

Outlook 2026

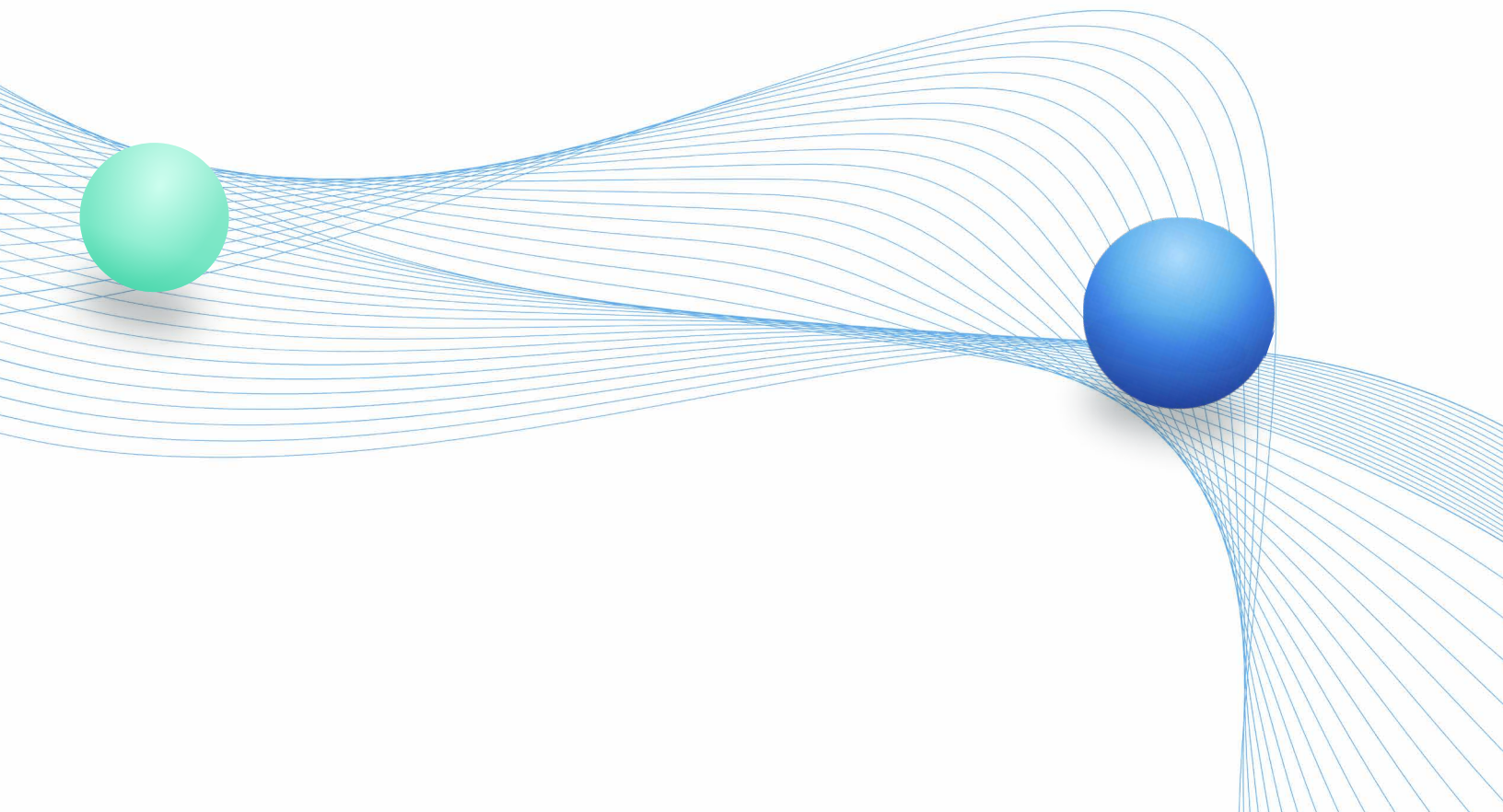
Private Equity

Resilience and agility will define success as firms navigate shifting markets in 2026.



