

Embargoed until 00.01, Wednesday 23<sup>rd</sup> September, 2009



## PRESS RELEASE

### FUTUREWEALTH REPORT SHOWS CONFIDENCE LEVELS SURGING AMONG WORLD'S PRIVATE INVESTORS

#### In brief

- 78% of the world's future wealthy think they will grow their wealth in 2010.
- Far from financial Armageddon, 41% made money through the crisis and 25% believe their wealth levels stayed the same.
- Looking further ahead, on average the future wealthy are worth USD2 million today and they are confident they can grow their wealth four times to USD8 million.
- One quarter of the future wealthy has the goal of achieving this target within a five-year time frame and another quarter within ten years.
- Confidence levels are particularly high in the emerging markets: 84% of the future wealthy in Asia and Central & Eastern Europe and 81% of the future wealthy in the Indian Sub-continent and the Middle East & Africa expect to make money in the next twelve months.
- Meanwhile, those in Continental Europe, Asia and the Indian Sub-continent have the highest wealth targets with plans to achieve 6.0, 4.3 and 4.1 times their current wealth levels respectively.

Scorpio Partnership in conjunction with The Standard Chartered Private Bank announces today the launch of the world first annual initiative seeking to gain direct feedback from a targeted profile of investors – the high net worth clients of tomorrow. The worldwide survey of nearly 1,500 individuals is the largest ever independent study of the attitudes of private investors and directly challenges the assumptions on the characteristics of wealth and the people who possess it. The full results are available today in the **The Futurewealth Report: *Just who are the world's future wealthy?***

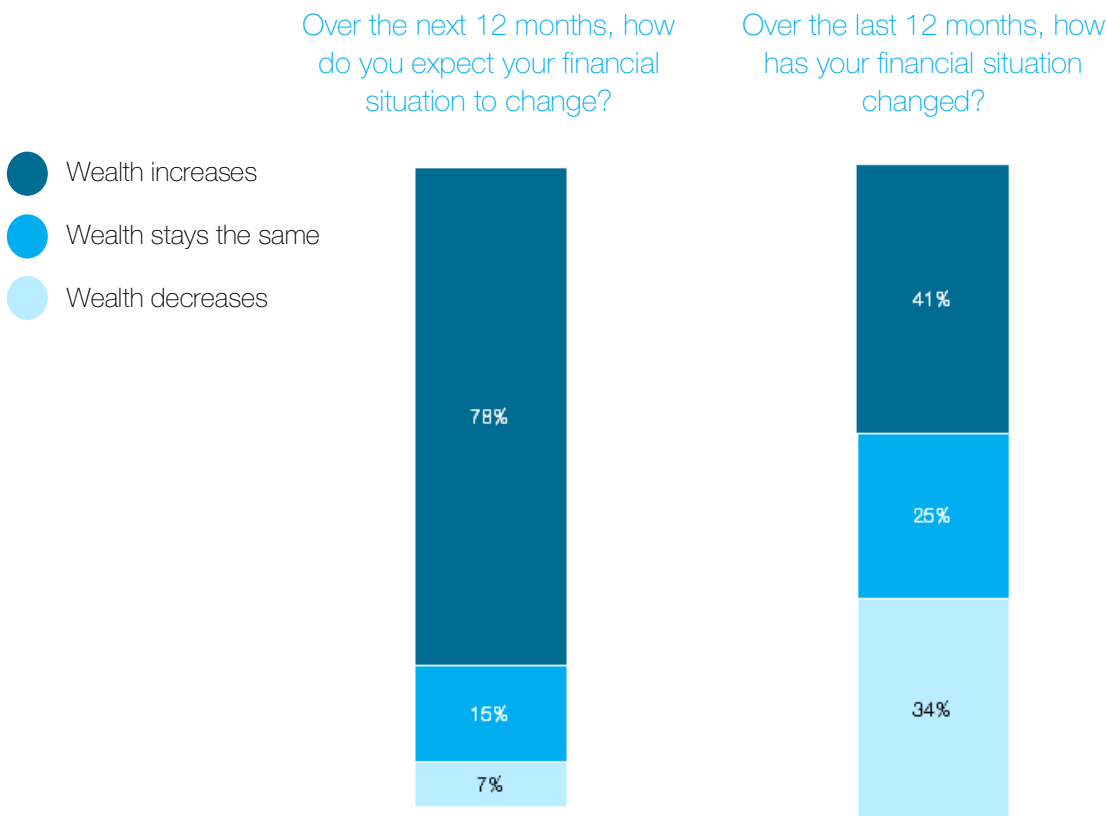
The report is part of the ongoing Futurewealth Project undertaken by Scorpio Partnership with foundation support from The Standard Chartered Private Bank and in collaboration with Morar Consulting and Goosebumps. The project identifies and understands more about a section of global society that are regarded as upper end customers, but whose attitudes to wealth creation, saving and spending are not well understood. These individuals are not the world's established wealthy of today, but the wealth creators who may well become the super wealthy of tomorrow.

