

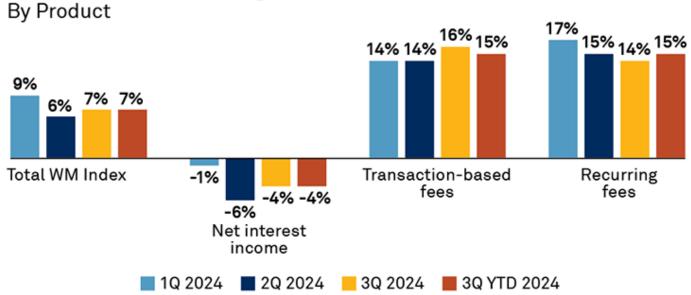
# Global Wealth Management: Revenue Snapshot 3QYTD

December 11, 2024

Increased demand for alternatives, structured products and cash products helped push growth for global wealth managers to 7% in the first three quarters of 2024.

From 2022 to 2023, performance among global wealth managers was driven by increasing net interest income, which was offset by declines in transaction-based and recurring fees. Those trends began to reverse in 2H23 and continued into 2024. Through the first nine months of 2024, strong investor demand overcame the negative impact of declining interest rates to push growth higher.

### 2024 Wealth Management Index Performance



Note: Coalition Standard Taxonomy; YoY % are rounded off to the nearest % range. Global WM Index includes BofA, BARC, BNPP, CITI, DB, DBS, GS, HSBC, JB, JPM, MS, SCB, UBS, and WF. Source: Coalition Greenwich Competitor Analytics – 3Q2024

The Coalition Greenwich WM Index, which covers 14 wealth managers globally, grew by 7% 3QYTD:

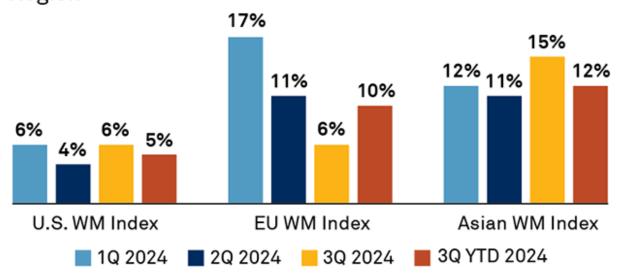
- **Net interest income** declined by 4% from deposit margin compression, partially offset by growth in non-sweep deposits and loan balances. Deposit balances improved significantly YoY while loan balances improved modestly in 2Q and 3Q, driven by ultra-high-net-worth (UHNW) and high-net-worth (HNW) mortgage lending.
- **Transaction-based fees** increased by 15%, driven by demand namely in the U.S., Asia and Switzerland for structured products, alternatives and fixed income. 3Q saw significant improvement

in advisor-led channels.

• **Recurring fees** increased by 15% YoY on the back of higher asset levels and the cumulative effects of positive fee-based flows in 2023. In particular, U.S. and Europe Index WMs benefited from inflows from the local U.S. and Credit Suisse bank failures in 1H23.

Regional Differences: Asia and Europe WM Index Outperforming U.S. WM Index

## 2024 Wealth Management Index Performance By Region



Note: Coalition Standard Taxonomy; YoY % are rounded off to the nearest % range. Global WM Index includes BofA, BARC, BNPP, CITI, DB, DBS, GS, HSBC, JB, JPM, MS, SCB, UBS, and WF. U.S. WM Index includes BofA, CITI, GS, JPM, MS, and WF; Europe WM Index includes BARC, BNPP, DB, JB, and UBS; Asia WM Index includes DBS, HSBC and SCB. Coalition Greenwich Competitor Analytics – 3Q2024

Regionally, **U.S. WMs** are the most sensitive to interest rate changes and market movements. This has led to the U.S. WM Index outperforming in 2022 and 2023 but underperforming in 2024. YTD 2024 growth of 5% was driven by higher market levels and increased brokerage activity amid Fed rate cuts and higher pricing of sweep deposits.

In contrast, **Asian WMs** tend to tie their wealth management services to their strong retail banking business, and clients are more executionary in nature. That means stickier net interest income and a higher proportion of transaction fees. Asia WM Index 3Q transaction-based fees increased by 45% YoY, driven by strong brokerage and trading from the economic stimulus in China and higher sales of mutual funds, structured products, and bonds.

Meanwhile, YTD growth for the **Europe WM Index** of 10% was driven by growth in assets under management (AUM) and increased demand in structured and cash products. It also benefited from UHNW inflows from Credit Suisse in 2023, as private banking clients looked to diversify their exposure.

