Pension Funds Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Wealth, Asset Management & Private Equity (Financial Services & Investment Intelligence)
> **Source:** https://www.mordorintelligence.com/industry-reports/global-pension-fund-industry
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 70.89 trillion
Projected Forecast (2031)	USD 70.89 trillion
Growth Rate (CAGR)	5.55 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

`![Major players in Pension Funds industry](images/chart_2.png)`

`![Pension Funds Market Size](images/chart_3.png)`

`![Pension Funds Market Share by Plan Type, 2025](images/chart_4.png)`

`![Pension Funds Market Share by Geography of Investment, 2025](images/chart_5.png)`

`![Pension Funds Market Concentration](images/chart_6.png)`

`![footer background image](images/chart_9.png)`

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`![GPTW](images/chart_18.png)`

Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2020 - 2031 |
Market Size (2026) | USD 70.89 Trillion |
Market Size (2031) | USD 92.83 Trillion |
Growth Rate (2026 - 2031) | 5.55 % |
Fastest Growing Market | Asia Pacific |
Largest Market | North America |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Pension Funds Market Analysis by Mordor IntelligencePension funds market size in 2026 is estimated at USD 70.89 trillion, growing from 2025 value of USD 67.16 trillion with 2031 projections showing USD 92.83 trillion, growing at 5.55% CAGR over 2026-2031. Gains rest on the decisive global swing from defined benefit (DB) to defined contribution (DC) plans, intensifying regulatory nudges that raise participation and contributions, and steady inflows from ageing workforces seeking secure post-retirement income. Asset-allocation patterns continue to migrate toward equities, infrastructure, and other private-market classes as funds search for yield while contending with low-rate backdrops. Meanwhile, digital tools that automate administration, enable member self-service, and lower back-office costs are allowing even mid-sized plans to replicate the scale advantages once enjoyed only by the largest sponsors. Competitive positioning is shifting from pure asset heft to a blend of cyber-secure operations, data-rich risk management, and credible climate strategies that help trustees meet fiduciary and societal expectations.

Key Report Takeaways* By plan type, defined contribution schemes led with 56.85% of the global pension funds market share in 2025 and are projected to expand at a 6.32% CAGR to 2031.
* By investment strategy, active management still accounted for 54.35% share of the global pension funds market in 2025, while passive strategies are expected to record the fastest growth at 6.02% CAGR through 2031.
* By sponsor, public-sector plans held 68.75% of the global pension funds market share in 2025, but private-sector plans are projected to advance at a 6.91% CAGR of the pension funds market to 2031.
* By geography of investment, onshore assets comprised 72.75% of the global pension funds market size in 2025, yet offshore allocations are projected to grow 5.91% annually between 2026-2031.
* By region, North America commanded 70.65% of global assets of the pension funds market in 2025, whereas Asia-Pacific is forecasted to expand at a 6.65% CAGR through 2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Pension Funds Market*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Shift from DB to DC schemes	+1.2%	Global, strongest in North America and Europe	Medium term (2-4 years)
Ageing population and longevity risk	+0.9%	Global, especially OECD economies	Long term (≥ 4 years)
Regulatory push for auto-enrolment	+0.8%	North America, Europe, Asia-Pacific	Short term (≤ 2 years)
Diversification into alternative assets	+0.7%	Global, led by North America and Europe	Medium term (2-4 years)
Tokenization of real assets	+0.4%	North America and Europe initially, widening globally	Long term (≥ 4 years)
Climate-aligned infrastructure demand	+0.6%	Global, early uptake in Europe and North America	Medium term (2-4 years)

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

Competition is moderate and intensifying. The ten largest funds account for a considerable share of global assets, leaving room for mid-tier players that differentiate by domain expertise or technology. Canadian funds illustrate the edge conferred by in-house active capabilities and direct private-market execution. Acquisition momentum remains brisk: Mercer’s 2024 purchase of Cardano added USD 66 billion of assets, while its 2025 acquisition of SECOR bolstered outsourced-CIO bandwidth. Bulk annuity providers such as Legal & General secured multi-scheme buy-ins worth GBP 785 million, signaling an active de-risking pipeline.

Technology vendors that offer real-time data aggregation, cyber-secure cloud platforms, and AI-assisted customer service gain traction. Cyber threats loom large, with 77% of pension executives expecting elevated risk profiles in 2025, prompting stepped-up investment in zero-trust architectures and staff-training programs. Asset managers pivot toward climate-aligned strategies: CalPERS leads with USD 53 billion already deployed toward a USD 100 billion goal.

Emerging disruptors include tokenization start-ups that fractionalize infrastructure equity, reducing ticket sizes and unlocking diversified opportunities. Meanwhile, data providers harness natural-language processing to decode corporate climate disclosures, meeting trustees’ need for transparent ESG metrics while complementing established governance protocols.

Pension Funds Industry Leaders* CalSTRS (US)

* Government Pension Investment Fund (Japan)

* National Pension Service (South Korea)

* ABP (Netherlands)

* California Public Employees’ Retirement System (CalPERS)

* *Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

For this study, the market is defined as the total value of assets under management held by pension funds that receive, administer, and invest retirement contributions for members across funded retirement plans.

Scope exclusions: We exclude pay-as-you-go social security systems, individually purchased retirement accounts that are not pooled into pension funds, and sovereign wealth vehicles that are not tied to retirement income.

Segmentation Container

* By Plan Type* Defined Contribution (DC)
* Defined Benefit (DB)
* Hybrid and Others

* By Investment Strategy* Active
* Passive

* By Sponsor Type* Public-Sector Plans
* Private-Sector Plans

* By Geography of Investment* Onshore
* Offshore

* By Region* North America* United States
* Canada
* Mexico

* South America* Brazil
* Argentina
* Chile

* Colombia
* Rest of South America

* Europe* United Kingdom
* Germany
* France
* Spain
* Italy
* Benelux (Belgium, Netherlands, and Luxembourg)
* Nordics (Sweden, Norway, Denmark, Finland, and Iceland)
* Rest of Europe

* Asia-Pacific* China
* India
* Japan
* South Korea
* Australia
* South-East Asia (Singapore, Indonesia, Malaysia, Thailand, Vietnam, and Philippines)
* Rest of Asia-Pacific

* Middle East and Africa* United Arab Emirates
* Saudi Arabia
* South Africa
* Nigeria
* Rest of Middle East and Africa

Frequently Asked Questions

What is the current size of the pension funds market?

The market held USD 70.89 trillion in assets in 2026 and is projected to reach USD 92.83 trillion by 2031.

Which plan type is expanding the fastest?

Defined contribution schemes lead growth at a 6.32% CAGR, aided by auto-enrolment mandates and growing payroll contributions.

Why are pension funds increasing allocations to alternative assets?

Persistent low yields in traditional bonds push funds toward infrastructure, private credit, and other alternatives that offer inflation-linked cash flows and diversification benefits.

How are regulators influencing pension savings rates?

Measures such as the SECURE 2.0 Act in the United States introduce mandatory enrollment and higher contribution rates, directly boosting funded assets.

What role does technology play in the pension funds industry?

Digital administration, AI-driven member analytics, and cybersecurity solutions reduce operating costs, enhance engagement, and safeguard sensitive data, becoming critical differentiators among providers.

Which region offers the strongest growth outlook?

Asia-Pacific is forecast to expand at a 6.65% CAGR through 2031, driven by rising contribution rates, regulatory reforms, and rapid middle-class expansion.