

AAPI OWNED ASSET MANAGEMENT FIRMS

A Definitive Report on Fund Outperformance & Representation

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By AAAIM Co-Chairs and CEO

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Foreword

By AAAIM Co-Chairs and CEO

Over the past 20 years, the Association of Asian American Investment Managers (AAAIM) has built an exceptional network of Asian American and Pacific Islander (AAPI) investment professionals and investment managers, while working to improve access to the opportunities that enable them to lead, compete, and succeed.

We believe that excellence comes first: the investment industry is stronger when exceptional talent has the opportunity to advance, exceptional managers have the opportunity to compete for capital, and investors have access to the broadest possible universe of talent and investment ideas.

As AAAIM celebrates its 20th anniversary, we are investing in our fifth research effort with Professor Josh Lerner and his team at Bella Private Markets (BPM). This is because we believe the conversation about AAPI investment performance and representation must be grounded in independent, credible evidence. The BPM team brings the rigorous research, deep industry expertise, and track record of producing highly respected, data-driven work needed to make these findings meaningful and actionable. We also thank Nasdaq eVestment for augmenting the dataset and strengthening the depth and breadth of this research. We hope this work provides a stronger evidence base for understanding AAPI representation and performance to underpin greater opportunity across the investment industry.

This report provides compelling evidence of the value that AAPI-owned firms¹ managing private and mutual funds can offer investors when given the opportunity to do so. It raises important questions that go far beyond whether AAPI managers deserve greater access to capital. It asks whether investors can afford to overlook a segment of the market that consistently demonstrates strong performance.

Two decades ago, AAAIM set out to build a stronger network of AAPI investment professionals, institutional investors, and asset managers; create platforms for relationships to develop; and invest in the next generation of leaders. Today, the evidence shows why that work matters—not simply because representation matters, but because talent, performance, and opportunity matter.

As we begin our next 20 years, our ambition is even greater: to connect exceptional AAPI investment managers with institutional capital around the globe, elevate the leaders who will shape the future of our industry, and ensure that investors never miss an opportunity because exceptional talent has been overlooked.

Brenda Chia and Sanjiv Shah, Co-Chairs
Jim Park, CEO

¹ In this report, we define AAPI-owned firms as those where AAPIs account for at least half of the firm's most senior professionals.

Foreword

By Josh Lerner, Managing Partner at Bella Private Markets and

Jacob H. Schiff Professor at Harvard Business School

Over the 20 years that AAAIM has advocated for inclusion, the asset management industry has evolved in some respects but proved stubborn in others. Private markets, for example, have grown considerably, with U.S.-based private equity funds raising \$314 billion in 2025, nearly double the \$166 billion raised in 2006.² Younger asset classes, such as private credit, have contributed substantially to this growth.

Private capital's influence on the broader economy has increased, while U.S. mutual funds continue to attract substantial capital. There is more focus today on understanding who manages this capital, but robust data and analysis to build that understanding often remain scarce. This work often falls between the cracks: it is beyond the coverage of data providers and is too narrowly scoped for regular academic research.

This is a gap that AAAIM hopes to fill for AAPIs in the asset management industry. Since 2020, the reports that AAAIM has produced in collaboration with my firm, Bella Private Markets, have helped highlight the underrepresentation of the AAPI community in finance, especially at the ownership level.

This fifth report by AAAIM/Bella builds on our previous work by studying the performance and representation of AAPI-owned firms across private markets and mutual funds. Importantly, we analyze performance according to a range of measures and over a variety of time horizons.

For this report, we have substantially updated our methodology, yielding a more exhaustive and representative sample of AAPI-owned firms and the funds they manage. Yet even as new statistical techniques and identification tools have expanded this year's sample of AAPI-owned firms, our findings are consistent with previous studies: they highlight strong performance but low representation among AAPI-owned firms across every asset class we study.

Insights of this kind can meaningfully inform investment decision-making and have the power to encourage institutions to cast their net more widely in their search for the best performing managers. We therefore hope our work on this topic will be of both intellectual and practical interest to allocators, to the asset management industry, and, of course, to AAPI-owned firms in their efforts to attract capital.

² Fundraising data from Preqin, accessed September 8, 2026. Private equity encompasses funds classified under venture capital or buyout strategies.

Introduction

The continued underrepresentation of AAPI-owned firms in the asset management industry comes at a cost to investors: missed opportunities for outperformance.

This is the latest report in a research series published by AAAIM, showcasing findings drawn from data independently collated and analyzed by Bella Private Markets. Over the years, this body of research has found that AAPIs remain underrepresented at senior and ownership levels, despite relatively high representation at junior levels.³ These reports have also shown that AAPI-owned firms frequently face barriers to attracting capital, despite evidence of strong performance. Further, they have demonstrated that institutional investor emerging manager programs often do not explicitly include AAPIs, and even when they do, AAPI-owned firms are frequently overlooked.⁴

This report builds on our previous research into the performance and representation of AAPI-owned firms in the asset management industry. It uses an updated methodology that captures substantially more firms than previous studies, providing a more robust and representative sample from which to draw our conclusions.

Our research finds that AAPI funds⁵ consistently generate strong performance in both private and public markets: indeed, they are more likely to be found among the top-performing funds than non-AAPI funds. However, even with our expanded dataset, AAPI-owned firms remain underrepresented by number across the asset classes included in our analysis. Their AUM as a percentage of the industry's total also continues to tell the story of AAPI-owned firms managing smaller funds than those of their non-AAPI peers in most asset classes.

There is therefore a real cost for investors that do not actively or intentionally allocate to funds managed by AAPI-owned firms. And while the main body of this report provides the evidence of what many investors and their stakeholders are forgoing, we conclude by outlining three practical actions the investment industry can take to build the senior and ownership-level AAPI pipeline and ensure that many more investors benefit from the outperformance that AAPI-owned firms have demonstrated they can deliver.

