



Preqin Industry News

Jessica Sutro provides a rundown of the latest infrastructure news, featuring exclusive intelligence uncovered by Preqin's analysts. Preqin Online subscribers can click on the investor/firm/asset names to view the full profiles.

This month's feature article demonstrates that the future of the infrastructure market looks positive, with investors and fund managers alike remaining active in the asset class. With infrastructure investments demonstrating stability despite wider financial uncertainty, both new and experienced investors have recently made plans to commit to new infrastructure opportunities.

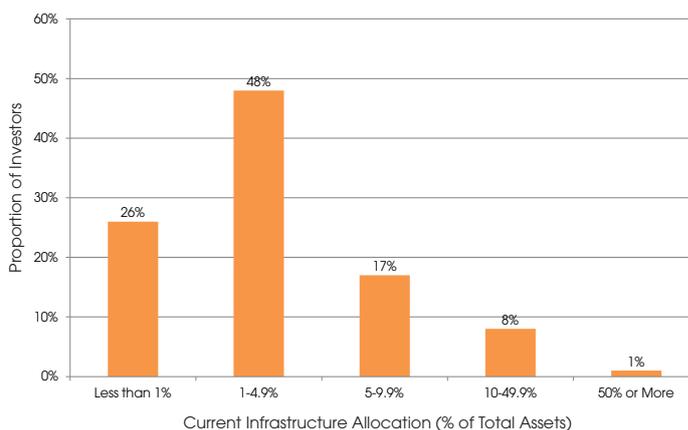
Institutional investors provide an important source of fresh capital for fund managers. [Catholic Super](#), an Australia-based superannuation scheme, is looking to invest a maximum of AUD 50mn in private infrastructure funds over the next 12 months. Having met its strategic target allocation of 8% of total assets to the infrastructure asset class, Catholic Super is looking at making further investments to maintain its allocation. The superannuation scheme is a sector agnostic investor, and has exposure to a wide variety of social and economic assets. It invests in most geographical locations, but is likely to place greater emphasis on Australian opportunities in the next 12 months.

[Japan International Cooperation Agency](#) (JICA) will also make new infrastructure investments in the next 12 months. The Japan-based government agency will continue to invest actively in direct infrastructure assets, private funds, and listed vehicles, investing in the Southeast Asia region, although it is open to considering most geographical regions. JICA invests in a wide range of industries, including hospitals and universities, and has not set a fixed capital allocation for infrastructure in the next 12 months, preferring to remain responsive to changing conditions.

Fresh capital commitments are also coming from investors which are committing to the asset class for the first time. UK-based asset manager [Milltrust International](#) is considering making its maiden infrastructure commitment in the next 12 months. It is only interested in private funds; it will not invest in listed funds or directly in assets. The asset manager will target renewable energy infrastructure projects in Asia, Latin America and Africa. Milltrust International expects its infrastructure portfolio to grow to between \$10mn and \$20mn in the future.

Elsewhere, a number of investors that have already committed to infrastructure are planning to explore new investment strategies. [Khazanah Nasional](#), a Malaysia-based sovereign wealth fund, will consider expanding its infrastructure portfolio to include private funds and funds of funds in the near future. At present it only makes direct investments in infrastructure assets and companies such as Projek Lebuh raya Utara-Selatan, Expressway Lingkaran Tengah, and UEM Group. The sovereign wealth fund will focus primarily on the Malaysian market, and will also look for investment opportunities in the rest of Asia. It will consider a diverse range of sectors, including utilities and railway projects.

Chart of the Month: Breakdown of Active Infrastructure Investors by Current Allocation



Source: [Preqin Infrastructure Online](#)

Almost three-quarters (74%) of active infrastructure investors have an allocation to the asset class of less than 5%, according to the Chart of the Month. [Barmenia](#), a Germany-based insurance company, falls within this range, having recently increased its target allocation to the infrastructure asset class to 2% of total assets under management, representing around €180mn. Barmenia's infrastructure portfolio features one previous commitment to an unlisted infrastructure fund of funds vehicle, and it will continue to seek similar investments over the next 12 months on an opportunistic basis. The insurance company will focus its future investments primarily within Europe, targeting economic sectors such as energy, renewable energy, transportation, utilities and water.

Data Source:

Preqin's Infrastructure Online is the industry's leading source of intelligence on the unlisted infrastructure fund industry. This constantly updated resource includes details for all aspects of the asset class, including fund performance, fundraising data, institutional investor profiles, fund manager profiles and more.

All of Preqin's exclusive intelligence is available on [Infrastructure Online](#).

Subscribers can click on the firm and fund names to view the full profile.

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