REAL ASSETS

Driven by AI, Energy Security, and Capital Rotation

This report is excerpted from the Third Quarter 2026 Fixed-Income Sector Views.

Real assets continue to benefit from durable secular tailwinds.

Real assets remain well positioned entering the second half of 2026, supported by powerful secular trends including AI infrastructure investment, electrification, energy security, grid modernization, manufacturing reshoring, and global supply chain realignment. While interest rate volatility remains a consideration, institutional capital continues to seek high quality, contracted assets capable of generating resilient cash flows and inflation protection. Commercial real estate fundamentals are stabilizing and lifting in most property types to inflation-or-better growth in market rents and net operating income, with accelerated growth generally expected in 2027.

Sector Commentary

- Infrastructure activity remains resilient, with capital increasingly focused on contracted, inflation-linked, cash-flowing assets amid macro and geopolitical uncertainty.
- The unprecedented capital required to support AI—including data centers, electric transmission, power generation, fiber networks, and cooling infrastructure—is creating one of the largest infrastructure investment cycles in decades.
- Behind the meter opportunities are becoming more prevalent as a way of addressing AI-driven demand needs more quickly, avoiding the long lead times and substantial infrastructure upgrades and enhancements required for new generation to be grid interconnected.
- Refinancing activity continues to dominate, with a significant volume of infrastructure and real estate debt maturing through 2027–2028.
- Commercial real estate recovery remains bifurcated, with strong fundamentals in senior housing, retail, lodging, industrial, and logistics, stabilization in multifamily, and continued pressure in select office markets and vintages.

Investment Themes

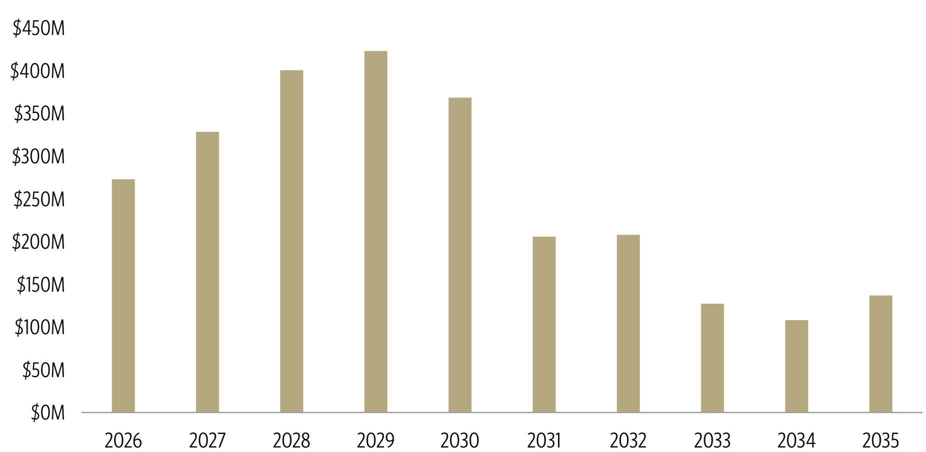
- AI and electrification are accelerating infrastructure demand, particularly across data centers, power generation, battery storage, and transmission networks, requiring both grid-connected and behind-the-meter solutions.
- Geopolitical conflict is reinforcing energy and resource real assets, including liquid natural gas pipelines and strategic land tied to energy and agriculture.
- Reshoring and supply chain security continue to drive investment in U.S. industrial real estate, logistics hubs, ports, and transportation infrastructure.
- Real estate capital markets remain resilient with significant debt availability. Despite a competitive lending environment, underwriting standards remain in place with more conservative pro formas and structural protections.
- Real estate sales activity is increasing with owners starting to capitulate to the higher-for-longer rate environment and special servicing becoming more active, creating compelling opportunities with valuations still below peak averages.

By John Tanyeri

Refinancing activity continues to dominate, with a significant volume of infrastructure and real estate debt maturing through 2027–2028.

Global Infrastructure and Real Debt Maturities Are Expected to Peak in 2029

Global Debt Maturing Next 10 Years



Source: Guggenheim Investments, InfraLogic. Data as of 12.31.2025. Historical view 1.2021–12.2025.

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