³ https://aaaim.org/wp-content/uploads/2023/10/AAAIM_Bella_AUM_Performance_WhitePaper.pdf

⁴ https://aaaim.org/wp-content/uploads/2024/10/AAAIM_Allocators_Report_100824.pdf

⁵ In this report, AAPI funds are those managed by AAPI-owned firms

Key Findings



AAPI-owned firms account for just **0.49%** of total assets under management in our sample



Across all asset classes, AAPI funds are **more likely to appear in the top quartile** of performance and **less likely to be bottom quartile performers** than non-AAPI funds



AAPI private markets funds typically **outperform public market benchmarks**—and to a greater extent than non-AAPI funds

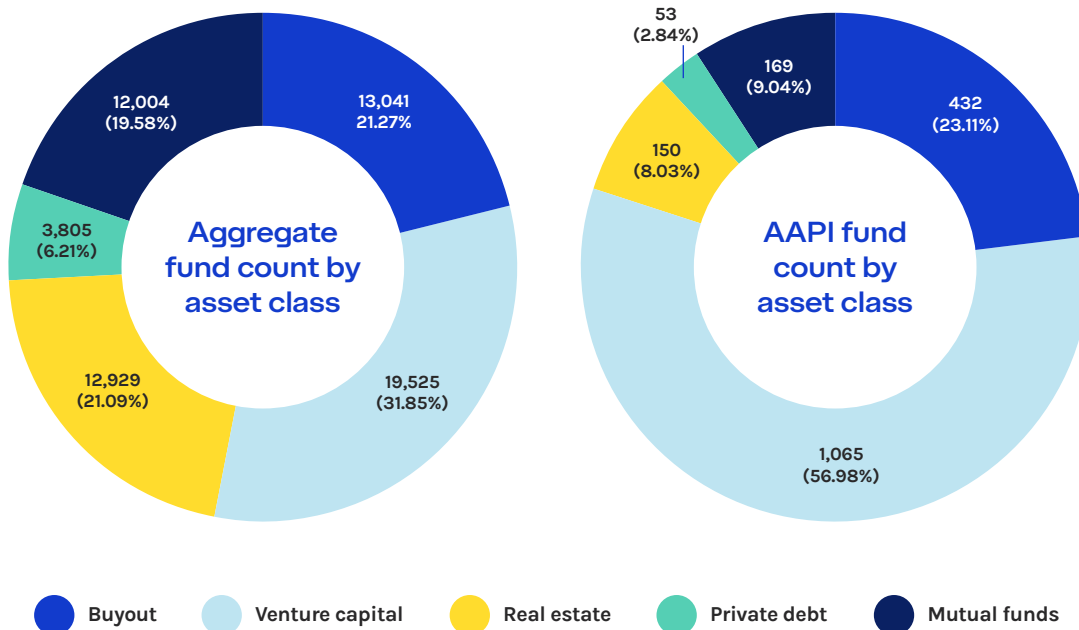


AAPI mutual funds provide **better long-term risk-adjusted returns** than non-AAPI peers



Allocating only to non-AAPI mutual or venture capital funds bears an **opportunity cost of up to 30.4 or 41.4 percentage points**, respectively, in forgone cumulative returns

About This Report



This study draws on Preqin data covering three private market asset classes: private equity⁶, real estate, and private debt. In total, the private markets data include 11,974 U.S.-based firms managing 55,044 funds. To reflect the current market, the representation analysis focuses on 49,300 active (i.e., non-liquidated) funds.

Nasdaq eVestment provides additional data on traditional, long-only public market strategies spanning equity, fixed income, and balanced or multi-asset strategies. For simplicity, this report refers to these collectively as “mutual funds.” These data cover 2,481 firms managing 24,888 funds, 12,004 of which are active.

A firm is classified as AAPI-owned if at least half of its most senior professionals are AAPI. For mutual funds, we use the manager ethnicity reported by Nasdaq eVestment. For private market funds, we gather data on firms’ senior professionals using a combination of reported data on Preqin, algorithmic techniques, artificial intelligence tools, and manual checks. This information was gathered in early 2026.

⁶ Private equity includes venture capital and buyout strategies.

Results

1

AAPI-owned firms remain underrepresented, even with an expanded dataset

Consistent with our previous reports, this year's study shows that the proportion of AAPI-owned firms in the asset management industry continues to be lower than might be expected, given the size of the community. There are more than 25 million AAPIs in the U.S., accounting for nearly 8% of the population,⁷ yet our latest research finds that just 2.56% of active asset management firms in our sample are owned by AAPIs. This is despite this year's report including a much larger and more comprehensive dataset of AAPI-owned firms than our earlier research.⁸

Of the asset classes we studied, mutual funds and venture capital have the highest representation, with AAPI-owned firms accounting for, respectively, 4.01% and 3.33% of firms with active funds in our sample. Meanwhile, real estate lags considerably, with a proportion of 1.07% of firms owned by AAPIs.

Across our sample, AAPI-owned firms manage 3.05% (or 1,869) of the 61,304 total active funds. Yet by assets under management (AUM), the proportion is significantly lower: just 0.49% of total AUM in our sample is managed by AAPI-owned firms.

These two findings taken together—low representation of AAPI funds in the industry, but much lower representation by AUM—suggest that AAPI fund sizes are smaller than those of non-AAPI peers. Indeed, when we analyze average fund sizes, we see this is the case in most asset classes, and particularly so in real estate. Here, the average fund size for firms managed by AAPIs is \$126 million—less than half the \$294 million average fund size among firms that are not AAPI-owned.

As we have noted in previous research, smaller funds do not benefit from the kinds of economies of scale that larger funds can achieve.⁹ AAPI-owned firms also face unique challenges when raising capital: they are often too small for larger investors that must keep within fund concentration limits, and emerging manager programs designed to foster the next generation of asset management firms (which by definition manage small funds) are often not available to AAPI-owned firms.¹⁰ Funds managed by AAPI-owned firms therefore tend to be smaller not necessarily by design, but rather because there are barriers to attracting sufficient capital that would allow them to scale up.

