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DAKOTA
MONTHLY ROUNDUP

JUNE 2025

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In the Dakota Monthly Roundup, our team curates the most critical trends and developments shaping institutional capital allocation. We leverage exclusive Dakota data to provide limited partners, general partners, service providers, and other key players in the private markets ecosystem with actionable intelligence on capital commitments, fundraising activity, and strategic shifts in alternative investments.

EXECUTIVE SUMMARY

June marked a broad and decisive pick-up in activity, as renewed deal-making confidence took hold across markets. Public equities provided a powerful tailwind, with the S&P 500 and Nasdaq both touching record highs. This rally was fundamentally supported by robust Q2 corporate earnings reports and clear leadership from the technology and growth sectors. Investor sentiment improved significantly as the market shifted its focus from prior fears to positive momentum. Hope for a resolution or postponement of trade actions grew amid legislative negotiations in Congress, allowing investors to price in tariff risks with more certainty.

This improved sentiment cascaded directly into the private markets. The IPO window opened further, highlighted by the successful listing of payments firm Circle, while private equity groups set out to raise about $65 billion (twice May's total). Despite lingering volatility in energy prices due to Middle East tensions, the combination of strong fundamentals and a more stable political backdrop encouraged institutional investors to act.

FUNDRAISING HIGHLIGHTS

Private Equity

Big-ticket buyouts remained the fundraising engine. Sweden's EQT has formally set a €23 billion target for EQT XI, teeing up one of the largest successor funds now in market and signaling that LP demand for scaled platforms is intact despite a tougher macro backdrop. In the U.S., Arlington Capital Partners is seeking $4.75 billion for Fund, while Seaside Equity's oversubscribed lower-mid-market flagship has already pushed past its hard-cap, bringing combined commitments for two parallel vehicles to about $720 million. Additionally. Josh Harris' 26North is nearing the completion of their targeted $4B fundraise, and L Catterton completed their $11 billion raise. These sit alongside marquee closes from Thoma Bravo and Veritas, extending the "barbell" trend in which mega-funds and tightly focused specialists alike continue to attract early, often anchor-driven allocations.

Structural innovation is accelerating as managers look to keep capital flowing. Churchill's $1.5 billion co-investment pool and Neuberger Berman's $4 billion GP-led secondary fund illustrate how continuation vehicles and sidecars are becoming mainstream liquidity tools for both GPs and LPs. Meanwhile, family-business specialist Chartwell's new income strategy and a growing list of sub-$500 million first-time funds highlight investors' appetite for differentiated sourcing angles, faster deployment, and concentrated sector theses.

Venture Capital

Venture Capital is clustering around thematic conviction. Felicis and Amplify Partners each locked in $900 million for vehicles centered on AI and computational biology, while Energize Ventures' $430 million climate-software raise shows that LPs still favor clear decarbonization narratives. At the same time, early-stage ecosystems continue to mint focused newcomers: Sentinel Global closed its debut fund on $213.5 million to back blockchain-and-decentralized-network plays, Planeteer secured $54 million for its inaugural climate-tech strategy, and Lioncrest is targeting $60 million for its first fund with a sub-one-year raise timeline.

Smaller pools are leaning hard into regional or institutional circuits. For example, MVF Partners' $25 million University-of-Chicago seed vehicle and COREangels MEA's $10 million SDG-aligned fintech fund show this trend. Earth Foundry continues to pursue a $50 million climate vehicle after trimming its initial goal. The through-line is selectivity: LPs are writing very large checks for proven multi-stage brands yet are equally willing to seed niche managers that deliver proprietary pipelines, post-seed value-add, or access to specialized talent clusters.

Private Credit

Demand for floating-rate exposure and shorter duration remains robust. HPS is marketing a $3 billion Core Senior Lending III, Partners Group's evergreen European senior-loan fund has crossed €2 billion of AUM, and HSBC pledged $4 billion of balance-sheet capital toward a five-year, $50 billion alternatives-credit build-out. On the secondary side, Antares and Ares raised a $1.2 billion continuation fund to recapitalize mature loan portfolios, exemplifying how NAV-backed structures are maturing into a distinct sub-asset class.

Middle-market specialists are also capturing inflows: Mizzen's third SBIC vehicle pushed firm AUM past $654 million, Decathlon is halfway to a $300 million revenue-based lending fund, and BEB Capital returned with a second real-estate credit strategy. Another notable fundraise to call out is the closing of Locust Point's third fund ($668 million), which focuses on direct lending to senior housing and care. With CLO issuance slowly recovering—Macquarie just priced a $409 million debut U.S. deal—investors continue to prize downside-protected yield, covenant strength, and managers capable of sourcing off-market bilateral transactions.