"At Scorpio Partnership for over a decade we have undertaken pioneering studies in the needs of current private investors. This time we have gone one step further with the launch of the Futurewealth Report. Our objective with Futurewealth is to understand on a global and massive scale the zeitgeist of modern wealth. In particular, we wish to detail how the wealth holder of tomorrow connects their fortune with every aspect of their lives. This first foray has produced staggering results that will serve to realign the way all companies – either financial or non-financial – approach the wealthy customer of tomorrow," says Sebastian Dovey, managing partner of Scorpio Partnership.

"The challenge for us as a private bank is understanding what the future looks like for wealthy people around the world. But we also need to understand the emotional link between life and wealth. What are the goals, motivations and ambitions of those who have every expectation of increasing their wealth in the future? The findings of Futurewealth will answer these questions and will ensure that our clients are able to reach their wealth summit," says Peter Flavel, Global Head, The Standard Chartered Private Bank.

## World's future wealthy expect to grow their wealth in the coming 12 months

78% of the world's wealthy population expect to grow their personal wealth over the next 12 months. Indeed, far from financial Armageddon, the wealthy have weathered the economic storm with considerable nerve. While 34% suffered personal financial losses, 41% actually made money through the crisis.



Source: Scorpio Partnership

More than that, while the economic crisis has given the future wealthy pause for thought about how to achieve their financial targets, most remain highly ambitious that they can quadruple their current levels of wealth typically within a ten-year time period. Additionally, despite the economic slowdown, one in eight expects to achieve this target through the sale of a successful business venture.

