Credit
Suisse
Research
Institute

CREDIT SUISSE

Global Wealth Report 2022

Leading perspectives to navigate the future

Table of contents

About the Credit Suisse Research Institute (CSRI)
The Credit Suisse Research Institute (CSRI) is Credit Suisse's in-house think tank. It was established in the aftermath of the 2008 financial crisis with the objective of studying long-term economic developments, which have – or promise to have – a global impact within and beyond the financial services industry. The Institute builds on unique proprietary data and internal research expertise from across the bank and in collaboration with leading external specialists. Its flagship publications, such as the Global Wealth Report, regularly attract more than 100,000 readers online, generating high press coverage and over three million impressions on social media. Further information about the Credit Suisse Research Institute can be found at www.credit-suisse.com/researchinstitute.

Editorial deadline: 1 September 2022
Cover photo by Andrew Innes, Alamy Stock Photo

For more information, contact:
Nannette Hechler-Fayd'herbe
Chief Investment Officer for the EMEA region and Global Head Economics & Research of Credit Suisse
nannette.hechler-fayd'herbe@credit-suisse.com

Richard Kersley
Executive Director of EMEA Securities Research and Head of Global Product Management, Credit Suisse
richard.kersley@credit-suisse.com

Introduction

With more than 160 years' history and expertise in private wealth management, Credit Suisse has been the proud recipient of industry awards around the world for our wealth management capabilities and services.

A fundamental requirement of being a leading wealth manager is a deep understanding of private wealth developments and trends.

The Credit Suisse Global Wealth Report, now in its thirteenth year, delivers one of the most comprehensive analyses of global household wealth available, underpinned by unique insights from leading academics in the field, Anthony Shorrocks and James Davies.

This year's edition reviews the full impact of the response of policymakers to the COVID-19 pandemic on global household wealth through 2021 and its distribution across regions, as well as within countries. We notably throw a spotlight on a range of demographic factors, including gender, race and age, while also highlighting median wealth developments, which more closely reflect the reality for the majority of households.

Mindful of how inflation is now dominating the investment discourse, this year's study offers an additional and timely assessment of real as opposed to nominal wealth trends to take account of the flattering effect of inflation on global wealth.

Finally, we continually seek to widen the scope of our global coverage in the study. Hence, in the country experiences chapter, we are now pleased to add the Middle East to our analysis, which is of course a key region from a private household wealth perspective.

I trust readers will find the insights of this edition of the Global Wealth Report to be of particular value in what remain unprecedented times.

Axel P. Lehmann
Chairman of the Board of Directors
Credit Suisse Group AG

Executive summary

A record 2021 for household wealth

By the end of 2021, global wealth totaled an estimated USD 463.6 trillion, which is an increase of 9.8% versus 2020 and far above the average annual +6.6% recorded since the beginning of the century. Setting aside exchange rate movements, aggregate global wealth grew by 12.7%, making it the fastest annual rate ever recorded. Wealth per adult continued rising to USD 87,489 at the end of 2021. While financial assets have accounted for most of the increase in household wealth since the global financial crisis, the split between wealth increases driven by financial and non-financial assets was almost even in 2021. Accounting for inflation lowers the wealth growth rates. In 2021, we estimate the increase in real wealth to have been +8.2%. As we look ahead toward a period of more elevated inflation than in the past two decades, the comparison of real and nominal wealth trends grows in relevance.

On a country-by-country basis, the United States added the most household wealth in 2021, followed by China, Canada, India and Australia. Wealth losses were less common and almost always associated with currency depreciation against the US dollar, affecting for example Japan, Italy and Turkey. While Switzerland still ranks highest in terms of wealth per adult at USD 696,600, followed by the United States, Hong Kong SAR and Australia, the more relevant median wealth per adult criterion places Australia, Belgium and New Zealand in the top three positions with USD 273,900, USD 267,890 and USD 231,260, respectively.

A look at specific population sub-groups shows that, in the United States and Canada, Millennials and Generation X grew their wealth most between 2019 and 2022. In the United States, African American and Hispanic households saw the largest percentage increase in wealth (+22.2% and +19.9%, respectively) in 2021 thanks to increases in non-financial wealth – mostly housing. With regard to women's wealth, it is estimated that, of the 26 countries that make up 59% of global adult population, 15 countries (including China, Germany and India, for example) show a decline in the wealth of women over 2020 and 2021. For the remaining countries (including the United States and the United Kingdom, for example), the average ratio of women's to men's wealth increased.

Global wealth distribution

The strong rise in financial assets resulted in an increase in inequality in 2021. However, when correlated with short-run asset price movements, such fluctuations in inequality prove transient. In 2022, asset prices have fallen already and a reversal of the 2021 trend can be expected. Importantly, a detailed analysis of median wealth within countries and across the world shows that global wealth inequality has fallen this century due to faster growth achieved in emerging markets. Global median wealth has risen roughly twice as fast as global wealth per adult and much more rapidly than global GDP. The average household has thus been able to build up wealth over the last two decades.

At the top of the wealth pyramid, the United States continues to rank highest with over 140,000 ultra-high-net-worth individuals (with wealth above USD 50 million) followed by China with 32,710 individuals. Worldwide, we estimate that there were 62.5 million millionaires at the end of 2021, 5.2 million more than the year before. At the bottom of the wealth pyramid, there is now some evidence concerning the wealth impact of the policy reactions to the pandemic on various subgroups, but it will be some years before survey data gives a clear indication of the full distributional effects. Distribution financial accounts (DFA) in the United States suggest that the wealth share of the bottom 50% of households in the United States increased from 1.84% to 2.64%, mostly due to a rise in the value of real estate.

Wealth outlook

While some reversal of the exceptional wealth gains of 2021 is likely in 2022/2023 as several countries face slower growth or even recession, our five-year outlook is for wealth to continue growing. We would expect global wealth to increase by USD 169 trillion by 2026, a cumulative rise of 36%, with middle-income countries primarily driving global wealth increases. Our forecast is that, by 2024, global wealth per adult should pass the USD 100,000 threshold and that the number of millionaires will exceed 87 million individuals over the next five years.

Nannette Hechler-Fayd'herbe
Chief Investment Officer for the EMEA region and Global Head Economics & Research of Credit Suisse


Photo by shunli zhao, Getty Images

Global wealth levels 2021

Anthony Shorrocks, James Davies and Rodrigo Lluberas

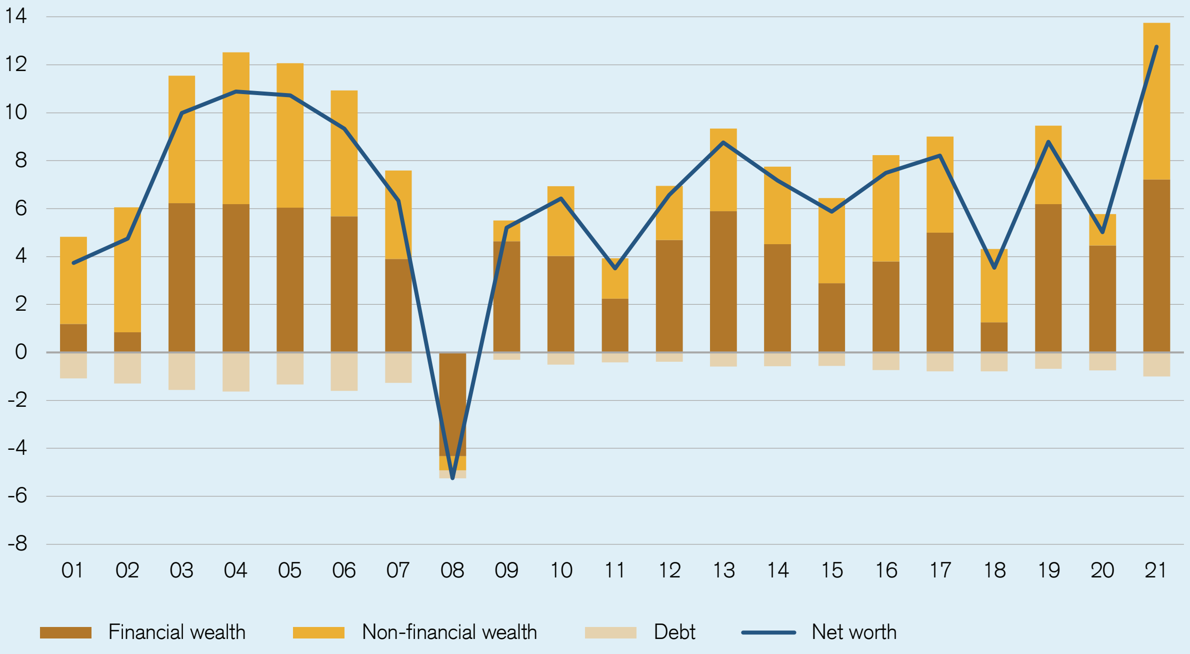
The thirteenth edition of the Credit Suisse Global Wealth Report continues our aim of providing the most comprehensive information available on global household wealth. Wealth creation in recent years has been exposed to a sequence of continuing economic challenges. While it is too early to assess the impact of widespread inflation and the Russia-Ukraine war, wealth growth proved resilient in 2020 when COVID-19 caused major economic disruption, and the recovery during 2021 produced even more favorable conditions. By year-end, global wealth at prevailing exchange rates totaled USD 463.6 trillion, a gain of 9.8%. Wealth per adult rose 8.4% to USD 87,489. US dollar appreciation depressed these rates by 2.9%. Setting aside exchange rate movements, aggregate global wealth grew by 12.7% in 2021, which is the fastest annual rate ever recorded.

Household wealth in a volatile world

Since the start of 2020, the evolution of household wealth has been driven by the economic repercussions of the COVID-19 pandemic and the actions taken by national and international agencies to mitigate the negative impacts on businesses and individuals. The first few months of 2020 followed a familiar script. Expectations of sharp falls in economic activity and trade caused share prices to dive and global household wealth to fall by 4.4% between January and March. However, robust and prompt (often pre-emptive) responses by governments and central banks helped to stabilize financial markets, enabling the earlier household wealth losses to be largely reversed by mid-year. The generous financial support given to households in many advanced countries, coupled with lower interest rates and limitations on consumption opportunities, boosted household savings and laid the foundations for share price and house price increases, which resulted in significant rises in household wealth throughout the world. This good fortune for wealth holders contrasted sharply with the medical challenges and the broader economic hardships that prevailed in most of the world.

A year ago we estimated that total global household wealth rose by 7.4% during the course of 2020, and wealth per adult by 6.0%. The more complete and accurate data now available lead us to revise these figures upward slightly to 8.6% and 7.2%, respectively, although US dollar depreciation in 2020 inflated each of these figures by 3.6 percentage points. What was not widely anticipated a year ago is that the recovery of macroeconomic activity in a low interest environment would produce exceptionally favorable conditions for household wealth growth during 2021. We estimate that global wealth totaled USD 463.6 trillion at the end of 2021, a rise of USD 41.4 trillion (9.8%). Wealth per adult grew by USD 6,800 (8.4%) during the course of the year to reach USD 87,489, close to three times the level recorded at the turn of the century.

Figure 1: Annual change in net worth and its components using smoothed exchange rates (%), 2000–21



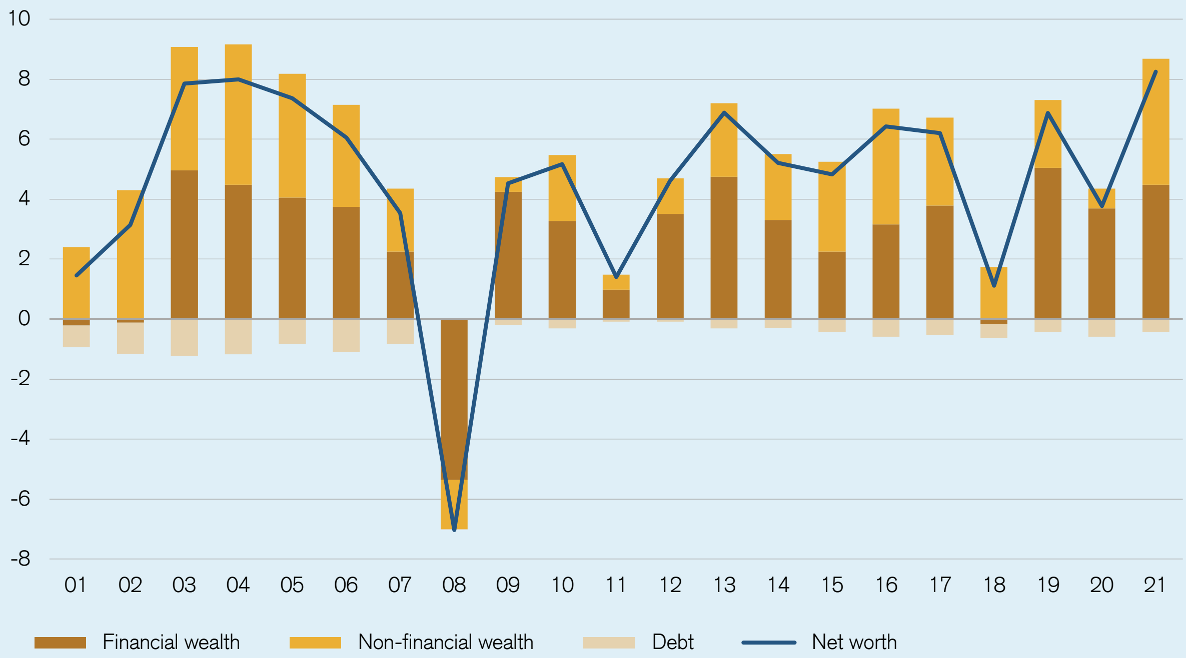
Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

> **While 2021 was clearly a bumper year for household wealth, the combination of factors creating the favorable environment has repercussions that may be less benign**

At first sight, the 9.8% growth rate for total household wealth in 2021 and the 8.4% growth rate for average household wealth seem little different from a year earlier. But the US dollar appreciated during 2021, lowering growth rates in end-year USD terms by 2.9 percentage points on average. Thus, when year-on-year exchange rate movements are discounted, average wealth grew by 11.3% and total global wealth by 12.7% in 2021 – the fastest rate achieved this century and almost certainly the fastest rate recorded at any time in history.

While 2021 was clearly a bumper year for household wealth, the combination of factors creating the favorable environment has repercussions that may be less benign. The massive business and income support programs undertaken in response to the macroeconomic setbacks, together with extra health-related expenditures, drove public debt up to record levels outside of wartime. Future government actions aimed at redressing this situation may well affect wealth creation. More importantly, the policy of central banks in 2020 to lower interest rates – and to signal the intention to keep rates low for many months – contributed to the inflationary pressures that are now evident everywhere. Rises in interest rates in 2022 have already had an adverse impact on bond and share prices, and are also likely to hamper investment in non-financial assets. For these reasons, household wealth growth in the near future is likely to be

Figure 2: Annual real change in net worth and its components (%), 2000–21



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

subdued even if nominal gross domestic product (GDP) rises at the relatively rapid pace still being predicted for this year.

Trends in wealth per adult

Figure 1 compares the growth of household wealth in 2021 with growth rates since the turn of the century, using smoothed exchange rates to minimize the impact of year-on-year exchange rate movements. The overall pattern suggests a fairly steady rise in household wealth, averaging 6.6% per year, with minor variations usually linked to shifts in share prices and house prices. The most obvious exception to the steady pattern of growth is the dip in 2008 due to the collapse of asset prices during the global financial crisis. Until this year, the other outlier was the unusually high wealth growth during the "golden age" preceding the financial crisis, when wealth grew at almost double the long-term rate. That episode was triggered by a combination of favorable factors, most notably the rapid transformation of China into a fully-fledged market economy.

While the special circumstances prevailing during the early pandemic years might have been expected to hamper wealth creation in 2020, growth turned out not greatly different from the long-run average. The same cannot be said of 2021. Given the evidence reported above, 2021 must be viewed as another exceptional year that is unlikely, perhaps, to be repeated in the near future.

Previous reports have given little attention to the impact of inflation, although it is one of the reasons why dollar millionaire numbers have been rising quickly this century: in effect, the threshold has been falling on average by about 2% each year. Since inflation seems set to exceed that level in the immediate future, it is an opportune time to consider how inflation affects the historical wealth growth series portrayed in **Figure 1**. For this purpose, nominal wealth values have been converted into real wealth values using the GDP deflator for each country, again using smoothed exchange rates (with 2020 as the reference year). The results are shown in **Figure 2**.

As expected, the annual growth rate of total wealth and the contributions of each of the wealth components are reduced when inflation is taken into account. The low growth rates recorded in 2011 and 2018 are more evident in **Figure 2** compared to **Figure 1**, and the wealth loss in 2008 is more pronounced. But, overall, the pattern over time is quite similar.

The comparison between 2021 and the previous peak year of 2004 is particularly interesting. Accounting for inflation lowers the 2004 growth rate from 10.9% to 8.0%, while growth in 2021 drops from 12.7% to 8.2%. So, although 2021 experienced higher inflation, it retains its claim to be the year in which wealth grew at the fastest rate. However, real gross wealth (i.e. financial assets plus non-financial assets) grew at a faster

Table 1: Change in household wealth in 2021, by region

	Total wealth	Change in total wealth		Wealth per adult	Change in wealth per adult	Change in financial assets		Change in non-financial assets		Change in debts	
	USD bn	USD bn	%	USD	%	USD bn	%	USD bn	%	USD bn	%
North America	158,199	21,275	15.5	560,846	14.7	14,351	12.9	8,396	19.0	1,472	8.1
Europe	106,330	1,573	1.5	180,275	1.5	524	1.0	777	1.2	-273	-1.8
China	85,107	11,168	15.1	76,639	14.5	5,898	16.1	6,349	13.7	1,079	12.1
Asia-Pacific	81,319	4,298	5.6	64,700	4.0	1,376	3.1	2,924	6.7	3	0.0
India	14,225	1,524	12.0	15,535	10.1	271	8.1	1,317	12.4	63	5.1
Latin America	12,579	1,194	10.5	27,717	8.9	576	9.8	725	10.6	107	7.9
Africa	5,808	417	7.7	8,419	4.7	306	11.9	121	3.7	10	2.3
World	**463,567**	**41,450**	**9.8**	**87,489**	**8.4**	**23,301**	**9.0**	**20,609**	**9.4**	**2,460**	**4.4**

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

rate in 2004. 2021 retains its leading position only because real debt reduced wealth growth by 1.2% in 2004 compared to 0.4% last year.

An overview of 2021

The main features of wealth growth during 2021 are summarized in **Table 1**. Aggregate global wealth totaled USD 463.6 trillion at the end of the year, a rise of USD 41.5 trillion or 9.8%. Wealth per adult was up 8.4% to reach USD 87,489 at year-end. These amounts are reduced because they refer to US dollars at current exchange rates, and the US dollar appreciated during the year. If exchange rates had remained the same as in 2020, total wealth would have grown by 12.7% and wealth per adult by 11.3%.

All regions contributed to the rise in global wealth, but North America and China dominated, with North America accounting for a little over half the global total and China adding another quarter. In contrast, Africa, Europe, India and Latin America together accounted for just 11.1% of global wealth growth. This low figure reflects widespread depreciation against the US dollar in these regions. In percentage terms, North America and China recorded the highest growth rates (around 15% each), while the 1.5% growth in Europe was by far the lowest among the regions.

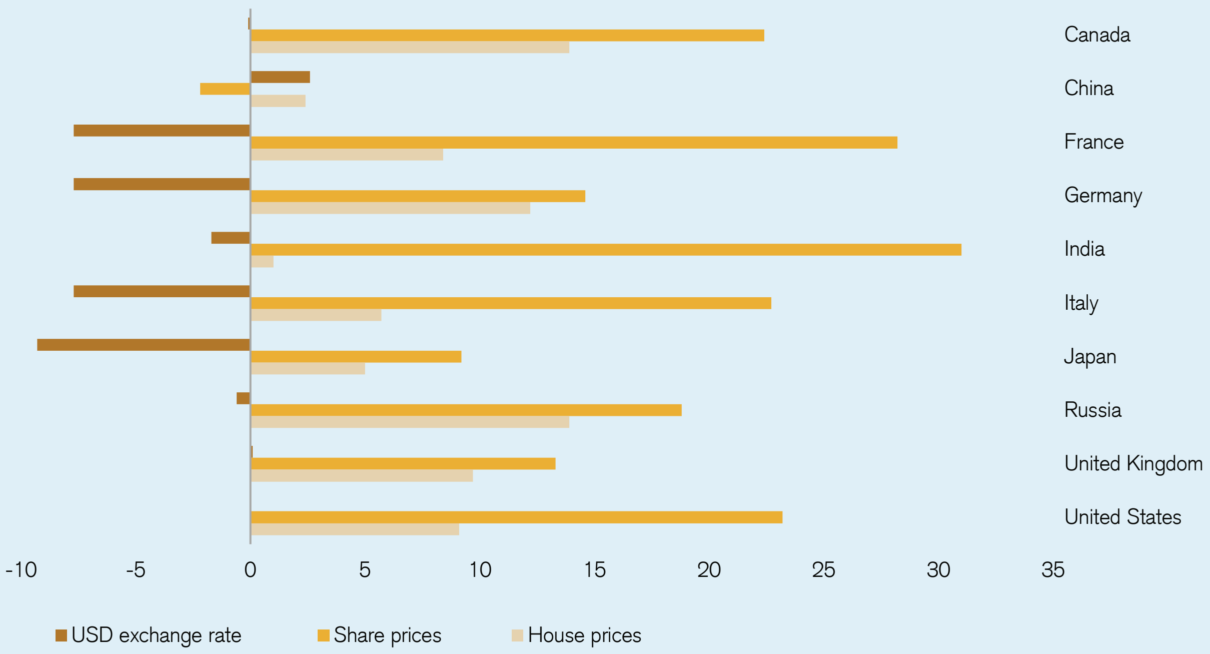
Financial assets have accounted for most of the increase in total wealth since the financial crisis. However, the split was almost even in 2021: financial assets rose by USD 23.3 trillion compared to USD 20.6 trillion for non-financial assets. In percentage terms, there was a slight bias in favor of non-financial assets (9.4% versus 9.0%), which is reflected also in the regional figures for Europe and Latin America. There was a clearer bias toward financial assets in China and Africa, and toward non-financial assets in India and North America (although the US dollar gains in financial assets in North America far outstrip the gains in non-financial assets).

Total household debt increased by 4.4% for the world as a whole, which is a fairly modest rise given the macroeconomic circumstances. However, the global figure was suppressed by zero growth for the Asia-Pacific region (excluding China and India) and the reduction in debt in Europe (due to exchange rate depreciation). Elsewhere, household debt rose on average by 9%, led by a rise of 12.1% in China.

Asset prices and exchange rates

Much of the year-on-year change in our estimates of the household wealth of individual countries depends on asset prices and exchange rates. The most significant development in 2021 was the widespread and sizable gains in share prices. Among the countries covered in **Figure 3** (G7 countries plus China, India and Russia), India led the way with a 31% rise, but France (28%), the United States (23%), Italy (23%) and Canada (22%) were not far behind. Elsewhere, share prices rose by more than 30% in Austria, Sweden, Saudi Arabia, Vietnam and Israel, and by more than 40% in Romania, Czechia and the UAE. Share prices may have risen much faster in Iran, but the data are less reliable. In contrast, share prices fell by 2.2% in China, by 5%–6% in New Zealand, Chile and Pakistan, and by 17% in Hong Kong SAR.

Figure 3: Percentage change in USD exchange rate, share prices and house prices, 2021



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

"

The most significant development in 2021 was the widespread and sizable gains in share prices

Housing markets were initially subdued during the peak of the pandemic, but recovered during the second half of 2020 and continued to flourish in 2021. Low interest rates were likely one of the factors responsible for the buoyant housing market. Unusually, no country recorded a decline in house prices in 2021. House price increases usually remained in a fairly narrow range between 5% and 15%. Among the countries shown in **Figure 3**, France (8%), the United States (9%), the United Kingdom (10%), Germany (12%), Canada (14%) and Russia (14%) are typical of the house price rises seen around the world. There were some exceptions, however, such as the large gains recorded in New Zealand (25%), Australia (31%), Saudi Arabia (34%) and Turkey (60%).

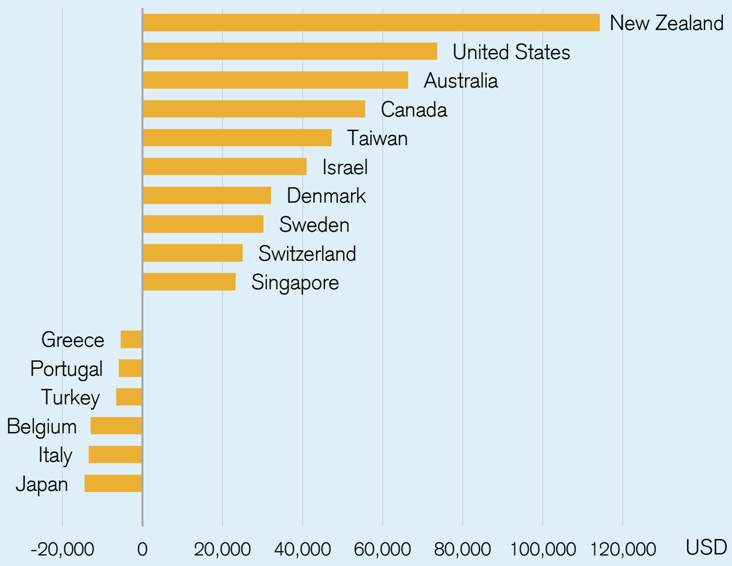
Exchange rate fluctuations are often the source of sizable gains and losses in wealth valued in US dollars. On average in 2021, countries' currencies depreciated against the US dollar by 2.9%. Among the countries covered in **Figure 3**, Japan (–9.3%) and the Eurozone (–7.7%) experienced the largest declines. Similar depreciations occurred in Korea, Sweden, Nigeria and Thailand, while the 43% drop in Turkey was in a league of its own. Countries with appreciating currencies were less common, but they included China (2.6%), Chile (4.4%) and Taiwan (Chinese Taipei) (5.6%), and were topped by New Zealand (8.8%).

Biggest gains and losses among countries

Significant rises in GDP combined with vigorous equity and housing markets are expected to produce sizable wealth gains at the country level, and this was certainly the case in 2021. The United States seems to exceed expectations every year and did so again in 2021 by adding USD 19.5 trillion to its stock of household wealth. This is well above the second-place contribution of China (USD 11.2 trillion), which in turn far exceeds the rises recorded in Canada (USD 1.8 trillion), India (USD 1.5 trillion) and Australia (USD 1.4 trillion). Losses were much less common and were all associated with currency depreciations, e.g. Japan (USD –1.6 trillion), Italy (USD –664 billion) and Turkey (–367 billion).

The change in wealth per adult is a better guide to the relative performances of different countries, and **Figure 4** reports the biggest gains and losses based on this criterion. Rapidly rising house prices combined with an appreciating currency helped wealth per adult in New Zealand to increase by USD 114,289, equivalent to a rise of 32%. Average wealth growth above USD 50,000 was also achieved by the United States (up USD 73,630), Australia (up USD 66,354) and Canada (up USD 55,662). The losses reported for some countries were relatively low (below USD 20,000) and again reflected currency depreciation, e.g. Turkey (down USD 6,618), Belgium (down USD 12,947), Italy (down USD 13,444) and Japan (down USD 14,502).

Figure 4: Change in wealth per adult (USD), 2021 – biggest gains and losses



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Wealth per adult across countries

An overall perspective on the disparity of wealth across countries and regions is captured by the World Wealth Map (**Figure 5**). It shows that nations with high wealth per adult (above USD 100,000) are concentrated in North America and Western Europe, and among the richer parts of East Asia, the Pacific and the Middle East, with a sprinkling of outposts in the Caribbean. China and Russia are core members of the "intermediate wealth" group of countries with mean wealth in the range of USD 25,000–100,000. This group also includes more recent members of the European Union and important emerging-market economies in Latin America and the Middle East. One step below, the "frontier wealth" range of USD 5,000–25,000 per adult is a heterogeneous group that covers heavily populated countries such as India, Indonesia and the Philippines, plus most of South America and leading sub-Saharan nations such as South Africa. Fast-developing Asian countries like Cambodia, Laos and Vietnam also fall within this category. Countries with average wealth below USD 5,000 comprise the final group, which is dominated by countries in central Africa.

