



Phoenix Global Wealth Monitor

Affluent Investor Intelligence

U.S. Affluent & HNW Markets

**2015 Market Sizing
Update & Millionaires
By State Ranking**

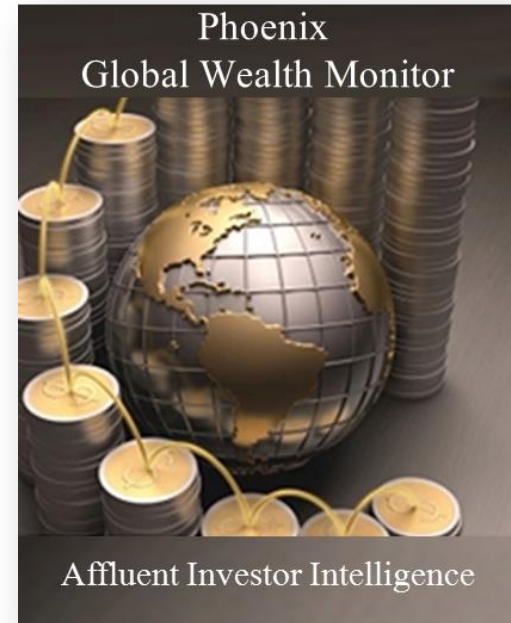
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Introduction

Data for the Affluent & High Net Worth Market Sizing reports, including the *Millionaires By State Ranking* report come from the Phoenix Global Wealth Monitor-U.S. program (GWM).

The GWM is a survey research platform that provides continuous data, insights and intelligence on the behaviors, needs, attitudes and outlook of affluent and high net worth households. Our research is used by most of the leading wealth management, banking, insurance and other financial firms that market to affluent and high net worth households and investors.



Introduction

GWM-U.S. Market Sizing Reports

The Phoenix Global Wealth Monitor (GWM) U.S. Sizing Report provides estimates of the number of affluent and HNW households in the country. Sizing estimates are provided at the State level as well as by Core-Based Statistical Areas (CBSAs). A Core-Based Statistical Area is comprised of Metropolitan and Micropolitan Statistical Areas which are defined as follows:

- Metropolitan statistical areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.
- Micropolitan statistical areas have at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

Currently, there are 942 Metropolitan and Micropolitan statistical areas in the United States.

Methodology

The GWM sizing estimates are developed using a combination of sources including the Survey of Consumer Finance (SCF), as well as Nielsen-Claritas. The SCF provides the framework and allows us to determine the general distribution of households by their level of investable assets. Estimates are further refined using the age and income distributions provided by Claritas. Together, these inputs enable us to estimate the number of households by investable assets at a national level. Formulas are then created by applying national estimates to closely linked variables developed by the Census. This allows us to obtain estimates at smaller units of geography.

Please note that the numbers provided in this report are approximations, not actual number of households. They can best be used for comparative purposes.

Introduction

In addition to total U.S. households, the GWM Market Sizing reports include the following affluent and HNW segments:

Affluent Segments

- Total Affluent Market: \$100k+ IA
- Near Affluent (\$100k-\$249k) and Lower Mass Affluent (\$250k-\$499k) IA combined
- Upper Mass Affluent: \$500k-\$999k IA



HNW Segments

- \$1 million+ IA
- \$1-\$2.9 million IA
- \$3-\$9.9 million IA
- \$5 million plus IA

Note on Trending

In September 2013, the \$100K investable asset threshold was introduced as the lower limit of affluence. Due to changes in segment definitions and lack of historical data, sizing-related trending data is unavailable for the Near Affluent, Lower and Upper Mass markets.

IA = Investable Assets: includes education/custodial accounts, individually-owned retirement accounts, stocks, options, bonds, mutual funds, managed accounts, hedge funds, structured products, ETFs, cash accounts, annuities, and cash value life insurance policies

