

# Millionaire migration in 2015

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## City migration

### Cities with biggest inflows of millionaires

The following cities had the biggest net inflows of millionaires (HNWIs) in 2015.

Cities ranked by millionaire inflows, 2015			
Country	Inflow of millionaires in 2015	Millionaires, 2015	% added
Sydney	4 000	95 400	4%
Melbourne	3 000	66 800	4%
Tel Aviv	2 000	29 000	6%
Dubai	2 000	42 000	5%
San Francisco	2 000	129 000	2%
Vancouver	2 000	25 300	8%
Seattle	1 000	19 600	5%
Perth	1 000	28 000	4%

*Notes: Numbers rounded to nearest 1000.*

**Source: New World Wealth**

### Notes:

- Sydney, Melbourne and Perth all benefitted from millionaire inflows from China, Europe, the UK, USA and South Africa. Other Australian areas such as the Gold Coast, Brisbane, Noosa and the Sunshine Coast also experienced inflows.
- Tel Aviv had large inflows from Europe, especially France. Other Israeli cities such as Herzliya, Jerusalem and Netanya also experienced inflows.
- San Francisco, Seattle and Vancouver all experienced large millionaire inflows from China and South East Asia.
- Dubai saw strong inflows from North Africa (Egypt, Algeria, and Morocco) and Turkey.

### Spotlight on London

London experienced a net inflow of around 500 millionaires in 2015. This was low compared to recent years as a number of millionaires left the city in 2015 (around 3,000 came in and 2,500 left).

Many of the 2,500 that left moved to other parts of England, mainly to small towns in the London commuter belt along the Thames (such as Maidenhead, Beaconsfield, Bray, Cookham and Marlow). A large number also moved overseas, mainly to English speaking countries such as Australia, Canada, New Zealand and USA.

Of interest, most of the millionaires that left London were UK born whereas almost all of the millionaires that came into the city were from other countries.

This may be a trend that continues in future as several wealthy UK born people that we spoke to said they were concerned about the way London and the UK in general had changed over the past decade or so. Australia seems to be their preferred destination.

### Cities with biggest outflows of millionaires

The following cities had the biggest net outflows of millionaires in 2015.

<b>Cities ranked by millionaire outflows, 2015</b>			
<b>Country</b>	<b>Outflow of millionaires in 2015</b>	<b>Millionaires, 2015</b>	<b>% lost</b>
Paris	7 000	126 000	6%
Rome	5 000	73 100	7%
Chicago	3 000	134 000	2%
Athens	2 000	22 000	9%

*Notes: Numbers rounded to nearest 1000.*

**Source: New World Wealth**

### Destinations:

- Paris: most moved to the UK, USA, Canada, Australia and Israel.
- Rome: most moved to the UK and USA.
- Chicago: most moved to other parts of USA (internal migration).
- Athens: most moved to the UK and USA.

### Why did they leave?

We interviewed migration experts and HNWI's to find out on their reasons for leaving. Notable reasons that they mentioned included:

- Paris: Rising religious tensions, lack of opportunities.
- Rome: Economic slump, lack of opportunities.
- Chicago: Rising racial tensions, rising crime levels.
- Athens: Economic slump, migration crisis with Syria/Turkey.

## Country migration

The following countries had the biggest net inflows and outflows of millionaires in 2015.

### Countries ranked by millionaire inflows, 2015

Country	Inflow of millionaires in 2015	Millionaires, 2015	% added
Australia	8 000	290 000	3%
United States	7 000	4 180 000	0%
Canada	5 000	292 000	2%
Israel	4 000	71 700	6%
United Arab Emirates	3 000	72 100	4%
New Zealand	2 000	89 000	2%

*Notes: Numbers rounded to nearest 1000.*

**Source: New World Wealth**

### Countries ranked by millionaire outflows, 2015

Country	Outflow of millionaires in 2015	Millionaires, 2015	% lost
France	10 000	323 000	3%
China	9 000	654 000	1%
Italy	6 000	305 000	2%
India	4 000	236 000	2%
Greece	3 000	55 000	5%
Russian Federation	2 000	127 000	2%
Spain	2 000	105 000	2%
Brazil	2 000	198 000	1%

*Notes: Numbers rounded to nearest 1000.*

**Source: New World Wealth**

### Religious tensions in France

The large outflow of millionaires from France is notable – France is being heavily impacted by rising religious tensions between Christians and Muslims, especially in urban areas.