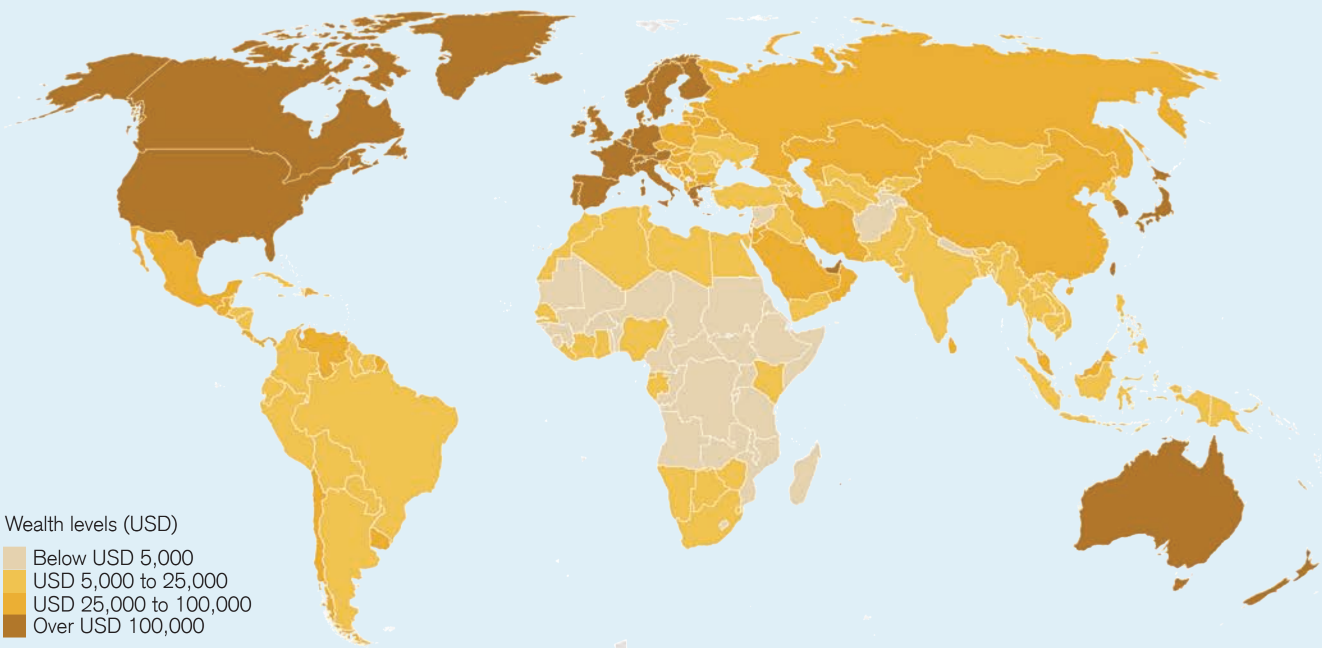
The composition of these groups has remained fairly stable over time, but our estimates suggest that Iran and Sri Lanka passed the threshold for the intermediate group in 2021, while Thailand and Turkey moved in the other direction and dropped into the frontier category.

The overall regional disparities evident in **Figure 5** are reflected in the fact that North America and Europe together account for 57% of total household wealth, but contain only 17% of the world's adult population. The wealth share in the Asia-Pacific region (excluding China and India) is quite similar to its share of adults and the same is true for China. But the adult population share is three times the wealth share in Latin America, five times the wealth share in India, and over ten times the wealth share in Africa.

The ranking of countries by mean and median wealth is shown in **Table 2**. The ranking covers only the 60 countries with the highest total wealth, so smaller countries like Liechtenstein and Monaco are excluded from consideration. Switzerland again tops the list with wealth per adult of USD 696,600, up USD 25,040 on the year. The United States (USD 579,050) is in second place, just above Hong Kong SAR (USD 552,930) and Australia (USD 550,110). There is then a substantial gap before a cluster of countries appears (New Zealand, Denmark, Canada and the Netherlands) with wealth per adult in the range of USD 400,000 to USD 480,000. Sweden and Belgium (each around USD 380,000) complete the list of the ten countries with the highest level of wealth per adult.

Ranking countries by median wealth per adult favors those with lower levels of wealth inequality and results in a different list. Switzerland (USD 168,080) places sixth by this criterion, while the United States (USD 93,270) drops to 18th place. The top positions by the mean wealth criterion are now occupied by Australia (USD 273,900), closely followed by Belgium (USD 267,890). This year, New Zealand (USD 231,260) in third place has overtaken Hong Kong SAR (USD 202,380) in fourth place. Canada (USD 151,250) also

Figure 5: World Wealth Map 2021



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Table 2: Mean and median wealth in 2021, by country

Median wealth divides the wealth distribution into two equal groups where half the adults have wealth above the median and the other half below the median. Mean wealth is obtained by dividing the total aggregate wealth by the number of adults.

Rank	Mean wealth per adult (USD)			Median wealth per adult (USD)		
2021	Country	2021	Change 2021	Country	2021	Change 2021
1	Switzerland	696,600	25,040	Australia	273,900	28,450
2	United States	579,050	73,630	Belgium	267,890	-3,730
3	Hong Kong SAR	552,930	5,210	New Zealand	231,260	57,920
4	Australia	550,110	66,350	Hong Kong SAR	202,380	8,250
5	New Zealand	472,150	114,290	Denmark	171,170	10,790
6	Denmark	426,490	32,110	Switzerland	168,080	14,170
7	Canada	409,300	55,660	Canada	151,250	16,240
8	Netherlands	400,830	-3,020	Netherlands	142,990	-600
9	Sweden	381,970	30,240	United Kingdom	141,550	9,610
10	Belgium	381,110	-12,950	France	139,170	-3,670
11	Singapore	358,200	23,280	Norway	132,480	-1,620
12	Norway	334,430	12,860	Japan	120,000	-8,740
13	France	322,070	-3,790	Taiwan	113,940	18,050
14	United Kingdom	309,380	9,820	Italy	112,140	-10,100
15	Taiwan (Chinese Taipei)	297,860	47,250	Spain	104,160	-640
16	Israel	273,420	41,010	Qatar	100,010	20,160
17	Germany	256,990	1,310	Sweden	95,050	-100
18	Ireland	251,340	7,550	United States	93,270	13,840
19	Austria	250,120	-5,010	Korea	93,140	1,910
20	Japan	245,240	-14,500	Singapore	93,130	2,980

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Photo by golero, Getty Images

moves up this year to seventh place, just below Denmark (USD 171,170) and Switzerland. The Netherlands, the United Kingdom and France complete the list of the top ten median wealth countries. Belgium, Japan, Italy and Spain are among the countries that rank much higher according to median wealth compared to mean wealth, while the United States, Sweden, Singapore and Germany rank much lower.

Pandemic repercussions for population subgroups

Household wealth trends have differed across population subgroups over the last two years due to changes in both asset prices and accumulation. The dominant factor for total household wealth has been asset price changes because of their sheer size. For example, pandemic lockdowns were estimated by Moody Analytics to have resulted in excess saving of USD 5.4 trillion globally in 2020. This is a small fraction of the USD 33.5 trillion rise in global household wealth that year, which was mainly due to price increases of shares and housing. However, changes in saving rates or asset acquisitions have been significant factors for young people and possibly other lower-wealth groups in high-income countries. And asset decumulation was no doubt important in countries with weak pandemic relief support.

> “
> The general wealth picture has been positive, even for disadvantaged subgroups

Employment impacts in 2020 were initially more severe for women, minorities and young people. However, economic recovery since early 2020 has been strong in most high and middle-income countries, bringing employment rates and labor earnings back up. As lockdowns ended, consumption rebounded, greatly reducing the "excess saving" experienced earlier in the pandemic. While there are recent exceptions to this pattern, e.g. in China, which has had severe challenges due to new COVID-19 outbreaks in 2022, the general wealth picture has been positive, even for disadvantaged subgroups.

The recently established distributional financial accounts (DFA) for the United States and Canada provide timely insights into pandemic wealth impacts. These series report quarterly wealth data for specific population subgroups including a detailed breakdown of assets and debts by generation. The United States also disaggregates according to race.

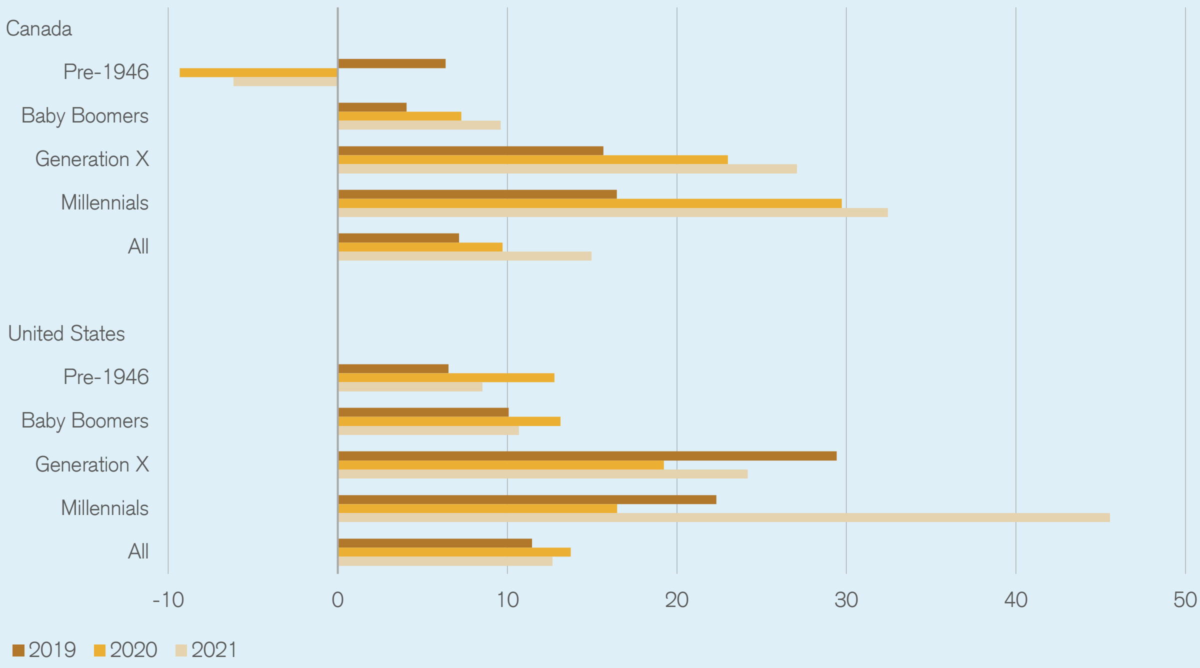
The differential impact across generations

Figure 6 shows the percentage changes in average wealth in the United States and Canada subdivided into four generation groups: those born before 1946, the Baby Boomers (born between 1946 and 1964), Generation X (1965–1980) and the Millennials (born after 1980). In 2019, just before the pandemic, mean wealth rose for all generations in both countries by 7% on average in Canada and by 11% in the United States. The Millennials and Generation X recorded the strongest growth, averaging 25% for the two generations in the United States and 19% in Canada.

Wealth grew faster after 2019 for most generations in both countries. There were two exceptions: Generation X in the United States experienced a small decline in wealth growth, averaging 24% over 2020–21 versus 29% in 2019, and the Pre-1946 Canadian generation saw net worth fall by 7% per year on average compared to a 6% rise in 2019. The time pattern of wealth growth is interesting. In Canada, apart from the Pre-1946 generation, wealth grew faster in 2020 and again in 2021. In contrast, for the Millennials and Generation X in the United States, wealth growth dipped in 2020 before rebounding in 2021. Growth for these two groups still averaged 18% during 2020, so the dip in their relative growth may reflect wealth challenges that were concentrated among subgroups, e.g. young workers. The growth slowdown was concentrated in non-financial assets for the Millennials, but in financial assets for Generation X.

Britain does not report DFA data, but the Resolution Foundation conducted studies in 2020 and 2021 that throw light on trends during the pandemic, and reported on them in its 2021 publication "An Intergenerational Audit for the UK." The Foundation found that, early in the pandemic, young workers suffered more job losses than older people who were less likely to have their work interrupted and more likely to be furloughed when it was. However, as in North America, employment prospects for young people improved considerably during

Figure 6: Percentage change in wealth by generation 2019–21, Canada and the United States



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

2021, and their wealth experience during the pandemic was good overall. For example, between February 2020 and May 2021, the wealth of adults in their early thirties increased by 13%, while wealth rose 3% for those in their late fifties and 7% for those aged 80 or older. Taking all age groups together, the Resolution Foundation estimates that 85% of household wealth gains in this period were due to asset price increases, including an 11% rise in house prices. However, for young adults, more of the wealth rise was due to increased saving and reduced debt.

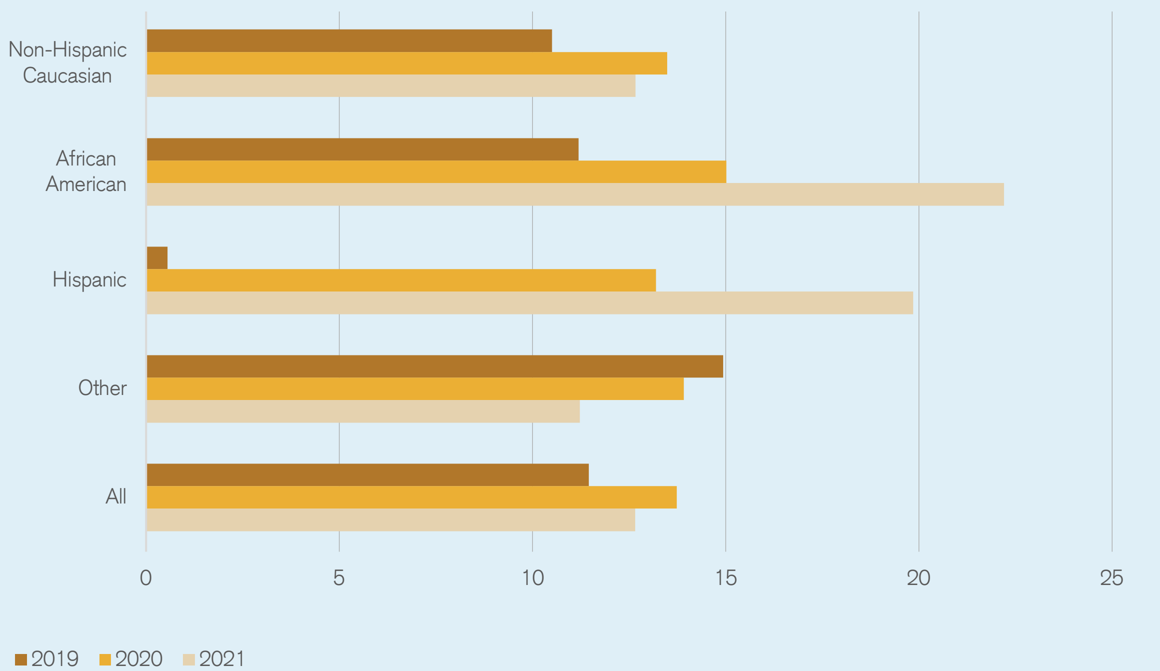
Distributional patterns similar to those in the United States, Canada and Britain are likely to have been repeated in other high-income countries that had generous pandemic relief supports. However most low-income countries and many middle-income countries could not afford generous pandemic relief payments. The generational impacts could well have differed there if their economies sustained substantial damage due to the direct or indirect effects of the pandemic. This may be especially true in Latin America, which suffered the most severe health impacts of any region. A few countries, such as Brazil, did provide significant pandemic relief, but in most cases it was quite limited. This means that younger people who were most vulnerable to job loss would likely have drawn down their savings, incurred more debt and experienced declining wealth.

Wealth differences by race

Where measured, wealth differences by race tend to be very large. For example, the 2019 Survey of Consumer Finance in the United States found that the median wealth of African Americans was just 12.8% of non-Hispanic Caucasians' median wealth, and the the median for Hispanics was only 19.2%. In comparison, for income, the corresponding ratios were 58.4% for African Americans and 59.0% for Hispanics. The United States DFA data allow means, although not medians, to be calculated by race. At the end of 2019, mean wealth for African Americans, Hispanics, and other racial groups was 22.0%, 18.6% and 64.0%, respectively, of the mean for non-Hispanic Caucasians. The two largest groups in the Other category are indigenous people and Asians.

Figure 7 gives a breakdown of wealth changes since 2019 by race drawn from the United States DFA. Non-Hispanic Caucasians, African Americans and Hispanics all experienced higher wealth growth in 2020 than in 2019 for financial assets and non-financial assets alike. The average growth rate for the three groups was 13.7% in 2020 compared to 9.5% in 2019, and rose again in 2021 to 15.0%. Strikingly, the 2021 rise was much higher for African Americans and Hispanics at 22.2% and 19.9%, respectively, than for non-Hispanic Caucasians at 12.7%. This can be traced to increases in non-financial wealth – mostly housing – of 26.9% and 27.6% for African Americans and

Figure 7: Percentage change in wealth by race 2019–21, United States



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Hispanics, respectively, compared to a 12.7% rise in non-financial wealth for non-Hispanic Caucasians. While these changes reduced wealth differentials by race, the latter remained sizable – the ratios of mean wealth of African Americans and Hispanics to the mean for non-Hispanic Caucasians at the end of 2021 were only 24.2% and 19.8%, respectively.

Wealth growth for the "Other" racial groups decreased slightly from 14.9% in 2019 to 13.9% in 2020, and declined further to 11.2% in 2021, mostly due to slower growth of financial assets, although rising debt also contributed in 2021. The slowing of wealth growth for the Other category may reflect the precarious economic position of many indigenous people in the United States and the fact that they suffered heavy health impacts at the peak of the pandemic.

The wealth of women

DFA data does not provide a breakdown by sex, and there is no other source of direct evidence on how women's wealth evolved over the last few years. However, women's wealth was the subject of numerous studies before the pandemic and these can be used to throw some light on possible recent trends in women's wealth.

As summarized in the 2018 Credit Suisse Global Wealth Report, estimates of the overall female:male wealth ratio in high-income OECD (Organisation for Economic Co-operation and Development) countries fell in the range of about 65% to 80% before the pandemic. Evidence for other regions is more limited, but points to a widely ranging ratio that can be as low as 25% in some countries. The composition of assets differs significantly between men and women. Women have a larger share of their assets in non-financial form and hold a smaller fraction of their financial wealth in the riskiest assets, such as corporate shares. This would be expected to affect recent changes in the female:male wealth ratio given that the prices of different assets have behaved differently over the pandemic.

Our estimates of financial and non-financial wealth by country, combined with the breakdown of financial assets reported in Household Balance Sheet data, enable us to estimate what happened to the wealth of women versus men over the 2019-–21 period in countries where we have a reasonable idea of how asset composition differed across genders before the pandemic. That information is available for 26 of the 29 countries featured in the Country Experiences section of this report, which together account for 59% of the global adult population. We focus here on those 26 countries.

The strong performance of stock markets in the United States and elsewhere, after their initial drop in the first quarter of 2020, is well known. It might therefore be expected that men's wealth rose relative to women's during the pandemic. However, house prices also increased strongly in many countries, buoying both non-financial assets and women's wealth. So these two effects act in opposite directions.

> “
> House prices also increased strongly in many countries, buoying both non-financial assets and women's wealth

Of the 26 countries in our sample, we estimate that 17 saw a decline in the relative wealth of women in 2020, but only 12 saw a fall in 2021. Taking the two years together, 15 countries show a fall. For those countries that had a decline over the two years, women's wealth fell from an average of 58.0% of men's to 57.2%. For the remaining countries, the average ratio increased from 68.3% to 69.0%. Among the half-dozen largest economies, China, Germany and India saw a drop, while Britain and the United States had an increase. Japan saw no appreciable change. The largest drop was 2.6 percentage points in Denmark, while the largest increase was 2.3 percentage points in New Zealand.

These calculations suggest that the variation in growth rates across different asset types is unlikely to have been sufficient to cause much change in the wealth of women versus men over the 2019–21 period. However, it is possible that growth rates for individual asset types differed between men and women during the pandemic. We will need to await new data in future to determine whether this is the case.

Household wealth in times of emergency

Wealth is a key component of the economic system. It is used as a store of resources for future consumption, particularly during retirement. It also enhances opportunities for the informal sector and entrepreneurial activities when used either directly or as collateral for loans. But, most of all, wealth is valued for its capacity to reduce vulnerability to shocks such as unemployment, ill health, natural disasters or indeed a pandemic. These functions are important even in countries that have generous state pensions, adequate social safety nets and good public healthcare. But they have special significance in countries that have rudimentary social insurance schemes and healthcare limitations, as is the case in much of the developing world.

> “
> Household wealth plays a crucial role in determining the resilience of both nations and individuals to any type of shock

The contrast between those who have access to emergency funds and those who do not is evident at the best of times. When, as during the COVID-19 pandemic, vast numbers of individuals are simultaneously subjected to an adverse shock, the importance of household wealth becomes difficult to exaggerate. Countries with low wealth have been more exposed to the negative consequences of COVID-19. Individuals with low wealth have fewer options when facing emergency situations. In short, household wealth plays a crucial role in determining the resilience of both nations and individuals to any type of shock.

During the first phase of the pandemic, household wealth proved unexpectedly resilient to the medical and economic challenges facing the world. In 2021, rising asset prices were reinforced by the revival of macroeconomic activity to produce ideal conditions for wealth growth. Measuring wealth in end-year US dollars, as we do, obscures the outcome slightly since currencies depreciated against the US dollar on average. But, if exchange rate changes are discounted, 2021 is revealed as a record year for global wealth growth.

This is not unqualified good news because wealth is unequally distributed, a topic explored in more detail in Chapter 2. Increases in wealth are likely to be less evenly spread than increases in income, wages or social benefit programs. Individuals who suffered hardships at the peak of the pandemic will not necessarily have been compensated by the general upsurge in wealth during 2020 and 2021. Furthermore, the low interest rate regime that supported asset price inflation now seems responsible, in part, for commodity inflation, which will cause further hardship for wealth holders and non-wealth holders alike. So, while GDP is projected to rise over the next few years, wealth growth may be handicapped by inflation and the impact of higher interest rates on investment and asset price levels.

The next chapter reviews the way that wealth is distributed and how it changed during 2021. Chapter 3 reports our best estimate of how household wealth will evolve over the next five years, based on current forecasts of future GDP growth, exchange rate movements, etc. Chapter 4 looks in more detail at selected groups of countries, comparing and contrasting their wealth characteristics and experiences, particularly during the pandemic era.

Our estimates for past years are regularly updated when new or revised data from reliable sources become available. We also strive continuously to improve the methods used to estimate the level and distribution of household wealth. This year, we have absorbed new and revised data from household balance sheets and wealth distribution surveys, together with other sources of data on household debt and non-financial assets. The Credit Suisse Global Wealth Databook 2022 provides details of the data sources and outlines the research methods underpinning our results. It also contains much additional data.

Notes on concepts and methods

Net worth or **"wealth"** is defined as the value of financial assets plus real assets (principally housing) owned by households, minus their debts. This corresponds to the balance sheet that a household might draw up, listing the items that are owned and their net value if sold. Private pension fund assets are included, but not entitlements to state pensions. Human capital is excluded altogether, along with assets and debts owned by the state (which cannot easily be assigned to individuals).

Valuations are usually expressed in terms of US dollars using end-period exchange rates, but "smoothed exchange rates" are sometimes used to control for short-term fluctuations in exchange rates. The figures for all years refer to **year-end** values.

For convenience, we disregard the relatively small amount of wealth owned by children on their own account and frame our results in terms of the global **adult population,** which totaled 5.3 billion in 2021. For convenience also, residence location is referred to as "region" or "country," although the latter also includes economically self-governing territories such as Hong Kong SAR China, Macau SAR China, and Taiwan (Chinese Taipei). The "Asia-Pacific" region excludes **China** and **India**, which are treated separately due to the size of their populations.

The Forbes annual global list of billionaires is used to improve the estimates of wealth holdings above USD 1 million. The Forbes data are pooled for all years since 2000 and well-established statistical techniques are then applied to estimate the intermediate numbers in the top tail. This produces plausible values for the global pattern of asset holdings in the high-net-worth (HNW) category from USD 1 million to USD 50 million, and in the ultra-high-net-worth (UHNW) range from USD 50 million upward. Further details are given in the Credit Suisse Global Wealth Databook 2022.

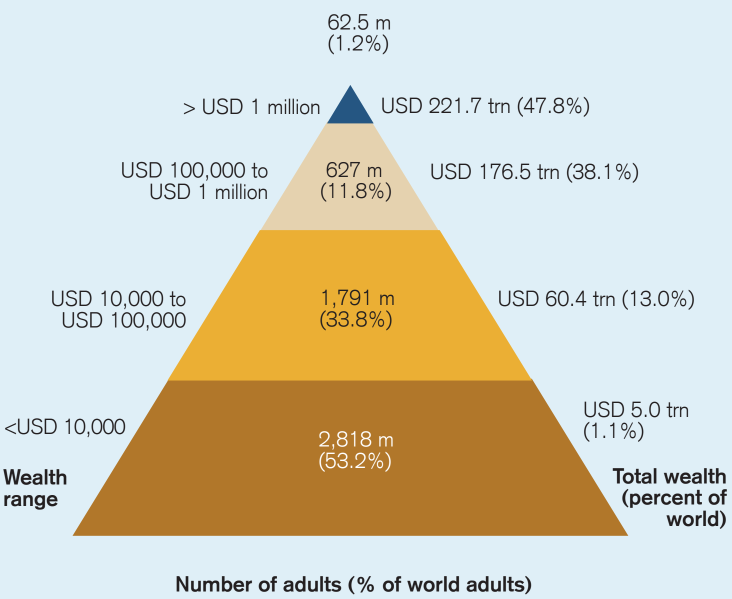

Photo: Credit Suisse

Global wealth distribution 2021

Anthony Shorrocks, James Davies and Rodrigo Lluberas

The wealth share of the global top 1% rose for a second year running to reach 45.6% in 2021, up from 43.9% in 2019. The rise in inequality is probably due to the surge in the value of financial assets during the COVID-19 pandemic. Over the longer term, global wealth inequality has fallen this century due to the faster growth achieved in emerging markets. As a consequence, global median wealth has risen roughly twice as fast as global wealth per adult. US dollar millionaires gained 5.2 million extra members during 2021 and totaled 62.5 million worldwide at the year-end. This 9% growth was slightly above the 8.4% increase recorded for wealth per adult, but fell short of the 9.5% rise in median wealth. The number of ultra-high-net-worth (UHNW) individuals expanded at a much faster rate, adding 21% new members in 2021.

Figure 1: The global wealth pyramid 2021



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Distribution of wealth across individuals

Wide differences in average wealth levels across countries are reinforced by high wealth inequality within nations. This section examines wealth distribution in individual countries. But we also pay special attention to the way that household wealth is distributed across the entire adult population of the world. This objective requires us to supplement our earlier estimates of wealth per adult in countries with additional information on the pattern of wealth distribution within nations.

The wealth pyramid in **Figure 1** summarizes the distribution of wealth among adults worldwide. A large base of low-wealth holders underpins higher tiers occupied by progressively fewer adults. We estimate that 2.8 billion individuals – 53% of all adults in the world – had wealth below USD 10,000 in 2021. The next segment, covering those with wealth in the range of USD 10,000–100,000, has seen the biggest rise in numbers this century, more than trebling in size from 504 million in 2000 to 1.8 billion at end-2021. This reflects the growing prosperity of emerging economies, especially China, and the expansion of the middle class in the developing world. The average wealth of this group is USD 33,724, or about 40% of the level of average wealth worldwide. Total assets of USD 60.4 trillion provide this segment with considerable economic leverage.

“

This reflects the growing prosperity of emerging economies, especially China, and the expansion of the middle class in the developing world

The upper-middle segment, with wealth ranging from USD 100,000 to USD 1 million, has also trebled in size this century, from 208 million to 627 million. Members of this group currently own net assets totaling USD 176.5 trillion or 38.1% of global wealth, which is nearly four times their share of the adult population. The middle class in developed nations typically belongs to this group. Above them, the top tier of high net worth (HNW) individuals (i.e. USD millionaires) remains relatively small in size. But the group has expanded rapidly in recent years and now numbers 62.5 million, or 1.2% of all adults. Global millionaires exceeded 1% of adults for the first time in 2020, so the group has been growing rapidly in the recent past. These HNW adults are increasingly dominant in terms of total wealth ownership and their share of global wealth. The aggregate wealth of HNW adults has grown five-fold, from USD 41.4 trillion in 2000 to USD 221.7 trillion in 2021, and their share of global wealth has risen from 35% to 48% over the same period.

Membership of the layers of the wealth pyramid is quite distinctive in terms of residence and personal characteristics. The base tier has the most even distribution across regions and countries, but also the widest spread of personal circumstances. In developed countries, about 30% of adults fall within this category and, for the majority of these individuals, membership is either transient – due to business losses or unemployment, for example – or a lifecycle phase associated with youth or old age. In contrast, in many lower-income countries, more than 80% of the adult population falls within this wealth range, so life membership of the base tier is often the norm.

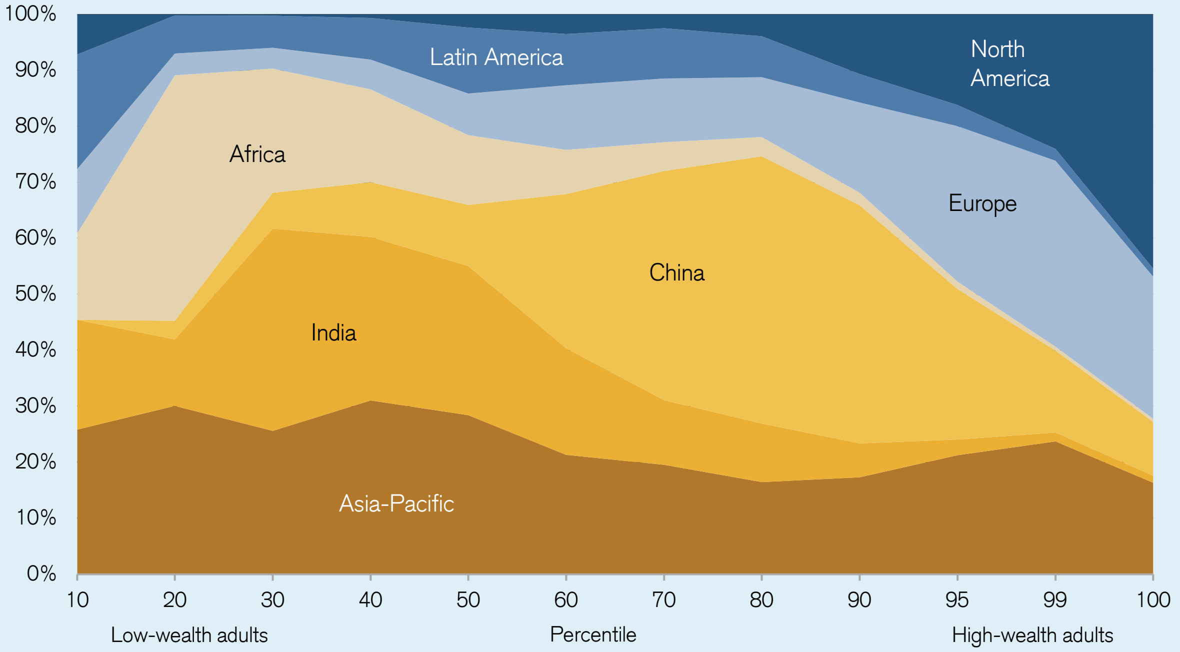
The main feature of the two middle pyramid segments is the dominance of China, which accounts for 38% of the total membership, compared to 9% from India, 7% from Latin America and just 4% from Africa. Regional representation is skewed further still among millionaires, where 43% of all members reside in North America, 27% in Europe and 17% in Asia-Pacific (excluding China and India). Thus, in marked contrast to the base of the wealth pyramid (which is characterized by a wide variety of people from all countries and all stages of the lifecycle), HNW individuals are heavily concentrated in particular regions and countries, and tend to share similar lifestyles – participating in the same global markets for luxury goods, vacations and education opportunities for their children, for example, even when they reside in different continents. The wealth portfolios of these individuals are also likely to be more similar, with a focus on financial assets and particularly equities, bonds and other securities traded in international markets.

