



BILLIONAIRE CENSUS HIGHLIGHTS
2015-2016

Overview

Billionaires – defined as those individuals with a net worth of US\$1 billion or above – controlled 3.9% of the world's total household wealth in 2015, slightly down from 2014. The members of this group of ultra wealthy individuals form one of the most exclusive clubs in the world; there is only one billionaire for every 2.95 million people on the planet.

Although the overall size of the billionaire population is small, the impact of billionaires on the global economy is significant. In 2015, billionaires' representation of the ultra high net worth (UHNW) population increased by just over 1%, however their wealth representation increased by nearly 5%; billionaires' wealth accounts for an ever larger share of the world's UHNW individuals. In 2015, the billionaire population grew by 6.4% to reach 2,473 – a record. The combined wealth of the world's billionaires increased by 5.4% to US\$7.7 trillion, also a record. When we compare billionaires' wealth to equity market capitalisations, it would trail only the New York Stock Exchange (US\$17 trillion), and only the United States (US\$17.9 trillion) and China (US\$11.0 trillion) when comparing to gross domestic product (GDP).

Despite the impressive growth of total billionaire wealth in 2015, not all regional groups, regions and countries fared equally. Europe, the Middle East and Africa (EMEA) have retained their position as the regional group with the most billionaires (1,013), while the Americas hold on to second place with 782 billionaires. Asia-Pacific is poised to eventually take over the Americas. With 678 billionaires, Asia-Pacific produced four times more billionaires than the Americas during 2015 and thus leads all regional groups in terms of growth rate of billionaire population and wealth, at 14.1% and 16.5% respectively. Not to be outdone, the Americas did overtake EMEA in total billionaire wealth, representing US\$3.0 trillion, due to EMEA's wealth declining by 0.8% year on year.

Intergenerational wealth transfers from baby boomers to their heirs continue to impact the world's billionaire population; billionaires with partially inherited wealth continue to be the fastest growing segment of this population, up 29.9% year on year, while responsible for nearly two thirds of total billionaire additions. The common denominator of the world's billionaires is their entrepreneurialism. In most instances, achieving billionaire status requires more than just inheritance; 87% of billionaires, up from 81% in 2014, made the majority of their fortunes themselves.

Key Findings

Five key themes emerged in our Wealth-X Billionaire Census, which tracked developments in 2015.

1) Liquidity rises:

- Liquidity has been in the midst of an upward trend since 2012 and, currently at 22.2% of net worth, is at the highest level we have seen since tracking billionaires. Billionaires are taking money off the table where available, while uncertainties in the economy and the historical highs found in deals have resulted in cash-flush portfolios. From 2014 to 2015 there was a considerable ramp up in liquidity events. Global divestment M&A activity was at a near all-time high and in 2015 IPO proceeds registered a second consecutive year of the strongest performance seen since the end of the global recession.
- Once equity valuations return to more attractive levels, we expect a movement toward putting liquidity back into deals.

2) Male billionaire over-representation increases:

- There are 17.5 times more men than women in net billionaire additions; 140 of the 148 additions in 2015 were male.
- There are now 8.4 male billionaires for every female billionaire. This is up from a ratio of 8.1 to 1 in 2014.
- Wealth held by male billionaires also increased, now standing at 88.6% of total wealth, up from 87.2% in 2014.
- Male billionaires are becoming younger, more entrepreneurial and more likely to make an equitable distribution of their wealth through either divorce or death.
- The average age of male billionaires decreased by 0.6 years to 63.2 in 2015, while the age of female billionaires increased by 0.9 years to 62.2. 89.6% of all male billionaires source their fortunes from their own initiatives, versus 44.0% for females. Male billionaires divorced at a faster rate than their female counterparts, and the number of widowed female billionaires as a percentage of the population increased while the percentage of widowed males fell.

3) Female billionaires are increasingly entrepreneurial (but their population and wealth decrease):

- The number of female billionaires who inherited their wealth dropped significantly in 2015. 56% of female billionaires inherited their wealth compared with 65.4% in 2014.

