

MARKETING

Global net worth of UHNWIs reaches lowest level since 2018 in H1 2022: report

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The ultra wealthy and the global economy

Global UHNW population, real GDP and equities

Number of UHNW individuals and annual change in real GDP and equities



Sources: Wealth-X, International Monetary Fund, World Economic Outlook, July 2022 and Morgan Stanley Capital International (MSCI).

Data segmented by gender reveals a number of key behavioral differences between men and the cohort's fast-growing minority. Image credit: Altrata

By AMIRAH KEATON

A new report cites a global decline of 6 percent in the fiscal status of those worth more than \$30 million.

Data intelligence firm Altrata has released regional findings from the first half of 2022, which see North America and Europe experienced the sharpest declines while Latin America and the Caribbean, the Middle East, and, most notably, China each exhibited growth. Data segmented by gender reveals a number of key differences between UHNW men and women, a fast-growing minority.

Altrata specializes in generating data and insights on wealthy populations. For the report, the firm used its proprietary and recently updated "Wealth and Investable Assets Model," which produces statistically significant estimates for total private wealth and estimates the size of the population by level of wealth and investable assets for the world and each of the top 70 economies, which account for 98 percent of world GDP.

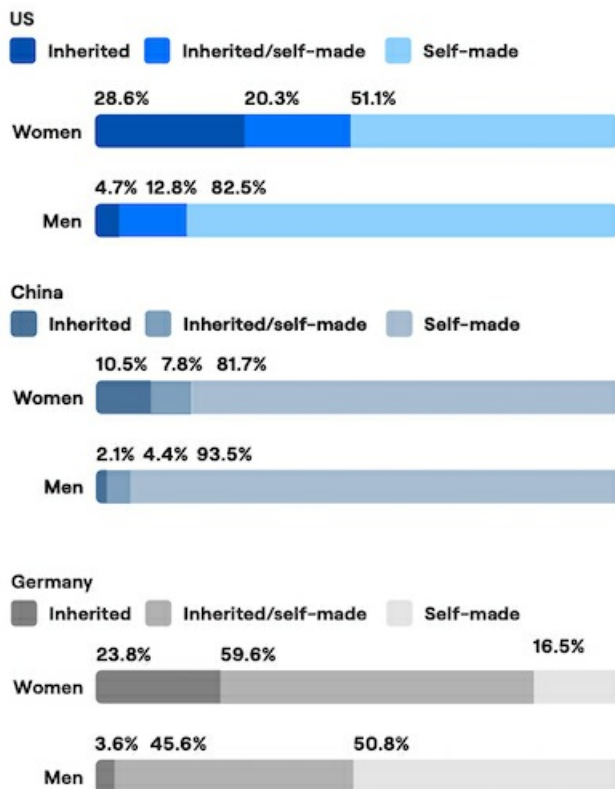
Ultra-wealthy women

Women currently account for just 11 percent of all ultra-high-net-worth individuals (UHNWI). The segment is top-of-mind due to steady growth.

Perhaps most compelling, then, of reported findings, are behavioral disparities listed by gender.

Country dynamics

Source of wealth among the top three UHNW wealth markets



Note: The totals may not add up to 100% as a result of rounding.

Source: Wealth-X, an Altrata company 2022

Gendered differences between UHNW men and women in U.S., China and Germany. Image credit: Altrata

Behind the proportional upswing in UHNW women that has defined the last five years of the whole, 45.2 percent are solely self-made are shifting wealth distribution patterns around the world.

Additionally, an increase in female entrepreneurship and changing cultural attitudes toward women in the workplace, albeit delayed, are responsible for growth.

With a mean age of 64, the share is, on average, more likely to have inherited at least some of their wealth, at 25.3 percent, as compared to 4.8 of men.

Among the group are names like Alice Walton of the Walmart family, as well as heiress and investor Jacqueline Mars, granddaughter of the eponymous American candy company founder.

Across the gender spectrum, figures for sources of wealth reveal a strong correlation between those who have inherited millions and involvement in charitable causes such as human welfare and social justice.

Interestingly, as evidenced by Altrata's data, comes a consensus that with great freedom comes great responsibility.

Heirs tend to have fewer commercial commitments, allowing for more free time to dedicate to philanthropic pursuits of preference. This is also likely one of the driving forces behind higher rates of wealth transfers to private foundations and public charities among women.