We expect that millionaire migration away from France will accelerate over the next decade as these tensions escalate.

In our view, other European countries where religious tensions are starting to emerge such as Belgium, Germany, Sweden and the UK will also be negatively affected in the near future.

### **China and India outflows not a concern**

The outflows from India and China are not particularly concerning as these countries are still producing far more new millionaires than they are losing. Also, once the standard of living in these countries improves, we expect several wealthy people to move back.

### **Southern Europe in the most trouble**

Southern European countries such as Italy, Greece and Spain have all seen large outflows of millionaires over the past few years and we expect this exodus to continue going forward. In our view, the possible breaking up of the EU would hit these countries the hardest due to their large state pension obligations.

### **Russia and Brazil are tricky ones**

Russia and Brazil both have strong potential for growth, but the outflow of millionaires from these countries over the past year is a concern.

Russia has a number of underlying problems, mainly related to an unhealthy level of government intervention in the local business sector. Its anti-USA stance is also harming inward investment and making it difficult for foreign companies to enter the market.

In Brazil, the downturn in the local economy and rising crime rates are pushing many millionaires out of the country. It is difficult to predict when the situation there will improve.

### **Turkey and Nigeria may be next**

We expect millionaire outflows from Nigeria and Turkey to increase over the next few years. Both of these countries are suffering from serious political and economic problems. They are also both being negatively impacted by terrorism and religious violence.

### **Why do millionaires leaving a country matter?**

- Bad sign - millionaires are often the first people to leave. They have the means to leave unlike middle class citizens.
- Money outflow – when millionaires leave a country, they take large amounts of money with them which impacts negatively on the local currency, local stock market and local property market.
- Lost jobs - millionaires employ large numbers of people. Around 30% to 40% of millionaires are business owners.
- Lost revenue and tax – millionaires spend a lot of money on local goods and services and pay a large amount of income tax.

- Pensions & benefits - millionaires are not reliant on state pensions and benefits, which makes them a relatively easy and cheap group to please.
- Resilient – millionaires are resilient to economic downturns and can keep an economy going during tough times.
- Brain drain – millionaires are normally highly skilled and highly educated. Many are also innovators.

### **Brexit impact on the UK**

In our view, a Brexit will not result in an outflow of millionaires from the UK. On the contrary, we believe that wealthy UK citizens are more likely to stay in the UK if there is a Brexit. This view is backed up by the fact that most of the wealthy British people we interviewed voiced concern over the UK's open border policy with Europe.

Specifics: A Brexit would likely result in:

- Britain re-introducing 2 year working visas for citizens from Canada, Australia and New Zealand. Plus USA may also be added. Freedom of movement between the UK and these countries could also occur in the longer term.
- Stronger alliances with former English colonies (specifically Australia, USA, Canada and New Zealand) as well as India and China.
- Weaker alliances with EU countries, Turkey and the Middle East.

### **Sources & Methodology**

We gathered this information via:

- Investor visa program statistics in each country.
- Interviews with around 800 global HNWIs a year.
- Interviews with intermediaries (migration experts, second citizenship platforms, wealth managers and property agents).
- Property registers and property sales statistics in each country.
- Tracking of HNWI movements in the media.

### **Notes & Definitions**

- “Millionaires” otherwise known as “high net worth individuals” or “HNWIs” refer to individuals with net assets of US\$1 million or more excluding their primary residences.
- This is our 3rd annual global migration paper.

## About New World Wealth

New World Wealth provides information on the global wealth sector, with a special focus on high growth markets. We provide customized services to: luxury goods companies, private banks, wealthy individuals (HNWIs), family offices, real estate professionals and fund managers.

Services on offer include:

- Ratings and surveys.
- Wealth statistics on over 120 countries worldwide.
- Country and regional wealth reports.
- Political & economic analysis.
- Financial advisory services.
- Sponsored press papers.
- HNWI surveys\*

\*We interview over 800 HNWIs every year in order to determine their preferences.

Our wealth statistics leverage off our in-house HNWI database, which comprises dossiers on over 150,000 HNWIs from around the world.

New World Wealth is based in Johannesburg, South Africa.

For more information on New World Wealth please visit [www.nw-wealth.com](http://www.nw-wealth.com)

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