

dakota insights

DAKOTA MONTHLY ROUNDUP

MARCH 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 Research 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.

March showcased the continued resilience of alternative investments amid a complex macro-economic backdrop. Over \$150 billion in M&A transaction value, \$16 billion in institutional capital commitments, and multiple multi-billion-dollar fund closes underscored investors' confidence in private markets. LPs focused on resilient, cash-generative strategies across private equity, private credit, venture capital, and real assets. Middle-market buyouts, early-stage innovation, and income-oriented credit vehicles stood out, while infrastructure and energy transition themes continued to attract long-duration capital. From high-velocity M&A to the rise of AI-native platforms and niche credit strategies, March revealed how allocators are actively adapting to market conditions—seeking growth, downside protection, and long-term stability.

FUNDRAISING HIGHLIGHTS BY ASSET CLASS

Private Equity

Private equity activity remained vigorous in March, despite a higher-for-longer interest rate environment and shifting macroeconomic dynamics. Fundraising momentum showed resilience as firms prioritized mid-market growth and operational value creation. Technology, healthcare, and business services remained favored sectors, with firms emphasizing scalability and efficiency in portfolio construction.

Major developments included Turn/River Capital's \$2.5 billion Fund VI close, reinforcing investor appetite for software-focused buyouts. Pantheon Ventures secured \$1.1 billion for its sophomore GP-led secondaries vehicle, while New State Capital Partners raised \$700 million for its oversubscribed Fund IV. Genesis Park attracted \$300 million for its SBIC-structured GP Capital Partners II.

European managers remained active, with Sofinnova Partners closing its biotech accelerator fund at €165 million (\$178.8M), and Foresight Group's regional SME fund reaching its £100M (\$129.6M) second close. Meanwhile, emerging manager Carr's Hill Capital launched with \$210 million, showcasing growing LP interest in first-time funds.

Venture Capital

In parallel with robust PE activity, venture capital maintained solid momentum, particularly in

early-stage and thematic strategies. Investors favored AI, fintech, digital health, and deep tech. Multiple fund closes highlighted strong LP support for sector-specific innovation across both U.S. and European markets.

SemperVirens closed two funds totaling \$177 million, targeting early-stage and growth-stage health and HR tech. Bonfire Ventures raised \$245 million for its fourth fund, continuing its focus on B2B software. Cherry Ventures marked a \$500 million close across two vehicles aimed at seeding Europe's next tech leaders.

International activity remained robust. Adara Ventures and OpenOcean each secured €100M+ at the first close of deep tech and software-focused vehicles. Meanwhile, India-focused venture capital saw record inflows, with Bessemer Venture Partners closing a \$350 million fund focused on early-stage SaaS and AI companies.

Private Credit

Like private equity, private credit fundraising surged in March as investors sought yield and capital preservation amid tighter bank lending and macro uncertainty. Activity spanned direct lending, opportunistic strategies, and niche segments like aviation and royalties.

ICG raised €3B (\$3.25B) for its Europe Mid-Market Fund II, tripling the size of its predecessor. Marathon Asset Management closed its second global opportunistic credit fund with \$2.7 billion, while Castlelake Aviation V reached \$2B+ across related vehicles. Charter Capital raised \$111M for its second mezzanine fund, and Capitala Group secured \$1B for small-business lending strategies.

CLO issuance remained active with Comvest Credit Partners and Brigade Capital Management launching new vehicles. Lincoln Financial and Bain Capital also announced plans for new ever-green credit products.

Real Assets

Real assets fundraising continued to reflect strong institutional demand for infrastructure, real estate debt, and energy transition themes. Notably, just two real assets funds accounted for over \$5 billion in final closes during the week of March 17 alone.

Morgan Stanley closed North Haven Infrastructure Partners IV at \$4.1B, targeting transportation, utilities, and digital infrastructure. Stafford Capital raised \$1.04B for its timberland secondaries fund, the largest of its kind. Hamilton Lane expanded its retail reach via a new infrastructure vehicle in partnership with Republic.

On the real estate front, PineBridge Benson Elliot closed its sixth pan-European fund at \$542.1M. Other notable closings included Ambrose Fund IV (\$400.6M), Thompson Thrift's multifamily development fund (\$255.3M), and HGI Multifamily Equity Fund (\$170.5M), highlighting persistent interest in housing and logistics assets across North America and Europe.

