

FINANCIAL SERVICES

HNWI migration regains traction, as Russia, China see most departures

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Both Russia and Ukraine have seen their HNWI populations dwindle. Image credit: Four Seasons Hotel Moscow

By SARAH RAMIREZ

Russia has lost 15 percent of its high-net-worth population in the last six months, as many major markets are seeing changes in their millionaire populations.

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According to the [Henley Global Citizens Report for Q2 2022](#), Russia saw the largest exodus of millionaires in the first half of this year. The United Arab Emirates is forecast to see the largest net inflow of HNWI in 2022, while China, Hong Kong and the U.K. are also among the markets seeing dramatic emigration of millionaires.

"The 2022 forecast reflects an extremely volatile environment worldwide," said Dr. Juerg Steffen, CEO of [Henley & Partners](#), in a statement.

"By the end of the year, 88,000 millionaires are expected to have relocated to new countries, 22,000 fewer than in 2019 when 110,000 moved," he said. "Next year, the largest millionaire migration flows on record are predicted 125,000 as affluent investors and their families earnestly prepare for the new post-COVID world, with an as yet-to-be revealed rearrangement of the global order, and the ever-present threat of climate change as a constant backdrop."

Residence and citizenship planning advisory firm Henley & Partners defines HNWI as those with wealth of \$1 million or more. The firm also measures the net inflow and outflow of HNWI, or the difference between the number of HNWI who relocate to and the number who emigrate from a country.

The report's projected figures are rounded to the nearest 100.

Millionaire migration

Russia's invasion of Ukraine this February ([see story](#)) has been the driving force in its millionaire emigration. The country is forecast to lose 15,000 HNWI by the end of the year, up from a net outflow of 5,500 millionaires in 2019, the most recent year with available data.

The war has also forced HNWI in Ukraine to leave. Henley is predicting Ukraine will lose about 42 percent of its HNWI population, the equivalent of 2,800 millionaires.



Despite the departures of more HNWI, China is still expected to grow its population of millionaires. Image courtesy of Fendi

Second to Russia, China is forecast to lose 10,000 HNWI in 2022. While this accounts for just 1 percent of China's millionaire population, it is indicative of how general wealth growth has slowed in the country in recent years ([see story](#)).

Neighboring India is expected to lose about 8,000 millionaires due to migration this year, up from a net loss of 7,000 in 2019. Hong Kong also continues to lose high-net-worth residents, but the migration rate has fallen by 29 percent to 3,000 in 2022.

Other countries with a significant net outflow of millionaires include Brazil, the U.K., Mexico, Indonesia and Saudi Arabia.



The HNWI population in UAE is expected to grow 40 percent in the next decade. Image credit: Forbes Global Properties

Meanwhile, the UAE's efforts to attract private wealth, capital and talent by adapting immigration regulations are paying off. The UAE is expected to welcome an influx of 4,000 HNWIs, up 208 percent from 2019's net inflow of 1,300 millionaires.

Australia is expected to follow the UAE with a net inflow of 3,500 millionaires. Singapore and Israel are also forecast to see significant net inflows of HNWIs, up 87 and 79 percent from 2019, respectively.

Wealth growth slows stateside

Although the U.S. and U.K. are seeing differing forecasts, both markets' HNWI populations are predicted to remain flat in 2022.

The U.K. is expected to see the seventh high net outflow of millionaires, with 1,500 high-net-worth residents forecast to emigrate. According to Henley, the U.K. has seen a net loss of about 12,000 HNWIs since 2017, the year following the Brexit referendum ([see story](#)).

Already home to more than 5.5 million HNWIs, the U.S. is predicted to have a net inflow of 1,500 millionaires in 2022 having a negligible impact on the country's population of wealthy residents. This figure is down 86 percent from 2019, however, when the U.S. saw 10,800 millionaires immigrate.

The U.S. is seeing falling consumer sentiment, with inflation reaching the highest levels since 1981 and a sliding stock market ([see story](#)). Inflation has become a worldwide issue, with 44 percent of advanced economies experiencing inflation greater than 5 percent as of February 2022 ([see story](#)).

Economic uncertainty and the COVID-19 pandemic have accelerated the growth of the multibillion-dollar residence and citizenship by investment industry. Since 2020, HNWI and ultra-high-net-worth individuals have grown in numbers worldwide and are continuously purchasing additional passports as investment migration increases ([see story](#)).

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