Introduction

Size of Affluent Market By Wealth Segments
Percent of Total



Introduction

Size of Affluent Market By Affluent Generations
Percent of Total



IA = Investable Assets

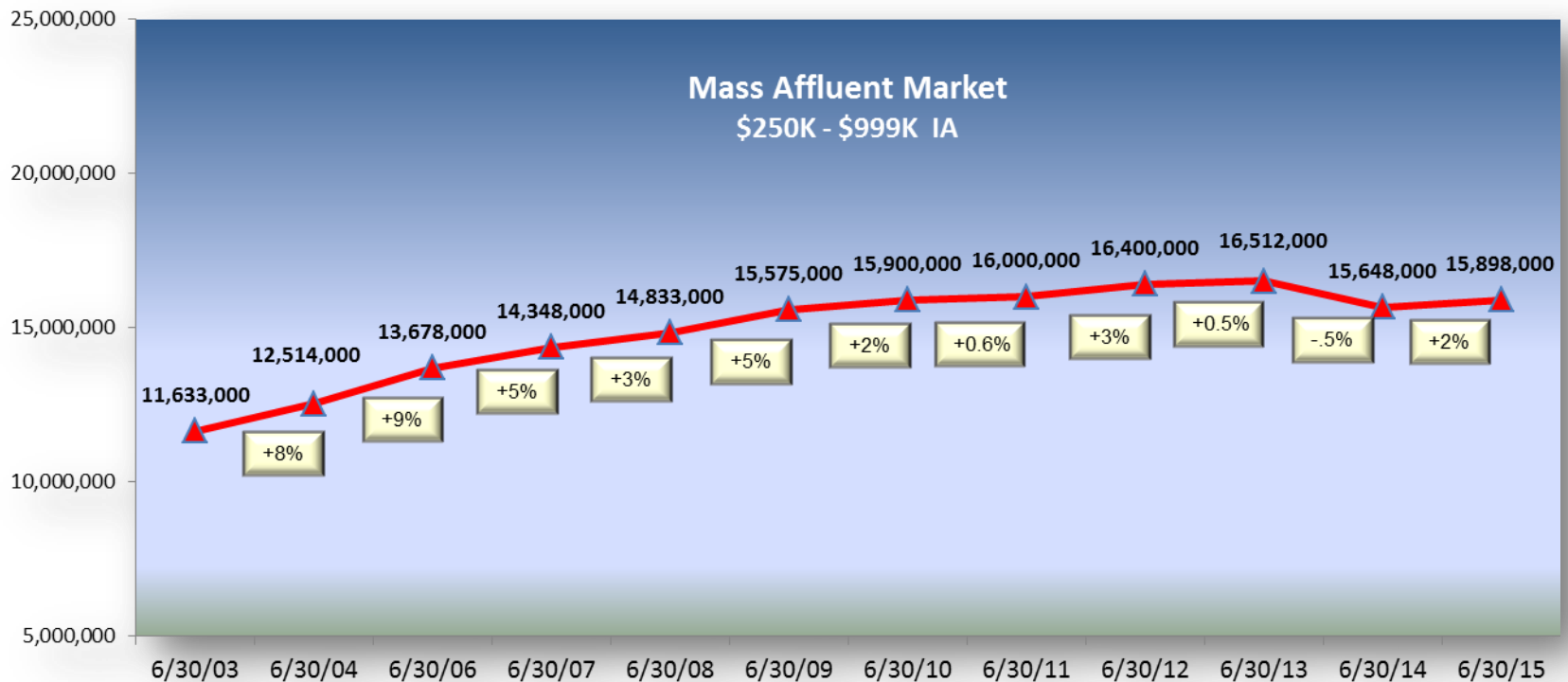


Growth of Affluent & HNW Markets

Affluent Market Growth

The GWM affluent market sizing estimates for 2015 show a modest two percent growth among the broad “Mass Affluent” market (defined as households with between \$250k to \$999k investable assets).

- Following a decline in 2014, Mass Affluent households increased to 15.9 million households in 2015.



- Data not reported for 2005 due to discrepancies in sources
- IA = Investable Assets (Liquid wealth- excludes real estate, employer-sponsored retirement plans, business partnerships, etc)

