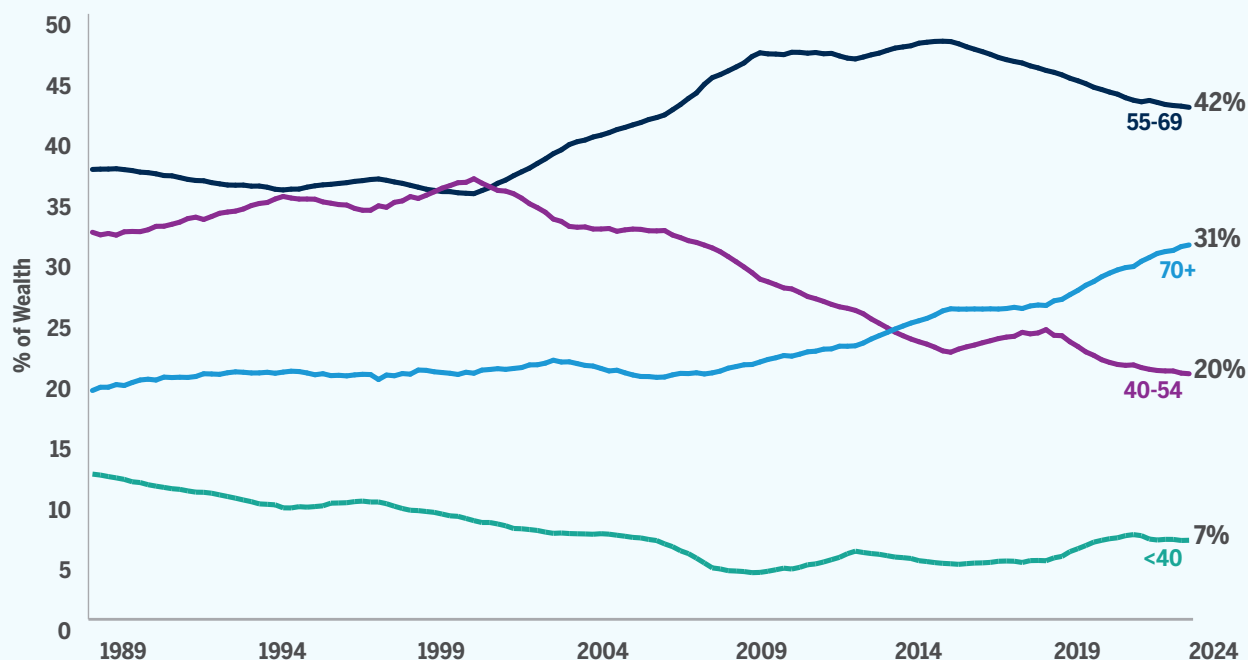


## A Big Inheritance?

Americans have over \$150 trillion in wealth, according to the Federal Reserve (Fed). How this wealth is currently distributed and how that may change over time could have significant implications for money managers and the economy.

**U.S. wealth distribution 1990-2023, by age**



Source: Federal Reserve from 1989 through the first quarter of 2024.

- In the chart above, the share of wealth in the U.S. has shifted over the past three decades, with older Americans now owning a larger share than in years past. Those aged 70 and older currently hold 31% of the wealth, up from 19% in 1990. Conversely, those under 40 years old now own only 7% of the wealth, down from 12% in 1990.
- The \$47 trillion held by adults over 70 represents the largest potential transfer of wealth in American history. In our view, the possibility for large inheritances over the next decade could support younger generations' balance sheets through debt reduction and increased financial investments, and spending on both discretionary (e.g., travel, entertainment, e-commerce) and non-discretionary (e.g., purchasing a home, child education) items.
- Aside from the trillions of dollars in potential inheritances that this wealth distribution suggests, we believe that the wealth accumulation among older Americans, combined with their increasing proportion of the U.S. population, may also drive healthcare spending growth per capita to higher levels than in the past.



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