What to Expect in 2026

Emerging from several years of lackluster deal volume, the Private Equity markets began to rebound in 2024 with similar results in 2025. For an inside perspective on where the market stands and what to expect going forward into 2026, HUB engaged in conversations with three leaders at prominent private equity funds: Kern Vohra, Principal of Tactical Opportunities at Blackstone, Adam Halpern-Leistner, Director at Hellman & Friedman, and Bryant Seaman, Principal at Altas Partners.



Prognosis

An increasingly robust market despite greater uncertainty

Market experts point to a steadily more promising IPO path continuing into 2026, opening long-delayed liquidity opportunities for private equity-owned businesses. They anticipate greater overall deal volume from both public markets and strategic acquirers, particularly should the anticipated lower-interest rate environment persist. As Bryant Seaman reports, “We’re starting to get into the sweet spot where people are looking to monetize and exit the wave of acquisitions and investments that happened in 2020 through the first half of 2022.”

While sharing an optimistic outlook, Adam Halpern-Leistner did, however, add a note of caution. “We’re in a very good environment where there’s a lot coming to market, but there are also many businesses that we as investors are cautious about investing in right now because of uncertainty around the health of the consumer and the labour market.”

“Asset valuations and debt markets are constructive today and while there is dispersion, high quality companies continue to perform well. As a result, we’re seeing plenty of pipeline activity and are optimistic that continues into 2026.”

–Bryant Seaman, Altas Partners

How HUB Helps:

The HUB Private Equity team handles deals in ‘deal time.’ With compressed deadlines and no hand-offs, the HUB team gives funds the confidence to close faster with reps & warranties, tax and contingent liability solutions.

Pre-Acquisition Practices

Hybrid solutions and diverging valuations

In the current market, Kern Vohra sees a flight to quality in more resilient cash-flow sectors, as well as a greater interest in hybrid deal structures that combine elements of equity and debt. Adam Halpern-Leistner adds that the emphasis on quality has created a significant divergence of valuations among companies in the same industry. He notes, “Going back four or five years, companies within the same industry would trade at similar multiples, regardless of differences in quality. Now you have the industry leaders trading at really good multiples, but the laggards unable to trade at all.” Bryant Seaman agreed, suggesting that exhibited durability and more appreciation for professionalization are two of the factors that may help explain the evolution in multiples.

While extensive due diligence has always been a primary concern, Kern Vohra suggests that the premium being demanded for quality requires a newly heightened level of scrutiny for sourcing acquisitions.

With liquidity more constrained, he’s placing greater emphasis identifying companies that are doing something truly unique within their industries versus just “being in the flow of things.” He believes these practices will be increasingly important as funds attempt to distinguish themselves in a competitive market. Bryant Seaman added a fundamental perspective, “The most quantitative expression of quality is just growth—high quality businesses outperform lower quality businesses from a growth perspective.”

“Optimism in the market is focused on company archetypes where the hallmarks are stability, consistency and durability across cycles.”

–Bryant Seaman, Altas Partners

How HUB Helps:

By blending due diligence and transactional insurance expertise, HUB helps eliminate deal hurdles, satisfy lender requirements and protect against pre-close liabilities—all at the speed of private equity.

Post-Acquisition Value Creation

Alignment, efficiency and deeper benches

In working to help his firm's portfolio companies create value, Bryant Seaman stresses the importance of not only building effective partnerships but also empowering operators, "We like to be value-add thought partners and engaged board members, but ultimately, we're there to support and enable operators. So, developing and establishing great alignment with our management teams is our first priority. Second is providing them the resources that they need to be successful, and to ensure that the management team is incentivised to execute against the value creation plan that we've developed right alongside them." He also stresses the importance of understanding what really drives the business, figuring out the key metrics to track and closely monitor them over time.