Real Assets

Infrastructure and digital-economy themes headline the quarter. Macquarie Infrastructure Partners VI closed with more than $6.8 billion in fund commitments and an additional $1.3 billion in co-investment capital, bringing total firepower above $8 billion for Americas-focused ports, fiber, utilities, and waste assets. Ares Management held the $2.4 billion final close on Japan DC Partners I, its inaugural vehicle dedicated to developing three hyperscale data-center campuses around Tokyo, positioning the firm as one of Japan's largest digital-infrastructure investors. BentallGreenOak capped the trend with a record $5.1 billion raise for BGO Asia IV and sidecars, targeting value-add office, hospitality, and logistics across Japan, South Korea, Australia, and Singapore.

More traditional real-estate strategies are also progressing. Starwood has already secured over $5 billion toward its $10 billion opportunistic Fund XIII, Coastal Ridge reached first close on a student-housing debut backed by Partners Group and iA Financial, and Hilltop Residential has collected $63.7 million for its multifamily Growth Fund VI. Taken together, these closes underscore investors' pivot toward mission-critical infrastructure, rental housing, and data-centric assets that can deliver inflation-linked cash flows and ride secular digitization and demographic demand, even as allocations to legacy core offices continue to ebb.

INSTITUTIONAL COMMITMENTS

June's commitment activity appeared strong at first glance, with a headline figure of $36.1 billion across 204 allocations. This total, however, was significantly inflated by a large U.S. public pension retroactively reporting several mandates closed in previous quarters.

Excluding these lagged reports, a more representative picture emerges: $15.5 billion committed across 155 transactions. This normalized volume is consistent with both May's activity and the year-to-date run rate. On this basis, private equity captured the largest share of capital ($7.0 billion), followed by private credit ($3.2 billion) and real estate ($1.4 billion), with infrastructure and other real assets comprising most of the remainder.

The underlying investment pattern reflects a measured, scale-oriented "risk-on" stance. Investors favored oversubscribed mega-buyout funds and opportunistic credit vehicles that can pivot between direct lending and special situations. Simultaneously, allocations to core infrastructure and value-add real estate signal a continued search for inflation-protected cash flow as expectations for interest rate cuts fade.

Commitments were characterized by large institutional players. Washington State Investment Board's $600 million allocation to TPG Partners X was the largest new commitment, while systems like NY-CRF and SURS made several $350-500 million allocations to flagship funds. Geographically, capital remained overwhelmingly U.S.-centric.

In summary, after adjusting for reporting anomalies, June's activity was not a spike but a steady continuation of the cautious yet constructive tempo that has defined 2025.

PEOPLE MOVES

Blackstone set the tone by recruiting Jefferies veteran Laura Coady to steer its worldwide CLO business and European liquid-credit push, while RBC BlueBay mirrored the move in equities, tapping Columbia Threadneedle's Jonathan Crown for a new London-based portfolio seat. In the multi-asset realm, Northern Trust drafted former U.N. pension chief Pedro Guazo to fuse its EMEA-APAC franchise with a $189 billion responsible-investing platform. All three hires point to managers chasing specialist know-how that can scale across regions and feed ESG-linked mandates.

A parallel wave hit private markets and wealth distribution. Charlotte's Watchtower Capital lured ex-Cortec dealmaker Will Keesler as managing partner, Merchant Investment Management brought in former Hightower M&A head Rich Policastro to fuel its acquisition engine, and infrastructure specialist Stonepeak poached Gerald Chan from Blackstone to open Asian high-net-worth channels. At the same time, founder-led institutions formalized succession: Ken Moelis handed the CEO role of Moelis & Co. to long-time lieutenant Navid Mahmoodzadegan, while Morningstar snapped up Ameriprise research chief John Simmons, triggering an internal promotion for Mike Jastrow. Taken together, the month's moves show firms reinforcing credit benches, expanding into private-wealth pipelines, and cementing leadership hand-offs to position for the next growth cycle.

M&A ACTIVITY

TMT (Technology, Media & Telecom)

A reopened IPO window and the still-white-hot scramble for GenAI capabilities shaped June's TMT deal landscape. Circle filed for an NYSE listing, signaling renewed confidence from crypto-payments players, while Voyager Space also re-entered the IPO arena with a leaner offering. These are both signs that risk appetite in the public markets may be thawing.