⁷ <https://usafacts.org/articles/the-diverse-demographics-of-asian-americans>

⁸ Please see A Note on Methodology on p21 for more information on how our updated data collection and verification techniques substantially increased our coverage compared with previous reports.

⁹ https://aaaaim.org/wp-content/uploads/2023/10/AAAIM_Bella_AUM_Performance_WhitePaper.pdf

¹⁰ https://aaaaim.org/wp-content/uploads/2024/10/AAAIM_Allocators_Report_100824.pdf

AAPI representation summary, as of Q1 2026

ASSET CLASS	FIRMS		AUM ¹		FUNDS		MED. SIZE, \$M		MEAN SIZE, \$M	
	%	N	%	\$M	%	N	AAPI	Non-AAPI	AAPI	Non-AAPI
Private Equity	3.00%	226	3.34%	\$255,832	4.60%	1,497	\$59	\$30	\$254	\$371
Buyout	2.82%	85	1.79%	\$109,777	3.31%	432	\$62	\$108	\$395	\$768
Venture Capital	3.33%	173	9.71%	\$146,055	5.45%	1,065	\$59	\$14	\$200	\$112
Real Estate	1.07%	37	0.54%	\$13,571	1.16%	150	\$10	\$33	\$126	\$294
Private Debt	1.61%	14	1.55%	\$34,306	1.39%	53	\$458	\$326	\$953	\$909
Mutual Funds	4.01%	46	0.24%	\$237,030	1.41%	169	\$175	\$825	\$8,364	\$11,572
TOTAL²	2.56%	316	0.49%	\$540,739	3.05%	1,869	N/M			

Private equity (buyout and venture capital), real estate, and private debt exclude funds marked as “liquidated” on Preqin as of 2026. Mutual funds include only those that are not marked “inactive” by Nasdaq eVestment.

¹ Because manager-level AUM data is sometimes incomplete on Preqin, we take a bottom-up approach to estimating AUM for PE (BO and VC), RE, and PD, summing fund sizes for non-liquidated funds within each asset class for each firm. For funds still raising or not yet fully closed (e.g., those labeled as “First Close” under Preqin’s methodology), we use the fund’s latest close size rather than its target size. We also adjust for inflation, converting fund sizes across vintages to Q1 2026 levels using the GDP deflator from FRED. For mutual funds, we use Nasdaq eVestment’s “Firm Total AUM” (the sum of all assets managed by a firm) and “Product Total AUM” (the sum of all assets managed by a fund) data, also adjusted for inflation to Q1 2026 price levels.

² Weighted average by total number of firms, total number of funds, and total AUM in each asset class, respectively. Due to some firms being active across multiple private asset classes, firm counts by strategy will not sum to the total firm count listed in the bottom row. The total number presented instead reflects the number of unique firms.

2

AAPI funds are overrepresented in the top quartile across all private asset classes

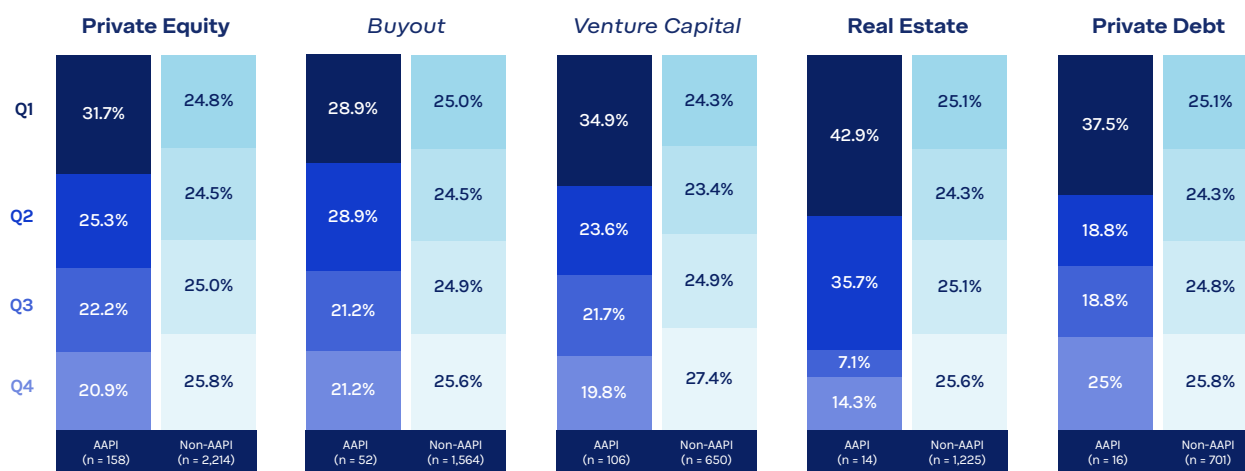
Despite AAPI-owned firms being underrepresented in private markets, our research shows that the funds they manage are overrepresented in the top quartile for performance compared with non-AAPI private funds.

This is particularly the case in real estate, where 42.9% of AAPI funds have top quartile performance, and in private debt, where 37.5% sit among the industry's best performers. While it should be noted that the number of these funds is relatively low, this finding also holds true where there is a substantially larger sample. For example, in private equity, nearly a third of AAPI funds are top-quartile performers, while in the venture capital subset, the proportion is larger still, at 34.9%.

Furthermore, a disproportionate share—more than half of AAPI private funds—show above median performance across all private asset classes. As might be expected, given the results above, our analysis shows that AAPI private funds are also underrepresented in the bottom quartile across nearly all private asset classes. This is seen especially in real estate and venture capital (14.3% and 19.8%, respectively), while in private debt, the proportion is representative.

Overall, these results indicate that AAPI funds are more likely to be higher performers in private markets than their non-AAPI peers.