INSTITUTIONAL COMMITMENTS

Institutional investors sustained their momentum into March 2025, committing over \$15.9 billion across private markets. Allocations were diversified across private equity, private credit, venture capital, and real assets. Private equity remained the dominant asset class, attracting over 42% of total allocations, with private credit and venture capital also drawing strong interest amid a persistently high-rate environment.

March commitments reflected investors' continued focus on resilient, cash-flow-generative strategies. Middle-market buyout and growth equity funds remained central to private equity allocations, with institutions backing managers like Veritas Capital, Stellex, and Forbion. Early-stage venture funds such as Crosspoint Capital VC SPV and B Capital Global Growth IV attracted LPs focused on innovation cycles. Private credit saw a shift toward structured and niche lending, with capital flowing into CLOs and asset-based strategies managed by Onex and Pathlight Capital.

Allocators remained concentrated among leading U.S. public pension systems, including CalPERS, LACERA, and the State of Wisconsin Investment Board. CalPERS alone committed over \$6.7 billion, reinforcing its diversified approach across private asset classes. Infrastructure allocations, while selective, included substantial commitments to flagship vehicles such as KKR Global Infrastructure Investors V.

PEOPLE MOVES

March saw a series of strategic hires, promotions, and team formations across the private markets and institutional investment landscape.

CalPERS Deputy CIO Dan Bienvenue departed to join General Atlantic as Managing Director, where he will lead capital solutions for pension plans. Arctos Partners expanded into real assets by launching its Arctos Keystone Real Assets (AK-RA) team, following the acquisition of a team from Crow Holdings.

Morgan Stanley bolstered its outsourced CIO (OCIO) capabilities by hiring former Cambridge Associates partner Sona Menon to lead the business. Blue Owl Capital appointed Blake Shorthouse, previously at KKR, as its new Global Head of Family Capital. LinePoint Partners, a new affiliation platform for financial advisors and single-family office executives, was launched by executives from ÉO Management.

The Canada Pension Plan Investment Board (CPPIB) named Ben Meng—former CalPERS CIO and Franklin Templeton executive—as its new Head of Investment Portfolio Management. Meanwhile, Genstar Capital Chairman Jean-Pierre Conte established a new family office, Lupine Crest Capital.

At EQT, March brought further leadership restructuring following February's appointment of Per Franzen as CEO. The firm named Eric Liu and Bert Janssens as Co-Heads of Private Capital for North America and Europe, respectively, strengthening regional leadership as the firm enters its next chapter.

M&A ACTIVITY

March was a high-velocity month in global M&A and private equity, with over \$140 billion in combined transaction value from the top 20 deals alone. Activity spanned sectors and geographies, led by major players such as Silver Lake, Clearlake Capital, Insight Partners, and BlackRock. The month featured AI-driven acquisitions, strategic divestitures, infrastructure investments, and a continuation of robust private equity exits.

In a historic milestone for the AI sector, OpenAI announced a \$40 billion fundraise at a staggering \$300 billion post-money valuation — one of the largest private financings ever. Led by SoftBank with participation from Microsoft, Coatue, Altimeter, and Thrive, the raise signals unprecedented investor conviction in the future of foundation models. Over \$18 billion of the capital is earmarked for OpenAI's Stargate project, a massive buildout of next-generation AI data centers across the U.S., reinforcing the infrastructure arms race underpinning the AI boom.

On the large-cap side, xAI's \$33 billion acquisition of X (formerly Twitter) underscored the growing influence of AI-native platforms. Silver Lake's \$25 billion take-private of Endeavor Group marked a defining move in the entertainment industry. Clearlake's \$7.7 billion acquisition of Dun & Bradstreet and Insight Partners' exploration of a \$4.5 billion+ exit for PDI Technologies reflect momentum in enterprise software and data analytics.

Strategic divestitures also gained traction, including Nestlé's €5B (\$5.4B) water business sale, ISN Software's potential \$6B sale, and Energia Group's ongoing €2B (\$2.2B) process. Apollo's \$1B acquisition of BP Pipelines Ltd. and BlackRock's \$19B global port investment emphasized growing demand for infrastructure yield.

On the growth side, venture-backed companies like Fleetio (\$450M), Mercury (\$300M), and Island (\$250M) attracted late-stage capital, showcasing investor appetite for fintech, fleet management, and secure enterprise software.

Notable Investment Themes

Across sectors, allocators favored digital infrastructure, software automation, and long-duration yield—revealing a multi-pronged approach to growth and capital preservation.