In terms of industries of focus, the non-profit sector tops the primary industry ranking for this segment, as nearly 20 percent of ultrawealthy women spend the bulk of their time getting involved in this area, next to banking and finance at 15.2 percent.

In this case, the primary industry refers to the industry to which the wealthy devote most of their time, and not necessarily the industry by which they created their wealth, although Altrata notes that these often overlap.

Thus, nonprofits and social organizations appear to be of far greater importance to this group. The theory is based,

too, on the lower rate of male involvement the category does not rank among the top five for men, with involvement measuring up to just 5 percent.

Instead, banking and finance take up the most time for 25.3 percent of wealthy male millionaires, followed by business and consumer services, at 11.8 percent.

Industry of focus findings are corroborated by data on personal hobbies.

Philanthropy ranks first among the ten top interests and passions of UHNWI women at 60.7 percent, as compared to 35.1 percent of men who find charitable causes to be the most enjoyable.

Sports soon follow for women, at 29.9 percent. The category is the top-ranking interest for men, at 49.1 percent.

The third-highest hobby for women? Art could, to some extent, bear a connection to the next data set.

According to the report, UHNW women are placing a greater share of their wealth in alternative luxury assets ([see story](#)). When it comes to asset ownership and allocation, women are more likely to own high-end art.

Asset allocation

Asset allocation by gender
Proportion of UHNW wealth



The biggest gender difference in wealth holdings is the share allocated to real estate and luxury goods, which, at 13 percent for UHNW women, is three times greater than for their male counterparts. Image credit: Altrata

Assuming an equal number across genders, of every 100 UHNW owners of luxury watches and jewelry, women account for 70. Real estate, another primary asset for UHNWI, sees second home ownership almost split down the middle between women and men separately, men over-index in cars and vehicles worth more than \$200,000, as well as yachts and private planes.

Altrata made clear that data does not necessarily reflect better diversification strategies among women as compared to men when prompted.

Rather, experts elude to another explanation, one that suggests a more passive approach on behalf of women who have inherited wealth.

Altrata explained that the difference in allocation, to some extent, reflects the lower average net worth of ultra-wealthy women compared to men.

The group also shared that another factor is the more substantial role of inheritance among UHNW women as, in many cases, a share of this wealth is likely to be allocated previously to real-estate assets and luxury goods such as art.

As it turns out, women are also giving money to political causes at quicker rates than their UHNW-earning male peers; the upward trend could be indicative of heightened levels of global geopolitical influence to come.

Results by region

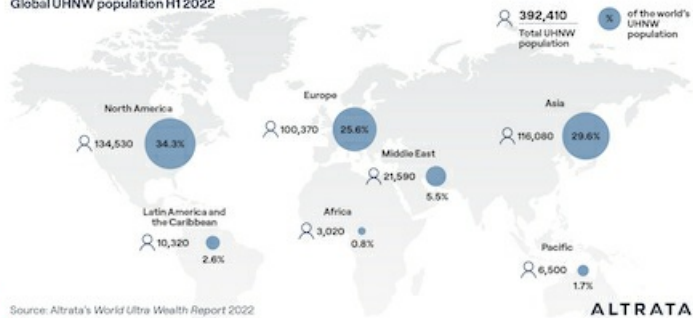
Altrata's findings are inclusive of astute regional analysis as well.

Losses for the world's largest ultra-wealth region, North America, almost reached double-digits at nearly 10 percent in the first half of 2022.

Europe trailed not too far behind with a 6.9 percent decline, the second-largest fall after North America. It seems pandemic-era wealth gains are slowing in these regions ([see story](#)).

Ultra wealthy across the globe

Global UHNW population H1 2022



The world's largest wealth market, the U.S. was one of three regions to record a double-digit decline in its ultra-wealthy population in H1 2022. Image courtesy of Altrata

Conversely, China, the world's second-largest UHNW country, saw the number of its ultra-wealthy population grow by 2.3 percent during this timeframe. So too did the Middle East, Latin America and the Caribbean, at 7.4 and 5.1 percent respectively.

As the West attempts to withstand wealth hits, its standing could be slowing women's progress, as nearly 46 percent, or 32 of the world's 500 wealthiest billionaires are women based in the United States. Among the wealthiest female billionaires in America, their combined total net worth is more than \$514 billion ([see story](#)).

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