Performance by quartile in private markets – AAPI vs non-AAPI funds



The sample sizes (n) in this chart are smaller than in the representation table because they include only funds with 2008-2023 vintages and TVPI data reported between Q2 2025 and Q1 2026. Quartiles are constructed using fund total value to paid-in capital (TVPI).

3

AAPI funds average higher TVPI and IRRs than non-AAPI funds

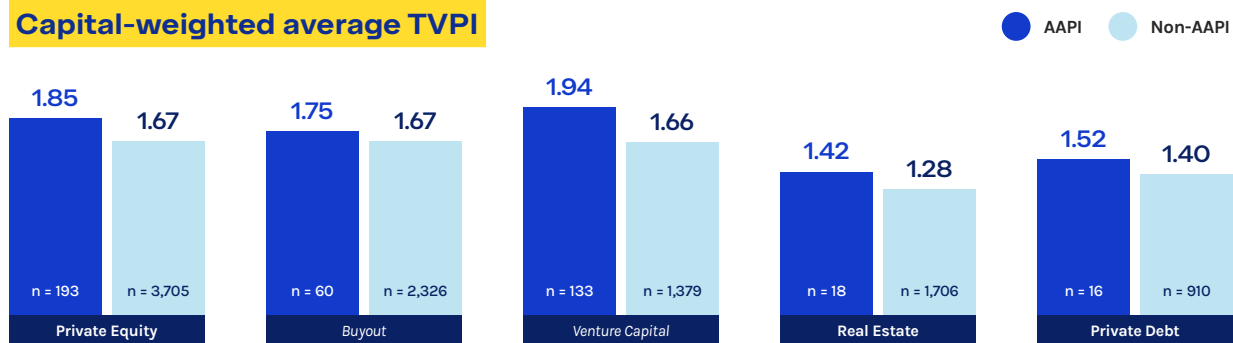
In further analysis, our results underscore the finding above: on average, AAPI funds in our sample outperform non-AAPI funds across all private asset classes. This holds true for both average value to paid-in capital (TVPI) and average internal rate of return (IRR), which are important and commonly used private markets performance measures.

By capital-weighted average TVPI, AAPI venture capital funds are the strongest outperformers, registering 1.94x versus 1.66x for non-AAPI funds.

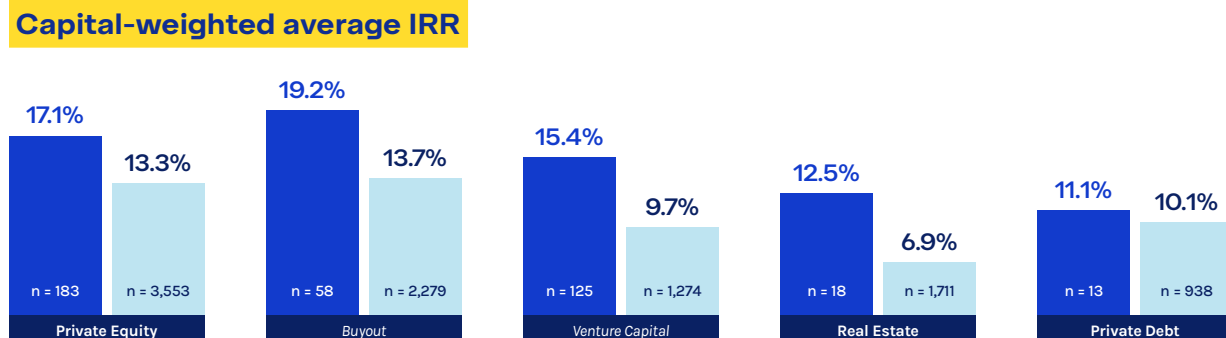
For capital-weighted IRRs, the pattern is similar. AAPI venture capital funds in our sample average an IRR of 15.4% (versus 9.7% for non-AAPI funds in the same asset class) and in buyout funds, AAPI funds average 19.2% (versus 13.7%). There is also a wide performance gap in real estate, where AAPI funds generate an average 12.5% (versus 6.9%).

In addition, AAPI private fund outperformance is not a recent trend. To assess the persistence of these findings over time, we also analyzed TVPI and IRR performance by vintage periods stretching back to 2010. Our results show that in buyout and venture capital (real estate and private debt are not included since there are insufficient historical data), AAPI funds have consistently outperformed non-AAPI funds over time.

Capital-weighted average TVPI



Capital-weighted average IRR



Charts do not consider funds with vintages post-2023.

4

AAPI venture capital and buyout funds distribute capital more rapidly than non-AAPI peers

In recent years, institutional investors in private funds have faced longer holding periods and lower distributions than historical averages, creating pressure on liquidity. This is especially true of venture capital fund investments, where median distributions to paid-in capital (DPI)—a key measure of the amount of capital returned to investors—was sitting at a 25-year low at the end of 2025.¹¹

However, our research shows that AAPI venture capital and buyout funds score more highly than non-AAPI peers on investor liquidity (we excluded other asset classes because historical cashflow data is limited and numbers are too low to draw meaningful conclusions).

The charts below track the J-curve for venture capital and buyout funds on a capital-weighted basis. The J-curve is a way of depicting the cumulative cashflows in and out of a private markets fund, where capital is drawn from investors early in a fund's life to make investments (which results in negative cashflows for investors) and then returned as company stakes are sold (creating positive cashflows).

The results for venture capital are most striking. As the chart demonstrates, AAPI venture capital funds appear to both invest and return capital more quickly than non-AAPI peers, resulting in a steeper, but shorter J-curve. This is a pattern that implies greater capital efficiency for investors since there is a faster turnover of investments: capital is put to work, accumulates value, and then is returned for deployment in new funds over a shorter timeframe.

Indeed, AAPI venture capital funds tend to reach the break-even point two years earlier than the rest of their peers in our sample (7.5 years versus 9.5 years, respectively), while their cumulative distributions to investors are higher. This is consistent with our report's earlier findings that AAPI venture capital funds deliver higher average TVPI and IRR than non-AAPI venture capital funds.