- Female billionaires are still more likely to inherit their wealth than males, however they are increasingly using this inheritance as seed capital to pursue their own endeavours. 27.5% of female billionaires have partially inherited their wealth compared with 17.5% in 2014. Though the increase is encouraging, the chasm separating male and female entrepreneurial participation rates remains large.

4) Finance, banking and investment industries decline:

- The percentage of billionaires from the finance, banking and investment industries declined in 2015, faster than in any year since the global recession. Billionaires are increasingly diversifying their business exposure and investments, and although it's still the leading industry in terms of billionaire representation, finance, banking and investment represent just 15.2% of all billionaires compared with 19.3% in 2014.
- The number of billionaires decreased by 5.5% to 377, while wealth decreased by 6.6% to US\$1.2 trillion.
- Billionaires from industrial conglomerates continue to edge closer to the top spot with 12.8% representation, up from 12.1% in 2014.
- Though there was a decline in finance, banking and investment industries, there was a significant increase in net billionaire growth in the insurance, retail, diversified financial services, business services and IT services industries.

5) Asia, Europe and North America are growth engines:

- Asia leads all regions in growth of both billionaire population and wealth at 15.2% and 19.6% respectively.
- Asia was responsible for 57% of all net billionaire additions and 70% of all new billionaire wealth in 2015. China and ASEAN (Association of Southeast Asian Nations) countries led the increase.
- Europe saw its billionaire population increase by 4.0%, which accounted for 21% of net billionaire additions. However the wealth of European billionaires tumbled 0.8%, a decrease of 11% for net billionaire wealth.
- North America grew a modest 3.1% in billionaire population and a healthy 8.0% in wealth, however due to its size, these increases accounted for 13% of all net billionaire additions and 48% of net billionaire wealth.

WORLD'S BILLIONAIRES

2015
Billionaire
Population
& Total Wealth

↑ 6.4%

Population Change
% from 2014

2,473

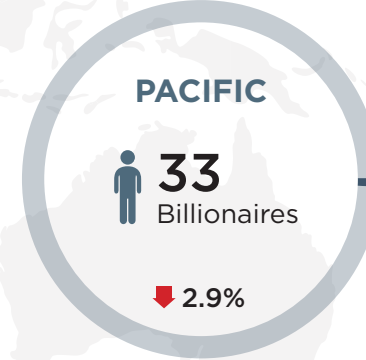
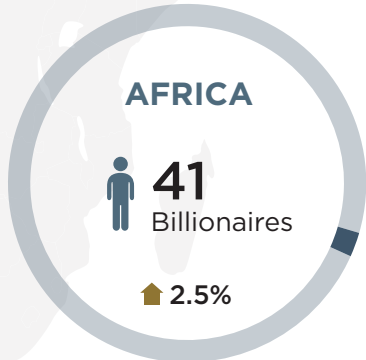
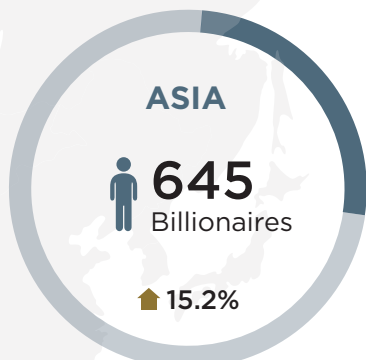
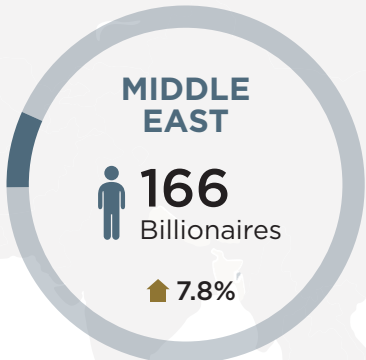
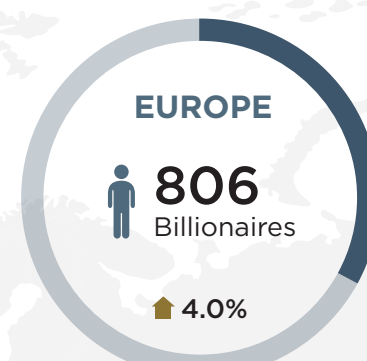
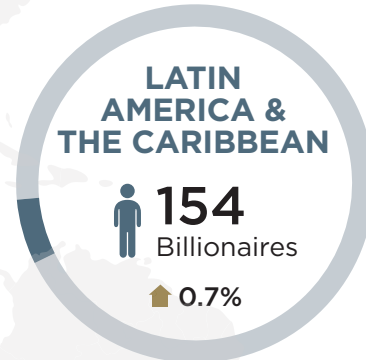
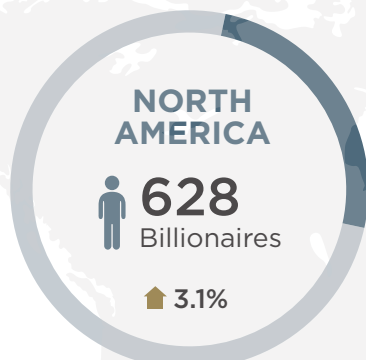
Number of
Billionaires

