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## 2021 was a Record Year for Sovereign Wealth Fund Investment

The image shows the cover of the IFSWF Annual Review 2021. It features a dark background with several horizontal, glowing blue light trails that create a sense of motion and depth. The text 'A Year of More: IFSWF Annual Review 2021' is centered at the top in a white, serif font.

### A Year of More: IFSWF Annual Review 2021

**London, 13 June 2022** – Today, the International Forum of Sovereign Wealth Funds (IFSWF), a global network of sovereign wealth funds from over 40 countries, has released its annual review of sovereign wealth fund investments in 2021, titled ***A Year of More***. The full report is available [here](#).

The annual review draws on IFSWF's comprehensive proprietary database of sovereign wealth funds' direct equity investments since 2015. It reveals that sovereign wealth funds identified a wealth of opportunities in the market dislocations of the COVID-19 pandemic.

The report identifies three key themes in sovereign wealth fund investments in 2021:

1. **A Record-Breaking Year:** 2021 broke records for the number of direct investments made by sovereign wealth funds, jumping from 316 in 2020 to 429 in 2021, a 50% increase year-on-year, and a 60% increase in the average number of deals in any of the previous five years. The value of those deals also climbed in 2021, reaching \$71.6 billion, up from \$67.8 billion in 2020. In 2021, sovereign wealth funds not only invested in digital technologies but also put more capital into hard assets.
2. **Public or Private, a False Dichotomy:** Sovereign wealth funds have been increasing allocations to unlisted assets for the best part of a decade. But now, rather than distinguishing between listed and unlisted assets, sovereign wealth funds seek to generate real durable value by backing less mature companies instead of recycling existing wealth and boosting returns by occasionally making contrarian bets in times of market dislocation.
3. **Real Assets, Real Returns:** Infrastructure assets play an important role in diversifying

sovereign wealth fund portfolios. COVID-19 has had a range of effects on infrastructure. For some sub-sectors, such as passenger-linked transport assets, 2020 and 2021 were difficult years. For others, such as digital infrastructure and renewables, they were standout. Sovereign wealth funds have backed these trends, which will benefit from the energy transition and rising demand for digital services.

**Duncan Bonfield, IFSWF Chief Executive**, said, “The COVID-19 pandemic fundamentally changed the global economy and the investment environment. Our data reveals that sovereign wealth funds have been foresighted and looking to generate robust long-term returns by taking advantage of the effects that the pandemic has had on a range of secular megatrends.”

The full annual review, ***A Year of More***, is available [here](#).

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### **About the International Forum of Sovereign Wealth Funds**

The International Forum of Sovereign Wealth Funds (IFSWF) is a voluntary organisation of global sovereign wealth funds committed to promoting good governance and investment management practices through dialogue, research and self-assessment. The IFSWF also seeks to encourage a deeper understanding of sovereign wealth fund activity amongst government and financial services institutions.

Find out more at [www.ifswf.org](http://www.ifswf.org).

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**Source URL (modified on 2022-06-13 16:18):**<https://www.ifswf.org/general-news/2021-was-record-year-sovereign-wealth-fund-investment>