

A Banner Year for Infrastructure in 2019

Total fundraising hit an all-time high as record-sized funds closed

Infrastructure fundraising has been significant in the past few years, but the market reached new heights in 2019. A total of \$98bn was raised from investors as 88 funds closed. This included a \$22bn fund raised by Global Infrastructure Partners – the largest infrastructure fund ever closed. As a result, the average size of funds closed in 2019 has increased to over \$1bn, twice the level seen as recently as 2015. Record fundraising has also pushed dry powder to new highs – fund managers now hold \$212bn waiting to be deployed, twice as much as at the end of 2015. Looking ahead, at the beginning of January there are a record 253 funds in market targeting \$203bn, suggesting that fund managers believe that investor appetite is not yet sated.

In contrast to the bull run in the fundraising market, infrastructure deals have been in decline in recent years. Having peaked in 2017, the number of deals completed declined in 2018 and 2019, reaching 2,520 in the latter year. The value of those deals, however, ticked up to a second-highest annual total ever at \$485bn, surpassed only by 2016 (\$523bn). The average deal size rose to a new high of \$744mn for the year as a consequence, reflecting the high asset pricing putting pressure on the industry.

For more information, see the full [2019 Infrastructure Update Factsheet](https://docs.preqin.com/reports/2019-Infrastructure-Fundraising-Deals-Update.pdf) here:

<https://docs.preqin.com/reports/2019-Infrastructure-Fundraising-Deals-Update.pdf>

The forthcoming [2020 Preqin Global Infrastructure Report](#) is the most comprehensive breakdown of the global industry. To pre-order your complimentary media copy, please email us at press@preqin.com.

Patrick Adefuye, Head of Real Assets:

“2019 has been an incredible year for infrastructure. Fund managers have been able to secure a record amount of capital and have been putting that capital to work, and we have crossed new thresholds in the average size off both funds and deals. Investor appetite for the asset class is still strong, so there is every indication that this surge of activity will continue into 2020. But success brings its own challenges, and we are already seeing high dry powder and strong competition push up asset prices and depress projected returns. Will infrastructure succumb to the same pressures we are seeing in other asset classes, or will fund managers be able to innovate and preserve the high returns they've seen in previous years?”

Key 2019 Infrastructure Facts:

- **In 2019, fund managers secured \$98 and closed 88 funds.** In 2018 and 2017 the industry raised \$94bn and \$82bn respectively.
- **The average size of infrastructure funds in 2019 reached \$1.2bn,** a record high. This was due to the closure of several large funds, including Global Infrastructure Partners IV and Brookfield Infrastructure Fund IV, which each raised \$20bn and became the largest funds ever closed.
- **Deal values recovered in 2019, hitting \$485bn – the second highest annual total ever recorded.** The number of deals completed continued to decline, though: 2,520 deals were completed through the year, down from 2,724 in 2018 and 3,323 in 2017.
- As of the end of December 2019, **fund managers held \$212bn in dry powder,** a new record. This has doubled since the end of 2015, and is three times as much as fund managers held a decade ago.
- At the start of 2020 there are **253 funds in market, seeking a total of \$203bn.** Their prospects are positive – 84% of investors intend to commit as much or more capital to infrastructure in 2020 compared to 2019.

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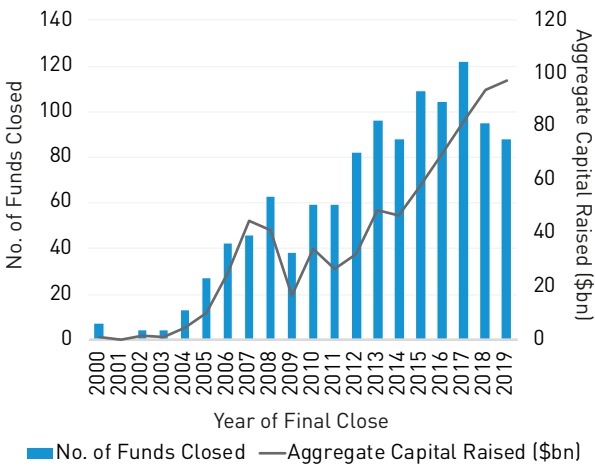
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2019 Infrastructure Fundraising & Deals Update

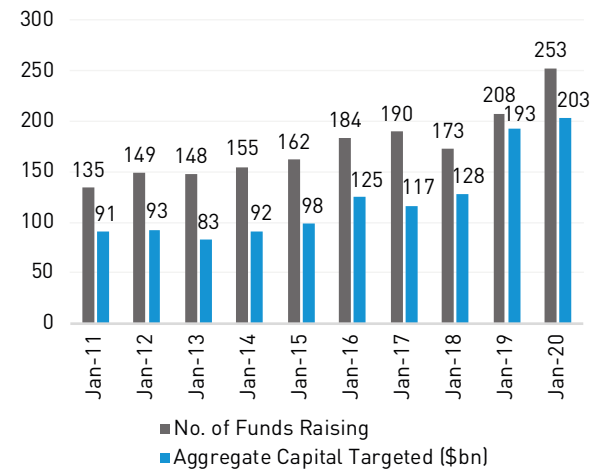
2019 was a banner year for infrastructure: total fundraising hit an all-time high and record-sized funds closed

Fig. 1: Global Unlisted Infrastructure Fundraising, 2000 - 2019



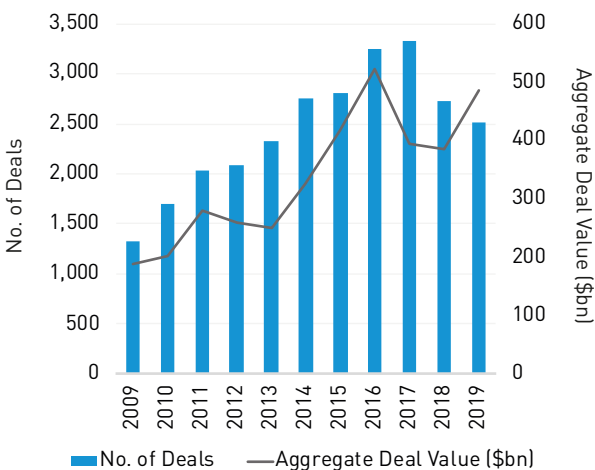
Source: Preqin Pro

Fig. 2: Unlisted Infrastructure Funds in Market, 2011 - 2020



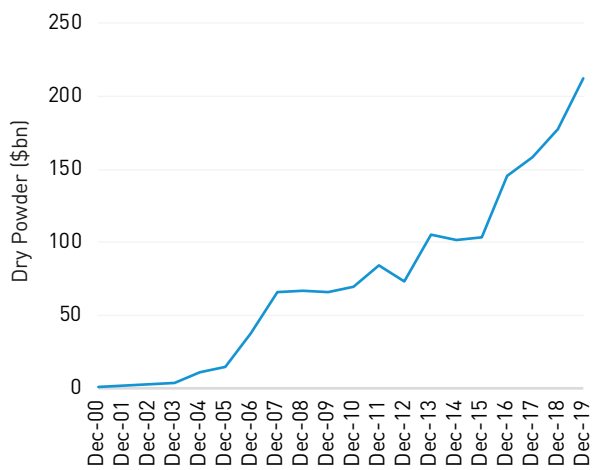
Source: Preqin Pro

Fig. 3: Global Infrastructure Deals, 2009 - 2019



Source: Preqin Pro

Fig. 4: Global Unlisted Infrastructure Dry Powder, 2000 - 2019



Source: Preqin Pro