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Private debt fund survey 2026



Growth, diversification and regulatory change

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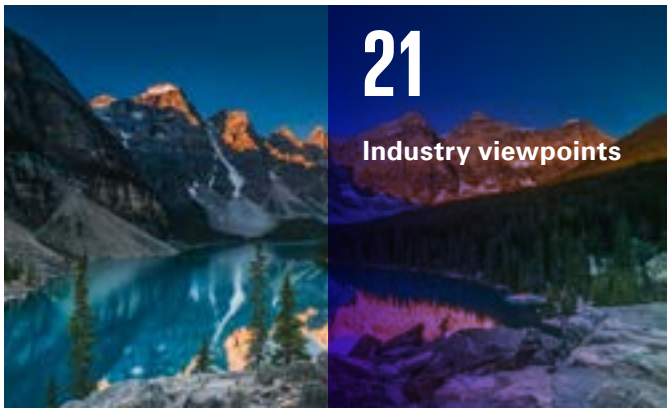
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Introduction



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In recent years, the growing role of private debt in financing the economy has brought increased scrutiny of how the asset class manages risk. Concerns surrounding borrower resilience, valuations and liquidity have fuelled debate about the pace and sustainability of its expansion. The rapid growth of Luxembourg's private credit market further underscores the importance of sound underwriting standards, robust governance frameworks, and greater transparency.

The 2026 KPMG/ALFI Private debt fund survey provides a comprehensive snapshot of this growing market. Drawing on data from 12 depositary banks, the survey covers more than 1,900 private debt funds. Participating depositary banks reported assets-under-management (AuM) weighted growth of 23.4 percent in 2025, compared with 24.7 percent in the previous survey. Although the pace has eased slightly, the market continues to expand at a sustained pace.

Private debt offers borrowers an additional source of financing, with solutions tailored to their specific financing requirements. For investors, it provides access to income-generating opportunities across a range of sectors and investment strategies. However, these benefits come with risks that require careful assessment, particularly where borrowers face refinancing pressures or funds offer liquidity against underlying illiquid assets. While market growth highlights the increasing importance of private debt as a financing source and investment asset class, it does not, in itself, provide insight into underlying credit quality or the resilience of the market as a whole. These questions remain central to assessing the sustainability of its expansion.

The results reaffirm Luxembourg's fund toolbox as a premier choice for international managers. The special limited partnership (société en commandite spéciale, or SCSp) remains the dominant legal form among the AIF debt vehicles surveyed, while the reserved alternative investment fund (RAIF) has further increased its share. Together with an established ecosystem of fund managers, depositaries and specialist service providers, these structures offer the flexibility to accommodate a broad range of investment strategies and investor requirements.

Europe remains the primary investment destination, while the investor base spans multiple regions. The diversity of sectors financed also highlights the breadth of private debt's contribution to the real economy, extending from infrastructure and energy to healthcare, construction and real estate.

The next phase of the market's development will depend on the industry's ability to sustain confidence through disciplined lending practices, robust valuation frameworks and greater transparency in its communication with investors. By providing valuable insights into the scale and characteristics of Luxembourg's private debt fund market, this survey contributes to a better understanding of the asset class and supports informed dialogue across the industry.

On behalf of ALFI, we would like to thank KPMG for its continued collaboration, as well as all participating depositaries and other contributors for sharing their data, expertise and insights.



Julien Bieber
Partner,
Alternative Investments

Luxembourg private debt funds: growth, diversification and regulatory change

Scale is no longer the only story in private debt. The 2026 KPMG/ALFI Private debt fund survey points to a Luxembourg market that is growing, diversifying and adapting to a changing regulatory landscape.

The survey draws on data from 12 depositaries and covers more than 1,900 private debt funds and sub-funds, representing approximately EUR605 billion* in AuM. Across participating depositaries, AuM grew by 23.4 percent on a weighted basis between 31 December 2024 and 31 December 2025.

Luxembourg's structuring flexibility remains a competitive strength. RAIFs account for 70 percent of surveyed regulated and indirectly supervised vehicles, up six percentage points from the 2025 survey. Among other alternative investment fund (AIF) debt vehicles surveyed, the SCSp remains the dominant legal form at 82 percent.

Luxembourg's role also extends well beyond fund domiciliation. Seventy-four percent of the alternative investment fund managers (AIFMs) overseeing these debt vehicles are located in Luxembourg. Furthermore, the market is evenly split between in-house and third-party AIFM models, highlighting the depth of the local management and servicing ecosystem.

In terms of asset allocation, direct lending remains the most prevalent strategy. However, its overall share of the surveyed population has moderated to 45 percent, down from 52 percent in the 2025 survey. Mezzanine debt (16 percent) and asset-based lending (12 percent) follow closely, pointing to a gradual broadening of the strategy mix. The remaining capital spans distressed debt, fund-of-funds, venture debt, special situations and bridge financing, reflecting the breadth of financing opportunities available to managers.

Institutional investors make up 79 percent of the surveyed base, and an identical 73 percent of all investors originate from the European Union (EU) or elsewhere in Europe. This concentrated growth is taking place against a backdrop of increasing activity in European private credit, reinforcing Luxembourg's role as a primary structuring and servicing hub for the asset class.

Access models are also shifting. Evergreen funds now represent 13 percent of surveyed funds, up from 8 percent in the 2025 survey. This points to a gradual diversification in access and liquidity structures, even as the broader private debt market remains predominantly closed-ended.

Return expectations remain concentrated in the mid-market range, with 50 percent of surveyed funds targeting returns of 6 to 10 percent. At the same time, more than one-fifth (21 percent) target returns of 11 to 15 percent, illustrating the diverse risk-return profiles available.

The regulatory environment continues to mature alongside the market. As private debt scales, regulators are placing greater emphasis on leverage, liquidity, credit risk management and the potential transmission of risk across the financial system.

The revised Alternative Investment Fund Managers Directive (AIFMD II) marks an important regulatory milestone that took effect on 16 April 2026. Its loan-origination provisions address credit risk processes, leverage, concentration, risk retention and liquidity management. Under this framework, loan-originating AIFs are generally expected to be closed-ended unless their liquidity risk management can robustly justify an open-ended structure.

This shift directly impacts Luxembourg, where 48 percent of surveyed debt funds now qualify as loan-originating funds (LOFs) under the revised framework. Of these, approximately 87 percent are closed-ended, and 13 percent are open-ended. While the predominance of closed-ended structures aligns smoothly with the new regime, those funds offering redemptions will need to demonstrate particularly robust liquidity governance.

As portfolios grow and strategies diversify, market focus is shifting from initial origination to active portfolio surveillance. The opportunity is substantial, but scale alone will not determine long-term success. Disciplined underwriting, timely monitoring, dependable loan-level data and consistent valuation practices will be essential, especially as products become more complex and investor and supervisor expectations continue to rise.

Luxembourg's flexible fund toolbox and experienced ecosystem of alternative investment fund managers (AIFMs) and service providers offer a strong foundation for this next phase. By combining product innovation with sound credit risk management, liquidity oversight and operational resilience, the market is well-equipped to sustain its leadership position.

We thank the participating depositaries and market professionals for their invaluable contributions to this survey.

*The AuM figures reflect assets reported by the depositaries participating in the survey and should not be interpreted as fundraising volumes or as representing the Luxembourg private debt market as a whole.



EUR 605 billion total AuM

This figure is based on data from the surveyed depositary banks to provide an overview of the dataset, rather than the entire market. It includes only the regulated funds and indirectly supervised investment vehicles (such as RAIFs, specialized investment funds (SIFs) and SCSp AIFs) captured in this survey. Please note that this total may reflect a degree of double counting, particularly within master-feeder structures, and the AIFMs of the covered funds may be established in other EU member states

23.4% average growth of AuM

between 31 December 2024 and 31 December 2025
Average increase representing the AuM-weighted growth rate across participating depositary banks between 31 December 2024 and 31 December 2025 based on data provided

12 depositary banks +1,900 debt funds

Our survey is based on data provided by 12 Luxembourg depositary banks with significant exposure to the private debt fund market, representing more than 1,900 private debt funds and sub-funds

74% of AIF debt vehicles have a Luxembourg AIFM

50% of them are in-house AIFM

70% RAIF

+6pp compared to 31 December 2024

82% SCSp

vehicle of choice for AIF debt vehicles

Investment target

34%
EU member states

26%
Other European countries

19%
North America

Expected return

6 to 10%

50% of debt funds expect return between 6% and 10%



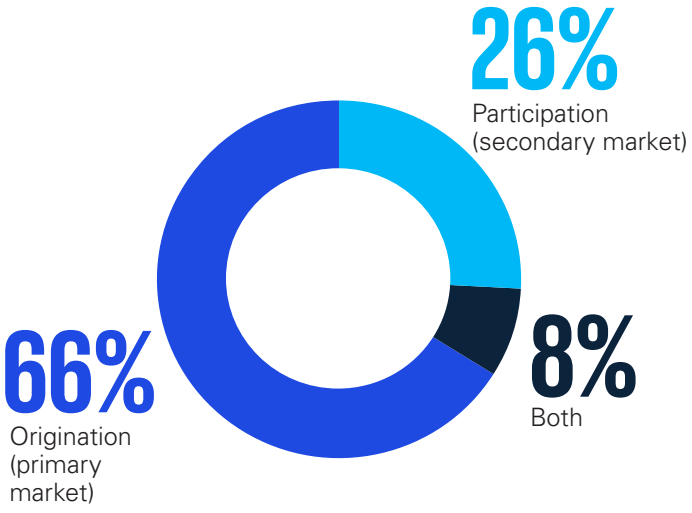
Debt fund rundown

Debt fund categories

Depending on their investment strategy, debt funds can either be debt-originating or debt-participating:

- A debt-originating fund is, according to its investment strategy, allowed to grant loans (so-called "loan origination or primary market") and restructure debts. In other words, it can amend debt conditions, such as prolongation or deferral.
- A debt-participating fund is allowed to partially or fully acquire and restructure existing debts from third parties (i.e. banks and other institutions), either directly from the lender or in secondary markets where these debts are traded. According to its investment strategy, a debt-participating fund is not allowed to grant loans.

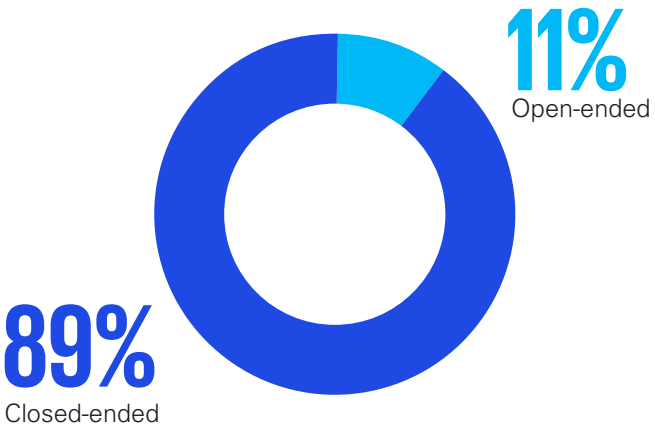
Figure 1:
Debt-originating vs. debt-participating funds



Source: KPMG/ALFI debt fund survey

Debt funds can be open- or closed-ended depending on the type of investors and the underlying asset category. Similar to last year, the vast majority (89 percent) of Luxembourg debt funds are closed-ended (Figure 2).

Figure 2:
Open-ended vs. closed-ended debt funds



Source: KPMG/ALFI debt fund survey

Regulatory framework

Regulated fund vehicles are authorized and supervised by Luxembourg's supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and must appoint an authorized AIFM. RAIFs are an exception. While not directly overseen by the CSSF, they are considered indirectly supervised because they must be managed by an authorized AIFM, which is subject to direct supervision and reporting requirements from its local regulator.

Other AIFs investment vehicles are also neither authorized nor supervised by the CSSF, and are either exempted from the AIFM requirement as per Article 3 of the AIFM law or have a registered AIFM as per Article 3 of the AIFM law.

