

Global infrastructure allocations of the world's largest investors

Research & Insights

November 2025

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We have analysed data from IPE Real Assets for the top 100 infrastructure investors worldwide and their allocations to infrastructure, how these have changed over the past few years, and what this likely means for allocations and the amount of money that will be invested into infrastructure assets in the years to come. According to Ausbil's Global Infrastructure Team, this could provide a supportive environment for listed infrastructure assets as investors increase allocations.

10 minute read

Key points

- The top-100 largest global infrastructure investors have significant allocations to global infrastructure assets, listed and unlisted. While the asset class is large, with some US\$1.5 trillion in private funds, this is just a fraction of all infrastructure, which is still mostly owned by government, and a tiny fraction of the estimated US\$106 trillion needed by the world for infrastructure investment to 2040.¹
- Allocations to infrastructure are robust as a percentage of overall assets, with an average (+5.0%), high (+44.1%) and low (+0.4%) allocated to infrastructure.²
- Institutions value the contribution to portfolio performance from the key characteristics of infrastructure:
 - generating steady cash flows and a typically lower level of volatility in earnings than global equities;
 - relatively better earnings growth over time than global equities;
 - inflation hedging; and
 - unique assets with significant barriers to entry.
- Top-100 infrastructure investors in Australia and Canada, the world's most advanced superannuation and pension systems, have allocations to infrastructure of 10.2% and 11.0% respectively.
- Allocations to infrastructure have been growing, up 70% from 2021 to 2025. If allocations across the world approached the combined level of allocation in Australia and Canada (a weighted average of 10.7%), then investors would need to find another US\$1.5 trillion in infrastructure assets to buy. This represents a significant tailwind for listed infrastructure assets as investors seek to meet their allocation budgets in the sector.



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1. Green, A., Nangia, I., & Sandri, N. (2025). The infrastructure moment. McKinsey & Company, 2025.

2. IPE Real Assets. (2025). Top 100 Infrastructure Investors 2025.

Q: What attracts the world’s largest investors to an infrastructure allocation in their portfolios?

A: Infrastructure assets demonstrate characteristics that contribute positively to the dynamics and performance of investment portfolios. A survey by McKinsey & Company of limited partners in private market infrastructure investment showed that 46% intend “to increase infrastructure allocations in the next year, attracted by infrastructure’s predictable cash flows, inflation protection, and strategic alignment with digitalization and energy transition trends.” ³

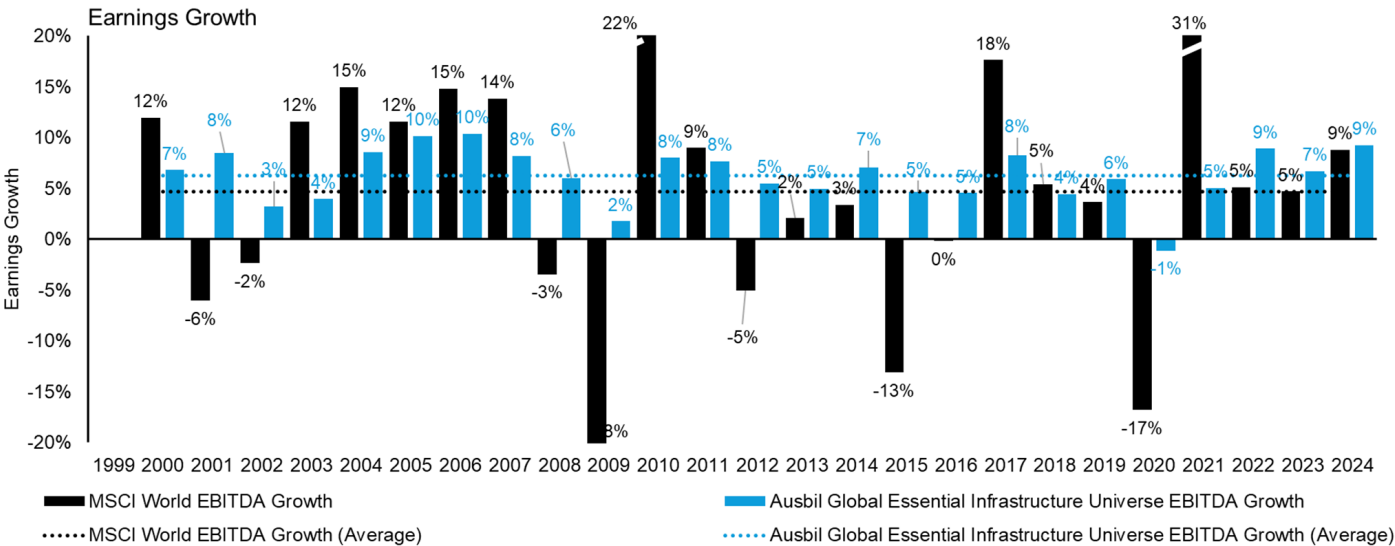
Infrastructure is recognised for generating steady cash flows and a typically lower level of volatility in earnings than global equities, a feature especially appreciated by managers of large portfolios. Two other aspects of infrastructure tend to appeal to large astute investors, firstly, that of infrastructure’s inflation hedging benefits, and secondly, the quality and uniqueness of infrastructure assets from a risk and business model perspective. Essential infrastructure assets typically pass through inflation to users and are almost completely hedged in terms of their cashflows. On risk, contracted and regulated cash flows generated by infrastructure assets usually rank well above most corporate earnings in terms of risk and credit rating.

