

The State of U.S. Retail and Institutional Asset Management 2023

Defining Professionally Managed Assets Across Distribution Channels

OVERVIEW & METHODOLOGY

This report provides a comprehensive overview of the aggregate U.S. asset management landscape. It is intended for U.S. asset managers, or those seeking distribution opportunities in the United States, and provides a quantitative evaluation that sizes the current addressable U.S. asset management landscape, covering all distribution channels, client segments, and product vehicles within the retail and institutional marketplaces—with emphasis on the interaction between these two segments. Furthermore, there are 14 chapters that take a deeper dive into a client channel or investment vehicle wrapper to provide more granular perspective than that which can be gleaned from the addressable U.S. asset management landscape.

USE THIS REPORT TO

- Gain an understanding of total assets vs. professionally managed assets and how to account for double-counting and non-addressable assets within each retail and institutional channel
- Learn how assets in retail and institutional client channels are shifting and which segments can be expected to grow more than others moving forward
- Evaluate how different client segments rely on investment vehicle wrappers and how asset managers' vehicle offerings are evolving to meet new client demand
- Review the growing role that intermediaries (e.g., broker/dealer home offices, consultants) have in the distribution landscape and which factors managers should consider when working with these intermediaries

QUESTIONS ANSWERED

- What is the size of the addressable market in the U.S.?
- Which channels are growing the fastest and offer the most opportunity?
- How are the assets across various investment vehicles growing?
- How are investment vehicles used, as measured by assets, across various client segments?
- How are addressable assets allocated across broad distribution types (e.g., direct, affiliated, third party)?

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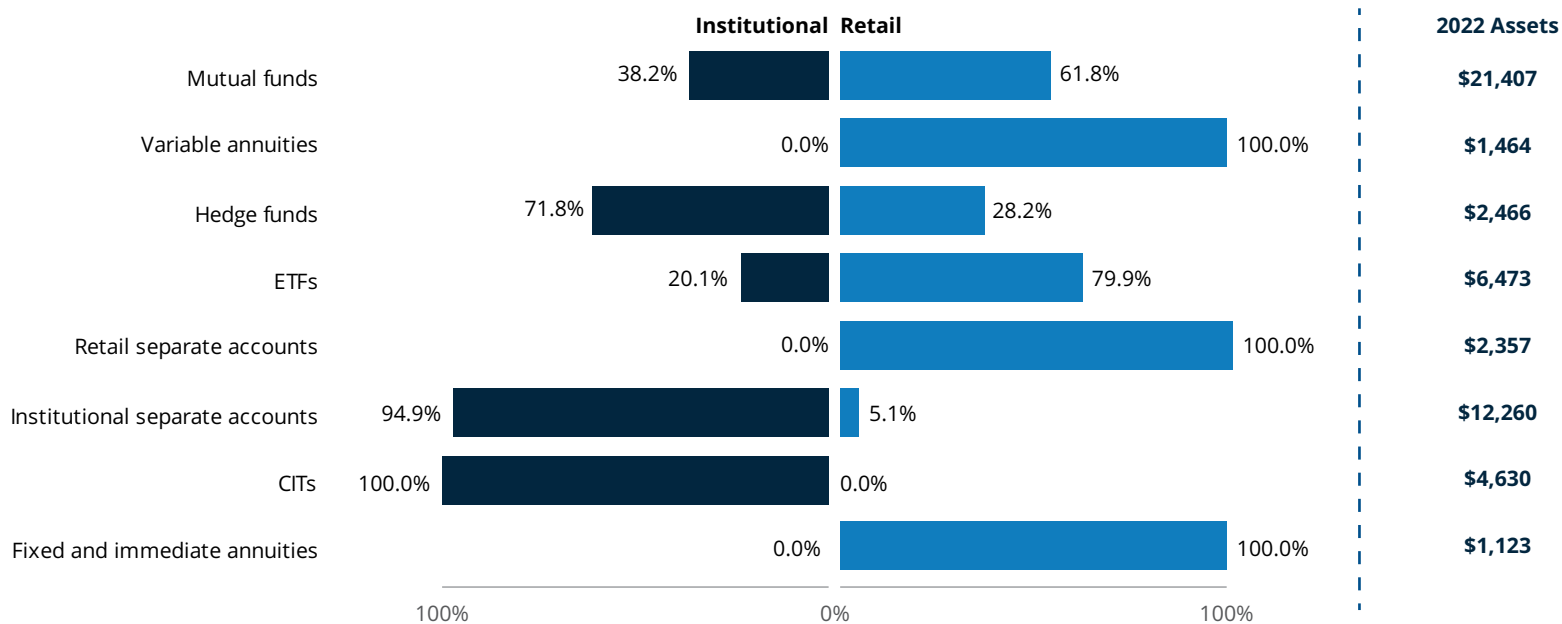
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U.S. Asset Manager Addressable Marketplace Model: Review assets, growth, and marketshare breakouts over the past 10 years for the entire U.S. asset management marketplace.

U.S. Market Sizing Components: Compare professionally managed assets, growth rates, and marketshare over the past decade (2012–2022).

Exhibit 1.23**Ownership of U.S. Products by Client Type, 2022 (\$ billions)**

Sources: See Exhibit 1.01 for full list of sources. | Analyst Note: Mutual funds includes open-end, closed-end, UITs, and money market funds. Cerulli's Product Sizing is based on the Federal Reserve's Survey of Consumer Finance (SCF) as a baseline for overall investor assets. SCF's data is released every three years, with Cerulli modeling growth estimates for each year between releases. Cerulli then adopts each successive SCF release as a new baseline, which can result in revising previous estimates when SCF's triannual releases reflect results outside the expectations of the Cerulli model.



- Variable annuities, fixed and immediate annuities, and retail separate accounts are exclusively used by retail clients, while CITs are the only vehicle exclusively used by institutional investors.
- Retail client channels account for nearly 80% of ETF assets, as the vehicle has not caught on among 401(k) plans at all, while other institutions mainly use them for cash management and tactical positions.

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