



+



+



Private Markets: AMAS, SECA and BCG publish study

Potential and challenges for private markets in Switzerland

Basel/Zurich, 5 February 2025 - With invested capital of around CHF 360 billion, Swiss asset managers are already key players in the dynamically growing private markets segment. A joint study by AMAS, SECA and BCG shows how the Swiss private market ecosystem can become a mainstay of the financial centre by expanding its investment capacities.

Private markets are developing rapidly worldwide and are becoming increasingly important as a source of capital for companies and investors. In Switzerland, asset managers already manage around CHF 360 billion in private market investments such as private equity, private credit and private infrastructure. The study **'Private Markets in Switzerland: Scaling Innovation & Growth'** by the Asset Management Association Switzerland (AMAS), the industry association SECA and BCG illustrates the potential of this booming asset class. At the same time, the study highlights measures to better exploit this potential so that Switzerland can strengthen its position as a leading financial centre and offer innovative companies a dynamic ecosystem. To this end, data on the Swiss private market was collected specifically for the study. In combination with interviews with renowned experts and case studies of major providers and investors, the paper contributes to a better and more comprehensive understanding of the existing opportunities and risks of this asset class.

Over the past two decades, private markets have expanded rapidly, with assets under management (AUM) of private equity growing 15-fold between 2003 and 2023, while public equity markets have shown a threefold expansion. While public equity markets are still substantially larger, with market capitalization of USD 112 trillion, assets under management (AUM) in private equity have reached USD 11 trillion.

Switzerland as an important player

Of the CHF 360 billion managed in Switzerland, the majority is attributable to private equity (CHF 260 billion), followed by private credit and infrastructure investments (CHF 50 billion each). Swiss asset managers are strongly export-orientated: 75% of private market investments under management come from foreign investors. 'Swiss asset management is traditionally an export industry, which demonstrates the expertise of our sector. This is particularly evident in the private markets sector,' says Adrian Schatzmann, CEO of AMAS. 'At the same time, the high export share of 75% in private market investments also shows that this asset class has potential for Swiss investors.'

The main investors in Switzerland are pension funds, insurance companies, banks and family offices. The latter are gaining in importance as private investors are increasingly investing capital in private markets.

Despite the positive momentum, the study also identifies clear challenges. 'Growth capital for emerging and established companies is limited, which means that many high-potential companies have to switch to markets such as the USA,' says co-author Tobias Würzler from BCG. 'In addition, regulatory restrictions and cultural factors hinder the full realisation of investor potential.' 'Investors in this country are still underutilising the potential of private market investments with their increasing supply and the now diverse investment opportunities. An investment can open an additional source of returns that is less dependent on the global financial markets, which are sometimes subject to strong fluctuations,' emphasises co-author Thomas Heimann from SECA.

The study identifies five key areas for action to better leverage the potential of private markets in Switzerland:

1. **Support companies:** Switzerland should create a competitive environment that supports companies from start-up to global expansion.
2. **Attract investors:** A clear regulatory environment and a strong local talent pool could establish Switzerland as a top destination for private market investors.
3. **Strengthen institutional commitments:** pension funds and insurers should invest more in growth financing and utilise participation opportunities to secure sustainable returns.
4. **Further develop wealth management:** Swiss wealth management expertise could channel global capital flows into private markets more efficiently.
5. **Optimise the regulatory environment:** A transparent and efficient regulatory framework is crucial to attract global investors and enable broader access to private markets.

Private markets offer Switzerland a unique opportunity to promote economic growth, innovation and jobs. At the same time, they strengthen the country's role as a leading financial centre in a changing global landscape. With a targeted strategy, private markets can become a mainstay of the Swiss financial centre.

Contact:

Peter Hody, Senior Communications Manager, Asset Management Association Switzerland,
tel. 061 278 98 04, peter.hody@am-switzerland.ch

Adrian Schatzmann, Managing Director, Asset Management Association Switzerland,
tel. 061 278 98 00, adrian.schatzmann@am-switzerland.ch

Thomas Heimann, stv. Geschäftsführer SECA, 079 709 02 96, thomas.heimann@seca.ch

Tobias Würzler, Managing Director und Partner BCG, 079 373 87 88, wuerzler.tobias@bcg.com

About AMAS

The Asset Management Association Switzerland is the representative association of the Swiss asset management industry. It aims to strengthen Switzerland's position as a leading centre for asset management with high standards of quality, performance, and sustainability. To this end, it supports its members in developing the Swiss asset management industry and adding value for investors over the long term. The Asset Management Association Switzerland is an active member of the European Fund and Asset Management Association (EFAMA) and the International Investment Funds Association (IIFA). Founded in Basel in 1992, the Asset Management Association Switzerland currently has 180 members. For further information, please see www.am-switzerland.ch

About SECA

The Swiss Private Equity & Corporate Finance Association (SECA) represents the interests of the Swiss private equity, venture capital and corporate finance industry. SECA aims to promote and represent private markets and corporate finance activities in Switzerland to the relevant target groups and the public. It also promotes the exchange of ideas and co-operation between members and their clients. The promotion of professional training and the development of ethical rules of conduct and their implementation are further areas of responsibility. The SECA now has a strong base of almost 600 members made up of various investment companies, general partners, banks, corporate finance consultants, auditing firms, management consultants, lawyers, private investors and private individuals. Further information can be found at: www.seca.ch

About BCG

Boston Consulting Group (BCG) partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities. Since its founding in 1963, BCG has been a pioneer in corporate strategy. BCG helps clients achieve comprehensive transformations by facilitating complex changes, unlocking growth opportunities, creating competitive advantages, and improving customer and employee satisfaction. These efforts drive lasting improvements in business results. BCG seamlessly integrates leading management consulting with expertise in technology, digital and analytics, new business models, and the overarching purpose of organizations. Both internally and with clients, BCG focuses on collaboration, creating outcomes that move clients forward. With offices in more than 100 cities across over 50 countries, the company achieved worldwide revenues of \$12.3 billion with 32'000 employees in 2023. For more information: www.bcg.com