Strategic buyers were also active. Datasite acquired Grata to integrate private-company data into its diligence platform, and the French government backed Atos's carve-out of its advanced computing unit, with Bain Capital and One Point circling a stake. This highlights a continued state-backed and hybrid interest in sovereign computing capabilities.

On the late-stage front, momentum surged. Meta made a minority investment in Scale AI, pegging its valuation at $29 billion, while OpenAI's $40 billion round—backed by Reliance, the Saudi PIF, and Coatue—set a new ceiling for AI infrastructure. Meanwhile, vertical SaaS players continue to attract capital: Clay's $3 billion Series C and Juniper Square's $130 million growth round demonstrate that investors remain focused on high-growth, capital-efficient workflow platforms.

Beneath the headline numbers, deal activity bifurcated. On one end, a long tail of sub-$50 million seed and Series A financings in quantum sensing, cybersecurity, and process automation; on the other, a small set of mega-platform bets. Private equity also showed its hand: MidOcean exited InterVision, while Clearlake-backed Quest Software doubled down on identity tooling, shedding non-core code bases to acquisitive strategics.

Healthcare

In June 2025, healthcare capital gravitated toward large, platform-oriented plays. Biotechnology captured the majority of capital raised, underscoring the outsize ticket sizes in longevity, oncology, and drug-delivery rounds—such as Juvenescence's $150 million Series B and Antares Therapeutics' $177 million Series A. Caris Life Sciences added a marquee $470 million Nasdaq debut, hinting that selective IPO windows may be reopening for late-stage diagnostics. Medical Devices & Tools also attracted significant dollars, highlighted by PE interest from TPG and Blackstone in Hologic.

Digital Health & IT dominated deal volume as well, led by infrastructure-heavy, AI-infused platforms like CareLineLive, Abridge AI, and Commure, which reflects investors' preference for scalable, non-binary business models that automate workflows and unlock data. Risks tempering enthusiasm include U.S.–China IP tensions, EU MDR slowdowns, FDA backlogs, reimbursement and labor pressures, and heightened scrutiny of PE ownership in provider settings. Pharmaceutical Services & Distribution remained largely inactive amid drug pricing reform uncertainty, though conversations suggest appetite for specialty pharmacy and logistics assets could re-emerge once policy clarity improves.

Financials

Private-equity sponsors trained their sights on fee-rich, under-invested balance-sheet businesses. Bain and KKR entered exclusivity for Sapporo Holdings' payments arm ($2.8 billion), and Lone Star began exit talks on Novo Banco in a sale that could top €7 billion, capping an eight-year turnaround. Fintech remained a valuation outlier: spend-management player Ramp's $200 million top-up at a $16 billion price tag and Circle's IPO filing both suggest public- and private-market investors still pay for profitable growth.

Deal flow was equally robust lower down the stack. RedBird-backed Arax's acquisition of Schechter Investment and crypto prime-broker FalconX's strategic raise point to sponsors pairing operational muscle with private-credit fire-power to monetise payments, wealth-management and digital-asset rails. On the liability side, Metro Bank's recap with Pollen Street Capital underscored how specialist credit funds are becoming lenders and owners of last resort as Basel end-game rules bite. Net-net, investors are underwriting technology and distribution synergies first, with regulatory capital relief the sweetener rather than the driver.

Consumer & Retail

Corporate portfolio-reshaping led the headlines. Reckitt Benckiser's exclusive talks to sell its Essential Home unit to Advent echoed a June where multinationals continued to slim non-core brands. Equity markets stirred too: Chime confidentially re-filed for an IPO that could value the neobank near $25 billion, and Apollo lobbed a go-private proposal at Papa John's worth roughly $2 billion. Additionally, Unilever is acquiring Los Angeles–based men's grooming label Dr Squatch from Summit Partners for about $1.5 billion, expanding its Axe and Dove Men+Care stable and setting the stage to take the brand global.

Beneath the marquee, sponsors chased cash-flow durability and brand-loyal niches. Kontoor Brands' $900 million buy-out of Helly Hansen gives the Lee/Wrangler owner a premium cold-weather label with North-American white space; Growve's recap by Palm Beach Capital keeps the Amazon-native health-supplement roll-up on a buy-and-build track; and M&G/Lightspeed's $114 million late-stage round in a fast-growing nutrition brand shows direct-to-consumer still draws capital when margins and repeat rates are proven. Education assets kept their bid too, with Jacobs Holding sounding buyers for Cognita at £5 billion, which shows that tuition-inflation-proof cash flows remain gold-plated in a higher-for-longer rate world.

