

Infrastructure Boom Set to Continue in 2020

Fundraising and AUM hit record highs in 2019, and the growth of the industry shows no signs of slowing

The unlisted infrastructure industry is in the middle of a record boom in activity. Assets under management passed the \$500bn mark as of the end of 2018, and the industry is now on track to hit \$700bn in assets by the end of 2020, and \$1tn by the end of 2022. Asset growth is being spurred by an extended boom in fundraising. Funds closed in 2019 secured \$98bn, making it the fifth consecutive record fundraising year. 2020 looks set to match this level, with four out of five investors planning to maintain or increase their allocations in the months ahead. They are being drawn to infrastructure by its strong performance: unlisted fund performance has equalled or surpassed public indices in recent years, and almost 90% of investors expect it to maintain or improve in 2020.

For more information, see the 2020 Preqin Global Infrastructure Report sample pages here:

<https://docs.preqin.com/samples/2020-Preqin-Global-Infrastructure-Report-Sample-Pages.pdf>

If you would like a complimentary press copy of the report, please contact us at press@preqin.com.

William Clarke, Executive Editor – 2020 Preqin Global Infrastructure Report:

“The infrastructure industry is experiencing an unprecedented period of growth. Performance in recent years has been second only to private equity, no mean feat for an asset class that is commonly viewed as offering ballast for investors’ portfolios. This has led to institutions pouring huge amounts of capital into the industry, and fund managers have raised record-breaking funds to meet that demand. The immediate future of the industry looks bright, but the influx of capital has made the deals market much more competitive, and fund managers will have to ensure that they do not end up overpaying for assets and lowering their future returns.”

Key Infrastructure Facts:

- Unlisted infrastructure **assets under management reached \$582bn as of June 2019** (the latest available data). This is an increase of \$59bn in just six months, the fastest rate of growth the industry has ever recorded.
- Given the average pace of growth since 2015, **AUM is due to hit \$700bn by the end of 2020, and \$1tn by the end of 2022** – ahead of the pace predicted by Preqin in its 2018 *Future of Alternatives* report.
- **Funds closed in 2019 secured \$98bn from investors**, the fifth consecutive record annual total. This included Global Infrastructure Partners IV, which became the largest ever infrastructure fund at \$22bn.
- **Eighty-four percent of investors intend to maintain or increase their allocation to infrastructure** in 2020 compared to 2019. There are 253 funds in market at the start of the year to meet that demand, collectively seeking \$203bn.
- **Infrastructure funds have returned 8.7% annualized on average in the 10 years** to June 2019, meeting or surpassing the S&P Infrastructure and S&P Oil & Gas Indices.
- In the three years to June 2019, infrastructure funds returned an average of 10.6%. Among alternative asset classes, this is second only to private equity funds (17.5%).
- Looking ahead, **86% of investors expect performance in 2020 to equal or surpass that of 2019.**

Preqin is the Home of Alternatives™, the foremost provider of data, analytics and insights to the alternative assets community. From pioneering rigorous methods of data collection to developing a revolutionary platform, we have committed ourselves to furthering the understanding of alternatives for over 16 years. Through close partnership with our clients, we continuously build innovative tools and mine new intelligence to enable them to make the best decisions every day.

For more information, contact our dedicated press team at press@preqin.com or call (+44) 20 3207 0265.

If you would like to receive direct weekly updates on the latest research, blogs, publications, conferences and product developments, then [sign up](#) to Preqin’s new Spotlight Newsletter. This will not affect your receiving Preqin press releases.

San Francisco	New York	London	Singapore	Hong Kong	Manila
Chicago	+1 212 350 0100	+44 20 3207 0200	+65 6305 2200	Bangalore	Guangzhou