

The Great Wealth Transfer

A larger, younger, more demanding buy-side is re-allocating private capital. Meet the next-generation allocator.

A re-allocation event

An estimated \$84 trillion to \$124 trillion is set to change hands in the United States by the late 2040s. Most analysis treats the great wealth transfer as an inheritance problem, a matter of trusts, gifting allowances and the family conversation. The more consequential story is an allocation one.

The capital does not simply move from one generation to the next. It is re-priced, re-mandated, and put to work by owners who think about risk, technology and private markets differently from the people who built it. Read from the buy-side, this is one of the largest intergenerational re-allocations of private capital on record.

That is the read IMS Group takes. IMS Group, a technology-forward private markets investment group and partnership of family offices, sizes this handover without inflating it, because the credible answer to "how big" is a range rather than a headline. What follows sets out what the transfer is, how large it credibly is, who receives it, and why the firm regards it as a capital-allocation event first. It sits at the centre of [the firm's house view on private capital](#), and threads down into the cluster of pages that examine each part of the shift in detail.

What the Great Wealth Transfer is

The great wealth transfer is the historic, multi-decade movement of accumulated wealth from the baby-boomer generation to their heirs, spouses and chosen causes. It is already under way, and it will run for the better part of three decades.

Cerulli Associates, the figure the canonical references lean on, first sized US wealth alone at roughly \$84.4 trillion transferring through 2045. That earlier estimate is the number Wikipedia cites and the one that still anchors most search engine summaries of the theme. Cerulli's more recent 2024 work raises and lengthens the projection to roughly \$124 trillion through 2048, and it is best understood not as a single event but as a long unwinding, paced by demographics and asset appreciation rather than any one moment.

A few features matter for anyone trying to read it well. The transfer is ongoing rather than imminent, so the relevant horizon is decades, and its effects play out across that whole span as the receiving generation reshapes portfolios gradually rather than overnight. It is also concentrated at the top, with a disproportionate share held by a small band of high- and ultra-high-net-worth households. That concentration is the detail most headlines skip, and it changes who the relevant allocators actually are.

How big — the honest range

The single most useful thing a credible source can do on this theme is decline to pick one number. The figures are projections, they rest on different definitions and end dates, and they disagree by tens of trillions. Direction is clear; magnitude is contested.

Here is the sourced range, each figure dated and flagged as a forecast rather than a settled fact:

- **United States (Cerulli):** approximately **\$84 trillion through 2045** on Cerulli Associates' earlier, narrowly US-defined estimate at the lower end, rising to approximately **\$124 trillion through 2048** on Cerulli's updated 2024 projection, the figure Merrill Lynch and US Bank now echo. The spread between those two is not a rounding error; it reflects genuinely different assumptions about scope and timing across the two vintages.
- **United Kingdom (the firm's lead market):** roughly **£5.5 trillion to £7 trillion by around 2050**, per Brooks Macdonald and Vanguard UK. The £5.5 trillion framing anchors the near-term UK reading; the £7 trillion figure extends the horizon to mid-century.

None of these are guarantees. They are estimates built on mortality tables, projected asset values and assumptions that compound across cycles, and small changes in those inputs move the headline by trillions. Anyone presenting "\$124 trillion" as a fixed fact is reporting a forecast as though it were a measurement.

Why the numbers disagree (and why that matters)

The disagreement is structural, not careless. Estimates differ on geography (US-only versus global), on the cut-off year (2045 versus 2048 versus 2050), and on what counts as transferable wealth once illiquid holdings and tax are accounted for. The CFA Institute makes the sharpest version of this point, arguing the transfer is more concentrated, and in places more modest, than the largest headline figures imply.

There is also a timing distinction that the headline figures flatten. A number like \$124 trillion describes a cumulative total over more than two decades, not a wave arriving at once. In any given year the sum actually changing hands is a fraction of that, which is why the transfer reshapes allocation gradually, as cohorts age and estates settle, rather than in a single repricing. Treating a cumulative-through-2048 projection as if it were spendable today is the most common misreading of the theme.

Who receives it

The capital does not move in a single hop from boomers to millennials. It moves in stages, and the order matters.

Surviving spouses receive first, and because women tend to outlive men, a large share of the wealth passes to women before it reaches the next generation at all. This intermediate step is often overlooked, yet it shapes how portfolios are held and advised for years before any generational handover completes. The "women and wealth" theme that recurs in the related searches is, in large part, this first leg of the transfer.

From there, the capital reaches **millennials and Gen X**, and eventually a meaningful portion flows to philanthropy and charitable structures. The receiving cohort is younger, more globally minded, and more comfortable with private and digital assets than the generation that accumulated the wealth. A growing number receive it not as individuals but through formal structures: the family office. For readers new to the term, the firm explains [what a family office actually is](#) and how these vehicles work. The number of those structures is itself rising sharply, a shift examined in the firm's work on [the single-family-office boom](#).

Why it's a private-capital event, not just an inheritance event

This is where the institutional read departs from the field. Every competing explainer frames the transfer as inheritance to navigate. The more important question for the next several decades is where the capital goes once it lands, and it lands somewhere different.

The new allocators deploy differently. They carry a structural bias toward alternatives and private markets, and a comfort with technology-led selection that the previous generation largely lacked. Surveys of younger high-net-worth investors consistently show higher target allocations to private equity, private credit, real assets and digital assets than their parents held. The transfer therefore does not just change who owns the capital; it changes the asset mix that capital funds.

Three behaviours separate the receiving generation from the one that built the wealth. They start from a higher baseline allocation to private markets, treating private equity and private credit as core holdings rather than satellite positions. They are more willing to hold uncorrelated and frontier exposures, from real assets to digital assets, where an older portfolio would have stopped at listed equities and bonds. And they expect the selection process itself to be evidenced and technology-led, favouring managers who can show how a decision was reached rather than assert a track record. Each of those preferences points capital toward private markets, and away from the traditional balanced portfolio that defined the previous era of wealth.

