**Wealth management operations in the US banking system**

The US wealth management industry is a significant part of the banking system, with assets under management (AUM) expected to reach $73.3 trillion by 2025, up 26.4% from $58 trillion in 2020. Some key facts about the US wealth management industry:

* The US wealth management industry was worth $29.1 trillion as of Q3 2020.
* Millennials are expected to hold five times as much wealth by 2030, and 47% are prepared to move to wealth management firms with enhanced digital platforms.
* The share of global customers using fintech platforms for wealth management is expected to grow 7% from 2018 to 2022, while the share using commercial or retail banks will drop by 6% over the same period.
* 77% of US- and Canada-based financial advisors reported losing business due to a lack of appropriate digital tools during the pandemic.
* 85% of wealth management firms see partnering with third-party providers as important for their company in the next 12-18 months.
* Regulatory expenses, technology, and office space account for nearly one-third of an asset manager's total budget, and nearly half of the asset managers anticipate regulatory spending to increase in the next two years.
* From a regional perspective, the biggest portion of global wealth is now in Asia-Pacific (~40%), with China accounting for nearly 20%. North America has about 33% of the total, with Europe at 23%.

**Key trends driving digital transformation in the wealth management industry**

**Growth in assets under management (AUM):** The US wealth management industry is expected to reach $73.3 trillion in AUM by 2025, up 26.4% from $58 trillion in 2020.

**Shift to digital platforms:** The share of global customers using fintech platforms for wealth management is expected to grow 7% from 2018 to 2022, while the share using commercial or retail banks will drop by 6% over the same period.

**Importance of mobile experience:** Clients who engaged through a mobile experience were 3.5 times more likely to move assets than clients using other channels. However, only about 15% of wealth management clients logged into their accounts through mobile devices in the past 12 months, compared to 25% of banking clients in the past 90 days.

**Regulatory and technology pressures:** Regulatory expenses, technology, and office space account for nearly one-third of an asset manager's total budget, and nearly half of the asset managers anticipate regulatory spending to increase in the next two years.

**Shift in client demographics:** Millennials are expected to hold five times as much wealth by 2030, and 47% are prepared to move to wealth management firms with enhanced digital platforms.

**Importance of data and analytics:** 61% of wealth managers view analytics and creating insights as very important for their firm.

**Need for digital client engagement:** 50% of wealth managers say providing a more sophisticated digital experience is a challenge for their firm, and 86% consider servicing clients as a highly important digital capability to acquire.

**Top Wealth Management Firms**

* There are 545 groups (Morgan Stanley Private Wealth Management) - $40.8 billion AUM, $5 million minimum account size.
* Jones Zafari Group (Merrill Private Wealth Management) - $25.6 billion AUM, $10 million minimum.
* The Polk Wealth Management Group - $34.2 billion AUM, $50 million minimum.
* Hollenbaugh Rukeyser Safro Williams - $5.1 billion AUM, $10 million minimum.
* The Erdmann Group - $12.6 billion AUM, $2.5 million minimum.

These firms provide a range of wealth management services including financial planning, investment management, tax planning, and estate planning for high-net-worth and ultra-high-net-worth clients.

In summary, the US wealth management industry is a significant and growing part of the banking system, with assets under management (AUM) expected to reach $73.3 trillion by 2025. Key trends driving digital transformation in the industry include the shift to digital platforms, the importance of mobile experiences, regulatory and technology pressures, changing client demographics, the need for data and analytics, and the demand for enhanced digital client engagement.

The top wealth management firms in the US include 545 Group (Morgan Stanley Private Wealth Management), Jones Zafari Group (Merrill Private Wealth Management), The Polk Wealth Management Group, Hollenbaugh Rukeyser Safro Williams, and The Erdmann Group. These firms provide a range of wealth management services for high-net-worth and ultra-high-net-worth clients, with AUM ranging from $5.1 billion to $40.8 billion and minimum account sizes from $2.5 million to $50 million.

Overall, the US wealth management industry is undergoing significant digital transformation to meet the evolving needs and expectations of its client base, while also navigating regulatory and competitive pressures.