Wealth distribution by region

The regional pattern of wealth distribution can be explored further by assigning adults to their corresponding global wealth positions. Our calculations suggest, for example, that a person needed net assets of just USD 8,360 to be among the wealthiest half of world citizens at end-2021. However, USD 138,346 was required to be a member of the top 10% of global wealth holders, and USD 1,146,685 to belong to the top 1%. All members of the global top 1% are therefore USD millionaires, as was also the case in 2020. Furthermore, the minimum wealth requirement in 2020 was USD 1,073,686, so the threshold for membership of this elite group is rising rapidly.

Determining global wealth percentiles in this way enables the regional membership of each global decile (i.e. 10% slice) to be established. **Figure 2** provides a visual representation for 2021. The chart confirms some of the features already noted: the concentration of African and Indian citizens in the base segment of the wealth pyramid, the dominance of China in the middle

Figure 2: Regional composition of global wealth distribution in 2021



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

tiers and the substantial over-representation of North America and Europe in the top percentile. Also evident is the sizeable number of North American and European residents in the bottom global wealth decile, reflecting the ease with which individuals – especially younger adults – acquire debt in advanced economies, resulting in negative net wealth. Note too, that while the bulk of Indians are located in the bottom half of the global distribution, high wealth inequality and a huge population means that significant numbers of Indian citizens also occupy the top wealth echelons. This is less true for Africa.

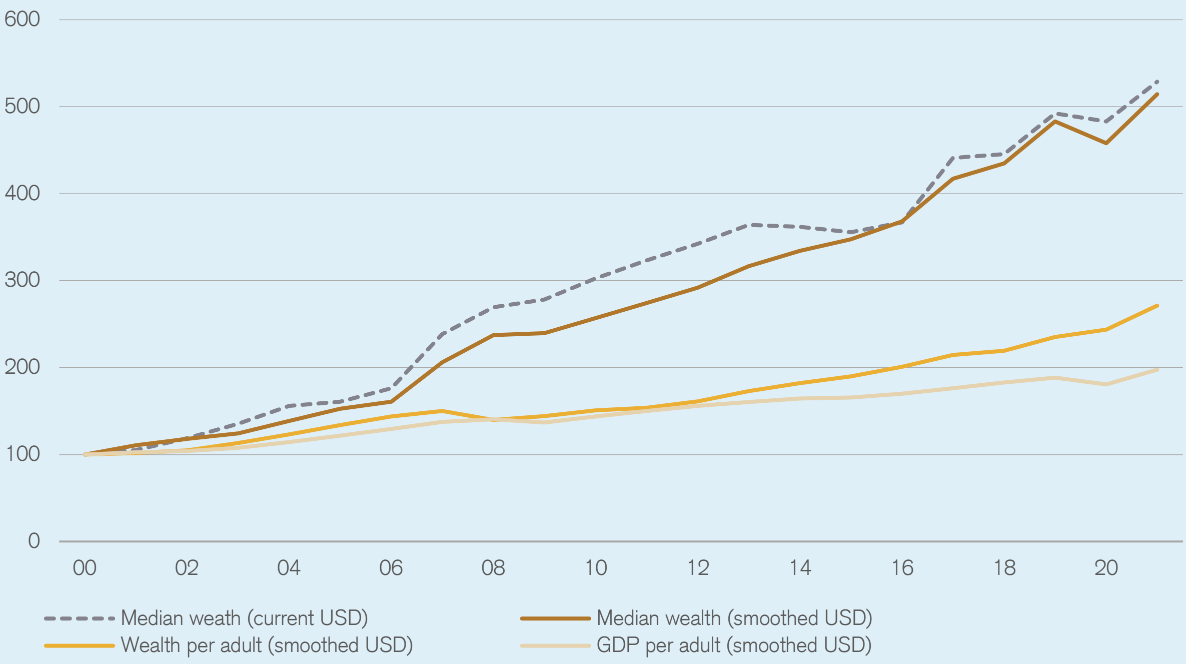
The most striking feature of **Figure 2** is the dominance of China in the upper-middle section of the chart. At the start of the century, China was firmly centered in the middle, with the bulk of its citizens occupying global deciles 4–8. However, China's exceptional rate of wealth growth has moved the country profile to the right over time, displacing the countries and regions with less vigorous growth records. As a result, China has squeezed out members of the top decile previously residing in Europe (in particular) and North America (to a lesser degree). These ex-members of the top decile have simply been overtaken by their Chinese counterparts.

Trends in median wealth

Mean wealth per adult is a simple and convenient way of comparing wealth levels across nations and assessing developments over time. However, by definition, median wealth is a more accurate indicator of how the average person is faring. This is particularly true of countries with a high level of wealth inequality, since median wealth may be a relatively small fraction of mean wealth, and gains and losses in aggregate wealth may bypass the "average citizen" entirely. For this reason, it is worth looking in more detail at median wealth comparisons across countries and at the way in which trends in median wealth over time differ from trends in mean wealth.

Figure 3 compares the trends in median wealth, mean wealth and GDP per adult for the world as a whole this century. Since exchange rate fluctuations vis-à-vis the US dollar add volatility to the time series (as evident in the dashed line in the chart), it is preferable to express all values in terms of smoothed US dollars. On this basis, global median wealth per adult was just USD 1,613 in the year 2000. By 2021, it had risen to USD 8,296, a five-fold increase equivalent to average annual growth of 8.1%. This is far above the 4.9% annual growth rate achieved by mean wealth per adult, which in turn exceeds the 3.3% p.a. growth in GDP per adult. Note also that global median wealth has risen at a fairly even pace, with the single setback occurring during 2020, the first year of the pandemic. This contrasts with global wealth per adult, which took two years to recover from the setback in 2008.

Figure 3: Global trends in median wealth, wealth per adult and GDP per adult 2000–21 (2000=100)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

To understand why global median wealth has outpaced mean wealth, it is best to regard the global median citizen not as a single person, but as a group – for example, wealth deciles 5 and 6. As is clear from **Figure 2**, regional representation of this group does not conform to the overall global pattern. North American and European residents are relatively sparse in deciles 5 and 6, while China was heavily over-represented in this section of the distribution at the turn of the century. For this reason, growth of global median wealth was weighted toward the high growth achieved in China during the early years.

The regional composition of the median group changes over time as the more successful members are upwardly mobile and the less fortunate move down the wealth distribution. Nowadays, China is less prominent in the vicinity of global median wealth. In this respect, India has taken its place. But the same principle applies. As long as the middle section of the global distribution is disproportionately occupied by residents of countries (typically emerging market economies) where household wealth is growing faster than the world average, then global median wealth will grow faster than global mean wealth. Furthermore, rapid wealth growth in low- and middle-income countries is precisely the reason why global wealth inequality has fallen this century via the reduction in between-country inequality. Thus, median wealth rising faster than mean wealth is closely associated with falling wealth inequality.

Trends in median wealth by region

Table 1 provides more details of the relationship between median and mean wealth within each region, and its trend over time (all measured in smoothed USD). Global median wealth was just 5% of mean wealth at the turn of the century, but the ratio rose to 9.6% by 2021. A similar low initial ratio and a similar gain over time (about five percentage points) is evident in the Asia-Pacific region (excluding China and India), where median wealth was USD 920 (3.3% of mean wealth) in 2000 and increased to USD 5,323 (8.1% of mean wealth) by 2021. The pattern is repeated in Africa, where median wealth rose from USD 186 (8.4% of mean wealth) in 2000 to USD 1,113 (13.2% of mean wealth) by 2021, and in Europe, where the median/mean wealth ratio rose from 10.4% to 14.6%.

Convergence between median and mean wealth occurred in these regions because countries with lower levels of wealth per adult performed better than average, causing inequality to narrow. The combination of robust wealth growth and falling inequality resulted in median wealth rising over the 21-year period by a multiple of 3.6 in Europe, and by a multiple of more than five in Africa, in the Asia-Pacific region and in the world as a whole.

Median wealth in Latin America started closer to mean wealth and showed less convergence (from 16.2% to 18.5%). The remaining regions – North America, China and India – all started

Table 1: Median wealth and wealth inequality 2000–21, by region

Region	Median (USD) 2000	2005	2010	2015	2020	2021	Median/wealth per adult (%) 2000	2021	Average annual growth rate (%) 2000–21: GDP per adult	Median wealth	Wealth per adult	Gini	Share top 1%
Africa	186	342	566	730	1,029	1,113	8.4	13.2	3.5	8.9	6.6	-0.1	-0.3
Asia-Pacific	920	1,605	2,253	3,661	4,663	5,323	3.3	8.1	3.2	8.7	4.2	-0.1	-0.2
China	3,133	6,660	10,015	14,777	22,885	26,752	46.7	36.9	9.6	10.8	12.0	0.8	1.9
Europe	7,348	11,667	14,760	16,803	23,677	26,690	10.4	14.6	3.3	6.3	4.6	-0.1	-0.2
India	1,005	1,207	1,690	2,273	3,086	3,295	29.7	22.3	5.9	5.8	7.3	0.5	1.0
Latin America	1,444	2,633	4,165	3,891	4,587	5,031	16.2	18.5	2.1	6.1	5.4	0.1	-0.7
North America	46,156	63,032	49,116	58,805	81,420	94,685	22.4	17.0	2.8	3.5	4.8	0.2	0.2
World	**1,613**	**2,459**	**4,141**	**5,601**	**7,383**	**8,296**	**5.0**	**9.6**	**3.3**	**8.1**	**4.9**	**-0.2**	**-0.3**

Note: The Gini coefficient is the most widely used measure of inequality. Its value typically lies in a range between 0 (complete equality) and 100%.
Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Table 2: Median wealth and wealth inequality 2000–21, selected countries

Country	Median (smoothed USD) 2000	2005	2010	2015	2020	2021	Median/wealth per adult (%) 2000	2021	Average annual growth rate (%) 2000–21: GDP per adult	Median wealth	Wealth per adult	Gini	Share top 1%
Australia	81,978	130,470	146,592	175,363	219,319	256,336	51.1	49.8	3.2	5.6	5.7	0.2	0.3
Belgium	90,982	117,296	150,046	182,931	252,824	269,515	54.9	70.3	2.8	5.3	4.1	-0.4	-1.4
Brazil	1,274	2,418	3,896	2,764	3,556	3,798	17.7	17.5	2.2	5.3	5.4	0.3	0.5
Canada	38,824	51,841	68,968	95,468	129,412	139,690	30.4	37.0	2.4	6.3	5.3	-0.1	-0.7
China	3,133	6,660	10,015	14,777	22,885	26,752	46.7	36.9	9.6	10.8	12.0	0.8	1.9
France	53,997	91,844	100,322	106,604	132,959	144,983	45.5	43.2	2.5	4.8	5.1	0.0	-0.7
Germany	16,548	18,496	37,427	43,634	59,055	61,741	15.5	23.6	2.8	6.5	4.4	-0.1	0.4
Hong Kong SAR	49,594	57,939	92,382	133,637	194,020	210,816	36.1	36.6	4.0	7.1	7.1	0.0	-0.7
India	1,005	1,207	1,690	2,273	3,086	3,295	29.7	22.3	5.9	5.8	7.3	0.5	1.0
Indonesia	1,262	1,939	1,761	2,581	4,582	4,835	24.1	27.1	5.0	6.6	6.0	-0.1	-0.5
Italy	85,955	110,745	113,836	105,825	113,783	117,224	60.0	48.5	1.6	1.5	2.5	0.5	0.3
Japan	58,889	79,665	93,631	104,287	124,944	134,919	45.4	48.9	2.4	4.0	3.7	0.0	-0.4
Korea	21,765	35,038	36,357	48,182	84,100	95,326	40.3	39.2	4.6	7.3	7.4	-0.1	0.6
Mexico	3,394	6,758	9,087	9,503	13,287	14,594	28.2	32.6	1.4	7.2	6.5	0.0	-1.6
Netherlands	44,590	53,833	88,821	91,453	133,662	146,650	28.5	35.7	2.8	5.8	4.7	-0.5	-0.9
Russia	1,406	1,623	1,755	3,313	6,008	6,379	23.7	20.3	5.0	7.5	8.3	0.2	0.4
Spain	47,511	97,569	100,958	77,091	97,553	107,090	51.5	46.7	2.5	3.9	4.4	0.3	-0.2
Switzerland	51,944	62,612	80,302	98,885	144,467	167,809	17.5	24.1	2.6	5.7	4.1	-0.2	-0.9
Taiwan (Chinese Taipei)	29,571	36,721	43,359	75,319	95,887	106,918	46.4	38.3	4.6	6.3	7.3	0.4	0.4
United Kingdom	59,537	89,600	96,488	104,148	126,047	140,299	43.2	45.8	2.6	4.2	3.9	0.0	-0.2
United States	46,471	63,754	46,335	55,690	79,428	93,271	21.6	16.1	2.8	3.4	4.8	0.3	0.3

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

this century with relatively high median/mean wealth ratios (reflecting dominance by a single country). China achieved the fastest median wealth growth of any region, with median wealth China rising more than eight-fold from USD 3,133 in 2000 to USD 26,752 in 2021. However, wealth per adult increased more than ten-fold over the same period, so median wealth fell from 46.7% of mean wealth to 36.9%. Median wealth growth has also lagged mean wealth growth in North America and India, so that median wealth has declined relative to mean wealth in both regions and by a similar amount to that seen in China (roughly a quarter).

The link between a rising median/mean wealth ratio and declining inequality (and vice-versa) is evident in **Table 1**. Each of the regions where median wealth growth has lagged growth of wealth per adults – North America, China and India – has experienced growing inequality, measured either by the Gini coefficient or by the share of the top 1%. This contrasts with the trend in Africa, Asia-Pacific and Europe, where a rising median/mean wealth ratio has been accompanied by declining inequality. Latin America is the exception because the inequality trend is ambiguous: the share of the top 1% has fallen this century, but the Gini coefficient has risen. Given the pattern observed elsewhere, this suggests that the share of the top 1% may be a better predictor of the trend in median/mean wealth ratio.

Trends in median wealth for individual countries

Table 2 reports similar data for a selection of high-wealth countries. The median/mean ratio is relatively high in many cases: it exceeded 40% in ten of the 21 countries in the year 2000, and in seven countries in 2021. These are all countries where wealth inequality is relatively low by international standards. This century, median wealth has grown faster than mean wealth in ten of the countries reported in **Table 2**, and in each of these countries, except Germany, the share of the top 1% of wealth holders has trended down since 2000. The growth differential of median wealth over mean wealth was particularly high in Belgium, Canada, Germany, the Netherlands and Switzerland, with Belgium being the most notable performer given that median wealth was already above 50% of mean wealth in 2000.

Table 2 also reports the details for 11 countries where wealth per adult has grown faster than median wealth this century and the median/mean wealth ratio has declined over time. As expected, these are countries where inequality seems to have been on the increase: all bar two (France and Spain) show a rising share of wealth of the top 1%. Countries where growth of median wealth lagged wealth per adult by one percentage point or more include China, Italy and Taiwan (Chinese Taipei). For the United States and India, the difference is close to 1.5 percentage points, suggesting that in these two countries much of the growth of household wealth this century has bypassed the lower and middle wealth tiers.

In summary, at both the regional and country level, median wealth can differ greatly from mean wealth and the gap can be very large for countries with high wealth inequality. Over time, median wealth is likely to grow at a similar pace to mean wealth. But if inequality is rising – as indicated, say, by a rising wealth share of the top 1% – then growth of median wealth is likely to lag that of mean wealth and vice-versa when inequality is trending down. For the world as a whole, median wealth has increased five-fold this century, roughly double the growth rate of wealth per adult. This happened because citizens in the vicinity of the global median have tended to reside in emerging economies, most notably China, where wealth growth has been the fastest.

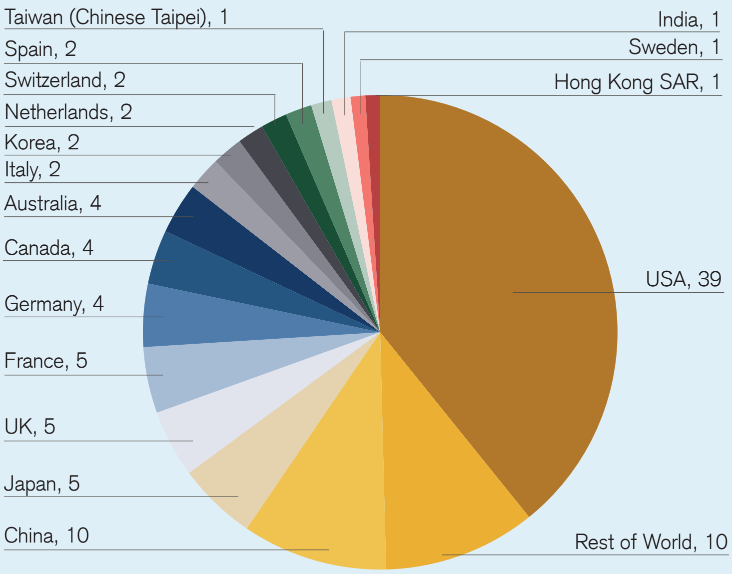
High-net-worth individuals by country

We now turn to a more detailed analysis of the upper echelons of wealth holders, beginning with the number of US dollar millionaires in individual countries. For any given country, the number depends on three factors: the size of the adult population, average wealth and wealth inequality. The United States scores highly on all three criteria and has by far the greatest number of millionaires: 24.5 million, or 39.2% of the world total (see **Figure 4**). This is far ahead of China in second place, with 9.9% of all global millionaires. The percentage in third-placed Japan (5.4%) has steadily eroded since the start of this century and its position is now threatened by the United Kingdom (4.6%), France (4.5%) and Germany (4.3%). Next come Canada (3.7%) and Australia (3.5%). Italy, Korea, the Netherlands, Switzerland and Spain each host around 2% of global millionaires, with Taiwan (Chinese Taipei), India, Sweden and Hong Kong SAR completing the list of countries that host at least 1% of the world's dollar millionaires.

Millionaire trends

Worldwide, we estimate that there were 62.5 million millionaires at the end of 2021, up 5.2 million from a year earlier (**Table 3**). The United States added 2.5 million new millionaires, almost half of the global total. This is the largest increase in millionaire numbers recorded for any country in any year this century and reinforces the rapid rise in millionaire numbers seen in the United States since 2016. Millionaire numbers

Figure 4: Number of US dollar millionaires (% of world total) by country, 2021



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

also rose by more than a million in China and by another million in Canada, Australia and the United Kingdom combined. Millionaire numbers fell by 395,000 in Japan and by 135,000 in Italy, but elsewhere the declines were quite modest. Exchange rate movements likely explain most or all of these losses since each one of the countries listed on the right-hand side of **Table 3** (Japan, Eurozone, Turkey) experienced currency depreciation versus the US dollar in 2021.

The top of the wealth pyramid

The rapid rise in millionaire numbers in 2021 was accompanied by an equally rapid rise in the number of those at the very top of the wealth distribution. The vast majority of the 62.5 million millionaires in 2021 had wealth between USD 1 million and USD 5 million: 54.1 million or 87% of the HNW group (see **Figure 5**). But another 5.4 million adults (8.6%) are now worth between USD 5 million and USD 10 million, and 3.0 million have wealth above USD 10 million. Of the latter, 2.7 million have assets in the USD 10–50

Table 3: Change in the number of millionaires by country, 2021

Main gains Country	Adults (thousand) with wealth above USD 1 m 2020	2021	Change	Main losses Country	Adults (thousand) with wealth above USD 1 m 2020	2021	Change
United States	21,990	24,480	2,491	Japan	3,760	3,366	-395
China	5,158	6,190	1,032	Italy	1,548	1,413	-135
Canada	1,862	2,291	430	Germany	2,742	2,683	-58
Australia	1,787	2,177	390	Netherlands	1,205	1,149	-56
United Kingdom	2,584	2,849	266	Turkey	109	73	-36
Taiwan (Chinese Taipei)	658	869	211	Belgium	615	589	-26
Korea	1,174	1,290	116	France	2,822	2,796	-26
Switzerland	1,039	1,152	113	Spain	1,149	1,132	-17
New Zealand	238	347	109	Austria	282	271	-11
India	689	796	107	Portugal	169	159	-10
World	**57,316**	**62,483**	**5,168**	**World**	**57,316**	**62,483**	**5,168**

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

million range, leaving 264,200 ultra-high-net-worth (UHNW) individuals with net worth above USD 50 million at the end of 2021. This is 46,000 more than the 218,200 recorded at the end of 2020, which in turn was 43,400 higher than in 2019. These increases are more than double the increases recorded in any other year this century. Taken together, it means that the number of adults with wealth above USD 50 million expanded by more than 50% during a two-year period.

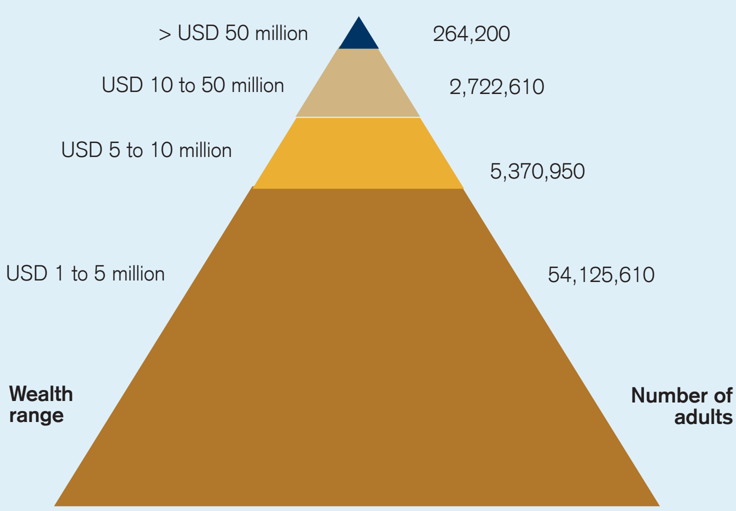
> “These increases are more than double the increases recorded in any other year this century

Ultra-high-net-worth individuals

Looking in more detail at the UHNW group reveals 84,490 adults with wealth above USD 100 million at the end of 2021, of which 7,070 are worth more than USD 500 million. The regional breakdown of the UHNW group as a whole is dominated by North America with 146,680 members (56%), while 42,780 (16%) live in Europe, 32,710 (12%) in China and 30,010 (11%) in Asia-Pacific countries, excluding China and India. Among individual countries, the United States leads by a huge margin with 141,140 members, equivalent to 53% of the world total (see **Figure 6**). China is a clear second with its 32,710 UHNW individuals, followed by Germany (9,720), Canada (5,510) and India (4,980). Japan (4,870), France (4,640), Australia (4,630), the United Kingdom (4,180) and Italy (3,930) make up the remaining top ten countries ranked by UHNW numbers.

North America is mainly responsible for the record rise of 46,000 UHNW individuals in 2021. It added 32,090 new members, thus accounting for a remarkable 70% of the global increase. China added another 5,200 (a rise of 19%), Europe contributed 3,900 (+10%) and the Asia-Pacific region (excluding China and India) added 3,660 (equivalent to 14% growth).

Figure 5: The top of the pyramid, 2021



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Numbers also expanded slightly in all the other regions: India (+720), Latin America (+360) and Africa (+110).

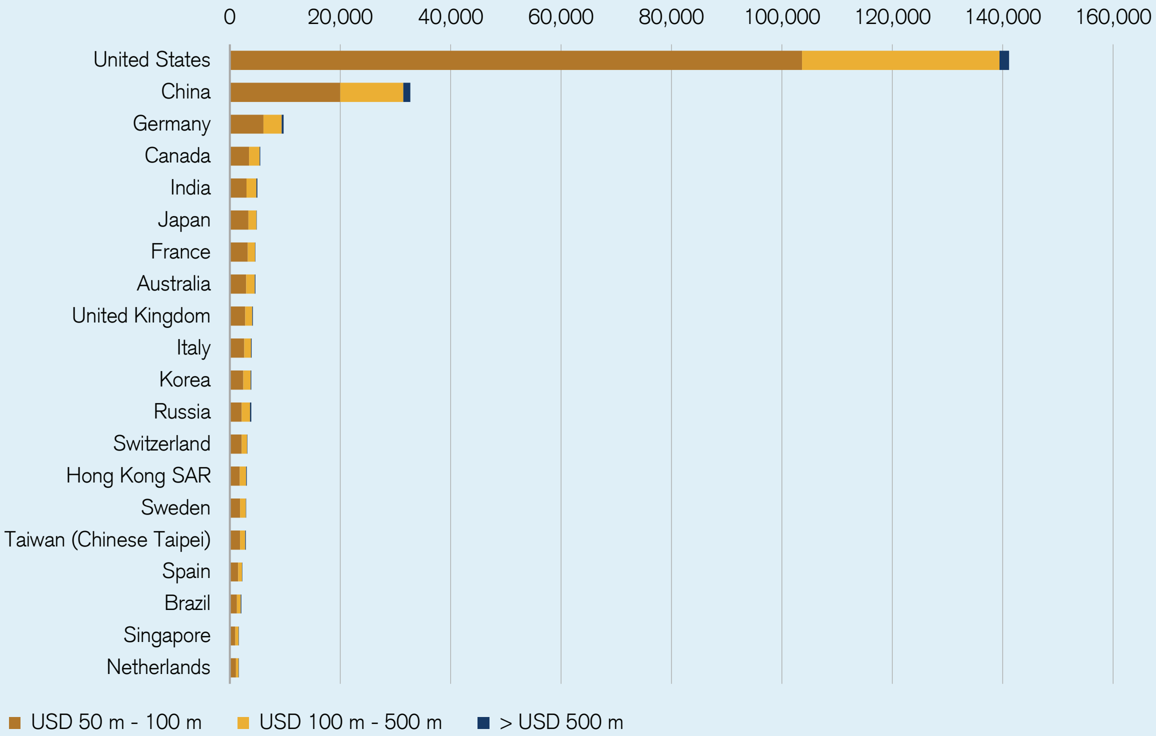
Unsurprisingly, the United States (30,470) was the country that gained the most UNHW members, followed by China (5,200). UHNW membership also increased by more than a thousand in Germany (1,750), Canada (1,610) and Australia (1,350). Reductions in UHNW individuals were again relatively uncommon this year. The biggest falls occurred in Switzerland (down 120), Hong Kong SAR (down 130), Turkey (down 330) and the United Kingdom (down 1,130).

Wealth inequality

For most purposes, analysis of wealth inequality can be reduced to two simple questions: how far are top wealth groups ahead of the average citizen and how far below the average do the bottom groups lie? Discussion of the first of these questions is very often framed in terms of the share of wealth owned by the top 10%, the share of the top 1%, and so on. These statistics are insensitive to changes in wealth distribution within the bottom half of the distribution. The Gini coefficient is a more broad-based measure of inequality that captures changes at both ends of the wealth spectrum.

The repercussions of the COVID-19 pandemic are widely believed to have led to a rise in wealth inequality. The reasoning fits neatly in the above

Figure 6: Ultra-high net worth individuals in 2021, top 20 countries



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

framework. The lowest groups of wealth holders are believed to have been damaged by the economic impact of the pandemic on employment and incomes, forcing them to draw down their savings and/or incur higher debt. In contrast, top wealth groups are relatively immune to reductions in the overall level of economic activity and, more importantly, they have also benefited greatly from the impact of lower interest rates on share prices and house prices. We have already documented the impact on the aggregate wealth of those at the top of the wealth pyramid and the resulting rise in the numbers of millionaires and UHNW individuals. This would be expected to raise wealth inequality, measured either in terms of the top shares or in terms of the Gini coefficient.

Regarding the bottom half of the wealth distribution, there is now some evidence concerning the wealth impact of the pandemic on various subgroups such as women, minorities or younger generations, but it will be some years before survey data gives a clear indication of the full distributional effects. In the meantime, the most informative source of evidence is the Distributional Financial Accounts (DFA) published quarterly by the Federal Reserve board in the United States. These data do not refer to actual survey observations. Instead, they are the outcomes of simulations based on adjusting the assets and debts of individual households recorded in the latest Survey of Consumer Finances (SCF) to match the latest official household balance sheet totals. Nevertheless, they should be a good guide as to how wealth distribution is evolving. Note that asset coverage is extended to include consumer durables and employer-based pensions not covered in the SCF. Since these additional assets are more evenly distributed, the DFA reports lower inequality levels than those given in the SCF.

The DFA data cover the wealth shares of the bottom half of the distributions, the next 40% and the top 10%, subdivided into the top 1% and the top 0.1%. The estimates for any given quarter are revised over time in line with updates in the national accounts. **Table 4** shows a share of 30.7% for the top 1% of households at the end of 2019, falling to 29.7% at the end of March 2020, and then rising each month before peaking at 32.2% at the end of 2021. The share of the top 0.1% follows a similar trajectory. Both of these trends reflect the short, sharp drop of the stock market in Q1 2020 and the subsequent recovery until late 2021. Note also that the provisional figures reported for Q1 2022 suggest that the wealth share of the top 1% has fallen in tandem with the stock market.

