

PRESS RELEASE: Wealth manager clients are widening their investment scope

- *More than four out of five wealth managers and financial advisors say clients have been investing in a wider range of asset classes than normal*
- *Clients increasingly turning to alternative assets and more diversified and international portfolios, study finds*

London, 6th June 2024 – Clients of wealth managers and financial advisors are widening their investment horizons turning to alternative assets as well building more diversified and international portfolios, new global research* from Ortec Finance, the leading global provider of risk and return management solutions for professional investors, shows.

More than four out of five (81%) questioned in the study with wealth managers and financial advisors, whose organizations collectively manage approximately £1.207 trillion, said clients have been investing in a wider range of asset classes than normal over the past 12 months.

Key Findings:

- **Diversification Trend:** More than four out of five (81%) wealth managers and financial advisors report that clients are investing in a broader range of asset classes than usual over the past 12 months. The survey, involving organizations managing approximately £1.207 trillion, highlights a notable trend towards diversification.
- **International Portfolios:** A substantial 97% of advisors state that clients are building more international and diversified portfolios, with 87% expecting this trend to continue over the next three years.
- **Alternative Assets Surge:** Alternative assets have been a standout area, with 91% of advisors increasing client allocations. The primary drivers include strong performance (71%) and the availability of more funds (53%). Additionally, 50% point to the attractive returns and low correlation to equities as motivating factors.

Ortec Finance’s study shows private equity and private debt have seen the biggest increases over the past year with other alternative asset classes also seeing growth in allocations, at a cost of real estate. Over the next two years private debt and private equity are likely to see the biggest increase in allocations.

Asset class	Number increasing allocations in past 12 months	Number staying the same/cutting allocations/don’t know in past 12 months	Number increasing allocations in next two years	Number staying the same/cutting allocations/don’t know in next two years
Private equity	78%	22%	83%	17%
Private debt	76%	24%	85%	15%
Infrastructure	73%	27%	72%	28%
Venture capital	73%	27%	72%	28%
Hedge funds	50%	50%	66%	34%
Real estate	35%	65%	34%	66%

Tessa Kuijl, Managing Director Global Wealth Solutions at Ortec Finance said:

“Wealth managers and financial advisors are adapting to a much wider range of investments as clients’ investment opportunities broaden. The shift to more diversified portfolios including more alternatives and international portfolios demand expanded expertise from wealth managers and advisors. We deem this a positive trend because it enables clients to benefit from a better risk-return equation to increase the probability of reaching their goals.”

Ortec Finance provides wealth managers and financial advisors with scalable solutions that enable them to manage clients more efficiently and deliver more value to those clients. Its OPAL Planning tool supports banks, advisors and wealth management firms to translate client's financial goals into an optimal investment strategy – providing forward-looking insights into whether clients are on-track regarding their investment objectives. Together with a fully integrated cash flow planning tool for a holistic view of the client situation, the OPAL Planning tool addresses both income and investment risk. Find out more:

<https://www.ortecfinance.com/en/solutions/goals-based-wealth-platform>

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Notes to editors:

*Independent research company PureProfile interviewed 50 UK wealth managers and financial advisors. The survey was conducted during April 2024.

For more information, contact:

Phil Anderson, Perception A.

phil@perceptiona.com / +44 7767 491 519

About Ortec Finance

[Ortec Finance](#) is the leading provider of technology and solutions for risk and return management. It is Ortec Finance's purpose to enable people to manage the complexity of investment decisions. This is accomplished via the delivery of leading technologies and solutions for investment decision-making to financial and real estate institutions around the world.

Ortec Finance's strength lies in an effective combination of advanced models, innovative technology, and in-depth market knowledge. This combination of skills and expertise supports investment professionals in achieving a better risk-return ratio and thus better results.

Headquartered in Rotterdam, The Netherlands, Ortec Finance has offices in Amsterdam, London, Zurich, New York, Toronto, Singapore, and Melbourne. Ortec Finance helps 600+ clients manage their \$15 trillion assets under management.