

[Press release](#)

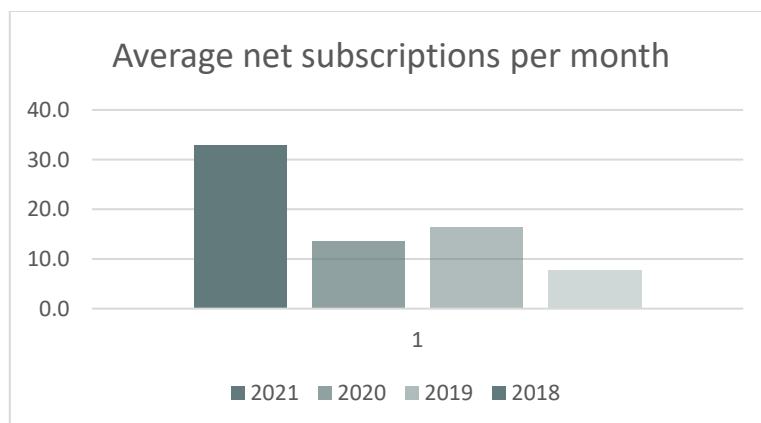
Luxembourg, 28 January 2022

**Record year for Luxembourg investment funds,  
AuM at all-time high of EUR 5.9 trillion**

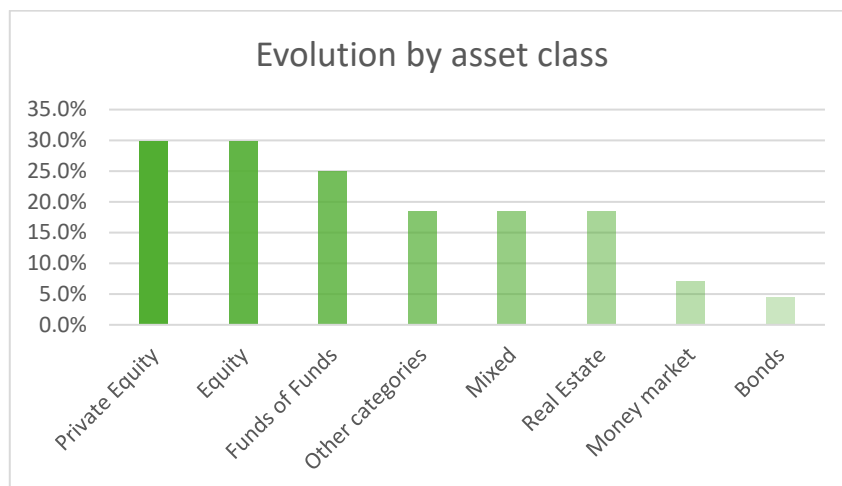
As of 31 December, 2021, net assets of Luxembourg investment funds reached an all-time high of EUR 5.9 trillion<sup>1</sup> (USD 6.6 trillion<sup>2</sup>). This represents a year-on-year increase of EUR 886 billion or + 17.8%.

Retail and institutional investors poured a record amount of money into nearly all asset classes. With net inflows of EUR 394 billion over the past 12 months, and EUR 491 billion stemming from market valuation, the organic growth rate resulting from net subscriptions amounted to 7.9% whereas the impact of markets accounted for 9.9% of the increase in assets.

Looking back over the past four years, with more than EUR 30 billion net subscriptions per month, investors committed more money than ever to Luxembourg investment funds in 2021.



With a growth of 29.9%, **private equity** is the fastest growing asset class, followed by **equity** and **funds of funds** with an increase of 29.8% and 25% in assets.



<sup>1</sup> CSSF website, 28 January 2022

<sup>2</sup> EUR/USD = 1.3240 as of 31 December 2021, Source OANDA

Whilst asset managers are continuously enhancing their fund ranges, they are also keen to rationalise the number of funds on offer, as illustrated by the overall decrease in the number of funds and sub-funds from 14,590 to 14,445 as of 31 December, 2021. Combined with an increase of assets, the average size per fund or sub-fund continues to go up from EUR 341 to 406 million, which confirms the trend observed over the past years. Economies of scale allow asset managers to manage their fund ranges more efficiently and reduce costs for the benefit of end investors.

**Camille Thommes, Director General of ALFI**, commented: “With EUR 5.9 trillion assets under management, Luxembourg investment funds have reached an unprecedented high in a short period of time since the downturn in value caused by the pandemic crisis in March 2020. More importantly, the high amount of net subscriptions month after month is a testimony of the success of investment funds as the optimal investment product for retail and institutional investors alike.”

Mr Thommes added: “The Luxembourg asset management and fund industry is ready to meet the challenges which lie ahead of us. Our society has reached a point of no return in the need to move towards a sustainable business model and asset managers must accompany that transition. The Covid-19 pandemic has been an accelerator in the pace at which new technologies are being deployed. Reaching out to investors digitally has become the new normal.”

**ENDS**

For more information, please contact:

**Anna Ferreri**  
Head of Communications  
anna.ferreri@alfi.lu

**Notes to editors:**

[The Association of the Luxembourg Fund Industry \(ALFI\)](#) represents the face and voice of the Luxembourg asset management and investment fund community, championing mainstream, private assets, and sustainable investing. ALFI seeks to promote Luxembourg’s fund sector internationally, and to cultivate for the benefit of its members a collaborative, dynamic and innovative ecosystem underpinned by the most robust regulatory framework. ALFI’s ambition is to empower investors to meet their life goals.

Created in 1988, the Association today represents over 1,500 Luxembourg domiciled investment funds, asset management companies and a wide range of business that serve the sector. These include depository banks, fund administrators, transfer agents, distributors, legal firms, consultants, tax advisory firms, auditors and accountants, specialised IT, and communication companies. Luxembourg is the largest fund domicile in Europe and a worldwide leader in cross-border distribution of funds. Luxembourg domiciled investment funds are distributed in more than 70 countries around the world.

To keep up with all the news from ALFI and the fund industry in Luxembourg, follow us on [LinkedIn](#), [Twitter](#) (@ALFI-funds), [YouTube](#) and [Flickr](#).

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