



SEEK



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The Scorpio Partnership HNW Asset Allocator IV

Revaluating risk and return in private client portfolios

Q4, 2011

About asset allocator

In brief

The HNW Asset Allocator IV report is the fourth in a series of semi-annual reports by Scorpio Partnership, the London-based wealth management consultancy firm. The research, which tracks asset allocation trends in the global wealth management industry, was conducted in partnership with LPEQ, the listed private equity association.

This most recent report is based on results captured from 31 private wealth institutions, which collectively hold USD 6.8 trillion in private client assets. This is equivalent to approximately 40% of all private client assets managed by wealth management firms worldwide.

The research was conducted between October and November 2011 with the cooperation of senior investment professionals at each firm. The sample group included private banks, universal banks, private client asset managers and multi-family offices. The research was carried out using an online survey.

The report is focused on understanding the way in which these institutions invest the assets that they manage on behalf of their private clients and the trends which have developed since we began this research in 2009, as financial institutions continue to cope with the ongoing financial crisis.

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The HNW Asset Allocator III report includes

- Regional market trends and global allocation shifts
- Comparative insight on allocation trends between 2009 and 2011
- Distribution of portfolio and mandate allocation across respondents
- Allocation trends for asset classes including equity, fixed income, cash and alternatives
- In depth analysis of the evolving alternative asset classes including hedge funds, private equity, real estate and gold

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The Q4 2011 HNW Asset Allocator IV report is now available

Asset Allocator service	Price (GBP)
Single user (Electronic copy)	495

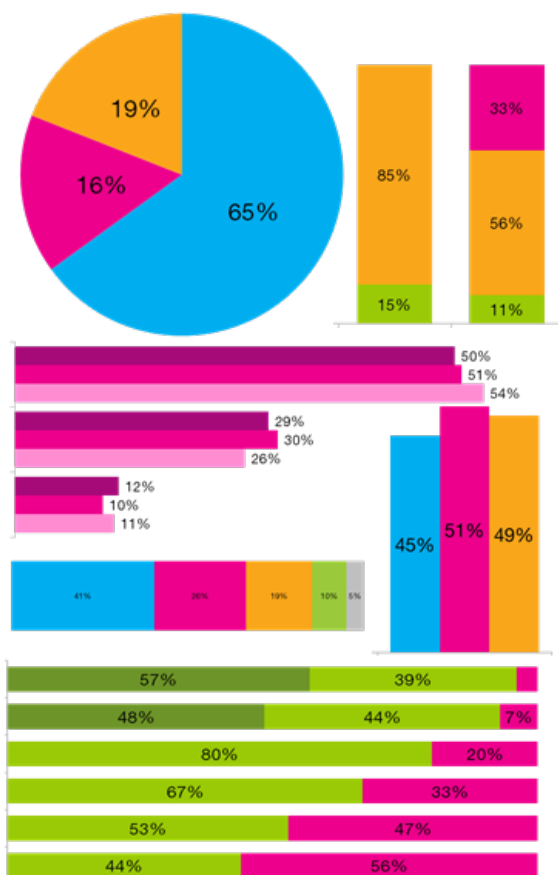
All prices ex VAT

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KEY FINDINGS FROM THE Q4 2011 HNW ASSET ALLOCATOR IV INCLUDE

HNW Asset Allocator IV trend analysis

- 59% of client assets are managed in discretionary mandates
- 39% of discretionary portfolios do not currently conform to their benchmark
- 49% of client portfolios are managed as balanced mandates, while aggressive mandates have increased to 23%
- Respondents built cash positions at the expense of equity and fixed income over the last six months
- Over a third of respondents indicated they will increase their equity allocation in the next six months
- Wealth managers are increasingly turning their attention to growth markets as a potential source of investment returns
- There is a continuing trend to use more transparent products to build exposure to the main asset classes



About Scorpio Partnership

Scorpio Partnership is the leading insight and business consultancy to the global wealth industry.

The firm specialises in understanding the wealthy and the institutions they interact with. We have developed four transformational disciplines – **SEEK**, **THINK**, **SHAPE** and **CREATE** – each designed to enable business leaders to strategically assess, plan and drive growth. The solutions Scorpio Partnership develops regularly win awards for its institutional clients and help them financially profit.

Our discipline teams leverage expertise in:

SEEK

- Client research
- Advisor research
- Market mapping
- Company/Intermediary research
- Brand identity audits

THINK

- Product/Service development
- Business case development
- Concept solutions
- M&A diligence
- Brand identity development

SHAPE

- Market entry solutions
- Media and Event solutions
- Training and Education solutions
- Sales & Marketing campaigns
- Brand identity solutions

CREATE

- Campaign management
- Change management
- Strategic marketing
- M&A implementation
- Specialist consulting

Scorpio Partnership has conducted more than 300 global assignments across wealth for institutions in the banking, fund management, regulation, IT and technology, insurance and charity sectors.

Scorpio Partnership has been voted best global consultancy to the wealth management industry for the three consecutive years and was shortlisted for Agency of the Year in 2010*. The firm is independent and owned by management.

For more information go to www.scorpiopartnership.com

*Wealth Briefing, Financial Services Forum