The cash flows from essential infrastructure assets are generally long term and more predictable than for general equities. Figure 1 compares annual earnings growth for global equities (MSCI World) with that of global listed infrastructure (Ausbil’s Essential Infrastructure universe).

About Ausbil Investment Management

Ausbil is a leading Australian based investment manager. Established in April 1997, Ausbil’s core business is the management of Australian and global equities for major superannuation funds, institutional investors, master trust and retail clients. Ausbil is owned by its employees and New York Life Investment Management a wholly- owned subsidiary of New York Life Insurance Company. As at 31 October 2025, Ausbil manage over \$20.7 billion in funds under management.

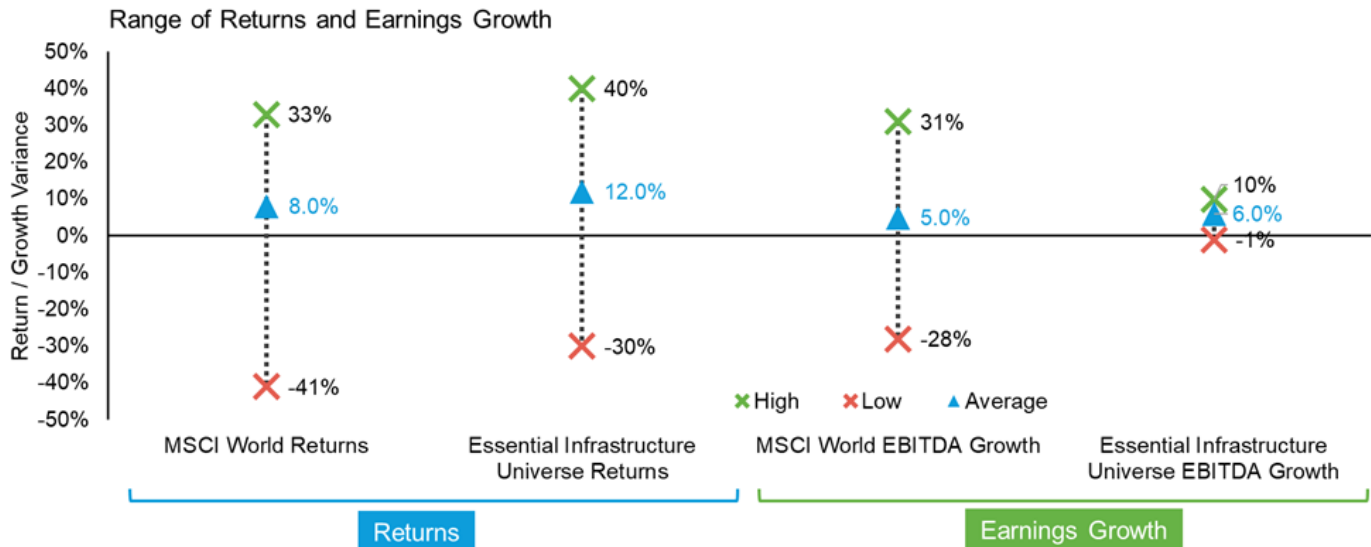
Figure 1: Infrastructure earnings growth is relatively more consistent than for global equities



Source: Ausbil Essential Infrastructure Universe as at 31 December 2024. Global Equities data from MSCI World Index.

