

North American Institutional Markets 2025

Managing Liquidity and Private Investment Exposures

OVERVIEW & METHODOLOGY

The North American Institutional Markets 2025: Managing Liquidity and Private Investment Exposures provides in-depth insights into the U.S. and Canadian institutional investor channels, such as corporate and public defined benefit plans, insurance general accounts, endowments, foundations, and health and hospital organizations. Asset managers can use the report's findings—including asset sizing and projections, asset allocations, and trends within each individual channel—to inform their decision-making processes. Cerulli's market sizing and projections are derived from a combination of proprietary models and surveys, as well as third-party data. For this report, Cerulli surveyed more than 200 investment professionals representing institutions of various types and sizes.

USE THIS REPORT TO

- Analyze why market volatility and the current geopolitical environment continue to be a challenge for the majority of institutional investors surveyed in the first half of 2025
- Gain insight into how institutions continue to allocate funds toward private market strategies even while certain concerns from previous years have seemingly come to fruition
- Evaluate how all institutional channels experienced a growth in assets in 2024, with the exception of single-employer corporate DB plans

QUESTIONS ANSWERED

- What are institutional investors' main concerns over the next 18-24 months?
- What is the projected growth of assets and plans within each institutional channel?
- Which asset classes do asset owners intend to allocate toward in the next 24 months?
- Which vehicles do asset owners intend to allocate toward in the next 24 months?
- How do asset owners access private markets? How are they managing liquidity in the current environment?
- What are asset owners' opinions on incorporating artificial intelligence into investment processes?

PRODUCT DETAILS

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- Exhibits in Excel
- Key findings
- Analyst support
- Interactive Report Dashboards

Interactive Report Dashboards

Interact and explore select report data with Cerulli's visualization tool.

Public Pensions Navigator: Evaluate the U.S. public pension market with an interactive heatmap depicting state-by-state total holdings and investments, a breakdown of holdings and investments by public pension type, and a list of pension plans and their asset totals. Data can be filtered by year, region, government sponsor type, and asset tier. Moreover, take a deeper look at an individual public pension's total pension liability and fiduciary net position.

Corporate Plan Sponsor Navigator: Review an interactive heatmap depicting a complete sizing of U.S. retirement assets, including defined benefit (DB) assets, defined contribution (DC) assets, and an analysis of the top corporate sponsors. All data in this dashboard can be filtered by plan type, employer type (multi-employer and single employer), sponsor region, sponsor state, and sponsor industry.

Endowment Navigator: Explore Cerulli's interactive map of endowments in the U.S. with filters by region, state, type (*i.e.*, public, private, administrative unit), enrollment size, tax risk, and institution asset size. Further analysis is displayed for each individual endowment, including the institution's profile, as well as detailed expense and revenue breakdowns since 2016.

Custom Institutional Markets Asset Projections: Analyze a complete sizing of the U.S. institutional market with current asset levels and projections for the next five years. This chart can be filtered by market segment and growth rates can be customized to view user-generated projections.

Institutional Channel Allocations to Risk Seeking Assets and Private Equity

Across the U.S. institutional space (excluding defined contribution and federal government defined benefit plans), the universe can be broken out and viewed on a spectrum based on risk-averse and risk-seeking asset allocations. Insurance general accounts and single-employer corporate defined benefit plans are pure liability-driven, risk-averse investors. Nonprofit investors have much greater risk tolerances and allocate accordingly. Notably, there are two channels in particular that deviate from the mold: multi-employer (Taft-Hartley) plans and state and local DB plans. Considering their objectives, these investors fit the mold of liability-driven investors, but their asset allocations tell a different story (33% and 57% allocations to risk-seeking asset classes, respectively). As plans operate under the assumption that they will exist indefinitely, their investing behaviors are quasi-endowment-like.

Exhibit 1.01

Institutional Asset Owner Asset Allocation and Risk Exposure Comparison, 2025

Sources: *Pensions & Investments*, NACUBO, Commonfund, Council on Foundations, A.M. Best, Cerulli Associates | **Analyst Note:** Each channel's asset allocation is asset-weighted.

Asset Type/Category		Insurance General Account			Defined Benefit			Foundation		Endowment	
		Life	Health	Property & casualty	Single-employer	Multi-employer	State & local	Community	Private	Public	Private
Risk-Seeking	Private equity	3%	3%	3%	9%	10%	14%	11%	23%	25%	33%
	Other public equity	0%	0%	0%	13%	16%	20%	18%	14%	21%	17%
	U.S. large-cap equity	2%	8%	23%	11%	7%	23%	38%	26%	15%	12%
Alternative Diversifiers	Other alternatives	3%	1%	0%	2%	4%	2%	4%	6%	9%	5%
	Real estate	0%	2%	1%	4%	8%	9%	2%	4%	6%	6%
	Hedge funds	3%	3%	3%	9%	7%	8%	7%	11%	14%	18%
Risk-Averse	Fixed income	84%	62%	58%	49%	46%	21%	17%	14%	8%	6%
	U.S. cash	4%	21%	12%	2%	2%	2%	3%	2%	2%	3%

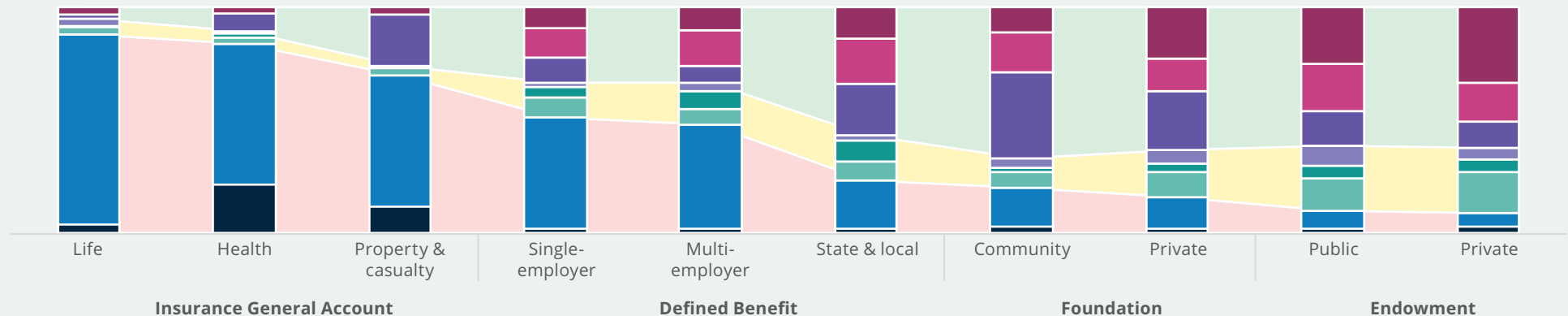


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