

Nordic allocators - seeking low-risk yields flock to infrastructure

Stockholm (HedgeNordic - Teaser) - In this Ice Age of fixed income returns, real estate and infrastructure have become asset classes of choice for those looking to obtain stable returns with low risk.

Given long-term investment horizons and often lower risk, infrastructure and real estate investments can be used to complement the institutions' bond portfolios. Other alternative assets are more commonly used to complement institutions' equity portfolios. For example, at Nordea Life & Pension in Denmark, the customers demand has recently shifted towards life cycle products, which means products where risk diminishes as the pension policyholder ages. In order to achieve the right mix, explains Søren Tang Kristensen, Head of Alternative Investments & real estate.

You can read the full article on pages 44-47 in the HedgeNordic Special Report on Real Estate and Infrastructure Investing

Picture (C): Thomas-Lusth - shutterstock.com