At first sight, the trend in the top 10% share appears to mimic that of the top 1%. This is slightly misleading. The share of the top 1% has

Table 4: United States wealth distribution by quarter, 2019–22

period	Wealth share of percentiles 0-50	51-90	91-99	99.1-99.9	top 0.1	Wealth share of bottom 50%	top 10%	top 1%	top 0.1%
Q4 2019	1.79	28.76	38.70	18.41	12.34	1.8	69.4	30.7	12.3
Q1 2020	1.79	29.91	38.62	17.88	11.80	1.8	68.3	29.7	11.8
Q2 2020	1.77	29.42	38.37	18.35	12.08	1.8	68.8	30.4	12.1
Q3 2020	1.79	29.24	38.16	18.57	12.24	1.8	69.0	30.8	12.2
Q4 2020	1.84	28.54	38.01	18.93	12.70	1.8	69.6	31.6	12.7
Q1 2021	1.92	28.42	37.72	19.11	12.82	1.9	69.7	31.9	12.8
Q2 2021	2.22	28.02	37.59	19.15	13.03	2.2	69.8	32.2	13.0
Q3 2021	2.51	27.85	37.50	19.04	13.11	2.5	69.6	32.2	13.1
Q4 2021	2.65	27.66	37.49	18.95	13.24	2.7	69.7	32.2	13.2
Q1 2022	2.78	28.07	37.32	18.78	13.06	2.8	69.2	31.8	13.1

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

certainly risen during the pandemic, but the share of the next 9% (i.e. percentiles 91–99) has actually fallen each quarter from Q4 2019 onward. The share of percentiles 51–90 (i.e. deciles 6–9) also fell in each quarter from Q1 2020 until Q4 2021. However, the lower half of wealth holders in the United States has not suffered overall. The wealth share of the bottom 50% improved slightly in 2020, but has risen since then by more than 50% according to the DFA data (which are probably an overestimate due to changing membership of the "bottom half": those who gained wealth are more likely to move out of the bottom half; those who lose wealth are more likely to join). Thus, according to the DFA, there has been wealth redistribution during the pandemic, away from percentiles 51–99 and in favor of both the top 1% and the bottom 50%. The net effect is a fairly unambiguous inequality shift during 2020, but a more nuanced trend in 2021, depending on whether one feels that the wealth improvements at the bottom of the distribution offset gains at the top.

The finding that the wealth of the bottom 50% of households improved during 2021 – both absolutely and relatively – is unexpected. Exploring the DFA data in more detail reveals that the explanation rests with the composition of household wealth of this group. Expressed as a percentage of total US wealth, the wealth of the bottom half of households in Q4 2020 (1.8%) splits into financial wealth (1.8%) plus non-financial wealth (4.2%) less debts (4.2%). Thus the value of both non-financial assets and debts of the bottom 50% of households is more than double their net worth.

During 2021, the value of the financial assets and debts of the bottom 50% of households increased, but roughly in line with the rise in total US wealth: the financial wealth percentage remained the same (1.8%), while the debt percentage eased down a fraction (from 4.2% to 4.0%). In contrast, the value of non-financial assets rose by 31%, which translated into a 64% rise in net worth due to leverage. This outstripped the 14% rise in total US wealth, so that the percentage amount climbed from 4.2% to 4.8%. Most of this increase can be traced to the rise in real estate values, but the share of consumer durables also edged up during 2021.

In summary, the wealth share of the bottom 50% of households in the United States increased from 1.84% to 2.65% in 2021 according to the DFA data, mostly due to a 34% rise in the value of real estate, but also helped by a 25% rise in the value of consumer durables and a decline in the relative burden of debt. The 0.81% rise is small in absolute terms, of course, but significant in relative terms for this group. Most importantly, it provides evidence that the COVID-19 era may not have been detrimental to the overall wealth of the bottom half of the distribution in the United States. This in turn indicates that the wealth inequality trend during 2021 is not clear cut. Changes of the magnitude observed have a negligible impact on the shares of the top wealth groups, but could affect the Gini coefficient or other inequality indicators, which give sufficient weight to the bottom 50%.

The only other country that publishes quarterly DFA data is Canada, which provides quintile wealth shares. The quintile shares are not informative about the highest reaches of the

Table 5: Wealth inequality trends, 2000–21, selected countries

	Gini coefficient						Wealth share of top 1%					
	2000	2005	2010	2015	2020	2021	2000	2005	2010	2015	2020	2021
Brazil	84.5	82.7	82.1	88.7	88.9	89.2	44.2	45.0	40.2	48.7	49.5	49.3
Canada	74.9	73.3	71.7	71.8	71.8	72.6	29.1	25.9	22.4	23.3	23.6	25.0
China	59.5	63.8	70.0	71.2	70.5	70.1	20.7	24.2	31.5	31.7	30.8	30.5
France	69.7	67.0	69.8	69.9	70.0	70.2	25.5	21.0	21.0	22.3	21.9	22.3
Germany	81.2	82.7	77.4	79.2	77.9	78.8	29.1	30.4	25.7	32.1	29.2	31.7
India	74.6	80.9	82.1	83.3	82.3	82.3	33.2	41.9	41.4	42.3	40.5	40.6
Japan	64.5	63.1	62.5	63.6	64.4	64.7	20.4	18.8	16.7	18.2	18.1	18.7
Russia	84.8	87.1	90.0	89.5	87.7	88.0	54.4	59.8	62.8	62.6	58.1	58.6
United Kingdom	70.5	67.6	69.1	73.0	71.7	70.6	22.1	20.6	23.6	25.0	23.1	21.1
United States	80.6	81.1	84.1	84.9	85.0	85.0	32.9	32.8	33.4	34.8	35.3	35.1

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

wealth distribution, but do indicate trends in large lower slices of the distribution. Over the course of the pandemic, the wealth shares of the bottom 20%, 40% and 60% of Canadian wealth holders all increased, as did the share of the bottom 50% in the United States. The share of the bottom 60% of households in Canada went up from 11.4% at the end of 2019 to 12.5% in the first quarter of 2022. As in the United States, the rise was quicker in 2021 than in 2020 and the major forces were a rise in the value of real estate (18% in 2021) and a decline in relative debt.

At this stage, it is impossible to judge whether the improved position of lower wealth holders is replicated outside North America. However, we are able to use other evidence to estimate what happened to wealth inequality in 2021. **Table 5** summarizes our findings for selected countries, placed in the context of wealth inequality trends this century.

By any standard, wealth inequality is high in all countries and exceptionally high in some. As a rough guide, typical values are 30%–35% for the share of the top 1% and 60%–65% for the share of the top 10%. A Gini value of 70 is relatively low and a Gini above 80 relatively high. These values are much higher than the corresponding values for income inequality or any other customary welfare indicator.

In most countries, wealth inequality declined in the early years of the century, reflecting a rise in the importance of non-financial assets, which tend to be distributed more evenly than financial assets. China and India are two notable exceptions, recording a strong upward inequality trend from 2000 to 2010. After the global financial crisis between mid-2007 and early 2009, rapid growth of financial assets caused wealth inequality to rise in most countries until 2015, when it began to level out. The trends shown by the top wealth shares and the Gini coefficient are broadly consistent in this respect. For the countries covered in **Table 5**, the wealth Gini in 2020 was above the 2000 level in all countries except Canada, Germany and Japan, and the share of the top 1% in 2020 was similar to or above the 2000 level everywhere bar Canada, France and Japan.

It is difficult to comment with confidence on inequality movements in a single year. But the evidence in **Table 5** suggests that inequality edged a little higher in 2021. The wealth Gini rose during 2021 in six of the ten countries and was flat in another two. The share of the top 1% also rose in in six of the ten countries. Looking back further to the start of the pandemic in early 2020, the impact on inequality becomes clearer. With the exception of the United Kingdom, wealth inequality increased over the course of the next two years in each of the countries, regardless of whether wealth inequality is measured by the Gini coefficient, the share of the top 1% or the share of the top 10%. This rise in inequality is unlikely to have been the direct result of the pandemic itself, but rather the consequence of actions undertaken to mitigate its impact, particularly the lower interest rates, which have encouraged asset price inflation.

Wealth inequality from a global perspective

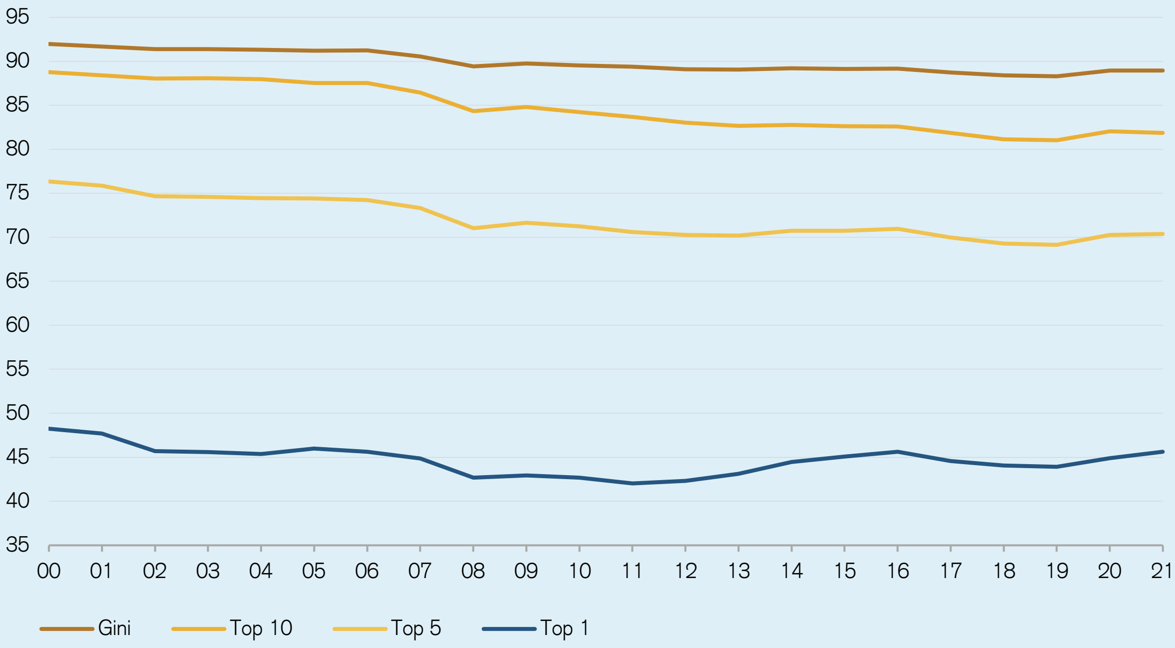
Our dataset provides a unique opportunity to determine how wealth is distributed across all the world's citizens. It enables us to estimate that the bottom 50% of adults in the global wealth distribution together accounted for less than 1% of total global wealth at the end of 2021. In contrast, the richest decile (top 10% of adults) owns 82% of global wealth and the top percentile alone has nearly half (46%) of all household assets.

The trend over time in global economic wealth inequality is the outcome of two underlying factors. Global inequality rises or falls in response to changes in wealth inequality within countries: the so-called "within-country" component. But it is also affected by changes in the average wealth levels in countries relative to the global average: the "between-country" component. This century, the rise of household wealth in emerging markets, most notably China and India, has narrowed wealth differences between countries, so that the between-country component has declined quite rapidly. This has been the dominant factor governing the overall downward inequality trend evident in **Figure 7**. In the early years of this century, the decrease in the between-country component was reinforced by a decline in within-country inequality. This resulted in a pronounced drop in global wealth inequality. The share of the top 10% fell from 88.8% to 84.3% between 2000 and 2008, the share of the top 1% from 48.2% to 42.7%, and the Gini from 91.9 to 89.4. After the financial crisis, the different inequality measures give different verdicts, reflecting the weight given to different parts of the distribution. The share of the top 10% and the Gini coefficient continued downward, recording 81.0% and 88.3, respectively, at the end of 2019. However, the wealth share of the global top 1% moved up over this period, to reach 43.9% in 2019.

Taking the two-year pandemic period 2020–21 as a whole, the direction of movement is clear: all indices agree that global wealth inequality rose. For the share of the top 1% this was also true of each year taken separately: it went up from 43.9% in 2019 to 44.9% in 2020, and then on to 45.6%. In contrast, the share of the top 10% rose from 81% to 82.1%, then eased back to 81.9% in 2021, while the Gini advanced from 88.3% to 88.9% and remained at this level during 2021.

The secular downward trend in **Figure 7** reflects a decline in the between-country component due to catching up by emerging economies. The influence of this factor has waned in recent years as average wealth in China approaches mean global wealth worldwide and may change direction if wealth per adult in China overtakes the global mean,

Figure 7: Global wealth inequality trends, 2000–21



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

which could happen soon. Our calculations indicate that mean wealth in China was USD 76,639 in 2021 compared to USD 87,489 for the world as a whole. So average wealth in China is set to overtake the global mean before long if its rapid growth continues.

Deviations from the long-term trend in **Figure 7** are mainly the result of year-to-year variations in exchange rates and asset prices. The impact of exchange rate movements is difficult to predict. But changes in the Chinese RMB, the Indian RUP and the EUR are likely to determine the overall direction of movement, given their population weighting in the global calculations. The impact of asset prices – especially financial asset prices – on inequality trends is much easier to assess since financial assets are disproportionately owned by higher wealth groups. For this reason, wealth inequality tends to increase when share prices increase faster than house prices (raising the share of financial assets in the household portfolio).

Conversely, wealth inequality tends to decrease when the portfolio share of financial assets falls. This link is particularly evident for the share of the top 1%, as confirmed by **Figure 8**, which suggests that a one percentage point rise in the portfolio share of financial assets is likely to result in a one percentage point rise in the wealth share of the top 1%. The plot here refers to the world as a whole. A similar relationship holds for some individual countries, but for others the pattern is obscured by a variety of country-specific factors.

This century, there have been periods when financial assets have grown faster than non-financial assets and other times when the reverse is true. The conclusion to be drawn from **Figure 8** is that it is unwise to extrapolate short-run increases (or reductions) in inequality into the future if these short-run changes correlate with short-run asset price movements. Thus, for example, financial assets and inequality both grew during the first year of the pandemic and continued to grow during 2021. However, there is no reason to think that wealth inequality is now trending upward. Indeed, given the marked decline in share prices in the first half of 2022, there is every chance that the portfolio share of financial assets will decline in 2022 and that wealth inequality will follow a similar downward path.

Figure 8: Annual change in global share of top 1% vs. change in share of financial assets, 2000–21

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Summary

Wealth differences are very pronounced. This century, wealth differences between countries have tended to narrow, causing worldwide wealth inequality to trend downward. One important consequence of these narrowing differentials is that global median wealth has risen twice as fast as global wealth per adult since 2000. However, this outcome is not always repeated at the regional or country levels: growth of median wealth sometimes outpaces mean wealth, but sometimes the reverse is true. Furthermore, the faster growth achieved by median wealth at the global level may weaken, or even stop, if the downward trend in global inequality subsides. This could possibly happen if wealth growth in China continues at a fast pace and average wealth in China overtakes the global mean.

“

We would expect to see wealth inequality revert toward the pre-pandemic level

Wealth differences within countries – which also contribute to global wealth inequality – vary from year to year. They are sensitive to changes in asset prices, particularly the prices of financial assets. This occurs because the portfolios of wealthier individuals tend to favor financial assets and is most evident when wealth inequality is assessed by the wealth share of the top 1% of adults.

The macroeconomic contractions seen during the first year of the pandemic would normally be expected to depress asset prices. However, the actions undertaken by governments and central banks to offset the economic repercussions of COVID-19 resulted in rapid share price rises in 2020, which caused wealth inequality to rise, regardless of the choice of inequality measure. Share prices rose at an even faster pace in 2021, but this was balanced by strong growth in non-financial assets. Our findings suggest that this led to a further rise in the wealth share of the global top 1% in 2021, but no upward movement in either the share of the top 10% or the Gini coefficient. If share prices decline from their peak at the end of 2021, then, for the reasons given above, we would expect to see wealth inequality revert toward the pre-pandemic level.

As regards the number of HNW and UHNW individuals, these are likely to continue to expand at rates comparable to, or in excess of, the rate at which wealth per adult rises in individual countries or for the world as a whole.

Photo by shunli zhao, Getty Images

Wealth outlook

Anthony Shorrocks, James Davies and Rodrigo Lluberas

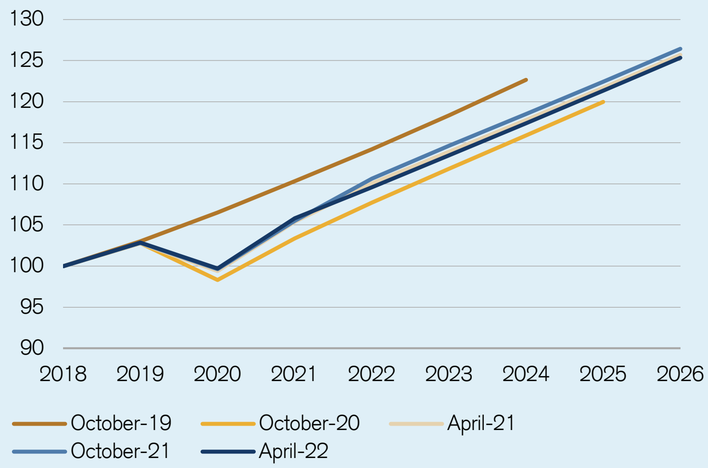
Worldwide inflation and the Russia-Ukraine war are likely to hamper real wealth creation over the next few years. Nevertheless, we expect global wealth in nominal US dollars to increase by USD 169 trillion by 2026, a rise of 36%. Low- and middle-income countries currently account for 24% of wealth, but will be responsible for 42% of wealth growth over the next five years according to our projections. Middle-income countries will be the primary driver of global trends. We forecast global wealth per adult to rise 28% by 2026 and to pass the threshold of USD 100,000 in 2024. The number of millionaires will also grow markedly over the next five years to 87 million, while the number of UHNWIs will reach 385,000.

The global picture

There has been great uncertainty about the prospects for global economic activity during the last couple of years, initially because of the COVID-19 pandemic and more recently because of the war between Russia and Ukraine. These events have contributed to a rise in global inflation that is expected to persist according to IMF forecasts. **Figure 1** shows the IMF forecast for global GDP in constant prices in October 2019, before the pandemic started, together with the revisions in October 2020, October 2021 and April 2022. In October 2020 the IMF expected that COVID-19 would lead to a major reduction in global economic activity. The October 2021 revision suggested that global GDP would recover slightly faster than initially projected, but the April 2022 forecast, which takes account of the effect of the war and the acceleration of global inflation, is more pessimistic. If the latest forecasts are confirmed, global GDP in constant prices will increase by 3.5% in 2022, a 1.3 percentage point reduction in the forecast made before the war started.

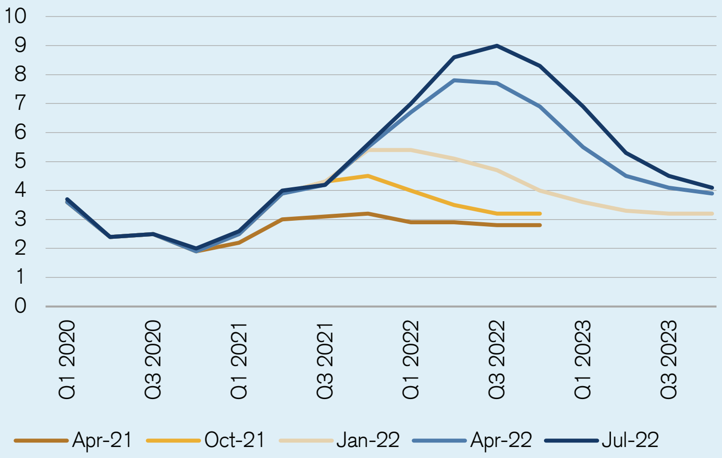
The acceleration of global inflation in recent months has led to an upward revision in inflation

Figure 1: Global GDP forecasts (index, constant prices, 2018 = 100)



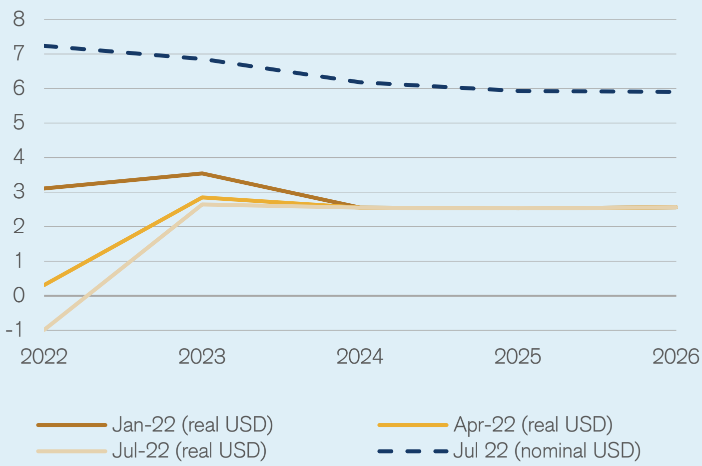
Source: IMF forecasts

Figure 2: Global inflation forecasts (in %)



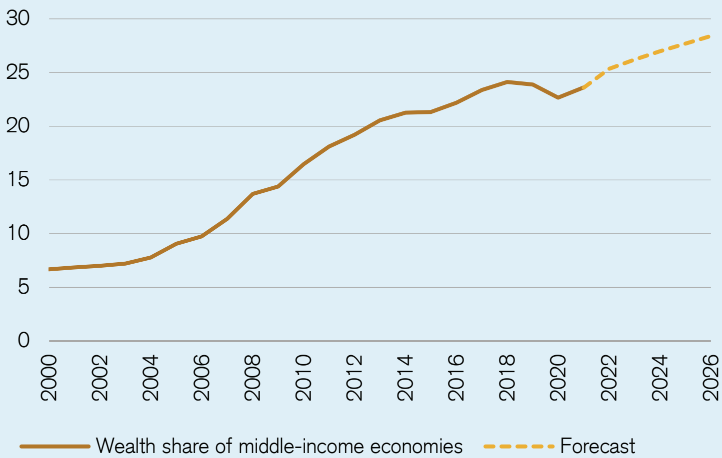
Source: IMF forecasts

Figure 3: Forecast growth rates (%) for aggregate global wealth, nominal and real USD



Source: Own estimates based on inflation estimates by IMF

Figure 4: Wealth share of emerging economies



Source: Own estimates based on inflation estimates by IMF

forecasts. **Figure 2** shows the sequence of IMF inflation forecasts between April 2021 and July 2022. In April 2021, global inflation was projected to be 2.8% at the end of 2022, but, by July 2022, the end-of-year inflation estimate had risen to 8.3%. As documented in the Credit Suisse Global Investment Returns Yearbook 2022, higher levels of inflation have historically been associated with lower returns from stocks and bonds, possibly via induced rises in interest rates. Insofar as this translates into lower asset prices, higher inflation is likely to lead to lower real global wealth in 2022 and beyond. But higher inflation also yields higher forecast values for global wealth when expressed in current US dollars rather than real US dollars. **Figure 3** compares our latest (July 2022) projected nominal and real growth rates for aggregate global wealth until 2026, and also shows how revised inflation forecasts have successively reduced the real wealth growth predicted for this year and next.

Since the year 2000, global wealth in US dollars has increased at an average annual rate of 6.7%. Despite the inflation and Russia-Ukraine war setbacks, we believe that total global wealth will continue to grow at a similar pace, averaging 6.5% per annum over the next five years. This would increase global household wealth by USD 169 trillion over the next five years, equivalent to an extra USD 30,000 per adult.

> “
> # Emerging economies will grow faster than developed countries

Wealth prospects for middle-income countries

Middle-income countries – which we also refer to as “emerging economies” – have contributed greatly to global wealth growth since the beginning of this century. As a consequence, their share of world wealth has increased: between 2000 and 2019 the wealth share of emerging economies more than tripled, from 7% to 24% (see **Figure 4**). However, the rise has slowed over the past five years, and in 2020 the share declined by one percentage point as emerging economies were hard hit by the COVID-19 pandemic. They recovered from this below-par performance and regained momentum in 2021, which we expect to continue over the next five years. As a consequence, emerging economies will grow faster than developed countries and narrow the gap with the developed world. In the next five years, we project average annual wealth growth of 13.1% in low-income countries and 10.4% in middle-income countries. This is significantly above the annual wealth growth of 4.2% we envisage for high-income nations, leading us to expect that the wealth share of middle-income economies will reach 28% by 2026.

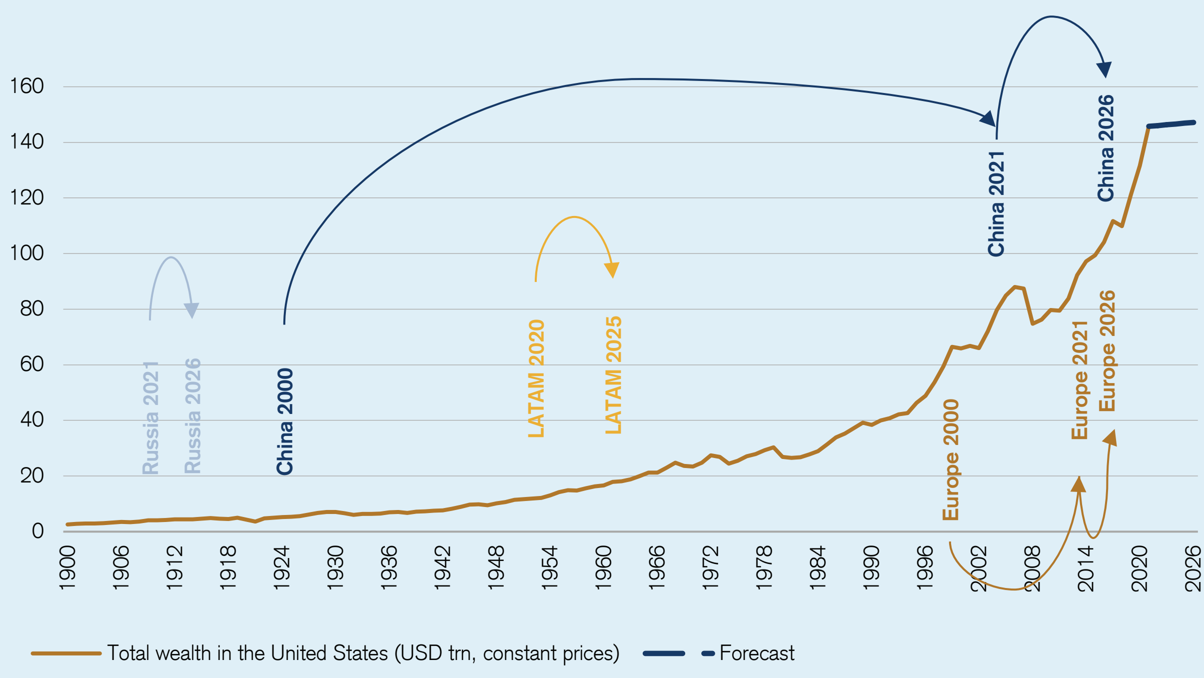
Leapfrogging

If low-income and middle-income countries perform the way we anticipate, their global position will improve greatly over the next five years. **Figure 5** compares the total wealth of some of the largest economies today, and five years from now, with the wealth of the United States during the 20th century, after adjusting for inflation. Household wealth in the United States increased, on average, by 3.4% per annum in real terms between 1900 and 2021. The chart shows the position of Europe, Latin America, China and Russia relative to the United States from a historical perspective.

Europe's total wealth of USD 106 trillion in 2021 is similar to the total wealth of the United States in 2016. In the 21 years between 2000 and 2021, Europe advanced 25 "US years," but the impact of the Russia-Ukraine war will reduce wealth growth in the immediate future. In the next five years, the region is expected to gain the equivalent of only two years in terms of the history of the United States. Similarly, Russia's total wealth today equates to that of the United States in 1908 and is expected to progress by four US years by 2026. China's achievement between 2000 and 2021 is most striking, enabling it to leapfrog 80 years of US history from 1925 onward within a span of 21 years. We expect household wealth in China to continue to catch up with the United States, advancing the equivalent of 14 US years between 2021 and 2026 to reach USD 119 trillion in real terms, similar to the United States level in 2019. Stated slightly differently, household wealth in China currently lags the United States by 16 years (2021 versus 2005). By 2026, we expect that China will be only seven years behind.

For Latin America, we expect a fast recovery in wealth growth in the aftermath of the economic slowdown in the region in 2020 and the decline in total wealth. Over the next five years, total wealth in Latin America is projected to rise to USD 18 trillion in real terms, which is a gain equivalent to nine "US years" of growth starting in 1954.

Figure 5: Total wealth in the United States, 1900–2026, and the relative position of selected economies (USD trillion, constant prices)



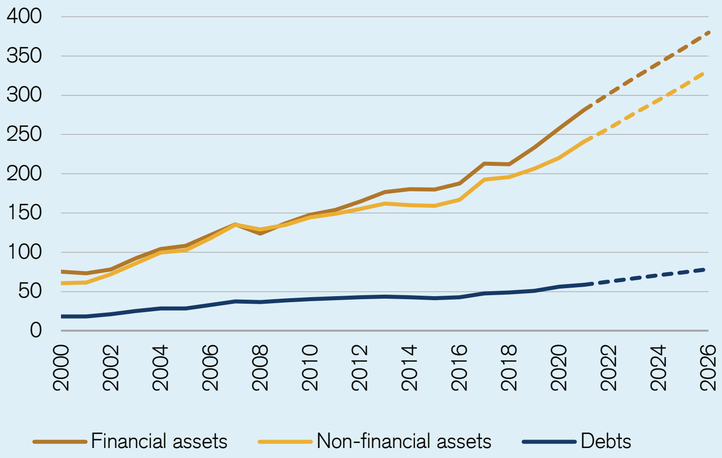
Source: Original estimates by authors

The components of wealth

Over the course of this century, financial wealth has grown at a faster rate than non-financial wealth. Financial assets suffered most during the financial crisis, and also fell during the first quarter of 2020 due to the sharp drop in equity prices. However, they recovered later in 2020 and outpaced non-financial wealth for 2020 as a whole. Non-financial assets narrowed the gap in 2021. Our forecasts suggest that this relative improvement will continue, meaning that non-financial wealth will grow at a slightly faster rate than financial wealth (6.7% p.a. versus 6.2% p.a.) over the next five years (**Figure 6**).