Looking back over 25 years, global listed infrastructure has delivered an average annual earnings growth of 6.3% versus 4.7% for global equities. The earnings growth for global listed infrastructure is also relatively more stable than that of global equities in the data, and demonstrates less variability in earnings (Figure 2).

3. Edlich, A., Croke, C., Dahlqvist, F., & Teichner, W. (2025). Global Private Markets Report 2025: Braced for shifting weather. McKinsey & Company, 2025.

Figure 2: Infrastructure has a narrower range of earnings and return, but a higher average performance

Source: Ausbil Essential Infrastructure Universe as at 31 December 2024. Global Equities data from MSCI World Index.

Figure 2 compares the average total returns for global equities and global essential infrastructure on the left, and their earnings growth on the right, from the 25-year sample. From the comparison of earnings on the right, it is evident that infrastructure has exhibited a higher average return, and a narrower range of returns than global equities. Volatility is inherent for global equities, and the expectation is that with more conservative assets and long-term cash flows, infrastructure demonstrates less volatility, consistent with the defensive characteristics of the sector.

Q: How much do the largest investors allocate to infrastructure?

A: The largest investors in the world are pension, superannuation and sovereign wealth funds. In terms of defining the largest investors, IPE Real Assets have defined a list of the 100 largest infrastructure investors with over US\$925 billion invested in the asset class in 2025 (Table 1).

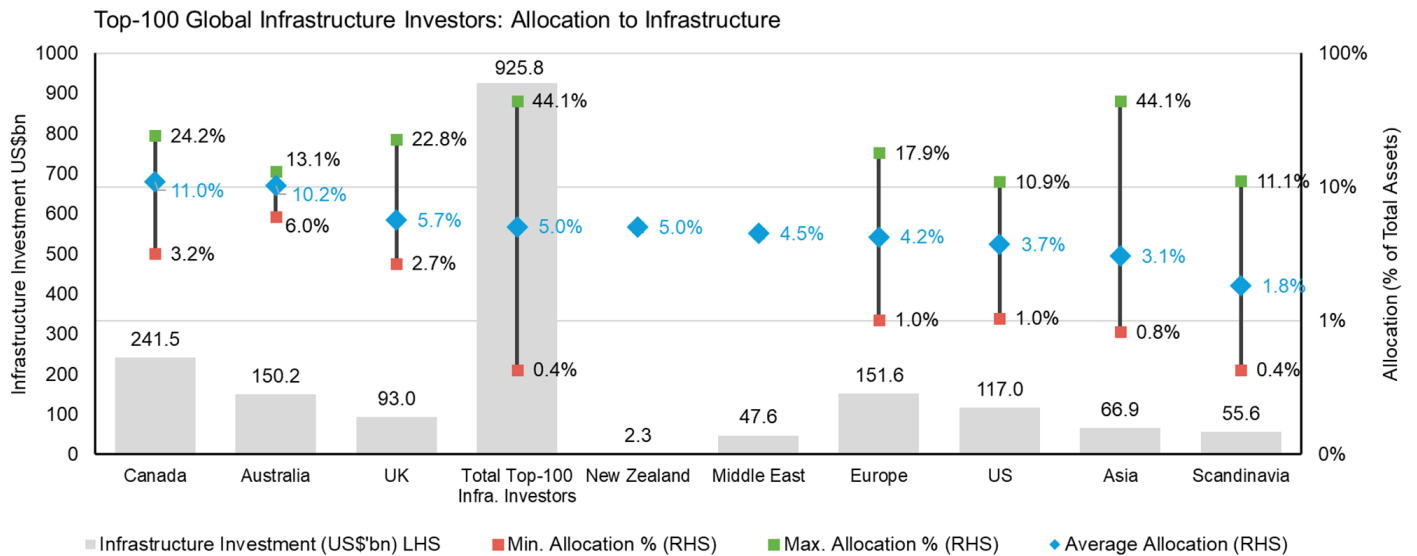
Table 1: Change in infrastructure exposures and allocations (2021-2025)

Top-100 Infrastructure Investors	2021	2025	Change
Total Infrastructure Assets (US\$bn)	440	926	110%
Total Assets (US\$bn)	14,915	18,349	23%
Allocation to Infrastructure (%)	3.0%	5.0%	71%

Source: Source: IPE Real Assets Sep/Oct 2025 and 2021, Ausbil.