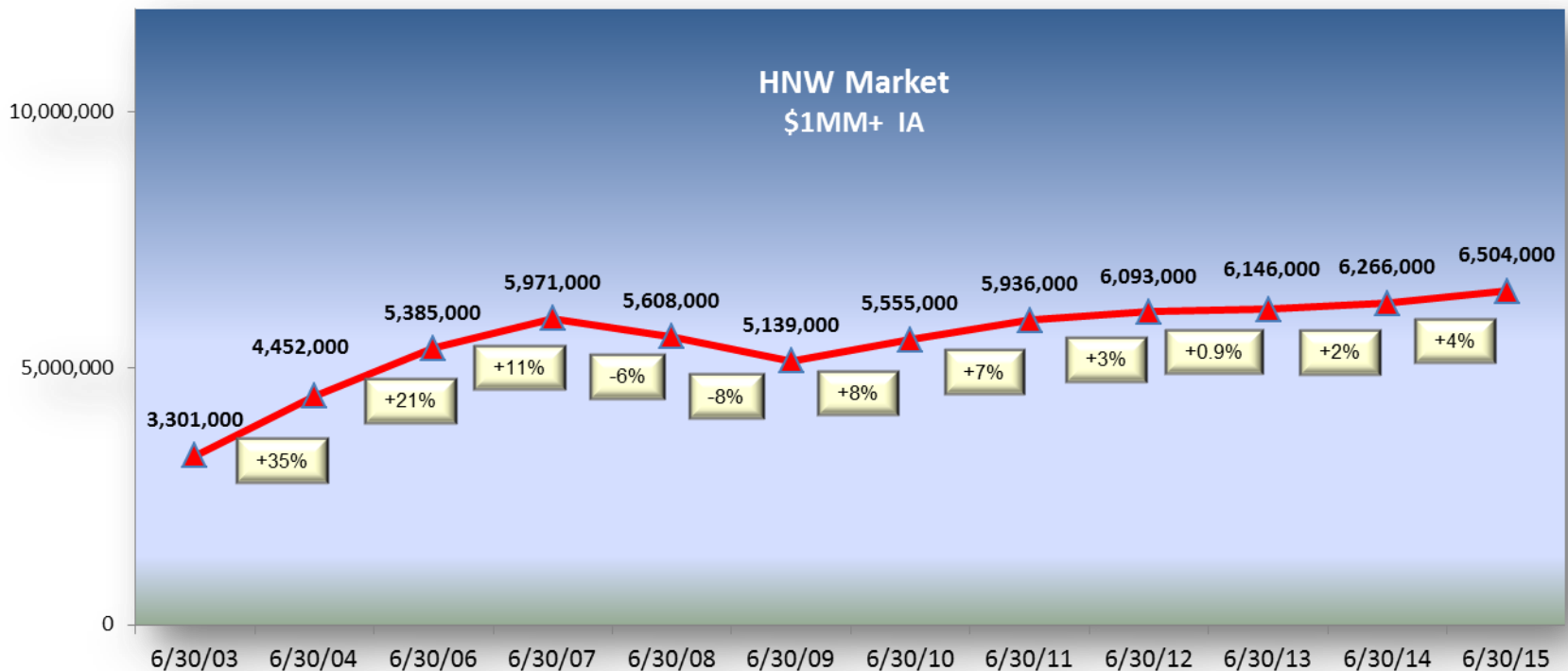
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IA = Investable Assets

Affluent Market Growth

The High Net Worth (HNW) Market continued its uninterrupted expansion since the Great Recession in 2008-09.

- As of mid-year 2015, this market expanded by four percent to 6.5 million.



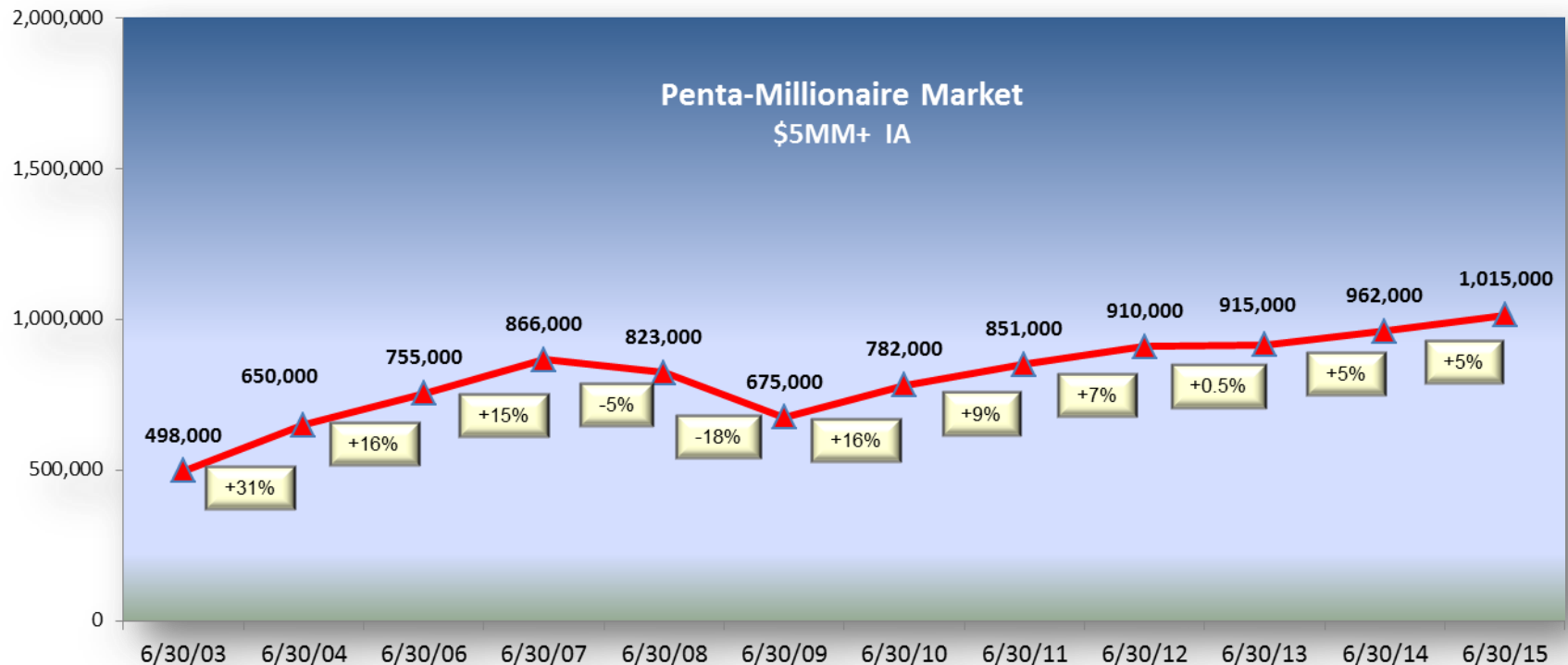
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Affluent Market Growth

