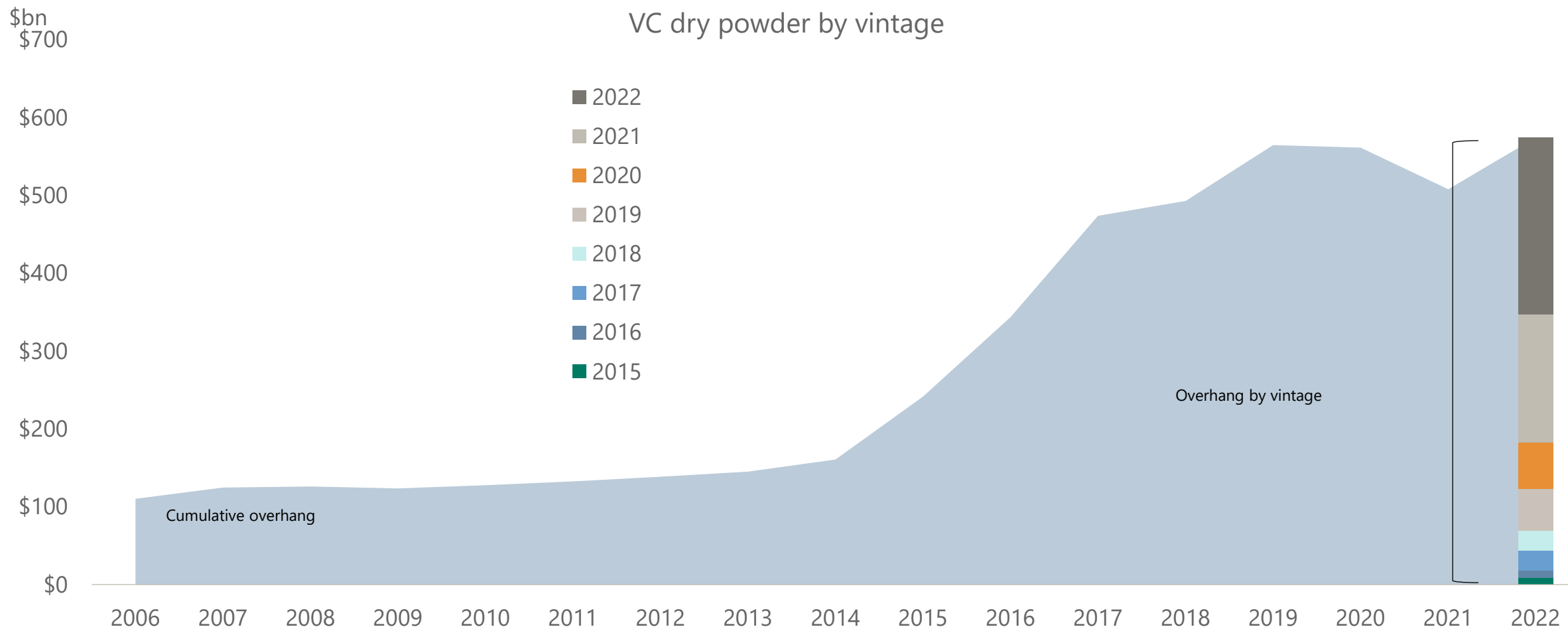
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 31/12/2022

VC fundraising activity very weak



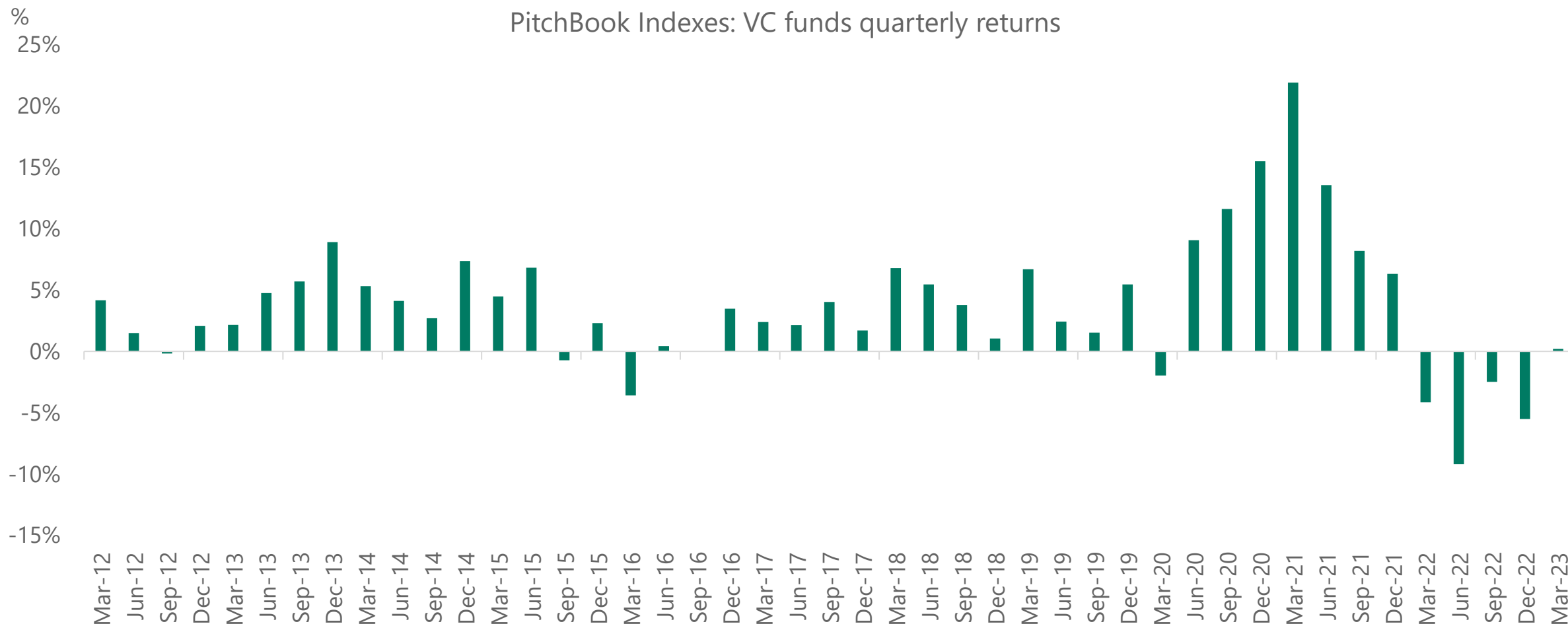
Source: Pitchbook, Apollo Chief Economist. Note: Data as of 30/6/2023