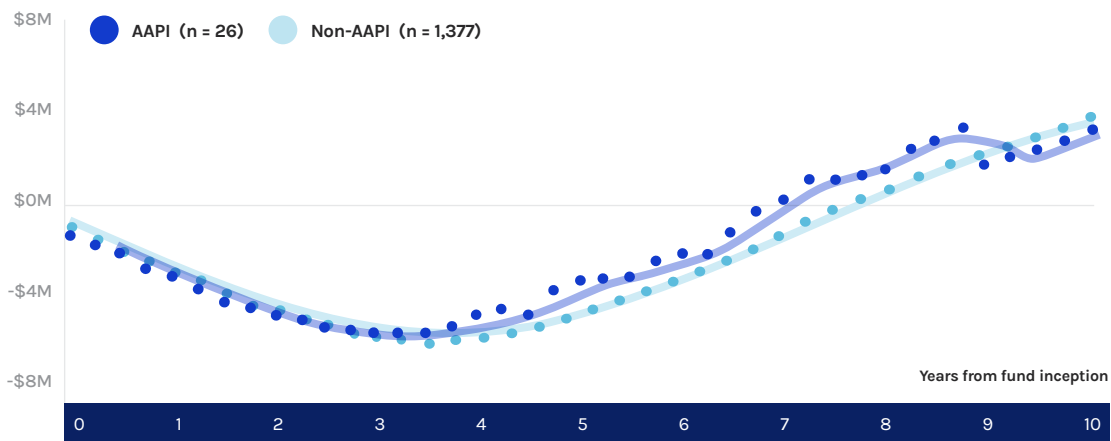
For buyout funds, while both groups exhibit similar J-curves, AAPI funds appear to distribute capital more quickly to investors than non-AAPI funds, with a time to break-even of 7 years (versus 7.75 years). For completeness, we also examined liquidity patterns using two other important measures—DPI and residual value to paid-in capital (RVPI), both on a capital-weighted basis. In these analyses, we find a similar pattern, with AAPI venture capital fund DPI reaching 1.6x by year 10 (versus 1.1x at the same point for other venture capital funds).

¹¹ Preqin Global Report, Venture Capital in 2026 (published late 2025)

Venture capital fund net cashflows (capital-weighted)



Buyout fund net cashflows (capital-weighted)



The y-axis on the two charts are scaled to a hypothetical \$10 million commitment. Due to insufficient data on real estate and private debt cashflows, we focus only on venture capital and buyout fund cashflows. The number of funds listed for each curve reflects the total number of unique funds that contribute to the curve at any point between years 0 and 10 from inception.

5

AAPI private funds typically outperform public benchmarks

Whether or not they are managed by AAPIs, private markets funds clearly do not operate in a vacuum. Institutional investors must make decisions to allocate across a range of asset classes. Relative performance therefore matters as much as absolute performance.

Our research compared average AAPI fund performance with public markets performance (in this case, the S&P 500) by calculating public market equivalents (PMEs).¹² On this basis, our analysis shows not only that AAPI funds typically perform better than the S&P, but that they do so more than non-AAPI funds. The exception is private debt, largely because lending strategies' risk-return profiles are generally less comparable to those in equity investments. Even so, at 0.97, private debt PME is only just off the S&P 500.

The outperformance versus non-AAPI funds is particularly strong among AAPI venture capital funds: these returned 1.11 times the S&P 500 on a capital-weighted basis (versus 0.91 for non-AAPI funds, meaning they underperformed the S&P 500). It is a similar story in real estate, where AAPI funds registered 1.09 (versus 0.84).



A PME is calculated by answering the question: What return would an investor have earned in the public market index had they invested on the same days as they did in private funds? For the calculation, every fund's cashflows are scaled to the index's return over the relevant period to compare performance.

¹² We use PMEs benchmarked against a broader US market index because we do not have access to private funds' deal-level data that would provide information such as exact sector exposures and use of leverage.

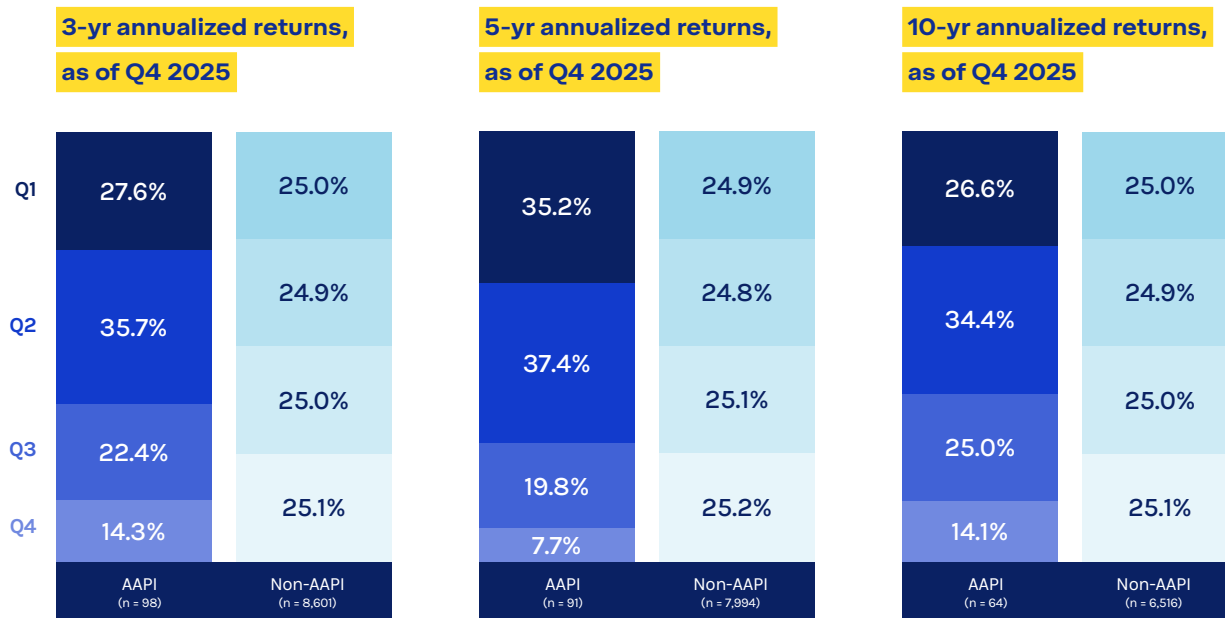
6

AAPI mutual funds are also overrepresented in the top quartile for performance

We also studied the fund performance of AAPI-owned mutual firms compared with that of mutual firms not owned by AAPIs. And, much as we found in private markets asset classes, AAPI mutual funds are overrepresented in the top quartile of performance. This is true across three, five, and 10-year horizons.

