

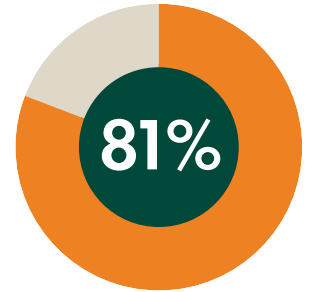
# Wealth in America.

## KEY FINDINGS: WEALTH IN AMERICA SURVEY

Recently, Northern Trust launched a survey of 1,700 wealthy households across the U.S. to understand what is important to them. The results provide insights into high-net-worth individuals: top goals, concerns about the economy, investing and charitable giving behaviors.

**Goals are important, but since family discussions about wealth and financial goals are difficult they do not occur as regularly as they should.**

- **81% of investors say that life goals are an important component of financial planning.**
- They cite their top four financial goals as protecting wealth, assuring retirement lifestyle, minimizing taxes and leaving an estate to their heirs.
- Their top life goals are having good health, traveling the world and achieving financial success.
- Investment diversification is the most common action investors have taken to help achieve their goals followed by saving more and working with a financial advisor.
- Despite the importance of goals, many couples say they discuss vacation plans more frequently than financial plans.
- As wealth increases, spousal or partner involvement in financial decisions decreases.
  - However female decision-makers are more likely to regularly discuss finances with their partners.
- 26% have not yet talked to their children about wealth, and of this group 35% indicate they do not plan to speak to their children about wealth.



**Uncertainty about the economy may be causing investors to be more reactive about their investment decisions, leading them to ignore long-term goals.**

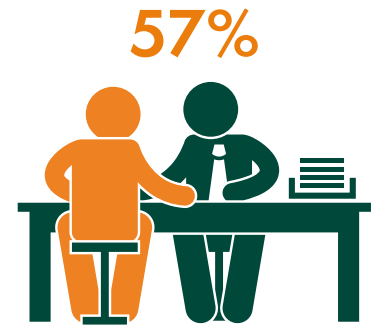
- **Two-thirds of those surveyed believe the country has yet to get back on course since the financial crisis of 2007-2008, and fewer than half believe the U.S. economy will be better off in five years.**
- Only 53% express confidence they will achieve their goals compared to five years ago.
- Market stability is the top reason they feel the way they do about the future of the U.S. economy.
- **63% are willing to take a calculated risk.**
- **52% are always looking for a new investment.**
- The likelihood of owning stocks, bonds, ETFs and real estate increases as wealth increases.
- Investors are diversified across asset classes with stocks, mutual funds and ETFs accounting for just over 50%.
- 30% are now more likely to seek out alternatives than they were five years ago.



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The wealthy are seeking guidance and support from a financial advisor due to doubts about the economy and the ability to achieve their goals.

- 57% of investors either rely on or consult with a financial advisor prior to making a decision.
- Only 28% of investors consider themselves their primary financial advisor.
- 41% indicate they need more advice than in the past.
- 6 out of 10 investors are willing to pay for advice.
- 74% prefer to work with one financial institution.
- When they seek out specialty services, the top three areas are tax planning, estate planning and investment expertise.
- 56% of investors say they like to be actively involved in financial management, however only 11% say they have established a financial plan as a way to achieve their goals.



Wealthy households provide substantial amounts of both financial support and volunteer hours to charitable causes.

- 94% contribute to at least one nonprofit or charitable cause they believe in.
- While the reasons for charitable donations are primarily altruistic, 50% donate to reduce tax exposure.
- 65% say that helping children develop an appreciation of giving is important to them.
- In 2011, high-net-worth individuals contributed to charitable causes an average of \$83,000 and donated 113 volunteer hours.
- 70% of households donate time to charitable causes.



Source: Northern Trust Wealth in America Survey 2012, [northerntrust.com/wealthinamerica](http://northerntrust.com/wealthinamerica).



Northern Trust