The largest of these, the Government Pension Fund of Norway has total assets of US\$1.94 trillion invested, with the Desjardins Group Pension Plan in Canada being the smallest of the 100 with total assets of US\$9.1 billion. Figure 3 illustrates the spread of assets invested in infrastructure across the global regions represented, with the average (+5.0%), high (+44.1%) and low (+0.4%) allocations to infrastructure shown in percentage terms.

Figure 3: How the largest investors are allocating to infrastructure

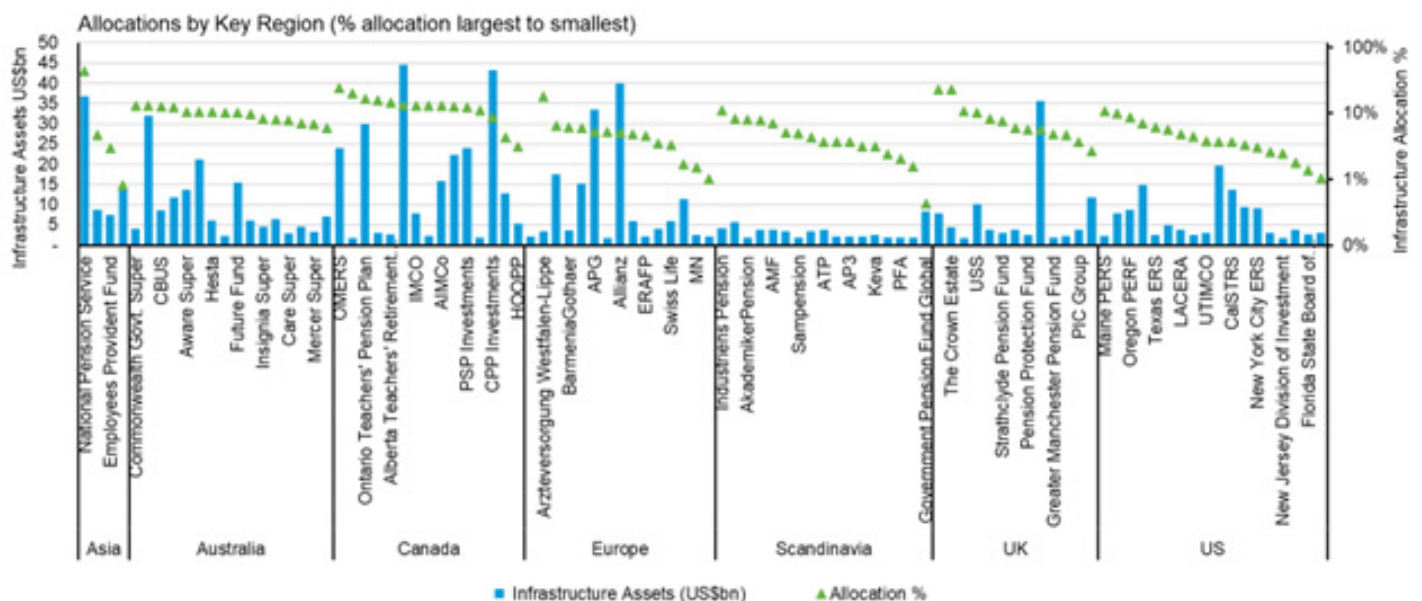


Source: Source: IPE Real Assets Sep/Oct 2025, Ausbil. Note the secondary y-axis is at logarithmic scale.

From Figure 3, members of the top-100 from Canada (+11.0%), Australia (+10.2%) and the UK (+5.7%) all hold allocations to infrastructure in excess of the average for the top-100, partly because of their significantly advanced pooled pension systems. For instance, in Australia compulsory payments into superannuation (pension) funds have been in force since 1992, with the contribution level currently set at 12% of an employee's salary. This has seen the superannuation sector grow to total asset value of A\$4.3 trillion (APRA, June 2025), a multiple of 1.3x of the total market capitalisation of the Australian Stock Exchange at A\$3.3 trillion (ASX, September 2025).

There are also regulatory and policy reasons why infrastructure is widely held in these countries given the privatisation of assets, the long duration of the liabilities and the focus of trustees on the stabilising and dependable benefits that infrastructure adds to a portfolio.