Regulated fund vehicles[1]

Ordered from least regulated to most, regulated debt fund vehicles (including RAIFs) exist in the following structures:

- RAIFs: funds subject to the law of 23 July 2016, as amended on 16 July 2019[2].
- Investment companies in risk capital (SICARs): funds subject to the law of 15 June 2004, as amended.
- Specialized investment funds (SIFs): funds subject to the law of 13 February 2007, as amended.
- Part II funds: funds subject to part two of the law of 17 December 2010, as amended.

While Part II funds are available to all investor types, SIFs, SICARs and RAIFs are reserved for "well-informed investors." This refers to institutional investors, professional investors (as defined under the revised Markets in Financial Instruments Directive, or MiFID II) or others who can prove they qualify for this status by meeting one of the below criteria:

(i) Invest a minimum of EUR100,000
(ii) Undergo an assessment by an EU credit institution, MiFID investment firm, Undertakings for Collective Investment in Transferable Securities (UCITS) management company, or an authorized AIFM that certifies their ability to understand the risks of investing in the fund.

Eligible assets for Part II funds, SIFs and RAIFs are unrestricted. However, Part II funds and SIFs, along with SICARs, are under direct CSSF supervision and subject to prior CSSF approval and authorization.

RAIFs, on the other hand, are not subject to CSSF approval but must be managed by an authorized external AIFM, who is required to regularly report on the RAIF to its local regulator.

SICARs can only invest in securities that represent risk capital, as stated in the CSSF Circular 06/241.

As seen in Figure 3,[4] RAIFs dominate Luxembourg's debt fund market at 70 percent, followed by SIFs (22 percent), Part II funds (7 percent) and SICARs (1 percent).

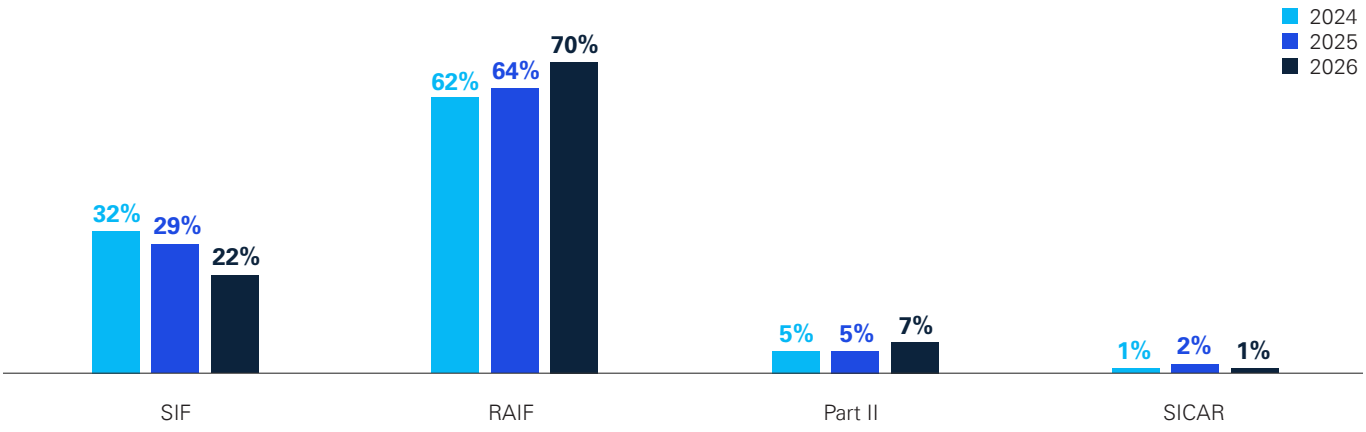
Similar to last year, the percentage of debt funds set up using RAIFs continues to grow (+6pp compared to last year), while the percentage of funds set up as SIFs continues to fall (-7pp). We expect RAIFs to continue growing at this rate.

Launched in 2016, the RAIF is an attractive alternative to the SIF. It has the same features and flexibility as the SIF but is less regulated. Only the RAIF's AIFM is subject to supervision and reporting requirements, removing the double regulation layer and allowing for shorter time to market.

SIFs continue to be used by debt fund managers due to their flexible investment policy and regulatory regime. In addition, because they have been available for a decade, SIFs benefit from being well-known.

Debt fund promoters rarely use SICARs due to their restrictive investment policy: they can only be used to invest in risk-bearing securities, such as mezzanine bonds/ notes.

Figure 3:
Regulated debt funds[3] by legal regime

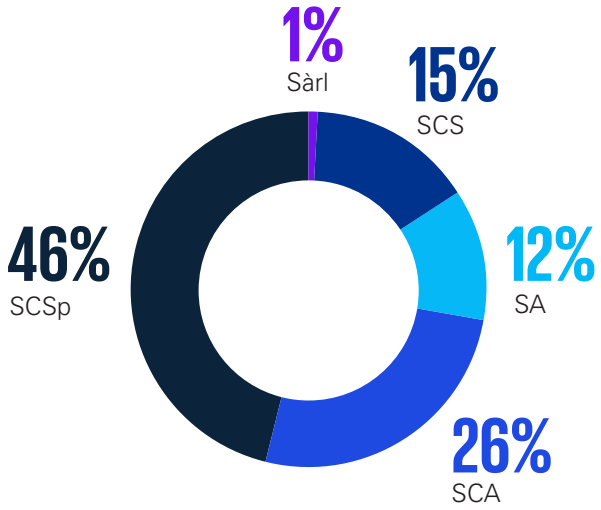


Source: KPMG/ALFI debt fund survey

1. RAIFs have been included in the list of "regulated" investment vehicles for presentation purposes, although they are only indirectly supervised and neither authorized nor directly supervised by the CSSF.
2. RAIFs have been included for presentation purposes, although they are only indirectly supervised and not authorized or directly supervised by the CSSF.
3. Excluding UCITS and including RAIFs as indirectly regulated vehicles.
4. Ibidem.

Survey results reveal that regulated debt funds (including RAIFs) opt mainly for the Luxembourg SCSp (46 percent), followed by the Luxembourg partnership limited by shares (société en commandite par actions, or SCA) (26 percent) (Figure 4).

Figure 4:
Regulated debt funds by legal form



Other AIFs, indirectly supervised investment vehicles

Other alternative investment vehicles that are not directly regulated (such as SIF) or indirectly regulated (such as RAIF) represent another important element of the debt fund market (70 percent).

Absence of CSSF authorization and supervision

Contrary to regulated fund vehicles, these investment vehicles are not subject to any specific legal regime (e.g. UCITS, Part II, SIF and SICAR) or CSSF prior authorization requirements, reporting or direct supervision.

Alternative investment funds (AIFs)

Nonetheless, these Luxembourg investment vehicles qualifying as AIFs, and thus falling within the scope of the AIFMD, must be managed by an EU AIFM. In the case of a Luxembourg AIFM, its direct authorization and supervision of the AIF translates into indirect CSSF supervision.

Certain AIFMs falling within specific thresholds have lighter reporting requirements[5] and are only required to register with the CSSF.

Legal forms

These other AIFs vehicles can be set up as the following:

- Limited partnerships: sociétés en commandite simple (SCSs)
- SCSps
- SCA
- Public limited companies: société anonyme (SA)
- Private limited companies: société à responsabilité limitée (S.à r.l.).

Securitization vehicles (SVs)

These investment vehicles can also be structured as SVs, subject to the law of 22 March 2004 or EU Regulation 2017/2402 of 12 December 2017 (as amended).

Advantage of indirectly supervised investment vehicles

Compared to regulated fund vehicles, these are highly flexible and cost-effective since they do not require direct CSSF approval, reporting or supervision. In addition, they are not subject to registration fees and incur only limited minimum taxation if set up as SCS, SCSps or SVs.

Loan origination can be done without CSSF authorization and supervision if the debt is granted to a limited number of identified persons (provided the fund does not qualify as an AIF, for example). This makes the Luxembourg market extremely attractive to the debt industry, as AIF vehicles may be used within the framework of specific projects; for instance, to acquire a single portfolio or several portfolios in the same industry.

These AIFs set up as SCSs, SCSps or SOPARFIs can also invest in any type of asset. If they are managed by an EU AIFM, they can market their partnership interests to EU-wide professional investors with a specific passport.

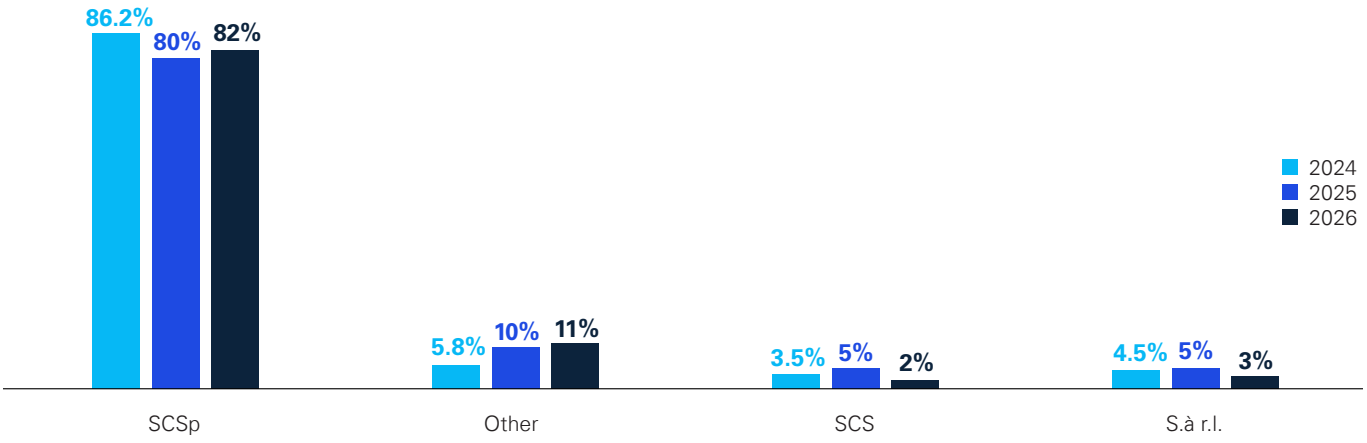
Collecting data on the AIF segment of the debt fund market remains a challenge. These vehicles are neither authorized nor supervised by the CSSF, and no detailed information or listing currently exists on the market.

5. Article 3, §2 and §3 of the law of 12 July 2013 on Alternative Investment Fund Managers.
6. Based on the definition of AIF: "any collective investment undertaking, including investment compartments thereof, which raises capital from a number of investors with a view to investing it in accordance with a defined investment policy for the benefit of those investors and which does not require authorization pursuant to the UCITS Directive."

As in last year's survey, we expanded our data collection with depositary banks to include these debt-focused AIFs. Thanks to the participating depositaries, we gained a much broader view of the indirectly supervised segment of the debt fund market.

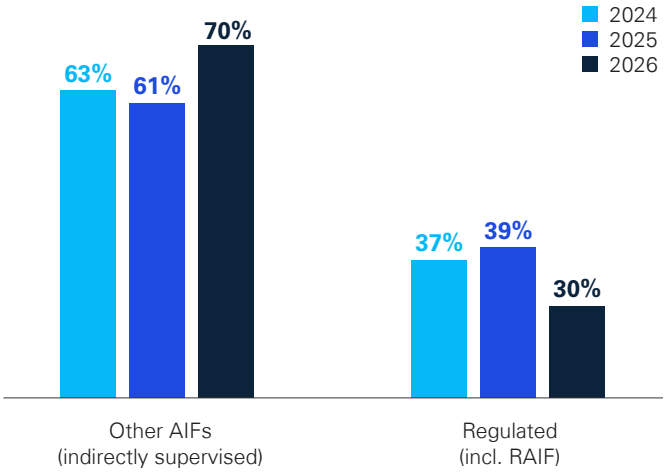
Among the debt fund managers surveyed in this market,[7] there is a clear preference for the SCSp (82 percent) over the S.à r.l. (3 percent) and SCS (2 percent). SCSps are widely used for their accessibility, flexibility and visibility among investors and promoters (Figure 5).

Figure 5:
Other AIFs debt fund by legal form



Source: KPMG/ALFI debt fund survey

Figure 6:
Regulated (incl. RAIF) vs. other AIFs (indirectly supervised) debt funds



Source: KPMG/ALFI debt fund survey

As Figure 6 illustrates, the majority of surveyed Luxembourg debt funds (70 percent) are other AIFs that have not applied for the RAIF regime. The remaining 30 percent are regulated (or indirectly supervised) investment vehicles, such as RAIFs or SIFs. This marks a significant increase in other AIFs (+9pp) compared to the previous survey.