The most robust growth was among Penta-Millionaires (households with \$5 million or more in investable assets), which grew by about 5% in 2015 to over 1 million, establishing a new threshold for this unique market.



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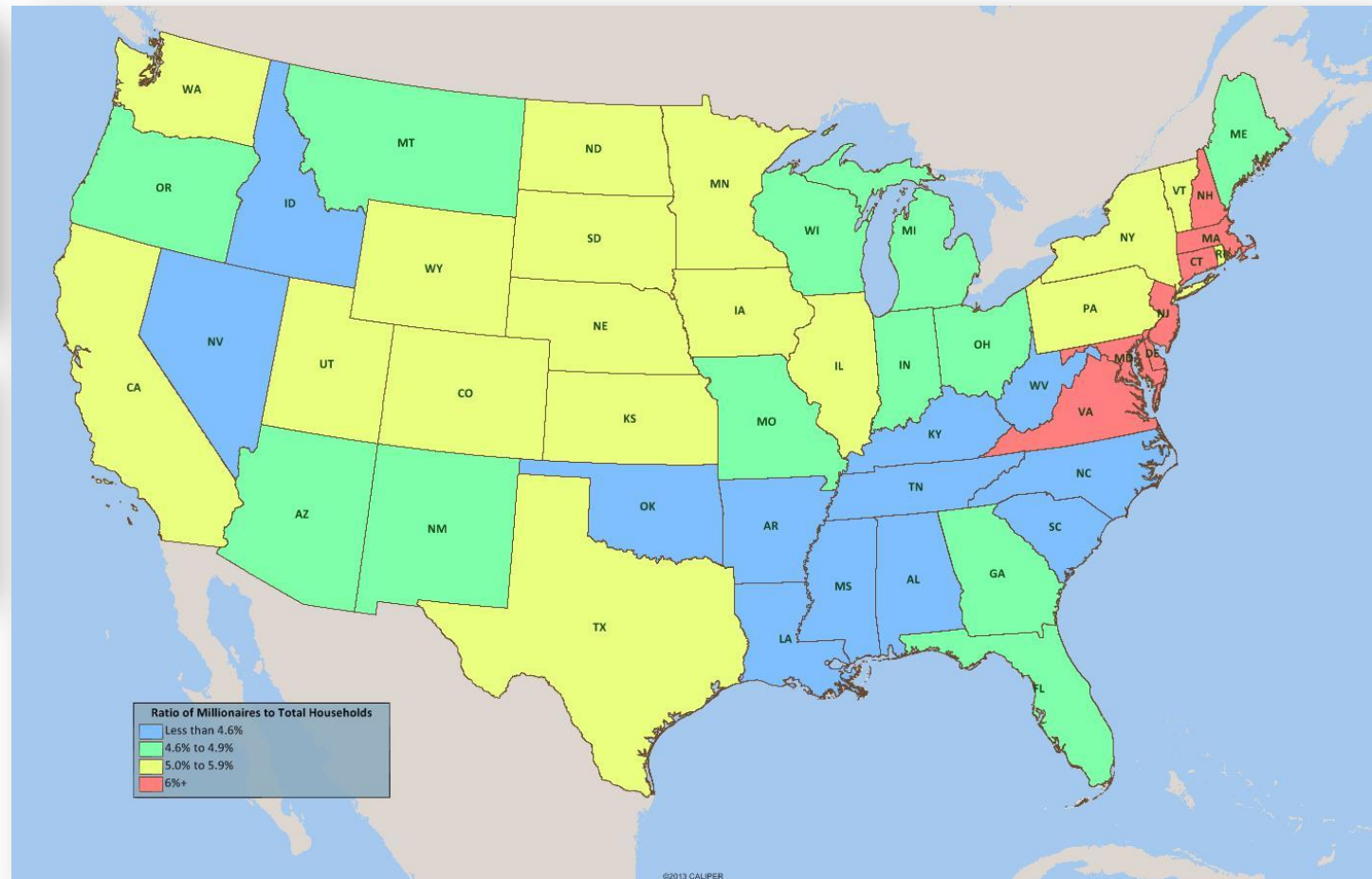
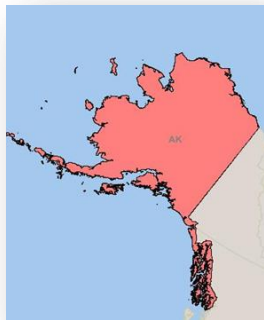
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Affluent Market Growth