After a period of relative stability between 2007 and 2019, household debt increased by 9.7% in 2020, and by another 4.4% in 2021. In the coming years, we envisage that household debt will grow roughly in line with financial wealth and non-financial wealth, so that household debt will remain at about 11% of gross assets. This is 2–3 percentage points below the level seen during the years from 2000 to 2012.

Figure 6: Evolution of wealth by component (USD trn, current prices)

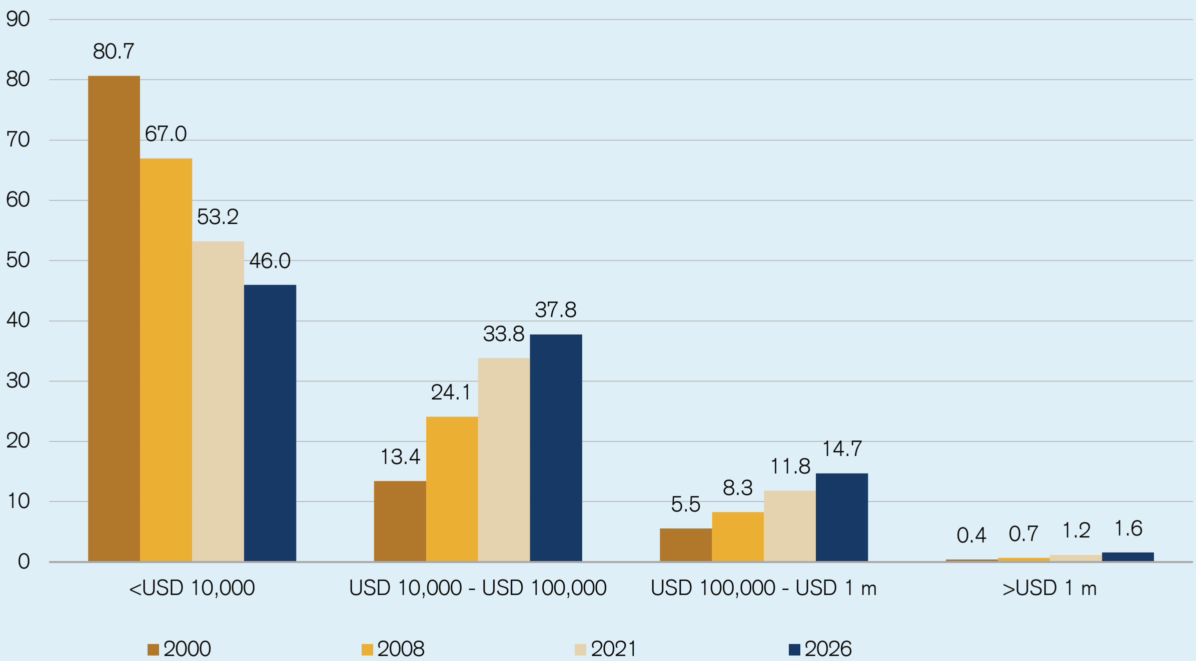


Source: Original estimates by authors

Wealth distribution in the 21st century

At the beginning of the century, 80% of global adults had wealth below USD 10,000. The proportion of adults in this bottom wealth stratum has been shrinking ever since. Our projections suggest that it will continue to fall from 53% in 2021 to 46% in 2026 (**Figure 7**). The share of adults in the global middle class (with net worth between USD 10,000 and USD 100,000) increased from 13% in the year 2000 to 34% in 2021. We expect 337 million adults to join this group by 2026, so that the number expands to almost 38% of global adults. In the level above them, the number of adults with wealth between USD 100,000 and USD 1 million is predicted to grow by 202 million adults between 2021 and 2026, and the aggregate wealth in this segment is projected to rise by about 36%. Roughly one in seven adults will belong to this group in 2026.

Figure 7: Percentage of adults by wealth segment



Source: Original estimates by authors

Trends in millionaires and UHNWIs

Catching-up by emerging economies is also evident in the increasing proportion of members in the top segment of the global wealth distribution. According to our estimates, the number of global millionaires will exceed 87 million in 2026, i.e. a rise of 25 million from 2021 (see **Table 1**). This rapid rise reflects in part the fact that higher inflation will make it easier to pass the million US dollar threshold. While millionaire numbers in lower-income countries are still far below the levels in the United States or Europe, the numbers are expected to accelerate in the next five years.

> “While millionaire numbers in lower-income countries are still far below the levels in the United States or Europe, the numbers are expected to accelerate in the next five years

The United States tops the world millionaire table, still far ahead of China in second place. But its dominance is set to erode. With limited GDP growth and the possibility that asset prices will subside from their peak values at the end of 2021, we foresee a 13% rise in the number of millionaires in the United States during the next five years compared to a 97% increase (to 12.2 million) for China. We expect little or no change in the millionaire rankings of the countries with the next highest numbers of millionaires, i.e. Japan, the United Kingdom, France, Germany, Canada and Australia. However, some nations just below, including Korea, Taiwan (Chinese Taipei), India and Hong Kong SAR are likely to narrow the gap, particularly India, where the

Table 1: Number of millionaires in 2021 and 2026, regions and selected countries

	Number (thousand) 2021	2026	Change (%)
United States	24,480	27,664	13%
China	6,190	12,197	97%
Japan	3,366	4,790	42%
United Kingdom	2,849	4,672	64%
France	2,796	3,943	41%
Germany	2,683	3,386	26%
Canada	2,291	3,354	46%
Australia	2,177	2,941	35%
Italy	1,413	1,672	18%
Korea	1,290	2,059	60%
Switzerland	1,152	1,591	38%
Netherlands	1,149	1,281	12%
Spain	1,132	1,415	25%
Korea	1,051	1,772	69%
Taiwan (Chinese Taipei)	869	1,614	86%
India	796	1,632	105%
Hong Kong SAR	632	1,254	98%
Sweden	610	800	31%
Belgium	589	826	40%
Denmark	385	541	41%
Russia	353	503	43%
Mexico	318	566	78%
Brazil	266	572	115%
Africa	352	961	173%
Asia-Pacific	10,755	16,981	58%
Europe	16,696	22,943	37%
Latin America	915	1,821	99%
North America	26,778	31,027	16%
World	**62,483**	**87,562**	**40%**

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

number of millionaires could total 1.6 million in 2026, more than double the number today. Latin America has recovered after the COVID-19 pandemic and its number of millionaires is expected to almost double to 1.8 million by 2026. Africa could do even better in relative terms, with millionaire numbers nearly trebling to 961,000 by 2026.

The number of ultra-high-net-worth individuals (UHNWIs), with wealth above USD 50 million, is expected to reach 385,000 by 2026, rising by 121,000 in five years (**Figure 8**). More than half of all UHNWIs currently reside in North America, while countries in the Asia-Pacific (APAC) region (including China and India) are home to more than 67,000. This already exceeds by a wide margin the roughly 42,000 living in Europe and this difference in favor of APAC will increase further. By 2026 the APAC region will host another 51,000 UHNWIs, reaching a total of nearly 118,000, of whom 51% will be from China. By 2026, we foresee China having roughly the same number of UHNWIs (about 60,000) as the whole of Europe. While Latin America hosts 9% of global adults, it accounts for only 2% of UHNWIs worldwide. Given the strong performance projected for the larger countries in the region, we expect the region to add around 4,400 UHNWIs in the next five years, slightly raising its global share to 2.4%.

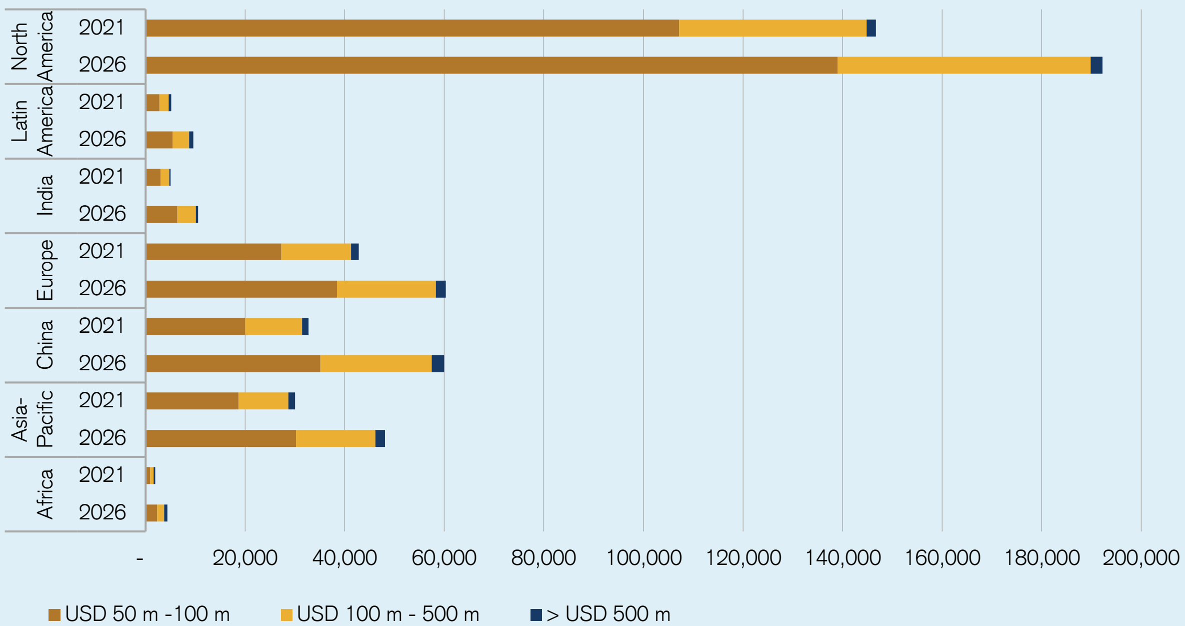
Methodology

Wealth forecasts are based on separate estimates of the three main wealth components.

Financial asset projections exploit the fact that the ratio of financial assets to GDP (or household income or consumption) is relatively constant over time. For each country for the period 2000–21, the ratio of financial assets to consumption is regressed against deviations from trend values for household consumption per adult (preferred to GDP), household debt and share prices. These ratios are extended five years into the future using (1) IMF forecasts for GDP growth reported in the IMF's latest World Economic Outlook database, (2) trend values for debt, and (3) share prices, which are assumed to revert to trend over the next five years if they are currently above or below their long-run trend values. The projected financial assets/household consumption ratio is converted into estimates of financial assets in local currency units using IMF forecasts of GDP growth, then converted into end-year USD values, again using IMF predicted values.

Estimates of non-financial assets are obtained in a similar way, but using house prices rather than share prices. Future household debt levels are predicted from log regressions of levels of household debt against financial assets, non-financial assets, household consumption per adult and private sector debt (as a proxy for liquidity). Both non-financial assets and household debt are converted into end-year USD values in the same way as financial assets.

Figure 8: Ultra-high-net-worth individuals by region, 2021 and 2026



Source: Original estimates by authors

Photo by Laurie Noble, Getty Images

Country experiences

Anthony Shorrocks, James Davies and Rodrigo Lluberas

This section looks in more detail at household wealth developments for key groups of countries in an attempt to capture the range of experiences seen around the world. It reviews and compares household wealth evolution this century, while paying special attention to the way that the COVID-19 pandemic has had an impact on outcomes since 2020.

The selection of countries is heavily constrained by the availability of reliable data. For the most part, we confine our attention to countries that have official balance sheet data. Most of these countries have reported figures for the total financial wealth and debts of households at the end of 2021, and often total non-financial wealth as well. Typically, the same nations have share price and house price series covering the whole of 2021 and beyond, which helps to fill any gaps. Some countries do not meet our target standards. Brazil is one example. But it is difficult to review household wealth experiences in Latin America without reference to its largest economy. Even less is known about Nigeria. However, in the absence of an obvious alternative, we chose it to partner South Africa in order to give some idea of developments in Africa.

The paucity of data sources makes it difficult to review household wealth developments in the Middle East North Africa (MENA) region. However, given the importance of the region, we have assembled some information for Saudi Arabia and the United Arab Emirates that may help in understanding how the level and distribution of household wealth has evolved over the past 20 years.

As regards the impact of COVID-19 on household wealth, the determining factor has not been the scale of the health crisis nor the initial impact on the level of economic activity. Instead, the main consequences can be traced to the actions undertaken by governments to mitigate the economic impact on employment and household finances, and by central banks to avoid the credit rationing experienced during the global financial crisis.

The interventions aimed at maintaining employment levels and household incomes mainly affected richer nations in 2020. On the whole, the actions have been well targeted and highly successful in the short run. However, the associated public expenditure contributed to the massive rise in public debt seen in many countries. This is likely to prompt remedial action that reverberates well into the future. Private consumption initially fell during the pandemic in many countries and saving rose, especially in the countries with generous pandemic relief schemes. Those schemes buoyed disposable incomes. The public sector bailed out the household sector, contributing to a rise in household wealth at the same time that public wealth fell due to increased debt.

The relaxed credit environment helped the stock market avoid distress in 2020. Continuing relaxed conditions in 2021 provided a fertile environment for asset price rises, which have elevated share prices and house prices to record levels in many countries. While all parts of the wealth distribution have participated in these gains, the top wealth groups have benefited disproportionately, resulting in increased wealth inequality. However, wide-spread higher inflation and the prospect of rising interest rates are likely to depress asset prices in the near future, as already evident during the first half of 2022. The resulting decline in real household wealth will be significantly greater than any fall in nominal wealth values caused by inflation. Since inflation will at the same time reduce real public debt, a redressing of the altered balance of public versus private wealth seen during the pandemic may occur.

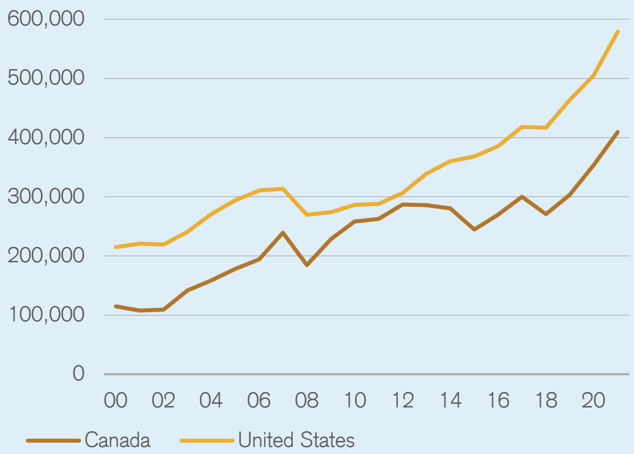
Canada and the United States

Like many other countries, Canada and the United States had a severe recession in 2020 and a strong recovery in 2021. Household wealth, however, was resilient in 2020 and continued to grow in 2021. Until the challenges brought on by the surge in inflation this year, the wealth outlook looked strong for 2022 as well.

In 2020, real GDP fell by 3.4% in the United States and by 5.2% in Canada. The loss was more than made up in the United States in 2021, with growth of 5.7%. Canada lagged, with GDP rising just 4.6%. Renewed growth caused unemployment rates to fall in both countries between 2020 and 2021, with a drop from 9.6% to 7.4% in Canada and from 8.1% to 5.4% in the United States. The first two quarters of 2022 brought a small contraction of GDP in the United States and low positive growth in Canada. Unemployment rates remained fairly steady. In Canada, share prices rose 4.6% in 2020 and 23.4% in 2021, but the main stock index fell 10.1% in the first half of 2022. Overall, US stock markets performed better than Canada's in 2020 and 2021, with price increases of 19.6% and 23.2%, respectively, but the S&P stock index fell 19.9% in the first two quarters of 2022.

In 2020, COVID-19 impacts on households were offset by relief payments of various kinds, resulting in a rise in disposable income in both Canada and the United States. At the same time, consumer spending fell and saving increased. In 2021, relief payments declined and consumption rose quickly, by 5.1% in Canada and 7.9% in the USA, bringing saving back down. The increase in government spending and falling tax revenue in 2020 led to a rise in public debt – from 87.2% of GDP in Canada in 2019 to 117.8% in 2020, and from 108.8% of GDP in the United States in 2019 to 134.2% in 2020. These increases ended in 2021, with public debt falling slightly to 112.1% and 132.6% of GDP in Canada and the United States, respectively.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Table 1: Macroeconomic indicators 2021

	Canada	United States	
Population	38	334	million
Adult population	30	252	million
GDP	64,188	91,340	USD per adult
Mean wealth	409,297	579,051	USD per adult
Median wealth	151,248	93,271	USD per adult
Total wealth	12.4	145.8	USD trillion
US dollar millionaires	2,291	24,480	thousand
Top 10% of global wealth holders	15,524	102,323	thousand
Top 1% of global wealth holders	1,866	22,187	thousand
Wealth inequality	72.6	85.0	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

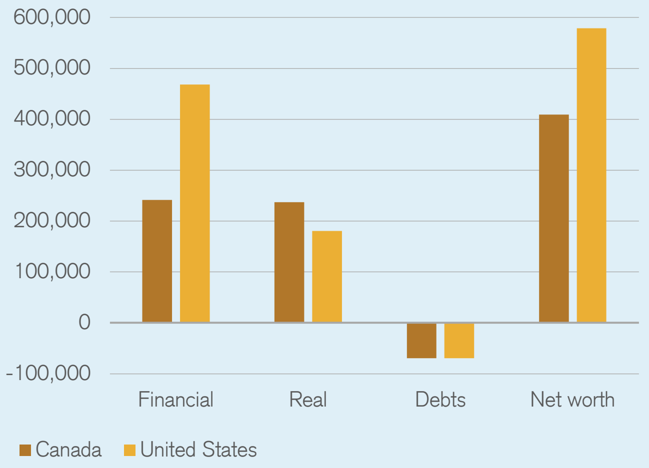


Figure 3: Share of financial assets (%)

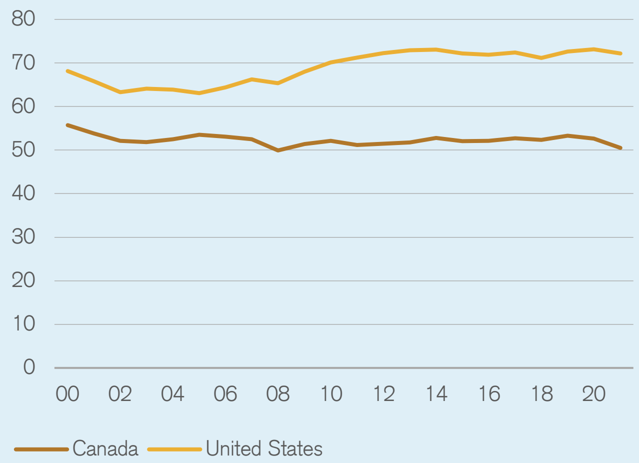
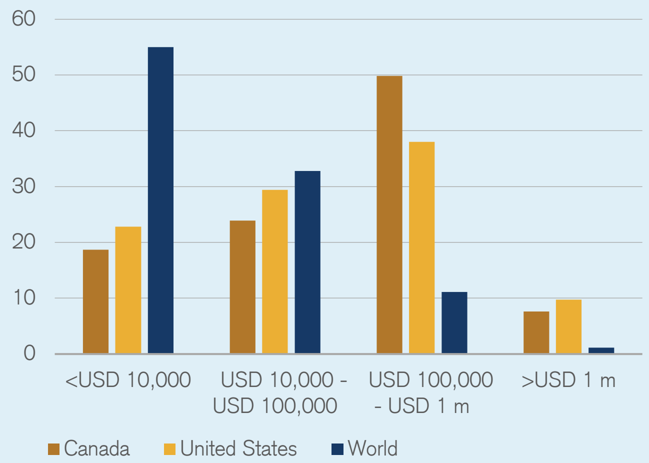


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Wealth per adult was USD 114,618 in Canada in the year 2000 and USD 215,146 in the United States. It increased in both countries until 2006, but fell in 2008 with the onset of the global financial crisis – by 22.9% in Canada and 13.9% in the United States. Wealth per adult recovered to its pre-crisis value by 2010 in Canada and by 2013 in the United States. At the end of 2021, it stood 71.0% above the 2007 level in Canada, at USD 409,297, and, at USD 579,051, was 84.9% higher than in 2007 in the United States.

The composition of wealth growth contrasts in these countries. The US housing market performed poorly for several years after 2006, causing a 24.6% drop in non-financial wealth per adult from then until 2011. It was not until 2018 that this wealth component regained its 2006 level. In Canada, there was no housing crisis and growth of non-financial wealth was barely interrupted by the global financial crisis. On the other hand, financial assets have risen faster in the United States than in Canada in the last decade and a half, reflecting the better performance of its stock markets, where high tech is more important and resource stocks less important than in Canada.

Gross assets in the United States rose by 14.6% during 2021, but, as in 2020, household net worth increased faster by 15.4%. The difference is explained by debt, which increased only 8.2%, rising more slowly than assets. Among financial assets, corporate equities and mutual funds showed the biggest increase at 22.0%, while in the non-financial category, real estate led the way with 15.5% growth. Financial assets accounted for 65.5% of the total growth in assets. Canada saw slower overall growth in assets at 15.4%, with non-financial assets accounting for more of the increase than in the United States, so that financial assets contributed only 36.6% of the total increase in assets. Like the United States, growth of debt, at 7.7%, proceeded more slowly than the rise of assets, so that net worth rose 16.8%, more than gross assets.

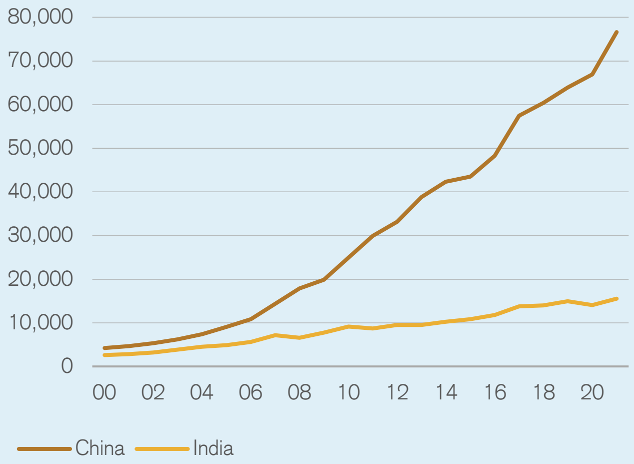
Canada and the United States have differing levels of wealth inequality. At year-end 2021, we estimate that the Gini coefficient for wealth was 72.6 in Canada, but 85.0 in the United States. In Canada, the Gini coefficient and the wealth shares of the top 10% and 1% fell until 2012 and then gradually increased. All three measures were lower in 2021 than in the year 2000. In contrast, in the United States, all three of these measures have trended upward since the early 2000s. For instance, the wealth share of the top 1% of adults rose from 32.9% in 2000 to 35.1% in 2021 in the United States, but fell from 29.1% to 25.0% in Canada. A large part of the explanation is that, since the global financial crisis, while stock prices have risen more than house prices in the United States, raising the shares of top wealth groups, prices of houses have risen faster than those of stocks in Canada, lifting the wealth share of middle groups instead.

China and India

China and India had differing experiences with the COVID-19 pandemic, which first surfaced in China, but was initially brought under control there fairly quickly. Although the pandemic has become more threatening in China in 2022, throughout 2020 and 2021 it was mild. In contrast, India has had several strong waves of COVID-19 since the summer of 2020.

With the onset of the pandemic, there were severe lockdowns in China, leading to economic disruptions. Thus GDP growth fell to 2.2% in 2020 from previous rates that had averaged about 6%. In India, real GDP declined 6.6% in 2020. Both countries had a rebound in 2021, with GDP growing at 8.1% and 8.9% in China and India, respectively. That similarity was not reflected in the two countries' stock markets. Share prices in China fell 2.2% over the year, but rose 31.0% in India. Slower GDP growth is expected for 2022, with IMF projected rates of 3.3% in China and 7.4% in India. Stock prices in the first half of 2022 fell 9.5% in China and 9.0% in India.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Wealth per adult in India has risen at an impressive average annual rate of 8.8% since the year 2000 and stood at USD 15,535 at the end of 2021. Expansion has been even faster in China. Wealth per adult has grown by 14.5% per year on average to reach USD 76,639 at year-end 2021. For comparison, the average annual growth rate of wealth per adult for the world as a whole since 2000 has been 5.0% and the global mean was USD 87,489 at year-end 2021. Thus, mean wealth in China is now approaching average world wealth, while India remains far below the global mean. Differences in the evolution of median wealth are even more pronounced. Median wealth in India was 50% of the global median in 2000, while China recorded 125%. By year-end 2021, median wealth in India had fallen to 41% of the world value, but median wealth in China had risen to 338%.

Table 1: Macroeconomic indicators 2021

	China	India	
Population	1,446	1,400	million
Adult population	1,111	916	million
GDP	15,765	3,465	USD per adult
Mean wealth	76,639	15,535	USD per adult
Median wealth	28,258	3,457	USD per adult
Total wealth	85.1	14.2	USD trillion
US dollar millionaires	6,190	796	thousand
Top 10% of global wealth holders	107,319	11,470	thousand
Top 1% of global wealth holders	5,086	665	thousand
Wealth inequality	70.1	82.3	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

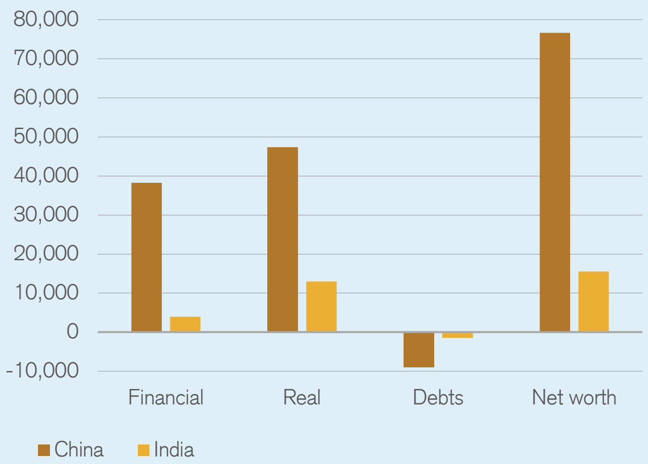


Figure 3: Share of financial assets (%)

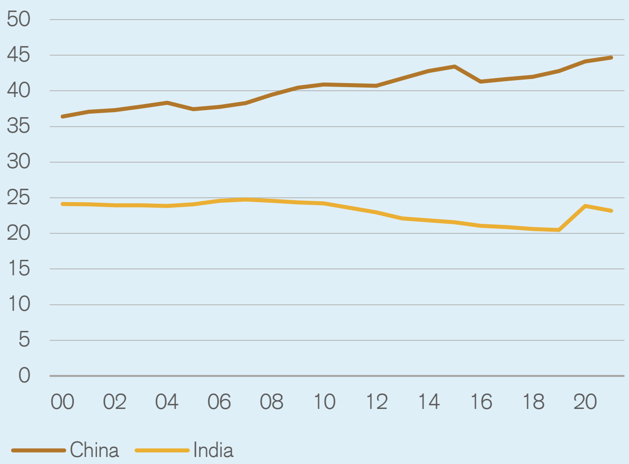
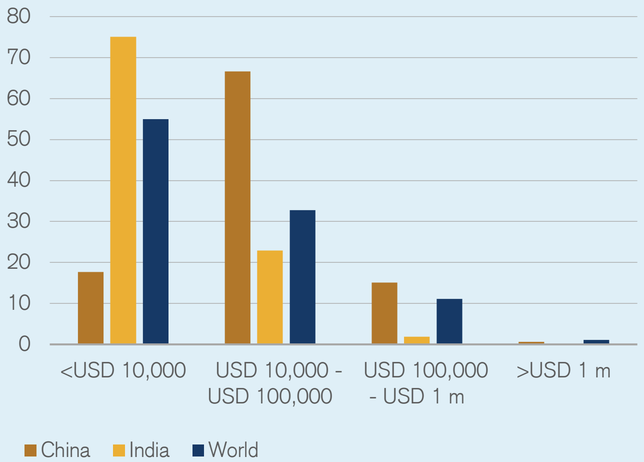


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

The composition of asset growth has differed between these two countries. Financial assets have steadily risen in importance in China. They now account for 44.7% of gross assets, compared to a figure of 23.2% in India. The growth of financial assets has been faster in China due to both its high saving rate and its generally strong stock market performance. Since 2000, financial assets per adult have risen on average by 16.4% per year in China, well above the impressive average annual growth rate of 8.7% in India.

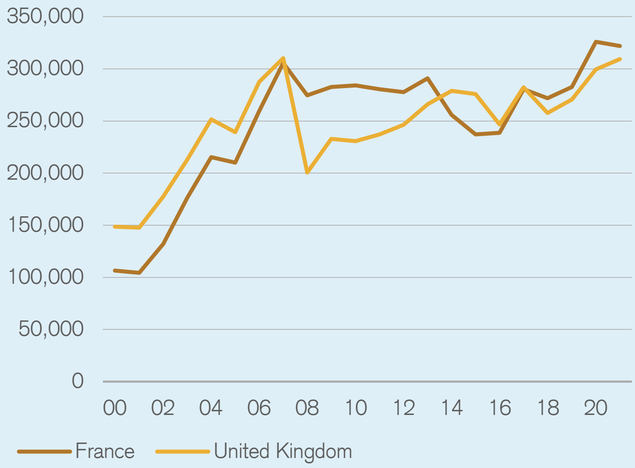
During the course of 2021, gross assets per adult in China increased 14.2% and net worth per adult rose 14.5%. Debt per adult rose less quickly by 11.6%. Wealth growth per adult leaned toward financial assets, which rose 16.1%, while non-financial assets only went up 13.2%. In India, financial assets per adult increased by 6.4%, while non-financial assets rose 10.5% per adult, generating a 9.5% increase in total assets per adult. At the same time, per adult, there were increases of 3.4% in debt and 10.1% in net worth.

