

Alternatives in Motion: Five Insights from GCM Grosvenor's 2025 SEM Consortium

Leaders from across the industry convened at GCM Grosvenor's annual SEM Consortium to explore how innovation, access, and partnership are shaping the next generation of private markets.

This year's SEM Consortium, hosted in New York City, brought together more than 750 industry professionals from across the private markets ecosystem for two days of insightful discussions and networking. The event convened senior leaders from GCM Grosvenor's investment verticals alongside institutional investors, consultants, and emerging managers to explore how the next generation of firms is reshaping opportunity, and how collaboration between LPs and GPs is driving that evolution.

Across sessions spanning private equity, credit, infrastructure, real estate, and absolute return strategies, participants examined how innovation in structure, specialization, and partnership continues to redefine private markets. Five key insights stood out from the discussions, each reflecting optimism, creativity, and alignment shaping the industry's next chapter.

1. The Next Generation of Managers Is Reshaping the Opportunity Set

Panelists noted that although the number of new firms has contracted since the Global Financial Crisis, today's emerging managers are more specialized, sophisticated, and well-positioned than ever before.

"In private equity, the number of new firms has declined in recent years as established players have scaled," said **Martin Laguerre**, Managing Director, Private Equity at GCM Grosvenor. "Yet the opportunity for partnership remains incredibly strong. LPs are increasingly drawn to managers with a distinct vision—those capable of building something enduring and different."

Adding an LP's perspective, **Taffi Ayodele**, Head of Emerging Manager Strategy at the NYC Comptroller's Office, emphasized how institutional investors are refining their approach to this segment. "We're not just allocating capital—we're cultivating partnerships," she said. "The managers who succeed are those who bring originality and persistence to the table. That's what builds trust and long-term alignment."

And **Peter Braffman**, Managing Director, Real Estate at GCM Grosvenor, noted that "creativity in capital formation—from separate accounts and joint ventures to new platform-style structures—is allowing first-time managers to enter the market more flexibly."



Together, the message was clear: innovation in approach, structure, and focus is breathing new life into private markets. As Braffman concluded, "Every great manager was once an emerging manager. The challenge—and the opportunity—for investors is to recognize that potential early and help it grow."

2. Private Credit's Momentum Is Opening New Avenues for Innovation

Momentum in private credit was a recurring theme throughout SEM Consortium, with panelists describing the asset class as one of the most dynamic and creative frontiers for investors and emerging managers alike.

"Credit is an incredibly exciting asset class right now," said **Taffi Ayodele**, Head of Emerging Managers at the NYC Comptroller's Office. "We're finding managers who know their sectors deeply and are uncovering differentiated sources of alpha. It gives us the ability to build relationships early and thoughtfully."

Marc Iyer, Managing Director, Credit at GCM Grosvenor, added that the landscape has matured significantly: "Emerging manager programs in credit can now deliver value through alpha generation and diversification," he said. "It's a proving ground for building partnerships."

From the GP side, **Sam Loughlin**, Chief Executive Officer and Founding Partner of Paceline Equity Partners, noted that the mindset required to earn investor trust applies across strategies: "You're not just asking for capital—you're asking investors to extend credibility to you," he said. "That means giving them exposure to your process, your people, and your strategy."

3. Structural Innovation Is Redefining Access and Liquidity

Another defining thread was how new structures are reshaping how investors participate in private markets, making them more inclusive, flexible, and aligned.

In one conversation, panelists discussed how the growing individual investor channel is transforming access to private markets. "The entire marketplace is transforming itself," said **Robert Picard**, Managing Director and Head of Alternative Investments at Hightower Advisors. "Private markets are where investors want to be—individuals want to invest like billionaires do."



Patrick McGowan, Managing Director at Sanctuary Wealth, emphasized how evergreen fund structures are enhancing the investor experience: "When investors are allocating across multiple funds, evergreen structures make the process seamless. Education and operational readiness are what separate the leaders."

In private equity, **Brian Sullivan**, Managing Director at GCM Grosvenor, highlighted the rising role of continuation funds as a strategic tool for alignment and liquidity: "GP-led deals tend to be associated with better companies and stronger partnerships," he said. "It's like stepping onto a moving train—you're working with a sponsor that's already proven the plan works."