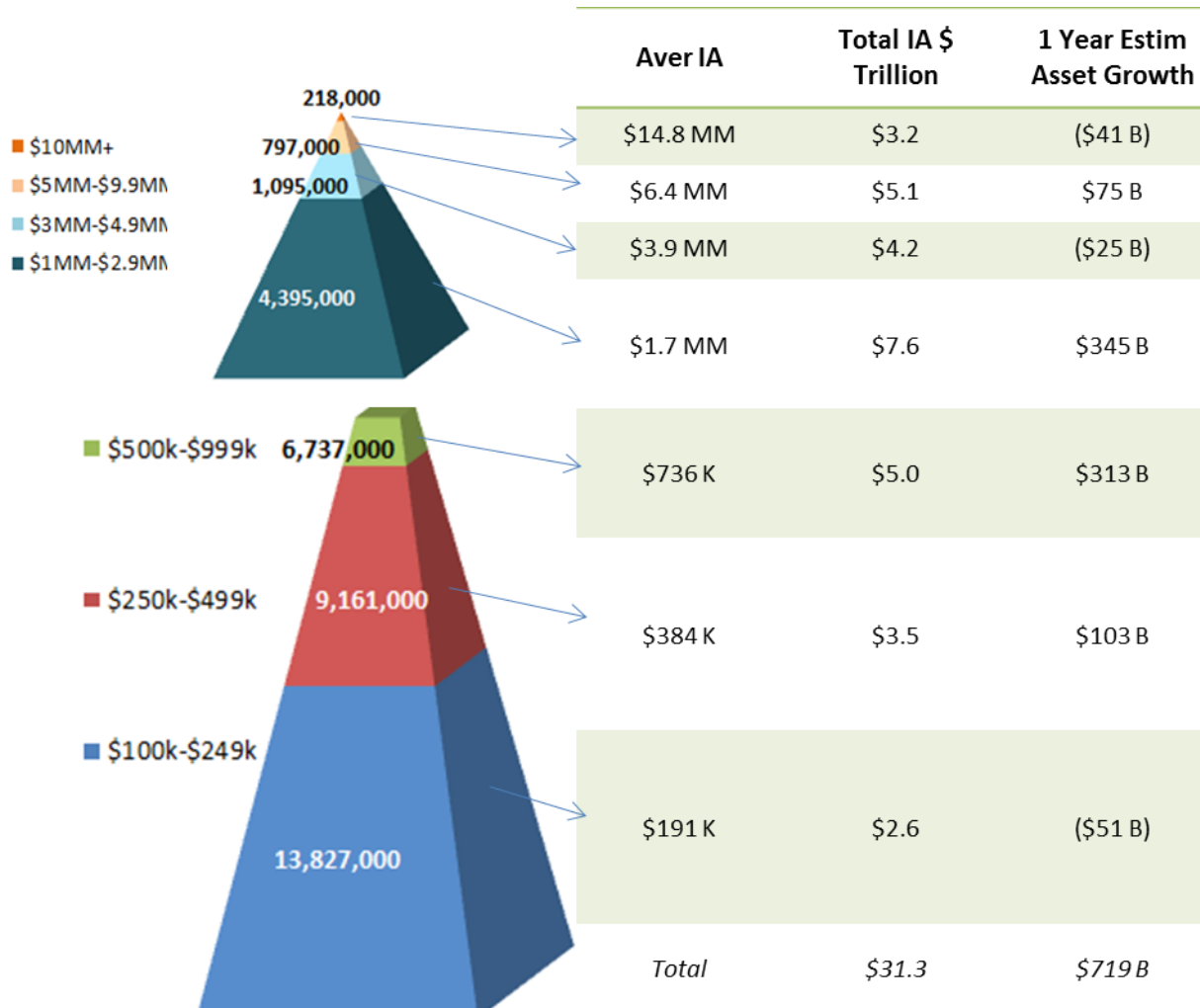
Consistent with 2014, the top ten states measured by millionaires per capita (households with \$1mm+ IA) were concentrated in the Northeast and Mid-Atlantic corridors, along with Hawaii and Alaska.