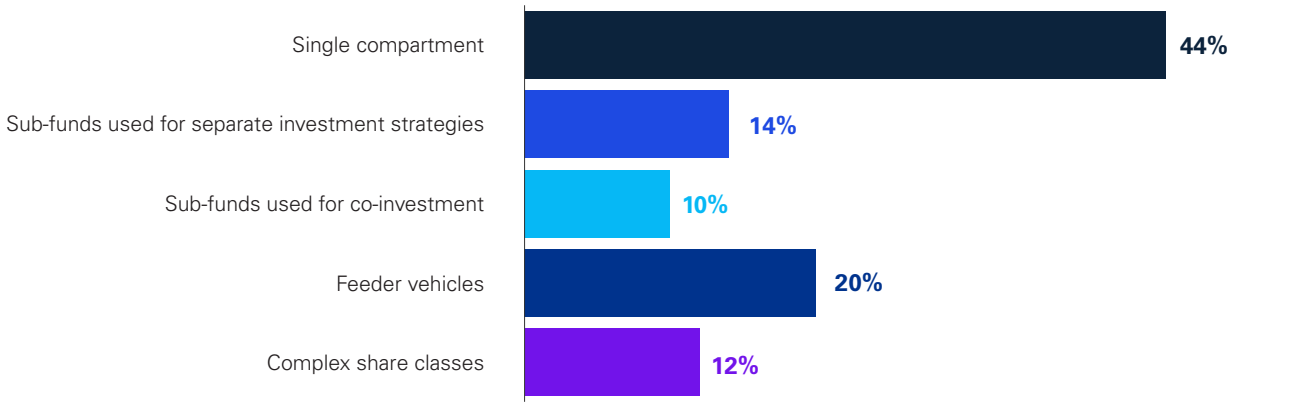
7. The data for the other AIFs debt fund market only refers to indirectly supervised AIFs. No data has been collected for other non-AIF vehicles.

Regarding debt fund structuring, promoters can choose between single or multiple compartments. Figure 7 illustrates this breakdown as of 31 December 2025. As in last year's survey, the percentage of single compartment funds is higher than sub-funds used for separate investment strategies.

Complex share classes mean that different management and performance fee structures can be utilized for different investors.

Usually, a single compartment focuses on one asset class, while sub-funds are used to accommodate different investment strategies. However, due to accounting and consolidation considerations, investors tend to prefer the simplest solution.

Figure 7:
Debt fund structures

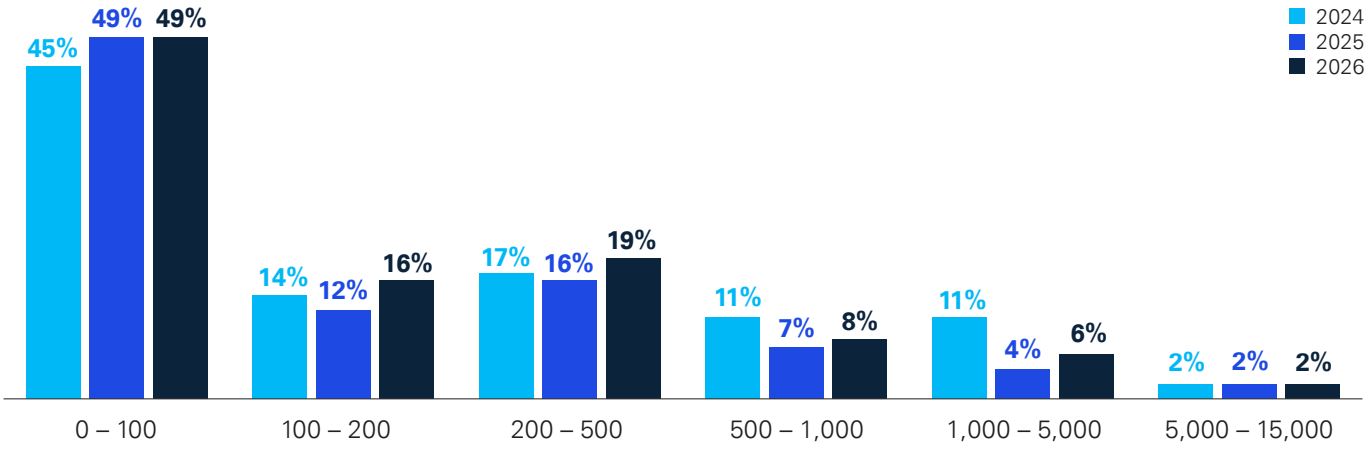


Source: KPMG/ALFI debt fund survey

Confirming the trends observed in recent years, 49 percent of debt funds have AuM of up to EUR100 million. Some 35 percent of debt funds are mid-size funds, i.e. those with a net asset value (NAV) of EUR100 million to EUR500 million, in line with last year's trend. Finally, large funds ranging from EUR500 million to EUR5 billion represent 14 percent (Figure 8).

Data from the depositaries surveyed reflected an average growth in AuM of 23.4 percent for the period between 31 December 2024 and 31 December 2025.[8]

Figure 8:
Debt fund by fund size (in million EUR)



Source: KPMG/ALFI debt fund survey

8. Average increase representing the AuM-weighted growth rate across participating depositary banks between 31 December 2024 and 31 December 2025 based on data provided.



Private debt in Luxembourg: a new phase of maturity



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The European private debt market has undergone a remarkable transformation over the past decade. Once considered a niche alternative investment strategy, it now anchors institutional portfolios and provides a critical source of business financing. As traditional banks navigate tighter regulatory frameworks, private credit managers have stepped up to provide flexible financing solutions across the economy.

Luxembourg sits at the intersection of several structural shifts reshaping European credit: the institutionalization of non-bank lending, the expansion of regulated cross-border distribution and the growing need to pair illiquid assets with more flexible investor access. As a result, the jurisdiction's relevance is no longer measured simply by the number of domiciled vehicles. Instead, success depends on whether its fund, AIFM, administration, depositary and valuation infrastructure can support more complex strategies alongside demanding liquidity and reporting models.

Today, private debt has moved beyond its former alternative label, serving as an integral part of the private markets landscape and a vital complement to both traditional fixed income and private equity strategies.

A market defined by structural growth

As the sector expands, the focus shifts from projecting growth to understanding how its economics and risk transmission will change as banks, insurers, asset managers and wealth platforms increasingly intertwine.

Private credit is converging with, not just replacing, bank lending

Rather than a straightforward displacement of traditional banks, the market is witnessing a deep integration between the two sectors. Research from the Bank for International Settlements (BIS) suggests that banks' historical funding cost advantage has narrowed.[9] At the same time, direct lenders are adopting more bank-like structures, including secured loans, club deals and revolving facilities that frequently involve bank participation.[10] These shifts highlight a clear convergence between private credit and syndicated lending practices.

Growth is broad, but risk can remain concentrated

While total private credit fund AuM has surged past US$2.5 trillion globally, individual fund portfolios often remain heavily exposed to just a handful of sectors, according to the BIS.[11] Debtwire reports that technology, business services and healthcare dominated the European direct-lending landscape in 2025, generating issuance of EUR34.7 billion, EUR20.0 billion and EUR16.6 billion, respectively. Together, these three sectors captured approximately 62 percent of the EUR115 billion deployed during the year.[12]

9. Fernando Avalos, Sebastian Doerr and Gabor Pinter, "The global drivers of private credit," BIS, 11 March 2025.
10. Iñaki Aldasoro and Sebastian Doerr, "Collateralized lending in private credit," BIS, 13 May 2025.
11. Avalos, Doerr and Gabor Pinter, "The global drivers of private credit," BIS.
12. Patrick Costello and Ben Watson, "European direct lending market shatters records for deployment, deal activity in 2025 – Full Year 2025 European Direct Lender Rankings," Debtwire, 3 February 2026.

Although specialization can sharpen a manager's screening and monitoring capabilities, this lack of diversification may leave funds increasingly exposed to sector-specific downturns.

European direct lending gains share as competition shifts beyond yield

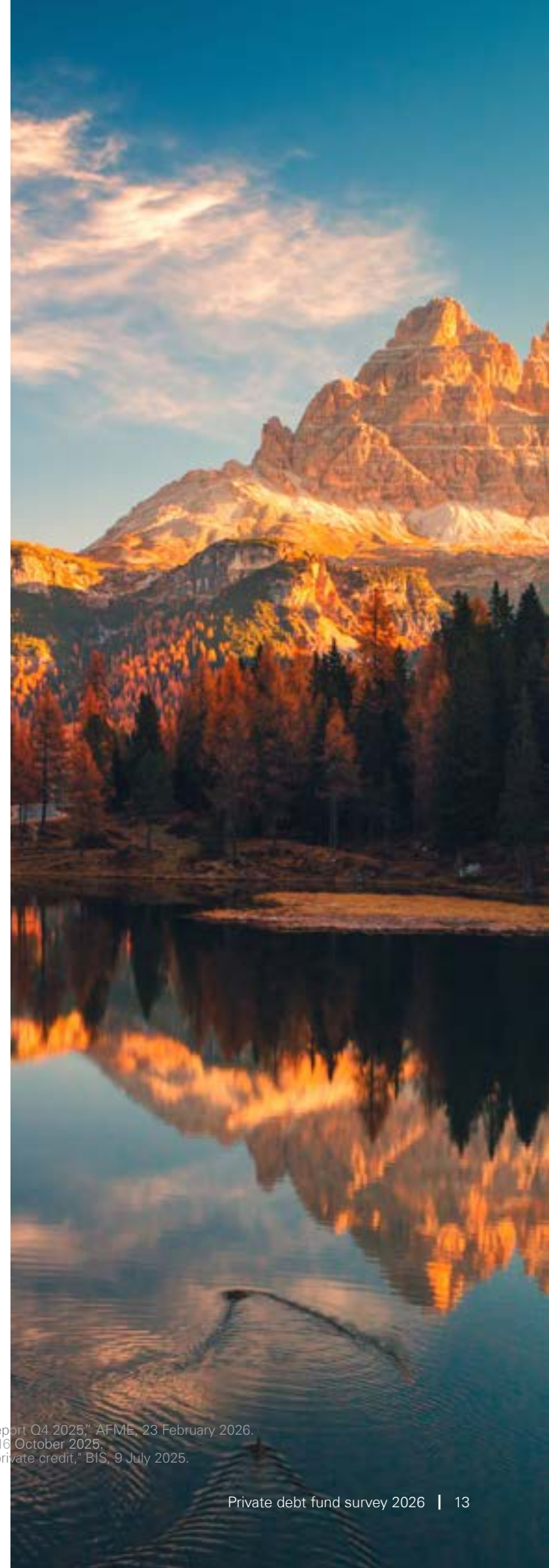
Direct-lending origination increased by 26 percent compared to 2024 — pushing its share of the European leveraged-debt market from 15 percent to 17 percent, according to the Association for Financial Markets in Europe (AFME).[13] This combination of higher volumes and growing market share points to intensified competition, elevating the critical importance of disciplined underwriting, robust structural protections and high-quality documentation.

The sheer scale remains substantial. Preqin forecasts private credit AuM to reach approximately US$4.5 trillion by 2030, driven by bank disintermediation, fresh borrower supply and the proliferation of liquid fund structures.[14] Yet the more revealing European datapoints center on transactions. Direct lending claimed a rising share of leveraged finance in 2025, primarily fueling acquisitions, leveraged buyouts and growth financing, while public leveraged-loan and high-yield issuance largely funded refinancing and debt repayment.

The semi-liquid shift: from capital calls to continuous access

Rather than a binary move from closed-ended to open-ended funds, the industry is increasingly embracing semi-liquid or "semi-evergreen" structures. These vehicles accept subscriptions regularly, reinvest repayments and permit periodic redemptions — subject to notice periods, gates and available liquidity. This framework pairs exceptionally well with private credit, as contractual interest and principal repayments organically support distributions and a measured redemption program. Ultimately, it replaces the traditional cycle of fundraising, capital calls and fund liquidation with a more continuous investment and distribution model.

