

## Inaugural MSCI State of Private Markets report points to an industry at an inflection point

*As the asset class scales and draws new investors, pricing transparency remains elusive and demand for consistent data infrastructure is reshaping how the market operates.*

### Key takeaways:

- **The transparency gap has widened:** Private markets now represent nearly a fifth of large institutional portfolios, yet investors still rely on delayed, inconsistent data to make real-time decisions.
- **Private credit faces an expectations reset:** Redemptions in semi-liquid, “evergreen” funds and rising borrower stress are testing confidence in valuations and liquidity.
- **Liquidity constraints persist:** Slower exits and longer holding periods are limiting distributions, reshaping fundraising and accelerating secondary market activity.
- **AI is reshaping the investment opportunity:** AI-related assets account for roughly 16% of global private equity and trillions of dollars in additional capital will be required to build out necessary infrastructure.
- **Evergreen funds experience growing pains:** Rapid growth is expanding access but raising new questions around valuation discipline and redemption management.
- **The integration of public and private markets continues:** Investors increasingly are adopting total-portfolio and factor-based approaches for a more complete view of investment opportunities and underlying risks.

**New York – May 12, 2026** – MSCI Inc. (NYSE: MSCI) unveiled its inaugural [State of Private Markets 2026 report](#), a comprehensive analysis of the current investment landscape and the structural shifts reshaping private markets as the asset class expands across institutional and wealth portfolios.

Private markets are entering a new phase of maturity, marked by rising demand for transparency, persistent liquidity constraints and a growing need to evaluate investments within a total-portfolio framework, according to the first edition of what will be an annual report. While long-term performance remains a core attraction, data transparency, valuation practices and reporting standards have lagged behind the rapid growth in capital.

“The asset class works, but the infrastructure supporting it has not kept pace with its scale,” **said Luke Flemmer, Head of Private Assets at MSCI.** “Liquidity pressure, uneven confidence in marks and recent stress in private credit are all rooted in a structural lack of transparency. Investors need to know what

they own, what those investments are worth and where risk lies to successfully manage public and private assets together.”

The report highlights emerging stress in private credit as a focal point for concern: Semi-liquid structures, which offer periodic redemptions based on manager-reported valuations, are placing greater scrutiny on the accuracy and timeliness of those valuations. At the same time, there are more signs of borrower strain, particularly among smaller funds.

In private equity, the report identifies a continued slowdown in exits and distributions that is contributing to a more challenging fundraising environment as well as a growing reliance on secondary markets and continuation vehicles to generate liquidity.

The rapid build-out of artificial intelligence infrastructure is creating significant investment opportunities across private markets, according to the report. From data centers to software and energy systems, AI-related investments are cutting across asset classes, reinforcing the need for more granular, integrated analysis of portfolio exposures.

The report also examines the rise of evergreen fund structures, which are expanding access to private markets but introducing new complexities around liquidity management and valuation integrity. As these vehicles grow, investor expectations shaped by public markets are increasingly colliding with the realities of private-market investing.

“MSCI is committed to building the essential infrastructure of private markets that will enable the industry to scale. Our focus is on providing the data, analytics and tools that help investors see their exposures clearly and make more informed decisions across their entire portfolio.” Flemmer added.

For more information, visit: [The State of Private Markets 2026](#).

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## About MSCI

MSCI Inc. (NYSE: MSCI) strengthens global markets by connecting participants across the financial ecosystem with a common language. Our research-based data, analytics and indexes, supported by advanced technology, set standards for global investors and help our clients understand risks and opportunities so they can make better decisions and unlock innovation. We serve asset managers and owners, private-market sponsors and investors, hedge funds, wealth managers, banks, insurers and corporates. To learn more, please visit [www.msci.com](http://www.msci.com).

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