

Financial Advisors and the Intergenerational Transmission of Investment Behavior

Frank Graef^{†, #}, Daniel Hoechle[‡], Markus Schmid[§]

11 June 2026

Abstract

Children tend to hold the same securities as their parents, but why? Using account-level data from a medium-sized retail bank, we show that shared financial advisors significantly amplify this intergenerational similarity. When parents and children have the same advisor, the likelihood that children hold a parental security more than doubles, and trading synchronization increases threefold, with 85% of synchronized trades among same-advisor pairs occurring on the very same day. Using detailed data on advisor-client contacts, we decompose this effect into two distinct channels: cross-selling and spillovers of advice within families. The same-advisor effect increases with advisor distinctiveness, extends to adjustments in the equity share, and carries an unintended cost: because same-advisor parents and children hold more overlapping portfolios, their family-level diversification gain is smaller than that of families with different advisors. Financial advisors emerge as important but previously unrecognized actors for the intergenerational transmission of investment behavior.

JEL classification: G11, G41, G50, G51

Keywords: Security selection, Asset allocation, Financial advice, Peer effects

* We would like to thank an anonymous bank for providing the data and Thomas Cauthorn, Andreas Fuster, Dan Greenwald, Thomas Johann, Matti Keloharju, Tim Kroencke, Anna Pavlova, Stephan Siegel, Stefan Trautmann, Petra Vokata and conference participants at the 30th Annual Meeting of the German Finance Association (DGF), the 2025 European Financial Management Association (EFMA) Annual Meeting, the 2026 ZEW conference on Ageing and Sustainable Finance, the 2026 SFI Research Days, and seminar participants at the University of St. Gallen and the University of Konstanz for helpful comments and discussions.

[#] Corresponding author.

[†] University of Applied Sciences Northwestern Switzerland, Institute for Finance, CH-4002 Basel, Switzerland, frank.graef@fhnw.ch

[‡] University of Applied Sciences Northwestern Switzerland, Institute for Finance, CH-4002 Basel, Switzerland, daniel.hoechle@fhnw.ch

[§] Swiss Institute of Banking and Finance, University of St. Gallen, CH-9000 St. Gallen, Switzerland, Swiss Finance Institute (SFI), and European Corporate Governance Institute (ECGI), markus.schmid@unisg.ch

1. Introduction

When a financial advisor recommends a security to a client, how far does that recommendation reach? In many families, parents and children share the same advisor. Banks actively encourage this arrangement for relationship management and cross-generational wealth planning. If advisors shape their clients' portfolios, as recent research suggests (Foerster et al., 2017; Linnainmaa et al., 2021), then shared advisors may inadvertently synchronize investment decisions across generations, creating coordinated bets within families that neither generation explicitly chose to make together.

This paper investigates whether financial advisors act as hidden conduits for intergenerational similarity in investment behavior. This question is important for at least two reasons. First, extensive research shows that children's portfolios resemble those of their parents (e.g., Hellström et al., 2013; Li, 2014; Black et al., 2017; Fagereng et al., 2021; Knüpfer et al., 2023) with potentially far-reaching consequences for wealth mobility and the persistence of behavioral biases. However, the mechanisms underlying this resemblance remain poorly understood. If advisors drive much of the similarity, then intergenerational correlation in investment outcomes may reflect institutional features of wealth management rather than, or in addition to, family-level social influence or genetics. Second, coordinated portfolios within families raise concerns about diversification at the household level. A family whose members independently select securities benefits from natural diversification, while a family whose shared advisor directs everyone toward the same positions does not.

We address these questions using detailed account-level data from a Swiss retail bank covering the years 2009 to 2024. Our data provide two key advantages. First, we observe complete portfolios and transaction records for over 1,200 parent-child pairs, allowing us to examine similarity not only in security holdings but also in the precise timing of trades. Second, and more unusually, we observe the date and purpose of every advisory contact – physical meetings, phone calls, and written correspondence – between clients and their advisors. This level of detail allows us to trace how advice flows within families: Whether advisors actively cross-sell the same securities to parents and children, and whether recommendations intended for one generation spill over to affect the other.

We document four main findings. First, consistent with prior research, children are significantly more likely to own a security if their parents own it. Taking advantage of our trading data, we then show that this similarity extends to the timing of trades. When parents buy (sell) a security in a given month, the probability that their children buy (sell) the same security in the same

month increases substantially. We thus show that investment behavior is synchronized across generations not only in what families hold, but also in when they trade.

Second, we show that shared investment advisors significantly amplify these intergenerational correlations. When parents and children have different advisors, the probability that children own a security held by their parents is 11 percent; when both generations share the same advisor, this probability more than doubles to 26 percent. The effect is even more pronounced for trading behavior: A parental purchase increases the likelihood of a child's purchase by 6 percentage points (pp) with different advisors, but by 19pp – more than three times as much – with the same advisor. Exploiting exact transaction dates, we show that 85% of synchronized trades among same-advisor pairs occur on exactly the same day, compared to 47% among pairs with different advisors. Rather than being a minor moderating factor, the shared advisor thus appears central to explaining why parents and children invest similarly. This coordination extends beyond individual security selection to the broader asset allocation decision: When parents increase or decrease their equity share, children with the same advisor are significantly more likely to adjust in the same direction.

Third, we decompose the advisor's influence into two distinct channels. We classify trades as "advised" if they occur within a $[0, +7]$ day window following an investment-related advisory contact, and as "unadvised" otherwise. When parents and children share an advisor, an advised parental trade strongly predicts an advised trade by their children. This is consistent with cross-selling, in which advisors recommend identical securities to multiple family members in proximate meetings. However, advised parental trades also predict unadvised trades by children, suggesting that recommendations spill over within families: Parents relay advice to children, or children observe parental trades and follow suit, even without consulting the advisor themselves. Both mechanisms contribute to the coordinating effect of shared advisors, though cross-selling appears quantitatively more important.

Finally, we examine the consequences of this coordination for portfolio diversification. We compute the Herfindahl-Hirschman Index (HHI) of clients' direct equity holdings and compare the concentration of parents' and children's portfolios individually with that of the pooled family portfolio. Although same-advisor clients are individually better diversified than different-advisor clients, their portfolios overlap more heavily across generations, resulting in a smaller diversification gain. Combining their individual portfolios reduces the HHI by 0.21 (vs. 0.35) for children and 0.18 (vs. 0.25) for parents. Advisor-mediated coordination thus carries an unintended cost at the family level.

A natural concern is that families who share an advisor may differ systematically from those who do not. We find that shared advisors are indeed more common among wealthy private banking clients, older children, and geographically proximate family members. All these characteristics may be associated with closer family relationships and more correlated investment decisions. We address this concern using multiple strategies. Within subsamples stratified by parental wealth, child age, and geographic proximity, the same-advisor effect remains large and significant, suggesting it does not simply reflect these factors. We further construct a measure of each advisor's distinctiveness, adapting the active share measure of Cremers and Petajisto (2009) to our setting. For each advisor and month, we compute the deviation of the advisor's clients' average portfolio weights from the bank-wide average, using only non-family clients and ranking advisors separately within the retail and private banking segments to ensure that the measure captures within-segment variation in advisor style. If the shared-advisor effect is genuinely driven by the advisor's recommendations, it should be stronger when the advisor has a more idiosyncratic investment philosophy. Consistent with this prediction, we find the same-advisor effect to increase monotonically in the advisor's lagged active share: For security holdings, the interaction coefficient for the most distinctive advisors (top tercile) is more than twice as large as for the least distinctive advisors (bottom tercile), with a similar gradient for purchases and sales. This gradient persists in specifications with security $\times$ pair fixed effects that identify the effect exclusively from within-family temporal variation in the advisor's style. For a given parent-child pair with a given shared advisor, intergenerational similarity is stronger in months in which the portfolio of the advisors' clients happens to be more distinctive – a pattern that is difficult to attribute to time-invariant family characteristics such as closeness, communication frequency, or shared preferences. In addition, we conduct placebo tests that replace actual parents with random clients matched on demographics and shared advisors. Random clients have no predictive power for children's investments, ruling out methodological artifacts. Clients matched on parents' demographic characteristics produce economically small but statistically significant coefficients, indicating modest "clientele effects". Clients who share the child's advisor produce the largest placebo effects, confirming the existence of "advisor effects" beyond family ties. Crucially, however, the placebo coefficients in all specifications remain considerably smaller than the same-advisor effect we estimate for actual parent-child pairs, indicating that our main estimates capture family-specific channels beyond general advisor style and clientele effects.

Our findings contribute to three streams of literature. First, we advance research on the intergenerational transmission of investment behavior (e.g., Hellström et al., 2013; Li, 2014;

Black et al., 2017; Fagereng et al., 2021; Knüpfer et al., 2023).¹ Prior work shows that children's portfolios resemble their parents', but does not explain why. We identify shared financial advisors as an important, previously unexamined channel that operates through identifiable mechanisms (i.e., cross-selling and spillovers), complementing rather than replacing social influence and genetic transmission as explanatory channels. This distinction matters: If advisor-mediated coordination drives intergenerational similarity, then regulatory or institutional changes in wealth management could affect the transmission of investment behavior across generations.

Second, we extend the literature on financial advice beyond individual client-advisor relationships. Existing research shows that advisors influence their clients' asset allocation and security selection (e.g., von Gaudecker, 2015; Foerster et al., 2017; Hoechle et al., 2017, 2018; Linnainmaa et al., 2021). We show that this influence propagates through family networks, with advisors acting as nodes that connect and synchronize the portfolios of related clients. The "advisor effects" we document in placebo tests, where unrelated clients of the same advisor hold and trade similar securities, complement prior findings on advisor fixed effects and highlight that such effects cascade across generations when families share an advisor.

Third, our results contribute to the literature on return heterogeneity and wealth inequality (e.g., Campbell et al., 2019; Bach et al., 2020; Fagereng et al., 2020).² Wealthy private banking clients and their children exhibit particularly strong investment coordination, with same-advisor effects about twice as large as those among retail clients. To the extent that shared advisors induce correlated investment outcomes within affluent families, our findings suggest a channel through which return heterogeneity and the resulting wealth disparities may persist across generations.

2. Data

2.1. Sample selection and variable construction

The data sample is provided by an anonymous Swiss retail bank ("the bank"), whose services include checking and saving accounts, mortgages, private and business loans, investment

¹ A related literature examines peer effects in investment behavior (e.g., Hong et al., 2004; Ivkovic and Weisbenner, 2007; Brown et al., 2008; Kaustia and Knüpfer, 2012; Bursztyn et al., 2014; Hvide and Östberg, 2015; Zhang et al., 2018; Ouimet and Tate, 2020 and Hellstroem et al., 2022). While a family member can be considered a different kind of "peer", family relationships arguably have a different quality than social interactions among colleagues or neighbors, not least because of shared genetics. For similarities in the investment behavior of identical and fraternal twins, see, e.g., Cesarini et al. (2010), Barnea et al. (2010), Calvet and Sodini (2014), and Cronqvist and Siegel (2014).

² There is also a theoretical literature that models return heterogeneity as a driver of wealth inequality, see, e.g., De Nardi and Fella (2017) and Benhabib et al. (2019).

accounts, retirement funds, and other mutual funds. The bank also offers investment mandates where investment decisions are fully delegated to an advisor. Although the bank focuses primarily on relationship banking in its home market, it serves clients throughout Switzerland and some clients abroad.

First, a random sample was drawn from the population of the bank's clients with financial assets of more than CHF 75,000 at one point in time, but never more than CHF 10 million. The bank also provided data on all clients who are related to the clients drawn in the first step. The dataset covers the 192-month period from January 2009 to December 2024 and contains detailed information on clients' account balances, investment positions, security trades, net new money, demographic characteristics (e.g., gender and year of birth), home address ZIP code, an identifier for the advisor assigned to each client, and, for some clients, information on family relationships, which the bank collects for cross-selling purposes. Moreover, it includes information on client-advisor contacts (i.e., physical meetings or phone / mail conversations), with multiple flags for the topics that were discussed, and a flag indicating whether the client or the advisor initiated the contact.

We apply several sample screens. First, we restrict the observation period for each client to ages 18 to 99 and exclude all clients with missing gender or year of birth. Clients must own at least one stock or mutual fund to be included in the sample in a given month. We further exclude all clients who own a joint investment account, since another person with access to the account (e.g., the client's partner) might be responsible for the investment decisions. Finally, we exclude all clients with investment mandates (which are managed by bank employees on behalf of the client), resulting in a screened sample of 26,038 clients. From this sample, we construct parent-child pairs using data on family relationships. The final panel contains 1,040 parents and 1,158 children, which together form 1,241 parent-child pairs. The total number of pair-months is 88,504.³

In the main empirical analysis, we focus on clients' investments in stocks and mutual funds. We include proprietary in-house funds sold by the bank, but exclude voluntary ("pillar 3a") retirement funds, as clients cannot buy and sell these funds whenever they choose (see, e.g., Hoechle et al., 2026). Excluding direct bond holdings and other financial assets ensures that redemptions at the maturity date are not misinterpreted as a joint sale. In total, the sample

³ For a parent-child pair to be included in a given month, both the parent and the child must own at least one stock or mutual fund. If this is the case for a child and both of her parents, this results in two pair-month observations. The same logic applies for parents with multiple children in the dataset. We exclude pairs that remain in the sample for less than six months.

contains 2,825 different stocks and mutual funds. To create an estimation sample that comprises clients' actual and *potential* investments, we assume that clients can always invest in the entire universe of stocks and mutual funds and retrieve the full set of pair-security-month combinations. We then define a dummy variable *invested* that equals one if a client owns a security in month t , and zero otherwise.

Bank wealth corresponds to the sum of all financial assets (i.e., cash holdings, investment positions, and retirement funds) a client holds with the bank, while investment wealth refers only to the sum of all investment positions (i.e., non-cash financial wealth, excluding retirement funds). Clients' co-held security share is defined as the amount invested in securities jointly held by both generations relative to total investment wealth.⁴ As clients in the sample may have other important banking relationships, bank wealth is an imperfect proxy of a client's total financial wealth. To identify wealthy clients, we therefore use a dummy variable that equals one for private banking clients and zero for retail clients. Since private banking services are generally only available to individuals with high net worth, we expect this variable to be a better indicator of high economic status. We calculate monthly returns on investment wealth, using data on net new money to account for security purchases and sales.⁵ Finally, to investigate the impact of joint advisors, we define a dummy variable *same advisor* that equals one if parents and children have the same investment advisor in month t , and zero otherwise. Table A1 in the Appendix describes all variables used in the empirical analysis.