Wealth inequality in China has risen steadily since the year 2000. Its wealth Gini coefficient rose from 59.5 in 2000 to 70.0 in 2010, and continued to rise until it peaked at 71.7 in 2016. The Gini value then eased back to 70.1 by 2021, close to where it was in 2010. These movements were echoed by the behavior of the wealth share of the top 1%, which rose from 20.7% in 2000 to 31.5% in 2010, and then edged back to 30.8% by 2021. The rise in wealth inequality between 2000 and 2010 was associated with China's market reforms and high saving rates as well as other aspects of its development strategy. But it also reflected a substantial increase in urban house prices as well as both stock prices and stock ownership, boosting the net worth of higher wealth groups. Wealth inequality in India was already very high in 2000 and has risen since. The Gini coefficient rose from 74.6 in 2000 to 82.3 at the end of 2021. The wealth share of the top 1% went up from 33.2% in 2000 to 40.6% in 2021. As in China, these changes can be ascribed in large part to market reforms, rising asset prices and changes in portfolio composition.

France and the United Kingdom

In recent years, overall economic performance has been similar in France and the United Kingdom, as have been pandemic impacts. Both countries saw a sharp fall in real GDP in 2020, with declines of 8.0% in France and 9.3% in Britain. Recovery was strong in 2021, but did not completely reverse the 2020 fall: GDP grew 7.0% in France and 7.4% in Britain. Unemployment was affected much less by the pandemic than in North America due to furlough schemes and other measures. The unemployment rate in Britain only rose from 3.8% in 2019 to 4.6% in 2020, and 4.5% in 2021, while unemployment in France fell from its 2019 level of 8.2% to 7.8% in 2020, and 7.7% in 2021. The IMF predicts that, in 2022, GDP will grow 3.2% in Britain and 2.3% in France. Unemployment rates remained fairly steady in the first half of 2022.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

In a further contrast to North America, where disposable personal income (DPI) rose significantly in 2020, DPI was little affected in France or Britain in the first year of the pandemic. It showed no change in France and fell 0.9% in Britain. On the other hand, as in North America and elsewhere, there was a large drop in private consumption in 2020 – a fall of 7.3% in France and 10.9% in Britain. With DPI roughly constant and consumption falling sharply, household saving rates rose in France from 14.7% in 2019 to 21.0% in 2020, and in Britain from 4.6% to 13.8%. The higher savings flowed into financial assets, but also were used to reduce debt. Conditions became more normal in 2021, with DPI rising close to 2% in both countries. However, consumption grew faster at 3.6% in France and 4.4% in Britain, reflecting the spending down of a portion of the excess saving that had occurred in 2020.

In 2020, share prices rose 6.0% in France, but dropped 9.1% in Britain, where the effects of Brexit added to those of the pandemic. 2021 brought an increase of 28.2% in France, but Britain still lagged with a rise of 13.3%. In the first half of 2022, Britain "caught up" to a degree, with its principal stock index falling only 1.0%, compared with a 15.7% decline in France.

Table 1: Macroeconomic indicators 2021

	France	United Kingdom	
Population	66	68	million
Adult population	50	53	million
GDP	56,125	59,377	USD per adult
Mean wealth	322,074	309,375	USD per adult
Median wealth	139,169	141,552	USD per adult
Total wealth	16.2	16.3	USD trillion
US dollar millionaires	2,796	2,849	thousand
Top 10% of global wealth holders	25,567	26,479	thousand
Top 1% of global wealth holders	2,237	2,209	thousand
Wealth inequality	70.2	70.6	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

Figure 3: Share of financial assets (%)

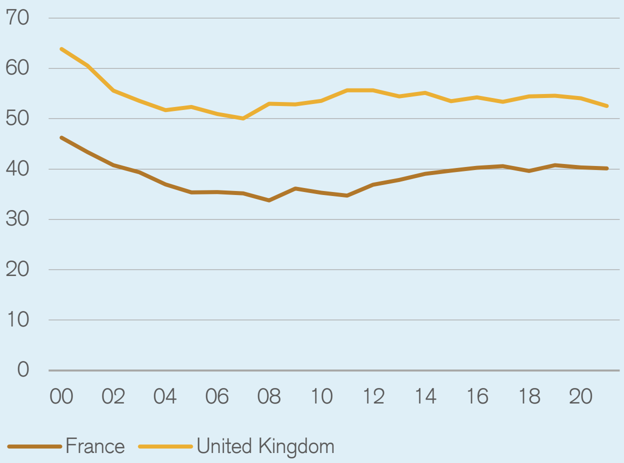
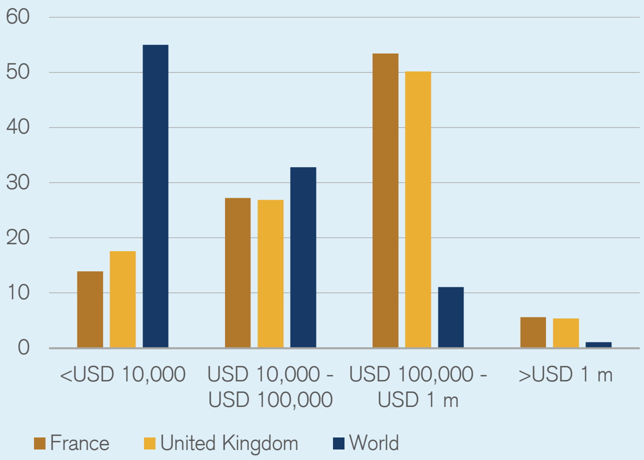


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Wealth per adult stood at USD 309,375 in Britain at the end of 2021 and at USD 322,074 in France. The difference between the two figures owes something to exchange rate trends. From 2014 to 2017, wealth per adult was higher in Britain than in France in USD terms. The recent decline in sterling has affected the wealth growth picture. In terms of current US dollars, annual growth of wealth per adult averaged 3.6% per year in Britain between 2000 and 2021, and 5.4% in France. Using smoothed exchange rates, however, growth rates in both countries were similar – both averaged 3.9% per year.

Wealth composition of assets has altered over time in both France and Britain. Financial assets fell in relative terms up to the onset of the global financial crisis in 2008 and then trended upward. Financial assets in France made up 46.2% of gross wealth in 2000, but fell to 35.2% by 2007 as rising house prices boosted the share of non-financial assets. The share of financial assets in the UK fell from 63.9% to 50.0% from 2000 to 2007. Since then, its share has risen to 40.1% in France and 52.5% in the UK, but has not matched its 2000 figure.

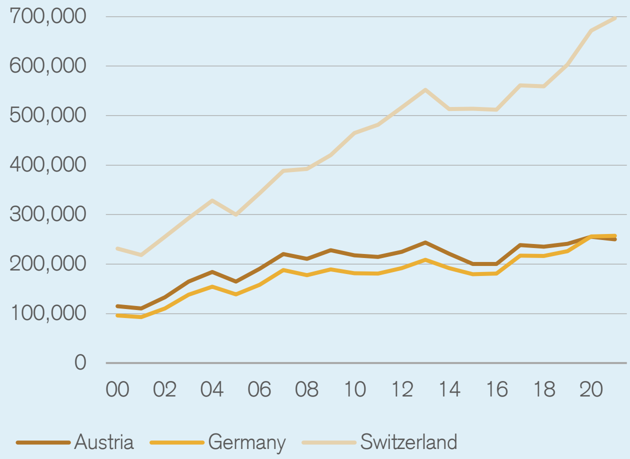
During 2021, net worth per adult in France fell 1.2%, while gross assets per adult dropped 1.6%. The smaller drop in net worth is due to debt falling 4.4%. Financial assets per adult fell by 2.1% and non-financial assets by 1.1%. In the UK, non-financial assets rose by 6.9%, financial assets by 0.4% and gross assets by 3.4%, all per adult. Debt per adult rose 4.1% and net worth per adult grew 3.3%.

Wealth inequality trends have been similar in France and Britain. Inequality declined in both countries between 2000 and 2007, partly reflecting the fall in the share of financial assets, which are held disproportionately by high-net-worth individuals. Over those years, the wealth Gini coefficient fell from 69.7 to 67.7 in France and from 70.5 to 66.7 in Britain. Since the global financial crisis, the trend has been in the opposite direction. By 2021, the wealth Gini had risen slightly above its 2000 level in both countries, standing at 70.2 in France and 70.6 in Britain. Top wealth shares tell a fairly similar story, although the post-2007 rebound was not as strong as for the Gini. In France, the wealth share of the top 1%, for example, fell from 25.5% in 2000 to 20.2% in 2007, but had risen to 22.3% by 2021. In Britain, this share fell from 22.1% in 2000 to 20.0% in 2007 and was at 21.1% in 2021.

Austria, Germany and Switzerland

In macroeconomic terms, the damage done to GDP in Austria, Germany and Switzerland in 2020 was corrected to varying degrees in 2021. In Switzerland, 2021 saw a strong recovery from a small decline in GDP by 2.5% in 2020. There were partial recoveries from drops in 2020 of 4.6% and 6.7% in Germany and Austria, respectively. Growth in 2021 was 3.7% in Switzerland, just 2.9% in Germany and 4.5% in Austria. If GDP growth in 2022 matches recently forecast rates, then GDP in Germany and Austria would return to about its 2019 level in 2022, while Switzerland's would exceed its 2019 figure by 3%–4%.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

As in France, the UK and much of western Europe, unemployment rose less in 2020 and 2021 than it did in North America – from an average pre-pandemic level of 3.4% across Austria, Germany and Switzerland to 4.3% in both 2020 and 2021. Disposable personal income flat-lined, but private consumption fell sharply in 2020, by an average of 6.1% across these three countries. This led to an increase in the average saving rate for Austria and Germany from 16.2% in 2019 to 21.5% in 2020 (data unavailable for Switzerland). Consumption then rose by 2.1% in 2021 and saving fell slightly to 19.9%. The higher saving has led to increased liquid assets and reduced debt.

Share prices increased in these three countries over 2020 as a whole and throughout 2021. Performance was particularly striking in 2021, with share prices rising 14.6% in Germany, 20.5% in Switzerland and 31.9% in Austria. As elsewhere, 2022 brought a slide with the main stock indexes falling 18.1%, 15.8% and 25.4% in Germany, Switzerland and Austria, respectively, in the first half of the year.

Wealth per adult at the end of 2021 was USD 250,125 in Austria, USD 256,985 in Germany and USD 696,604 in Switzerland. From 2000 to 2021, it grew at an average annual rate of 3.8% in Austria, 4.8% in Germany and 5.4% in Switzerland when measured in current US dollars.

Table 1: Macroeconomic indicators 2021

	Austria	Germany	Switzerland	
Population	9	84	9	million
Adult population	7	68	7	million
GDP	62,610	59,423	116,239	USD per adult
Mean wealth	250,125	256,985	696,604	USD per adult
Median wealth	75,075	60,633	168,084	USD per adult
Total wealth	1.8	17.5	4.9	USD trillion
US dollar millionaires	271	2,683	1,152	thousand
Top 10% of global wealth holders	3,001	24,086	3,602	thousand
Top 1% of global wealth holders	220	2,215	960	thousand
Wealth inequality	74.2	78.8	77.2	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

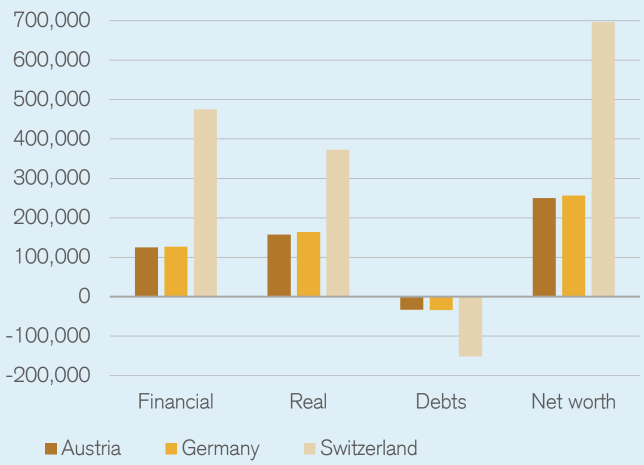


Figure 3: Share of financial assets (%)

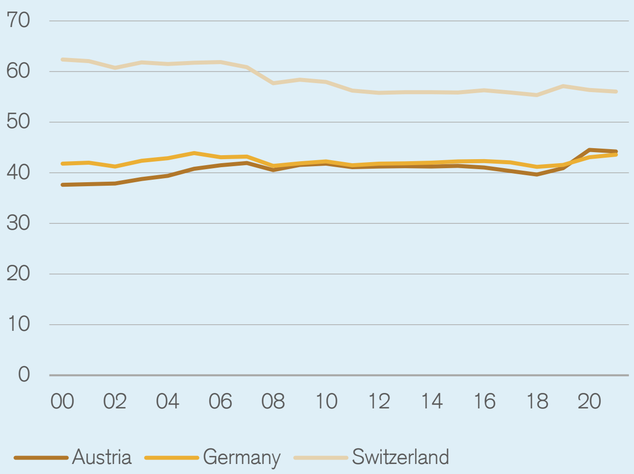
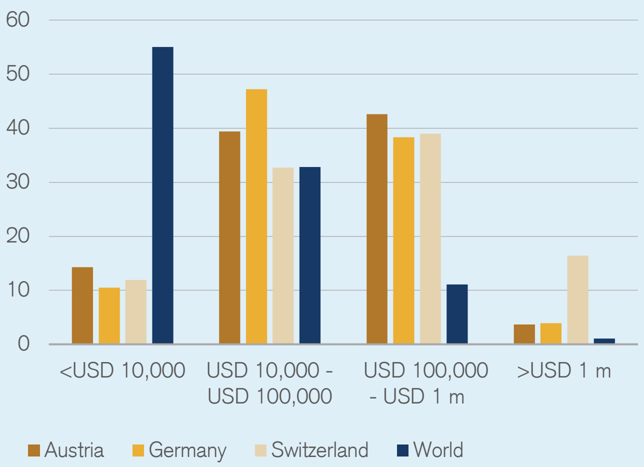


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Asset composition in these countries has changed slowly over the last two decades, with the relative importance of financial assets trending upward in Austria and Germany, but downward in Switzerland. The gradualness of change reflects smaller fluctuations in asset prices than seen in some other major European economies such as those of France, Spain or the UK. On average, in Austria and Germany, financial assets made up 39.7% of gross assets in 2000, 42.0% in 2010 and 43.9% in 2021. The corresponding figures for Switzerland were 62.4%, 57.9% and 56.0%.

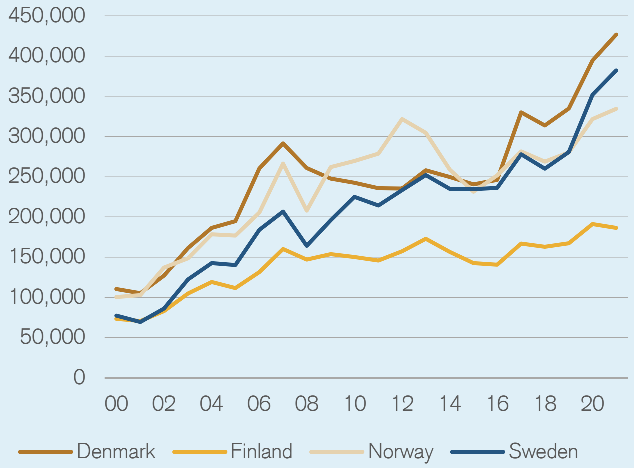
When looking at recent year-on-year changes, it is best to use smoothed exchange rates as there were large exchange rate changes for the euro and Swiss franc in both 2020 and 2021. On that basis, during 2020, net worth per adult fell 4.2% in Austria, but rose in both Germany and Switzerland by 3.1%. Across the three countries, the average increase was 0.6%. Wealth per adult increased more in 2021, by an average of 9.4%: 8.7% in Austria, 9.1% in Germany and 10.3% in Switzerland. Gross assets per adult increased at a similar rate, again using smoothed exchange rates, averaging 1.0% in 2020 and 9.1% in 2021. Debt per adult grew a little faster than gross assets in 2020 at a rate of 3.2% and a little less quickly than assets in 2021 at 5.8%. The relative importance of financial assets in household portfolios rose in Austria and Germany from a two-country average of 41.2% in 2019 to 43.8% in 2020 and 43.9% in 2021, while it fell in Switzerland from 57.1% in 2019 to 56.3% in 2020 and 56.0% in 2021.

Wealth inequality is modest in Austria, which had a Gini coefficient of 74.2 in 2021. It is higher in Germany and Switzerland, which have wealth Ginis of 78.8 and 77.2, respectively. All three countries have seen decreases in overall wealth inequality since 2000, when the Gini coefficient was 78.1 in Austria, 81.2 in Germany and 81.0 in Switzerland. While the decline in Austria occurred gradually over the period from 2000 to 2015, the fall in Germany took place after the global financial crisis in 2008, and mostly after 2017 in Switzerland. The share of the top 1% has declined since 2000 in Austria from 27.0% to 25.8% and in Switzerland from 32.2% to 26.5%. In Germany, however, while it fell from 29.1% in 2000 to 27.2% in 2008, it has since risen to 31.7%. The rise in this top share in Germany since 2008 coupled with a drop in overall wealth inequality, as measured by the Gini coefficient, reflects a reduction in inequality lower down in the distribution. The shares of the bottom six deciles all increased from a total of 3.4% in 2000 to 5.7% in 2021.

Denmark, Finland, Norway and Sweden

All four of these Nordic countries suffered in economic terms in 2020 due to COVID-19, leading to declines in real GDP ranging from 0.7% in Norway to 2.1% and 2.3% in Denmark and Finland, respectively, and 2.9% in Sweden. Recovery in all four countries in 2021 was strong, more than offsetting the 2020 decline. Finland and Norway saw increases of 3.3% and 3.9% in GDP, respectively, while Denmark and Sweden had gains of 4.1% and 4.8%, respectively. Unemployment rates rose from only an average of 5.6% across these countries in 2019 to 6.6% in 2020, and were little changed at 6.5% in 2021. Overall, stock markets performed well in the region in 2021. Share prices ended the year up 17.7% in Finland, 20.6% in Norway, 21.7% in Denmark and 34.1% in Sweden. 2022 has brought challenges, with GDP stagnant and stock prices falling significantly (except in Norway) in the first half of the year.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

In 2020, disposable personal income (DPI) rose slightly in Norway and fell slightly in Denmark, Finland and Sweden. But consumption fell in all these countries (although less so in Denmark) – by an average of 4.7%. This pushed the average household saving rate up to 16.2% from 12.5% in 2019. Average growth of DPI in 2021 was 2.0%, while consumption grew somewhat faster at 2.9%. As in many other high-income countries, these patterns generated a boost to liquid assets for households in 2020, some of which was spent in 2021.

The result of reduced revenue and increased government spending in 2020 was that public debt rose from an average of 42.3% of GDP in 2019 across these four countries to 49.4% in 2020. The rise in public debt was the counterpart of the rise in private saving. These trends largely went away in 2021, with public debt falling to an average of 47.4%.

Wealth per adult in 2021 ranged widely across these countries. It was USD 426,494 in Denmark, 381,968 in Sweden, 334,432 in Norway and just 186,208 in Finland. These levels were lower than in many countries with similar income per

Table 1: Macroeconomic indicators 2021

	Denmark	Finland	Norway	Sweden	
Population	6	6	5	10	million
Adult population	5	4	4	8	million
GDP	83,561	64,698	111,297	75,994	USD per adult
Mean wealth	426,494	186,208	334,432	381,968	USD per adult
Median wealth	171,175	80,152	132,482	95,051	USD per adult
Total wealth	1.9	0.8	1.4	3	USD trillion
US dollar millionaires	385	101	236	610	thousand
Top 10% of global wealth holders	2,478	1,316	2,062	3,131	thousand
Top 1% of global wealth holders	310	82	186	522	thousand
Wealth inequality	73.9	74.4	79.4	88.1	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

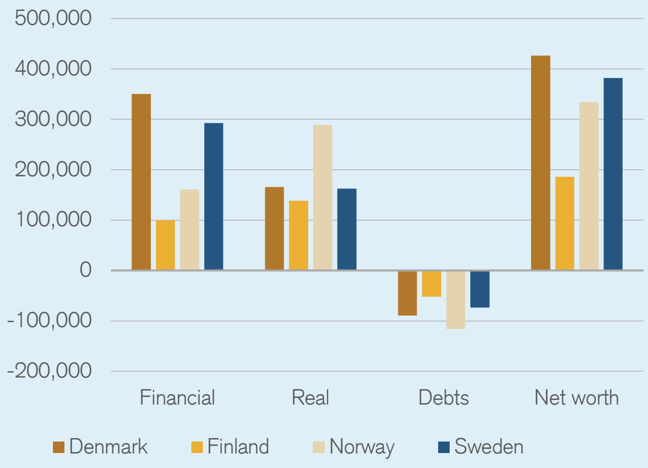


Figure 3: Share of financial assets (%)

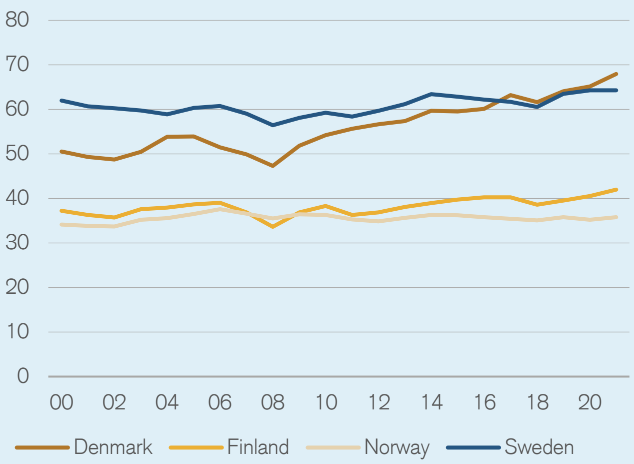
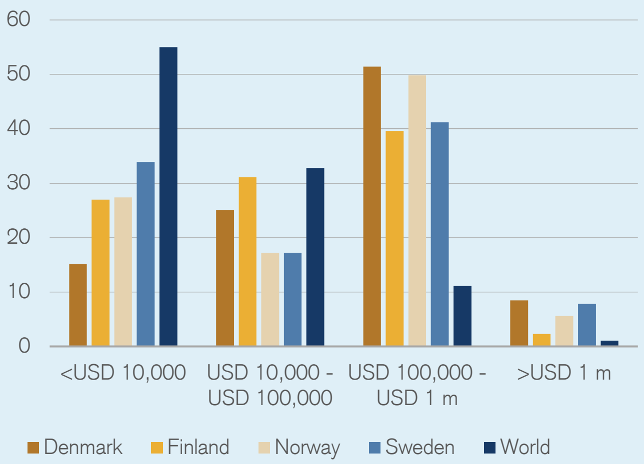


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

capita. Part of the explanation is that more generous social benefits, including pensions and health care, make personal saving less pressing than elsewhere. From 2000 to 2021, personal wealth per adult grew at an average annual rate of 6.3% in these countries, with Sweden in the lead at 7.9%, and Finland recording the lowest growth rate of 4.5%. This growth was strongest from 2000 to 2007, averaging 14.2% per year across the countries. After a drop of 15.3% in 2008, the average annual growth rate has been 3.5%, ranging from 1.6% in Finland to 5.7% in Sweden.

Composition of assets also differs across the region. While, on average, financial assets are now 58.1% of gross assets, the share ranges from 35.8% in Norway and 42.0% in Finland to 67.9% in Denmark and 64.3% in Sweden. Portfolio composition changed somewhat during the pandemic, with the share of financial assets rising on average from 55.7% of gross assets in 2019 to 58.1% in 2021 across Denmark, Finland and Sweden, but not changing in Norway. Debt fell in all four countries in relation to gross assets from an average of 22.3% in 2019 to 20.5% in 2021, but is still high by international standards, reflecting factors like relatively high student debt.

Wealth per adult calculated using smoothed exchange rates rose in all four countries during the pandemic by an average of 9.2% in 2020 and 10.8% in 2021. Total growth over the two years was 11.9% in Finland, 12.1% in Norway, 25.4% in Denmark and 33.3% in Sweden. Over the two years, average financial assets per adult rose 24.4%, non-financial assets 15.3%, but debt just 8.8%.

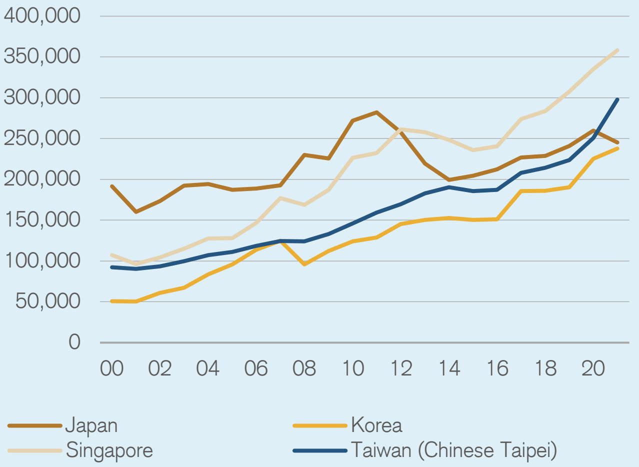
Income inequality is low in the Nordic countries, but wealth inequality is not. The generous public pensions and other forms of social insurance that make wealth accumulation less important mean that even middle-class people tend to have relatively low personal assets. As a consequence, the relative wealth of the top groups that hold shares or business assets is greater than in many other countries. On average, across these four countries, the Gini coefficient for wealth is now 79.0, which is somewhat higher than the 76.1 recorded in 2000. The share of the top 1% has also increased from an average of 25.9% in the year 2000 to 30.1%. Sweden has the most wealth inequality in this group, with a current Gini coefficient of 88.1 and a top 1% wealth share of 37.6%. Denmark is at the other end of the spectrum, with a Gini of 73.9 and top 1% share of 23.8%.

Japan, Korea, Singapore and Taiwan (Chinese Taipei)

Japan, Korea, Singapore and Taiwan (Chinese Taipei) experienced much less severe public health impacts from COVID-19 in 2020–21 than the world as a whole. However, all except Taiwan (Chinese Taipei) suffered economic damage due to public health restrictions or reduced international trade. These effects resulted in a small drop in GDP in Korea (0.9%) in 2020, and larger declines in Singapore and Japan by 4.1% and 4.5%, respectively. Taiwan (Chinese Taipei)'s economy continued to grow in 2020 by 3.4%. All four countries saw positive growth rates in 2021 although Japan's, at just 1.6%, was fairly low. Korea's economy grew 4.0% in 2021, while Taiwan (Chinese Taipei) and Singapore recorded GDP increases of 6.3% and 7.6%, respectively.

Unemployment rates rose in all four countries from 2019 to 2020, from an average of 3.0% to 3.5%. In 2021, unemployment rose marginally in Japan and Taiwan (Chinese Taipei), but fell significantly in Korea and Singapore, bringing the four-country average down to 3.3%. Private consumption fell sharply in 2020 in Japan, Korea, Singapore and Taiwan (Chinese Taipei) – by an average of 6.4%. This was associated with an increase in personal saving. Consumption rebounded in 2021, growing at an average rate of 2.5% and ending the pandemic-fed boost to saving. As elsewhere, the rise in household saving during 2020 was matched by government dissaving. According to the IMF, general government debt in 2020 rose at an average rate of 9.4% in the four countries. Public debt continued to rise in 2021 in Japan and Korea, but at a slower rate – an average of 5.3%. In Taiwan (Chinese Taipei) and Singapore it fell by an average of 1.8%.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

At the end of 2021, wealth per adult was USD 237,644 in Korea, USD 245,238 in Japan, USD 297,864 in Taiwan (Chinese Taipei) and USD 358,204 in Singapore. This century, household wealth per adult in US dollars has

Table 1: Macroeconomic indicators 2021

	Japan	Korea	Singapore	Taiwan (Chinese Taipei)	
Population	126	51	6	24	million
Adult population	105	43	5	20	million
GDP	45,449	40,600	78,784	40,010	USD per adult
Mean wealth	245,238	237,644	358,204	297,864	USD per adult
Median wealth	119,999	93,141	93,133	113,938	USD per adult
Total wealth	25.7	10.1	1.8	5.9	USD trillion
US dollar millionaires	3,366	1,290	299	869	thousand
Top 10% of global wealth holders	47,283	18,483	1,805	8,959	thousand
Top 1% of global wealth holders	2,648	1,043	249	710	thousand
Wealth inequality	64.7	68.2	78.8	70.7	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

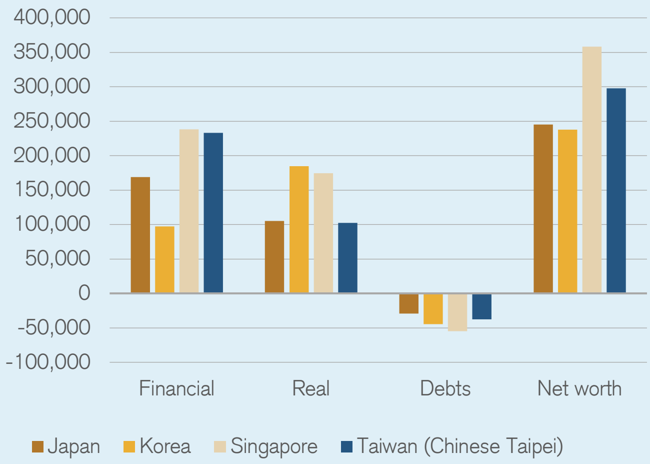


Figure 3: Share of financial assets (%)

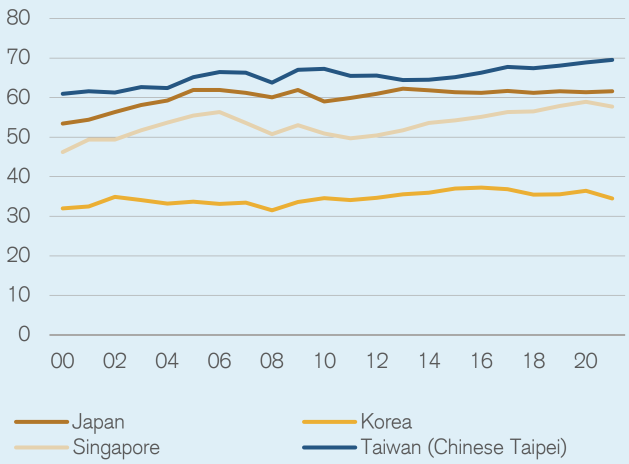
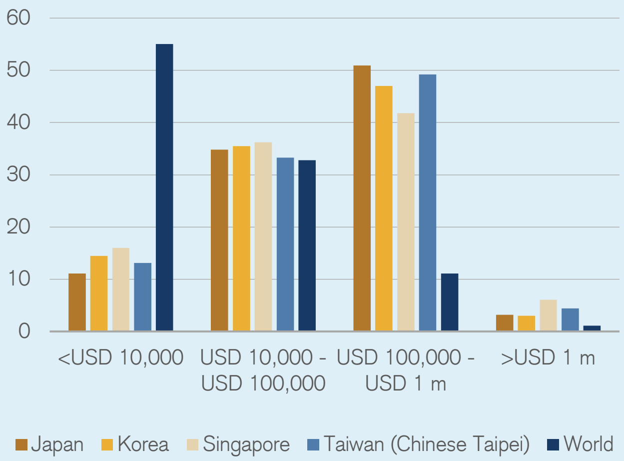


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

grown at an average annual rate of 5.1% in these countries, led by Korea and Singapore, with growth rates of 7.7% and 5.9%, respectively, followed by Taiwan (Chinese Taipei) at 5.7% and Japan at just 1.2%. Overall, growth was skewed toward financial assets, which, on a per adult basis, rose at an average rate of 5.6% across the four countries, compared with 4.0% for non-financial assets. Debt per adult increased at 3.7% per year.

