

SPECIAL FOCUS | WEALTH MANAGEMENT

Comprehensive Wealth Management Grows in Scope and Sophistication

By John Pohlad, CEO, Marquette Asset Management

Firms that embrace a comprehensive approach to wealth management are positioned to effectively meet the dynamic financial needs of a growing global group of millionaires.

According to the 2006 World Wealth Report, the worldwide high-net-worth population (people with net financial assets of at least \$1 million) grew to 8.7 million in 2005. From 1996 to 2005, this group's wealth grew at an annual rate of 8 percent, expanding from \$16.6 trillion in 1996 to \$33.3 trillion in 2005. Many aspects of wealth management have changed since 2000. Wealthy investors have become more sophisticated consumers who expect diversified strategies, cohesively packaged, with global perspectives. Asset allocation strategies have shifted, whereas in 2000, only 3 percent of high-net-worth portfolios were allocated to alternative investments, by 2005 allocations to this asset class represented one-fifth of these portfolios. The "irrational exuberance" in the stock market of the late 1990s often led investors to chase performance without adequately considering an investment's suitability or risks, but this attitude has changed to emphasize an individual's circumstances, needs, goals and preferences. And improved technology has greatly increased the quantity, speed and quality with which information is delivered to affluent investors.

Services that were once reserved for the Private Family Office model have become much more commonplace. Mid-tier millionaires (individuals with \$5 million to \$30 million) now often receive product-neutral portfolios, advice that reflects the full view of their assets, asset-based pricing and a documented investment process that includes a formal, written investment policy statement.

This approach requires a deep and ongoing understanding of each client's financial situation. A wealth manager typically works with a client's lawyer, accountant and other advisors to get a "big picture view" of a client's finances. A client's investment and planning strategies should be aligned with his or her risk profile and financial and estate-planning objectives. If your investment management program consists of following a static asset allocation or pursuing the latest hot stock tip, consider the benefits of an integrated, professional approach. With a comprehensive approach, your advisors understand your overall financial picture and offer the expertise, services and resources you need to manage your wealth.

—Marquette Asset Management, Inc., provides investment guidance, wealth management and trust services to individuals, families and institutions with substantial assets.



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