That re-weighting is the connective tissue of the wider thesis. As private balance sheets pass to younger owners, demand flows toward [private credit and the new alternatives](#) and toward [the tokenisation of real-world assets](#), the two areas where new allocators are most visibly putting money to work. The firm's own [private-markets investment activity](#) is built around that same conviction: that the next allocator reaches for private, off-market and technology-enabled exposure first.

A note on rigour. Naming the direction of travel is fair; naming specific efficiency gains for named managers is not, and this page does not. The claim is qualitative and evidence-led: the receiving generation tilts toward private markets, and that tilt is observable in allocation surveys rather than asserted.

The re-selection of who manages it

A transfer of ownership is also a transfer of decision rights, and heirs exercise those rights. Inherited manager relationships are not inherited loyalties.

The evidence here is blunt. Industry research from Natixis finds that roughly half of advisers regard the loss of the heir relationship as an existential risk to their business, because next-generation owners routinely reassess, and frequently replace, the firms that managed their parents' wealth. The handover, in other words, is a re-selection event before it is anything else: the capital is re-mandated, often to managers who can demonstrate private-markets capability and a credible technology operating model.

For firms that hold genuine private-markets capability, that re-selection is an opening rather than a threat. The dynamics of how and why [heirs are re-selecting their managers](#) are set out in full in the dedicated cluster page, including what tends to win the next-generation mandate.

The generational divide

Underneath the re-selection sits a behavioural gap, and it is sharper than most coverage admits. Bank of America research finds that **72% of younger investors (ages 21–43)** believe it is no longer possible to achieve above-average returns using only traditional stocks and bonds, against just **28% of investors over 44** who feel the same way. That 72%-versus-28% split is the spine of the behaviour shift.

It explains almost everything downstream. A generation that does not believe the traditional 60/40 portfolio can deliver will allocate toward alternatives, private markets and digital assets as a matter of conviction, not novelty. This is maturation of allocator preference rather than a fad, and it compounds across cycles as the cohort's share of total wealth rises. The full picture of [the generational investment-preference divide](#), and what it implies for portfolio construction, is examined in its own right.

Is it real? — and the UK context

Given the scale of the headline numbers, healthy scepticism is warranted, and the answer is a qualified yes. The transfer is real, in that wealth is unambiguously moving between generations; the largest single figures are projections, and the timing is slower and more concentrated than breathless coverage suggests. The CFA Institute's sobriety is the right register: real direction, contested magnitude, more concentration at the top than the round numbers imply.

In the United Kingdom, the transfer plays out against an inheritance-tax backdrop that shapes how families plan, with frozen thresholds drawing more estates into charge over time. That context matters, but it is context, not this page's lane. The firm's interest is not the seven-year rule or gifting mechanics; it is what the receiving generation does with the capital once it has it. On that question, the UK picture mirrors the global one: younger owners reaching for private and alternative exposure, and re-selecting the managers who can provide it.

The house view

Read soberly, the great wealth transfer is an allocation event before it is an inheritance one. It is large but contested in size, somewhere between \$84 trillion and \$124 trillion in the United States and £5.5 trillion to £7 trillion in the UK, all projections. It moves first to spouses, then to a younger generation that deploys into alternatives and private markets and re-selects who manages its capital along the way.

For firms holding genuine private-markets capability, that combination, more capital arriving in younger, more demanding hands, is the defining opportunity of the coming decades. To explore how this thesis informs the firm's work, see [IMS Group's partnership network](#) and the firm's [next-generation investment team](#), or read across the next-generation-allocators cluster, from [the great wealth transfer in detail](#) through to [the re-selection of wealth managers](#).

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Frequently asked questions

Is the Great Wealth Transfer real?

Yes. Wealth is demonstrably moving from the baby-boomer generation to spouses and heirs, and that movement is already under way. The qualification is that the largest figures, such as the \$124 trillion estimate, are long-range projections, and the transfer is slower and more concentrated at the top than headline coverage implies.

Who will benefit from the Great Wealth Transfer?

Surviving spouses receive first, often women, who tend to outlive their partners. Capital then passes to millennials and Gen X, with a meaningful share flowing to philanthropy. The receiving generation is younger and more inclined toward private markets, alternatives and technology-led investing than the generation that built the wealth.

What is the Great Wealth Transfer in the UK?

In the UK, projections place the transfer at roughly £5.5 trillion to £7 trillion by around 2050, per Brooks Macdonald and Vanguard UK. It unfolds against a frozen-threshold inheritance-tax backdrop, though for allocators the more relevant question is how the receiving generation re-allocates that capital toward private and alternative assets.

How much will the Great Wealth Transfer be worth?

The credible answer is a range, not a single figure. US estimates run from approximately \$84 trillion (Cerulli Associates' earlier projection, through 2045) to approximately \$124 trillion through 2048 (Cerulli's updated 2024 projection, echoed by Merrill Lynch). All are projections that rest on different definitions and dates, which is why the direction is clear while the magnitude remains contested.

Sources & important information

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 2. Cerulli Associates (earlier estimate, pub. 2022). U.S. High-Net-Worth and Ultra-High-Net-Worth Markets — earlier projection of approximately \$84.4 trillion through 2045 (of which roughly \$72.6 trillion to heirs and \$11.9 trillion to charity); the figure Wikipedia cites and the anchor for most search summaries. Cerulli Associates.
 3. Merrill Lynch / Bank of America (2024). How Will the Great Wealth Transfer Impact the Markets? — reports and popularises Cerulli's approximately \$124 trillion through-2048 projection. Merrill Lynch.
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