↑ 5.4%

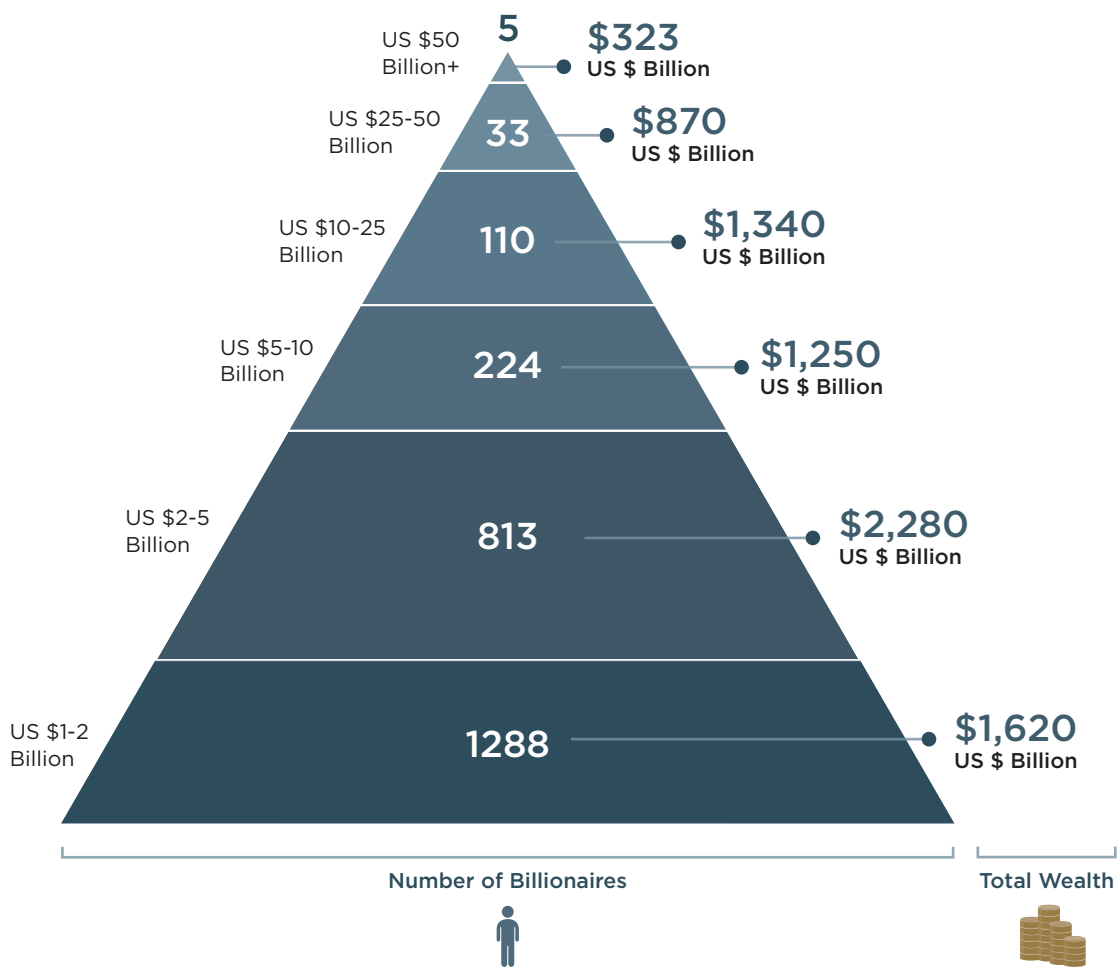
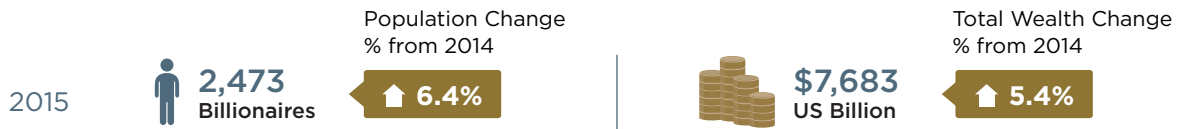
Total Wealth Change
% from 2014