This shift reshapes market discipline far more than it drives headline asset growth. Semi-liquid vehicles introduce observable subscription and redemption behavior into an asset class where loans do not trade continuously. The BIS notes that exchange-traded funds could introduce price signals that make the opaque private credit market more transparent — particularly during downturns when discounts to NAV could be large and persistent. Furthermore, retail investment vehicles could spur the development of secondary markets for currently illiquid private loans, which may eventually erode some of private credit's traditional benefits.[15]



13. Julio Suarez, "European High Yield, Leveraged Loan, and Private Credit Report Q4 2025," AFME, 23 February 2026.
14. Preqin, "Preqin Releases Private Markets in 2030 Report," press release, 16 October 2025.
15. Iñaki Aldasoro, Sebastian Doerr and Karamfil Todorov, "Retail investors in private credit," BIS, 9 July 2025.

Luxembourg anchors this distribution shift by combining alternative-fund structuring with the EU's regulated European Long-Term Investment Fund (ELTIF) passport. The official European Securities and Markets Authority (ESMA) register serves as the authoritative vehicle-level source and should replace static industry estimates for current domicile counts. Commercially, ELTIF 2.0 widens the eligible asset universe and boosts structuring flexibility, allowing managers to package private credit for private banks, family offices and eligible retail investors alongside traditional institutional channels.

However, periodic dealing does not magically create liquidity in the underlying loans. It establishes a contractual liquidity promise that managers must actively support through cash generation, liquidity sleeves, borrowing facilities, notice periods, gates and fair allocation practices. The International Monetary Fund (IMF) specifically flags semi-liquid structures, layered leverage and potentially stale valuations as vulnerabilities demanding close monitoring.[16] Consequently, valuation governance merges directly with liquidity management: if marks adjust more slowly than actual credit conditions, subscriptions and redemptions can transfer value between investor cohorts, even when a fund strictly complies with its stated dealing terms.

Strategy is broadening beyond sponsor-backed direct lending

While direct lending anchors the market, fund managers are actively exploring adjacent strategies that redraw the risk map. Moody's expects asset-based finance to expand through partnerships where banks reduce or redistribute capital-intensive exposures, allowing managers to target receivables, equipment, consumer assets and investment-grade private credit.[17] Credit secondaries, NAV facilities and hybrid capital are also growing to address liquidity and refinancing constraints within mature private-market portfolios. Crucially, these strategies are not simple drop-in replacements for direct lending: each demands different collateral, servicing, structural subordination, recovery timing and valuation behaviors.

This strategic broadening is visible across four key areas:

1. **Asset-based finance** extends lending to pools of receivables, equipment, consumer assets and contracted cash flows, frequently offering granular collateral and a lower correlation to buyout activity.

2. **Infrastructure and energy-transition debt** captures financing demand from data centers, power networks, storage facilities and renewable assets.

3. **Opportunistic and capital-solutions strategies** address refinancing gaps, highly complex balance sheets and borrowers requiring payment-in-kind (PIK), preferred or hybrid capital.

4. **Credit secondaries and NAV financing** respond directly to the growing need for liquidity in mature private-market portfolios.

While these strategies can diversify income sources, they simultaneously demand distinct underwriting, legal, servicing and valuation requirements.

The rise of sector specialization

Focusing on niche industries offers managers a distinct avenue for alpha, but also introduces hidden correlations. BIS research indicates that despite the market's expansion across industries, individual funds remain highly concentrated in just a few sectors. This concentration poses risks: portfolios appearing diversified by borrower may actually share identical sponsor assumptions, software revenue metrics, healthcare reimbursement exposures, energy-price sensitivities or refinancing calendars. Consequently, sophisticated investors increasingly push concentration analysis beyond simple issuer and sector limits, focusing instead on common underwriting variables and correlated downside scenarios.

Although many direct lending funds historically targeted diversified portfolios, managers increasingly seek industry-specific expertise to generate superior risk-adjusted returns.



16. IMF, Global Financial Stability Report, Chapter 2, April 2024.
17. Moody's, "Private credit - primed for growth as LBOs revive, ABF opportunities accelerate", 21 January 2025.

Several sectors currently dominate investor attention:

- **Technology and digital infrastructure:** Digital transformation continues to fuel financing demand across software, cybersecurity, cloud infrastructure, artificial intelligence (AI) and data centers. These businesses typically offer attractive recurring revenue and resilient growth. Furthermore, the rapid growth of AI-related infrastructure is creating new, active opportunities in data center financing and digital infrastructure lending.

- **Healthcare:** Serving as one of the most resilient sectors for private debt, healthcare continues to generate robust financing opportunities. Demographic trends, aging populations and ongoing medical innovation drive capital deployment across healthcare services, medical technology and pharmaceuticals. Investors naturally gravitate toward the sector's relatively defensive cash flows and lower sensitivity to economic cycles.

- **Infrastructure and energy transition:** The global energy transition and the massive build-out of digital capacity demand substantial capital. Private debt can participate through senior project finance, holding company (Holdco) debt, construction facilities and investment-grade private placements. This provides investors with exposure to long-duration contracted cash flows while funding vital assets that banks or public markets hesitate to finance alone.

- **Asset-based finance:** Emerging as one of private credit's fastest-growing segments, asset-based finance sees managers deploying capital against portfolios of receivables, equipment, consumer loans, transportation assets and specialized collateral pools. Beyond pure yield, the strategy can provide granular collateral, contractual amortization and exposure to economic activity decoupled from private equity-sponsored transaction volumes. However, this opportunity requires intense operational oversight. Performance hinges on asset-level data quality, strict eligibility criteria, concentration monitoring, robust collections and effective collateral enforcement. Managers must build sector-specific credit models and highly scalable servicing arrangements; headline collateral coverage cannot mask a poor understanding of cash-flow volatility, dilution, prepayments and recovery timing.

Regulatory evolution shapes the next chapter

As the market matures, regulators are implementing stricter, more consistent standards covering loan origination, liquidity, risk management and investor protection. AIFMD II introduces a fully harmonized EU framework for LOFs, reinforcing requirements around leverage, concentration, risk retention, underwriting and liquidity management.

For Luxembourg, this regulatory shift creates a prime opportunity to leverage its established alternative-fund infrastructure as managers overhaul their products and operating models. Ultimately, regulatory compliance, radical transparency and operational resilience will serve as increasingly important differentiators.

Technology is reshaping operations

Converting static loan documentation into dynamic, longitudinal data stands out as the industry's most transformative technological leap. Private credit managers sit on a goldmine of rich information — such as covenants, borrowing-base tests, collateral tapes, amendments and monthly borrower reporting — yet much of it remains locked in bespoke documents and inconsistent templates. Competitive advantage now belongs to firms that normalize this data quickly enough to compare obligors, identify deteriorating trends and proactively challenge valuations before a formal default occurs.

AI, automation and advanced analytics are actively reshaping underwriting, portfolio monitoring and reporting. Practical use cases are transitioning from simple experimentation into daily workflows: extracting covenant data from loan documents, flagging missing borrower reports, monitoring obligor-level trends and accelerating periodic valuations. Importantly, automation amplifies the need for rigorous controls rather than eliminating it. Model governance, source-data lineage, exception reviews and fully documented human judgment remain critical when pricing bespoke instruments with limited observable market inputs.

For Luxembourg service providers, these technological developments may gradually broaden their role well beyond periodic NAV production. Administrators, AIFMs and valuation teams stand to benefit from direct access to traceable loan-level data, consistent treatment of amendments and PIK interest, thorough review of sponsor forecasts, and stronger links between credit monitoring, fair-value conclusions and liquidity management.

Looking ahead

Even as the private debt market continues to demonstrate strong momentum, market participants must carefully interpret headline default metrics. According to AFME data, the European direct-lending default rate (by count) rose from 1.0 percent in 2024 to 1.6 percent in December 2025.[18] Meanwhile, S&P Global flags PIK options, documentation and covenant deterioration, and limited market transparency as relevant indicators of underlying credit quality.[19] Moving forward, investors will likely scrutinize portfolio migration — tracking amendments, interest deferrals, sponsor support, earnings before interest, taxes, depreciation and amortization (EBITDA) adjustments and recovery assumptions — rather than simply waiting for payment defaults.

The winners in this next phase will not rely on scale alone. They will seamlessly combine specialist origination with disciplined underwriting, credible downside analysis, transparent valuation and an operating model robust enough to support more frequent subscriptions, NAV calculations and redemptions. For investors, the key question is shifting from "why private credit?" to "which strategy, structure and liquidity terms best fit the underlying assets?"

For Luxembourg, this market evolution solidifies its strategic relevance. Its dominant share of European ELTIFs, established RAIF and SCSp toolbox, cross-border distribution reach and specialized administration ecosystem provide a formidable platform for both institutional and wealth-oriented products. While the opportunity is considerable, the execution challenge matches it: semi-liquid funds demand rigorous liquidity governance, bulletproof loan-level data, high-frequency valuation and advanced investor-servicing capabilities that were not built into the traditional closed-ended model.

Luxembourg is well placed to remain at the forefront of private debt's next growth stage, provided the industry recognizes product innovation, valuation, liquidity and operational resilience not as isolated workstreams, but as deeply interconnected disciplines.



18. Suarez, "European High Yield, Leveraged Loan, and Private Credit Report Q4 2025," AFME.
19. S&P Global, "Systemic Risk: Private Credit's Characteristics Can Both Exacerbate And Mitigate Challenges Amid Market Evolution," 18 February 2025.



The regulatory inflection point for private credit strategies



Jean-Christophe Cabilin
Advisory Partner,
AM/AI Regulatory & Risk Advisory
KPMG Luxembourg

Key impact dimensions for loan origination strategies under the revised AIFMD

This survey's results confirm that private debt continues to gain market traction, becoming central to the value proposition of alternative investment managers and AIFMs. This momentum is expected to continue, driven by growing demand for flexible financing and significant investment needs across digital and energy infrastructure, particularly to support AI deployment.

While the original AIFMD largely overlooked private debt as a distinct asset class, the revised AIFMD II, applicable since April 2026, addresses the market's rapid growth. It establishes a harmonized European framework for loan origination strategies, the loan origination process, and credit risk management requirements.

For AIFMs, these new requirements introduce a series of operational challenges when evidencing effective control and oversight mechanisms:

1. Overseeing information flows with delegated managers and advisers

AIFMs must now demonstrate effective oversight of these external parties. This requires a critical review of investment memoranda, loan origination protocols, borrower assessments and inherent conflicts of interest, both pre-investment and throughout the loan lifecycle.

To succeed, AIFMs need access to detailed, actionable management information from their portfolio teams. This ensures loan origination investments comply with the fund-level rules introduced by AIFMD II.

2. Evidencing model governance and credit risk controls

As private debt portfolios scale, many AIFMs are complementing external credit rating models with internal credit scoring methodologies to monitor loan performance and default risk exposures. AIFMD II elevates expectations around model governance, requiring AIFMs to demonstrate a clear understanding of how they assess and monitor underlying credit risks.

Operationally, regulators are paying closer attention to AIFMs' model risk management arrangements, particularly their ability to challenge assumptions and address limitations.

3. Implementing formal escalation mechanisms for credit monitoring

A structured credit watchlist process with clearly defined escalation protocols is the central pillar of a mature credit risk framework. While many AIFMs already monitor financial covenants, supervisory authorities are shifting their focus. Instead of just identifying non-performing exposures, AIFMs must demonstrate how they monitor deteriorating loans in practice.

The effectiveness of this credit watchlist monitoring is ultimately proven through consistent valuations, where deteriorating loans trigger a reassessment of default probability, recovery expectations, and appropriate valuation adjustments or haircuts.

4. Managing liquidity risk in open-ended structures

The combination of enhanced AIFMD II requirements for liquidity management tools and a market-wide focus on redemption resilience is driving greater scrutiny of liquidity risk frameworks.

Open-ended LOFs face particular attention due to the structural illiquidity of private debt assets. ESMA's regulatory technical standards (RTS) for these funds further reinforce the importance of liquidity risk management, stress testing and redemption governance. Managers are now expected to adopt a forward-looking assessment of liquidity mismatches that accounts for loan repayment profiles, portfolio composition, investor behavior and redemption terms.

