

The W10

The 10 wealthiest countries in the world

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W10 – The 10 wealthiest countries in the world

The following table ranks the top 10 countries in the world by “total individual wealth” held (as of June 2016). “Total individual wealth” refers to the private wealth held by all the individuals in each country.

Note: “wealth” refers to the net assets of a person. It includes all their assets (property, cash, equities, business interests) less any liabilities. We exclude government funds from our figures.

W10: Countries ranked by total individual wealth, 2016		
Rank	Country	Wealth (US\$ billion)
1	United States	48 900
2	China	17 400
3	Japan	15 100
4	United Kingdom	9 200
5	Germany	9 100
6	France	6 600
7	India	5 600
8	Canada	4 700
9	Australia	4 500
10	Italy	4 400

Source: New World Wealth

Notes:

- Australia’s ranking is impressive considering it only has 22 million people living there.
- China was the fastest growing W10 country over the past 15 years (in terms of US\$ wealth growth). Australia and India also grew strongly.
- India, Australia and Canada have just overtaken Italy over the past 12 months.

Wealthiest people in the world

The following table ranks all known countries by average wealth per person (wealth per capita). As reflected, small tax havens such as Monaco and Liechtenstein top the list.

The UK is surprisingly high on the list. This is mainly due to the high value of real estate in the country.

World: Countries ranked by per capita wealth, 2016		
Rank	Country	Wealth per capita (US\$)
1	Monaco	1 556 000
2	Liechtenstein	610 000
3	Switzerland	284 000
4	Australia	203 000
5	Norway	193 000
6	Luxembourg	179 000
7	Singapore	157 000
8	United States	151 000
9	United Kingdom	147 000
10	Sweden	143 000

Source: New World Wealth

The high average wealth of people living in Monaco reflects:

- Its tax haven status – people living in Monaco pay no income tax. This attracts wealthy people to move there and also promotes business formation in the country.
- Offshore center – Monaco operates as an offshore center for the European wealth sector, which brings a large number of wealthy financiers to the country.
- Its location on prime part of the French Riviera.
- High proportion of multi-millionaires – approximately 2,200 of Monaco’s 40,000 residents are worth over US\$10 million.
- It is a hotspot for super-yacht owners and one of the most popular yacht docking spots in the Med.
- High real estate prices – Monaco apartments are the most expensive in the world per square meter.
- Snob appeal – Monaco is synonymous with wealth, luxury and fame.

Sources & Methodology:

How do we calculate average wealth? Source used include:

- Income distribution stats in each country.
- Stock exchange statistics in each country.
- Residential property market statistics in each country.
- Wealth data from our HNWI database.

GDP vs. Wealth

In our view, people focus too much on GDP and ignore wealth and income trends. GDP has a number of underlying issues/problems, including:

- GDP counts items multiple times (for instance, if someone is paid \$100 for a product/service and they then pay someone else that \$100 for another product/service, then that adds \$200 to a country's GDP even though only \$100 has been produced at the start). This is why many analysts prefer using export figures or GDP generated from primary sectors as a measure of financial health.
- GDP ignores the efficiency of the local banking sector and the local stock market at retaining wealth in a country.
- GDP disregards income levels in a country.
- In certain countries, a large portion of GDP flows to the government and therefore has little impact on private wealth creation (example: Bahrain, Zimbabwe).

Wealth statistics, on the other hand, take all of these factors into account, which makes 'per capita wealth' a far better measure of the financial health of an economy than 'per capita GDP'.

Income per capita is another good measure. However, it fails to take into account all the wealth held in local businesses, equity markets and property markets.

Problems facing W10 markets:

- Woman safety.
- High pension and benefit obligations and high public healthcare costs.
- Slowing per capita wealth growth.
- Rising levels of racial and religious violence.
- Rising inequality levels.

About New World Wealth

New World Wealth is a global wealth intelligence and market research company. We provide customized services to: wealth managers, family offices, real estate professionals, migration platforms and fund managers.

Services on offer include:

- Migration statistics.
- Ratings and surveys.
- Wealth statistics on 120 countries worldwide.
- Country and regional wealth reports.
- Political & economic analysis.
- Woman safety studies.
- 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.

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