

RESEARCH

Global UHNWI population falls 5.4pc in 2022: report

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Despite this plunge within the upper echelons, the analysts behind the report project that the count will rebound within the coming years. Image credit: JetSmarter

By ZACH JAMES

The worldwide total of ultra-high net worth individuals (UHNWIs) declined for the first time since 2018 last year.

According to a new report by data intelligence firm Altrata, the number of UHNWIs fell by 5.4 percent last year. Despite this withdrawal within the upper echelons, the analysts behind [World Ultra Wealth Report 2023](#) project that, in the not-so-distant future, the density of the class could rebound.

"The ultra-wealthy are a hugely important and growing segment of luxury consumers," said Maya Imberg, author of the report and head of thought leadership and analytics at [Altrata](#), London.

"Yet each UHNW individual is unique, making it vital for organizations prospecting for and engaging with the super-rich to take a holistic approach to understanding these individuals."

For the report, Altrata utilized a proprietary system to measure the size of the population and level of wealth for the globe's top 70 economies. The in-house model takes sources such as the World Bank, stock market, GDP and tax rates among other references to make an estimate of the distribution of money, with residence data used for location-specific data.

Worldwide wealth

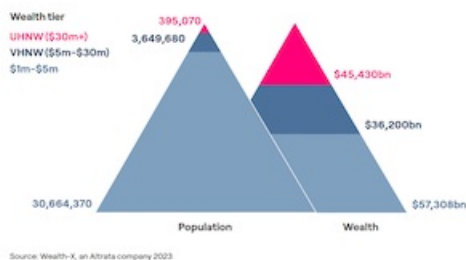
Alongside the decline in the overall number of UHNWIs, their combined net worth also fell to nearly the same exact degree, dipping 5.5 percent.

With this, the total wealth among the group slipped to \$45.4 trillion. A hefty sum, it accounts for a third of all of the money and assets held by HNWIs, in general.

This is the second-highest amount among the three categories of affluent individuals, with the majority being held by those worth between \$1 million and \$5 million. Over 30 million people across the world fall into this segment; the global count for UHNWIs stands at 395,070 as of 2022.

The wealthy by tier

Global population and wealth by major wealth tier in 2022



The wealthy are split into three separate tiers of affluence by the report. Image credit: Altrata

By region, North America reigns supreme above all others, sporting the highest population of UHNWIs as well as the largest total net worth present on this Earth, accounting for 36.3 percent of the global tally. Despite this, its number of individuals, alongside its wealth fell by 4 percent and 4.3 percent, respectively.

This drop-off, evident in the overall 5.4 percent decline, is commonplace among the listed regions. Only two territories saw growth, Latin America and the Caribbean as well as the Middle East which is seeing a luxury business boom, especially in Dubai (see story).

"While not altogether surprising, it is important to note that the share of global private wealth held by the ultra-wealthy has continued and is expected to continue to increase, from 10.6 percent in 2022 to 11.1 percent by 2027.

"This highlights the continuing and growing importance of this segment to companies and organizations that target and cater to these individuals," she said. "Another notable finding is the ongoing regional shift in wealth distribution across regions.

"Having overtaken Europe in 2019, Asia's share of UHNW wealth will continue to grow (to 29 percent), while North America will remain the largest wealth market (accounting for almost 36 percent)."

Ultra wealthy across the globe

Global UHNW population in 2022



The Middle East saw its UHNWI population rise by nearly 16 percent. Image credit: Altrata

North America represents the largest total wealth among all regions at \$16.47 trillion, with Asia and Europe following relatively close behind at \$12.13 trillion and \$11.73 trillion, respectively. Asia's fall was the greatest amidst its listed peers, with 10.9 percent of UHNWIs leaving the continent and taking a nearly identical value in assets with them.

These numbers line up with recent findings about record-high migration throughout the extremely affluent population (see story).

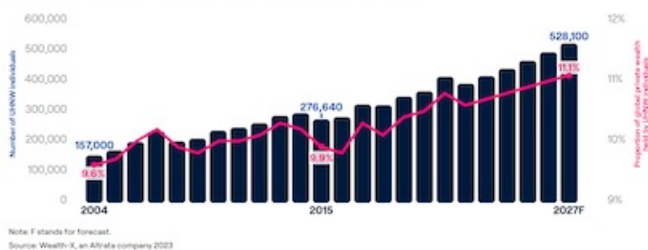
Bouncing back

While figures pertaining to the incredibly wealthy were down nearly across the board in 2022, in line with a previous report (see story), Altrata's analysts predict that the storm has passed.

Findings show that by 2027, the amount of global private wealth will rise by 11.1 percent overall, with each of the globe's five major regions North America, Asia, Europe, Latin America and the Caribbean, the Middle East and the Pacific seeing increases as well.

A growing share of wealth

UHNW population and their share of global private wealth



A rebound is expected to occur sooner rather than later. Image credit: Altrata

"Wealth markets were impacted by a diminishing global pandemic, a new war in Europe, a generational spike in inflation and the most aggressive monetary tightening cycle in decades," said Ms. Imberg.

"Nonetheless, it's worth noting that the 5.4 percent fall in the UHNW population only partially reversed the dynamic gains recorded in 2021, and we expect the ultra-wealthy population to grow over the next five years."

While the North American region is seen as having uncertain elements, such as political turmoil and economic slowdown, it will remain the top dog, still accounting for the same percentage of overall wealth and population. Various other Asian countries will uplift their own continent's numbers due to diversified supply chains taking away from the Chinese market, with India listed as a driver of change due to its expanding economy.

Equity slump takes toll on North American ultra high net worth population and wealth.

The UHNW population in the world's leading ultra wealth region declined by 4% in 2022. This was the first drop in four years and the biggest annual fall in a decade - <https://t.co/uIk81r5jRg>
[pic.twitter.com/aA2i26XdAs](https://t.co/aA2i26XdAs)

Altrata (@AltrataOfficial) September 6, 2023

Regardless, UHNWIs can take solace in that, for the most part, tides have shifted back in their favor after a rough year for most of the globe's most wealthy group.

"Whether by chance or design, the turbulent backdrop of 2022 provided wealth-creation opportunities for some among the ultra-wealthy class," said Manuel Bianchi, head of global sales at Altrata, in a statement.