

Forget the Sensex: 3 alternative investment routes to explore in 2026

Explore alternative investments in 2026—AIFs, global assets, and art offer strong potential. Discover your next investment today!

December 22, 2025



Top 3 Alternative Investment Options for 2026 Beyond the Sensex

2025 delivered on the promise of volatility, shaped equally by a technological revolution and a geopolitical realignment. This is why the outlook for 2026 seems very pertinent at this point. The key growth drivers are expected to be the segments that are resilient to global uncertainties and the opportunities and risks that could define the year ahead for investors. But apart from the conventional asset classes like equities and [commodities](#), what are the key investment opportunities that [investors](#) can explore?

Here are some key avenues to watch out for outside the conventional investment destinations –

AIF- Expect renewed push in 2026

Another investment avenue that is steadily gaining traction is AIF or [Alternative Investment Funds](#). According to an industry report by the Indian Venture and Alternative Capital Association (IVCA), 360 ONE and Crisil Intelligence, several alternative investment fund strategies have consistently outperformed traditional assets such as bank fixed deposits, government bonds, gold, and even the [BSE Sensex](#).

The report highlighted that venture capital and private equity AIFs have delivered higher pooled returns than the Sensex across multiple market cycles, even as public equity returns have become more volatile amid global uncertainty.

[SEBI's](#) latest September 2025 numbers show Category III AIF commitments have risen to Rs 2.92 lakh crore, while cumulative investments have crossed Rs 2,01,720

crore — the fastest growth across all AIF categories this year. A large portion of these flows are moving into high-conviction equity and long-short strategies, signalling a shift in how HNIs are taking risk in a volatile, range-bound market. With domestic capital now dominating Indian markets and exit opportunities improving through a strong [IPO](#) pipeline, the Indian Venture and Alternative Capital Association report says this performance gap is pushing more Indian investors towards AIFs ahead of 2026

Looking at investing globally

Another option that is increasingly becoming viable for Indian investors is investing globally. Speaking to [FinancialExpress.com](#) during an exclusive podcast, [Devina Mehra](#), Founder, chairperson and Managing Director of First Global pointed out that “investors now have options to invest globally. At least over a period of time have 30-40% of your money invested globally, and ‘globally’ doesn’t mean only the [US](#).”

Though it is always useful to consult a trained financial analyst before choosing the specific investment options, this is also a theme that can be exploited going forward in 2026.

Art investment – The long-term bet

Another avenue to watch out for when you are looking for investment opportunities in Art. India’s art market, which is estimated to be around Rs 3,000 crore has been booming since the 2000s. From the Rs 15 crore market size in early 2000s, it is expected to breach the Rs 10,000 crore mark over the next 5 years.

A quick analysis of the market dynamics in the current year- A latest study by Hurun India indicates that the works of India’s most successful artists register record sales of Rs 310 crore, marking a moderate 3% year-on-year growth. However, compared to 2023, this is a 19% jump. What’s particularly encouraging is that nearly 78% of featured artists saw an increase in cumulative sales value. The total number of lots sold this year was 995, a 26% increase over the previous year with 789 lot sales. The collective lots sold by the top 10 artists constitute a substantial 58% of the total art lots sold. Eleven artists on the Hurun India Art List 2025 saw over 100% increase in cumulative sales value.

Industry experts are betting big on the long-term prospects in quality art investment. Anas Rahman Junaid, Founder and Chief Researcher of Hurun Report India pointed out that, “Unlike equities, which fluctuated sharply through global uncertainty, blue-chip Indian art remained remarkably stable, protecting value while continuing to appreciate. This resilience, combined with its low correlation to financial markets, reinforces art as a long-term store of cultural and financial wealth.”

Growing global interest along with increased digitilisation is helping keep the investment outlook buoyant for the next year.

The key to selecting the right asset class

Though there are many avenues of investment, one must always have a clear idea of the amount they are investing and the returns they expect within a specific time period. It always helps to choose investment instruments that deliver consistent gains over a set time-period instead of big gains in a short duration. The risk-reward ratio coupled with understanding of the asset class is crucial to maximise gains. The allocation also should be carefully calculated. The core of the investment needs to be solid and stable assets with a consistent return track record.