Figure 4: Allocation pattern across regions shows consistently robust investment in infrastructure



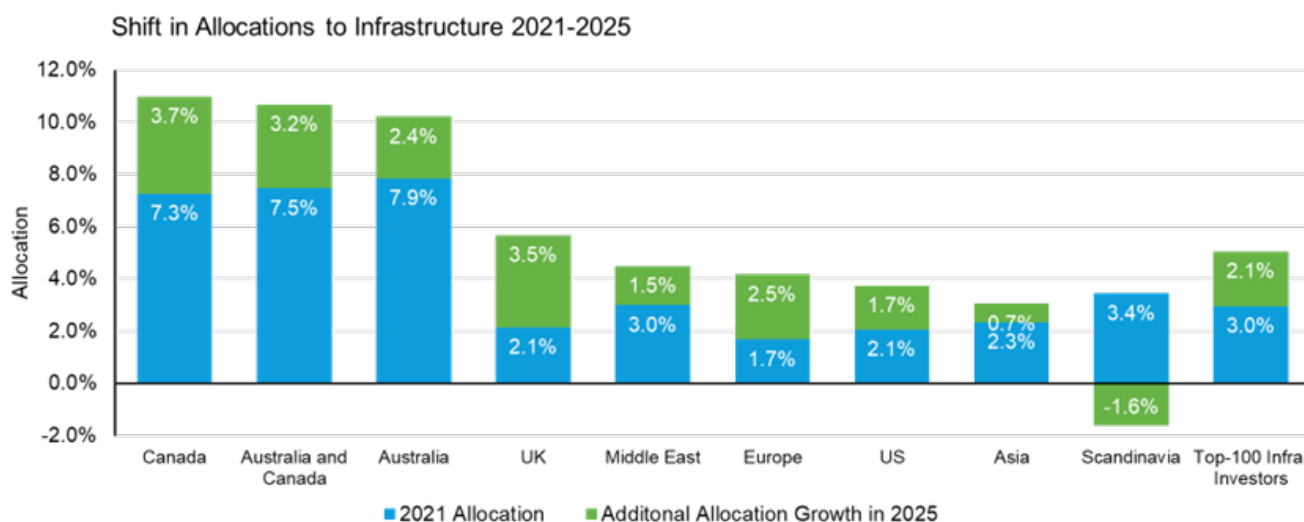
Source: Source: IPE Real Assets Sep/Oct 2025, Ausbil. Note the secondary y-axis is at logarithmic scale.

In 2021, the top-100 infrastructure investors worldwide held US\$440bn in infrastructure assets or around 2.95% of their total assets, according to the IPE Real Assets Top 100 Infrastructure Investors 2021 survey. This allocation grew by \$US485 billion between 2021 and 2025, to a total of US\$926 billion, based on the 2025 IPE Real Assets survey.

From a regional perspective, Australia and Canada are world leaders in infrastructure and by 2025 together held 10.7% (weighted average) of their assets in infrastructure, compared to the overall top-100 that now hold 5.05% of total assets in infrastructure (Figure 5).

Other markets remain laggards in their infrastructure allocations, partly because of localised opportunities in private to public and government sell down of assets. As an institutional asset class, infrastructure is relatively young compared to equities, fixed income and real estate, but for this reason, it is also an asset class that is showing significant upward movement in allocations – other than Scandinavia, all regions showed a significant upward shift in allocations from 2021 to 2025.

Figure 5: The shift up in allocations to infrastructure from 2021 to 2025



Source: IPE Real Assets Sep/Oct 2025 and 2021.

With the infrastructure allocations of the top-100 global infrastructure investors at around US\$1 trillion, what are we to expect looking ahead as allocations grow? This is an important question because in 2025, infrastructure assets under management total around US\$1.5 trillion⁴, only 1.5 times those assets held by the top-100 infrastructure investors⁵.