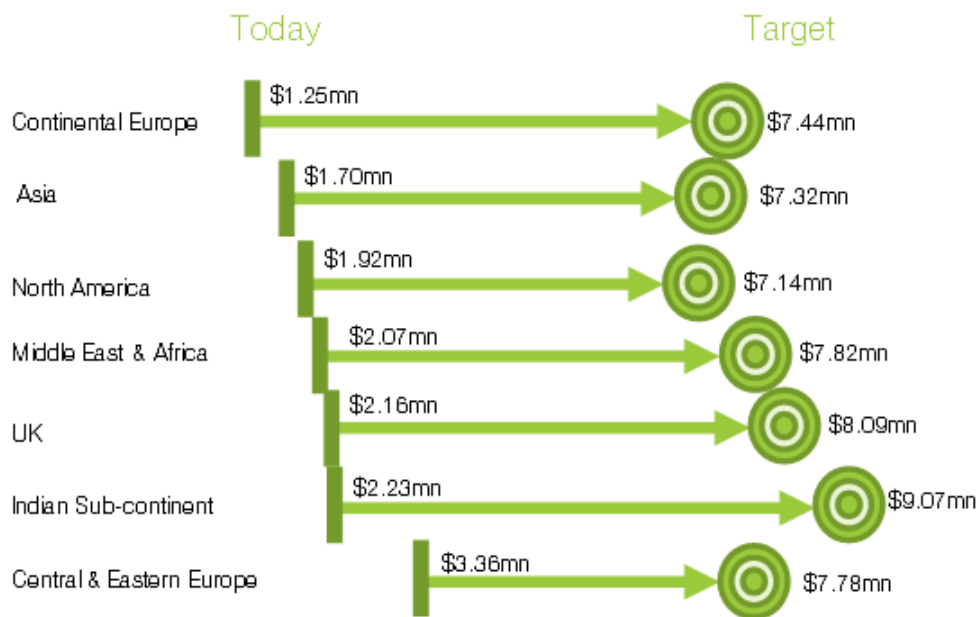
### Key facts in brief – WEALTH SOURCES

- For 96%, salary represents their most important source of wealth. Listed investments rank second and are regarded as an important source of wealth for 61%, in spite of the financial crisis.
- Meanwhile, those in the UK and the Indian Sub-continent are most likely to regard entrepreneurship as a source of future wealth. One in four of those in the UK and one in five of those in the Indian Sub-continent believe the sale of a business will be a source of significant wealth in the future.

Future wealthy have ambitions to quadruple their wealth

High levels of confidence extend to the long term ambitions of the future wealthy too. While today the average wealth of those who took part was USD2 million, they are typically targeting a wealth level of around USD8 million – regardless of their age or where they are based in the world.

How much do you think you need to achieve your life ambitions? (regional breakdown)



Source: Scorpio Partnership

Key facts in brief – WEALTH ADVICE

- Almost 50% of the world’s future wealthy would rely on a family member as the person most likely to help achieve their financial goals.
- Exactly half the future wealthy seek advice or rely on others when it comes to making financial decisions.
- There is also almost a 50/50 split when asked how much time they are willing to spend on their finances. Almost half spend as little time as possible on financial decisions.

The future wealthy community is also ambitious to achieve their wealth goal while they are young enough to enjoy it. Over half expect to achieve their ambition within a ten year time frame.

The youngest are the most ambitious, with wealth targets around five times their current wealth level. For those between 45-59 years old, the target falls to 2.5 times current wealth level.