- In 2015, Maryland maintained its position as the state with the highest concentration of millionaires (7.7%), followed by Connecticut (7.3%), Hawaii (7.25%), New Jersey (7.24%), and Alaska (6.85%).



Affluent Market Growth

Investable Asset Averages, Total Wealth Controlled, and 1 Year Growth By Segment



Number of Households: 2014-15

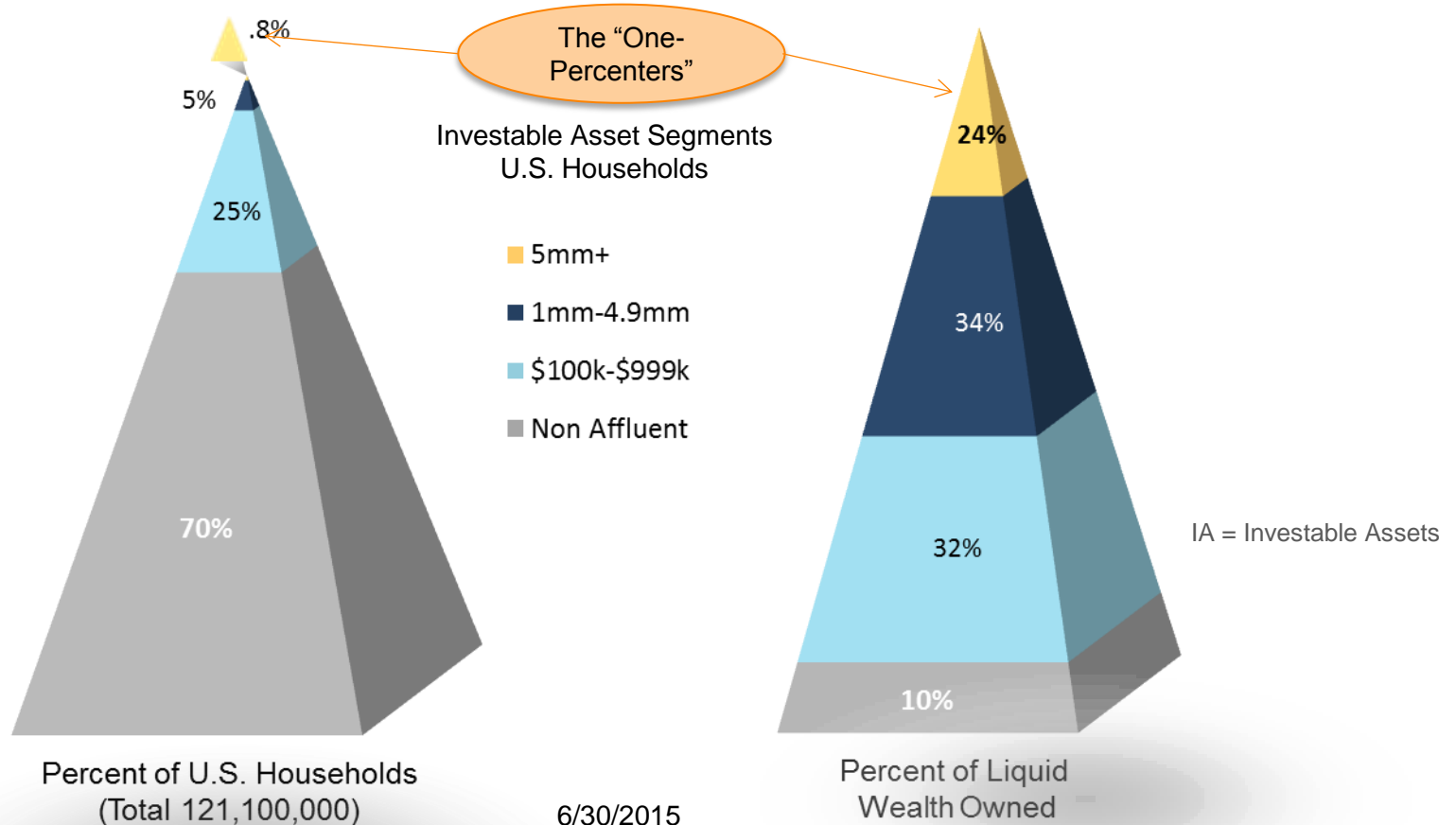
Overall, U.S. affluent households grew their liquid wealth from 2014 to 2015 by close to \$720 Billion.