2.2. Summary statistics

Panel A of Table 1 shows descriptive statistics on client and portfolio characteristics. The average age of children (parents) is 40 (70) years, 21% (27%) are private banking clients, and 40% (52%) are female. 49% of parents and children have the same advisor and 46% live in the same ZIP code. Mean bank wealth of children (parents) is CHF 260,163 (CHF 593,672), of which CHF 131,276 (CHF 391,014) is investment wealth. On average, children (parents) invest in 5.2 (7.3) different securities, have at least one investment-related advisor contact in 5% (8%) of all months, earn a portfolio return of 0.21% (0.17%) per month, and invest 50.5% (51.8%) in stocks, 10.1% (7.1%) in equity funds, 2.7% (5.8%) in bonds, 5.6% (8.7%) in bond funds, 29.0% (23.9%) in other / balanced funds and ETFs, and 2.1% (2.7%) in other direct

⁴ In particular, when a child (parent) and his or her parent (child) are both invested in a particular security in month t , the position counts towards the child's (parent's) co-held security portfolio.

⁵ To mitigate the impact of outliers, we drop returns above the 99th or below the 1st percentile. As the bank calculates net new money using closing prices and exchange rates at the last trading day of the prior month, actual returns may differ in months with purchases or sales since clients typically do not trade at month-end.

investments. Finally, children's mean (median) portfolio share in co-held securities equals 32.0% (13.2%), and 26.2% (10.5%) for their parents, highlighting that there is significant overlap in the portfolio composition of parents and children at an individual-security level.⁶

Panel B shows descriptive statistics on clients' investment decisions. When looking at clients' actual investments in stocks and mutual funds shown in the second and fourth columns, children (parents) buy in 4.88% (3.72%), sell in 2.56% (2.49%), and hold, without buying or selling, in all remaining security-months.⁷ In the full estimation sample, comprising all possible pair-security-month combinations and shown in the first and third columns, summary statistics for the investment decision variables are multiplied by 100 for readability. Table A2 in the Appendix presents separate summary statistics for the same-advisor and different-advisor subsamples.

[Table 1 about here]

3. Main results

The empirical analysis in this section proceeds in three steps. First, we establish baseline patterns of intergenerational similarity in security holdings, confirming that children are substantially more likely to own securities held by their parents and showing that shared advisors significantly amplify this similarity. Next, we examine the trading behavior, demonstrating that the timing of purchases and sales is also synchronized across generations, with shared advisors again playing a central role. Finally, we use the granular timing of advisor-client contacts to decompose the advisor effect into two channels: Cross-selling, where advisors directly recommend identical securities to family members, and spillovers, where advice intended for one generation indirectly influences the other.

3.1. Security selection across generations

We first set out to examine the probability that children own a particular security, conditional on their parents owning the security. Using the full estimation sample, which represents clients' actual and potential investments in stocks and mutual funds, we estimate a linear probability model as follows:

⁶ Figure A1 in the Appendix also shows a slight increase in the mean and median co-held security share for children and parents from January 2009 to December 2024.

⁷ Moreover, for children (parents), 0.55% (0.63%) out of all security-months are classified as "advised" purchases, 0.32% (0.55%) as "advised" sales, 4.33% (3.09%) as "unadvised" purchases, and 2.23% (1.94%) as "unadvised" sales. See Section 3.3 and Table A1 in the Appendix for definitions of these variables.

$$invested_{c,j,t} = \alpha + \beta \times invested_{p,j,t} + \varepsilon, \quad (1)$$

Where subscript c identifies children, p denotes parents, j identifies securities, and t represents time (i.e., months). *invested* is a dummy variable that equals one, if a client owns security j in month t , and zero otherwise. Children's conditional ownership probability thus equals $\hat{\alpha} + \hat{\beta}$ ($\hat{\alpha}$) for securities owned (not owned) by their parents. Throughout the paper, for all regressions conducted using the pair-security-month sample, standard errors are two-way clustered at the parent-child pair and security levels to account for multiple children per parent, more than one parent per child, and correlated investment decisions within a given security (Knüpfer et al., 2023).

Column (1) of Table 2 shows the results. The probability that children own a given security equals 19.20% (0.11%) if their parents own (do not own) the security, which corresponds to a statistically significant difference of 19.09pp (t-value: 11.89). This finding is consistent with results in Knüpfer et al. (2023), reporting a conditional probability of 15.8% (12.2%) if the investor's mother (father) owns the security and 0.3% (0.3%) if she (he) does not.

We next analyze the influence of shared investment advisors by including a dummy variable *same advisor* that equals one if parents and children have the same advisor in month t , as well as an interaction term between this dummy variable and the indicator for parental ownership:

$$invested_{c,j,t} = \alpha + \beta \times invested_{p,j,t} + \gamma \times invested_{p,j,t} \times same_advisor_{c,p,t} + \delta \times same_advisor_{c,p,t} + \varepsilon \quad (2)$$

Children's ownership probability for securities owned (not owned) by their parents now equals $\hat{\alpha} + \hat{\beta} + \hat{\gamma} + \hat{\delta}$ ($\hat{\alpha} + \hat{\delta}$) if both generations are advised by the same person and $\hat{\alpha} + \hat{\beta}$ ($\hat{\alpha}$) otherwise.

Results in Column (2) show that when parents and children have the same advisor (different advisors), children's ownership probability equals 25.6% (10.7%) if their parents also own the security. The difference in the predictive power of parental ownership is statistically significant, with a coefficient for the interaction term of 14.9pp (t-value: 6.6), suggesting that shared advisors play an important role in facilitating the intergenerational correlation documented in Column (1).

The baseline regressions in Columns (1) and (2) do not account for the general popularity of a particular stock or mutual fund. Parental ownership may therefore also reflect a generally higher

likelihood of a given stock or fund to appear in clients' portfolios.⁸ To address this issue, we add security $\times$ month fixed effects to the specifications shown in Equations (1) and (2).

Comparing the results in Column (3) to those in Column (1) shows that including security $\times$ month fixed effects leads to a small decrease in the coefficient from 19.1pp to 16.0pp, while it remains highly statistically significant (t -value: 11.5). Further, results in Column (4) show that the predictive power of parental ownership is still significantly stronger when parents and children are advised by the same person, with a statistically significant interaction term of 15.0pp (t -value: 6.9).

Before analyzing purchases and sales in greater detail in the next section, we examine whether parents and children show a similar timing when *entering* or *exiting* a security position. To do so, we follow the approach of Knüpfer et al. (2023) and include security $\times$ client fixed effects to analyze the within-variation in security holdings.

While Knüpfer et al. (2023) report an increase in the probability of children entering or exiting a security position by 2.4pp (3.8pp) if the father (mother) enters or exits the security position in the same year, the coefficient in Column (5) is substantially larger at 13.3pp (t -value: 7.6). This difference may be explained by the precise time stamps in our dataset while Knüpfer et al. (2023) only observe security holdings at an annual frequency and therefore miss parent-child similarities that result from entering or exiting security positions where round trips are closed *within* a given year. Importantly, Column (6) again shows a significantly larger effect when both generations have the same advisor.

[Table 2 about here]

3.2. Security purchases and sales across generations

Estimating a regression with security $\times$ client fixed effects as in Knüpfer et al. (2023) comes with at least two major drawbacks. First, this approach only examines changes at the extensive margin (i.e., clients newly entering or completely closing a security position). Changes at the intensive margin (i.e., clients increasing or decreasing an existing security position) are not captured by this analysis. Second, this approach does not allow us to separately analyze buy and sell decisions. This is problematic because it may well be that parents and children behave more similarly when buying securities than when selling, or vice versa.

⁸ The five most frequently held securities are an in-house mixed equity / bond fund, followed by four Swiss large cap stocks: Nestlé, Zurich Insurance, Novartis, and Roche.

We now conduct an analysis that studies similarity between parents and children in buying and selling securities separately. To this end, we estimate the following linear probability model once for buy and once for sell decisions:

$$buys_{c,j,t} = \alpha + \beta \times buys_{p,j,t} + \mu_{j,t} + \varepsilon \quad (3)$$

$$sells_{c,j,t} = \alpha + \beta \times sells_{p,j,t} + \mu_{j,t} + \varepsilon, \quad (4)$$

where c denotes children, p denotes parents, and $buys$ ($sells$) is a binary variable that takes the value one if the client was a net buyer (seller) of security j in month t , and zero otherwise. We add security $\times$ month fixed effects, $\mu_{j,t}$, to control for market-wide changes in the probability that certain securities are traded in a given month. To examine whether joint investment advisors mediate the intergenerational correlation, we estimate the following two regression specifications:

$$buys_{c,j,t} = \alpha + \beta \times buys_{p,j,t} + \gamma \times buys_{p,j,t} \times same_advisor_{c,p,t} + \delta \times same_advisor_{c,p,t} + \mu_{j,t} + \varepsilon \quad (5)$$

$$sells_{c,j,t} = \alpha + \beta \times sells_{p,j,t} + \gamma \times sells_{p,j,t} \times same_advisor_{c,p,t} + \delta \times same_advisor_{c,p,t} + \mu_{j,t} + \varepsilon \quad (6)$$

Panel A of Table 3 presents the results. Comparing Columns (1) and (3), the absolute increase in the probability that children make the same investment decision is larger when parents buy a given security in month t , with a coefficient of 13.2pp (t -value: 6.5), than when parents sell a given security in month t , with a coefficient of 8.9pp (t -value: 4.9). However, the unconditional probability of security purchases is approximately 1.9 times higher in the estimation sample (see Panel B of Table 1), so that the *relative* increase in the probability is slightly larger for security sales.

Consistent with the results of the previous section, Columns (2) and (4) reveal a substantial influence of joint advisors. When parents have a different advisor than their children and buy (sell) a given security in month t , the probability that their children buy (sell) the same security increases by 6.0pp (2.3pp). This intergenerational correlation in security trades is amplified when both generations share a common advisor, as evidenced by the statistically significant coefficients on the interaction terms. Specifically, a parental purchase (sale) of a given security in month t leads to an increase in the likelihood that children buy (sell) the same security of 6.0pp + 12.8pp = 18.8pp (2.3pp + 10.8pp = 13.1pp) if parents and children share the same advisor.

[Table 3 about here]

3.3. *Advised and unadvised security trades*

Next, we investigate potential channels through which joint advisors influence joint holdings and synchronize trading between parents and children. To do so, we exploit a unique feature of the dataset, namely that the data contain information about the exact date and purpose of any advisory contact. This allows us to identify contacts whose primary purpose was to discuss investment opportunities or the overall performance of the client's portfolio.

Focusing on these investment-related contacts, we define trades as "advised", if they take place within an event window spanning the day of the contact and the following seven days. Trades that fall outside this window are classified as "unadvised." We use these classifications to construct two separate tests, each designed to isolate a distinct channel through which shared advisors may coordinate family investment behavior: Cross-selling and advice spillovers.

We then re-estimate the regression specifications in Equations (3) to (6), focusing on advised purchases (sales) by the parent as the independent variable and relating this variable to either advised or unadvised purchases (sales) of children as the dependent variable.

The first test targets the cross-selling channel. If shared advisors coordinate family portfolios by recommending the same securities to both generations in proximate meetings, this should manifest as a strong correlation between advised parental trades and advised trades by their children. To ensure that children have the opportunity to make an advised trade, we restrict this test to months in which children had an investment-related advisory contact in the current or the prior month.

When parents and children share a common advisor, the coefficient of a regression with children's advised purchases as the dependent variable can be interpreted as a measure of cross-selling, assuming that advisory contacts of family members tend to be scheduled in the same month.⁹ The coefficient of a regression with children's advised sales as the dependent variable measures the extent to which parents and children simultaneously follow the sell recommendations of their advisor, perhaps switching to another stock or mutual fund.

⁹ The data support this hypothesis. For the same-advisor subsample in Table A2 in the Appendix, the probability that children have at least one advisory contact in a given month is approximately 6%. In months with an advisory contact of their parents, this probability increases more than fourfold to 27%.

When parents and children have different advisors, a statistically significant coefficient may instead reflect bank-wide sales efforts for certain funds, the bank's house view on individual stocks, or other types of commonalities in the advice provided by the bank's advisors.

The second test targets the spillover channel. If advice intended for one generation propagates within the family – because parents relay recommendations to their children, or because children observe and mimic parental trades – this should manifest as a correlation between advised parental trades and unadvised trades by their children. To cleanly identify unadvised trades, we restrict this test to months in which children did not have an investment-related advisory contact in the current or the prior month. This restriction mitigates the risk of falsely classifying trades as "unadvised" that occur shortly after the seven-day event window, for example, ten days after a contact that took place early in the month.

In contrast to the cross-selling test, the coefficients in regressions with children's *unadvised* purchases or sales as the dependent variable capture spillovers of advice within the family, whereby social influence causes children to also respond to investment advice primarily intended for their parents.

The results are reported in Panel B of Table 3. The baseline coefficients in Columns (1), (3), (5), and (7) are all positive and statistically significant. In the joint advisor case, Columns (2) and (4) show that an advised parental purchase (sale) leads to an increase in the probability of an advised purchase (sale) by their children of $4.9\text{pp} + 14.6\text{pp} = 19.5\text{pp}$ ($3.7\text{pp} + 9.9\text{pp} = 13.6\text{pp}$), while Columns (6) and (8) show an increase in the likelihood that children make an *unadvised* purchase (sale) of $1.0\text{pp} + 1.4\text{pp} = 2.4\text{pp}$ ($0.7\text{pp} + 0.2\text{pp} = 0.9\text{pp}$). When parents and children have different advisors, the effects of cross-selling and spillovers of advice are weaker and less significant, indicating that both effects contribute to the role of shared advisors as a mediator of the intergenerational correlation in investment decisions.

In summary, we find (1) that parents and their children tend to select the same securities, (2) that this similarity extends to the timing of security purchases and sales, (3) that all of these relationships are *significantly* stronger when parents and children are advised by the same person, and (4) that both cross-selling and spillovers of advice within the family contribute to this increase.