Similarly, a significant proportion of AAPI mutual funds are in the top two quartiles. Nearly two-thirds (63%) sit here in the three-year horizon, while the result is 73% over a five-year horizon and 61% over 10 years.

Unsurprisingly, given these findings, AAPI mutual funds are underrepresented in the bottom performance quartile across all three horizons.



Annualized returns are calculated by compounding each fund's quarterly returns over its observed holding period, then extracting the geometric mean annual growth rate. Funds are ranked within asset class (Equity, Fixed Income, or Balanced/Multi-Asset), and quartiles are defined using the full sample.

7

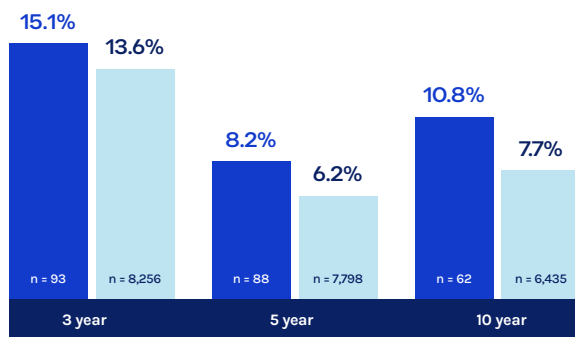
AAPI mutual funds deliver stronger risk-adjusted returns than non-AAPI funds

Our research shows that AAPI mutual funds consistently outperform non-AAPI mutual funds, with capital-weighted average returns higher across three, five, and 10-year horizons. The differential between the two groups over the long-term is particularly pronounced—at 10 years, AAPI mutual funds provide a return that is 3.1 percentage points above that of non-AAPI mutual funds.

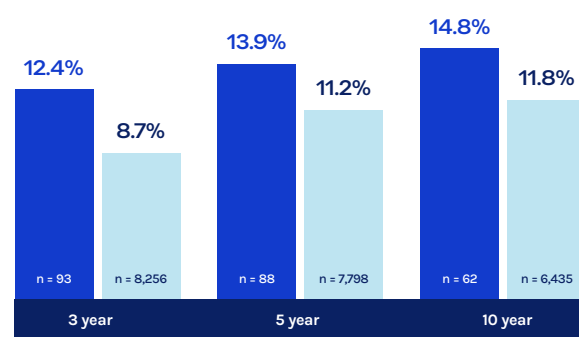
However, our results do reveal somewhat higher volatility among AAPI mutual funds than for their peers. This perhaps reflects smaller AAPI mutual fund sizes—as we showed earlier in this report, the average AAPI mutual fund sits at \$8.36 billion, versus \$11.6 billion for non-AAPI peers.

However, when we analyze risk and return together using Sharpe ratios, we find that AAPI mutual funds provide investors with better risk-adjusted performance over the longer term than non-AAPI mutual funds. For five and 10-year horizons, AAPI mutual funds have higher Sharpe ratios than other mutual funds on a capital-weighted average basis, which suggests their higher returns more than compensate for an increase in volatility.

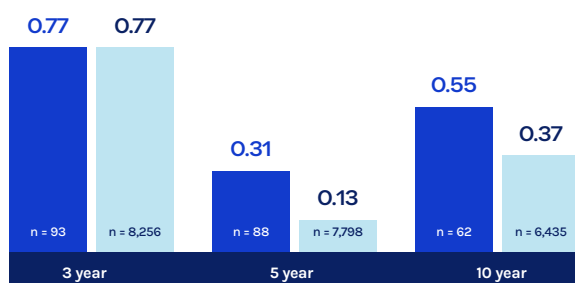
Mutual fund returns, as of Q4 2025



Mutual fund volatility, as of Q4 2025



Mutual fund Sharpe ratio, as of Q4 2025



● AAPI ● Non-AAPI

All estimates here are capital-weighted averages. Volatility is calculated as the standard deviation of a fund's quarterly returns, scaled up to an annual figure. Sharpe ratio is calculated as the fund's annualized excess return (return less the risk-free rate) divided by its annualized volatility.