Shifting from regulatory compliance to operational implementation

While leverage limits, concentration requirements and risk-retention rules are relatively straightforward to assess, the core challenge of AIFMD II lies in implementation. AIFMs must demonstrate that their oversight, risk management and valuation protocols are uniquely tailored to the specific risks of loan origination.

KPMG Luxembourg continues to support AIFMs in assessing the practical implications of AIFMD II against regulatory expectations and observed market practice. If you would like to discuss the impact on your operating model or control framework, please reach out to our team.



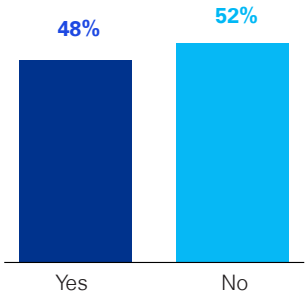
Snapshot: AIFMD II by the numbers

For Luxembourg debt funds, AIFMD II introduces a specific regime for loan-originating AIFs: funds whose strategy is mainly to originate loans or whose originated loans represent at least 50 percent of NAV.

Key measures include:

- leverage limits of 175 percent for open-ended and 300 percent for closed-ended loan-originating AIFs
- limits on lending to certain borrowers
- credit risk procedures
- restrictions on originate-to-distribute strategies
- loan retention requirements.

Figure 9:
LOF under AIFMD II



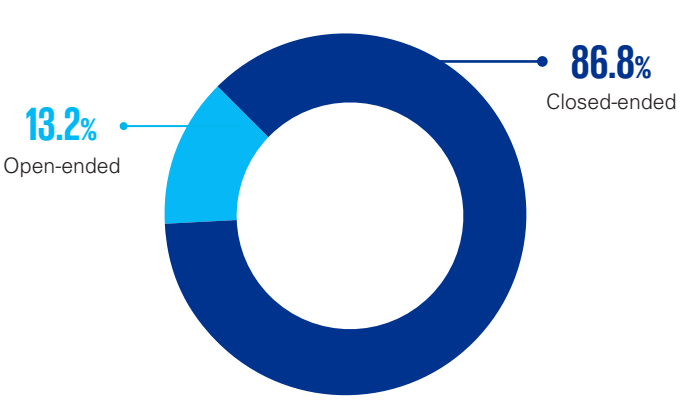
Source: KPMG/ALFI debt fund survey

Loan-originating AIFs are generally expected to be closed-ended unless an open-ended structure can be justified by appropriate liquidity management.

Of the debt funds surveyed, 48 percent qualify as LOFs while 52 percent do not.

For debt funds qualifying as LOFs, 86.8 percent are closed-ended, while 13.2 percent are open-ended.

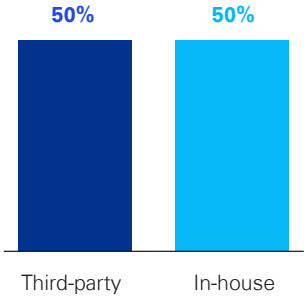
Figure 10:
LOF – closed-ended or open-ended



Source: KPMG/ALFI debt fund survey

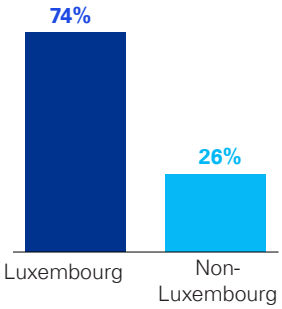
Survey results reveal an even split between in-house and third-party AIFMs for debt funds (50 percent each). Of these AIFMs, 74 percent are located in Luxembourg, while only 26 percent are foreign AIFMs.

Figure 11:
AIFM



Source: KPMG/ALFI debt fund survey

Figure 12:
AIFM location



Source: KPMG/ALFI debt fund survey

When asked about liquidity management tools, 44 percent of participating debt funds use specific tools, while 56 percent do not. For funds employing a tool, the majority use a redemption control tool or a capital tool (44 percent in total).

Figure 13:
Use of liquidity management tools



Source: KPMG/ALFI debt fund survey



Shifting ESG priorities...

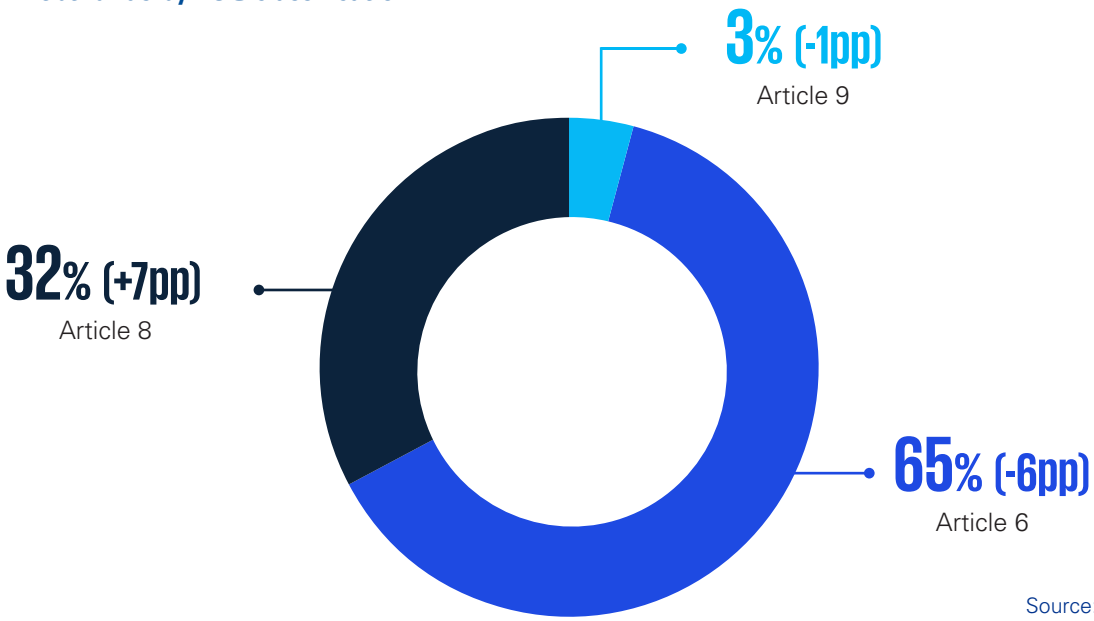
Since 1 January 2023, asset managers have had to comply with the Sustainable Finance Disclosure Regulation's (SFDR) Level 2 reporting obligations, while facing more regulatory scrutiny on their sustainability risk and reporting processes.

Alongside completing SFDR annexes for each Article 8 and 9 product, financial market participants have also received additional information requests from the CSSF through a dedicated eDesk process.

While sustainable finance is already business as usual for some financial professionals, the market still struggles to collect accurate and exhaustive data, define clear strategies and adapt its operations to ESG, including portfolio creation and reporting. Incorporating ESG factors into corporate debt transactions can provide borrowers with access to larger pools of capital and tangible debt pricing benefits, if they can demonstrate a positive ESG impact.

The survey specifically asked participants about the ESG classification of their funds under the SFDR (Figure 14). The results show that most funds are classified under Article 6 (65 percent), followed by Article 8 (32 percent) and Article 9 (3 percent). Continuing the trend observed in our last report, the data reveals a shift of eight percentage points from Article 6 to Article 8 since the 2025 survey.

Figure 14:
Debt funds by ESG classification



Source: KPMG/ALFI debt fund survey

Industry viewpoints

Here's what frontline financial experts have to say about key trends and the future outlook

Joseph Walsh
Managing director
Brown Brothers Harriman

"Private credit continues to grow, while the way investors access the asset class is also evolving. Demand for more flexible liquidity is particularly evident in wealth channels — though not confined to them — supporting the continued development of semi-liquid and evergreen structures. For these channels, this trend is increasing the focus on distribution through platforms, intermediaries and nominee arrangements. Recent redemption activity in parts of the market has provided an early test of how periodic liquidity features operate under more challenging conditions. At the same time, private credit continues to broaden beyond traditional direct lending into areas such as specialty finance, asset-backed strategies, secondaries and structured credit, creating an increasingly varied set of servicing requirements."

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Shanee Hurley
Head of depositary services
JP Morgan

"In the current financial landscape, we are observing several key trends impacting the industry. Private credit remains a significant growth driver for Luxembourg, underpinned by strong investor demand and the country's well-established fund ecosystem. However, sustainable expansion depends on ongoing vigilance regarding credit quality, leverage, valuation, and liquidity risks among all stakeholders. For depositaries, the increasing complexity of loan fund structures underscores the importance of rigorous ownership verification, comprehensive record-keeping, and effective cash-flow monitoring. Continued investment in technology, enhanced data quality through greater standardization and specialist expertise will be essential to support Luxembourg's ongoing development and safeguard investor interests."

Laurent Fudvoye
Director, Client & Industry Solutions Private Credit
Alter Domus

"In line with other asset classes, the private debt market is navigating a more complex environment in 2026 — marked by interest rate uncertainty, geopolitical risk and the emerging disruption of AI on software-related lending exposures. On top of that, some well-established managers dealing with specific liquidity redemption demands recently found themselves in the spotlight, adding scrutiny to the asset class.

Investors are becoming increasingly selective, concentrating commitments with experienced managers and favoring track record over diversification. Yet the long-term structural case for the asset class remains firmly intact: private credit AuM continues to grow, direct lending remains the dominant strategy and the rise of evergreen and semi-liquid vehicles is reshaping how capital flows into the market.

At Alter Domus, our continued investment in private debt servicing capabilities positions us well to support managers as they adapt to this evolving landscape — whether through traditional closed-end structures or the newer semi-liquid formats that are rapidly gaining ground."

Fabrice Bucheit
Head of Depositary Services
IQ-EQ

"Private credit remains a compelling strategic allocation. However, its ability to deliver sustainable long-term value will increasingly depend on disciplined underwriting, robust governance and decisive risk management throughout the investment lifecycle."

Laurent Durdilly
Head of Luxembourg for CIB and Head of BNP Paribas S.A, Luxembourg Branch, Securities Services business

"The private debt market has reached a new stage of institutional maturity. We are observing a profound shift as the asset class diversifies into asset-based lending and gains broader accessibility through sophisticated, semi-liquid structures. For market participants and service providers alike, the threshold for success has risen: excellence now requires a sophisticated blend of specialized credit expertise and robust digital infrastructure. In this evolving landscape, the transition from manual to automated, tech-enabled operating models is no longer optional; it is the primary driver of long-term strategic partnership and sustained competitiveness."

Guillaume Castel
State Street

"Private debt has evolved from an alternative source of financing into a core component of institutional portfolios. The continued growth of the business development company (BDC) market in the US demonstrates that investor demand is no longer limited to traditional institutions, with private credit increasingly reaching a broader investor base through semi-liquid and retail-oriented structures. Against a backdrop of geopolitical uncertainty and rapidly evolving markets, Luxembourg continues to distinguish itself through its regulatory stability, structuring flexibility and deep alternatives expertise, providing managers with a trusted platform from which to scale private debt strategies across Europe and globally."

HSBC

"Private market debt continues to attract strong interest from both investors and asset managers, underpinned by ongoing growth opportunities across the asset class. At the same time, the market and regulatory environment is evolving, with frameworks such as AIFMD II and ELTIF 2.0 reshaping expectations and requirements. Alongside these developments, challenges around the valuation of private market debt assets are creating both fresh opportunities and heightened complexity.
In this context, the role of the depositary remains critical in maintaining robust oversight, ensuring effective controls and safeguarding investor protection in line with the emerging regulatory landscape and associated risks."

The views and opinions expressed are for informational purposes only and do not constitute investment or legal advice and are not intended as an offer to sell, or a solicitation to buy securities, services or investment products. All the information set out in this quote is provided on the best of HSBC's current knowledge and understanding of the relevant law, rules, regulations, directions and guidelines governing. HSBC makes no guarantee, representation or warranty and accepts no liability as to its accuracy or completeness. Future changes in such law, rules, regulations etc. could affect the information in this document but HSBC is under no obligation to keep this information current or to update it.