4. Timing of intergenerational trades

The regression results in Section 3.2 establish that parents and children frequently buy or sell the same security in the same month. However, monthly data cannot distinguish between trades

that occur on the same day, consistent with a shared advisor executing coordinated transactions, and trades that are separated by weeks, which would be more consistent with slower channels such as family communication or independent responses to public information. To shed light on the temporal structure of parent-child trade synchronization, we exploit exact transaction dates available in our data. For 2,415 out of the 3,719 instances in our sample, in which both generations buy or sell the same security in the same month, we observe the exact date of both parents' and children's first transaction in that security during the month.

Figure 1 plots the distribution of the difference (in days) between the child's first trade and the parent's first trade. Negative (positive) values indicate that the child traded before (after) the parent. We present the distribution separately for the same-advisor (Panel A) and different-advisor (Panel B) subsamples.

[Figure 1 about here]

Panel A reveals a striking pattern: Among same-advisor pairs, 84.8% of synchronized trades occur on exactly the same day (1,676 out of 1,977 observations). The distribution shows no systematic tendency for either generation to trade first, consistent with the shared advisor coordinating both trades, rather than one generation influencing the other through direct communication. A social influence story, in which one generation observes the other's trades and then decides to follow suit, would produce a distribution shifted away from zero, with the "following" generation's trades systematically lagging behind.

Panel B shows that among pairs with different advisors, the concentration at day zero is much less pronounced: 47.3% of synchronized trades occur on the same day (207 out of 438 observations), compared to 84.8% for same-advisor pairs. This weaker same-day concentration may reflect slower transmission channels (e.g., family communication, shared responses to public information, etc.). However, the finding of a non-trivial share of trades still occurring on the same day suggests that some intergenerational coordination operates independently of the advisor, though it is quantitatively less important.

To more directly examine the role of advisory contacts, we next analyze the timing of trades relative to investment-related advisory meetings. For the 562 instances in which parents and children trade the same security in the same direction within the same month and either one or both family members received investment advice in that month, Figure 2 plots the difference (in days) between the pair's first advisory contact and the pair's first trade in the security.

[Figure 2 about here]

The distribution peaks distinctively at zero, confirming that advisory contacts and trades frequently occur on the same day. Moreover, the distribution is right-skewed: A substantial share of advisory contacts precede the first trade by several days.¹⁰ Relatively few trades occur before the advisory contact, consistent with the contact triggering the subsequent trade. These few trades might reflect situations in which one family member trades independently, and the other consults the advisor before executing their own trade later in the month.

Taken together, the strong concentration of synchronized trades at day zero among same-advisor pairs, the weaker concentration among different-advisor pairs, and the temporal link between advisory contacts and trades all point toward the shared advisor as the trigger for intergenerational trade synchronization.

5. Robustness tests

Baseline results in Section 3 show that shared advisors are associated with a significant increase in intergenerational investment similarity. A natural question is whether this reflects a causal effect of advisors or whether confounding factors jointly influence both advisor choice and investment coordination. For example, families who share an advisor may also be closer-knit, communicate more often, or share unobserved preferences, any of which could independently lead to correlated portfolios. We address this question using several complementary approaches. First, we examine which observable characteristics predict shared advisors and test whether our results hold within subsamples stratified by these characteristics. Second, we analyze different security types and popularity levels to assess whether the results are driven by specific segments of the investment universe. Third, we focus on parent-child pairs who switch between having the same and different advisors during our sample period and exploit quasi-exogenous variation in same-advisor status to isolate the causal effect. Fourth, we use a measure of advisor distinctiveness, which considers the deviation of an advisor's clients' portfolios from the bank-wide average portfolio to study whether the shared-advisor effect is stronger when the advisor has a more idiosyncratic investment philosophy. Finally, we conduct several placebo tests to assess the extent to which the similarity is specific to family relationships, rather than reflecting broader investment patterns across the bank's client base.

¹⁰ Of the 562 observations, 318 (56.6%) fall within a $[0, +7]$ day window, lending empirical support to the event window used to classify trades as "advised" in Section 3.3.

5.1 Determinants of joint advisors

The probability that parents and children share a common advisor is expected to be higher if parents are private banking clients. As private banking clients interact more frequently with their advisor, they might build a closer personal connection and therefore exhibit a higher propensity to recommend their advisor to their children.¹¹ In addition, private banking includes "cross-generational" services, such as tax-efficient estate planning. Hence, parents and children in this segment may benefit more from receiving advice from a common source. Moreover, private banking clients may have the bargaining power to have their children accepted as wealth management clients, even though they would otherwise not qualify.¹² Also, geographic proximity between parents and children may correlate with a common advisor, for example, because it is more convenient for clients to visit a nearby bank branch for an advisory meeting. Finally, clients may be matched to advisors that share similarities, for instance in terms of gender or age, so the probability of shared advisors could be higher (1) if the age distance between parents and children is lower and (2) if they have the same gender (i.e., for mother-daughter and father-son pairs).

To investigate the determinants of joint advisors, we therefore estimate the following logistic regression with the *same advisor* dummy as the dependent variable:

$$\text{logit}(P) = \alpha + \beta \times \text{private banking}_{p,t} + \gamma \times \text{age}_{c,t} + \delta \times \text{age distance}_{c,p} + \theta \times \text{same ZIP code}_{c,p,t} + \varphi \times \text{same gender}_{c,p} + \varepsilon \quad (7)$$

The unit of observation corresponds to a pair-month. Standard errors are clustered at the parent-child pair level. Marginal effects are reported in Table 4.

Column (1) shows that the probability of shared advisors increases if parents are private banking clients. In Column (2), we find a highly statistically significant coefficient for child age and a borderline significant coefficient for the age distance between parents and children. In Column (3), the coefficients for the *same ZIP code* and *same gender* dummy variables are both statistically insignificant. Column (4), which includes all explanatory variables, shows an increase in the probability of shared advisors if parents are private banking clients, if children are older, and if both generations live in the same ZIP code.

¹¹ In particular, we find that private banking clients and their children have significantly more months with at least one investment-related contact (13% for parents and 10% for children), compared to their peers in the retail segment (5% for parents and 3% for children).

¹² Supporting this view, 71% of all children of private banking clients are themselves classified as private banking clients, while the figure is only 2% for children of retail clients.

[Table 4 about here]

5.2 Subsample analysis

In this section, we conduct subsample tests of the baseline results on parent-child similarity in security selection (Columns (3) and (4) of Table 2) and trading behavior (Panel A of Table 3). Regressions are set up according to Equations (1) to (6) and include security $\times$ month fixed effects. Results are presented in Table 5. Panel A reports results on security holdings, Panel B on security purchases, and Panel C on security sales.

5.2.1 Results by parent wealth, child age, and geographic proximity

First, we split the sample according to parent wealth, child age, and geographic proximity of parents and children, which the previous section has shown to affect the probability that both generations have the same advisor. The rationale behind these subsample tests is to mitigate the risk that the influence of joint advisors documented in Section 3 stems from one of these correlated variables.

Columns (1) and (3) of Panel A show that the baseline results mask substantial heterogeneity by parent wealth. For parents who are private banking clients, parental ownership increases children's probability of owning the security by 18.9pp (t -value: 8.3), compared to an 11.4pp (t -value: 11.3) increase for parents who are retail clients.¹³ Columns (2) and (4) show a marked increase in the coefficients when parents and children have the same advisor. This difference shows up in both subsamples, given the positive and statistically significant coefficients for the interaction terms. However, it is much larger if parents are private banking clients, with a coefficient of 2.4pp (t -value: 2.2) in the different advisor case. These results suggest that the influence of the advisor largely outweighs the social influence of family members in the case of wealthy families. For security purchases and sales in Panels B and C, the pattern looks similar.

Columns (5) and (7) show results from regressions estimated separately for children who are 40 years old or younger and for children who are older than 40 years. Coefficients in Panels A to C suggest a stronger intergenerational similarity for older children. Columns (6) and (8)

¹³ Consistent with a closer alignment in investment behavior, there is significantly larger portfolio overlap at the individual-security level between private banking clients and their children. In particular, the mean (median) share of investment wealth in securities co-held by parents and children is 26.8% (17.6%) for private banking clients and 36.3% (27.3%) for their children, compared to 21.5% (9.7%) for retail clients and 30.8% (8.5%) for their children.

confirm a large impact of joint advisors on the similarity between parents and children in security selection and trading behavior.

Columns (9) and (11) split the sample by the geographic proximity of parents and children, which we approximate by a dummy variable that is equal to one if both generations live in the same ZIP code, and zero otherwise. We find a stronger similarity in security choice and trading behavior when parents and children live in the same ZIP code, possibly because living in the vicinity of family members provides more opportunities to talk about investment ideas.¹⁴ Still, Columns (10) and (12) show a considerable influence of joint advisors which is somewhat larger if parents and children live in the same ZIP code.

Overall, the evidence presented in this section suggests that the influence of joint advisors does not originate from a correlated variable, in particular, parent wealth, child age, or geographic proximity. In addition, the results reveal a much stronger alignment in the investment decisions of wealthy private banking clients and their children.

5.2.2 Results for stocks versus mutual funds

Another concern may be that the results are driven by either stocks or mutual funds. For example, investors may have a stronger opinion on the prospects of individual companies than on diversified funds. Assuming that family members are more likely to talk about the former, parents and children may behave more similarly when investing in individual stocks. On the other hand, cross-selling by the advisor might result in a larger effect for mutual funds. To test these competing hypotheses, we split the sample by security type, with the first subsample containing only mutual funds and the second subsample containing only individual stocks.

Columns (13) and (15) of Table 5 show that the baseline results are not confined to either stocks or mutual funds. Furthermore, Columns (14) and (16) show that joint advisors matter irrespective of security type, as evidenced by the consistently positive and statistically significant coefficients on the interaction terms.

5.2.3 Excluding in-house funds

In addition, we test the robustness of our results after excluding the bank's own funds. If advisors are strongly incentivized to cross-sell the bank's own funds to family members, these

¹⁴ This view is consistent with research that documents peer effects among neighbors (see, e.g., Hong et al., 2004, Ivkovic and Weisbenner, 2007, and Brown et al., 2008). Alternatively, if family members have a closer relationship to begin with, this may simultaneously cause more coordinated investment behavior and a higher propensity to live in the same location.

sales efforts may exert an undue influence on the key finding that the coefficients increase significantly when both generations share a common advisor.

To address such concerns, we identify all of the bank's in-house funds, exclude them from the estimation sample and then re-estimate the baseline results. Columns (17) and (18) show that the results remain qualitatively unchanged after restricting the investment universe to stocks and third-party funds. In fact, doing so leads to a slight increase in the size and statistical significance of the coefficients.

5.2.4 Results for most frequently held securities versus all others

The general popularity of a given security might also play a role. For example, the influence of joint advisors could be limited to a small number of securities that are much more likely to constitute part of an investor's portfolio, while not being present among less popular securities, such as foreign small cap stocks. To test this conjecture, we first identify the 100 most popular securities, measured by clients' unconditional ownership probability. We then re-estimate our baseline results for these securities and all other 2,725 less frequently held securities.

Columns (19) and (21) show that the similarity between parents' and children's investment decisions can be observed in both subsamples, with coefficients being statistically significant at the 1% level.¹⁵ Columns (20) and (22) show that, within both subsamples, the similarity is significantly stronger if parents and children have the same advisor. Based on these findings, we conclude that our baseline results also hold for securities that are less likely to appear in an investor's portfolio.

5.3 Exogenous changes in same-advisor status

Although clients in our setting cannot actively choose their advisor, the decision to assign the same advisor to parents and children may reflect observable or unobservable family characteristics (such as financial sophistication, geographic proximity, or general closeness) that might confound our baseline estimates. To more cleanly isolate the causal effect of shared advisors, we focus on parent-child pairs who switch between having the same and different advisors during our sample period and exploit quasi-exogenous variation in same-advisor status driven by advisor career transitions.

¹⁵ Naturally, the conditional probability that children own or trade the security if their parents do *not* is much larger for the 100 most popular securities. This can be seen when comparing the intercept terms, which are not displayed in Table 5. For example, in Column (19) of Panel A the intercept equals 1.80 (*t*-value: 22.9), while in Column (21) of Panel A the intercept equals 0.05 (*t*-value: 15.4).

Specifically, we classify a change as quasi-exogenous if the advisor involved either leaves the bank within the next five years or belongs to the oldest age category (> 55 years) at the time of the change. In both cases, the change in same-advisor status is likely driven by the advisor reducing their workload, transferring clients to younger colleagues, or departing the bank, rather than by the family's investment preferences. We focus on changes where the parent-child pair transitions from sharing the same advisor to having different advisors, or vice versa. When a pair experiences multiple such exogenous changes, we focus on the first one. The resulting sample only includes 51 parent-child pairs with a quasi-exogenous change in same-advisor status, out of the 1,241 pairs in the full sample.

For each pair, we restrict the observation period to five years before and five years after the change, requiring a minimum of six months on each side. We then re-estimate the baseline specifications from Equations (1) to (6) on this restricted sample, including security $\times$ month fixed effects. Table A3 in the Appendix presents the results. Column (1) shows that intergenerational similarity in security holdings is present in this restricted sample: parental ownership increases the probability of children's ownership by 10.61pp (t -value: 3.50). Column (2) introduces the same-advisor interaction. The coefficient on the interaction term is 6.16pp and marginally significant (t -value: 1.68), indicating that even when within-family changes in advisor status are driven by the advisor's career trajectory, intergenerational similarity in holdings is amplified during periods when both generations share the same advisor.

For trading behavior, the baseline effects are large and significant. A parental purchase (sale) increases the probability of a child's purchase (sale) by 18.86pp (17.98pp) in Columns (3) and (5). When the same-advisor interaction is introduced in Columns (4) and (6), the interaction coefficients are positive and economically sizeable (8.51pp for purchases and 6.74pp for sales) but do not reach conventional significance levels. Given that the sample comprises only 51 pairs and trading events are considerably rarer than holdings, limited statistical power is the most likely explanation for this attenuation in statistical significance.

While the results for trading behavior remain inconclusive, the holdings result in Column (2) indicates that intergenerational similarity changes when same-advisor status changes for reasons plausibly unrelated to the family's investment behavior. This is difficult to reconcile with an omitted-variable explanation in which unobserved family closeness drives both advisor assignment and correlated investment behavior, since the advisor's career transition is unlikely to coincide with a shift in the family's communication patterns or investment preferences.