More of the current moment, HUB's panelists from Altas, Blackstone and Hellman & Friedman agree that the adoption of AI to generate efficiencies is a primary concern across all their portfolio companies, not just for those involved in developing the technologies. Adam Halpern-Leistner encourages his portfolio companies to think broadly about how investments in AI can generate competitive advantage, "Are there ways you can really drive technology through the business? Is it sales demand and pipeline forecasting? Is it procurement optimisation? Is it pricing analytics? Are there things that you can do to propel margin expansion?"

Partly driven by technological advancement, our experts also stress a heightened focus on the second tier of management. Kern Vohra suggests, "With everything going on in the AI landscape, having the right talent within the portfolio is more important than ever."

Adam Halpern-Leistner expanded on the theme, "we want to partner not just with best-in-class companies but best-in-class teams. Making sure that portfolios have the right frameworks around talent evaluation and augmentation is something that we are very, very focused on."

*"Companies may not think of themselves as an AI company, but AI is still relevant to their business. And then the question is, **how do you get the right talent to lead and drive the use of technology?**"*

-Kern Vohra, Blackstone

How HUB Helps:

HUB serves as a proactive risk management partner, continuously evaluating and driving efficiencies. As portfolio companies lean into AI, digital platforms and new workforce models, the HUB team enhances resilience through cyber liability, employee benefits and executive risk protections.

Exit Strategies

“Private” IPOs and continuation funds

With many investors demanding greater liquidity sooner, the panel stressed the need for companies to be prepared for an exit far in advance of the event, suggesting that the windows of opportunity tend to open and close quickly. Adam Halpern-Leistner also foresees a rise in creative strategies to generate liquidity, including a potential increased use of already popular continuation vehicles. These funds were the fastest growing area of the secondaries market in the first half of 2025, with \$41 billion of transaction volume — a 60% year-over-year increase.¹ Somewhat further afield, Halpern-Leister and Vohra have been involved in partial exit strategies that have worked like a private IPO. As Kern explains it, “partial liquidity events for a company allow different institutional investors to cycle in and out, while maintaining private market status.”

Canadian deal flow increased 8.3% to 599 transactions in 2024, reaching a record high aggregate value of C\$42.2 billion.²

1. Yahoo Finance, "[This summer's hottest trend on Wall Street: 'Private for longer.'](#)" August 20, 2025.
2. McCarthy Tetrault, "[Private Equity Outlook 2025 - Top Ten Takeaways.](#)" February 19, 2025.

How HUB Helps:

HUB's 'Exit Ready' diligence prepares insurance and benefits programs to withstand investor scrutiny, regulatory demands and buyer due diligence. By mitigating legacy liabilities and ensuring coverage continuity, portfolio companies can maximise valuation for IPOs, continuation funds or strategic sales.

Moving Forward

Cautious optimism and sound practices

Despite higher levels of uncertainty in macroeconomic issues, the experts all envision a favorable climate for Private Equity in 2026. They foresee an increasingly robust IPO environment, the growth of continuation vehicles and renewed interest in strategic acquisitions helping to clear the logjam of investments held longer than anticipated. More interest in private investments among retail investors may generate substantial pools of capital, particularly for larger firms, balancing some levels of pullback from institutional investors whose PE allocations may have reached their upper limits.

HUB's panel also agreed this may not be an environment where a rising tide lifts all boats. Industries that can achieve the greatest productivity enhancements from AI technologies are likely to be increasingly favored, and well-run companies with sustained levels of exceptional performance will be at a premium. As much as ever, private equity firms who can add value to their portfolio companies as well as to their investors are well positioned to prosper.

“There are tons of opportunities in this market to deploy capital. Ultimately, our job as private equity professionals is to make a judgment on where there is good risk / return.”

–Adam Halpern-Leistner

Moving Your Organization Forward

How HUB Helps Guide the Path Ahead

Private equity firms in 2026 are navigating a market defined by cautious optimism, shifting valuations, the adoption of AI and increasingly creative exit strategies. Against this backdrop, the difference between opportunity and risk often comes down to preparation and protection.

At HUB, we help private equity firms and their portfolio companies align with this evolving landscape by:

1 Streamlining Transactions

From representations & warranties insurance to rapid diligence support, we help funds move quickly and confidently when deal windows open.