VC dry powder by vintage



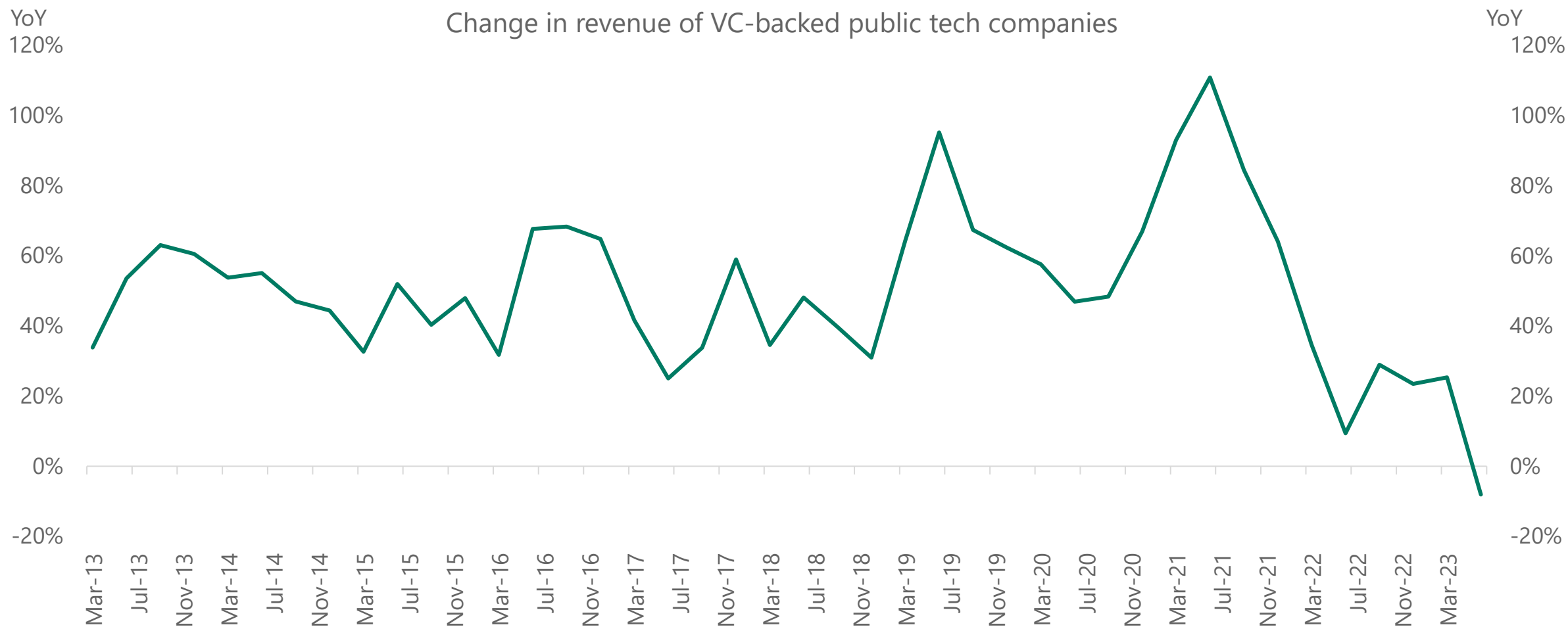
VC returns negative

PitchBook Indexes: VC funds quarterly returns

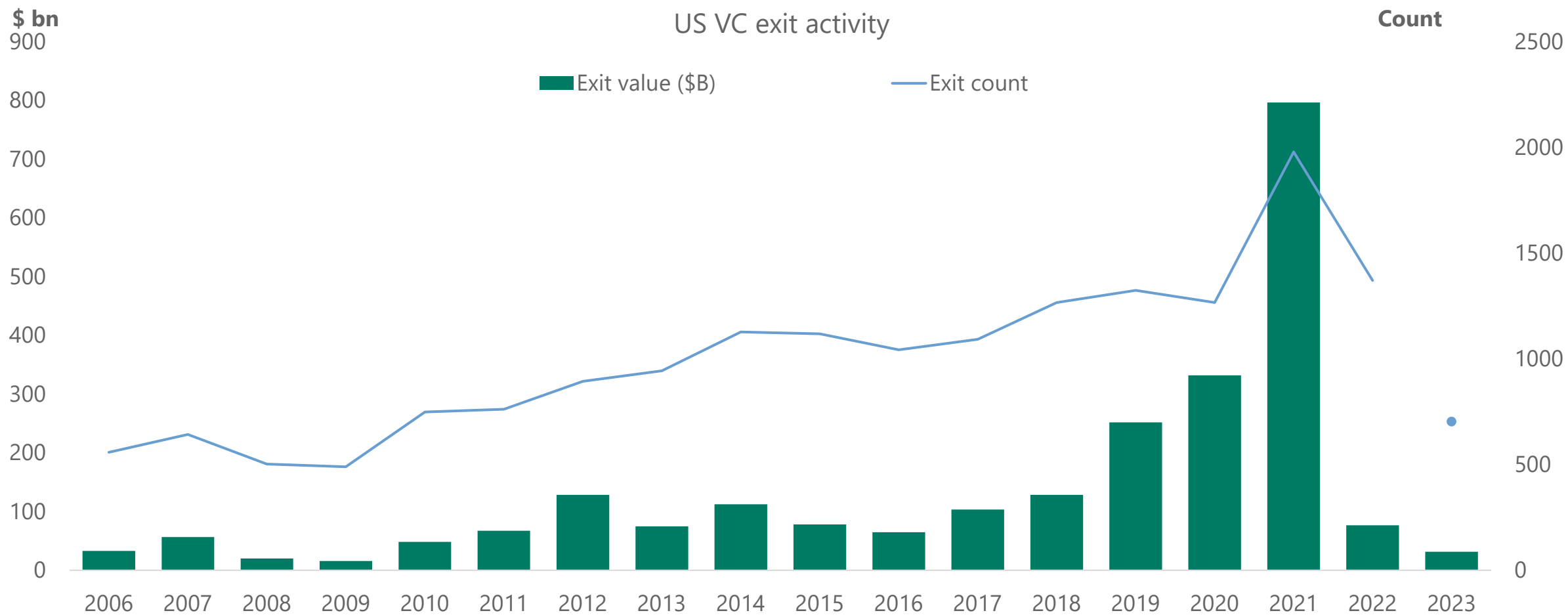