[Table 5 about here]

5.4 Advisor distinctiveness

The preceding analyses show that shared advisors amplify intergenerational investment similarity, and that this effect persists within subsamples stratified by wealth, age, and geographic proximity. Still, a remaining concern is that the same-advisor indicator may partly capture unobserved family characteristics, such as communication frequency or shared investment preferences, that independently drive correlated portfolios. If the advisor channel is genuinely causal, we would expect the effect to be stronger when the shared advisor has a more distinctive investment style: An advisor whose clients hold portfolios that deviate substantially from the bank-wide average portfolio has more scope to imprint an idiosyncratic philosophy on both generations, while an advisor whose recommendations mirror bank-wide patterns adds little incremental coordination beyond what any two clients of the same bank would exhibit.

To test this prediction, we construct a monthly measure of each advisor's distinctiveness, which we refer to as the advisor's active share. The measure adapts the Cremers and Petajisto (2009) measure of active portfolio management in mutual funds to our advisor setting:

$$active\ share_{k,t} = \frac{1}{2} \sum_{j=1}^N |\bar{w}_{j,t,k} - \bar{\bar{w}}_{j,t}| \quad (8)$$

For each advisor k and month t , we compute the average portfolio weights $\bar{w}_{j,t,k}$ in security j across all of the advisor's clients. We then measure the absolute deviation of these portfolio weights from the bank-wide average weight $\bar{\bar{w}}_{j,t}$ across all clients. In both steps, we exclude any clients who appear in our parent-child sample to avoid mechanical correlation. We require that at least 10 non-family clients are available to compute the advisor's active share and exclude observations that do not meet this criterion. The mean (median) number of non-family clients used to compute advisors' active share is 59.9 (49).

Each month, we classify advisors into three groups based on their lagged (month $t-1$) active share: The top 30% (most distinctive), the medium 40%, and the bottom 30% (least distinctive). Using a lagged measure ensures that advisors' distinctiveness predates the family's investment decisions in the current month, ruling out contemporaneous mechanical correlation between the two.

To ensure that the measure captures within-segment variation in advisor style rather than systematic differences across client segments, we rank advisors separately within the retail and

private banking populations, such that the share of retail and private banking advisors is equal within each of the three groups.

For our analysis of the impact of advisor distinctiveness, we restrict our sample to months in which parents and children share the same advisor, while excluding parent-child pairs for whom this shared advisor changes during the sample period. We then re-estimate our baseline specifications for security holdings, purchases, and sales, replacing the single parental ownership or trade indicator with three interaction terms corresponding to the three active share terciles of the shared advisor. We estimate these regressions both with security $\times$ month fixed effects (as in our baseline) and with the more restrictive security $\times$ pair fixed effects, which absorb all time-invariant characteristics of a given parent-child pair and security combination. The latter specification identifies the effect exclusively from within-pair temporal variation in advisor distinctiveness: That is, we test whether for a given family with a given shared advisor the intergenerational similarity is stronger in months in which the advisor's portfolio happens to be more distinctive from the bank-wide average client portfolio.¹⁶

[Table 6 about here]

Table 6 presents the results. Across all six specifications, the coefficients increase monotonically in the advisor's active share. In the analysis of security holdings that relies on within-pair variation (Column 2), the coefficient on the interaction term for the most distinctive advisors (top 30%) is 20.04pp (t-value: 5.15), compared to 12.98pp (t-value: 5.10) for medium-distinctiveness advisors and 9.01pp (t-value: 4.11) for the least distinctive advisors. In the analysis of security purchases (Column 4), the gradient is steeper: The top-tercile coefficient of 22.69pp is more than three times the bottom-tercile coefficient of 7.07pp. A similar pattern can be observed in the analysis of security sales (Column 6), with coefficients of 18.26, 8.71, and 6.16pp for the top, medium, and bottom terciles, respectively. All coefficients are statistically significant at the 1% level.

These results support a causal interpretation of the shared-advisor effect. The monotonic increase is difficult to reconcile with an omitted variables explanation based on family closeness: There is no obvious reason why closer families would systematically be paired with more idiosyncratic advisors, particularly given that the distinctiveness measure is constructed on non-family clients and within client segments. The within-pair specifications are especially

¹⁶ Note that the identifying variation differs across outcome variables: In the analysis of holdings in Column (2), the security $\times$ pair fixed effects absorb the average holding status for each pair-security combination, so the within-pair variation is concentrated in months when children enter or exit a parental security position. In the analysis of purchases and sales in Columns (4) and (6), by contrast, we directly exploit within-pair variation in trading activity.

informative, as they hold all time-invariant family characteristics constant and identify the effect from temporal variation in advisor style. The patterns documented in Table 6 are thus consistent with the advisors' recommendations driving the coordination, rather than stable family investment preferences.

A potential concern with this test is selection on taste: If families with idiosyncratic investment preferences could actively seek out advisors who share those preferences, we might expect to find the same pattern. However, the institutional features of our setting limit the scope for such sorting. Clients in the retail and mass private banking segments, which constitute our sample, have very limited choice over their advisor assignment. They can request a change if they are dissatisfied with their current advisor, but they do not have access to detailed information about the investment philosophies, track records, or portfolio tilts of the bank's other advisors. Active selection of a specific advisor based on investment style would require precisely this kind of information.¹⁷

5.5 Placebo tests

The preceding analysis shows that children's investment behavior closely follows their parents', especially when both generations share an advisor. However, how much of this similarity is specific to family relationships, and how much reflects broader patterns in how the bank's clients invest? If clients of the same bank or the same advisor tend to hold and trade similar securities regardless of family ties, our estimates could overstate the role of genuine intergenerational transmission.

We address this question through a series of placebo tests that replace children's actual parents with randomly selected clients. By examining whether these "placebo parents" predict children's investment decisions, we can quantify the contribution of bank-wide commonalities and advisor-specific effects and assess how much explanatory power is uniquely attributable to actual family relationships. The security $\times$ month fixed effects play a central role: they absorb any component of ownership or trading that is common to a security in a given month (i.e., bank-wide model portfolios or investment trends), so the coefficients in the placebo tests only reflect advisor- or clientele-specific tilts that deviate from bank-wide patterns.

¹⁷ The situation is different for HNWI clients, who typically have the bargaining power and access to choose among advisors based on specialization and reputation. However, our sample is capped at clients with bank wealth below CHF 10 million and thus does not include HNWI clients.

We construct five types of placebo parents. First, we assign each child a client drawn randomly from the entire cross-section of bank customers who hold at least one stock or mutual fund and for whom there is no data on a family relationship in the bank's records. If the investment decisions of these random clients predict children's behavior, this would indicate that our baseline results arise at least partly from mechanical or methodological artifacts rather than genuine family effects.

Second, we assign each child a random client matched on three characteristics of the parents: customer segment (private banking or retail), gender, and birth decade. Significant predictive power in this specification would suggest "clienteles effects", that is, systematic tendencies for certain types of clients, and the children associated with them, to favor specific securities, independent of direct family influence.

Third, we assign each child a random client who shares the child's advisor. This specification directly captures "advisor effects", where advisors induce correlated portfolios among unrelated clients, reflecting the advisor's investment philosophy, recommendations, or the bank's product offerings delivered through that advisor. Significant coefficients would confirm that the advisor is a genuine source of portfolio similarity, entirely independent of any family relationship.

Fourth, we assign each child a random client who shares the same advisor as the *parent*. Because the outcome is the child's portfolio, which is shaped by the child's own advisor, the predictive power of this specification operates only through advisor overlap between generations and gauges the degree to which parents and children share advisors (or are assigned closely related advisors). We therefore expect the coefficients to be downward-attenuated versions of the advisor effects in the third specification, with the attenuation reflecting the fraction of parent-child-pairs in which the two generations are advised separately.

Fifth, we assign each child a random client who shares both the parent's advisor and demographic characteristics. Predictive power in this specification combines two distinct sources: the clienteles effects in the second specification with the downward-attenuated advisor effects in the fourth specification.

For each placebo specification, we re-estimate regressions with security $\times$ month fixed effects, as described in Equations (1), (3), and (4). Placebo parents are redrawn each month from the eligible population, ensuring that results are not driven by a particular random assignment.

Table 7 presents the results. Column (1) reports estimates using placebo parents drawn randomly from the full client population. None of the coefficients are statistically significant:

random clients' holdings do not predict whether children own a given security, and random clients' trades do not predict whether children buy or sell. This null result is reassuring, as it confirms that our baseline findings do not arise mechanically from the structure of the data or the estimation approach.

Column (2) uses placebo parents matched on observable characteristics. Here, we find small but statistically significant coefficients for holdings, purchases, and sales. Children are slightly more likely to own securities held by clients who share their parents' demographic profile, and slightly more likely to trade in the same direction. These results indicate modest clientele effects: certain types of clients, defined by wealth segment, gender, and birth cohort, gravitate toward similar securities. The magnitudes are economically small relative to our baseline estimates, however, suggesting that clientele effects explain only a minor portion of the intergenerational similarity we document.

Column (3) uses placebo parents who share the child's investment advisor. The coefficients are positive, highly significant, and the largest of any placebo specification across holdings, purchases, and sales. Children are significantly more likely to own securities held by unrelated clients of their advisor and more likely to trade in the same direction as these clients. This finding confirms substantial advisor effects. Clients of the same advisor hold and trade similar securities, presumably because they receive similar recommendations or are exposed to the same investment philosophy. Columns (4) and (5) then behave exactly as the logic above predicts. Both specifications match on the parent's advisor rather than the child's, and both yield significant coefficients that are smaller than those in Column (3).

The presence of significant advisor effects is informative for our main conclusions. It shows that advisors systematically influence their clients' portfolios, which is the premise underlying our investigation of shared advisors within families. Notably, the advisor effects documented in Column (3) are considerably smaller than the effects observed for actual parent-child pairs with the same advisor in our main analysis. This difference indicates that family relationships provide explanatory power beyond what advisor effects alone can explain. When parents and children share an advisor, the intergenerational correlation in investment behavior reflects both a general tendency for the advisor's clients to invest similarly and family-specific channels, such as cross-selling to related clients, spillovers of advice within the household, or reinforcement of the advisor's recommendations through family communication.

In sum, the placebo tests support three conclusions. First, our baseline results are not methodological artifacts: Random clients have no predictive power for children's investments.

Second, clientele effects exist but are modest. Demographic similarity accounts for only a small fraction of intergenerational correlation. Third, advisor effects are substantial and real: Clients of the same advisor invest similarly even without family ties. However, the effects for actual families exceed those for unrelated clients of the same advisor, confirming that genuine family dynamics operating through or alongside shared advisors drive the intergenerational transmission of investment behavior we document.

[Table 7 about here]

6. Intergenerational adjustments in equity share

The preceding analysis documents intergenerational synchronization at the individual security level. A natural question is whether these security-level patterns aggregate into broader shifts in asset allocation. If shared advisors coordinate not only the choice of individual securities but also the direction and timing of portfolio rebalancing, then parents and children should also exhibit synchronized adjustments in their overall equity share (i.e., the fraction of investment wealth allocated to direct equity investments and equity mutual funds).

To investigate advisors' role in synchronizing parents' and children's equity share, we re-estimate our main analysis on security trades and replace the security-level buy and sell indicators in Equations (3) to (6) with indicators for upward and downward adjustments in clients' equity share. Specifically, we define a binary variable that equals one if a client's equity share increases in a given month, and zero otherwise, and an analogous variable for decreases in the equity share. Importantly, our measure only captures rebalancing decisions attributable to trades, not variations in portfolio weights that result from different returns across asset classes. Since the unit of observation is now a pair-month rather than a pair-security-month, we replace the security $\times$ month fixed effects in the baseline specifications by month fixed effects to control for market-wide shifts in clients' equity exposure. Standard errors are clustered at the parent-child pair level.

[Table 8 about here]

Table 8 presents the results. Column (1) shows that when parents increase their equity share in a given month, the probability that their children also increase their equity share rises by 13.77pp (t-value: 9.66), from an unconditional baseline of 9.22%. Column (3) documents a similar pattern for downward adjustments: A parental decrease in equity share raises the probability of a corresponding decrease by their children by 11.13pp (t-value: 7.98), relative to a baseline of 7.64%. The intergenerational synchronization documented at the individual-

security level thus extends to the broader asset allocation decision, with parents and children moving their equity exposures in the same direction within the same month.

Columns (2) and (4) introduce the same-advisor interaction. For upward adjustments in Column (2), the coefficient on parental equity share increases is 8.00pp when parents and children have different advisors, and $8.00 + 11.06 = 19.06\text{pp}$ when they share the same advisor. The interaction term of 11.06pp is statistically significant at the 1% level (t-value: 4.20), indicating that shared advisors more than double the intergenerational correlation in upward equity adjustments. For downward adjustments in Column (4), the baseline effect with different advisors is 7.87pp, which increases to $7.87 + 6.33 = 14.20\text{pp}$ with a shared advisor. The interaction term of 6.33pp is significant at the 1% level (t-value: 2.59). The amplification is thus present for both increases and decreases in equity share, though it is somewhat larger for upward adjustments, consistent with the stronger same-advisor effects for purchases than for sales documented in the security-level analysis.

These results confirm that the advisor-mediated coordination is not confined to the individual-security level. Rather, it extends to the broader portfolio allocation decision, with shared advisors synchronizing the direction in which parents and children adjust their overall equity exposure. This finding reinforces the conclusion that shared advisors act as a centralizing force in family investment behavior, coordinating not only which securities families hold but also how they allocate wealth across asset classes.

7. Diversification at the family level

The preceding sections establish that shared advisors coordinate which securities families hold, when they trade, and how they adjust their overall equity exposure. A natural question is what this coordination implies for portfolio diversification. When parents and children select securities separately, their pooled family portfolio tends to be more diversified than their individual portfolios alone. However, if a shared advisor directs parents and children toward the same securities, this leaves the family more concentrated in common positions than it would otherwise be. In this section, we ask whether shared advisors reduce the diversification gain at the family level.