Banque de Luxembourg

"In 2025, Luxembourg's private debt market remained on a strong growth trajectory, benefiting from continued fundraising activity and increasing institutional investor allocation to private credit strategies. As the asset class matured, fund structures and underlying financing arrangements became increasingly complex, requiring enhanced operational oversight and governance frameworks. Regulatory developments and heightened expectations around transparency, valuation and risk monitoring further reinforced the importance of robust control environments. In this context, depositary banks played a key role in supporting asset managers through strengthened oversight, tailored operational solutions and close collaboration across the private debt value chain."

Elaine Furnani
Head of Loan services
CitCo Fund Services
(USA) Inc

"Technology has long been a key enabler in credit monitoring. With the advent of AI, we now have the ability to accelerate the development and deployment of fit-for-purpose tools at a pace not previously possible. That said, appropriate controls and governance remain critical. As with any emerging technology, teams leveraging these new tools must be careful not to move too quickly in a way that could create instability or inadvertently increase risk exposure."



Withholding tax: a persistent area of focus for private debt funds



Daniel Rech
Partner,
Banking Market Leader
KPMG Luxembourg



Olivier Schneider
Partner,
Funds Services Taxation
KPMG Luxembourg

Withholding tax (WHT) has long been a critical consideration for Luxembourg private debt funds, but recent market experience signals the need for renewed focus. Funds lending across borders increasingly find that expected WHT exemptions or reduced rates are not applied at source — even within EU jurisdictions like Italy and Portugal.

Structure makes the difference

The tax outcome hinges largely on investment structuring. When a Luxembourg company — such as a Société de Participations Financières (SOPARFI) — sits between the fund and the borrower, it can often leverage Luxembourg's extensive network of double tax treaties to secure a reduced WHT rate or even a full exemption on interest received.

However, our survey data reveals that many private debt funds operate as Luxembourg partnerships (such as SCSps managed by third-party AIFMs) and lend directly to borrowers without an intermediate holding company. Other credit structures use externally administered special purpose vehicles (SPVs) with limited substance in Luxembourg. In both cases, accessing treaty benefits proves far more challenging, leaving the fund exposed to WHT.

EU rules rarely serve as a safety net

While the EU Interest and Royalties Directive can eliminate WHT between related EU companies, it rarely provides relief in this context. The directive requires a minimum shareholding between the lender and the borrower, whereas private debt funds typically lend to unrelated third parties. Consequently, WHT can remain a tangible risk even when a corporate SPV is woven into the structure.

Contractual protections help but do not eliminate the issue

Loan agreements often feature gross-up clauses that require the borrower to absorb the cost of any WHT, effectively shielding investors from the immediate economic impact. Yet, even with these protections, misapplied WHT or missed tax relief can still generate extra costs, disrupt cash flows and add administrative

friction. Ultimately, these inefficiencies can strain the lender-borrower relationship.

WHT suffered is not always a final cost

Where an exemption or reduced rate should have applied, funds can often reclaim the withheld tax. Managers should proactively review their existing portfolios and historical interest payments to identify refund opportunities. Moving forward, funds must check that their structures and documentation rigorously support WHT relief on all future investments.



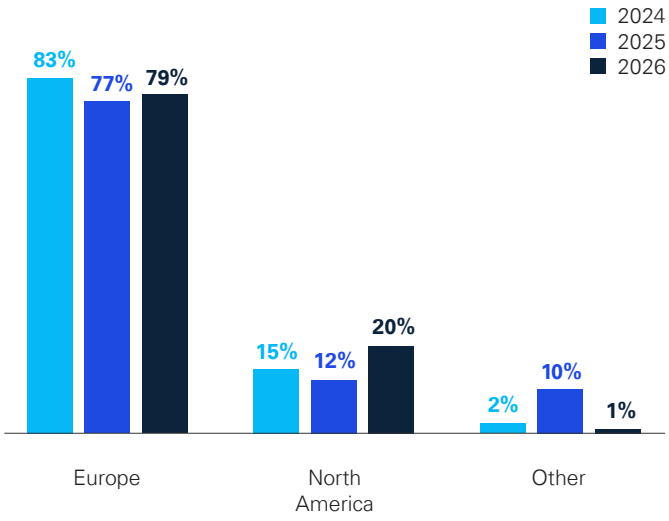


Overview of key data

Initiator origin

Consistent with last year, the vast majority of debt fund initiators (promoters) in Luxembourg originate from Europe, with the UK alone accounting for 42 percent. North America trails a distant second at 20 percent (Figure 15), while fewer than five percent of initiators are based locally in Luxembourg.

Figure 15:
Initiators origin by region



Source: KPMG/ALFI debt fund survey

Investments per fund and holding period

The number of investments per debt fund is highly variable and depends on several factors, including the fund's size and investment strategy.

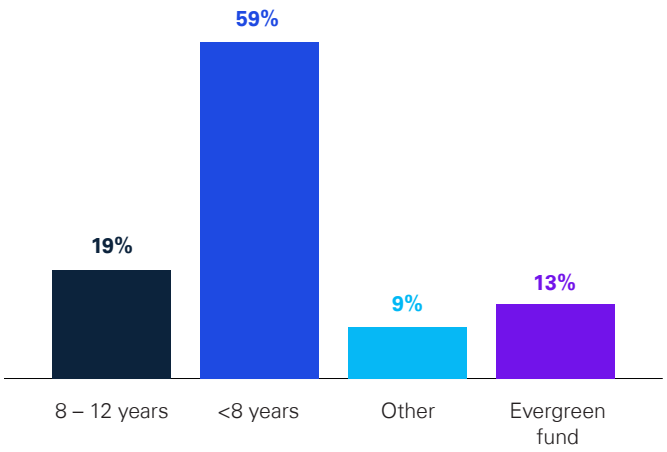
Survey data shows an average of 29 investments per fund, which is in line with last year's survey (31).

Some 19 percent have holding periods of between eight and 12 years, and 59 percent are held for less than eight years, following last year's trend (Figure 16).

Regarding maturity strategy, as with last year, most investments are held to maturity (95 percent), while only a small percentage are held for trading (5 percent).

Evergreen funds represent 13 percent of the funds surveyed, revealing a slight increase compared to last year's findings (8 percent).

Figure 16:
Debt funds by maturity

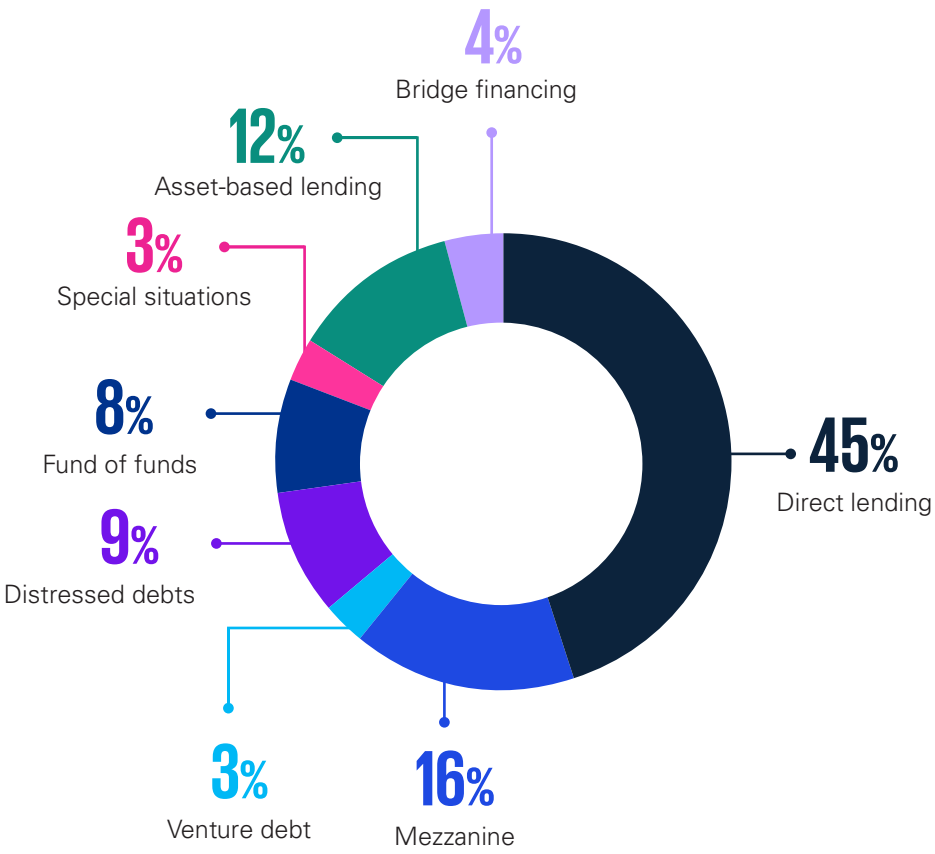


Source: KPMG/ALFI debt fund survey

Investment strategy

Luxembourg debt funds use three main debt strategies (Figure 17): direct lending (45 percent), mezzanine (16 percent) and asset-based lending (12 percent). These allocations remain broadly consistent with prior years.

Figure 17:
Debt funds by strategy



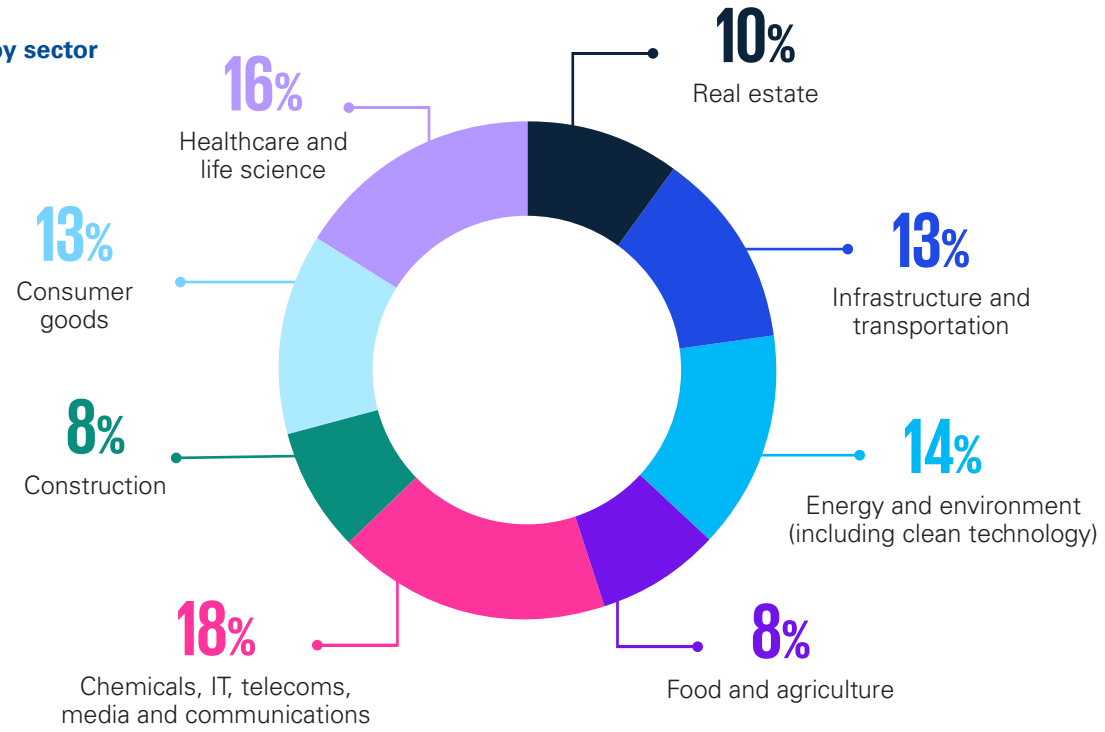
Source: KPMG/ALFI debt fund survey



Sectors financed

Private debt continues to span a broad range of financed sectors. As illustrated in Figure 18, capital is relatively evenly distributed across infrastructure and transportation (13 percent), energy and environment (14 percent), chemicals, IT, telecoms, media and communications (18 percent) and healthcare and life science (16 percent). All sectors remain stable compared to last year's survey.