Source: Pitchbook, Apollo Chief Economist. Note: Q12023 preliminary figure

Revenue growth in VC-backed public tech companies has turned negative

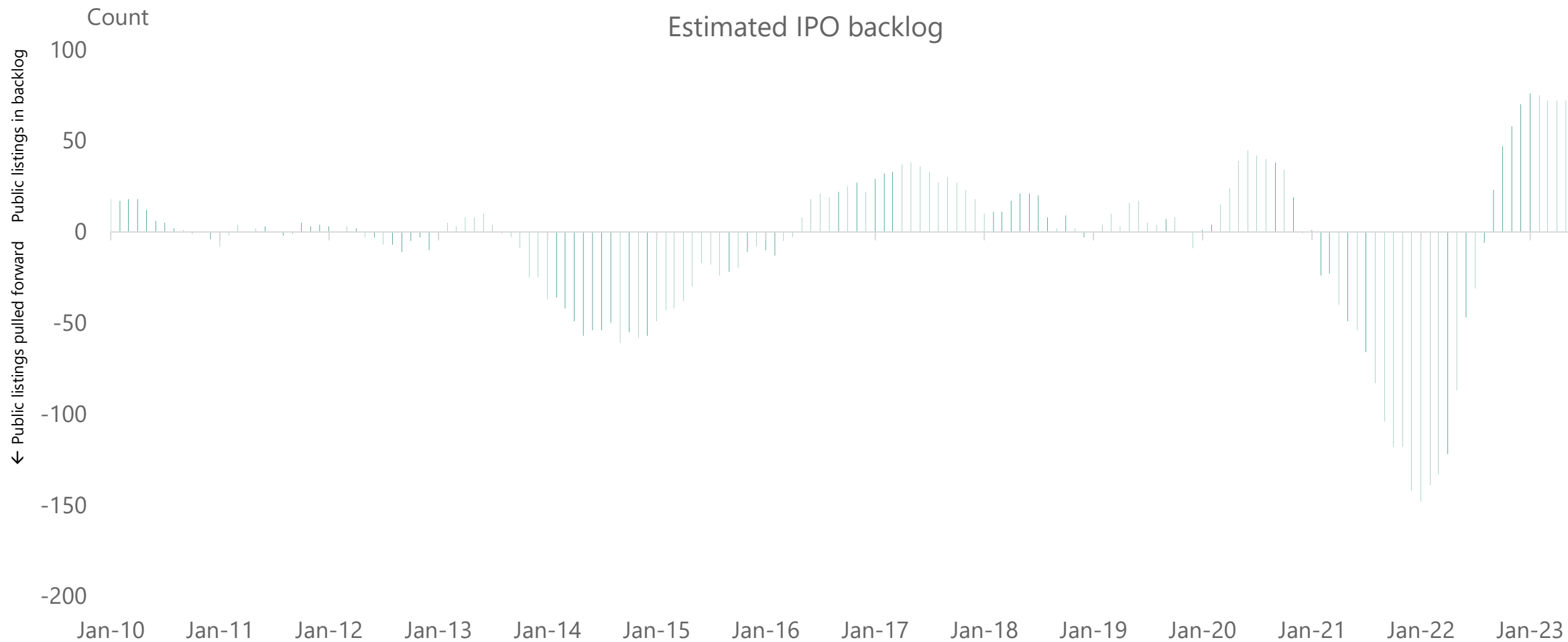


VC exit activity



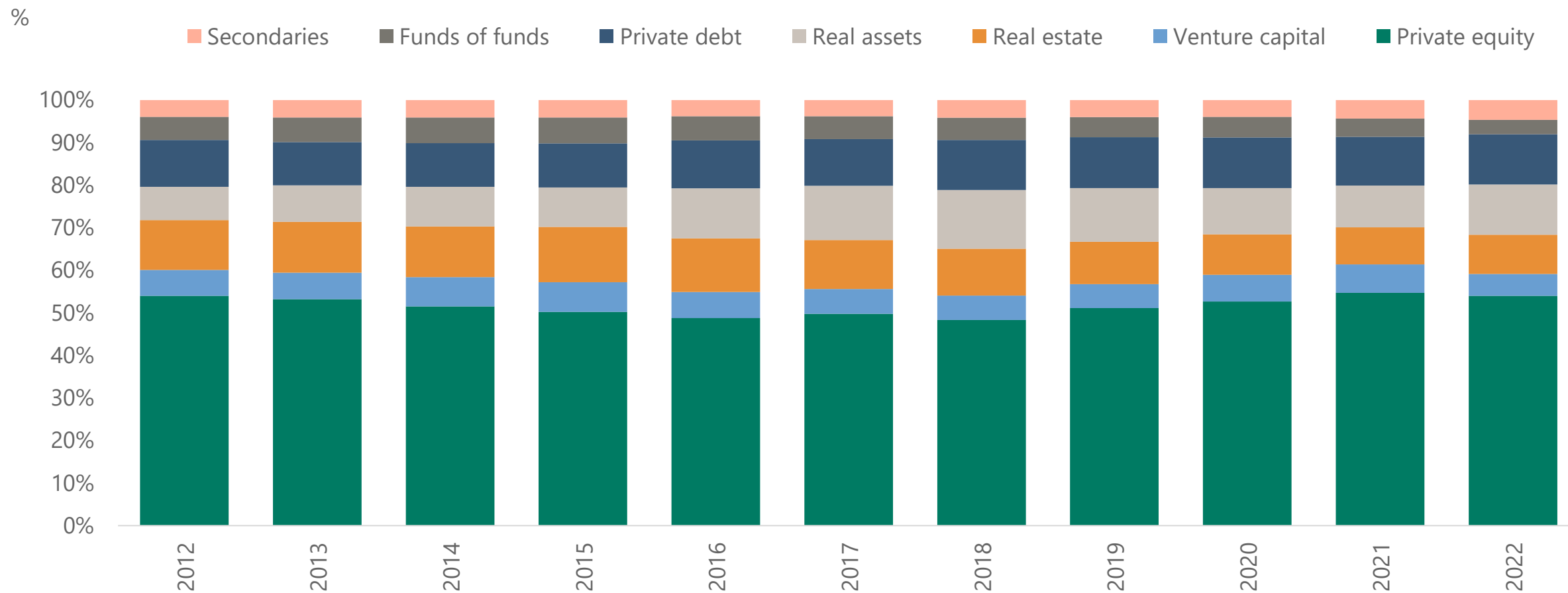
Source: Pitchbook, Apollo Chief Economist. Data as of September 2023