In this analysis, we focus on direct equity holdings, as it is straightforward to assess diversification at the level of individual stocks but not for mutual funds and ETFs, which typically invest in many securities. As funds are themselves diversified vehicles, family-level coordination entails a much smaller diversification loss for funds than for single stocks. Table

1 shows that direct equity holdings on average account for more than half of clients' total investment wealth. For each child, parent, or pair i and month t , we measure the concentration of direct equity holdings using the Herfindahl-Hirschman Index (HHI), defined as the sum of squared portfolio weights across the individual stock positions,

$$HHI_{i,t} = \sum_{j=1}^N w_{j,t,i}^2 \quad (9)$$

where $w_{j,t,i}$ is the share of the direct equity portfolio invested in stock j . The index ranges from close to zero for a portfolio spread fairly evenly across many stocks to one for a portfolio concentrated in one single stock. Higher values thus indicate weaker diversification. We compute the HHI at two levels. At the *individual* level, we treat the parent's and the child's direct stock portfolios separately. At the *pair* level, we pool the parent's and child's stock positions into a hypothetical family portfolio. We refer to the difference (individual HHI minus pair HHI) as the diversification gain. A large gain indicates that the two generations hold largely different stocks, so that pooling spreads wealth across a broader set of securities, while a near-zero gain indicates that the two portfolios are near-duplicates, in which case pooling does not result in a better diversified family portfolio.

Table 9 reports the results. Panel A describes the individual-level portfolios, Panel B the pooled pair-level portfolios, and Panel C the diversification gain. We report these characteristics separately for same-advisor and different-advisor pairs, along with the differences between the two subsamples.

[Table 9 about here]

At the individual level, Panel A shows that same-advisor clients are better diversified than different-advisor clients: Same-advisor children hold 6.26 stocks at an HHI of 0.35, compared with 3.58 stocks at an HHI of 0.50 for different-advisor children, and the same ranking holds for parents (0.31 vs. 0.40). This difference is consistent with the characteristics of the two subsamples: Same-advisor pairs are more likely to be private banking clients, who are wealthier, hold more positions, and have less concentrated portfolios to begin with (see Table A2 in the Appendix). Accordingly, the third and fourth rows of Panel A show large differences in direct equity investment wealth between the two subsamples. At the pair level, Panel B shows that the pooled family portfolio of same-advisor pairs is also more diversified than that of different-advisor pairs (HHI of 0.13 vs. 0.16) and that their combined portfolio consists of more stocks (10.52 vs. 7.57).

When looking at the diversification *gain* in Panel C, pooling the portfolios reduces children's HHI by 0.21 among same-advisor pairs but by 0.35 among different-advisor pairs, a difference of 0.13 that is statistically significant at the 1% level. For parents, the corresponding gains are 0.18 and 0.25, a difference of 0.07, significant at the 5% level. In other words, although parents and children in the same-advisor sample hold more diversified portfolios, they capture substantially less of the diversification gain available from combining their individually held portfolios, as these overlap more heavily.

To make the overlap more explicit, Figure A2 in the Appendix plots the distribution of the share of each child's investment wealth held in securities that the parent also holds, separately for the two subsamples. This measure is computed on all securities and on total investment wealth, providing a complementary view that is not restricted to the direct equity holdings analyzed in Table 9. The distribution is bimodal in both groups, with one mass at zero overlap and a second mass near complete overlap, indicating that families tend to be either largely independent or largely duplicated rather than partially aligned. Moreover, different-advisor pairs are far more heavily represented at zero overlap, whereas same-advisor pairs are consistently more represented across the intermediate and high-overlap bins.

Taken together, the evidence in this section indicates that the within-family coordination documented throughout the paper carries a cost at the family level. Shared advisors steer related clients toward common holdings, so same-advisor families capture a smaller share of the diversification benefit available from holding two independently selected portfolios. The effect does not operate by making any individual portfolio more concentrated, but by making parents' and children's portfolios resemble each other.

8. Conclusion

We show that financial advisors are central but previously unrecognized actors in the intergenerational transmission of investment behavior. Children are substantially more likely to hold securities owned by their parents, and this similarity extends to the timing of trades. Shared advisors significantly amplify both patterns, more than doubling the probability that children hold parental securities and tripling the synchronization of trades. Granular transaction-date evidence reveals that 85% of synchronized trades among same-advisor pairs occur on the very same day, pointing toward the advisor as the proximate coordinating agent.

These effects persist within subsamples stratified by, e.g., wealth, age, and geographic proximity and exceed general "advisor effects" observed among unrelated clients of the same

advisor. Moreover, adapting the active share measure of Cremers and Petajisto (2009), we show that the same-advisor effect increases monotonically in the advisor's distinctiveness, defined as the deviation of the advisor's clients' portfolio weights from the bank-wide average portfolio weights, ranked within client segments. The interaction coefficient for the most distinctive advisors is more than twice as large as for the least distinctive, and this gradient holds even in within-family specifications that absorb all time-invariant pair characteristics, providing further support for a causal interpretation. The evidence indicates a genuine family-advisor nexus: Advisors coordinate investment decisions across generations through cross-selling and spillovers of advice, while families reinforce these effects through their own communication and shared financial circumstances. This coordination is not confined to the selection of individual securities; it extends to the broader asset allocation decision, with parents and children synchronizing adjustments in their equity share when they share an advisor.

Our findings reframe the well-documented tendency of children to invest like their parents. Previous research has attributed this similarity to social influence within families or shared genetic predispositions toward risk-taking. We show that a substantial portion of intergenerational correlation operates through a more mundane channel: Families often share the same financial advisor, whose recommendations lead to coordinated portfolios. This mechanism is especially pronounced among wealthy families, suggesting that advisor-mediated investment coordination may contribute to the persistence of return heterogeneity and wealth inequality across generations.

Several implications follow. We show that sharing an advisor with family members involves implicit coordination. As a result, parents and children may end up holding the same securities without any intentional family-level portfolio strategy. Whether this coordination improves or diminishes family welfare depends on the quality of the advisor's recommendations. What is clear from our analysis is that the resulting concentration in common positions can limit diversification at the family level: Same-advisor families forgo part of the natural diversification benefit that two independently selected portfolios would provide. Our findings emphasize that advisor influence extends beyond individual relationships: The same recommendation spreads through family networks, amplifying both the benefits of good advice and the costs of bad advice. Our results from placebo tests that clients of a given advisor exhibit similar investment behavior, even when no familial ties are present, suggest that "advisor effects" (Foerster et al., 2017) deserve closer examination as a potential determinant of household portfolio composition.

Our results show that financial advisors are significant but underappreciated actors in the intergenerational transmission of investment behavior. Understanding how families invest, and why their portfolios correlate across generations, requires looking beyond social influence and genetics to the institutional arrangements through which households access financial markets.

References

- Bach, L., Calvet, L., & Sodini, P. (2020). Rich Pickings? Risk, Return, and Skill in Household Wealth. *American Economic Review*, 110(9), 2703-2747.
- Barnea, A., Cronqvist, H., & Siegel, S. (2010). Nature or Nurture: What Determines Investor Behavior? *Journal of Financial Economics*, 98(3), 583-604.
- Benhabib, J., Bisin, A., & Luo, M. (2019). Wealth Distribution and Social Mobility in the US: A Quantitative Approach. *American Economic Review*, 109(5), 1623-1647.
- Black, S. E., Devereux, P. J., Lundborg, P., & Majlesi, K. (2017). On the Origins of Risk-Taking in Financial Markets. *Journal of Finance*, 72(5), 2229-2278.
- Brown, J. R., Ivkovic, Z., Smith, P. A., & Weisbenner, S. (2008). Neighbors matter: Causal community effects and stock market participation. *Journal of Finance*, 63(3), 1509-1531.
- Bursztyn, L., Ederer, F., Ferman, B., & Yuchtman, N. (2014). Understanding Mechanisms Underlying Peer Effects: Evidence from a Field Experiment on Financial Decisions. *Econometrica*, 82(4), 1273-1301.
- Calvet, L., & Sodini, P. (2014). Twin Picks: Disentangling the Determinants of Risk-Taking in Household Portfolios. *Journal of Finance*, 69(2), 867-906.
- Campbell, J. Y., Ramadorai, T., & Ranish, B. (2019). Do the Rich Get Richer in the Stock Market? Evidence from India. *American Economic Review-Insights*, 1(2), 225-240.
- Cesarini, D., Johannesson, M., Lichtenstein, P., Sandewall, Ö., & Wallace, B. (2010). Genetic Variation in Financial Decision-Making. *Journal of Finance*, 65(5), 1725-1754.
- Cremers, K. J. M., & Petajisto, A. (2009). How Active Is Your Fund Manager? A New Measure That Predicts Performance. *Review of Financial Studies*, 22(9), 3329-3365.
- Cronqvist, H., & Siegel, S. (2014). The genetics of investment biases. *Journal of Financial Economics*, 113(2), 215-234.
- De Nardi, M., & Fella, G. (2017). Saving and wealth inequality. *Review of Economic Dynamics*, 26, 280-300.
- Fagereng, A., Guiso, L., Malacrino, D., & Pistaferri, L. (2020). Heterogeneity and Persistence in Returns to Wealth. *Econometrica*, 88(1), 115-170.
- Fagereng, A., Mogstad, M., & Ronning, M. (2021). Why Do Wealthy Parents Have Wealthy Children? *Journal of Political Economy*, 129(3), 703-756.
- Foerster, S., Linnainmaa, J. T., Melzer, B. T., & Previtero, A. (2017). Retail Financial Advice: Does One Size Fit All? *Journal of Finance*, 72(4), 1441-1482.
- Hellstroem, J., Stalnacke, O., & Olsson, R. (2022). Individuals' financial risk-taking and peer influence? *Quarterly Review of Economics and Finance*, 86, 1-17.
- Hellström, J., Zetterdahl, E., & Hanes, N. (2013). *Loved Ones Matter: Family Effects and Stock Market Participation* [Working Paper].
- Hoechle, D., Ruenzi, S., Schaub, N., & Schmid, M. (2017). The Impact of Financial Advice on Trade Performance and Behavioral Biases. *Review of Finance*, 21(2), 871-910.
- Hoechle, D., Ruenzi, S., Schaub, N., & Schmid, M. (2018). Financial Advice and Bank Profits. *Review of Financial Studies*, 31(11), 4447-4492.

- Hoechle, D., Ruenzi, S., Schaub, N., & Schmid, M. (2026). Financial Advice and Retirement Savings. *Review of Finance* (forthcoming).
- Hong, H., Kubik, J. D., & Stein, J. C. (2004). Social interaction and stock-market participation. *Journal of Finance*, 59(1), 137-163.
- Hvide, H. K., & Östberg, P. (2015). Social interaction at work. *Journal of Financial Economics*, 117(3), 628-652.
- Ivkovic, Z., & Weisbenner, S. (2007). Information diffusion effects in individual investors' common stock purchases: Covet thy neighbors' investment choices. *Review of Financial Studies*, 20(4), 1327-1357.
- Kaustia, M., & Knüpfer, S. (2012). Peer performance and stock market entry. *Journal of Financial Economics*, 104(2), 321-338.
- Knüpfer, S., Rantapuska, E., & Sarvimäki, M. (2023). Social Interaction in the Family: Evidence from Investors' Security Holdings. *Review of Finance*, 27(4), 1297-1327.
- Li, G. (2014). Information Sharing and Stock Market Participation: Evidence from Extended Families. *Review of Economics and Statistics*, 96(1), 151-160.
- Linnainmaa, J. T., Melzer, B. T., & Previtero, A. (2021). The Misguided Beliefs of Financial Advisors. *Journal of Finance*, 76(2), 587-621.
- Ouimet, P., & Tate, G. (2020). Learning from Coworkers: Peer Effects on Individual Investment Decisions. *Journal of Finance*, 75(1), 133-172.
- von Gaudecker, H. M. (2015). How Does Household Portfolio Diversification Vary with Financial Literacy and Financial Advice? *Journal of Finance*, 70(2), 489-507.
- Zhang, A. C., Fang, J. L., Jacobsen, B., & Marshall, B. R. (2018). Peer effects, personal characteristics and asset allocation. *Journal of Banking & Finance*, 90, 76-95.

Table 1: Summary statistics

Panel A of this table presents summary statistics on client and portfolio characteristics. Panel B shows clients' average monthly investment decisions in stocks and mutual funds. The unit of observation in Panel A is a (parent-child-)pair-month and the unit of observation in Panel B is a pair-security-month triplet. The unbalanced panel consists of 1,241 parent-child pairs and spans a 192-month period from January 2009 to December 2024. For a parent-child pair to be included in a given month, both the parent and the child must own at least one stock or mutual fund. Exact variable definitions are provided in Table A1 in the Appendix.

Panel A: Client / portfolio characteristics

	Children				Parents			
	Mean	Median	SD	N	Mean	Median	SD	N
Age (years)	39.76	40.00	12.59	88,504	70.44	71.00	11.86	88,504
Female (d)	0.40	0.00	0.49	88,504	0.52	1.00	0.50	88,504
Private banking (d)	0.21	0.00	0.40	88,504	0.27	0.00	0.45	88,504
Same advisor (d)	0.49	0.00	0.50	88,504	0.49	0.00	0.50	88,504
Same ZIP code (d)	0.46	0.00	0.50	88,183	0.46	0.00	0.50	88,183
Bank wealth (CHF)	260,163	118,561	621,124	88,504	593,672	250,158	1,700,918	88,504
Investment wealth (CHF)	131,276	33,178	404,244	88,504	391,014	105,212	1,456,481	88,504
Share in co-held securities (%)	31.95	13.15	37.65	88,504	26.15	10.50	32.71	88,504
Investment advice (d)	0.05	0.00	0.21	88,504	0.08	0.00	0.26	88,504
Number of securities held (#)	5.19	3.00	6.98	88,504	7.31	5.00	7.80	88,504
Monthly portfolio return (%)	0.21	0.30	3.57	85,307	0.17	0.24	3.01	85,307
Direct equity share (%)	50.47	48.90	43.47	88,504	51.84	47.37	40.85	88,504
Equity fund share (%)	10.13	0.00	24.36	88,504	7.14	0.00	17.58	88,504
Direct bond share (%)	2.66	0.00	10.67	88,504	5.82	0.00	15.37	88,504
Bond fund share (%)	5.61	0.00	19.02	88,504	8.70	0.00	21.18	88,504
Other / balanced fund share (%)	29.03	0.00	39.49	88,504	23.85	1.79	33.07	88,504
Other direct holdings share (%)	2.10	0.00	9.54	88,504	2.65	0.00	10.06	88,504
Equity share up (d)	0.11	0.00	0.31	88,504	0.10	0.00	0.31	88,504
Equity share down (d)	0.09	0.00	0.28	88,504	0.09	0.00	0.28	88,504