\$7,683

Total Wealth
US \$Billion



BILLIONAIRE WEALTH TIERS



PERFORMANCE BY REGION

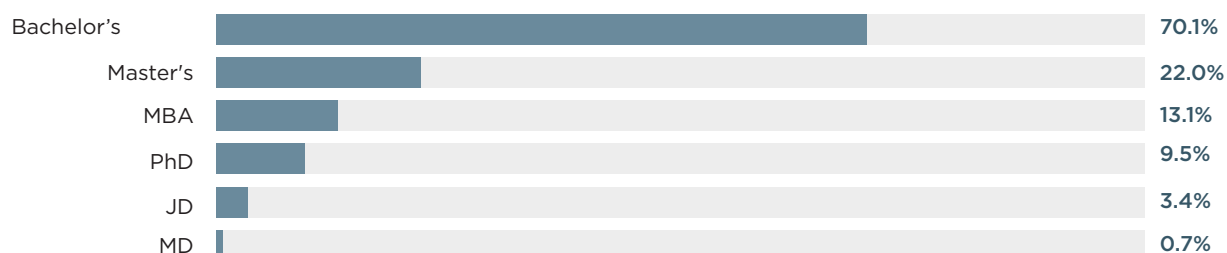
Region	2015		2014		Population Change %	Wealth Change %
	Number of Billionaires	Total Wealth US \$Billion	Number of Billionaires	Total Wealth US \$Billion		
World	2,473	7,683	2,325	7,291	📈 6.4%	📈 5.4%
EMEA	1,013	2,878	969	2,902	📈 4.5%	📉 0.8%
Europe	806	2,330	775	2,375	📈 4.0%	📉 1.9%
Middle East	166	450	154	413	📈 7.8%	📈 9.0%
Africa	41	98	40	114	📈 2.5%	📉 14.0%
Americas	782	3,049	762	2,882	📈 2.6%	📈 5.8%
North America	628	2,561	609	2,371	📈 3.1%	📈 8.0%
Latin America & The Caribbean	154	488	153	511	📈 0.7%	📉 4.5%
Asia-Pacific	678	1,756	594	1,507	📈 14.1%	📈 16.5%
Asia	645	1,686	560	1,410	📈 15.2%	📈 19.6%
Pacific	33	70	34	97	📉 2.9%	📉 27.8%

THE BILLIONAIRE LIFE CYCLE

BEGINNINGS: EDUCATION

Possessing a degree from a university is not a requirement for becoming an UHNW, let alone a billionaire. Billionaires, on average, do possess at least a bachelor's degree, at the rate of 70.1%. A significant number of billionaires have shown a liking for education as a further 22% have obtained a master's degree, 13.1% have received a master's in business administration (MBA) and 9.5%, or nearly one in ten billionaires, have received a doctorate (PhD). Fewer billionaires have gone on to acquire degrees in law or medicine.