Backlog of VC-backed IPOs piling up



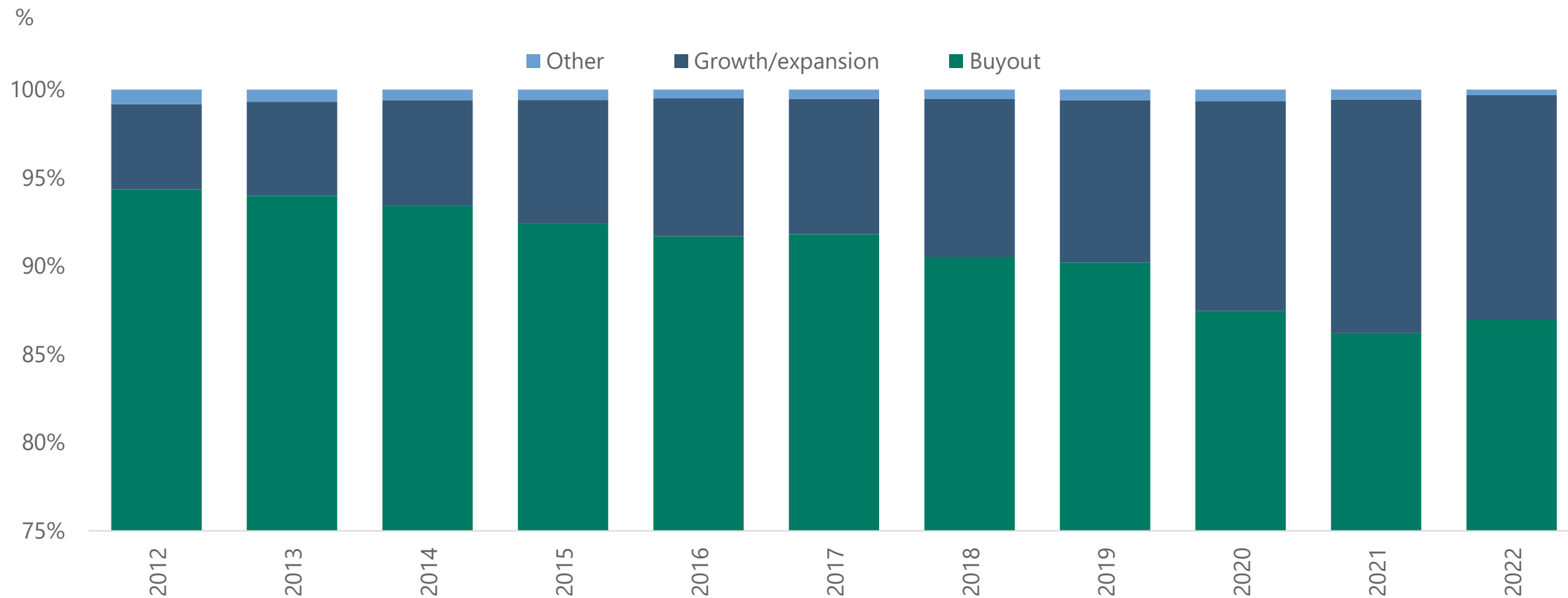
Index weightings

Private capital index weightings

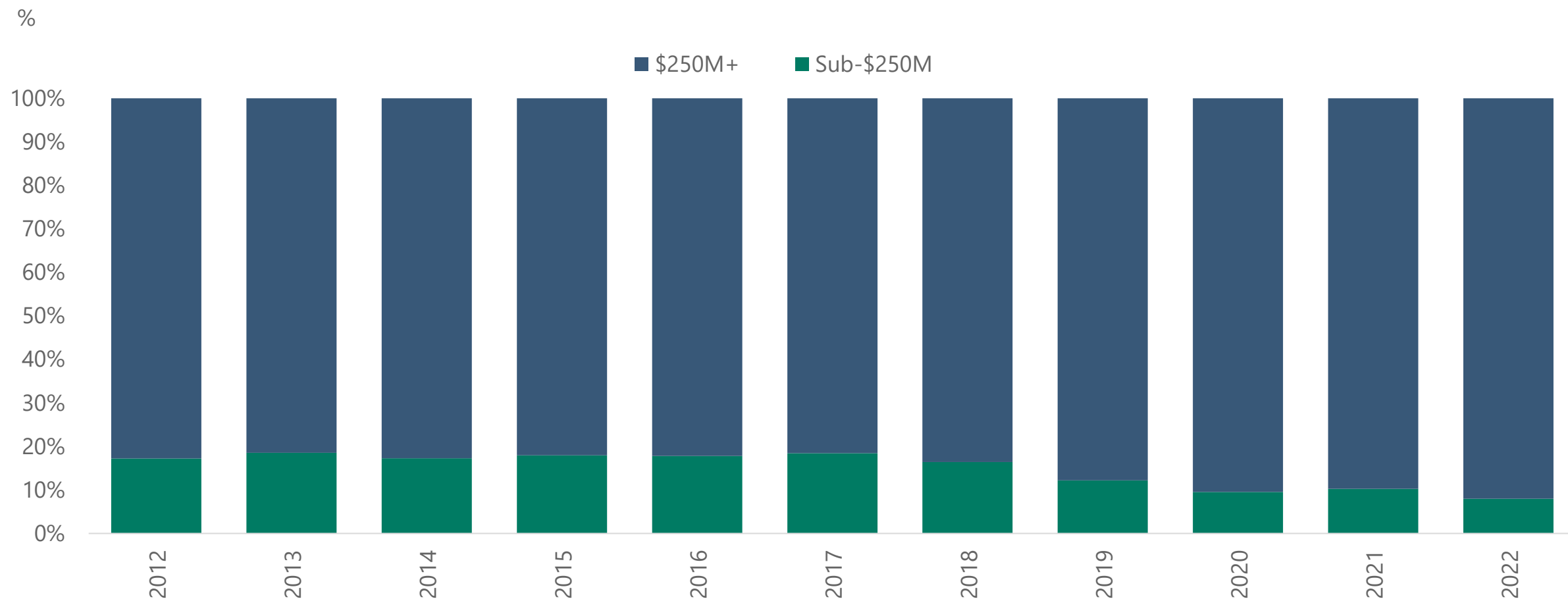


Source: Pitchbook, Apollo Chief Economist. Note: Data as of 31st December 2022

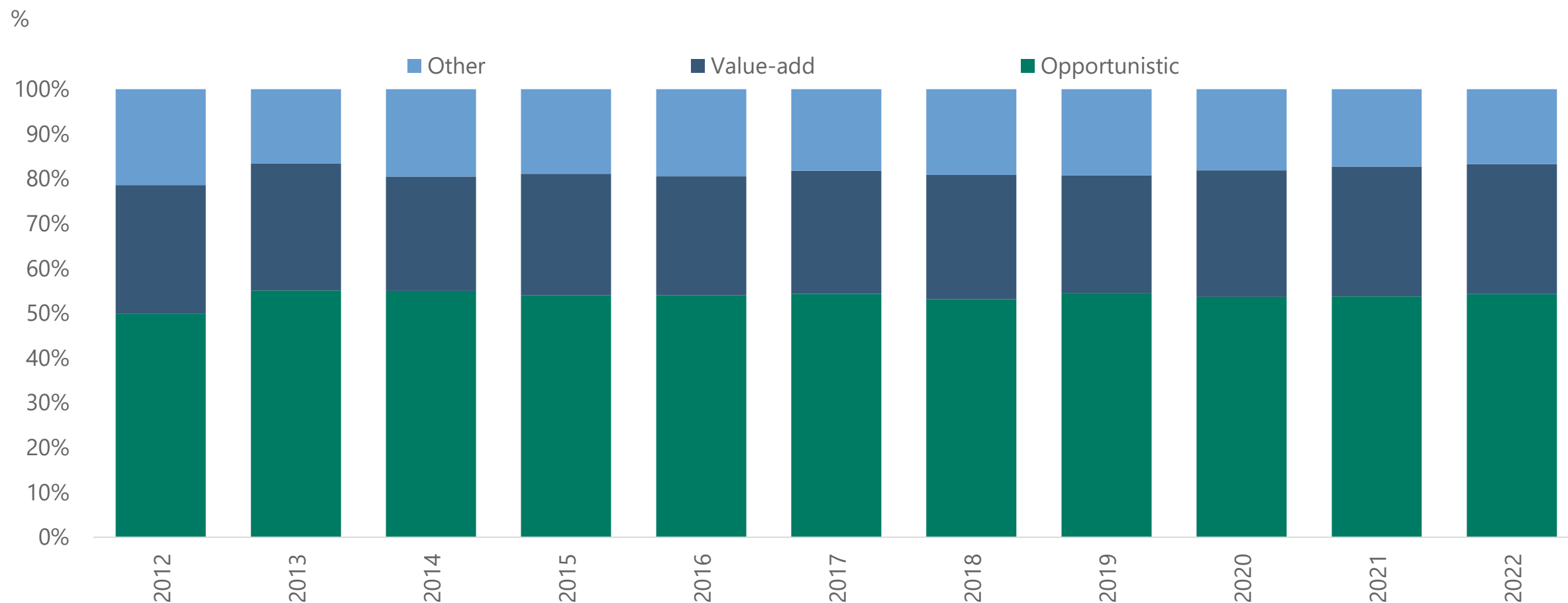
Private equity index weightings



