
Family Office
Wealth Origin Series
Financial Services

*All data derived from the FINTRX
Family Office Data Platform*

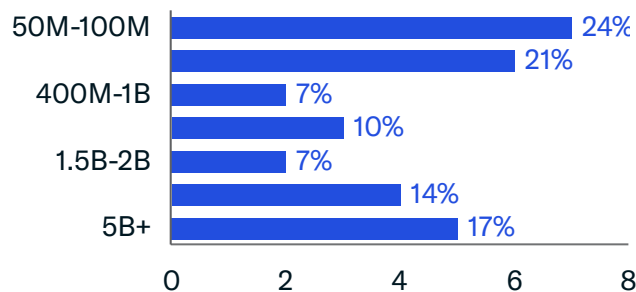
Family Wealth Origin: Financial Services

INTRODUCTION

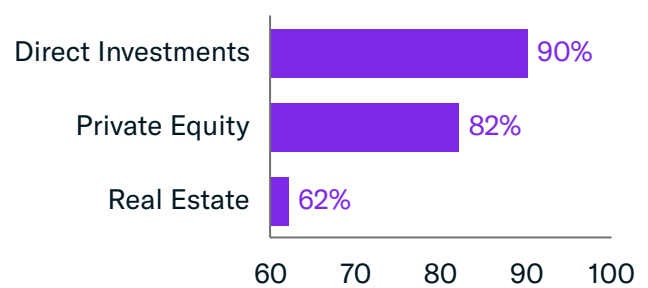
Understanding the reasons behind what makes family offices ideal investors can truly be a game-changer in terms of wealth preservation and wealth expansion. When you consider the structure of family offices and the resources available to them, it's no surprise investors follow their activity so closely. This narrative looks into a specific cross-section of family office entities whose wealth was created in the financial services sector, offering insight and data into this specific group.

The family office space represents a highly diversified cross-section of the private wealth landscape. Because family offices manage the wealth of such diverse contexts, they operate and invest quite differently from one another. Given the private nature of family offices, these entities allocate capital with fewer restraints in comparison to other investment groups. One of the more prevalent patterns drawn from our research is the connection between industry of wealth origin and industry of investment interest. As outlined, there is a clear tendency for groups to invest in opportunities throughout familiar industries.

Assets Under Management Breakdown:



Asset Class Breakdown: Top 3



Here you can see a breakdown of family office entities with an origin of wealth in financial services by assets under management and top three asset classes. As outlined in the chart on the left, the greatest number of family offices whose wealth originated in financial services falls between the **\$50 million and \$100 million mark**. The chart on the right highlights an outsized exposure of this group making direct private equity transactions. It's important to note, direct investments from family offices that have an industry wealth origin of financial services are more likely to invest directly compared to the total family office market.

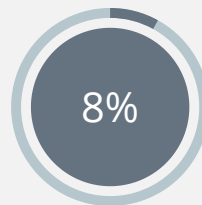
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GEOGRAPHIC BREAKDOWN

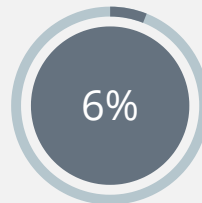
As with industry of wealth origin, geographic location appears to play a role in the investment preferences of family offices. Research highlights correlations among the percentages of family offices allocating to certain sectors based on where they are domiciled. Below, we have outlined the percentage of family offices in each respective region with an origin of wealth in financial services. Data shows a propensity of groups (whose origin of wealth is in financial services) to be domiciled in North America (8%) and Europe (6%).



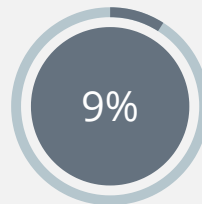
The following data depicts the percentage of family offices whose wealth was created in financial services by region:



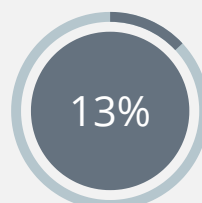
North America



Europe



Asia & Middle East



Rest of World

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PAST DIRECT INVESTMENTS BASED ON ORIGIN OF WEALTH

From a deal evaluation and sourcing angle, family offices often prefer investing capital to the industries they understand, often in areas their personal wealth was created. This stems from a pure understanding of the space and industry connections they possess. The following data shows the top six industries of interest for family offices who derived their wealth in the financial services industry. From the data compiled, we found family offices with an origin of wealth in the financial services industry to be more sector diverse than their counterparts. This is likely due to the nature of the financial services and the exposure gathered across all industries.

Top 6 Industries

REAL ESTATE & CONSTRUCTION



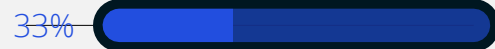
CONSUMER GOODS



TECHNOLOGY



HEALTHCARE & BIOTECH



BUSINESS SERVICES



MANUFACTURING



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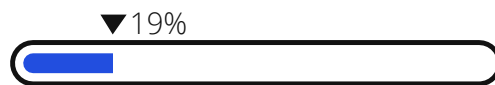
PAST DIRECT INVESTMENTS BASED ON ORIGIN OF WEALTH



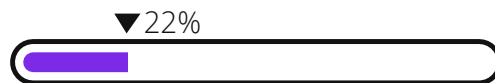
The dramatic rise in mainstream cryptocurrency appeal and its broadening reach to new investor classes is emphasized within the family office space. The family office space can often be seen as a reflective microcosm of the greater financial markets. Cryptocurrency, previously touted as an extremely speculative, poorly understood investment popularized by retail investors, is becoming a more established and attractive investment opportunity for institutional investors and family offices alike.

Family offices who made their wealth in the financial services industry enforced this idea of increased crypto appeal, with **19%** demonstrating interest in cryptocurrency investments. Additionally, family offices also expressed **22%** interest in blockchain.

Family Offices Demonstrating interest in Cryptocurrency Investments



Family Offices Demonstrating interest in Blockchain Investments



44% of Family Offices Show
ESG Interest

About FINTRX

The FINTRX family office data and research platform combines over half a million data points on **11,000+** family office professionals and **3,000+** unique family offices globally. Built with the asset-raising professional in mind, FINTRX features state-of-the-art data exploration and visualization tools, engineered to provide the most effective means of targeting family office LPs.

The beauty of the above is that all the information our research team gathers is completely proprietary and solely offered by FINTRX. As family offices continue to diversify their investment allocations and advance the scale of their operations, the FINTRX data platform constantly evolves alongside.

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