Panel B: Mean investment decisions in stocks and mutual funds

	Children		Parents	
	Full estimation sample (multiplied by 100)	Actual investments (invested = 1)	Full estimation sample (multiplied by 100)	Actual investments (invested = 1)
Invested (d)	0.1460	1.0000	0.1970	1.0000
Buy (d)	0.0071	0.0488	0.0073	0.0372
Buy advised (d)	0.0008	0.0055	0.0012	0.0063
Buy unadvised (d)	0.0063	0.0433	0.0061	0.0309
Sell (d)	0.0037	0.0256	0.0049	0.0249
Sell advised (d)	0.0005	0.0032	0.0011	0.0055
Sell unadvised (d)	0.0033	0.0223	0.0038	0.0194
N	250,023,800	364,911	250,023,800	492,450

Table 2: Similarity in security choice across generations

This table shows the results of panel regressions of a binary variable for children's ownership of a given security on a binary variable for parents' ownership of the same security, a dummy variable for a joint advisor with the children, and interaction terms between the two. Each month, the investment universe of parents and children consist of all stocks and mutual funds that appear in the final dataset, resulting in $2,825 \times 88,504 = 250,023,800$ pair-security-month triplets. Columns (1) and (2) present baseline estimates of children's conditional ownership probabilities. Columns (3) and (4) include security $\times$ month fixed effects. Columns (5) and (6) include both security $\times$ month and security $\times$ client fixed effects. Regressions are set up according to Equations (1) and (2). Exact variable definitions are provided in Table A1 in the Appendix. The sample period spans January 2009 to December 2024. Standard errors are double-clustered at the parent-child-pair and security level. t-statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

	Dependent variable: Child invested					
	(1)	(2)	(3)	(4)	(5)	(6)
Parent invested	19.09*** (11.89)	10.58*** (8.89)	15.96*** (11.52)	7.33*** (8.23)	13.27*** (7.62)	7.44*** (7.20)
“ $\times$ same advisor		14.85*** (6.60)		15.04*** (6.87)		9.97*** (4.96)
Same advisor		0.03*** (3.16)		0.04*** (3.32)		-0.02** (-2.31)
Intercept	0.11*** (10.97)	0.09*** (8.91)	0.11*** (21.35)	0.10*** (14.55)	0.12*** (34.93)	0.13*** (37.04)
adj. R ²	0.049	0.057	0.076	0.083	0.691	0.692
N	250,023,800					
Fixed effects: Security $\times$ month	No	No	Yes	Yes	Yes	Yes
Fixed effects: Security $\times$ client	No	No	No	No	Yes	Yes

Table 3: Similarity in security purchases and sales across generations

Panel A of this table shows the results of panel regressions of a binary variable for children's net purchase (sale) of a given security on a binary variable for parents' net purchase (sale) of the same security, a dummy variable for a joint advisor with the children, and interaction terms between the two. Columns (1) and (2) show results for buy decisions and Columns (3) and (4) show results for sell decisions. Regressions are set up according to Equations (3) to (6). In Panel B, the dependent variables are advised or unadvised trades of children. The independent variables are advised trades of parents, a dummy variable for a joint advisor with the children, and interaction terms between the two. Section 3.3 and Table A1 in the Appendix provide details on the construction of these variables. In Columns (1) to (4), we restrict the sample to months in which children had an investment-related advisory contact in the current or the prior month. In Columns (5) to (8), we restrict the sample to months in which children did not have an investment-related advisory contact in the current or the prior month. All specifications include security $\times$ month fixed effects. The unit of observation is a pair-security-month triplet. The sample period spans January 2009 to December 2024. Standard errors are double-clustered at the parent-child-pair and security level. t-statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

Panel A: Baseline results

Dependent variable:	Child buys		Child sells	
	(1)	(2)	(3)	(4)
Parent buys	13.20*** (6.48)	6.02*** (4.15)		
“ $\times$ same advisor		12.75*** (3.72)		
Parent sells			8.86*** (4.91)	2.30*** (4.12)
“ $\times$ same advisor				10.77*** (3.73)
Same advisor		0.00 (0.59)		0.00 (1.62)
Intercept	0.01*** (23.34)	0.01*** (15.14)	0.00*** (16.43)	0.00*** (13.09)
adj. R ²	0.033	0.037	0.017	0.021
N	250,023,800			
Fixed effects: Security $\times$ month	Yes	Yes	Yes	Yes

Panel B: Advised trades of parents

Dependent variable:	Child buys advised		Child sells advised		Child buys unadvised		Child sells unadvised	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Parent buys advised	17.67*** (6.00)	4.93** (2.03)			1.76*** (2.85)	1.01** (2.39)		
“ $\times$ same advisor		14.61*** (3.53)				1.35 (1.17)		
Parent sells advised			12.33*** (5.28)	3.74* (1.84)			0.85*** (3.18)	0.74* (1.96)
“ $\times$ same advisor				9.89*** (2.99)				0.18 (0.33)
Same advisor		0.00 (0.45)		0.00 (1.23)		0.00 (0.17)		0.00 (1.47)
Intercept	0.01*** (12.74)	0.01*** (6.75)	0.00*** (11.75)	0.00*** (5.95)	0.01*** (24.39)	0.01*** (14.86)	0.00*** (16.63)	0.00*** (13.99)
adj. R ²	0.024	0.025	0.016	0.017	0.019	0.019	0.008	0.008
N	22,122,575				224,381,275			
FE: Sec. $\times$ month	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 4: Determinants of same advisor status

This table presents results for logistic regression models, where the dependent variable is a dummy variable that equals one if parent and children have the same investment advisor in month t , and zero otherwise. Parent-child age distance is computed as the difference in years between the age of parents and their children. Same gender is a dummy variable that equals one if both the parent and the child are male or female, and zero otherwise. Exact variable definitions are provided in Table A1 in the Appendix. The unit of observation is a (parent-child-)pair-month. The sample period spans January 2009 to December 2024. The table reports marginal effects. Standard errors are clustered at the parent-child-pair level. z-statistics are provided in parentheses. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

	Dependent variable: Same advisor			
	(1)	(2)	(3)	(4)
Parent private banking client	0.26*** (8.48)			0.24*** (7.53)
Child age		0.01*** (6.17)		0.01*** (4.96)
Parent-child age distance		0.01* (1.77)		0.00 (0.75)
Same ZIP code			0.03 (1.15)	0.09*** (3.05)
Same gender			0.01 (0.21)	0.01 (0.46)
N	88,504	88,504	88,183	88,183

Table 5: Subsample analysis

This table shows subsample tests of the baseline results on parent-child similarity in security choice (Columns (3) and (4) of Table 2) and trading behavior (Panel A of Table 3). The dependent variable is a dummy variable for children's ownership (Panel A) purchase (Panel B), or sale (Panel C) of a given security, which is regressed on the corresponding variable for the parents, a dummy variable for a joint advisor with the children, and interaction terms between the two. Regressions are set up according to Equations (1) to (6). For brevity, the coefficients of the intercept and the dummy variable for joint advisors are omitted. Columns (1) to (4) show results by parent wealth (i.e., for parents who are private banking clients vs. parents who are retail clients). Columns (5) to (8) show results by child age (i.e., for children who are at most 40 years old vs. older children). Columns (9) to (12) show results by parent-child geographic proximity (i.e., for parents and children who live in the same ZIP code vs. all others). Columns (13) to (16) show results by security type (i.e., single stocks vs. mutual funds). Columns (17) and (18) show results after excluding all of the bank's in-house funds from the estimation sample. Columns (19) to (22) show results by security popularity (100 most frequently held securities vs. all others). All specifications include security $\times$ month fixed effects. Exact variable definitions are provided in Table A1 in the Appendix. The unit of observation is a pair-security-month triplet. The sample period spans January 2009 to December 2024. Standard errors are double-clustered at the parent-child-pair and security level. t-statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

Independent var.: Parent invested / buys / sells	Dependent variable: Child invested / buys / sells											
	Parent wealth				Child age				Parent-child geographic proximity			
	Private banking client	Retail client	≤ 40 years		> 40 years		Same ZIP code	Different ZIP code				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Panel A: Holdings												
Parent invested	18.87*** (8.32)	2.40** (2.19)	11.42*** (11.30)	8.85*** (7.86)	13.69*** (9.66)	8.70*** (7.87)	17.76*** (8.73)	5.67*** (4.54)	19.75*** (8.51)	10.46*** (7.39)	13.17*** (9.18)	5.08*** (5.56)
“ $\times$ same advisor		22.79*** (7.24)		5.95*** (3.55)		10.63*** (4.39)		18.15*** (6.00)		16.07*** (4.41)		14.20*** (6.17)
adj. R ²	0.113	0.128	0.062	0.063	0.074	0.079	0.084	0.092	0.092	0.101	0.066	0.073
Panel B: Purchases												
Parent buys	17.91*** (4.88)	2.27*** (3.04)	8.34*** (5.26)	7.48*** (3.88)	10.18*** (5.55)	6.78*** (3.66)	16.48*** (4.40)	3.63*** (2.74)	16.79*** (4.89)	8.24*** (4.60)	10.05*** (4.86)	3.80** (2.49)
“ $\times$ same advisor		22.06*** (4.67)		2.01 (1.04)		8.23*** (2.61)		17.46*** (3.60)		15.92*** (2.75)		10.73*** (3.11)
adj. R ²	0.053	0.067	0.029	0.029	0.035	0.036	0.036	0.041	0.049	0.056	0.022	0.025
Panel C: Sales												
Parent sells	11.57*** (3.78)	0.73 (1.45)	5.17*** (5.05)	3.21*** (3.83)	6.39*** (4.23)	2.67*** (3.56)	11.16*** (3.51)	1.49** (2.22)	10.99*** (3.85)	3.45*** (4.45)	7.50*** (3.26)	1.37** (2.29)
“ $\times$ same advisor		15.23*** (3.69)		4.08** (2.16)		7.83*** (2.70)		13.14*** (3.10)		13.30*** (2.84)		9.63*** (2.68)
adj. R ²	0.029	0.036	0.012	0.013	0.017	0.019	0.021	0.026	0.024	0.030	0.013	0.016
N	68,698,350		181,325,450		128,356,700		121,667,100		115,245,875		133,871,100	
FE: Sec. $\times$ month	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 5 (cont.)

Independent var.:	Security type				Excluding		Security popularity			
Parent invested /	Stocks		Mutual funds		in-house funds		Top 100 most popular		Other 2,725 securities	
buys / sells	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Panel A: Holdings										
Parent invested	18.12*** (10.08)	8.43*** (7.20)	12.19*** (9.20)	5.48*** (4.70)	16.21*** (10.76)	6.98*** (7.58)	18.79*** (11.70)	9.52*** (7.94)	12.30*** (8.02)	4.60*** (6.01)
“ × same advisor		16.73*** (5.88)		11.86*** (5.79)		15.83*** (6.70)		16.48*** (6.47)		13.03*** (5.29)
Panel B: Purchases										
adj. R ²	0.086	0.095	0.059	0.064	0.072	0.080	0.095	0.105	0.024	0.030
Parent buys	14.10*** (4.91)	5.27*** (6.29)	11.94*** (5.56)	6.92** (2.36)	13.34*** (5.68)	4.19*** (6.20)	13.29*** (6.51)	8.62*** (3.93)	13.10*** (4.71)	2.44*** (4.89)
“ × same advisor		15.06*** (3.34)		9.45*** (2.59)		15.35*** (4.21)		8.91** (2.60)		17.58*** (4.23)
Panel C: Sales										
adj. R ²	0.030	0.037	0.035	0.037	0.028	0.035	0.038	0.039	0.023	0.032
Parent sells	8.88*** (3.73)	2.59*** (5.18)	8.84*** (4.70)	1.93* (1.85)	8.93*** (4.55)	1.84*** (4.66)	8.33*** (3.77)	3.44*** (3.51)	9.27*** (4.97)	1.41*** (2.96)
“ × same advisor		10.14*** (2.72)		11.62*** (3.70)		11.37*** (3.74)		8.07** (2.23)		12.86*** (4.42)
adj. R ²	0.015	0.019	0.019	0.023	0.016	0.020	0.017	0.019	0.016	0.022
N	162,404,840		87,618,960		247,191,672		8,850,400		241,173,400	
FE: Sec. × month	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Table 6: Advisor distinctiveness and intergenerational investment similarity

This table shows the results of panel regressions of a dummy variable for children's ownership (Columns 1 and 2), purchase (Columns 3 and 4), or sale (Columns 5 and 6) of a given security on the corresponding variable for parents, interacted with tercile indicators for the shared advisor's active share (see Equation 8). The advisor's active share measures the deviation of the advisor's clients' average portfolio weights from the bank-wide average and is computed excluding all clients who appear in the parent-child sample. Each month, advisors are ranked separately within the retail and private banking segments, such that the share of retail and private banking advisors is equal within each tercile. We require the advisor's active share to be based on at least 10 clients. All active share tercile indicators are based on the advisor's lagged (month $t-1$) active share. The sample is restricted to parent-child pairs who share the same advisor in a given month. Pairs that have more than one shared advisor during the sample period are excluded. Columns (1), (3), and (5) include security $\times$ month fixed effects. Columns (2), (4), and (6) include security $\times$ month and security $\times$ pair fixed effects. Regressions are set up according to modified versions of Equations (1), (3), and (4), in which the parental ownership or trade indicator is interacted with the three active share tercile indicators. Exact variable definitions are provided in Table A1 in the Appendix. The unit of observation is a pair-security-month triplet. The sample period spans January 2009 to December 2024. Standard errors are double-clustered at the parent-child-pair and security level. t -statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

Dependent variable:	Child holds		Child buys		Child sells	
	(1)	(2)	(3)	(4)	(5)	(6)
Parent holds / buys / sells						
“ $\times$ Top 30% Active Share	29.35*** (6.68)	20.04*** (5.15)	24.68*** (3.89)	22.69*** (3.44)	19.00*** (2.72)	18.26*** (2.63)
“ $\times$ Medium 40% Active Share	18.65*** (7.73)	12.98*** (5.10)	9.30*** (3.60)	8.56*** (3.32)	9.33*** (2.89)	8.71*** (2.77)
“ $\times$ Bottom 30% Active Share	11.41*** (5.12)	9.01*** (4.11)	6.23*** (3.10)	7.07*** (3.08)	6.29*** (2.67)	6.16** (2.59)
Top 30% Active Share	-0.01 (-0.65)	0.00 (0.16)	0.00 (0.44)	0.00 (0.16)	0.00 (0.33)	0.00 (0.89)
Bottom 30% Active Share	-0.03* (-1.83)	-0.00 (-0.69)	-0.00 (-0.95)	0.00 (0.90)	-0.00 (-1.64)	0.00** (2.02)
Intercept	0.13*** (8.28)	0.13*** (22.85)	0.01*** (5.94)	0.00*** (12.95)	0.00*** (4.54)	0.00*** (9.17)
adj. R^2	0.098	0.769	0.036	0.214	0.027	0.068
N	55,983,025					
Fixed effects: Security $\times$ month	Yes	Yes	Yes	Yes	Yes	Yes
Fixed effects: Security $\times$ pair	No	Yes	No	Yes	No	Yes