Agata Praczuk, Senior Director and Head of Emerging Managers at MetLife Investment Management, agreed that attitudes toward continuation funds have evolved: "Asset quality has improved significantly," she said. "Today, continuation vehicles are being used as thoughtful, forward-looking tools."

Across these discussions, the consensus was clear: innovation in capital structure is enabling innovation in strategy—and redefining how investors and managers collaborate.

4. The Energy Transition and Technology Boom Are Expanding the Investment Frontier

Across sessions, speakers pointed to the convergence of sustainability and technology as a powerful source of growth and differentiation.

“Infrastructure today sits at the intersection of sustainability and growth,” said **Michael Rose**, Managing Director, Infrastructure at GCM Grosvenor. “We’re seeing a wave of new entrants pursuing opportunities in renewable energy, digital connectivity, and climate-focused strategies. That’s where the innovation—and the excitement—are happening.”

From the credit perspective, **Dave Snyderman**, Managing Partner at Magnetar, noted that technology is not just reshaping industries, it’s expanding investment possibilities. “We focus on capital-intensive businesses that make the world work more efficiently,” he said. “From AI infrastructure to advanced energy systems, we’re investing in the backbone of the future.”

The message was consistent across discussions: the intersection of energy transition, technology, and capital solutions represents a defining frontier for the next generation of managers and investors.

5. Partnership, Not Just Capital, Drives Success

Above all, this year’s Consortium underscored that the most successful relationships in private markets go beyond capital—they are built on trust, feedback, and shared purpose.

“The best relationships are with managers who want someone to bounce ideas off,” said **Michael Rose**, Managing Director, Infrastructure at GCM Grosvenor. “Not just on deals, but on how to evolve the business.”

LPs echoed that long-term alignment and transparency are critical. “We lean heavily on our

partners, but the alignment has to be there,” said **Taffi Ayodele**. “The best managers are transparent—they share wins and losses over time. Those are the ones that rise to the top.”

Kirk Sims, Managing Director at the Teacher Retirement System of Texas, framed partnership as a structural commitment: “The most critical part of a successful program is having senior leadership buy-in,” he said. “You need to give managers a path to your trust—and to graduation.”

And as **Martin Laguerre**, Managing Director, Private Equity at GCM Grosvenor, noted, partnership is often the differentiator that helps new firms achieve scale responsibly: “Helping managers strengthen operations, attract talent, and prepare for growth—that’s what creates longevity.”

As **David Richter**, Managing Director, Absolute Return Strategies at GCM Grosvenor, summarized: “Across every strategy we manage, success ultimately comes down to partnership. When investors and managers share vision, transparency, and trust, they’re not just adapting to change—they’re shaping what comes next.”

A Market Evolving Together

2025 SEM Consortium made clear that alternative investment markets are in motion—evolving through innovation, adaptability, and shared conviction. From emerging managers to global allocators, the conversations in New York reflected a collective belief that progress happens through partnership.

As capital becomes more connected and ideas more collaborative, the next chapter will belong to those who translate alignment into lasting progress. For GCM Grosvenor, fostering that momentum means continuing to broaden access, strengthen relationships, and help shape an industry moving forward with purpose.

About GCM Grosvenor

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GCM Grosvenor's experienced team of approximately 560 professionals serves a global client base of institutional and individual investors. The firm is headquartered in Chicago, with offices in New York, Toronto, London, Frankfurt, Tokyo, Hong Kong, Seoul and Sydney. For more information, visit: gcmgrosvenor.com.

Our Locations



Headquarters

Chicago

+1-312-506-6500

**900 North Michigan Avenue,
Suite 1100, Chicago, IL 60611**

New York

+1-646-362-3700

Toronto

+1-647-417-7361

London

+44-0-20-3727-4450

Frankfurt

+49-69-5899-6526

Tokyo

+81-3-5573-8110

Hong Kong

+852-2452-9400

Seoul

+82-2-2158-8500

Sydney

+61-2-9231-8600

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