2 Optimizing Portfolios

We deliver enterprise risk management (ERM) frameworks and customized risk transfer solutions to create efficiencies across diverse holdings, strengthening performance and protecting value creation strategies.

3 Enabling Growth & Innovation

As firms invest in AI-driven efficiencies, digital infrastructure and talent strategies, HUB supports resilience through cyber coverage, tailored employee benefit strategies and wellbeing programs, and executive risk protection such as D&O and EPL coverages that safeguard leadership teams and workforce vitality.

4 Preparing for Exit

Whether through IPO, continuation funds or private liquidity events, we ensure portfolio companies are exit-ready, with risk and insurance programs built to withstand investor scrutiny and regulatory review, preserving deal value and accelerating close.

Final thought

The private equity environment will remain dynamic, but firms that proactively de-risk their path are best positioned to capture opportunity. HUB's specialized expertise and scalable solutions allow investors to not only keep pace with the market, but to lead it.

Private Equity Rate Guide – Canada

HUB International’s rate guidance comprises an analysis of proprietary national survey data and interviews with HUB commercial insurance brokers and risk services consultants who specialize in the Private Equity industries.

Below are projections of rate increases that we anticipate in 2026. It’s important to discuss your business’ exposure with your insurance broker and understand what to expect well in advance of your next renewal.

Coverage	2026 Private Equity Rate Guide	Insights
D&O Private	-5% to Flat	For privately held companies, directors and officers (D&O) insurance rates are falling, with potential decreases up to 10%. Though there are no indications of the market hardening in 2026, it’s unclear how much more rates can fall. Underwriters will pay close attention to financials and bankruptcy exposures, especially on companies with significant U.S. operations, that may affect pricing.
D&O Public	-10% to Flat	Public company D&O rates could fall as much as 10%, depending on the nature of the company. The overall outlook remains stable with no trends indicating a hardening market.
Cyber	-5% to Flat	While cyber claims activity suggests upward rate pressure, the abundance of supply and new market entrants will result in flat or declining rates. Premiums may fall as much as 5%, as new insurers aggressively compete for new business and an oversupply of capacity continues to benefit insureds.
General Partner Liability	-5% to Flat	General partner liability, a blended D&O and errors and omissions (E&O) coverage for private equity firms, could see rate decreases of 5%. Performance remains the primary driver in underwriting; however, overall market conditions remain soft.
R&W	Flat to +5%	The market for representations and warranties (R&W) insurance shows signs of firming, with carriers becoming more cautious. Rates are expected to remain stable or rise as much as 5% in 2026.
Professional Liability: E&O for Asset Managers, Hedge Funds and Broker-Dealers	-5% to Flat	Rates for miscellaneous E&O insurance continue to follow the general liability market, while professional E&O premiums vary by carrier. Overall, rates will be flat or decline slightly, as new capacity will keep premiums competitive. Performance remains an important underwriting factor.
Surety	Flat	Surety operates as a specialized market within the financial institutions sector. Pricing remains stable.

NOTE: *Rate* is typically defined as the amount of money necessary to cover losses and expenses while providing an insurance company with a profit for a unit of exposure. *Exposure* refers to a business’ or an individual’s susceptibility to various risks encountered daily. Carriers evaluate the level of risk an insured faces in calculating insurance premiums.

HUB Private Equity

When you partner with us, you're at the centre of a vast network of experts who will help you reach your goals. For more information on how to manage your insurance costs, reduce your risk and take care of your employees, talk to a HUB Private Equity insurance specialist.

\$728M

in commercial
insurance premium
brokered by HUB

28,000

insurance policies
managed

8,800

private equity
clients

Stay up to date

Subscribe to receive risk and insurance insights and event invitations throughout 2026.

[Subscribe](#)

Contact:

Email:

Phone:



** Some of the individuals interviewed for this report are current members of HUB International's Board of Directors and/or are employed by firms that hold investments in HUB. Their insights are provided in a personal capacity and do not necessarily reflect the official views of HUB.*