

Number of ultra-high-net-worth individuals in Africa to increase

The number of ultra-high net worth individuals - those with at least \$30m in assets - in Africa will increase by a staggering 59% over the next 10 years, stronger than the 34% projected global growth.

Andrew Shirley, Editor of The Wealth Report says "The 2015 edition of The Wealth Report, launched today, 17 March, in South Africa by Knight Frank and Standard Bank Wealth and Investment, highlights the increasing influence of global and African wealth flows on prime property and investment markets".



Image via [123RF](#)

Evolving market

According to The Wealth Report 2015, compiled by Knight Frank with support from Standard Bank Wealth and Investment, previously Standard Bank Private Clients, it will be a case of the MINT of Mexico, Indonesia, Nigeria and Turkey trumping the BRICS of Brazil, Russia, India, China and South Africa. The average expected uplift for Mint countries is 76% over the next decade, which narrowly defeats the 72% for BRICS nations, according to research which includes the Global Cities and Global Attitudes annual surveys. The global average is just 34% and the average increase expected across the G8 developed nations is 28%.

Margaret Nienaber, Global Chief Executive of Standard Bank Wealth and Investment says 'the market is evolving and we are foreseeing positive future growth in key African countries like Nigeria, which has one of the strongest forecast growth rates in high-net-worth individuals over the coming decade.

The research findings put the growth of Nigeria's ultra-high-net-worth individuals by 2024 at 90%, but the top spot for Africa is reserved for the Ivory Coast at 119%.

"Africa is one of the regions of the world with huge potential to grow its wealth, driven by a rising middle class and the increased success of many businesses. Importantly, reforms in many countries are being expedited, infrastructure is happening at a startling pace and foreign investors are noticing," says Nienaber.

"Johannesburg stands out as the most important African city after ranking as the 28th most important city for ultra-high-net-worth individuals and Cape Town, the 36th," says Shirley.

Increase in investments

According to The Wealth Report, the total number of ultra-high-net-worth individuals rose by almost 5,200, or 3%, in 2014. While so-called investments of passion, such as art, wine and classic cars continue to attract interest, property remains the cornerstone of many investment strategies as it accounts for almost a third of all ultra-high-net-worth individuals' portfolios.

Despite concerns about the global economy, 80% of the almost 500 private bankers that participated in the annual Attitudes Survey, expect their clients' wealth to grow further in 2015.

While less than half the respondents said their clients were concerned about the impact of the Chinese economy dipping, family succession issues were the number one worry. The survey showed that 85% of respondents said their clients were concerned about the handover of family wealth to the next generation.