## So, just who are the world's future wealthy?

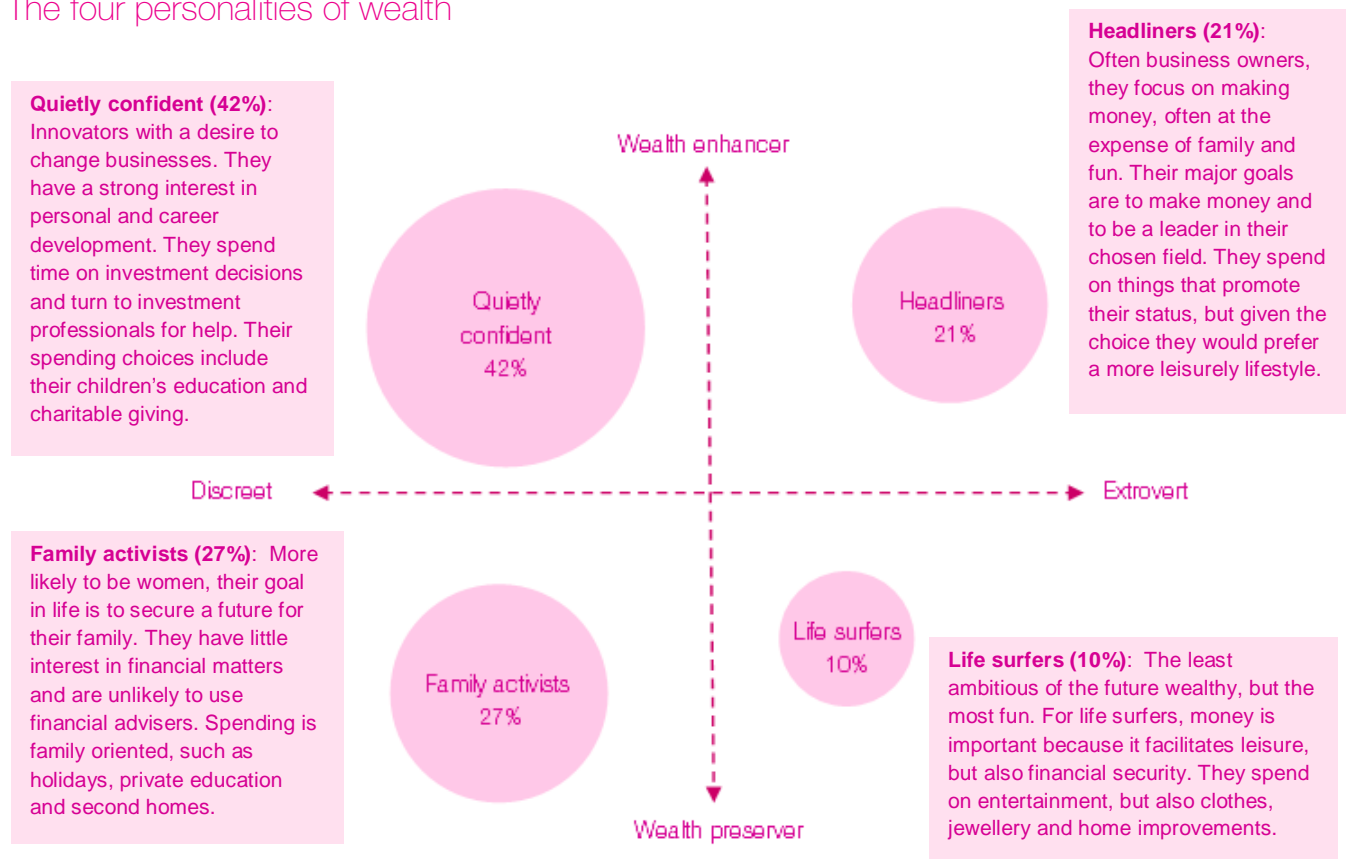
The first report, entitled *Just who are the world's future wealthy?*, provides an insight not only into the financial motivations and perspective of the world's wealth creators, but also into their lifestyle, personal goals and attitudes to wealth.

Ask the future wealthy what car they would prefer to drive, and they are far more likely to look for sleek design and a driving excellence than something that is a trifle more loud. In fact, contrary to marketing myth, an increase in wealth does not automatically result in the crushing desire for high profile labels. Rather, the future wealthy focus on brands that deliver a quality experience, with perhaps just a hint of understated luxury.

Indeed, instead of splashing the cash on upmarket names, it is the simple pleasures in life that appeal. Above all, the future wealthy want to be known for their generosity and hospitality, more than for their financial acumen.

This is clearly a broad-brush outline, but it has a solid foundation based on a personality test that we asked the future wealthy to take as part of the polling process. The results clearly showed that the future wealthy do, indeed, behave broadly as a tribe when it comes to wealth issues. More than that, there are four dominant behaviour patterns when it comes to their attitudes to wealth creation, spending and saving. These patterns will be tested in the coming years of the research program.

## The four personalities of wealth



Source: Scorpio Partnership

Indeed, in addition to identifying behaviour patterns among the world's future wealthy, this first round of research has identified areas where the future wealthy defy some of the cultural and social stereotypes that perhaps belong to an older, less globalised version of the world.

This shouldn't be altogether surprising. After all, if the future wealthy of today are likely to be the truly wealthy of tomorrow, you would expect there to be a certain generation shift in attitudes.

