

WIREHOUSE BREAKAWAY TREND GOING STRONG

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With wirehouse bonuses on the wane, the breakaway trend is proceeding at a robust pace, according to new research by **ECHELON Partners**.

Through the year's first three quarters, 302 breakaways had taken place, and ECHELON forecasts 88 more by the end of the year. What's more, the average breakaway size is now \$300 million, up 7.1% over 2016 levels. This year has seen 15 breakaways of at least \$1 billion.

ECHELON's 3rd Quarter RIA M&A Deal Report also notes that M&A activity in the RIA industry is on pace for a fifth-consecutive record year, with a projected 23% increase in deal volume over last year.

Increasingly, consolidators are doing the RIA deals. Well-capitalized, strategic buyers and consolidators have accounted for 53% of RIA purchases thus far in 2017, 33% greater than in 2016, ECHELON says.

The average deal size has exceeded \$1 billion so far this year, the highest of the past seven years, as buyers seek out lower-risk, sustainable targets.