BILLIONAIRE EDUCATION



Note: Categories are not cumulative



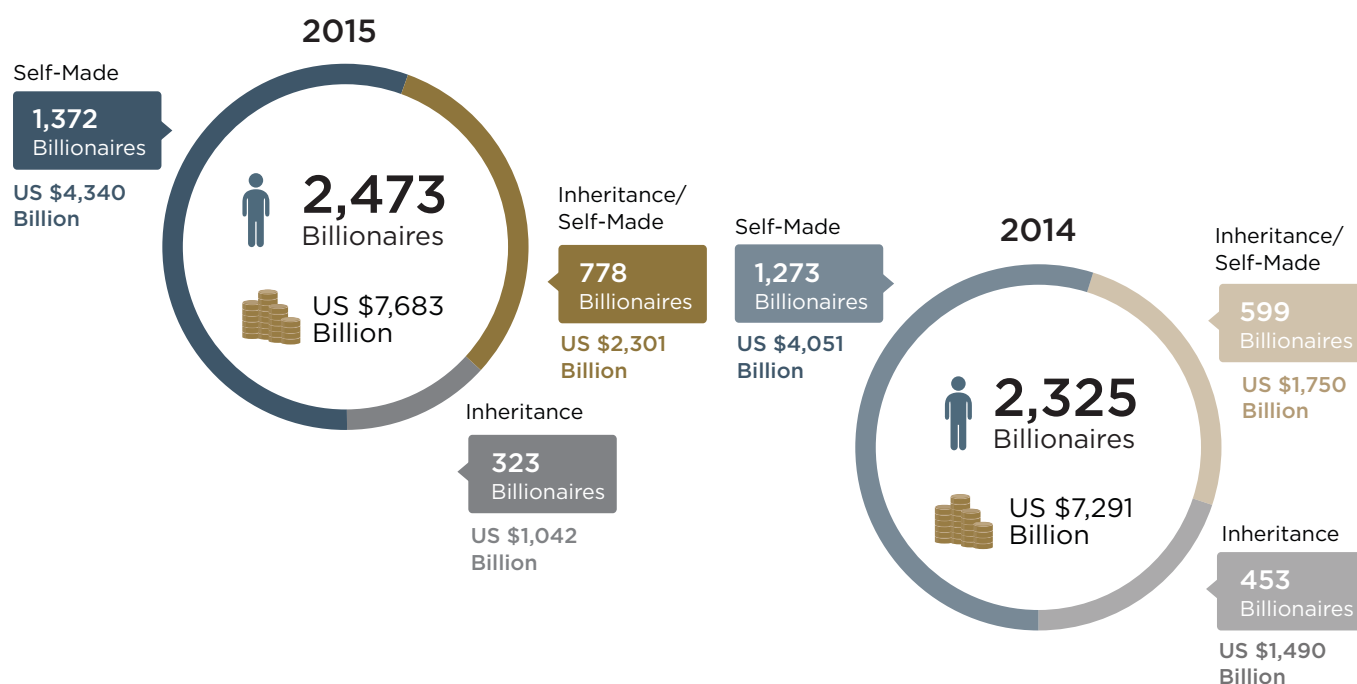
More than 2,160 Degrees

have been obtained from **more than 1,300 institutions**

Examining which universities are the most popular for billionaires (as measured by the number of degrees obtained by billionaires), Harvard University emerges as the most popular educational destination by far, awarding twice as many degrees as runner-up Stanford University. US-based universities continue to take the lion's share of representation, with the top 11 spots and 15 of the top 20 overall held by US-based universities.

ACCUMULATION: WEALTH SOURCE

WEALTH SOURCE



Global billionaires are predominantly self-made, with over 55% of the total population sourcing their wealth from fruitful business ventures or successful investments. Self-made billionaires represent 57% of total billionaire wealth, an increase of 7% from 2014.

The potential of big data analytics and increasing global accessibility to technology has led to a new wave of self-made billionaires. Young, tech-savvy entrepreneurs and innovators have been able to amass considerable wealth in short periods of time by engaging with clients through digital channels they are comfortable with. Billionaires such as Travis Kalanick, co-founder of Uber, and Brian Chesky, co-founder of Airbnb, have utilised the advantages provided by the internet and mobile technology to completely re-landscape the transport and hospitality industries.

This is in contrast to the number of billionaires with inherited wealth, which has fallen by 29% since 2014. Billionaires whose wealth is inherited comprise only 13% of all global billionaires and 14% of total billionaire wealth.