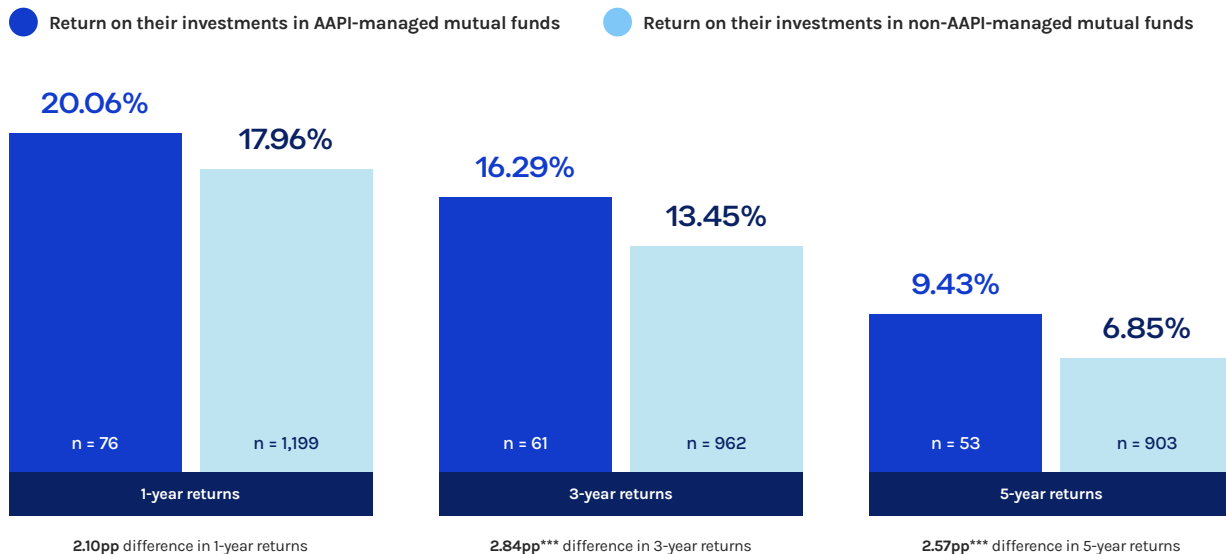
8

Allocators generate higher returns from their AAPI mutual fund investments than non-AAPI investments

As an additional test to our findings, we explored mutual fund returns from a different angle. To understand how AAPI mutual funds perform in investor portfolios, we analyzed data from Nasdaq eVestment on U.S. public pension funds and their investments.

Among allocators who invest in both AAPI mutual funds and non-AAPI mutual funds, our analysis finds the performance differences we have outlined in this report show through in investor returns: their AAPI mutual funds deliver higher average returns than their other mutual fund investments. This result holds across multiple time horizons, but at 2.84 percentage points and 2.57 percentage points, the differential over three and five-year returns, respectively, is statistically significant.

Average investment returns for allocators who invest in both AAPI and non-AAPI-managed mutual funds



Note: Manager roster data is sourced from Nasdaq eVestment, covering active U.S. allocators of the "Public Fund (Government)" type (mostly public pension funds) and their current investments across mutual funds and other asset classes. This analysis focuses on mutual fund investments. ***p<0.01, **p<0.05, *p<0.1

9

There is an opportunity cost for investors who are underallocated to AAPI funds

Our findings have so far shown that AAPI funds consistently outperform their non-AAPI peers across private and mutual fund asset classes. In private markets, AAPI funds are also typically beating stock market returns.

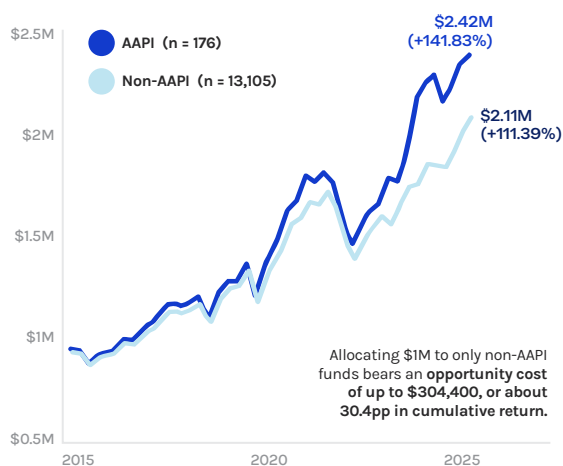
Yet we also know from previous research that investors remain underallocated to AAPI funds, almost regardless of whether they have an emerging manager program that targets AAPI managers or not. In this, we found that AAPI-owned firms account for 2.5% of active fund investments by allocators with no emerging manager program and for 2.7% among those that do.¹³

Taken together, these findings suggest that investors are underallocated to AAPI funds, and are therefore missing out on return potential and—in the case of venture capital and buyouts—valuable DPI.

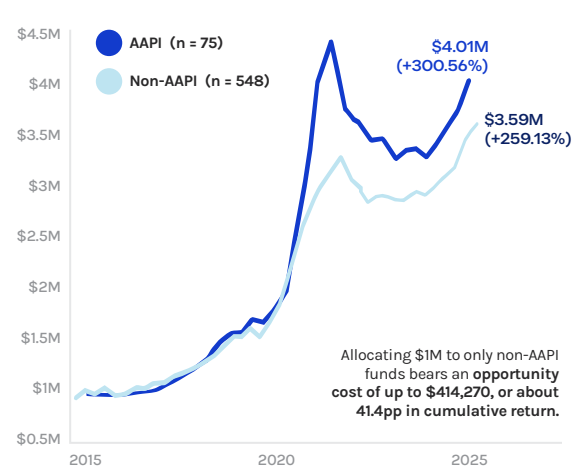
We set out to quantify the opportunity cost of underallocation. To do this, we calculated the approximate cumulative return on a hypothetical \$1 million invested from Q1 2015 to Q3 2025 in mutual and venture capital funds. We find that investors allocating solely to non-AAPI mutual funds have forgone up to 30.4 percentage points in cumulative returns compared with those with AAPI fund investments. In venture capital, the opportunity cost is even higher, at 41.4 percentage points.

To look at this another way, we estimate the overall cost to the private market investor pool resulting from the underallocation to AAPI managers relative to their ~8% share of the U.S. population. Based on AAPI returns trends, this underallocation may be costing private market investors over \$100 billion per year in forgone returns.

Example: Growth of \$1M invested in mutual funds



Example: Growth of \$1M invested in venture funds



All indices are capital-weighted, using quarterly data from Q1 2015 through Q3 2025. Both are rebased to 100 at the start of the period and then scaled by \$10,000 to visualize the growth of a \$1M investment in Q1 2015. The listed "n =" is the total number of unique funds contributing to the index at any point in time. For mutual funds, this number is greater than the number of funds included in the representation summary because we include inactive funds. We omit buyout, real estate, and private debt due to insufficient sample sizes.