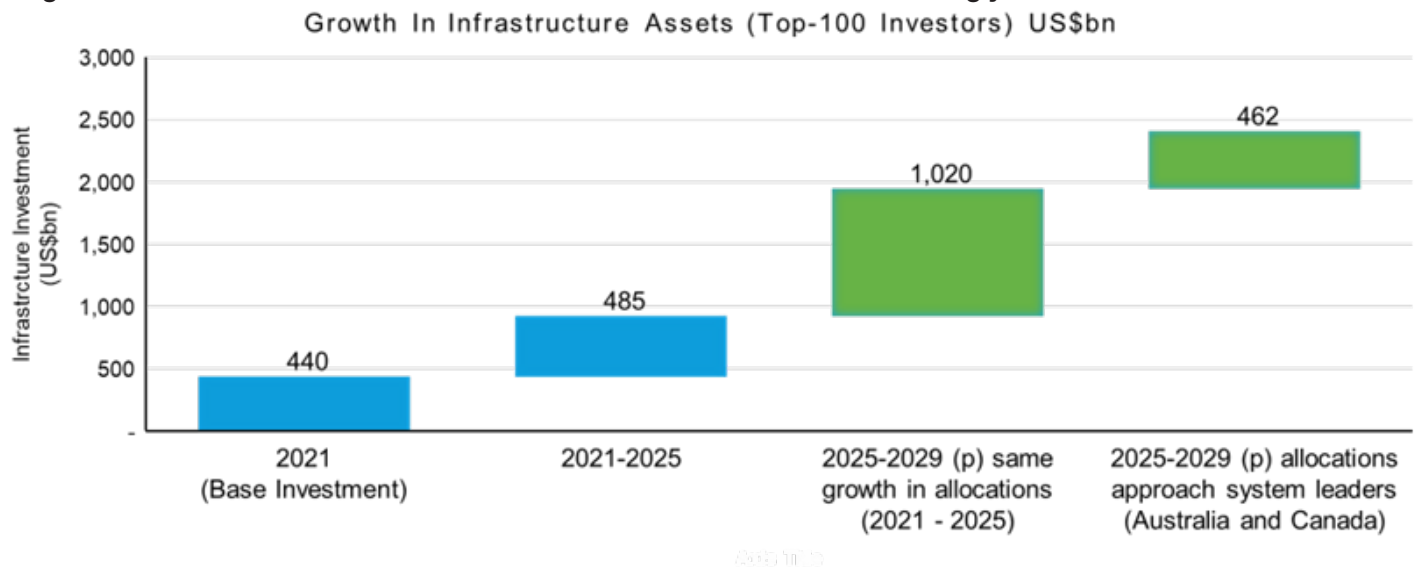
According to Ausbil's projections, if the allocations to infrastructure grow between 2025-2029 by the same rate as 2021-2025, top-100 investors will hold an average of 8.62% in infrastructure, meaning by 2029, the system will need at least US\$1 trillion in additional investable infrastructure to meet this demand. This assumes total assets also grow by the same amount out to 2029 that they did between 2021 and 2025 (or by a total of +23%).

As developed market populations grow and age, their pension and superannuation assets will also begin to compound rapidly, supported by increasing participation and compounding from younger generations investing money for retirement. It is not a significant stretch to assume that allocations for infrastructure globally will continue to grow with pension system assets, and as pension assets begin to exhaust equity and fixed income options. If system allocations approach those of the advanced markets of Australia and Canada (total 10.7% allocated to infrastructure) then infrastructure investors would need an additional US\$462 bn over and above the US\$1 trillion of infrastructure assets in the next four years (Figure 6), a total of US\$3 trillion, or twice the current size of the private infrastructure investment market.

4. McKinsey & Company, 2025.

5. IPE Real Assets, 2025.

Figure 6: Investors need over US\$1 trillion in infrastructure assets in coming years



Source: IPE Real Assets Sep/Oct 2025, and 2021. Projections are from Ausbil based on simple assumption of same growth in total assets to 2029 and then projecting for the potential for allocations to shift towards the levels of Australia and Canada, for illustrative purposes in terms of the potential demand for infrastructure assets.

Q: What does this mean for everyday infrastructure investors?

A: With the growing demand for investable infrastructure, the question of where it will be found has a number of negative and positive implications for investors. While the opportunity set in terms of total demand for infrastructure of some US\$106 trillion (McKinsey & Company) is compelling, much of this infrastructure remains in the hands of government and direct infrastructure owners already. There is relatively little new infrastructure available in private markets which is causing definition creep with respect to what types of assets are actually infrastructure, and there is deal crowding for what is available, driving up entry prices for investors. The private infrastructure market has some US\$1.5 trillion in total assets, while the listed infrastructure market has a market capitalisation of around US\$3.2 trillion, offering significant liquidity and diversification opportunity for investors.

The obvious solution is for large infrastructure investors to increase allocations into listed infrastructure markets in order to access this liquidity lifeline, diversity and what we believe are significantly cheaper valuations. This is a potential opportunity for all investors in listed essential infrastructure to harvest over the coming years.

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