- The greatest one-year gains in liquidity occurred among HNW households in the \$1mm-\$2.9mm IA segment (+\$345 Billion).
- Strong gains were also recorded among Upper Mass Affluent households (\$500k-\$999k IA), (+\$313 Billion).

IA = Investable Assets

Affluent Market Growth

Based on investable assets, our 2015 sizing model shows that the top 1% of U.S. households (essentially the Penta-Millionaires) own close to 25% of the liquid wealth in the U.S. “Mass Millionaires”, households with between \$1 million and \$4.9 million in investable assets, number about 5.5 million (or 5% of U.S. households), and own about 34% of investable assets. The large affluent market in the \$100k-\$999k segment, numbering some 29.7 million households (or 25% of U.S. households), owns another 32% of liquid wealth. The remaining 85 million households, those with less than \$100k IA, represent 70% of all households but control only about 10% of liquid wealth.



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Millionaires By State Ranking 2015 & 2014

Millionaire Households Per Capita

2015						2015					
Rank	State	Total Households	\$1MM+ Investable Assets	Ratio Millionaires to Total HH	VS. 2014	Rank	State	Total Households	\$1MM+ Investable Assets	Ratio Millionaires to Total HH	VS. 2014
1	Maryland	2,237,507	172,249	7.70%		27	Kansas	1,137,134	57,676	5.07%	-2
2	Connecticut	1,383,854	100,996	7.30%		28	Wisconsin	2,336,787	116,648	4.99%	+1
3	Hawaii	478,317	34,678	7.25%	+1	29	Maine	562,629	27,881	4.96%	-1
4	New Jersey	3,273,605	237,064	7.24%	-1	30	Oregon	1,585,295	78,099	4.93%	+5
5	Alaska	273,225	18,726	6.85%		31	Florida	7,839,517	383,290	4.89%	+1
6	Massachusetts	2,638,781	179,657	6.81%	+1	32	New Mexico	811,365	39,321	4.85%	-2
7	New Hampshire	527,269	35,846	6.80%	+1	33	Montana	431,683	20,899	4.84%	+6
8	Virginia	3,201,996	215,451	6.73%	-2	34	Michigan	3,915,936	188,705	4.82%	-3
9	Delaware	357,328	22,782	6.38%		35	Arizona	2,510,996	120,315	4.79%	-2
10	District of Columbia	299,672	18,861	6.29%		36	Ohio	4,651,051	221,667	4.77%	
11	Minnesota	2,172,362	130,330	6.00%	+5	37	Georgia	3,755,662	175,557	4.67%	+3
12	Vermont	260,540	15,435	5.92%	-1	38	Indiana	2,556,127	118,094	4.62%	+3
13	California	13,097,549	772,555	5.90%		39	Missouri	2,418,499	111,483	4.61%	-5
14	Colorado	2,127,178	124,514	5.85%	+4	40	Louisiana	1,796,638	82,473	4.59%	-2
15	New York	7,502,148	437,889	5.84%		41	Nevada	1,054,251	48,230	4.57%	-4
16	Wyoming	240,400	14,016	5.83%	+1	42	Oklahoma	1,520,327	69,158	4.55%	
17	Washington	2,770,334	161,220	5.82%	-3	43	South Carolina	1,899,618	85,731	4.51%	+1
18	North Dakota	318,190	18,492	5.81%	+2	44	North Carolina	3,936,705	177,291	4.50%	-1
19	Rhode Island	416,126	24,162	5.81%	-7	45	Tennessee	2,580,393	114,295	4.43%	+2
20	Illinois	4,894,599	280,266	5.73%	-1	46	Alabama	1,919,962	84,802	4.42%	-1
21	Pennsylvania	5,078,566	275,792	5.43%		47	Idaho	606,752	26,555	4.38%	+3
22	Utah	945,290	50,903	5.38%	+2	48	West Virginia	767,361	33,259	4.33%	-2
23	Iowa	1,253,520	66,285	5.29%		49	Kentucky	1,756,596	74,389	4.23%	-1
24	Nebraska	748,590	39,007	5.21%	-2	50	Arkansas	1,171,886	48,457	4.13%	-1
25	Texas	9,600,635	490,634	5.11%	+2	51	Mississippi	1,133,798	44,626	3.94%	
26	South Dakota	344,608	17,487	5.07%		Total		121,099,157	6,504,201	5.37%	



