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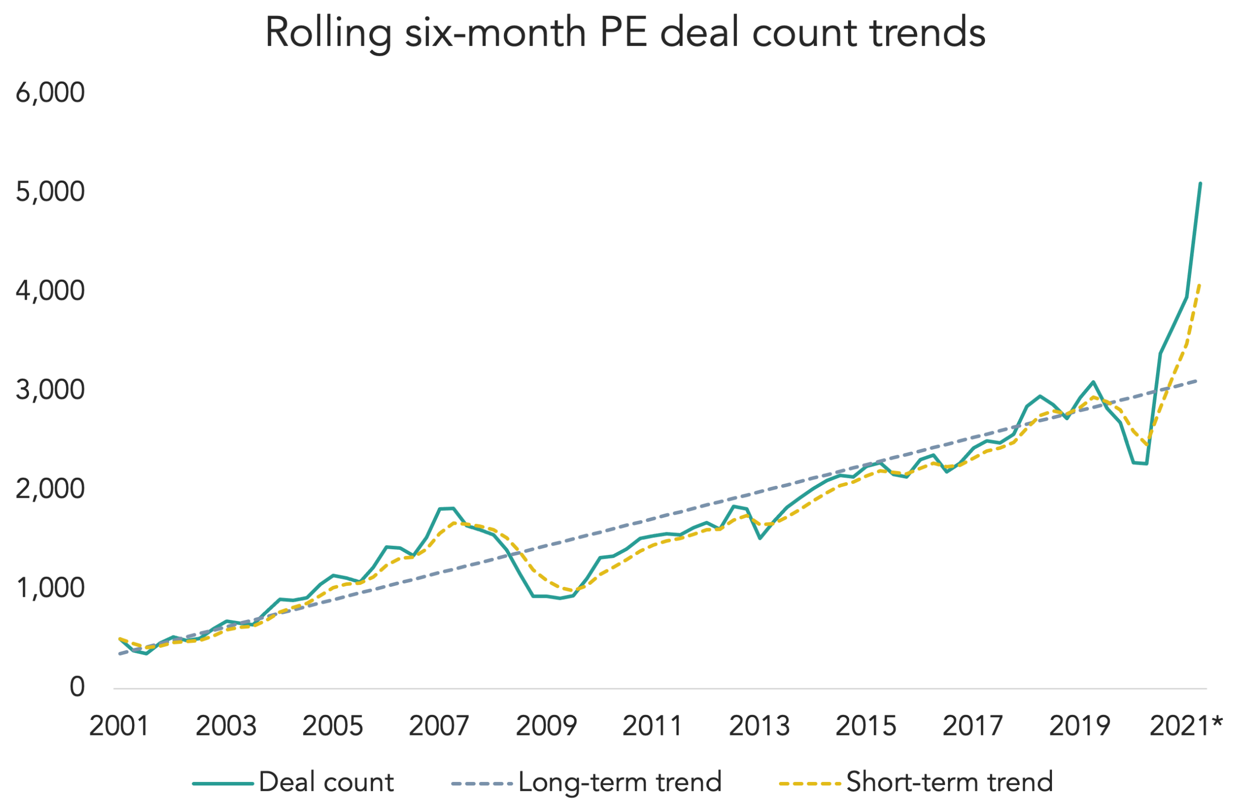
Quantifying the recovery

PitchBook | December 8, 2021



Download PitchBook's Report here.

It's no secret that private equity is having a big year. A new PitchBook Quantitative Perspectives report, *US PE: Recovery and Beyond*, helps put this year into historical context. The past few quarters have been such a pronounced recovery that deal volume is now well above the 20-year, long-term trendline. If technical analysis mattered in private equity, the chart above would cause heart palpitations. To a certain degree, the spike in the short-term trendline is investors making up for lost time, combined with opportunistic dealmaking. But today's recovery is nothing like the 2008 financial crisis: dealmaking declined swiftly that year and remained below the long-term trendline until 2014. In other words, it took about five years for PE dealmaking to get back on course after the financial crisis. For the COVID crisis, dealmaking jumped back to the long-term trendline in about three quarters, and is now way, way above it heading into 2022.

(Past performance is no guarantee of future results.)