Artificial Intelligence (AI) and Technology Infrastructure

Major funding rounds and M&A activity centered around AI platforms and enabling infrastructure. OpenAI was reportedly in talks to raise near \$40B, while CoreWeave filed for a scaled-back \$1.5B IPO. Nexthop AI raised \$110M to build AI-native networking, and OfferFit secured \$325M for personalized AI marketing. These transactions reflect surging demand for foundational AI platforms, cloud compute, and networking infrastructure.

Large Buyouts and Private Equity Deals

Private equity remained a dominant force, executing several multi-billion-dollar transactions. Silver Lake's \$25B take-private of Endeavor was among the largest, alongside Clearlake's \$7.7B acquisition of Dun & Bradstreet and Insight's \$4.5B+ exit plans for PDI Technologies. These moves highlight continued PE confidence in data, software, and entertainment.

Software and Technology Platforms

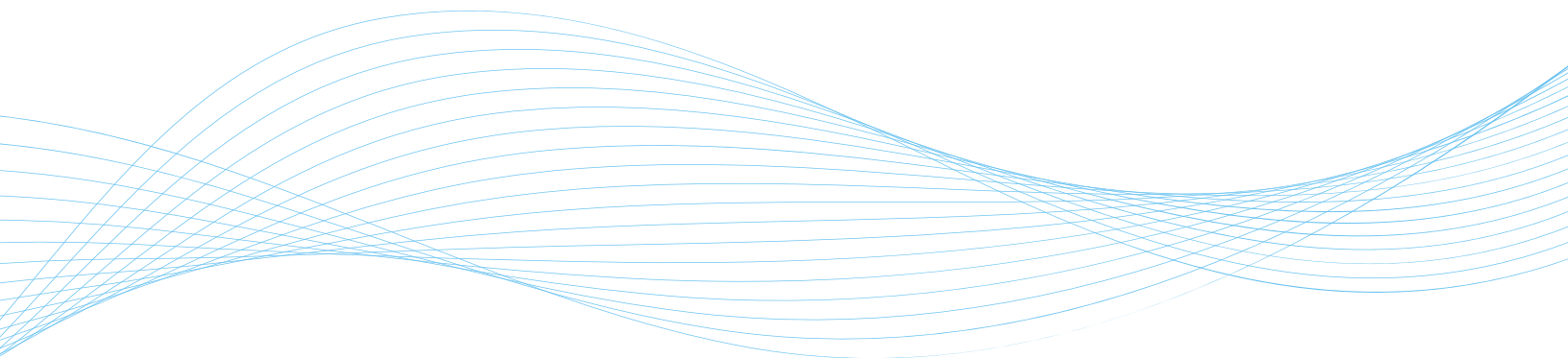
Investment in enterprise and fintech software remained strong. Fleetio raised \$450M, Mercury brought in \$300M, and Island secured \$250M for its enterprise browser. Roper echnologies acquired CentralReach for \$1.65B. Investor appetite for workflow automation and financial infrastructure remains high.

Energy and Real Assets

Cross-border infrastructure and energy transactions gained momentum. Apollo acquired BP Pipelines Ltd. for \$1B, Blackstone invested £235M (\$304M) in AGS Airports, and NEO Energy merged with Repsol to form NEO NEXT. BlackRock's \$19B port acquisition highlights growing interest in long-duration yield-generating assets.

Healthcare and Biotech

Innovation in therapeutics and life sciences continues to attract capital. Epicrispr Biotechnologies raised \$68M for gene editing, and Character Biosciences secured \$93M for precision medicine. Biotech and medtech platforms remain resilient themes driven by scientific breakthroughs and demographic trends.



FINAL THOUGHTS

March reinforced a defining characteristic of today's institutional landscape: adaptability. Amid high interest rates, geopolitical uncertainty, and shifting capital markets, LPs stayed the course—leaning into alternative assets that offer yield, innovation, and long-term durability.

Private credit remained a standout, capturing outsized attention from allocators pivoting away from traditional lenders. Venture capital proved that innovation still commands capital, especially in AI and infrastructure software. Infrastructure and real assets saw continued inflows as investors gravitated toward tangible, inflation-hedging strategies with durable cash flow.

As Q2 2025 begins, allocators face a complex but opportunity-rich environment. Middle-market buyouts, niche credit vehicles, and sector-focused venture funds will likely continue to anchor portfolio construction. The key challenge—and opportunity—will be balancing risk with forward-looking conviction.

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