Before the 2008 global financial crisis, annual growth in wealth per adult in US dollars averaged 8.5% in Korea, Singapore and Taiwan (Chinese Taipei), but only 0.1% in Japan. Since 2009, wealth per adult in Japan has risen by 0.7% per year in US dollars, although this rises to 2.6% using smoothed exchange rates. Over the same period, wealth per adult in US dollars grew at 5.6% p.a. in Singapore, 6.5% in Korea and 7.0% in Taiwan (Chinese Taipei), partly aided by exchange rate appreciation in Singapore and Taiwan (Chinese Taipei). The post-2009 US dollar wealth per adult growth rates averaged 4.9% across the four countries. Compared to earlier years, wealth growth has been less dominated by financial assets since 2009.

Financial assets account for over half of personal wealth in Japan, Singapore and Taiwan (Chinese Taipei), ranging from 57.7% of gross assets in Singapore at the end of 2021 to 69.5% in Taiwan (Chinese Taipei). The picture is different in Korea, where non-financial assets contributed 65.5% of total household assets at the end of 2021. Over the years, the importance of financial assets has risen in each of the countries. On average, they made up 48.1% of gross assets in 2000, but comprised 55.8% in 2021. Household debt, on the other hand, has fallen slightly compared with assets. The ratio of debt to gross assets was 16.3% in 2000, but fell to 14.2% in 2007 and declined further to 12.7% by 2021.

During 2021, net worth per adult in US dollar terms rose in Korea, Singapore and Taiwan (Chinese Taipei) by 10.4% on average, while falling 5.6% in Japan. Using smoothed exchange rates, wealth per adult rose in all four countries by 11.9% on average. This growth results from a 9.7% gain in financial assets per adult, a 12.4% rise in non-financial assets and an 8.7% increase in debt. The growth of financial assets reflected moderately strong share price increases, which averaged 9.9% in these countries. Outliers were Korea, with just a 0.3% rise and Taiwan (Chinese Taipei), with a 22.1% increase.

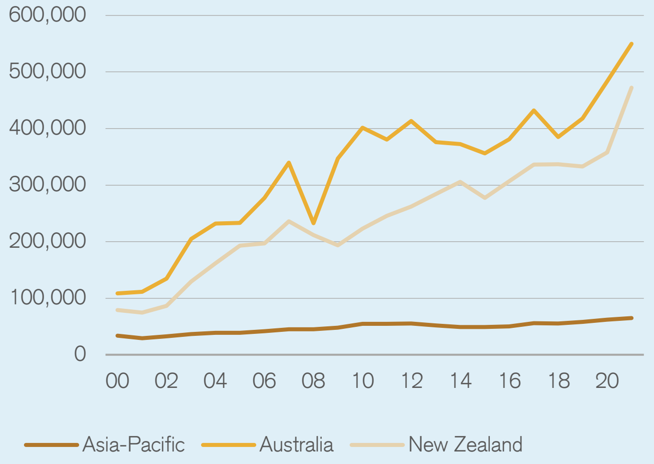
Wealth inequality is relatively low in Japan, Korea and Taiwan (Chinese Taipei). Their wealth Gini coefficients in 2021 were 64.7, 68.2 and 70.7, respectively, and the wealth shares of top groups were similarly low, with a top 1% share of 18.7% recorded for Japan, 24.1% for Korea and 26.7% for Taiwan (Chinese Taipei). This lower-than-average wealth inequality partly reflects the more equal distribution of income in these countries. Relatively heavy inheritance taxes in Korea and Japan also have an impact. Singapore is different. Its wealth Gini, at 78.8, is much higher than in the other three countries, as is the wealth share of the top 1%, which was 34.5% at the end of 2021.

Australia and New Zealand

Although public health impacts from the COVID-19 pandemic were limited in both Australia and New Zealand, both countries suffered economic losses in 2020 due to lockdowns and reduced international trade. Real GDP fell 2.1% in New Zealand and 2.2% in Australia. However, growth in 2021 (4.7% in Australia and 5.6% in New Zealand) more than made up for the 2020 losses. Unemployment in New Zealand rose from a pre-pandemic rate of 4.2% to 4.6% in 2020, but fell to 3.8% in 2021. Meanwhile, Australia saw an increase from 5.2% in 2019 to 6.5% in 2020, with a fall back to 5.1% in 2021.

As in most other high-income countries we review here, disposable income in Australia rose significantly by 4.8% due to pandemic relief payments in 2020 (data not available for New Zealand). Private consumption, on the other hand, fell by 6.7%. Combined, these trends led to a jump in the household saving rate from 15.6% to 24.9%. The increased saving had a positive effect on financial assets and also led to some repayment of debt. In 2021, there was a return to a more normal situation, with disposable income rising only 1.6% and consumption increasing 5.1% – almost enough to reverse the 2020 drop. Again, as seen elsewhere, the rise in private saving in 2020 contrasted with a rise in public debt, i.e. trends that were connected by the increase in pandemic relief spending and reduction in tax revenue. Australia's public debt rose from 46.8% of GDP in 2019 to 57.8% in 2020 and New Zealand's went up from 31.8% to 43.1%. There was a further small rise to 59.8% in Australia in 2021 and an increase to 49.1% of GDP in New Zealand in 2021.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Stock market performance was inconsistent in Australia and New Zealand in 2021. Australia started the year with share prices increasing 7.7% in the first six months, but there was a decline in the third quarter and a rise of only 5.9% for the year as a whole. New Zealand fared worse, with only a gain in the third quarter and a fall of 10.0% over the year.

Table 1: Macroeconomic indicators 2021

	Asia-Pacific	Australia	New Zealand	
Population	1,894	26	5	million
Adult population	1,257	19	4	million
GDP	14,863	85,678	68,589	USD per adult
Mean wealth	64,700	550,110	472,153	USD per adult
Median wealth	5,218	273,903	231,257	USD per adult
Total wealth	81.3	10.6	1.7	USD trillion
US dollar millionaires	10,755	2,177	347	thousand
Top 10% of global wealth holders	115,206	12,651	2,126	thousand
Top 1% of global wealth holders	8,667	1,727	281	thousand
Wealth inequality	88.5	66.2	70.0	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

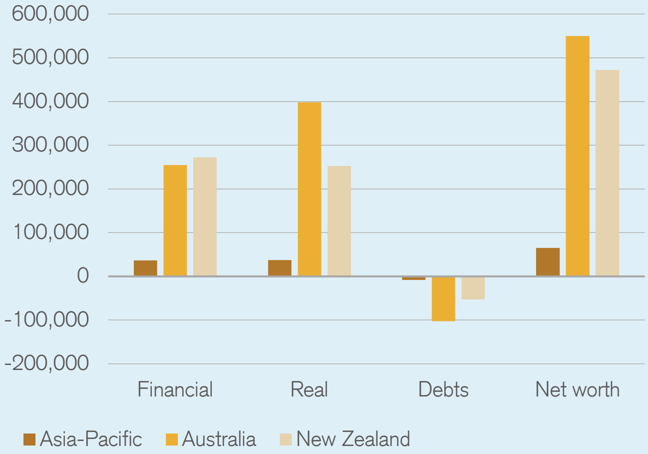


Figure 3: Share of financial assets (%)

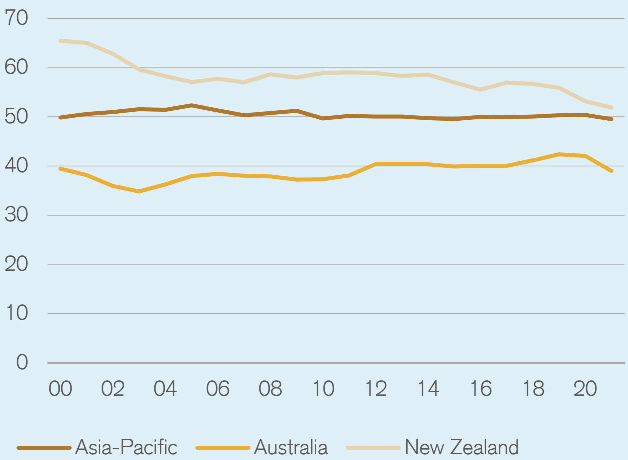
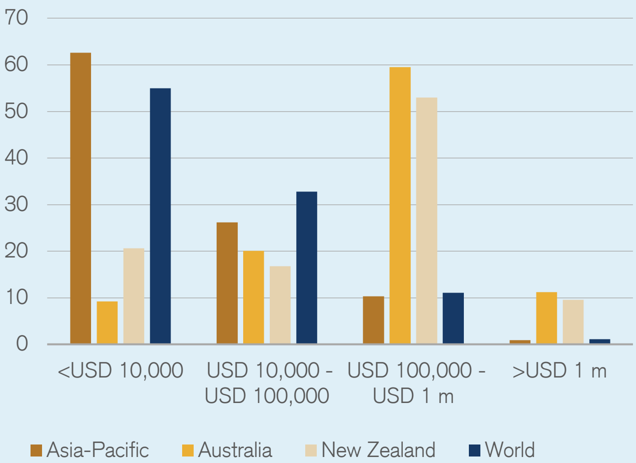


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Wealth per adult at the end of 2021 was USD 550,110 in Australia and USD 472,153 in New Zealand. Over the whole period since 2000, the average growth rate of wealth per adult in current US dollars was 8.0% in Australia and 8.9% in New Zealand. Using smoothed exchange rates, however, wealth growth over these years was more modest, at 5.7% per year in Australia and 6.4% in New Zealand.

The overall composition of assets or wealth has not changed a great deal in Australia since 2000. The share of financial assets in gross assets was 39.5% in the year 2000 and 39.0% at the end of 2021. In contrast, a large change has occurred in New Zealand, with financial assets dropping from 65.5% of total assets in 2000 to 51.9% in 2021. The relative importance of debt has been stable in both countries, with Australian households slightly more indebted than those in New Zealand. The debt level in New Zealand stood at 11.0% of the total asset level in 2000 and 10.1% in 2021. The corresponding numbers in Australia were 16.5% and 15.7%, respectively.

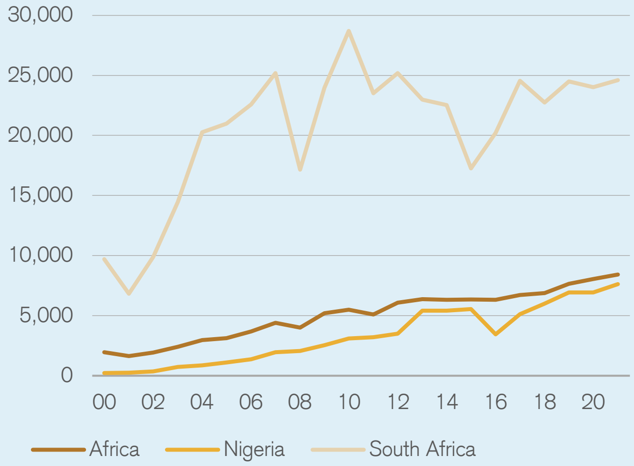
Wealth inequality trends differ in Australia and New Zealand. Both countries saw a slight decline in inequality from 2000 to 2007, but their paths have diverged since then. In 2007, the wealth Gini was 63.3 in Australia and the wealth share of the top 1% of adults was just 19.6%. Both of those figures are low by international standards. By 2021, the Gini was up to 66.2 and the share of the top 1% was 21.8%. This rise in inequality is in line with the moderate increase in financial assets relative to non-financial assets since the former are less equally distributed. Having started with higher wealth inequality than Australia in 2000, New Zealand mirrored Australia's small decline from 2000 to 2007. However, wealth inequality continued to fall in New Zealand after 2008. By 2021, its wealth Gini had fallen from the 72.0 level recorded in 2000 to 70.0 and the share of the top 1% had dropped from 25.4% to 20.1%. The contrast with Australia is explicable in terms of the large increase in the relative importance of non-financial assets, primarily owner-occupied housing, in New Zealand over this period.

Nigeria and South Africa

Nigeria and South Africa have the two largest economies and the greatest household wealth in sub-Saharan Africa. They had contrasting experiences during the COVID-19 pandemic, with South Africa experiencing one of worst public health impacts seen globally, while Nigeria had less-than-average recorded COVID cases. Both countries suffered economic impacts, but they were more severe in South Africa. In 2020, real GDP fell by 1.8% in Nigeria and by 6.4% in South Africa. With growth of 3.6% in 2021, Nigeria rebounded fairly quickly. However, although South Africa's GDP rose by 4.9% in 2021, this was not enough to repair the damage done in 2020. The unemployment rate in South Africa rose from 28.7% in 2019 to 29.2% in 2020, but jumped more in 2021 to 34.2%, reflecting the greater severity of the second wave of COVID-19 and the associated economic disruption. Comparable unemployment data are not available for Nigeria.

Real private consumption fell by 1.0% in Nigeria in 2020, but rebounded by 25.6% in 2021. In contrast, consumption fell by 5.9% in South Africa in 2020 and rose 5.6% in 2021. Neither Nigeria nor South Africa experienced the rise of saving seen in many OECD countries since the consumption decreases in 2020 were mirrored by falling incomes. As elsewhere, public debt rose as a fraction of GDP in 2020 in Nigeria from 29.2% in 2019 to 34.5% and then to 37.0% in 2021. In South Africa, it rose from 56.3% in 2019 to 69.4%, followed by a small drop to 69.1% in 2021.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

The 2020 increases were, however, smaller than the average increase in public debt in many high-income countries.

South Africa saw a small drop in share prices during 2020, while in Nigeria they rose by 18.0%. In 2021, the relative performance reversed, with shares going up 13.7% in South Africa, but just 5.0% in Nigeria.

Table 1: Macroeconomic indicators 2021

	Africa	Nigeria	South Africa	
Population	1,389	214	60	million
Adult population	690	99	38	million
GDP	3,884	4,218	9,177	USD per adult
Mean wealth	8,419	7,618	24,601	USD per adult
Median wealth	1,111	1,722	5,252	USD per adult
Total wealth	5.8	0.8	0.9	USD trillion
US dollar millionaires	352	41	86	thousand
Top 10% of global wealth holders	5,306	616	1,313	thousand
Top 1% of global wealth holders	287	34	68	thousand
Wealth inequality	87.9	86.0	88.6	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

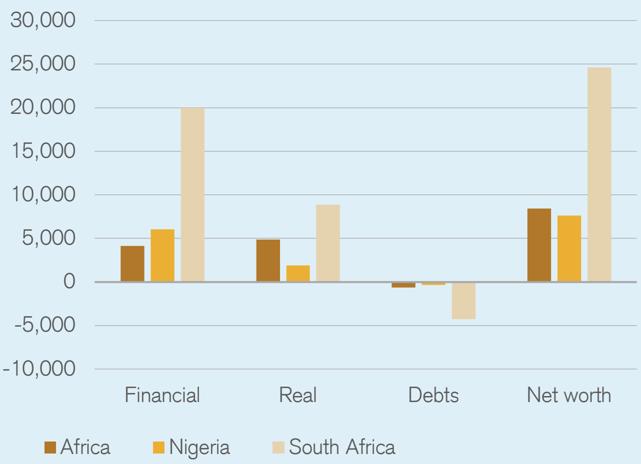


Figure 3: Share of financial assets (%)

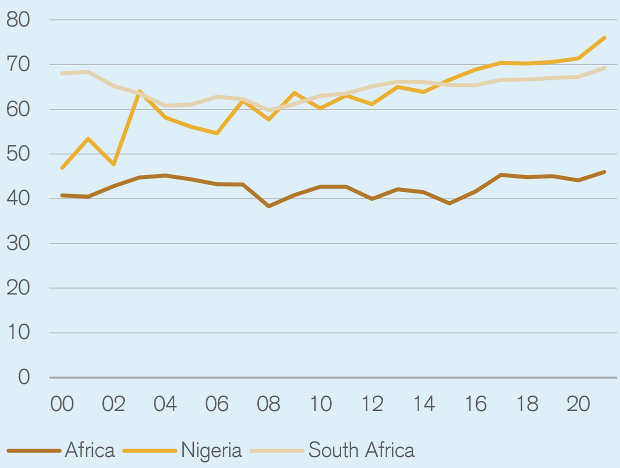
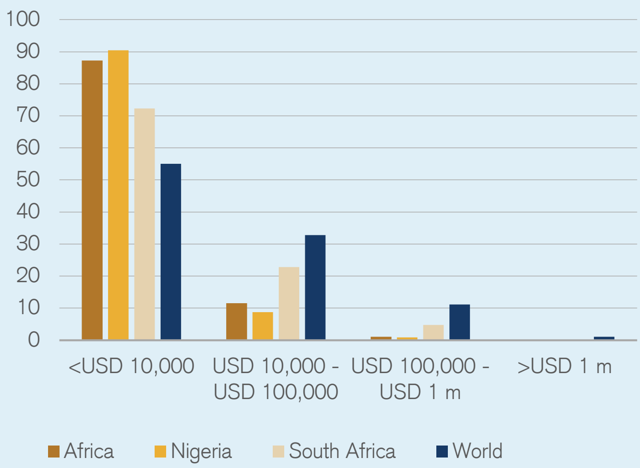


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Wealth per adult was USD 21,601 in South Africa at the end of 2021, much higher than the average of USD 8,419 for Africa as a whole or USD 7,618 for Nigeria. Nigeria has been catching up, however. In 2010, these wealth levels were USD 3,100 in Nigeria and USD 28,701 in South Africa. Hence wealth per adult in South Africa was over nine times that in Nigeria in 2010, compared to a multiple of about three in 2021.

The composition of assets in South Africa today is fairly similar to that seen at the turn of the century. Financial assets were 68.1% of gross assets in 2000 and 69.3% in 2021. But the share of financial assets fell before and during the global financial crisis to 59.8% in 2008. Its subsequent increase in part reflects the rise in share prices. In Nigeria, the share of financial assets has risen from 46.9% in 2000 and 57.8% in 2008 to 76.0% in 2021. Both countries saw a decrease in the importance of debt after 2008. The debt to asset ratio in 2021 in South Africa was 14.8% versus 20.5% in 2008; in Nigeria, the ratio fell from 12.0% to 4.1%.

During 2021, net worth per adult in South Africa rose 2.4% in current USD terms and 8.3% using smoothed exchange rates. Financial assets increased from 67.3% of gross assets to 69.3%, while the debt level dropped from 15.5% to 14.8%. In Nigeria, wealth per adult rose 10.0% in current US dollars and 15.5% with smoothed exchange rates. As in South Africa, financial assets increased as a fraction of gross assets from 71.4% to 76.0%, while debt dropped slightly from 4.8% to 4.1%.

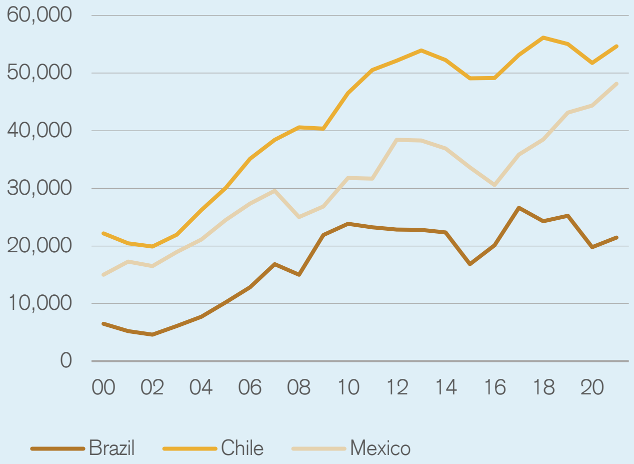
Wealth inequality has trended upward in Nigeria this century. It has also risen in South Africa since 2007, although it was relatively constant before that. At the end of 2021, the Gini coefficient for wealth was 86.0 in Nigeria and 88.6 in South Africa, up from 72.1 and 80.4, respectively, in 2000. The share of the top 1% shows a similar story in Nigeria, increasing from 28.3% to 43.9% over these years. The share of the top 1% in South Africa rose slightly from 38.9% to 42.0%, while the share of low wealth groups declined more sharply. The share of the bottom 90% of wealth-holders as a whole fell from 29.8% to 19.2%. The trend toward greater wealth inequality is not representative for Africa as a whole, which saw a small drop in the Gini coefficient from 88.9 in 2000 to 87.9 in 2021, and a drop in the share of the top 1% from 47.3% to 44.4%.

Brazil, Chile and Mexico

Latin America was the world region hit hardest by the public health impacts of COVID-19. Brazil and Mexico are Latin America's largest economies and are also the most populous countries in the region. Chile has a smaller economy, but it has been one of the most dynamic in Latin America in recent decades. All three countries have suffered serious economic impacts from the pandemic.

In 2020, real GDP fell by 3.9% in Brazil, 6.1% in Chile and 8.2% in Mexico – losses comparable with those experienced during the global financial crisis of 2008–09 or the peso crisis of the mid-1990s. Brazil and Chile saw growth rates in 2021 of 4.6% and 11.7%, respectively, more than offsetting the GDP reductions of 2020. For Mexico, however, 2021 GDP growth of 4.8% makes up little more than half of the 2020 decline. Growth is projected to continue in all three countries in 2022, but at rates of just 1%–2%. Unemployment rose significantly with the onset of the pandemic in each country from an average rate of 7.6% in 2019 to 9.7% in 2020. 2021 saw a small reduction to 9.1%.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

In 2020, private consumption fell by 5.4% in Brazil, 9.1% in Chile and 11.6% in Mexico. The greater drop in Mexico could be due to the fact that disposable personal income (DPI) fell by 5.4% in Mexico, whereas it rose 7.4% in Chile, for example, similarly to countries in Western Europe and North America.

Despite the DPI drop in Mexico, reflecting low pandemic relief payments, the decline in consumption was still strong enough to ensure that the gross household saving rate rose from 19.4% in 2019 to 24.7% in 2020 (data not available for Brazil or Chile). In 2021, consumption rebounded quite strongly in all three countries. The saving rate in Mexico fell to 21.0% in the first half of 2021. Public debt has risen in Latin America as elsewhere. On average, across the three countries, public debt rose from 56.5% of GDP in 2019 to 63.9% in 2020. There was a small decline in 2021 to 62.3%.

Table 1: Macroeconomic indicators 2021

	Brazil	Chile	Mexico	
Population	215	19	131	million
Adult population	155	14	87	million
GDP	9,993	22,107	14,546	USD per adult
Mean wealth	21,429	54,639	48,138	USD per adult
Median wealth	3,743	18,820	15,684	USD per adult
Total wealth	3.3	0.8	4.2	USD trillion
US dollar millionaires	266	66	318	thousand
Top 10% of global wealth holders	3,762	971	6,019	thousand
Top 1% of global wealth holders	216	54	258	thousand
Wealth inequality	89.2	79.4	80.4	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

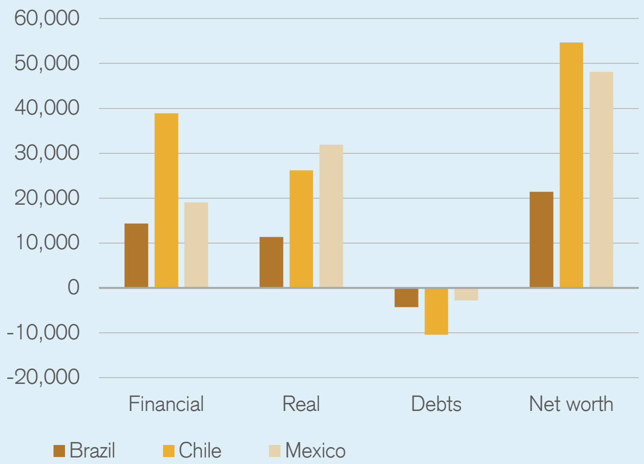


Figure 3: Share of financial assets (%)

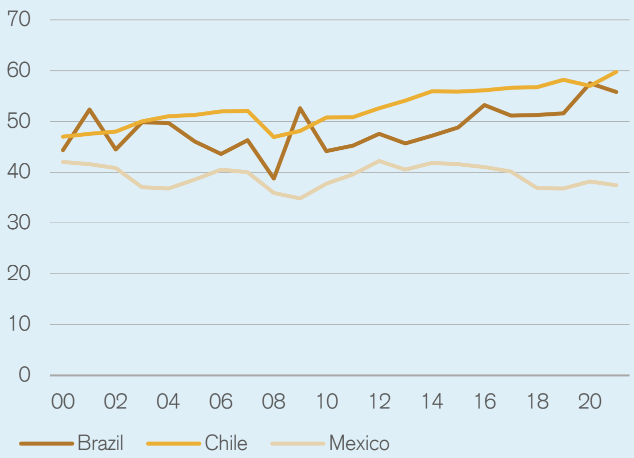
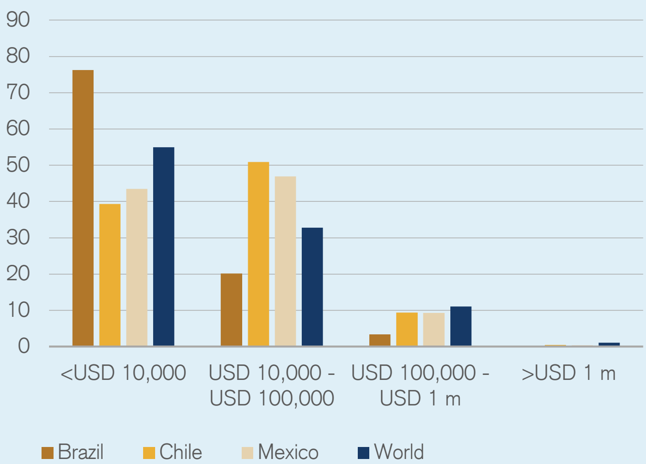


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

In all three countries, share prices rose in the first half of 2021, but trends diverged in the second half of the year. Stocks in Chile and Brazil dropped after mid-year by 8.7% and 21.7%, respectively, leading to declines of 5.5% and 17.0% for the year as a whole. In contrast, share prices in Mexico rose 7.9% in the second half of the year, giving a 20.2% increase for the full year.

At the end of 2021, wealth per adult was USD 21,429 in Brazil, USD 48,138 in Mexico and USD 54,639 in Chile. The corresponding figure for Latin America as a whole is USD 27,717. Since 2000, wealth per adult has risen at an average annual rate of 4.4% in Chile, 5.7% in Mexico, and 5.8% in Brazil. These figures are typical for Latin America, which had an average growth rate of 5.5% over this period.

Financial assets have become relatively more important in Brazil and Chile since 2000, but less important in Mexico. As a fraction of gross assets, they rose from 44.4% in 2000 in Brazil to 55.8% in 2021 and from 47.0% to 59.8% in Chile. In Mexico, the share of financial assets was 42.0% in 2000 and 37.4% in 2021. These trends imply, of course, that non-financial assets, principally houses, have fallen significantly in relative importance in Brazil and Chile, but have risen in Mexico. The ratio of household debt to gross assets is now at about the same level as in 2000 in Brazil and Mexico – at year-end 2021 the ratio was 16.6% in Brazil versus 16.7% in 2000, while in Mexico it was 5.5% compared with 5.9% in 2000. In contrast, relative to gross assets, household debt has approximately doubled in Chile from 7.7% in 2000 to 16.0% in 2021.

