
New Cerulli report focuses on the top 1% of U.S. households

By Editor Test Mon, Jan 21, 2013

There are an estimated 1,078,000 U.S. households worth \$5 million or more and about 107,000 Americans worth \$25 million or more.

High-net-worth investors maintain an average of 3.7 investment provider relationships, up from 3.3 in 2008, according to the latest research from Boston-based global analytics firm, Cerulli Associates.

“High-net-worth investors have more provider relationships and are more likely to change providers than other investors,” said Cerulli director Bing Waldert in a release.

Cerulli’s report, *High-Net-Worth and Ultra-High-Net-Worth Markets 2012: Understanding Bank Trust Departments, Family Offices, Private Client Groups, and Other HNW Providers*, analyzes the U.S. high-net-worth (investable assets > \$5 million) and ultra-high-net-worth (investable assets > \$20 million) marketplaces. It covers vehicle usage, fees, and services provided at bank trust departments, family offices, and private client groups.

Despite the high-net-worth market’s competitiveness, it remains appealing to providers and asset managers, said the Cerulli report, now in its fifth iteration. Providers are drawn to the large balances of high-net-worth investors and to their complex situations.

High-net-worth investors will begin to consolidate their providers and urges providers to consider how to position themselves as the advisor of choice when the time comes, the release said.

Cerulli gathered data from proprietary surveys of bank trust asset managers, bank trust groups, HNW providers, and HNW asset managers. Investor data is drawn from Cerulli’s relationship with Phoenix Marketing International, while advisor data is provided by Cerulli’s annual advisor survey.

According to the Spectrem Group, 1,078,000 U.S. households are worth \$5 million or more and about 107,000 people are worth \$25 million or more. The \$5 million-plus crowd is dominated by senior corporate executives (17%) and entrepreneurs/owners (12%).

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