The drop in the number of billionaires whose wealth is solely inherited is significant considering that between 2013 and 2014, this population grew over 3% whilst total inherited wealth rose 13%.

The reason for the rapid decline in inherited wealth is due to a rising taste for entrepreneurialism amongst billionaires who initially inherited their wealth. The number of billionaires with inherited/self-made fortunes grew from 2014; they now total 31% of the entire billionaire population, a rise of 6% year on year.

This illustrates that inheritors are not looking to rely on their new-found wealth; they are attempting to use the wealth to pursue their own business interests or grow their existing family estates. They are looking to make their own legacy and personal fortunes, rather than living on their family's existing reputation.

In 2015, billionaires with self-made/inherited fortunes increased their mean wealth by US\$300 million, now totalling US\$2.96 billion. This represents the benefits of an effective wealth transition strategy. It is very important for the benefactors of new wealth to understand both the implications and responsibilities that come with owning significant wealth. Being unprepared can lead not only to wealth or asset loss due to uneducated investing, but also to reputational damage to the family name. The rise of social media usage amongst younger wealthy individuals demonstrates that the lifestyles and wealth of billionaires are less private than before; with the public eye on billionaire behaviour, the potential for reputational damage is significant.

Therefore, having a strategy that prepares the heir or heiress for the effective management of the family estate upon inheritance is vital. Global private banks and family offices have already identified this need amongst the super wealthy and offer next-generation programmes for the children of wealthy families. The purpose of these programmes is to educate future beneficiaries about social responsibility, family governance and investments.

Rather than rest on the security that inherited wealth provides, an effective wealth succession strategy and next-generation education platforms have given billionaires the drive to achieve success by themselves.

LIFESTYLE: PASSIONS, INTERESTS, HOBBIES

Rank	Interests, Passions and Hobbies	% of Billionaires
1	Philanthropy	56.3%
2	Travel	31.0%
3	Art	28.7%
4	Fashion & Style	25.2%
5	Politics	22.2%
6	Wine & Spirits	15.9%
7	Boating	14.9%
8	Health & Exercise	14.8%
9	Automobiles	14.5%
10	Collectibles	14.1%
11	Football/Soccer	13.1%
12	Reading	12.3%
13	Cultural Events	12.1%
14	Golf	11.0%
15	Dining	10.9%
16	Hunting	8.8%
17	Jewellery	8.1%
18	Fishing	7.8%
19	Watches	7.7%
20	Skiing	7.2%

To really know billionaires is to look beyond their commercial success and instead focus on what makes them tick: their interests, hobbies and passions.

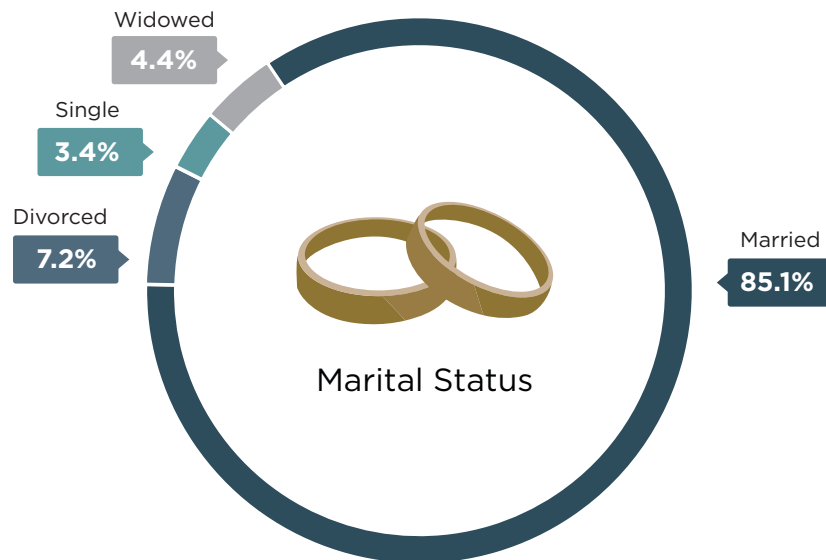
As in 2014, philanthropy is the primary passion amongst global billionaires. More than 56% of total billionaires either undertake or are interested in pursuing philanthropic activities. This is partly due to a rise in the global coverage and recognition of the philanthropic endeavours of billionaires such as Bill Gates and Warren Buffett. The Bill and Melinda Gates Foundation and the Giving Pledge have instilled a sense of humanitarian responsibility in billionaires to use their vast wealth to make a difference in the world.

