

Press Release

BAI publishes Investor Survey 2025

- Alternative investments are established components of highly diversified institutional portfolios. On average, they account for **30.31%** of institutional portfolios.
- With **interest rates falling**, demand for bonds is declining significantly. Both alternative investments and equities are once again becoming much more attractive to investors.
- As in the previous year, we expect **significant inflows for infrastructure investments** in the coming year. Asset managers in the association have recognized this. Many GPs are setting up new infrastructure teams to give DACH investors access to this asset class.
- Investors are generally satisfied with the performance of their **private equity investments**. We see a positive development compared to the same period last year.
- Investors are very content with the performance of their private credit investments and are increasingly diversifying their debt allocation through **credit specialties strategies**.
- Although **real estate markets** are recovering after several difficult years and investors are significantly more optimistic about the market, they remain cautious. Many LPs want to further reduce their allocation. Capital flows remain weak, particularly for real estate debt.
- **Defence** investments are being discussed in many investment committees. However, most investors are not yet ready to invest.

Bonn, 28 October 2025.

The BAI Investor Survey 2025, published today by **the Bundesverband Alternative Investments e.V. (BAI)**, the central interest group representing the alternative investment industry in Germany, offers transparent insights into private market investments of German institutional investors and highlights the changes that can be expected in institutional portfolios. To this end, the BAI surveyed 107 institutional investors with over €2.23 trillion in assets under management (AuM) over the past few months. In addition to our LP survey, we received responses from 147 BAI member companies, primarily globally active asset managers.

Dr. Philipp Bunnenberg, BAI Head of Alternative Markets, is optimistic: "With over 30% private markets and alternative strategies, institutional portfolios are well positioned for the long term."

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Managers who can offer investors access to former niches such as credit specialties, ILS, and natural capital will benefit from ongoing diversification. Falling interest rates are providing additional momentum for alternative investments, and new offerings for wealth and retail clients are attracting widespread media attention. All in all, managers and investors view the current investment environment and investment performance positively and are optimistic about the future."

BAI Managing Director **Frank Dornseifer** comments on this year's Investor Survey as follows: "Once again, this year's survey has yielded valuable insights: one key message is the clearly articulated desire for simplified and better harmonized regulation, particularly in the areas of reporting and fund supervision, while at the same time there is clear rejection of more centralized supervision by ESMA. This is something to take note of. At the same time, there is clear support for the current SFDR system, so the review should aim more at simplification and greater practicality and less at fundamental reform. And this is exactly the position we have taken with the EU Commission. It is also noteworthy that interest in ELTIFs is growing even more strongly: a quarter of the participating GPs are already active, and another quarter are planning corresponding platforms with a focus on private debt, infrastructure, and private equity as investment classes. On the market side, I am pleased to see that interest in supposed niche segments, including liquid alternatives and venture capital, continues to grow. As an association, we will continue to expand our activities in this area in the future."

The BAI Investor Survey 2025 can be downloaded at the following link: [BAI Investor Survey](#)

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The Bundesverband Alternative Investments e. V. (BAI) is the central interest group of the alternative investments industry in Germany. The federation understands itself as catalyst between professional German investors and recognized offerers of alternative Investments products world-wide. It is committed to ensuring that German institutional and professional investors are able to diversify their capital investments more easily and effectively with regard to alternative investments, in particular with a view to securing German old-age provision in the long term. The BAI promotes public awareness and understanding of alternative investments and is committed to scientific research. It conducts a dialogue with political decision-makers and the responsible supervisory authorities and cultivates exchanges with national and international organisations and associations. The association pursues the goal of achieving legal reforms and further legal education in the interests of its members and their investors and of creating attractive and internationally competitive framework conditions for investing in alternative investments. The circle of BAI members recruited from all areas of the professional alternative investment business has grown to more than 300 companies.