Venture capital index weightings

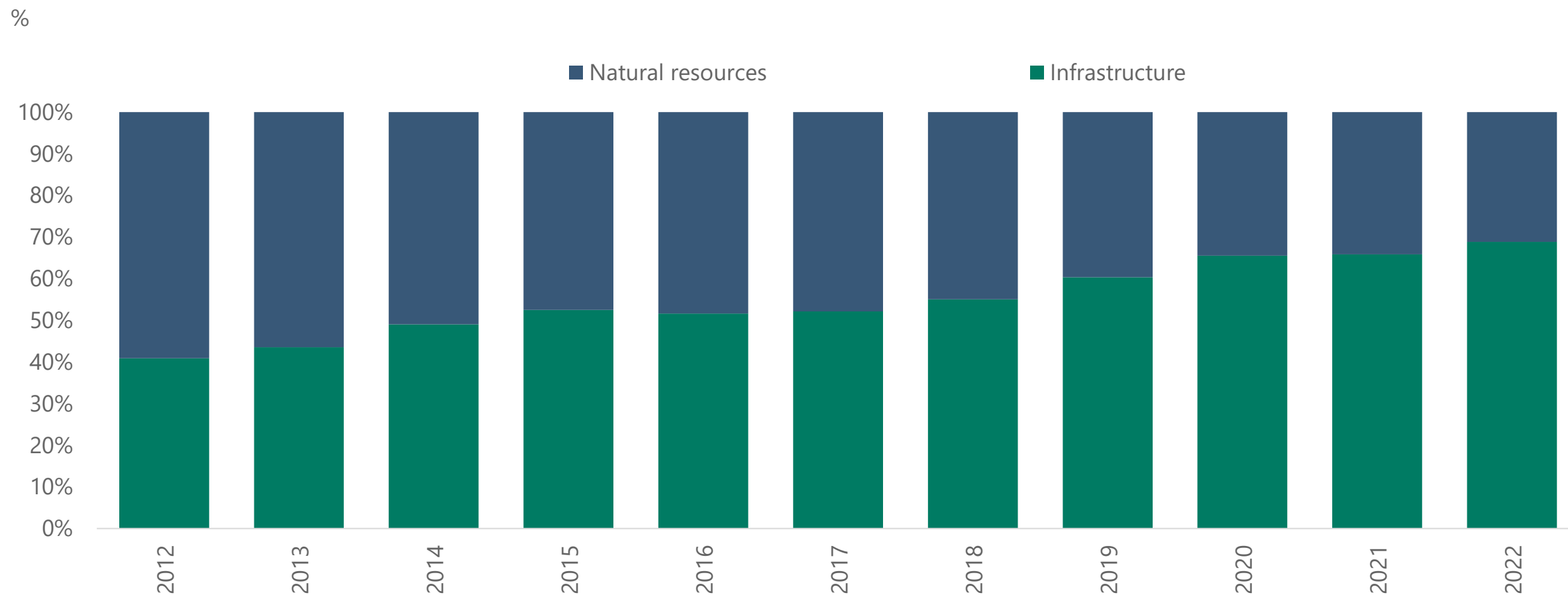


Real estate index weightings

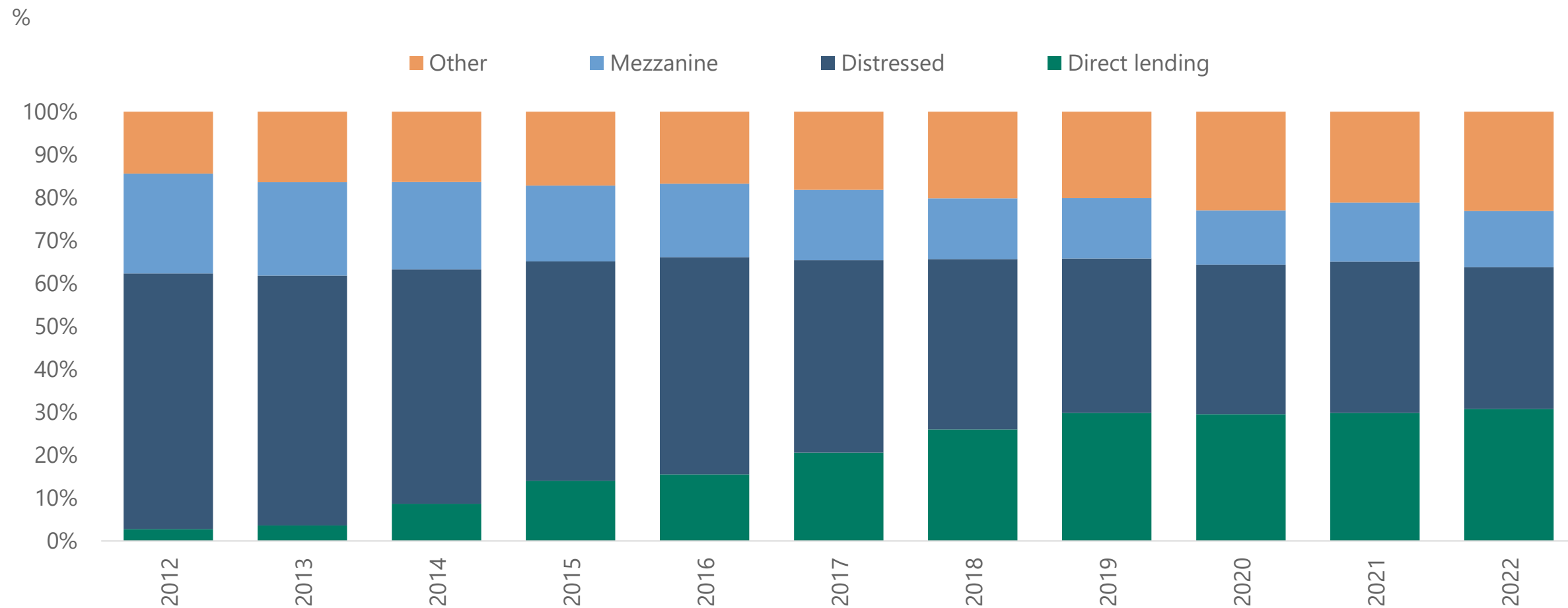


Source: Pitchbook, Apollo Chief Economist. Note: Data as of 31st December 2022

Real assets index weightings

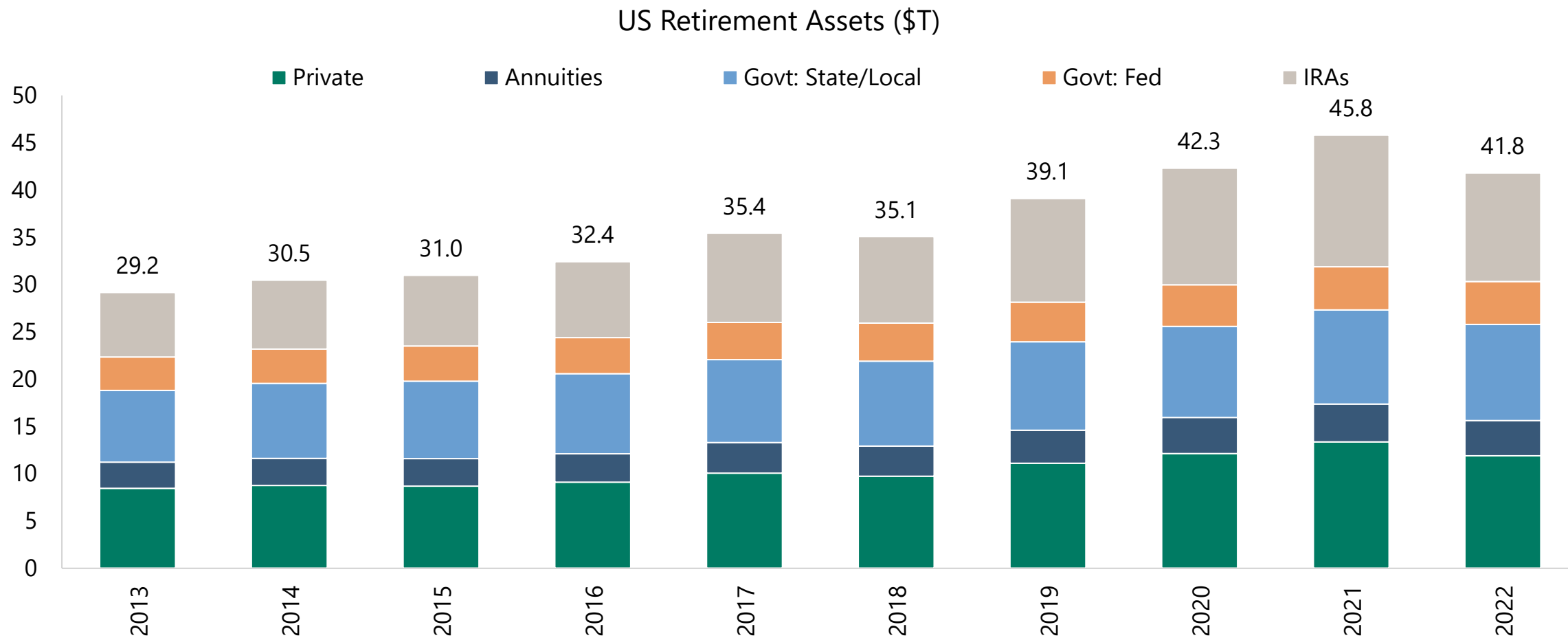


Private debt index weightings

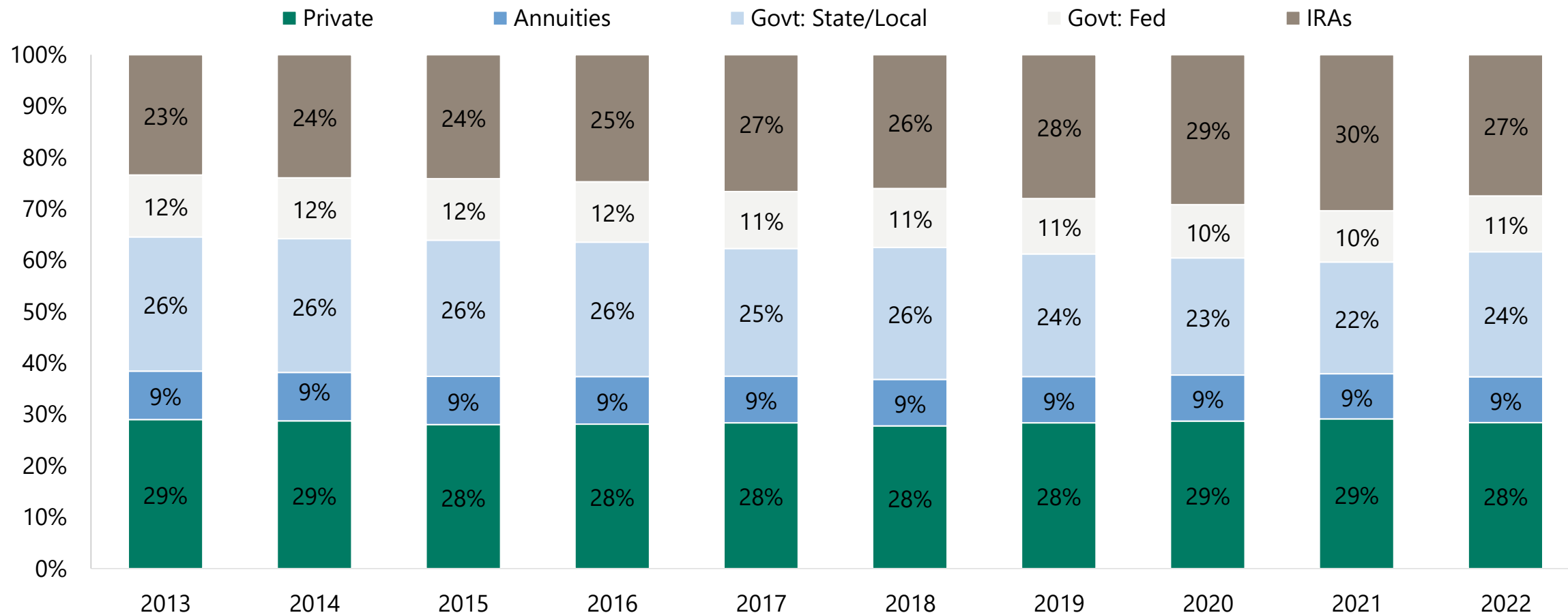


Retirement assets

The composition of US retirement assets



US retirement assets: % of total





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Torsten Slok joined Apollo in August 2020 as Chief Economist and he leads Apollo's macroeconomic and market analysis across the platform.

Prior to joining, Mr. Slok worked for 15 years as Chief Economist at Deutsche Bank where his team was top ranked in the annual Institutional Investor survey for a decade. Prior to joining Deutsche Bank Mr. Slok worked at the IMF in Washington, DC and at the OECD in Paris.

Mr. Slok has a Ph.D in Economics and has studied at the University of Copenhagen and Princeton University.