

Alternative energy looking good to NYC high end investors

By [Kevin Peters](#) on March 15, 2015



According to Kevin Peters, a Goldens Bridge resident and a managing director and financial adviser with Morgan Stanley Wealth Management in Purchase, alternative energy sources such as solar are drawing serious interest from wealthy investors.

New York area high-net-worth investors have clear preferences for alternative energy development.

A Morgan Stanley nationwide poll of high net worth investors shows support for the expansion of wind farms (86% said they liked the idea) and solar energy “parks” (85%).

Considerably fewer (67%) support development of the Keystone oil pipeline system between the U.S. and Canada. And when it comes to fracking, the controversial method of squeezing energy from the earth by pumping in water mixed with chemicals, only 48% in the tri-state approved.

Investors in the tri-state area continue to be optimistic about the direction of both the state and national economies: 81% surveyed said they are optimistic about the national economy and 80% feel strongly about the tri-state economy in 2015. A year ago 83% felt strongly about the New York metro economy.

A solid 75% say the global economy will be the same or improve this year, while 72% hold the same views for the state economy.

When it comes to the direction of their investments, 93% said they expect their investment portfolios to at least stay the same or improve in the coming year. To me, that aligns with overall predictions of a positive year in the stock market. We should expect to see gains of roughly 6%, on average, probably for up to about ten years.

The investor survey also suggests that tri-state investors are well aware of the sometimes tenuous nature of foreign relations, with a stunning 93% in New York, 94% in Connecticut and 85% in New Jersey saying they are very concerned about foreign conflicts. It should be noted that these percentages were the result of the poll taken before the terrorist attack France or the fall of the Yemeni government.

Tri-state and nationwide investors favored most of the same sectors: technology, pharmaceuticals, biotech and energy. However, there were a couple of important differences.

Tri-state investors polled favored the financial sector more than those surveyed nationally (34% nationally and 42% in tri-state). They were less favorable toward communications (62% nationally and 56% tri-state).

New Yorkers viewed the entertainment industry as a far less favorable investment opportunity than those polled nationally (32% favorable nationally and only 21% in New York State and 28% tri-state).

And while alternative investment strategies are often touted as a means to hedge against unsettled international affairs, the poll reveals that only about one-quarter of high-net-worth investors plan to purchase jewelry, with even fewer — 19% — planning to invest in art, and only about 10% looking to coins or antiques.

Among other observations in the survey, it is interesting to note that when it comes to global climate change, 73% of tri-state respondents said climate change may have an effect on the planet and 77% said humans may impact this change. In light of that response, it is worth noting that only 31% reported a belief that climate change is impacting the value of their investment portfolios.

The current climate of confidence also seems to extend more to established business sectors and investment strategies with about half of all respondents saying they have avoided investing in start-ups.

While there still is room for improvement it is clear that in a region where finances are of major concern to a large portion of the population, there is sustained confidence in the near and long-term financial futures.

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