
HNW investors more bullish on equities this year: Fidelity

By Editor Test Mon, Mar 18, 2013

According to a recent Fidelity survey, 76% of high net worth investors worry about inflation; 35% favor fighting inflation with equities and 12% with higher-yielding bonds.

A survey of Fidelity customers with at least \$250,000 in investable assets was taken during the “Fidelity Viewpoints: Inside/Out” event in Atlanta on March 5. The poll found:

- **Return expectations.** High net worth investors (HNW) feel bullish about 2013, with 38% expecting to beat market averages (up from 31% a year ago) and only 15% expecting to lag the market (down from 22% a year ago).
- **Moving to equities.** 49% of HNW investors expect to increase their equity positions in 2013, by an average of 8% each, and 39% expect no change. Only 11% intend to trim their equity allocation.
- **U.S. equities favored.** 65% of HNW investors chose U.S. equities as the asset class in which they expect to invest the most over the next year; 9% chose foreign equities and 6% corporate bonds.
- **Mid and large caps favored.** 40% of HNW investors believe that mid cap equities offer the greatest potential upside in the coming year, followed by large cap equities (39%) and small cap equities (21%).
- **Sector leaders.** Investors’ favorite sector is health care (17%), followed by energy (15%) and information technology (13%).
- **Tax concerns.** Potential income tax increases trouble 34% of respondents, followed by capital gains tax increases (25%).
- **Inflation hedges.** 76% of HNW investors worry about inflation; 35% favor fighting inflation with equities and 12% with higher-yielding bonds.