

FINANCIAL SERVICES

Billionaire population reached record high in 2017

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The population of female billionaires grew 18 percent last year. Image courtesy of Neiman Marcus

By SARAH JONES

In 2017 the number of billionaires and their wealth grew at a faster rate than the overall ultra-high-net-worth population.

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According to Wealth-X's Billionaire Census, after declining in 2016, the population of billionaires rebounded last year, climbing 15 percent to a record 2,754 individuals. The world's wealthiest saw their fortunes rise 24 percent to a total \$9.2 trillion, aided by positive corporate earnings, resilient equity markets and growth in the global economy.

Wealth-X was reached for comment.

Billionaire boom

While the United States boasts the most billionaires who hold one-third of all billionaire wealth, other markets such as China and India are seeing faster growth in this level of affluence.

As of 2017, Asia had more billionaires than North America for the first time. The Asia-Pacific region's billionaire numbers grew 29 percent last year, and these individuals grew their wealth by 48 percent.



As China's share of the world's billionaires grows, so too does its luxury market. Image credit: Peninsula Hotels

The Middle East and Africa regions both saw their billionaire populations grow, but geopolitical instability hindered wealth growth.

Along with economics, politics can affect wealth creation and deflation. For instance, Britain's billionaires took a financial hit from the repercussions from Brexit, while Saudi Arabia's corruption purge lowered the estimated wealth of a number of its citizens.

The average billionaire has a net worth of \$3.3 billion. The richest 15 percent of billionaires hold more than half of this population's total wealth, with wealth concentrated among a few at the top.

Billionaires are largely older, with half of the population in the United Kingdom and U.S. over the age of 70. These individuals also tend to be self-made, with 57 percent having created their own wealth.

While it often takes time to accrue that level of affluence, technology startups are minting a significant population of billionaires. These individuals' fortunes can rise to the billions at a more rapid pace.



Tech entrepreneurs are becoming billionaires. Image credit: Longchamp

Male billionaires are more apt than female billionaires to have made their own wealth. While 62 percent of men hold entirely self-made fortunes, only 16.9 percent of women say the same.

The population of women billionaires is growing at a faster rate than that of men, at 18 percent compared to 14.5 percent. Despite this, female billionaires only represent 11 percent of the total billionaire population.

Passion projects

Billionaires are most apt to work in finance, industrial conglomerates or real estate.

In their personal lives, these individuals tend to have an interest in sports, with 44 percent of billionaires having a passion for activities such as golf or soccer. Along with playing or tuning into sports, billionaires are also investing financially in athletics, taking on team ownership or sponsorship deals.

Other top areas of interest include aviation, politics, art and music.



Billionaires are interested in aviation. Image credit: Carolina Herrera

A report from UBS and PwC examined the community contributions of the world's billionaires, ranging from art patronage and sports team investments, to how these individuals act as a workforce vehicle.

Per the report, more than 140 of the world's top sports clubs are owned by 109 billionaires.

Of the 89 U.S. billionaires to own sports teams, 46 individuals invested in football and baseball, while Europe's 20 billionaires opt for soccer clubs. Interestingly, the 32 Asian billionaires in sports have invested mainly in soccer, ice hockey and cricket teams ([see story](#)).

Billionaires are also interested in philanthropy, with the average individual donating 3 percent of their wealth throughout their life. Due to the level of their wealth, these individuals feel a sense of responsibility to give to causes such as education and healthcare.

Personal fulfillment is the number one reason ultra-high-net-worth individuals indulge in philanthropy, according to a previous survey by Wealth-X.

Philanthropy has long been a hobby of the world's wealthy, and even the global recession of the late 2000s has done little to stop the trend from continuing. However, as income inequality remains a global conversation, brands will need to appeal to these philanthropic habits and define themselves on these values rather than status and price to appeal to UHNWIs ([see story](#)).

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