#### Where Are Wealth Managers Investing?

Overall, the majority of wealth managers in our Index have a strategy of **targeted growth**: focusing on the markets and wealth segments that they're strongest in, rather than the broad-based growth we saw before interest rate rises.

- Wealth management divisions are increasingly collaborating with their investment banking division to strengthen their UHNW propositions.
- Growth in LatAm is slowing, while Europe and Asia WMs are expanding their presence in the Middle East, especially targeting non-resident Indians and Middle Eastern clients with international banking needs.
- Index WMs are heavily investing in AI to boost sales and support capabilities.
- The U.S. WM Index is mainly focusing on the HNW segment, whereas the Asian WM Index is focusing on the Affluent segment.

Looking forward to 1H25, we expect wealth managers to have single-digit growth due to the continued global economy and markets rebound. We expect U.S. and North Asia to outperform, and family offices and UHNW individuals to benefit from their globally diversified portfolios.

Grace Miu, Research Manager on the CIB Competitor Analytics team, is the author of this report.

#### www.greenwich.com | ContactUs@greenwich.com

Coalition Greenwich, a division of CRISIL, an S&P Global Company, is a leading global provider of strategic benchmarking, analytics and insights to the financial services industry.

We specialize in providing unique, high-value and actionable information to help our clients improve their business performance.

Our suite of analytics and insights encompass all key performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, behavioral drivers, and industry evolution.

#### About CRISIL

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better. It is majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide.

CRISIL is India's foremost provider of ratings, data, research, analytics, and solutions with a strong record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers through businesses that operate from India, the U.S., the U.K., Argentina, Poland, China, Hong Kong, and Singapore.

For more information, visit www.crisil.com

#### Disclaimer and Copyright

This Document is prepared by Crisil Coalition Greenwich, which is a part of Crisil Ltd, a company of S&P Global. All rights reserved. This Document may contain analysis of commercial data relating to revenues, productivity and headcount of financial services organisations (together with any other commercial information set out in the Document). The Document may also include statements, estimates and projections with respect to the anticipated future performance of certain companies and as to the market for those companies' products and services.

The Document does not constitute (or purport to constitute) an accurate or complete representation of past or future activities of the businesses or companies considered in it but rather is designed to only highlight the trends. This Document is not (and does not purport to be) a comprehensive Document on the financial state of any business or company. The Document represents the views of Crisil Coalition Greenwich as on the date of the Document and Crisil Coalition Greenwich has no obligation to update or change it in the light of new or additional information or changed circumstances after submission of the Document.

This Document is not (and does not purport to be) a credit assessment or investment advice and should not form basis of any lending, investment or credit decision. This Document does not constitute nor form part of an offer or invitation to subscribe for, underwrite or purchase securities in any company. Nor should this Document, or any part of it, form the basis to be relied upon in any way in connection with any contract relating to any securities. The Document is not an investment analysis or research and is not subject to regulatory or legal obligations on the production of, or content of, investment analysis or research.

The data contained in the Document is based upon a particular bank's scope, which reflects a bank's data submission, business structure, and sales revenue Reporting methodology. As a result, any data contained in the Document may not be directly comparable to data presented to another bank. For franchise benchmarking, Crisil Coalition Greenwich has implemented equal ranking logic on aggregate results i.e., when sales revenues are within 5% of at least one competitor ahead, a tie is shown and designated by = (where actual ranks are shown). Entity level data has no equal ranking logic implemented and therefore, on occasion, the differences between rank bands can be very close mathematically.

The data in this Document may reflect the views reported to Crisil Coalition Greenwich by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Crisil Coalition Greenwich compiles the data received, conducts statistical analysis and reviews for presentation purposes to produce the final results.

THE DOCUMENT IS COMPILED FROM SOURCES CRISIL COALITION GREENWICH BELIEVES TO BE RELIABLE. CRISIL COALITION GREENWICH DISCLAIMS ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, WITH RESPECT TO THIS DOCUMENT, INCLUDING AS TO THE VALIDITY, ACCURACY, REASONABLENESS OR COMPLETENESS OF THE INFORMATION, STATEMENTS, ASSESSMENTS, ESTIMATES AND PROJECTIONS, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT. CRISIL COALITION GREENWICH ACCEPTS NO LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT.

Crisil Coalition Greenwich is a part of Crisil Ltd., an S&P Global company. ©2025 Crisil Ltd. All rights reserved	ı.