

PERSPECTIVES

February 3, 2026

“Alts for Wealth”: Winning in the Age of Convergence

In our September 2024 Alts for Wealth report, we outlined the secular forces heralding a new cycle, extending well beyond the democratization of private assets. That call has now materialized: Private assets have become a structural component of the European wealth mainstream. For asset managers and GPs, the time for incremental adjustment is over.

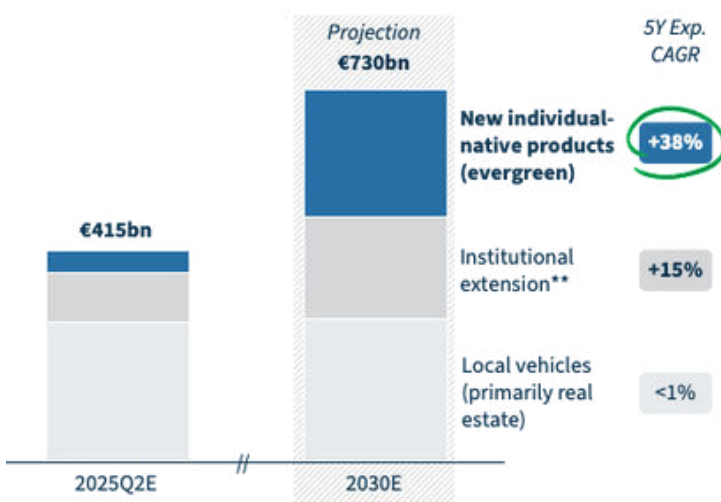
Individual-native, semi-liquid vehicles have turned into the undisputed market standard for asset managers and GPs addressing wealth channels. Over the past two years, AuM in individual-native products raised from European clients surged from approximately €15 billion in 2023 to over €50 billion as of end-25, an expansion fueled by over 100 product launches and multiple new entrants. The focus is now on capturing a market that is professionalizing and industrializing at pace.

From forecast to reality: the forces defining the new cycle

Our 2024 thesis was built on several predictions that have now been confirmed. The market has evolved from early adoption to widespread integration, powered by three defining forces.

European alts-for-wealth AuM projections

Scope: Western Europe (incl. UK)*



Notes: (*) Excluding listed investment trusts (UK) and SFOs, (**) feeder funds and funds of funds.
Sources: BVI investment, Pangea property outlook, Scenari Immobiliari, Inverco, interviews, Indefi proprietary database, Indefi analysis.

1. Accelerated wealth convergence

The role of private assets in wealth management has changed drastically. The initial model involved intermediaries primarily acting as "fund sellers", i.e. placing (campaign) products on their shelf for access by clients. The new model is increasingly defined by intermediaries acting as "fund buyers", systematically integrating private assets as essential building blocks within their own investment solutions, including discretionary portfolio management (DPM), model portfolios, funds of funds, etc. With target allocations ranging from 5% to 20% of client portfolios, buyers increasingly require pure targeted strategies (private equity, credit, infrastructure, real estate) enabling efficient portfolio construction.

2. Transformational retirement opportunity

The ongoing shift from defined benefit to defined contribution occupational pension schemes is driving the transition from a liability-matching to a return-seeking framework (pillar 2), which offers private assets a new breath of life.

In addition, the rapid expansion of private and individual pension schemes (third pillar) across major European markets, presents the most compelling asset gathering opportunity for asset managers and GPs over the next decade. Private assets naturally fit the long-term horizon of retirement plans. Their use is also further supported by regulations.

3. Rising digital channels

Evergreen products are naturally suited to digital platforms. Their accessibility (low investment minimum), simple subscription process, and periodic liquidity are strongly aligned with retail investors' expectations. Digital platforms are set to double their share of financial savings from 4% to 8% in the next five years². Coupled with the sector-wide pivot toward higher-margin products and more value-added investment solutions, they are becoming an increasingly strategic channel for asset managers. The use of new technology (tokenization) will likely further accelerate this trend.

The GP checklist: building an industrial-grade platform

Winning in the new cycle requires a fundamental upgrade to the operating model and go-to-market strategy, including:

- **Investment management architecture and governance model:** Managers must build a multi-layered investment management ecosystem along with systematic allocation rules. A clear framework is needed to govern how capital is deployed across the firm's primaries, secondaries, and co-investment opportunities.
- **Portfolio management responsibility:** The days of simply managing wealth products as co-investment adjunctions to institutional funds are over. They need to be represented by a dedicated PM team with a specific skillset: ability to manage continuous capital flows (in and out), mitigating the J-curve, balancing deployment speed with liquidity needs, managing the operational cadence of a vehicle with redemption gates, continuous valuation requirements, and customizing for specific retail/ wholesale investment strategy expectations.
- **Distribution skillset:** In an era of convergence, the asset management wholesale distribution playbook will dominate. Success depends on a dedicated wealth team with granular insight into the distinct needs and local regulatory constraints of private banks, financial advisers, insurers, and digital platforms—including how products are co-developed and embedded into distributor offerings, brought to market, sold, aligned with client journeys, and supported through robust reporting and compliance.

The convergence of private assets and the European wealth market is no longer an emerging trend; it is a structural reality. For asset managers and GPs, the challenge is to build the sophisticated, industrial-grade platform required to lead in this attractive market.

² Indefi report. *New frontiers: how the rise of digital distribution is reshaping the European asset management industry*. February 2026

Indefi is a strategy consulting firm that supports asset managers - from the top 10 largest global firms to boutiques and private market specialists - in achieving their growth objectives. Operating across Europe and the U.S., and bringing together more than 85 consultants of over 15 nationalities, Indefi combines a global perspective with deep local market insights. The firm's conviction-led advice spans organic growth strategy, sustainability, and M&A support.

For more information, please visit www.indefi.com