#### Key facts in brief – WEALTH CULTURES

- Those in emerging markets are more likely to engage in conversation about their wealth with friends. 79% of those in Central & Eastern Europe, 78% of those in Asia and 71% of those in the Indian Sub-continent said they are interested to talk about money with their friends.
- Those in Continental Europe were least likely to engage in conversation about their money. And even here 63% would talk about their money with friends.
- Asia may also deserve a stronger reputation as an investor hub. 80% of the future wealthy in Asia said listed investments were an important source of their wealth, versus 72% in North America and just 54% in the UK.
- And when it comes to the American Dream, 23% of those in the Indian Sub-continent and 22% of those in Asia said they wanted to be remembered for making money, versus just 6% in North America.
- In fact, North Americans were far more likely to want to be remembered for being a good person with 61% citing this worthy life goal.
- As a group, the future wealthy are also successfully balancing family life with their careers. Almost three quarters are putting as much, if not more, energy into their family life than their career and they find this effort far more rewarding.
- Furthermore, almost half of the future wealthy are in double income partnerships where wealth creation is a joint effort.

The results of this first round of research provide an outline of a global tribe that comprised several million individuals. A group that is at once confident, happy and comfortable in life at the same time as restless, ambitious and highly self-motivated. As consumers and clients they are challenging in their demands for quality and understated excellence.

There is certainly more complexity here, which will be explored in more detail as we move forward with the Futurewealth Project.

## Notes:

1. In total, 1,414 individuals took part in the first Futurewealth online poll from around the world. The average level of wealth among these individuals was USD2 million. They were drawn from all walks of life, including corporate executives, business owners and academics, as well as those raising families or taking career breaks.
2. The research covered five topics:
  - Life, goals and dreams
  - Money matters
  - Your “wealth personality”
  - Spending it
  - Wealth confidence
3. The research was conducted in May and June 2009 using an online survey. Participants were identified using profiling techniques to determine their likelihood of qualifying as future wealthy candidates. They were contacted directly by email.
4. The research was conducted by Scorpio Partnership in collaboration with Morar Consulting and Goosebumps.
5. The Standard Chartered Private Bank is the foundation sponsor of the Futurewealth Project. The Standard Chartered Private Bank’s heritage stems from over 150 years of international banking excellence that is the Standard Chartered Bank.

The Standard Chartered Private Bank works with clients and their families to understand not just their financial goals but also their fundamental beliefs and values. By offering a truly independent approach and best of breed products as well as delivering first class service The Standard Chartered Private Bank is ideally placed to help clients achieve what they want from their wealth.

6. Scorpio Partnership is a strategy consultancy to the wealth management industry, based in London. Having provided consultancy to the wealth management sector for over ten years and with numerous proven results to our name, Scorpio Partnership has developed the formula for success in the world’s most lucrative yet hard-to-navigate market – the private client investor community.
7. Morar Consulting was founded to bring new approaches to brand strategy and brand measurement to help our clients grow the value of their brands. The success of our work is built on a combination of four key elements: insight, expertise, technology and action.
8. Goosebumps is a branding and design consultancy, based in London, and founded on the belief that the most successful brands have the power to stir emotion. In every aspect of our work, from brand strategy, through to identity, engagement and experience, we aim to give our clients, and their customers, goosebumps.

For more information please contact:

**Sebastian Dovey**

Partner

Scorpio Partnership

T: +44 20 7811 0120

E: seb@scorpiopartnership.com

**Catherine Tillotson**

Partner

Scorpio Partnership

T: +44 20 7811 0120

E: cath@scorpiopartnership.com

**Paul Marriage**

Head of Corporate Affairs

Group Consumer Banking

Standard Chartered

T: +65 6331 2839

E: paul.marriage@sc.com

To download the full report please call us or visit [www.scorpiopartnership.com](http://www.scorpiopartnership.com)

**Important Information**

The Standard Chartered Private Bank is the private banking division of Standard Chartered Bank. Banking services may be carried out internationally by different SCB legal entities according to local regulatory requirements. Not all products and services are provided by all SCB branches, subsidiaries and affiliates. Product availability may vary depending on your Investment Centre.

Standard Chartered Bank (SCB) is incorporated in England with limited liability by Royal Charter in 1853 Reference Number ZC 18 and its principal office is situated in England at 1 Aldermanbury Square, London EC2V 7SB. In the United Kingdom, SCB is authorised and regulated by the Financial Services Authority ('FSA') and is entered into the FSA register under number 114276."