Figure 18:
Debt funds by sector

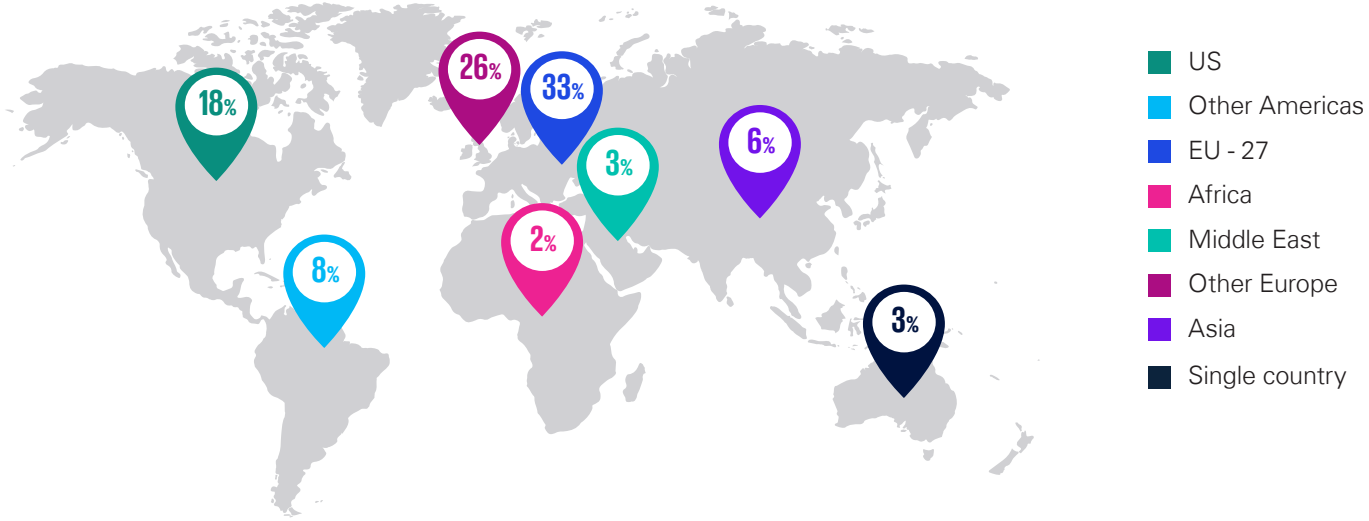


Source: KPMG/ALFI debt fund survey

Geographical investment targets

The vast majority of debt funds have a multi-country investment approach. Similarly to last year, preferred investment targets (Figure 19) are the EU (33 percent), other European countries (26 percent total) and the US (18 percent).

Figure 19:
Debt funds by geographical investment targets



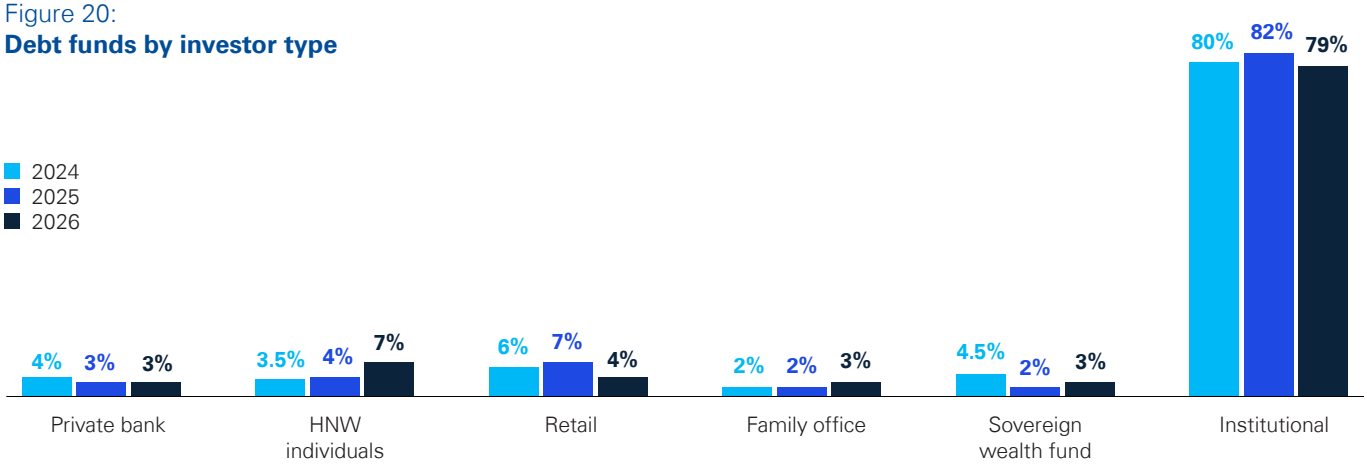
Source: KPMG/ALFI debt fund survey

Investor type and origin

The main investor type is institutional investors (79 percent), followed by high-net-worth (HNW) individuals (7 percent), retail investors (4 percent) and sovereign wealth funds (3 percent) (Figure 20).

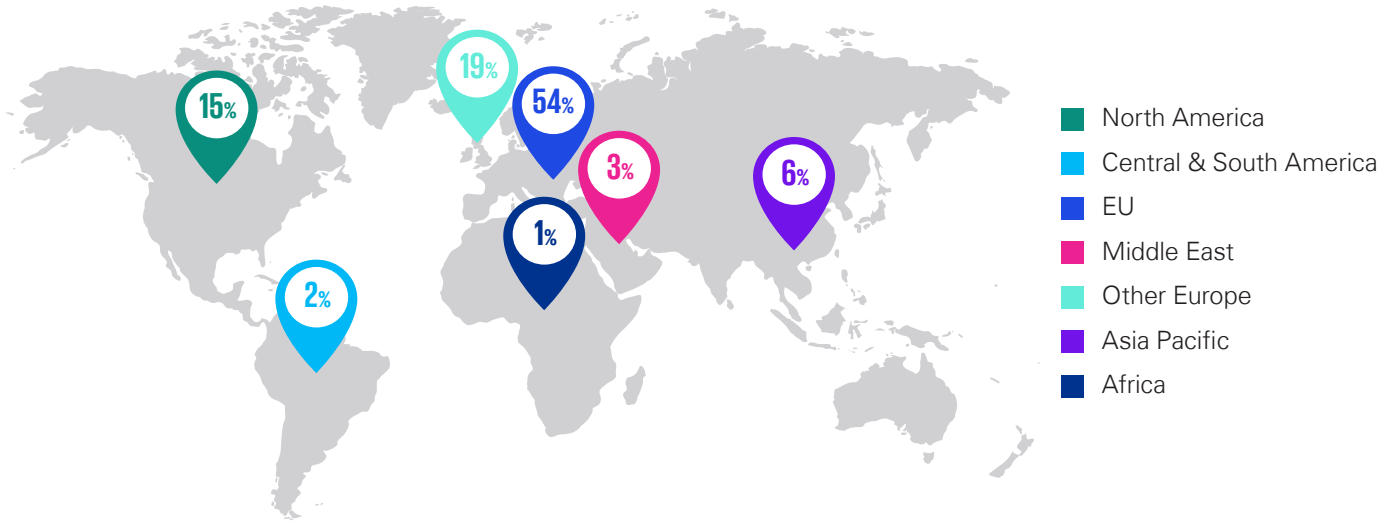
Similar to last year, these investors are mainly from European countries (73 percent) (Figure 21). Seventy-seven percent of funds have between one and 25 investors per fund (Figure 22).

Figure 20:
Debt funds by investor type



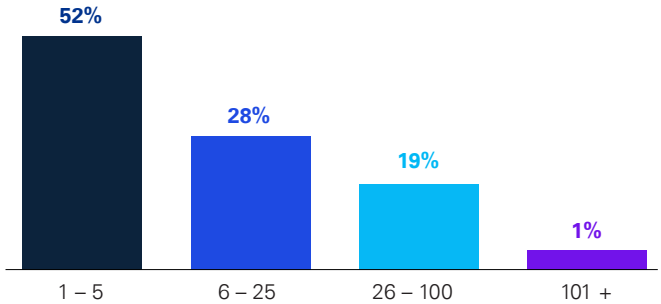
Source: KPMG/ALFI debt fund survey

Figure 21:
Debt funds by investor origin



Source: KPMG/ALFI debt fund survey

Figure 22:
Debt funds by number of investors

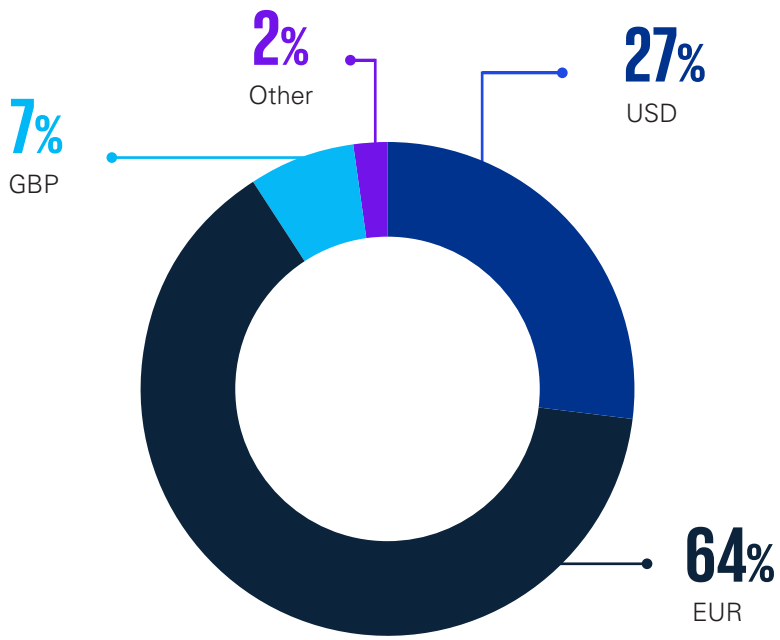


Source: KPMG/ALFI debt fund survey

Financial statements

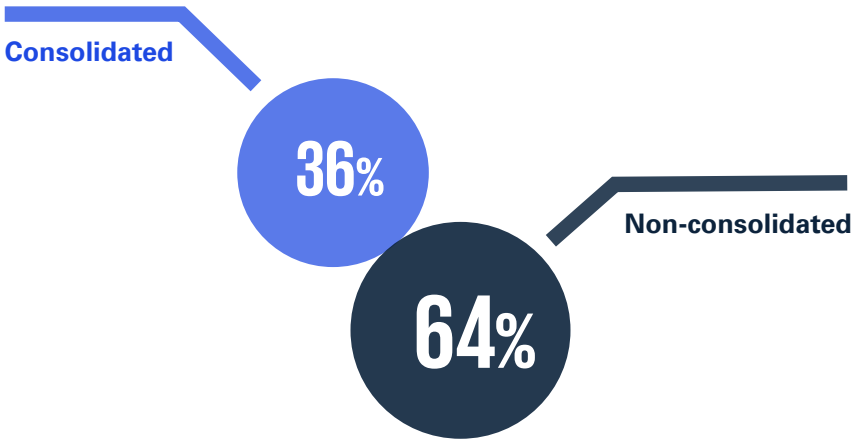
Like last year, the financial statements of Luxembourg debt funds are mostly prepared in euros (64 percent), followed by US dollars (27 percent) (Figure 23). Only 36 percent consolidate their assets (Figure 24).

