

# **The W10**

**The 10 wealthiest countries in the world**

**Publication Date: May 2016**

## 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 the end of December 2015). “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, equity, business interests) less any liabilities. We exclude government funds from our figures.

<b>W10: Countries ranked by total individual wealth, 2015</b>		
<b>Rank</b>	<b>Country</b>	<b>Wealth (US\$ billion)</b>
1	United States	48 700
2	China	17 300
3	Japan	15 200
4	Germany	9 400
5	United Kingdom	9 200
6	France	7 600
7	India	5 200
8	Italy	5 000
9	Canada	4 800
10	Australia	4 500

**Source: New World Wealth**

### Notes:

- Australia ranking is impressive considering it only has 22 million people living there.
- India only makes the W10 due to its large population. On a per capita basis, the average Indian is quite poor.
- China was the fastest growing W10 country over the past 15 years (2000 – 2015). Australia and India also grew strongly.
- India has just overtaken Italy this past year. Australia and Canada are expected to overtake Italy in the next couple years.

## 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.

<b>World: Countries ranked by per capita wealth, 2015</b>		
<b>Rank</b>	<b>Country</b>	<b>Wealth per capita (US\$)</b>
1	Monaco	1 525 000
2	Liechtenstein	620 000
3	Switzerland	285 000
4	Australia	204 000
5	Norway	200 000
6	Luxembourg	181 000
7	Singapore	158 000
8	United States	150 000
9	United Kingdom	147 000
10	Sweden	146 000

**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.
- Interviews with financial intermediaries: real estate agencies, wealth managers, banks.

**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 double counts items (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:**

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

## Focus on Africa

The following table ranks major African countries by wealth per capita.

<b>Africa: Wealth per capita, 2015</b>	
<b>Ranked by wealth</b>	<b>Wealth per capita, 2015 (US\$)</b>
Mauritius	21 700
South Africa	10 300
Namibia	10 200
Botswana	8 400
Gabon	8 100
Algeria	6 200
Morocco	5 800
Egypt, Arab Rep.	4 400
Angola	3 800
Ghana	2 000
Kenya	2 000
Cote d'Ivoire	1 700
Nigeria	1 400
Zambia	1 200
Tanzania	1 100
Uganda	900
Mozambique	800
Ethiopia	500
Congo, Dem. Rep.	400
Zimbabwe	200

**Source: New World Wealth**

On a wealth per capita basis, the fastest growing countries in Africa during the past 15 years (2000 – 2015) were Angola and Ghana. Notably, Zimbabwe was the only African country to experience a decline in per capita wealth during the 15 year period.

During the past 8 years (since 2007), the fastest growing countries in Africa were Mauritius, Ethiopia, Ivory Coast and Kenya.

## About New World Wealth

New World Wealth provides country, wealth and political analysis across 120 countries worldwide. We provide customized services to: private banks, wealthy individuals (HNWIs), family offices, real estate professionals and fund managers.

Services on offer include:

- Ratings and surveys.
- Country and regional wealth reports.
- Political & economic analysis.
- Management consulting.
- Demographic studies.
- Migration statistics.
- Wealth statistics.
- 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.newworldwealth.com](http://www.newworldwealth.com).

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