¹³ https://aaaim.org/wp-content/uploads/2024/10/AAAIM_Allocators_Report_100824.pdf

Conclusion and Next Steps

This report demonstrates that AAPI-owned firms tend to outperform their peers across a range of measures—the evidence of strong performance holds fast no matter which way we look at the data. Yet it also highlights the underrepresentation of AAPI-owned firms, their funds, and—particularly—their AUM in the asset management industry.

While representation matters to some investors, performance matters to all investors. The message from these results is therefore clear. To make better investment decisions, allocators seeking top-performing managers should be expanding their search to include more AAPI funds. At the same time, the asset management industry should do more to ensure that AAPI talent has the opportunity to rise to the top.

To effect change, allocators, fund managers and investment professionals must turn evidence into action. They can make a start by taking three practical steps:

From Awareness to Action



Expand the aperture

Allocators should systematically examine their manager pipelines and portfolios to identify qualified AAPI-owned firms and ensure they are evaluated on the same rigorous investment standards as any other manager.



Build relationships earlier

Allocators and fund managers at AAPI-owned firms should move beyond transactional introductions and develop meaningful relationships well before a fundraising process begins—creating greater understanding, trust, and access on both sides. The nearly 30 events AAAIM hosts every year help build this ecosystem and community.



Invest in the next generation

The industry should develop more AAPI investment leaders who can become future CIOs, founders, allocators, and decision-makers, creating a flywheel of talent, capital and opportunity.

A Note on Methodology

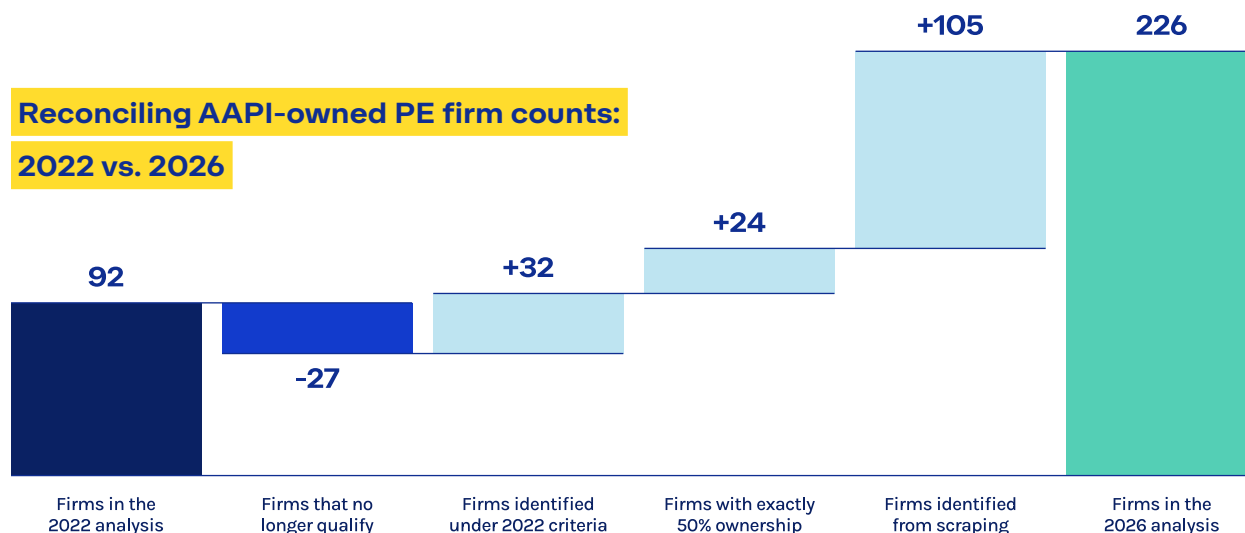
This study updates previous research we conducted in 2022 (published in 2023) into the representation of AAPI-owned firms in the asset management industry and their fund performance relative to non-AAPI peers.

In this year's research, we have substantially updated the methodology to address certain limitations we identified in previous research. These limitations included a reliance on the correct identification of all minority-led firms by third-party information providers and the risk of human error and bias in manual review processes.

Our new methodology yields a more exhaustive and therefore representative sample of AAPI-owned firms. We achieved this by using a combination of reported data, algorithmic techniques, artificial intelligence tools, and manual checks to cross-verify results and maximize data quality. In addition, we have slightly amended the definition of AAPI-owned firms to include at least AAPI 50% ownership, where previous research applied an above 50% threshold. Finally, we have removed hedge funds in the asset classes we track but have added private debt for the first time.

As a result of these changes, the number of AAPI-owned firms and the funds they manage has increased substantially, as the chart below demonstrates for private equity. Overall, by analyzing an expanded dataset, the reliability and robustness of the results increase.

However, given these changes to methodology, we would advise against making direct comparisons between the 2022 and 2026 data.



About AAAIM

The Association of Asian American Investment Managers (AAAIM) is the industry's leading community of AAPI investors, founders and leaders shaping the future of investment management. For over 20 years, AAAIM has represented the best of the investment community—from leading institutional allocators to bold new emerging managers. As a national 501(c)(3) nonprofit organization, AAAIM is dedicated to elevating AAPI investment management professionals by opening access to opportunities, increasing representation in leadership, and championing the next generation. For more information, visit www.aaaim.org.

About Bella Private Markets

Bella Private Markets focuses exclusively on providing solutions to the challenges facing the private capital industry. Led by Dr. Josh Lerner, a senior faculty member and the Jacob H. Schiff Professor of Investment Banking at Harvard Business School, Bella combines rigorous academic approaches with real world industry expertise to provide actionable insights for its clients. Bella focuses on complex, customized projects that require thorough analysis, whether quantitative or qualitative in nature, to help its clients improve performance, optimize operations, and chart winning strategies for the future.

Since the firm's founding in 2010, Bella has served as trusted advisors to the senior management of organizations across the private market landscape, including fund managers, asset owners, and other market participants interested in funding innovation and entrepreneurship. Bella's expert team works closely with clients to provide highly tailored solutions to their most complicated problems. For more information, visit www.bellapivatemarkets.com.



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