Table 7: Placebo tests

This table shows the results of placebo tests, in which children's parents are replaced with another client ("placebo parent"). The dependent variable is a dummy variable for children's ownership (Panel A) purchase (Panel B), or sale (Panel C) of a given security, which is regressed on the corresponding variable for placebo parents. Regressions are set up according to Equations (1), (3), and (4). For brevity, the coefficients of the intercept terms are not reported. Each month, placebo parents are randomly drawn out-of-sample from the cross-section of all bank clients who own at least one stock or mutual fund and for whom data on family relationships is missing (23,861 clients in total). In Column (1), we draw from the entire population of clients. In Column (2), we draw from the population of clients with the same gender, birth decade and client type (retail or private banking client) as the parent. In Column (3), we draw from the population of clients who have the same advisor as the child. In Column (4), we draw from the population of clients who have the same advisor as the parent. In Column (5), we draw from the population of clients who have the same advisor, gender, birth decade, and client type as the parent. Pair-months for which no clients match the criteria are excluded from the analysis. All specifications include security $\times$ month fixed effects. Exact variable definitions are provided in Table A1 in the Appendix. The unit of observation is a pair-security-month triplet. The sample period spans January 2009 to December 2024. Standard errors are double-clustered at the parent-child-pair and security level. t-statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

Independent variable: Client invested / buys / sells	Dependent variable: Child invested / buys / sells				
	(1) All clients	(2) Similar characteristics as parent	(3) Same advisor as child	(4) Same advisor as parent	(5) Similar char. & same advisor as parent
Panel A: Holdings					
Client invested	-0.00 (-0.08)	2.05*** (4.00)	4.06*** (6.20)	3.01*** (5.79)	3.14*** (5.19)
adj. R ²	0.043	0.044	0.045	0.044	0.044
Panel B: Purchases					
Client buys	-0.10 (-1.15)	0.76*** (4.13)	1.81*** (4.66)	1.28*** (3.14)	1.54*** (3.89)
adj. R ²	0.015	0.015	0.015	0.015	0.016
Panel C: Sales					
Client sells	0.10 (0.80)	0.33*** (2.71)	0.82*** (3.70)	0.52*** (3.27)	0.86** (2.57)
adj. R ²	0.007	0.007	0.007	0.007	0.007
N	250023800	250023800	249201725	249591575	234684050
FE: Sec. $\times$ month	Yes	Yes	Yes	Yes	Yes

Table 8: Intergenerational adjustments in equity share

This table shows the results of panel regressions of a binary variable for upward (Columns 1 and 2) or downward (Columns 3 and 4) adjustments in children's equity share on the corresponding variable for parents, a dummy variable for a joint advisor with the children, and interaction terms between the two. The equity share is defined as the fraction of investment wealth allocated to direct equity holdings and equity funds. Upward (downward) adjustments are identified as months in which a client's equity share increases (decreases) due to active trading, isolating deliberate rebalancing decisions from passive changes driven by differential asset returns. All specifications include month fixed effects. Exact variable definitions are provided in Table A1 in the Appendix. The unit of observation is a (parent-child-)pair-month. The sample period spans January 2009 to December 2024. Standard errors are clustered at the parent-child-pair level. t-statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

Dependent variable:	Child equity share up		Child equity share down	
	(1)	(2)	(3)	(4)
Parent equity share up	13.77*** (9.66)	8.00*** (5.32)		
“ × same advisor		11.06*** (4.20)		
Parent equity share down			11.13*** (7.98)	7.87*** (4.17)
“ × same advisor				6.33*** (2.59)
Same advisor		-1.44** (-2.07)		-1.46* (-1.74)
Intercept	9.22*** (23.75)	9.92*** (17.74)	7.64*** (17.17)	8.35*** (12.48)
adj. R ²	0.041	0.044	0.032	0.033
N	88,504			
Fixed effects: Month	Yes	Yes	Yes	Yes

Table 9: Diversification of direct equity investments

This table examines the diversification of clients' direct equity holdings separately for the same-advisor and different-advisor subsamples. Portfolio diversification is measured using the Herfindahl-Hirschman Index (HHI), defined as the sum of squared portfolio weights across the individual stock positions held, where weights are expressed as shares of the direct equity portfolio. Higher HHI values indicate greater concentration and thus weaker diversification. Panel A reports portfolio characteristics at the individual level, treating the parent's and child's direct equity portfolios separately. Panel B reports the same characteristics at the pair level, pooling the parent's and child's direct equity positions into a single value-weighted portfolio. Panel C reports the diversification gain, defined as the reduction in the HHI when moving from the individual-level to the pair-level portfolio (individual-level HHI minus pair-level HHI). AUM denotes clients' investment wealth in direct stock positions, expressed in CHF. The unit of observation is a pair-month. The sample is restricted to pair-months in which both the parent and the child hold at least one direct equity position, and the sample period spans January 2009 to December 2024. The significance of the difference in means between the same-advisor and different-advisor subsamples is assessed using two-sample t-tests, with standard errors clustered at the parent-child-pair level. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

	Same advisor		Different advisor		Same vs. different	
Panel A: Individual level	Children	Parents	Children	Parents	Children	Parents
Mean # of stocks	6.26	6.61	3.58	4.86	2.69***	1.75***
Mean HHI	0.35	0.31	0.50	0.40	-0.16***	-0.09***
Mean AUM in stocks	204,696	497,225	51,962	248,663	152,734***	248,562**
Median AUM in stocks	47,522	105,638	13,704	35,640	33,818	69,998
Panel B: Pair level	Parent-child pair		Parent-child pair		Parent-child pair	
Mean # of stocks	10.52		7.57		2.95***	
Mean HHI	0.13		0.16		-0.02	
Mean AUM in stocks	701,921		300,624		401,297***	
Median AUM in stocks	199,131		65,717		133,414	
Panel C: Diversification gain	Children	Parents	Children	Parents	Children	Parents
Mean HHI difference	0.21	0.18	0.35	0.25	-0.13***	-0.07**
N	22,464		18,283		40,747	

Figure 1: Timing of intergenerational trades

This figure plots the distribution of the difference (in days) between the child's first trade and the parent's first trade in a given security, conditional on both generations buying or selling the same security in the same month. Negative (positive) values indicate that the child traded before (after) the parent. Panel A shows the distribution for parent-child pairs who share the same advisor (N = 1,977). Panel B shows the distribution for pairs with different advisors (N = 438). The sample period spans January 2009 to December 2024.

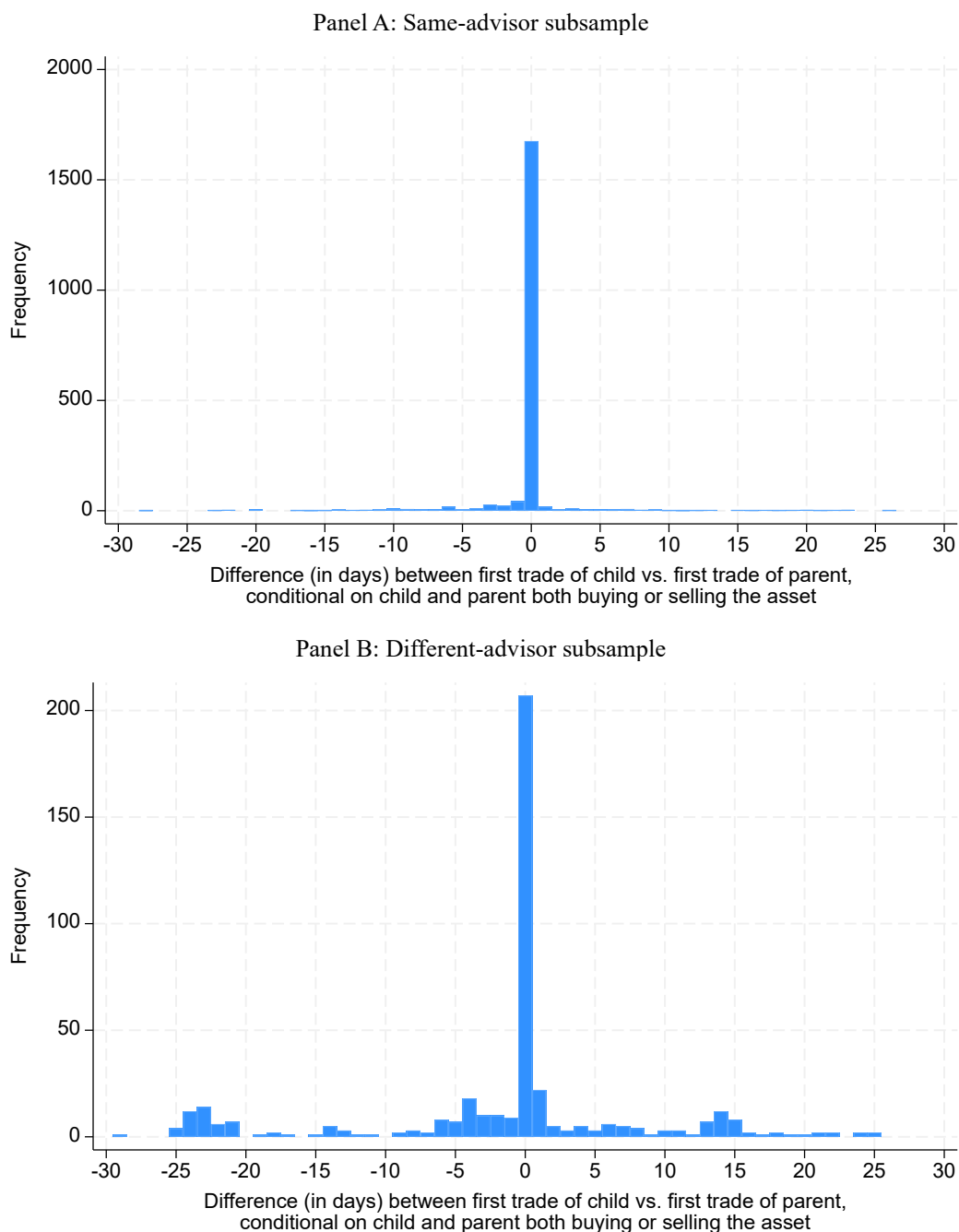


Figure 2: Timing of advisory contacts relative to trades

This figure plots the distribution of the difference (in days) between the pair's first investment-related advisory contact and the pair's first trade in a given security, conditional on both generations buying or selling the same security in the same month and either or both receiving investment advice in that month ($N = 562$). Positive values indicate that the advisory contact preceded the first trade. The sample period spans January 2009 to December 2024.

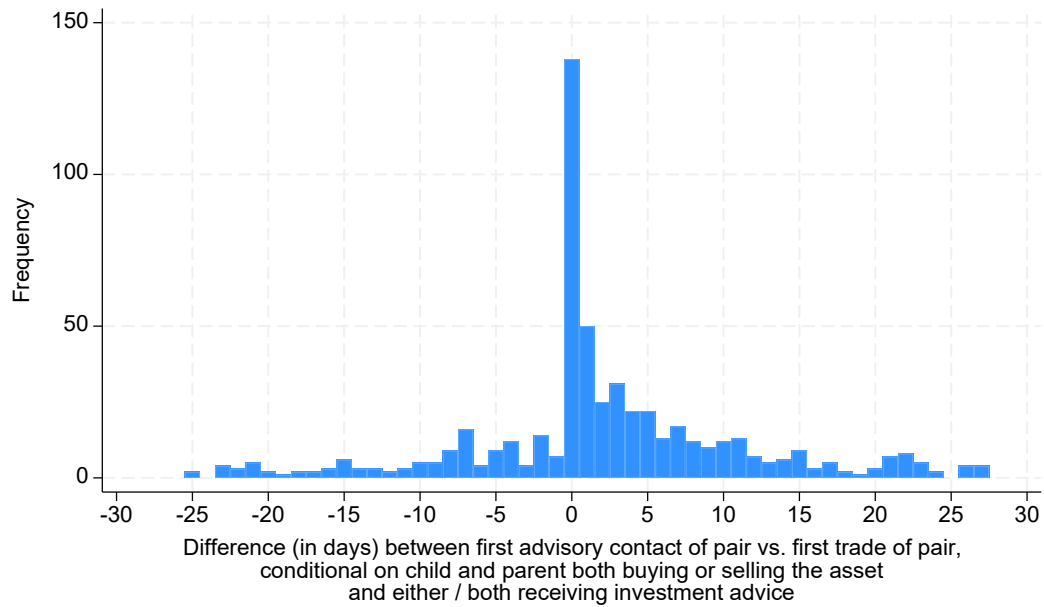


Table A1: Variable descriptions

This table contains definitions of all variables used in the empirical analysis.

