

US\$ 10.4 Trillion AuM by 2030 and a structural role at the heart of European Fund Distribution — PwC report sets out the Luxembourg AWM agenda for 2030



[PwC's Asset and Wealth Management Revolution Europe 2026](#) identifies how Luxembourg's unique position as Europe's premier fund domicile can be leveraged as Assets under Management (AuM) surges toward US\$48.5 trillion by 2030 and a €10 trillion savings pool awaits mobilisation.

Luxembourg's Asset and Wealth Management (AWM) industry occupies a structurally unique position within the European investment landscape. As Europe's leading fund domicile — home to US\$ 6.9 trillion in AuM — Luxembourg sits at the distribution centre of a continental growth story that PwC's Asset and Wealth Management Revolution Europe 2026 report characterises as a new dawn for the industry.

Across Europe, AuM is projected to climb from US\$35 trillion in 2024 to US\$48.5 trillion by 2030 (CAGR: 5.6%), and up to US\$67 billion in new revenues will be available to capture by the end of the decade. For Luxembourg, the specific opportunity lies in its established infrastructure for UCITS and AIFs, its growing prominence in ELTIF 2.0 structuring, and its increasingly important role in the

democratisation of private markets across the continent.

The report is equally clear on the challenge: 93% of European asset managers have experienced profitability pressure over the past five years, and regulatory complexity — MiFID II, SFDR, DORA, and emerging ESMA guidance — continues to escalate the cost of compliance. The managers and service providers that build scale, digital capability, and regulatory expertise in Luxembourg will capture a disproportionate share of the flows being unlocked across Europe.

Luxembourg AWM — By the Numbers

- US\$ 6.9 trillion AuM domiciled in Luxembourg (2024)
- US\$ 10.4 trillion Projected Luxembourg AuM by 2030 (CAGR: 7.2%)

The Luxembourg opportunity: Europe's distribution hub

Luxembourg's role as the primary domicile for cross-border fund distribution in Europe gives it a structural advantage that is difficult to replicate. The combination of UCITS brand recognition, AIF flexibility, and a well-established legal and regulatory framework positions Luxembourg-domiciled vehicles at the centre of the growth opportunities identified in the report.

ELTIF 2.0 and private markets democratisation.

43% of European asset managers identify the democratisation of private markets as a top revenue growth driver. The revised ELTIF regulation — with its lower minimum investment thresholds, expanded eligible assets, and simplified distribution rules — makes Luxembourg the natural domicile for the next generation of private markets products targeting retail and mass-affluent investors across Europe.

The savings mobilisation opportunity.

Luxembourg's cross-border UCITS infrastructure is ideally positioned to capture flows as the €10 trillion of European household deposits begins to mobilise. The Savings and Investments Union (SIU) and the redesigned PEPP both channel retail savings through fund structures where Luxembourg has established, irreplaceable expertise.

Regulatory leadership as a competitive asset.

30% of institutional investors actively select asset managers for their ability to navigate multiple regulatory regimes. Luxembourg's co-evolution with SFDR, DORA, and the AIFMD II framework means that Luxembourg-based managers and ManCos are better positioned than peers in other domiciles to meet institutional demand for regulatory sophistication.

Tokenisation and digital infrastructure.

45% of European asset managers are already prioritising tokenised assets for revenue growth. Luxembourg's legal framework — including its blockchain legislation — positions it as one of the most digitally progressive fund jurisdictions in Europe. Managers building distributed ledger technology capabilities alongside their existing fund infrastructure will benefit from both first-mover advantage and regulatory clarity.

The European opportunity — By the numbers

- US\$48.5 trillion Projected European AuM by 2030, up from US\$35 trillion in 2024 (CAGR: 5.6%)
- US\$67 billion New revenues up for grabs by 2030 (total revenues rising from US\$163.9B to US\$230.6B)
- US\$105.2 billion Projected private markets revenues by 2030 — closing rapidly on active investments (US\$113.5B)
- 13.1% CAGR Growth rate for European ETFs to 2030 — more than four times the rate of active investments (3.1%)
- €10 trillion Household bank deposits across Europe awaiting mobilisation into investment products
- 18% Retail equity fund participation in Europe today — versus 55% in the US — representing vast untapped demand
- 93% European asset managers that have experienced profitability pressure in the past five years — higher than any other region
- 68% European institutional investors who prefer to allocate capital to managers developing tech-enhanced products and services

Europe's new dawn: Four structural opportunities

The report identifies four intersecting forces creating the most significant growth environment European AWM has seen in a decade. Each represents both a near-term commercial opening and a longer-term structural shift that will reshape competitive positions through the rest of the decade.

The €10 trillion savings mobilisation.