Industrials & Materials

Investors crowded into "picks-and-shovels" for both digitalisation and energy transition. Advent's £3.8 billion bid for Spectris's precision-measurement arm sparked a stalking-horse response from KKR, underlining the scarcity value of high-margin automation assets. Infrastructure appetite bled into telecoms as Brookfield Infrastructure agreed to acquire fibre provider Hotwire for $7 billion including debt, effectively treating last-mile broadband as a regulated utility.

Deal momentum extended into the mid-market. Buske Logistics' recap by Fourshore and Akerman, I Squared Capital's platform build in cold-chain logistics, and IPO preparations for Voyager Technologies (defence contractor) all point to private capital hunting contracted-revenue businesses with long replacement cycles. Battery-materials start-ups and speciality-chemicals roll-ups alike reported oversubscribed rounds, suggesting that anything tethered to EV adoption or grid-upgrade cap-ex still clears today's elevated cost of capital.

Energy & Utilities

Hydrocarbon cash flows continued to command mega-cheques even as clean-tech deployment accelerated. The month's centrepiece was an ADNOC-led $18.7 billion bid for Australian LNG producer Santos, a deal that would create one of the world's top-ten liquefied-gas suppliers and highlights sovereign buyers' willingness to pay for tier-one upstream assets. On the U.S. side, Viper Energy, a Midland, TX-based mineral and royalty unit of Diamondback Energy, agreed to acquire Denver-based Sitio Royalties for approximately $4.1B, including $1.1B of Sitio's net debt, in an all-stock deal.

Low-carbon capital kept pace: TotalEnergies bought a Spanish battery maker with 350 GWh of annual capacity, TAE Technologies raised $250 million for fusion R&D and Partners Group acquired EdgeCore Data Centers' 300 MW pipeline to capitalize on AI-driven power demand. The through-line is a hunt for inflation-linked, contract-based cash flows—whether tied to LNG offtake or 20-year PPAs—backed by policy tail-winds from the U.S. IRA to the EU's Repower plan.

Real Estate

Private capital is rushing into real estate on two fronts. First, private-credit lenders are filling the financing gap left by retreating banks: Shapoorji Pallonji Group's $3.4 billion, three-year loan at nearly 20% yields, KKR's $42 billion lending pipeline, and high-yield bonds for projects such as Palm Beach Atlantic's $236 million student-housing build all point to debt investors demanding double-digit returns on strong collateral. At the same time, mega-vehicles are arming up for infrastructure and digital assets, like the aforementioned Macquarie Infrastructure Partners VI fundraise, and Amazon earmarking $13 billion for Australian data-centres.

Equity money continues to chase defensive, "needs-based" property types while opportunists pick off distress. Logistics, industrial and housing dominate deal count: Hines paid $267 million for US sheds, CP Group added 14 office buildings in Atlanta, and multifamily trades from Florida to Seattle changed hands at full valuations. Conversely, stressed office and hotel assets are resetting: Brookfield sold a Los Angeles tower at a 42 % haircut, and Blackstone is circling the over-budget Sunseeker Resort. Additionally, we are seeing cross-border platform moves, like ESR's $7.1 billion take-private, Pandox's €1.3 billion bid for Dalata, and Bain vying for Sapporo's $2.8 billion portfolio.

CLOSING THOUGHTS

June's activity reinforced a clear "barbell effect" across the private markets, as capital flowed to opposite ends of the investment spectrum. On one side, mega-funds captured the bulk of commitments, with firms like EQT and Starwood targeting tens of billions to invest in durable, secular trends like AI, data centers, and the energy transition. This demand for scale was mirrored in M&A, where blockbuster deals in sovereign computing and LNG showcased a preference for platform-defining assets. On the other side, a dynamic ecosystem of specialist managers successfully raised smaller, targeted funds by offering deep expertise in niche areas like climate-tech software, blockchain, and lower-middle-market buyouts, leaving little room for mid-market generalists.

This bifurcated landscape has made structural innovation an essential tool for differentiation. As investors navigate a world of higher interest rates and geopolitical uncertainty, managers are increasingly relying on continuation vehicles, co-investment pools, and evergreen strategies to provide much-needed liquidity and flexibility. Looking to the second half of 2025, the tempo of deployment remains constructive but highly selective. Allocators are clearly prioritizing managers who not only offer access to proprietary deals and inflation-protected cash flows but also demonstrate the structural adaptability required in this discerning capital environment.

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