Millionaire Households Per Capita

2014						2014					
Rank	State	Total Households	\$1MM+ Investable Assets	Ratio Millionaires to Total HH	VS. 2013	Rank	State	Total Households	\$1MM+ Investable Assets	Ratio Millionaires to Total HH	VS. 2013
1	Maryland	2,220,791	170,249	7.67%		27	Texas	9,468,956	468,392	4.95%	-5
2	Connecticut	1,382,026	99,966	7.23%	+1	28	Maine	561,964	27,322	4.86%	-3
3	New Jersey	3,258,464	232,514	7.14%	-1	29	Wisconsin	2,323,821	111,358	4.79%	-1
4	Hawaii	473,750	32,829	6.93%		30	New Mexico	812,909	38,166	4.69%	-3
5	Alaska	272,762	18,604	6.82%		31	Michigan	3,899,340	180,615	4.63%	+6
6	Virginia	3,173,330	214,361	6.76%	+1	32	Florida	7,745,850	358,191	4.62%	-2
7	Massachusetts	2,612,989	174,114	6.66%	-1	33	Arizona	2,482,555	114,684	4.62%	+1
8	New Hampshire	525,490	34,921	6.65%		34	Missouri	2,404,069	110,431	4.59%	-1
9	Delaware	353,887	22,905	6.47%		35	Oregon	1,571,253	71,562	4.55%	-4
10	District of Columbia	292,398	18,267	6.25%		36	Ohio	4,628,997	210,611	4.55%	
11	Vermont	259,036	15,168	5.86%	+7	37	Nevada	1,042,754	46,560	4.47%	+2
12	Rhode Island	414,114	24,056	5.81%	+5	38	Louisiana	1,785,263	79,685	4.46%	-6
13	California	13,003,529	753,143	5.79%	-2	39	Montana	425,089	18,885	4.44%	+1
14	Washington	2,737,011	156,817	5.73%	-1	40	Georgia	3,734,136	165,705	4.44%	-5
15	New York	7,461,926	427,147	5.72%	-3	41	Indiana	2,537,304	111,631	4.40%	+4
16	Minnesota	2,147,610	122,862	5.72%	-2	42	Oklahoma	1,503,685	65,833	4.38%	
17	Wyoming	237,891	13,544	5.69%	+3	43	North Carolina	3,895,324	170,501	4.38%	+1
18	Colorado	2,088,780	118,293	5.66%	-2	44	South Carolina	1,874,994	81,692	4.36%	-1
19	Illinois	4,886,204	266,470	5.45%	-4	45	Alabama	1,915,162	82,914	4.33%	-4
20	North Dakota	304,160	16,518	5.43%	+9	46	West Virginia	767,977	32,512	4.23%	+2
21	Pennsylvania	5,073,114	268,233	5.29%	-2	47	Tennessee	2,568,174	107,536	4.19%	-1
22	Nebraska	742,572	38,535	5.19%	+2	48	Kentucky	1,749,227	72,374	4.14%	-1
23	Iowa	1,242,912	64,047	5.15%	+3	49	Arkansas	1,167,613	46,813	4.01%	+1
24	Utah	928,729	47,663	5.13%	-3	50	Idaho	598,428	23,975	4.01%	-1
25	Kansas	1,135,195	56,618	4.99%	-2	51	Mississippi	1,131,479	43,138	3.81%	
26	South Dakota	338,312	16,742	4.95%	+12	Total		120,163,305	6,265,668	5.21%	

