Bloomberg

January 27, 2026 | bloomberg.com

Newsletter | Deals

Apollo's Antoine Munfakh Sees Private Equity Going Back to Basics

Firm's deputy global head of private equity is on the lookout for 'picks and shovels' businesses.

by David Carnevali
January 27, 2026

Back to basics

A continued recovery in private equity dealmaking will be key if the broader M&A market is to deliver a new record in 2026. I caught up with Antoine Munfakh, deputy global head of private equity at Apollo Global Management, to talk about the firm's outlook for deals in the coming 12 months and state of the PE industry more broadly. Here are some edited highlights from our chat. *–David Carnevali*

I'm curious about your main takeaways from 2025?

2025 really was a banner year for M&A. Global transaction volumes were up 40% year-over-year. Deal activity really increased across all regions. And you see it also in the capital markets. The credit markets are still very accommodating. The IPO markets are starting to reopen. We're seeing a bit of a return to normalcy and we see a pretty strong backlog heading into '26.

What about Apollo's dealmaking activity?

We deployed nearly $10 billion of capital. Our deployment and our realization trends tend to be less spiky than the industry... We have one single global fund. We actually view that as a strong advantage because it allows us effectively to deploy capital flexibly across geographies, across industries, across transaction types.

And sales?

In 2025 we returned more than $7 billion of capital to our investors. We had four full exits, we had four IPOs... We sold more than $6 billion of [public] equity across 15 different offerings.

How do you see the window of opportunity for exits?

It's a tough exit environment really only if you overpaid upfront and if you didn't create value with your companies on the build phase. If you bought well, if you stayed disciplined, if you used less leverage, and then if you actually created value through operational improvements and sustainable earnings growth, it's not a tough exit environment.

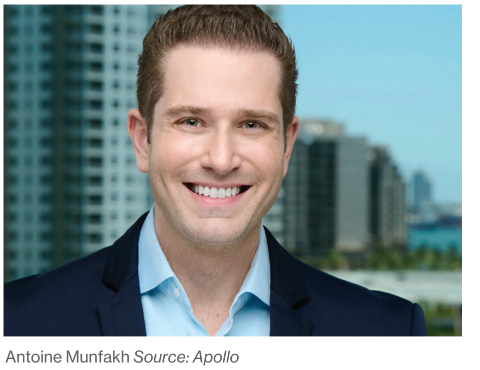
Signage for Apollo Global Management Inc. in Hong Kong, China, on Thursday, April 11, 2024. *Photographer: Paul Yeung/ Bloomberg*

What else do you expect to see in 2026?

Our view is that a lot of the private equity industry lost its way over the past decade and fell in love with cheap leverage, low rates and basically turned into beta driven investors—versus doing what the private equity industry was really designed to do, which is deliver alpha... We believe this next cycle will be characterized by really getting back to basics, purchase price discipline, and operational enhancement.

Can you speak a little bit to what's in your pipeline right now?

We're tracking $180 billion of enterprise value across opportunities... For all of the talk of all time high valuations, it's really all concentrated at the top. The average small cap company really isn't trading at any higher valuation on average than it was 10 years ago. These are the exact types of real economy, picks and shovels businesses that we want to buy.



Antoine Munfakh *Source: Apollo*

How are you playing in the AI space?

The private equity industry is overexposed to technology and we're happy that we did not pile into the tech sector at extraordinarily high valuations. That doesn't mean that we can't play the sector in a more value-oriented way... To be clear, we're all in on AI. We have 350 AI projects across our portfolio. And just because a business is an industrial company, or, you know, a picks and shovels company, does not mean that there aren't opportunities to create value with AI.