

H2 2026 Hedge Fund Outlook

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Investor appetite for hedge funds and Quantitative Investment Strategies (QIS) is at all-time highs as investors increasingly look for diversification, downside protection, and better liquidity. Using data from a survey of 340 investors representing \$8.7 trillion in assets under management, our Strategic Consulting team explores investor sentiment across a variety of topics.

Hedge fund allocation interest has reached its highest level in years.

QIS interest is at a record high among surveyed investors.

Diversifying, low-beta strategies are attracting the most interest.

Investors allocate to just 5% of hedge fund managers they meet.

Separately managed account adoption continues to increase among hedge fund investors.

"Performance still matters, but investors are becoming more selective. The managers attracting capital today are those that can combine strong returns with the transparency and flexibility that institutional investors increasingly expect."

Managing Director, Co-Head of Capital Solutions

Mr. Dal Pont is Co-Head of Capital Solutions at Barclays, based in London. Mr. Dal Pont joined Barclays in 2010 from Prudential PLC, where he was Head of Strategic Projects. Prior to Prudential, he was at Lehman Brothers, first in the Strategy and Corporate Development Group, and then in the Principal Investing division. Mr. Dal Pont spent his first six years of his career as a consultant for McKinsey & Company, advising Asset Managers and other financial institutions. Mr. Dal Pont holds an MBA from Columbia Business School and a degree in Economics from Bocconi University, Italy.

Managing Director, US Head of Strategic Consulting

Mr. Stahler is the US Head of Strategic Consulting at Barclays. Mr. Stahler joined Barclays in 2008 as a member of the Strategy team working on various projects across the Investment Bank. Prior to joining Barclays, he worked as a consultant for McKinsey & Company, advising Asset Managers and other financial institutions as well as several other client types. Mr. Stahler holds an MBA as well as a BA from the Stern School of Business at New York University.

Vice President, Strategic Consulting Group

Mr. Agarwal is a Vice President on the Barclays Capital Solutions Strategic Consulting team, which he joined in 2022. Prior to joining Barclays, he was in the Strategy and Corporate Development teams at the Commonwealth Bank and Westpac Banking Group in Australia, and a consultant for McKinsey & Company advising Asset Managers and other financial institutions. Mr. Agarwal holds an MBA from Tuck School of Business at Dartmouth and a Bachelors in Engineering from Indian Institute of Technology.

Assistant Vice President, Strategic Consulting Group

Mr. Church is an AVP on the Barclays Capital Solutions Strategic Consulting team, which he joined in 2023. Prior to joining Barclays, he worked as a Business Strategy Consultant at NTT DATA. Mr. Church holds a BA in Management from Leeds University and is a Chartered Alternative Investment Analyst (CAIA).

Assistant Vice President, Strategic Consulting Group

Mr. Zaback is an AVP on the Barclays Capital Solutions Strategic Consulting team, which he joined in 2023. Mr. Zaback holds a BA in Finance from the University of Notre Dame.

Contact the Strategic Consulting team for the full report.

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Source: <https://www.ib.barclays/our-insights/3-point-perspective/2H-2026-hedge-fund-outlook.html>