LIFESTYLE: 2016 SOCIAL CALENDAR

JANUARY	Davos World Economic Forum	Switzerland
	Art Stage	Singapore
	Sundance Film Festival	United States
	St Moritz Polo World Cup on Snow	Switzerland
	Cresta Run	Switzerland
FEBRUARY	White Turf International Horse Races	Switzerland
	Superbowl	United States
	Vienna Opera Ball	Austria
	Miami Yacht and Brokerage Show	United States
	Fashion Week	United States, United Kingdom, Italy
MARCH	Fashion Week	France
	Dubai World Cup	United Arab Emirates
	International Ballet Festival	Russia
	Art Basel, Hong Kong	Hong Kong
APRIL	Veuve Clicquot Gold Cup	United Kingdom
	US Masters (Golf)	United States
	Singapore Yacht Show	Singapore
MAY	Cannes Film Festival	France
	Concorso d'Eleganza	Italy
	Glyndebourne Festival	United Kingdom
	Monaco Grand Prix	Monaco
	Kentucky Derby	United States

JUNE	Henley Royal Regatta	United Kingdom
	Euro 2016 (Soccer)	France
	US Open (Golf)	United States
	Royal Ascot	United Kingdom
JULY	Wimbledon	United Kingdom
	Bayreuther Wagner Festival	Germany
	US PGA Championships (Golf)	United States
AUGUST	Venice International Film Festival	Italy
	Summer Olympics	Brazil
	Beijing International Music Festival	China
SEPTEMBER	Monaco Yacht Show	Monaco
	Salon Privé	United Kingdom
	Ryder Cup (Golf)	United States
	Singapore Grand Prix	Singapore
OCTOBER	Frieze Masters	United Kingdom
NOVEMBER	Melbourne Cup	Australia
	Bal des Débutantes	France
	US Presidential Election	United States
DECEMBER	Opening Night, La Scala	Italy
	Art Basel, Miami	United States
	St Bart's New Year Celebrations	St Barthélemy

LIFESTYLE: FAMILY



Globally, more than 85% of billionaires are married, a drop of 1% from 2014. However, both the numbers of single and widowed billionaires have risen by 0.3% and 0.1% respectively.

More than 22% of the female billionaire population are widowed, in comparison with just 2% of men. The marriage rate is also much lower for women as 62% of female billionaires are married compared with 88% of their male counterparts.

The billionaire divorce rate has risen in 2015, as more than 7% of billionaires are now separated from their partners. The implications of divorce usually have a significant bearing on billionaire wealth. The need for either effective family counselling or quality divorce lawyers and binding prenuptial agreements are becoming more vital in maintaining control of wealth.

The family size of billionaires is now approximately three children compared with two in 2014, whilst the number of extended family members is seven. This rise will impact the overall transfer of billionaire wealth over the next few decades; as the distribution of wealth widens, so too will the number of very wealthy inheritors.

About Wealth-X

Wealth-X is a wealth information and insight business with unique data assets and specialized skills, offering the world's largest collection of hand curated dossiers on the ultra wealthy and the world's leading high net worth market research.

We partner with the world's leading prestige brands across the financial services, luxury, not-for-profit and higher education industries to fuel strategic decision-making in sales, marketing and compliance. We provide our clients with the data, analysis, advice, and ideas to drive business success through applied wealth intelligence.

Founded in 2010, with more than 200 staff across North America, Europe and Asia, Wealth-X works with over 500 clients.

Our team of experts is widely quoted as the global authority on wealth intelligence in top-tier media publications including *Financial Times*, Business Insider, CNN, *The New York Times* and BBC.

The full report, featuring an additional 60 pages of statistics, analysis, and regional focus is available to clients of Wealth-X. Please contact billionairecensus@wealthx.com for more information on the full report. For media enquiries, please contact press@wealthx.com.



WEALTHX.COM