Figure 23:
Debt funds by currency



Source: KPMG/ALFI debt fund survey

Figure 24:
Debt funds consolidation



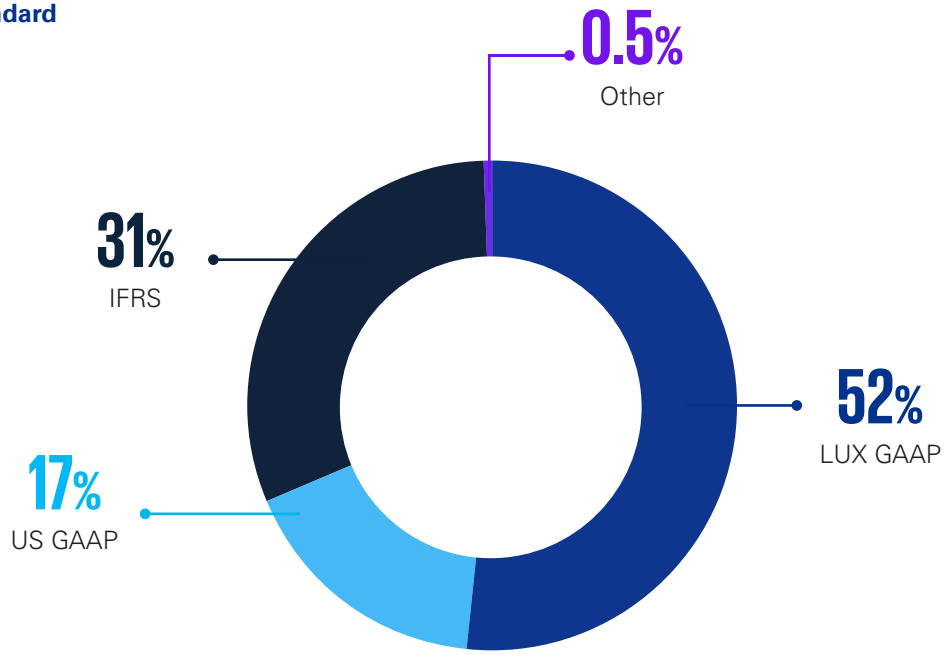
Source: KPMG/ALFI debt fund survey



Valuation methodology

The most popular valuation method used is fair value (84 percent), followed by amortized cost (11 percent) and cost less impairments (5 percent). Luxembourg Generally Accepted Accounting Principles (LUX GAAP) remains the main accounting standard at 52 percent, followed by International Financial Reporting Standards (IFRS) at 31 percent (Figure 25).

Figure 25:
Accounting standard

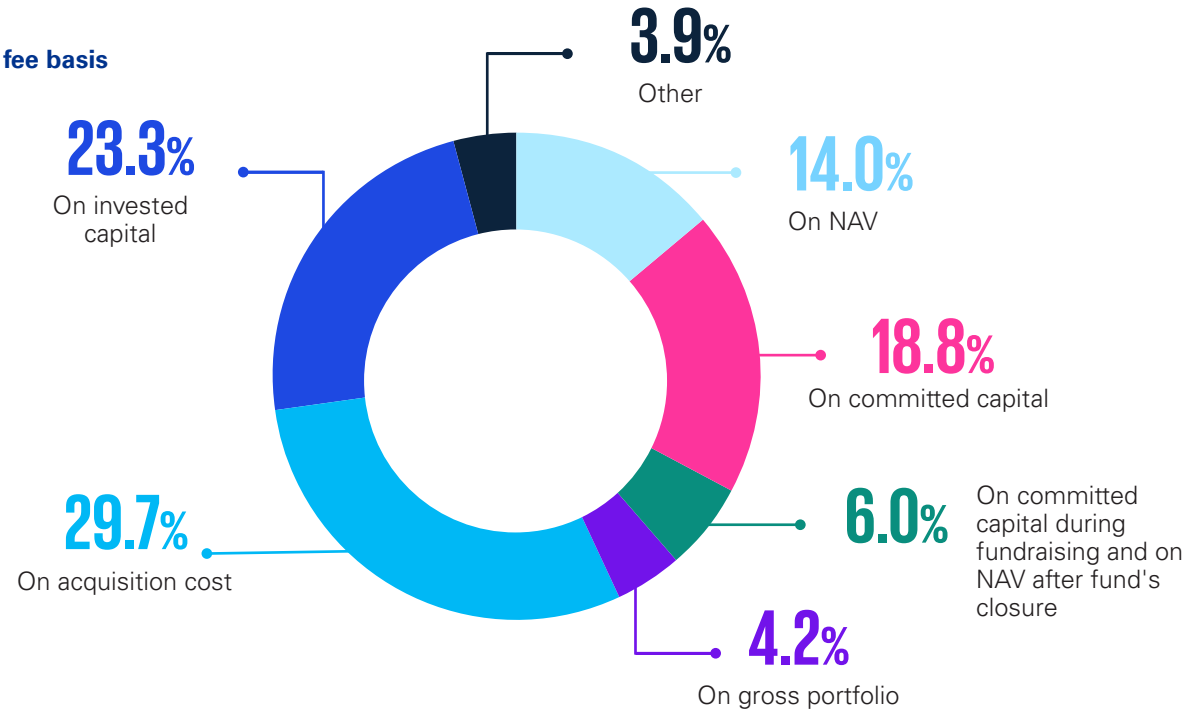


Source: KPMG/ALFI debt fund survey

Management fees

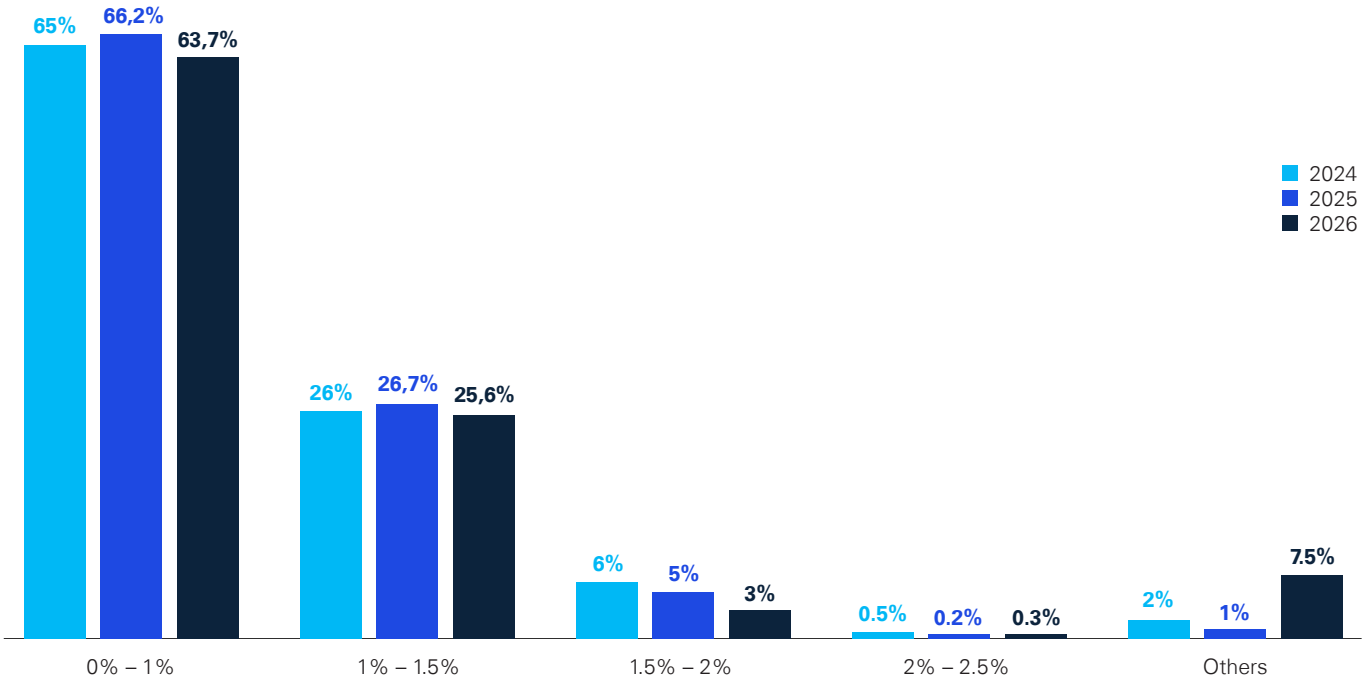
Like last year, management fees typically lie between 0 percent and 1.5 percent (89 percent), with a small proportion above 1.5 percent (Figure 26). Most of the management fees are based on acquisition cost (30 percent), on committed capital (19 percent) or on NAV (14 percent) (Figure 27).

Figure 26:
Management fee basis



Source: KPMG/ALFI debt fund survey

Figure 27:
Debt funds by management fee



Source: KPMG/ALFI debt fund survey

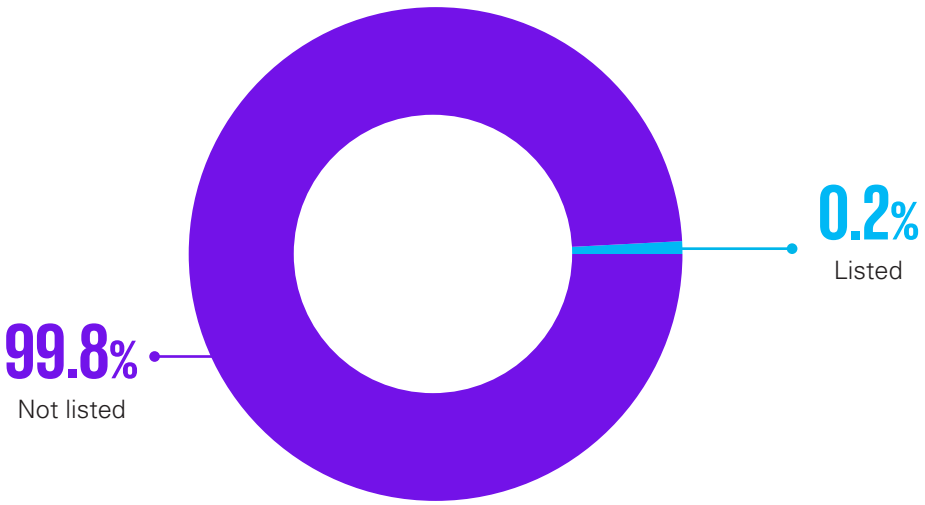




Other information

Similar to the previous year, only 0.2 percent of funds are listed on a stock exchange (Figure 28). Furthermore, 85 percent of funds do not use separately managed accounts (SMAs).

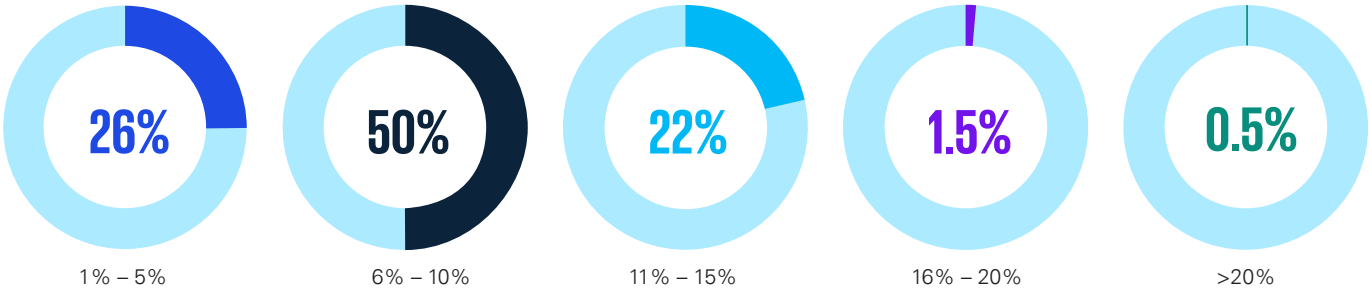
Figure 28:
Proportion of debt funds listed on a stock exchange



Source: KPMG/ALFI debt fund survey

Most funds (48 percent) have an expected return of between 6 percent and 10 percent, followed by 24 percent with an expected return of between 1 percent and 5 percent (Figure 29).

Figure 29:
Expected return



Source: KPMG/ALFI debt fund survey



About this research

Objectives

This study has two main objectives:

- interpret current behaviors and structuring trends related to private debt funds in Luxembourg and predict their trajectory
- provide qualitative insights based on numerical data.

Methodology

We received data from 12 active depositaries, representing more than 1,900 funds (or sub-funds) investing in private debt and EUR 605 billion of AuM.

We sent each surveyed depositary a predefined questionnaire to gather data on the debt funds they oversee.

This questionnaire of 41 closed-ended questions covered a range of topics, such as fund category, regulatory regimes, legal forms, geographical investment targets, investor origin and financial statement data.

The following depositaries/depositary banks were surveyed:

- Alter Domus
- Brown Brothers Harriman Luxembourg
- BNP Paribas, Succursale de Luxembourg
- The Bank of New York Mellon
- Citco Bank Nederland N.V. Luxembourg Branch
- Caceis
- J.P. Morgan Bank
- HSBC Continental Europe
- State Street
- Banque de Luxembourg
- IQ-EQ
- Aztec Group

Content

The survey's key findings are disclosed in this report on a no-name basis.

Research for this survey began in June 2026 and closed in October 2026.

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