Variable	Description
Panel A: Client / portfolio characteristics	
Age (years)	Age of client in years.
Age distance (years)	Difference between the age of the parent and the age of the child in years.
Female (d)	Dummy that equals one for female and zero for male clients.
Private banking client (d)	Dummy that equals one if the person is classified as a private banking client, and zero if the person is classified as a retail client.
Same advisor (d)	Dummy that equals one if the parent and the child have the same investment advisor in a given month, and zero otherwise.
Same ZIP code (d)	Dummy that equals one if the home addresses of the parent and the child are located in the same ZIP in a given month, and zero otherwise.
Same gender (d)	Dummy that equals one if both the parent and the child are male or female, and zero otherwise.
Bank wealth (CHF)	Financial wealth a client holds at the bank in CHF, defined as the sum of cash holdings, financial investments (i.e., direct security holdings and fund shares), and voluntary “pillar 3a” retirement assets (accounts and funds). We deduct account overdrafts, but do not net against mortgages and loans.
Investment wealth (CHF)	Investment wealth a client holds at the bank in CHF (i.e. direct security holdings and fund shares), excluding cash holdings and “pillar 3a” funds.
Share in co-held securities (%)	Share of investment wealth in securities that parents and children jointly own in a given month.
Investment advice (d)	Dummy that equals one if there was at least one investment-related client-advisor contact in a given month (i.e., meeting or mail / phone contact).
Number of securities held (#)	Within investment wealth, total number of different securities owned by a client at the beginning of the month.
Monthly portfolio return (%)	Portfolio return on investment wealth per month in percent, adjusted for security purchases and sales. For parents and children, returns that rank above the 99 th or below the 1 st percentile are dropped.
Direct equity share (%)	Share of investment wealth in direct stock holdings.
Equity fund share (%)	Share of investment wealth in all-equity funds.
Direct bond share (%)	Share of investment wealth in direct bond holdings.
Bond fund share (%)	Share of investment wealth in all-bond funds.
Other / balanced fund share (%)	Share of investment wealth in mixed bond-equity, exchange-traded, private equity, hedge, commodity, and real estate funds.
Other direct holdings share (%)	Share of investment wealth in structured products, derivative instruments, and precious metal accounts.
Equity share up (d)	Dummy that equals one if there is an upward adjustment in the share of direct equity investments and equity funds, relative to all other investment categories in month t and zero otherwise.
Equity share down (d)	Dummy that equals one if there is a downward adjustment in the share of direct equity investments and equity funds, relative to all other investment categories in month t and zero otherwise.

Table A1 (cont.)

Variable	Description
Panel B: Investment decisions in stocks and mutual funds	
Invested (d)	Dummy that equals one if a client owns a security in a given month, and zero otherwise.
Buy (d)	Dummy that equals one if a client is a net buyer of a security in month t and zero otherwise.
Buy advised (d)	Dummy that equals one if a client is a net buyer of a security in month t and bought within a $[0, +7]$ day window following an investment-related advisory contact.
Buy unadvised (d)	Dummy that equals one if a client is a net buyer of a security in month t and bought outside of a $[0, +7]$ day window following an investment-related advisory contact.
Sell (d)	Dummy that equals one if a client is a net seller of a security in month t and zero otherwise.
Sell advised (d)	Dummy that equals one if a client is a net seller of a security in month t and sold within a $[0, +7]$ day window following an investment-related advisory contact.
Sell unadvised (d)	Dummy that equals one if a client is a net seller of a security in month t and sold outside of a $[0, +7]$ day window following an investment-related advisory contact.
Panel C: Advisor characteristics	
Active share ($\in [0, 1]$)	Deviation of the advisor's clients' average portfolio weights from the bank-wide average, computed excluding all clients who appear in the parent-child sample and requiring a minimum of 10 clients.

Table A2: Summary statistics: Same-advisor versus different-advisor subsample

This table shows client / portfolio characteristics and average monthly investment decisions in stocks and mutual funds for parent-child-observations in which parents and children have the same advisor, compared to parent-child-observations in which parents and children have different advisors. Panels A and B (C and D) report this information for children (parents). The unit of observation in Panels A and C is a (parent-child-)pair-month and the unit of observation in Panels B and D is a pair-security-month triplet. The unbalanced panel consists of 1,241 parent-child pairs and spans a 192-month period from January 2009 to December 2024. For a parent-child pair to be included in a given month, both the parent and the child must own at least one stock or mutual fund. Exact variable definitions are provided in Table A1 in the Appendix.

Panel A: Client / portfolio characteristics for children

	Same advisor				Different advisor			
	Mean	Median	SD	N	Mean	Median	SD	N
Age (years)	41.76	43.00	12.53	43,203	37.87	37.00	12.35	45,301
Female (d)	0.42	0.00	0.49	43,203	0.37	0.00	0.48	45,301
Private banking (d)	0.38	0.00	0.49	43,203	0.04	0.00	0.19	45,301
Same advisor (d)	1.00	1.00	0.00	43,203	0.00	0.00	0.00	45,301
Same ZIP code (d)	0.48	0.00	0.50	42,961	0.45	0.00	0.50	45,222
Bank wealth (CHF)	366,905	163,397	813,360	43,203	158,364	86,576	318,723	45,301
Investment wealth (CHF)	208,320	52,486	551,710	43,203	57,799	20,892	133,849	45,301
Share in co-held securities (%)	36.06	23.11	37.66	43,203	28.04	2.87	37.21	45,301
Investment advice (d)	0.06	0.00	0.24	43,203	0.03	0.00	0.17	45,301
Number of securities held (#)	6.42	3.00	8.38	43,203	4.02	2.00	5.04	45,301
Monthly portfolio return (%)	0.24	0.32	3.53	41,806	0.18	0.27	3.62	43,501
Direct equity share (%)	50.65	49.64	41.92	43,203	50.29	47.09	44.89	45,301
Equity fund share (%)	10.33	0.00	23.15	43,203	9.95	0.00	25.45	45,301
Direct bond share (%)	4.18	0.00	12.97	43,203	1.21	0.00	7.60	45,301
Bond fund share (%)	6.29	0.00	19.22	43,203	4.96	0.00	18.81	45,301
Other / balanced fund share (%)	25.52	0.00	36.97	43,203	32.38	0.00	41.47	45,301
Other direct holdings share (%)	3.03	0.00	11.49	43,203	1.21	0.00	7.08	45,301
Equity share up (d)	0.10	0.00	0.30	43,203	0.11	0.00	0.31	45,301
Equity share down (d)	0.08	0.00	0.27	43,203	0.09	0.00	0.29	45,301

Panel B: Children's mean investment decisions in stocks and mutual funds

	Same advisor		Different advisor	
	Full estimation sample (multiplied by 100)	Actual investments (invested = 1)	Full estimation sample (multiplied by 100)	Actual investments (invested = 1)
Invested (d)	0.1841	1.0000	0.1095	1.0000
Buy (d)	0.0077	0.0421	0.0065	0.0596
Buy advised (d)	0.0012	0.0064	0.0004	0.0041
Buy unadvised (d)	0.0066	0.0356	0.0061	0.0555
Sell (d)	0.0045	0.0242	0.0030	0.0278
Sell advised (d)	0.0007	0.0040	0.0002	0.0020
Sell unadvised (d)	0.0037	0.0202	0.0028	0.0257
N	122,048,475	224,735	127,975,325	140,176

Table A2 (cont.)

Panel C: Client / portfolio characteristics for parents

	Same advisor				Different advisor			
	Mean	Median	SD	N	Mean	Median	SD	N
Age (years)	72.41	74.00	11.67	43,203	68.57	68.00	11.73	45,301
Female (d)	0.56	1.00	0.50	43,203	0.49	0.00	0.50	45,301
Private banking (d)	0.38	0.00	0.49	43,203	0.17	0.00	0.38	45,301
Same advisor (d)	1.00	1.00	0.00	43,203	0.00	0.00	0.00	45,301
Same ZIP code (d)	0.48	0.00	0.50	42,961	0.45	0.00	0.50	45,222
Bank wealth (CHF)	782,329	294,348	2,176,413	43,203	413,752	222,814	1,033,734	45,301
Investment wealth (CHF)	559,439	147,800	1,877,404	43,203	230,389	84,004	854,524	45,301
Share in co-held securities (%)	30.37	18.21	33.69	43,203	22.11	2.83	31.22	45,301
Investment advice (d)	0.09	0.00	0.29	43,203	0.06	0.00	0.24	45,301
Number of securities held (#)	8.50	5.00	8.91	43,203	6.18	4.00	6.35	45,301
Monthly portfolio return (%)	0.19	0.25	2.98	41,723	0.15	0.23	3.04	43,584
Direct equity share (%)	52.04	46.69	40.45	43,203	51.65	48.12	41.23	45,301
Equity fund share (%)	7.10	0.00	16.72	43,203	7.17	0.00	18.36	45,301
Direct bond share (%)	7.03	0.00	16.64	43,203	4.66	0.00	13.94	45,301
Bond fund share (%)	9.26	0.00	21.18	43,203	8.16	0.00	21.17	45,301
Other / balanced fund share (%)	21.61	3.53	31.14	43,203	25.99	0.00	34.68	45,301
Other direct holdings share (%)	2.95	0.00	10.47	43,203	2.36	0.00	9.66	45,301
Equity share up (d)	0.11	0.00	0.32	43,203	0.10	0.00	0.29	45,301
Equity share down (d)	0.09	0.00	0.29	43,203	0.08	0.00	0.27	45,301

Panel D: Parents' mean investment decisions in stocks and mutual funds

	Same advisor		Different advisor	
	Full estimation sample (multiplied by 100)	Actual investments (invested = 1)	Full estimation sample (multiplied by 100)	Actual investments (invested = 1)
Invested (d)	0.2313	1.0000	0.1642	1.0000
Buy (d)	0.0084	0.0365	0.0063	0.0381
Buy advised (d)	0.0017	0.0072	0.0009	0.0052
Buy unadvised (d)	0.0068	0.0293	0.0054	0.0330
Sell (d)	0.0061	0.0264	0.0037	0.0228
Sell advised (d)	0.0016	0.0067	0.0006	0.0038
Sell unadvised (d)	0.0046	0.0197	0.0031	0.0189
N	122,048,475	282,291	127,975,325	210,159

Table A3: Exogenous changes in same-advisor status

This table shows the results of panel regressions of a binary variable for children's ownership (Columns 1 and 2), purchase (Columns 3 and 4), or sale (Columns 5 and 6) of a given security on the corresponding variable for parents, a dummy variable for a joint advisor with the children, and interaction terms between the two. The sample is restricted to 51 parent-child pairs that experience a quasi-exogenous change in same-advisor status, defined as a change where the advisor involved either leaves the bank within the next five years or belongs to the oldest age category (> 55 years) at the time of the change. When a pair experiences multiple such changes, only the first is retained. For each pair, the observation period is restricted to five years before and five years after the change, with a minimum of six months required on each side. Regressions are set up according to Equations (1) to (6). All specifications include security $\times$ month fixed effects. Exact variable definitions are provided in Table A1 in the Appendix. The unit of observation is a pair-security-month triplet. Standard errors are double-clustered at the parent-child-pair and security level. t-statistics are provided in parentheses. Coefficients are multiplied by 100 to reflect percentage point changes. ***, **, and * denote statistical significance at the 1%, 5%, and 10% level.

Dependent variable:	Child invested		Child buys		Child sells	
	(1)	(2)	(3)	(4)	(5)	(6)
Parent invested	10.61*** (3.50)	7.12*** (3.35)				
“ $\times$ same advisor		6.16* (1.68)				
Parent buys			18.86** (2.43)	14.53 (1.29)		
“ $\times$ same advisor				8.51 (0.69)		
Parent sells					17.98** (2.40)	13.38 (1.29)
“ $\times$ same advisor						6.74 (0.52)
Same advisor		0.03 (1.21)		0.00* (1.83)		0.00 (0.72)
Intercept	0.10*** (5.91)	0.08*** (4.40)	0.00*** (4.37)	0.00*** (3.02)	0.00*** (5.40)	0.00*** (4.91)
adj. R ²	0.074	0.076	0.056	0.058	0.045	0.046
N	8,986,325					
Fixed effects: Security $\times$ month	Yes	Yes	Yes	Yes	Yes	Yes

Figure A1: Co-held security share: Development over the sample period

This figure shows the median and mean share in co-held securities for children and parents over the sample period. If a child (parent) and his or her parent (child) are both invested in a particular security in month t , the position counts towards the child's (parent's) co-held security portfolio. The child's (parent's) co-held security share is then defined as the amount invested in securities jointly held by both generations divided by the child's (parent's) total investment wealth. Exact variable definitions are provided in Table A1 in the Appendix. The sample period spans January 2009 to December 2024.

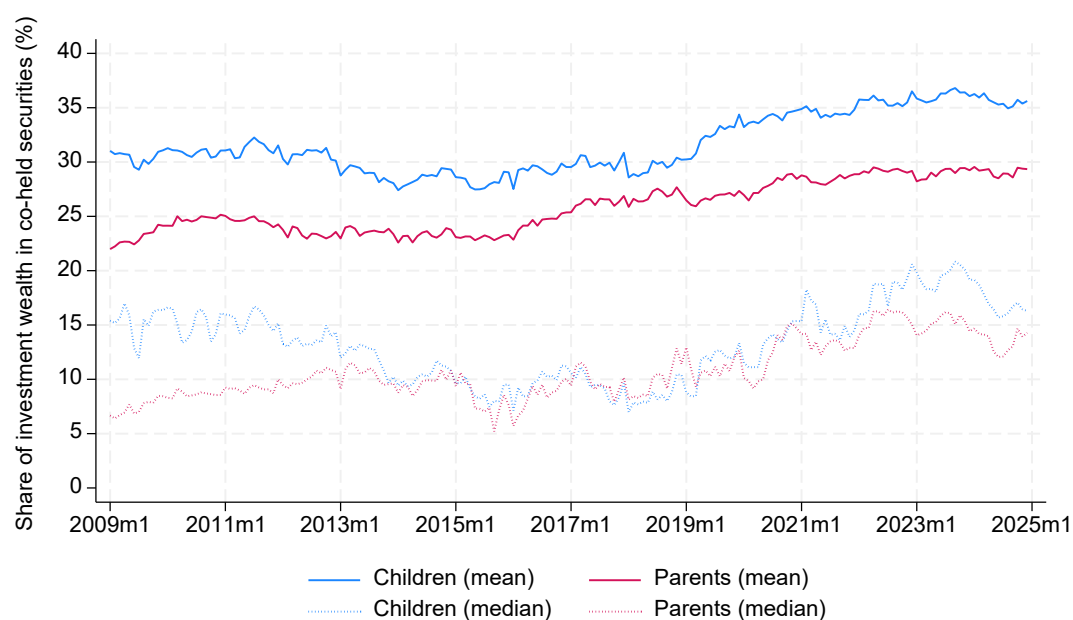


Figure A2: Co-held security share: Same-advisor versus different-advisor subsample

This figure plots the distribution of the share of each child's investment wealth held in securities that the parent also holds, separately for the same-advisor and different-advisor subsamples. If a child and his or her parent are both invested in a particular security in month t , the position counts towards the child's co-held security portfolio. The child's co-held security share is then defined as the amount invested in securities jointly held by both generations divided by the child's total investment wealth. The unit of observation is a pair-month. Exact variable definitions are provided in Table A1 in the Appendix. The sample period spans January 2009 to December 2024.