Europe has one of the highest household savings rates in the world — 15% — yet retail equity fund participation stands at just 18%, compared to 55% in the US. Converting even a fraction of the €10 trillion sitting in low-yield bank deposits into long-term investment products would represent a transformational commercial opportunity. The European Commission's Savings and Investments Union (SIU) is already deploying tax incentives and financial literacy campaigns to accelerate the shift. The redesigned Pan-European Personal Pension Product (PEPP) — simpler, more flexible, and tax-advantaged — gives managers with existing UCITS and AIF infrastructure a low-incremental-cost route to capturing long-term savings flows at scale.

The democratisation and retailisation of private markets.

43% of European asset managers identify the democratisation of private markets as a top revenue growth driver. Governments and regulators across the continent are actively channelling this trend, developing purpose-designed fund vehicles to expand retail access to higher-yielding asset classes. By 2030, revenues from private markets (US\$105.2 billion) will be closing in on those from active investments (US\$113.5 billion), cementing private markets as the industry's primary strategic battleground.

The wealth management boom and great wealth transfer.

The wealth segment — high net worth and mass affluent investors — is now the primary engine of European AWM growth and will account for more than two-thirds of client assets by 2030. The great wealth transfer will inject fresh dynamism into an already fast-evolving channel. New generations entering the market are seeking digital-first experiences, sustainable investment options, and direct access to private markets. 68% of European asset managers are already diversifying product offerings in response.

Technology as a revenue engine, not just a cost lever.

68% of European institutional investors prefer to allocate capital to managers developing technology-enhanced products and services — meaning that tech capability is now a mandate selection criterion. More than 80% of European asset managers are deploying AI and automation as a primary cost efficiency lever. 45% of European asset managers are already prioritising tokenised assets for revenue growth by 2030.

Seven imperatives for capturing the revenue prize

1. Choose your archetype. Hypermarket, Solutions Platform, Ultra-Efficient Manufacturer, or Niche Champion. Strategic clarity — not scale — determines who wins in this new landscape.
2. Break through the distribution bottleneck. 93% of European asset managers view distribution partnerships as critical to their business model. 69% are prioritising direct-to-investor channels.
3. Build first-mover advantage in private markets. The largest prizes will go to those building ELTIF 2.0 and LTAF distribution infrastructure now. Early positions in wealth management and digital platform channels are compounding advantages.
4. Mobilise the €10 trillion savings prize. Building financial literacy and investor trust is a prerequisite for converting Europe's vast savings pool into long-term investment. PEPP-compatible product structures give managers with existing infrastructure a low-cost route.
5. Use the ETF wrapper as a market gateway. 55% of European asset managers are prioritising actively managed and hybrid fund structures for revenue growth. The ETF is a distribution channel — the strategic question is how to make active strategies accessible through the platforms where the next generation is being acquired.
6. Embed disruptive tech — not pilot it. 45% of European asset managers are already prioritising tokenised assets for revenue growth. The gap between firms running isolated AI use cases and those embedding technology across the full value chain is widening fast.
7. Turn regulatory complexity into competitive advantage. 30% of institutional investors actively select asset managers for their ability to navigate multiple regulatory regimes. SFDR Article 8 and 9 classifications have already become de facto requirements in the institutional market.

« Luxembourg's position as Europe's fund distribution hub is not a historical accident — it is a structural advantage that compounds with each new regulatory framework, each new fund vehicle, and each new investor category that enters the market. The ELTIF 2.0, PEPP, and SFDR regimes are all channelling new flows through infrastructure that Luxembourg has spent decades building. The managers and service providers that deepen their Luxembourg capabilities now will be the primary beneficiaries of the €10 trillion savings mobilisation and the private markets democratisation that will define European AWM through 2030. »— PwC Luxembourg AWM

Practice Leadership

“Luxembourg is set to remain Europe's leading fund centre through 2030, with assets projected to reach more than US\$10 trillion. At the same time, up to US\$67 billion in new revenues will be up for grabs across the European AWM industry. Capturing this opportunity, however, will require a new playbook—one that enables firms to scale, innovate and manage sustained profitability pressures in an increasingly complex environment.” — [Steven Libby](#), Asset & Wealth

Management – Europe, Middle East & Africa Leader, PwC, Luxembourg. »

“Luxembourg’s role in European asset and wealth management continues to evolve beyond its position as a leading fund domicile. With its strong footprint in private assets and ongoing investment in areas such as tokenisation, the country is well positioned to play a central role in connecting global investment capabilities with Europe’s growing pool of retail and wealth investors. As distribution, client access and product innovation become the key drivers of growth, Luxembourg remains at the forefront of shaping how capital is mobilised across the region.” —

[Michael Delano](#), Asset & Wealth Management Leader, PwC Luxembourg.