Wealth inequality is high in Latin America, especially in Brazil, where the wealth Gini coefficient was 89.2 in 2021, up from 84.5 in 2000, and one of the highest figures around the world. The wealth share of the top 1% is now 49.3% versus 44.2% in 2000. This century, wealth inequality has not changed greatly in Chile or Mexico. The wealth Gini coefficient in Chile stood at 80.3 in 2000 and 79.4 at the end of 2021. There was even less change in Mexico, where the figures are 80.6 and 80.4 for 2000 and 2001, respectively. However, the share of the top 1% has fallen in both Chile and Mexico since 2000 from 39.6% to 30.2% in Chile and from 42.6% to 30.2% in Mexico. In these two countries, wealth inequality has risen among the bottom half of the population, while falling at the top. On average for the two countries, the wealth share of the bottom 40% of adults fell from 1.8% to –0.2%, while the share of adults from the 40th to 90th percentiles rose from 27.2% to 33.3%.

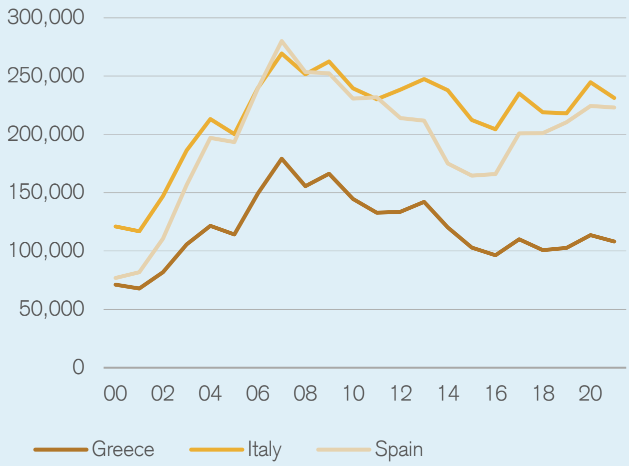
Greece, Italy and Spain

Italy was the first country after China to suffer a serious outbreak of COVID-19, beginning in March 2020. Spain was badly affected shortly afterward and Greece was affected a little later. In terms of macroeconomic performance, the result was a similar contraction of all three economies in 2020 – real GDP fell by 9.0% in both Greece and Italy, and by 10.8% in Spain. Partial rebounds occurred in 2021, with GDP growing 8.3%, 6.6% and 5.1% in Greece, Italy and Spain, respectively. GDP should recover in 2022 to about the 2019 level in Italy and Spain according to recent forecasts. Greece is expected to do a little better, with its GDP in 2022 about 2% above the 2019 level.

In the three countries, the impact on aggregate unemployment was negligible, with only Spain seeing an increase in its unemployment rate in 2019–20 (from 14.1% to 15.5%). The average unemployment rate across the three countries was 13.8% in both 2019 and 2020, and fell to 13.1% in 2021.

The pandemic initially had a positive effect on household saving in these countries, echoing Western Europe and North America. In Italy, gross household saving averaged 17.4% of GDP in 2020, compared to 10.0% in 2019. In Spain, it rose from 8.3% to 15.0%. Greece went from having dissaving at a rate of 3.8% to positive saving of 2.8%. The year 2021 saw only a small drop in saving to 2.0% in Greece and 15.2% in Italy (data not available for Spain). These trends reflect reduced consumption in 2020, with an average drop of 10.2% and a rebound of disposable income in 2021 that elevated saving despite a rise in consumption since the latter remained below pre-pandemic levels.

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

The rise in private saving has been mirrored by an increase in public debt as in many other countries. The ratio of public debt to GDP rose in Greece, Italy and Spain by similar amounts from an average of 138.3% in 2019 to 162.1% in 2020 – a larger increase than seen, for example, in France, Germany or

Table 1: Macroeconomic indicators 2021

	Greece	Italy	Spain	
Population	10	60	47	million
Adult population	8	50	38	million
GDP	24,534	40,324	36,083	USD per adult
Mean wealth	108,300	231,323	222,888	USD per adult
Median wealth	55,016	112,138	104,163	USD per adult
Total wealth	0.9	11.5	8.4	USD trillion
US dollar millionaires	81	1,413	1,132	thousand
Top 10% of global wealth holders	1,482	20,693	15,518	thousand
Top 1% of global wealth holders	68	1,140	934	thousand
Wealth inequality	68.2	67.2	69.1	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

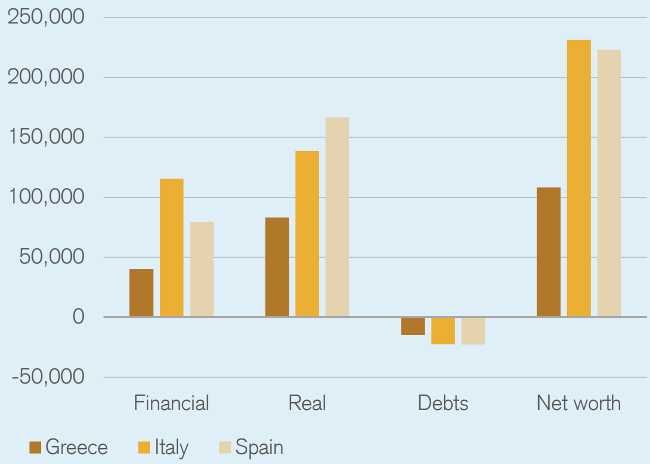


Figure 3: Share of financial assets (%)

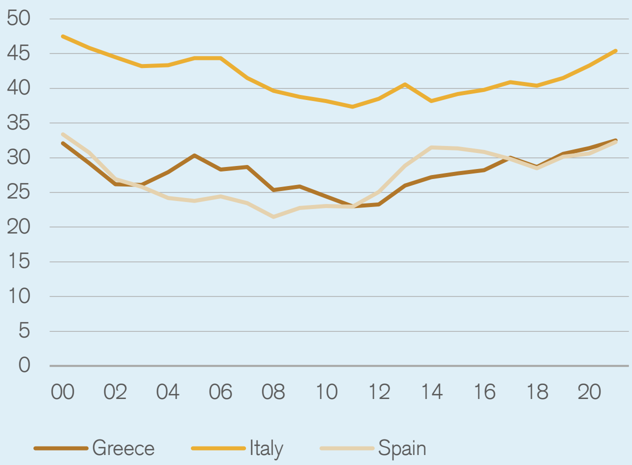
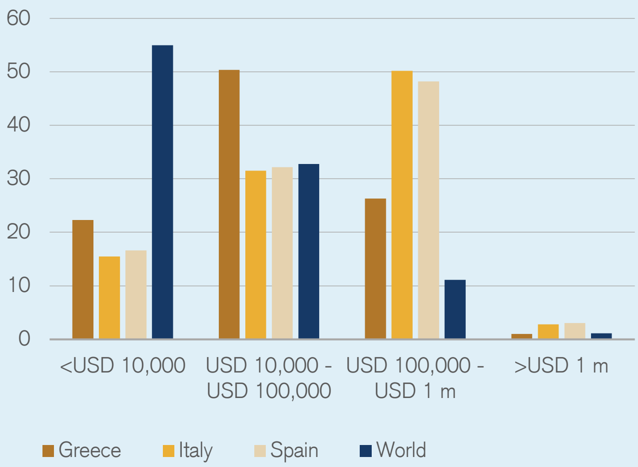


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

the UK. In 2021, this debt fell back by 4.5% of GDP in Italy and 13.0% in Greece, while remaining almost unchanged in Spain.

In 2020, share prices in Italy, Greece and Spain fell by an average of 10.6%. The outcome reversed in 2021: stock markets rose 8.3% in Spain, 10.5% in Greece and 22.6% in Italy, reflecting continued low interest rates in these countries and the return of significant growth.

At the end of 2021, wealth per adult was USD 108,300 in Greece, USD 231,323 in Italy and USD 222,888 in Spain. Over 2000–21, wealth per adult rose at an average annual rate of 2.0% in Greece, 3.1% in Italy and 5.2% in Spain, increasing the wealth gap between Greece and the others.

This century as a whole has not seen major changes in the composition of assets in these countries. Financial assets averaged 37.7% of gross assets in 2000 and 36.7% in 2021. There have been changes over the years, of course, with financial assets falling in relative importance initially due to the rapid increase in house prices. They dropped to an average of 27.8% across the three countries in 2011, then gradually increased. The ratio of debt to gross assets rose in Greece and Italy from an average of 5.3% in 2000 to 10.5% in 2021, but fell in Spain from 11.3% to 9.3%. These debt ratios are low to moderate by international standards.

Wealth inequality is somewhat lower in these three countries than in major European countries to the north. Their average wealth Gini coefficient in 2021 was 68.2 and the share of the top 1% was 23.8%. The corresponding averages were 73.2 and 25.0%, respectively, for France, Germany and Britain. Overall, wealth inequality, as reflected in the Gini coefficient, rose in Italy and Spain from an average of 62.9 in the year 2000 to 68.2 in 2021. In contrast, the Gini fell slightly in Greece from 69.2 to 68.2 over the same interval. However, a common U-shaped path for both the Gini coefficient and the share of the top 1% can be seen in all three countries over the 2000–21 period. Inequality fell from 2000 to the 2008–10 period and then rose through to 2021. This pattern is matched, and to a large extent explained, by the U-shaped time path of financial assets as a percentage of gross wealth.

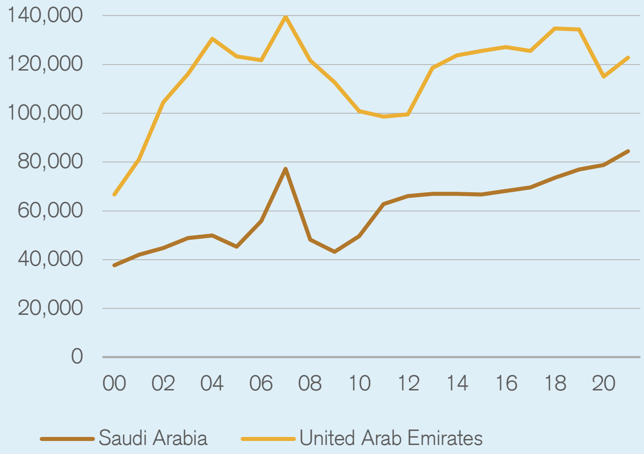
Saudi Arabia and the United Arab Emirates

Saudi Arabia has the largest economy and the greatest household wealth among the Gulf States and also within the Middle East as a whole. The United Arab Emirates is the wealthiest Gulf state after Saudi Arabia. Both suffered significantly in 2020, in part due to a decrease in the price of oil, with real GDP falling 4.1% in Saudi Arabia and 6.1% in the United Arab Emirates. Partial rebounds were seen in 2021 as GDP grew 3.2% in Saudi Arabia and 2.3% in the United Arab Emirates. While these increases did not fully repair the damage done in 2020, recent forecasts are for further growth in 2022 at rates of 7.6% in Saudi Arabia and 4.2% in the United Arab Emirates.

Real private consumption declined by 6.3% in Saudi Arabia in 2020, causing a small rise in saving, but rose 9.7% in 2021, with the opposite effect (data not available for the United Arab Emirates). Government revenue fell in 2020, while public spending rose. As a consequence, public debt as a fraction of GDP rose from 22.5% in 2019 to 32.4% in 2020 in Saudi Arabia and from 27.1% to 40.4% in the United Arab Emirates. These increases were similar to those seen in many major economies. They were partially reversed in 2021, with public debt falling to 30.0% of GDP in Saudi Arabia and to 38.3% in the United Arab Emirates.

The only solid source of data on household wealth for any of the Gulf states is the household debt figures reported in the Global Debt Database by the IMF. Our estimates of financial and non-financial wealth are therefore derived from the relationship observed in other countries between household wealth and variables such as household consumption, share prices and house prices. At the end of 2021, we estimate that total household wealth amounted to USD 2.1 trillion in Saudi Arabia compared to USD 1.0 trillion in the United Arab Emirates. However, because of Saudi Arabia's higher population, wealth per adult in the United Arab Emirates at the end of 2021 (USD 122,841) was 46% higher than that in Saudi Arabia (USD 84,407). The proportional difference

Figure 1: Mean wealth per adult 2000–21 (USD)



Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Table 1: Macroeconomic indicators 2021

	Saudi Arabia	United Arab Emirates	
Population	36	10	million
Adult population	25	8	million
GDP	33,785	50,662	USD per adult
Mean wealth	84,407	122,841	USD per adult
Median wealth	19,323	23,055	USD per adult
Total wealth	2.1	1	USD trillion
US dollar millionaires	313	177	thousand
Top 10% of global wealth holders	2,120	655	thousand
Top 1% of global wealth holders	261	148	thousand
Wealth inequality	86.4	88.5	Gini index

Source: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

Figure 2: Composition of wealth per adult (USD)

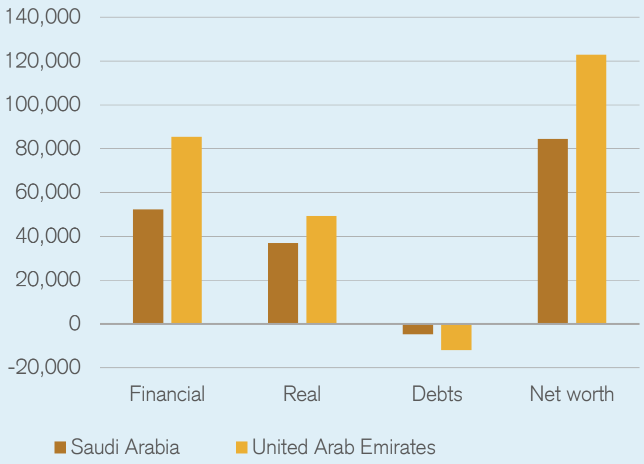


Figure 3: Share of financial assets (%)

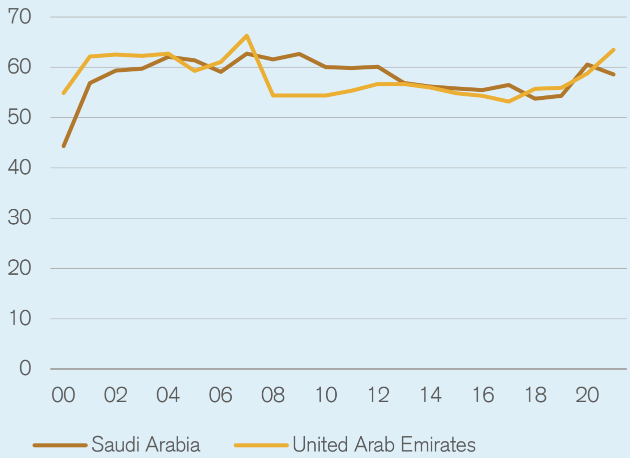
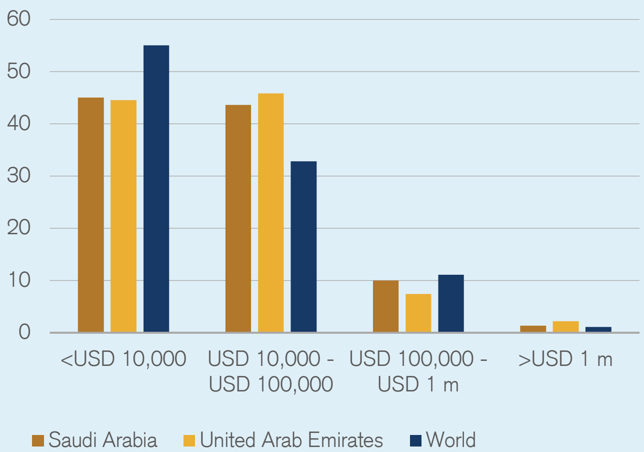


Figure 4: Wealth distribution relative to world (%)



Source Figures 2–4: James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2022

has fallen over time. Earlier this century, wealth per adult in the United Arab Emirates was more than double that of Saudi Arabia.

The share of financial assets in gross assets is similar in the two countries and has remained relatively stable over time at around 60%. At the end of 2021, financial assets made up 58.6% of gross assets in Saudi Arabia and 63.4% in the United Arab Emirates. Household debt in these countries has been at a low level throughout this century. The debt to asset ratio in 2021 in Saudi Arabia was 5.3%, slightly up from the 3.6% level in 2000. And, while the ratio has risen more in the United Arab Emirates from 3.9% in 2000 to 8.9% in 2021, debt is still low by international standards.

In 2021, net worth per adult in Saudi Arabia rose 7.1%. Financial assets declined from 60.5% of all assets to 58.6%, while the debt level rose marginally from 5.1% to 5.3% of gross assets. In the United Arab Emirates, wealth per adult rose 6.8%. As a percentage of gross assets, financial assets increased from 58.8% to 63.4%. Debt was steady, rising just a fraction from 8.8% of gross assets in 2020 to 8.9% in 2021.

The distribution of household wealth appears similar in the two countries and highly unequal by international standards. In 2021, both countries had 45% of adults with wealth less than USD 10,000. Saudi Arabia had slightly fewer adults with wealth between USD 10,000 and USD 100,000, and slightly more with wealth above USD 100,000, i.e. 11.3% of adults compared with 9.6% in the United Arab Emirates.

Overall wealth inequality is reflected in a 2021 Gini coefficient of 86.4 for Saudi Arabia and 88.5 for the United Arab Emirates. The share of the top 1% was 37.5% in Saudi Arabia and 46.2% in the United Arab Emirates. These values place both countries toward the top of the international inequality ranking. However, our estimates suggest that wealth inequality was even higher earlier this century.

The reasons for this decline are unclear, given the lack of reliable source material. But the United Arab Emirates hosts a disproportionate number of wealthy expatriate business people, some of whom relocated after the global financial crisis. In Saudi Arabia, nearly 400 wealthy and powerful people were detained and their business activities were subject to review, beginning in November 2017. The outcome included some confiscation of assets that no doubt impacted the wealth of these individuals. These events may also have encouraged other mobile business people to change their country of residence.

Photo by Bryan Eveleigh, Alamy Stock Photo

About the authors

Professor Anthony Shorrocks is an Honorary Professorial Research Fellow at the University of Manchester, a Senior Research Fellow at the World Institute for Development Economics Research UNU-WIDER) in Helsinki, and Director of Global Economic Perspectives Ltd. After receiving his PhD from the London School of Economics (LSE), he taught at the LSE until 1983, when he became Professor of Economics at Essex University, serving also as Head of Department and Director of Economic Research for the British Household Panel Study. From 2001 to 2009, he was Director of UNU-WIDER in Helsinki. He has published widely on income and wealth distribution, inequality, poverty and mobility, and was elected a Fellow of the Econometric Society in 1996. Publications include “The age-wealth relationship: A cross section and cohort analysis” (Review of Economics and Statistics 1975), “The portfolio composition of asset holdings in the United Kingdom” (Economic Journal 1982), and, with Jim Davies and others, “Assessing the quantitative importance of inheritance in the distribution of wealth” (Oxford Economic Papers 1978), “The distribution of wealth” (Handbook of Income Distribution 2000), “The world distribution of household wealth” in Personal Wealth from a Global Perspective (Oxford University Press 2008), “The global pattern of household wealth” (Journal of International Development 2009), “The Level and Distribution of Global Household Wealth” (Economic Journal 2011), “Estimating the Level and Distribution of Global Wealth, 2000–2014” (Review of Income and Wealth, 2017), and "Comparing Global Inequality of Income and Wealth", chapter 3 of Inequality in the Developing World (Oxford University Press, 2021).

Professor James Davies has been a member of the Department of Economics at the University of Western Ontario in Canada since 1977 and served as chair of that department from 1992 to 2001. He received his PhD from the London School of Economics in 1979. Jim was the director of the Economic Policy Research Institute at UWO from 2001 to 2012. In 2010, he completed a five-year term as managing editor of the academic journal Canadian Public Policy. He has authored two books and over 70 articles and chapters in books on topics ranging from tax policy to household saving and the distribution of wealth. Publications include a number of articles and chapters on the distribution of wealth authored jointly with Anthony Shorrocks and others, including “Estimating the Level and Distribution of Global Wealth, 2000–2014” (co-authored with Anthony Shorrocks and Rodrigo Lluberas, Review of Income and Wealth, 2017). Jim has also written a series of articles on wealth in Canada, including “Long Run Canadian Wealth Inequality in International Context” (co-authored with Professor Livio Di Matteo, Review of Income and Wealth, 2021). In addition, he was the editor of the volume, “Personal Wealth from a Global Perspective” (Oxford University Press 2008) and of “The Economics of the Distribution of Wealth,” (Edward Elgar Publishers, 2013). Recently he wrote “Economic inequality and COVID-19 death rates in the first wave: A cross-country analysis” (Covid Economics, March 2021). Together with Professor Shorrocks, Jim authored “World Inequality” in the Handbook of Labor, Human Resources and Population Economics (Springer, Cham, 2022).

Dr. Rodrigo Lluberas is a Professor of Economics at Universidad ORT Uruguay. Previously, he has been Head of Financial Stability and Senior Economist at the Research department of Uruguay Central Bank. He received his PhD in Economics from Royal Holloway College, University of London and his MSc in Economics from University College London. He has been a visiting scholar at the Institute for Fiscal Studies and an Economist at Willis Towers Watson in London. Prior to undertaking his MSc, he worked for three years as an economic analyst at Watson Wyatt Global Research Services and more recently as a research assistant at NESTA. He has been consultant for the Interamerican Development Bank and Corporación Andina de Fomento. His main areas of expertise are pensions, consumption, firms´ expectations and wealth. Rodrigo is a co-author of “Estimating the Level and Distribution of Global Wealth, 2000–2014” (Review of Income and Wealth, 2017).

Acknowledgments:
Special thanks to Anand A. Datar and Sunny R. Chabriya for their valuable support in this project.

General disclaimer / important information

Risk factors

If referenced in this material:
Historical returns and financial market scenarios are no reliable indicators guarantee of future performance. The price and value of investments mentioned and any income that might accrue could fall or rise or fluctuate. Past performance is not a guide to future performance. If an investment is denominated in a currency other than your base currency, changes in the rate of exchange may have an adverse effect on value, price, or income. You should consult with such advisor(s) as you consider necessary to assist you in making these determinations. Investments may have no public market or only a restricted secondary market. Where a secondary market exists, it is not possible to predict the price at which investments will trade in the market or whether such market will be liquid or illiquid.

The retention of value of a bond is dependent on the creditworthiness of the Issuer and/or Guarantor (as applicable), which may change over the term of the bond. In the event of default by the Issuer and/or Guarantor of the bond, the bond or any income derived from it is not guaranteed and you may get back none of, or less than, what was originally invested.

Bonds are subject to market, issuer, liquidity, interest rate, and currency risks. The price of a bond can fall during its term, in particular due to a lack of demand, rising interest rates or a decline in the issuer's creditworthiness. Holders of a bond can lose some or all of their investment, for example if the issuer goes bankrupt.

Emerging market investments usually result in higher risks such as political, economic, credit, exchange rate, market liquidity, legal, settlement, market, shareholder, and creditor risks. Emerging markets are located in countries that possess one or more of the following characteristics: a certain degree of political instability, relatively unpredictable financial markets and economic growth patterns, a financial market that is still at the development stage or a weak economy. Some of the main risks are political risks, economic risks, credit risks, currency risks and market risks. Investments in foreign currencies are subject to exchange rate fluctuations.

Foreign currency prices can fluctuate considerably, particularly due to macroeconomic and market trends. Thus, such involve e.g., the risk that the foreign currency might lose value against the investor's reference currency.

Equity securities are subject to a volatility risk that depends on a variety of factors, including but not limited to the company's financial health, the general economic situation and interest rate levels. Any pay out of profit (e.g., in the form of a dividend) is dependent on the company and its business performance. Equity securities are also subject to an issuer risk in that a total loss is possible, for example if the issuer goes bankrupt.

Private equity is private equity capital investment in companies that are not traded publicly (i.e., are not listed on a stock exchange). Private equity investments are generally illiquid and are seen as a long-term investment. Private equity investments, including the investment opportunity described herein, may include the following additional risks: (i) loss of all or a substantial portion of the investor's investment, (ii) investment managers may have incentives to make investments that are riskier or more speculative due to performance based compensation, (iii) lack of liquidity as there may be no secondary market, (iv) volatility of returns, (v) restrictions on transfer, (vi) potential lack of diversification, (vii) high fees and expenses, (viii) little or no requirement to provide periodic pricing and (ix) complex tax structures and delays in distributing important tax information to investors.

Political developments concerning environmental regulations may have a significant adverse impact on the investments. Heightened exposure to less regulated sectors and to businesses such as renewable resources that are not yet well established could cause temporary volatility.

ESG-related risks in a portfolio context need to become an integral part of the investment process because they can impact growth, profitability, or the cost of capital in the long term. ESG insights need to be combined with traditional fundamental analysis in order to obtain a comprehensive picture of a company and implement better-informed investment decisions.

Sustainable investments involve several risks that are fundamentally dependent on the investments in different asset classes, regions, and currencies. For example, investments in equities bear market (price) risk and specific company risk, investments in fixed-income bear credit, interest rate, and inflation risks. Similar market risks apply to investment funds and to alternative investments. Some investments may be subject to foreign exchange currency risk, liquidity risk or/and emerging market risk. Sustainable investments bear the risk of suffering a partial or a total loss.

Risks associated with investments in cryptocurrencies and tokens (such as NFTs) include high volatility (e.g., due to low market capitalization, speculation and continually changing legal/regulatory frameworks) and various other risks (e.g., loss of access due to technical reasons or fraud etc.). Such investments may not be suitable for all investors. Before deciding to invest in Cryptocurrencies or tokens you are advised to carefully consider technical and regulatory developments in this field as well as your investment objectives, level of experience and risk appetite.

If nothing is indicated to the contrary, all figures are unaudited. To the extent this document contains statements about future performance, such statements are forward looking and subject to a number of risks and uncertainties. Predictions, forecasts, projections, and other outcomes described or implied in forward-looking statements may not be achieved. To the extent this document contains statements about past performance, simulations and forecasts are not a reliable indication of future performance. Significant losses are always possible.

Important information

This document constitutes marketing material. It has been prepared by Credit Suisse Group AG and/or its affiliates ("Credit Suisse") in collaboration with any authors referenced therein. The information and views expressed herein are those of the authors at the time of writing and not necessarily those of Credit Suisse. They are subject to change at any time without notice and without obligation on Credit Suisse or the authors to update. This document must not be read as independent investment research. This document is provided for informational and illustrative purposes only, does not constitute an advertisement, appraisal, investment research, research recommendations, investment recommendations or information recommending or suggesting an investment strategy and it does not contain financial analysis. Moreover, it does not constitute an invitation or an offer to the public or on a private basis to subscribe for or purchase products or services and does not release the recipient from exercising his/her judgement. Benchmarks, to the extent mentioned, are used solely for purposes of comparison. The information contained in this document has been provided as a general commentary only and does not constitute any form of personal recommendation, investment advice, legal, tax, accounting or other advice or recommendation or any other financial service. It does not take into account the investment objectives, financial situation or needs, or knowledge and experience of any persons. The information provided is not intended to constitute any kind of basis on which to make an investment, divestment, or retention decision. Before entering into any transaction, you should consider the suitability of the transaction to your particular circumstances and independently review (with your professional advisors as necessary) the specific financial risks as well as legal, regulatory, credit, tax and accounting consequences. The information and analysis contained in this document were compiled or derived from sources believed to be reliable. It was prepared by Credit Suisse with the greatest of care and to the best of Credit Suisse's knowledge and belief, solely for information purposes and for the use by the recipient. Credit Suisse has not independently verified any of the information provided by any relevant authors and no representation or warranty, express or implied is made and no responsibility is or will be accepted by Credit Suisse as to, or in relation to the accuracy, reliability or completeness of any such information.

To the extent that this document provides the addresses of, or contains any hyperlinks to, websites, Credit Suisse has not reviewed such linked sites and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to Credit Suisse's own website material) is provided solely for your convenience and information and the content of the linked site does not in any way, form part of this document. Accessing such website or following such link through this document or Credit Suisse's website shall be at your own risk.

Credit Suisse may not be held liable for direct, indirect or incidental, special or consequential damages resulting or arising from the use of these materials, regardless of whether such damages are foreseeable or not. The liability of Credit Suisse may not be engaged as regards any investment, divestment or retention decision taken by a person on the basis of the information contained in this document. Such person shall bear alone all risks of losses potentially incurred as a result of such decision. This material is not directed to, or intended for distribution to, or use by, any person or entity who is a citizen or resident of, or is located in, any jurisdiction where such distribution, publication, availability or use would be contrary to applicable law or regulation, or which would subject Credit Suisse to any registration or licensing requirement within such jurisdiction. The recipient is informed that a possible business connection may exist between a legal entity referenced in the present document and an entity part of Credit Suisse and that it may not be excluded that potential conflict of interests may result from such connection. Credit Suisse may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to any company or issuer mentioned. A Credit Suisse Group company may have acted upon the information and analysis contained in this document before being made available to clients of Credit Suisse.

This document is intended only for the person to whom it is issued by Credit Suisse. It may not be reproduced either in whole, or in part, without Credit Suisse's prior written permission. Any questions about topics raised in this document should be made directly to your local relationship manager or other advisors.

Australia: This document is provided only to permitted recipients in Australia who qualify as wholesale clients as that term is defined by section 761G(7) of the Australian Corporations Act 2001 (Cth.) (the "Act") and as sophisticated or professional investors as defined by sections 708(8) and (11) (respectively) of the Act, in respect of which an offer would not require disclosure under Chapter 6D or Part 7.9 of the Act. This document is not a prospectus, product disclosure statement or any other form of prescribed offering document under the Act. This document is not required to, and does not, contain all the information which would be required in either a prospectus, product disclosure statement or any other form of prescribed offering document under the Act, nor is it required to be submitted to the Australian Securities and Investments Commission. In Australia, Credit Suisse Group entities, other than Credit Suisse AG, Sydney Branch, are not authorised deposit-taking institutions for the purposes of the Banking Act 1959 (Cth.) and their obligations do not represent deposits or other liabilities of Credit Suisse AG, Sydney Branch. Credit Suisse AG, Sydney Branch does not guarantee or otherwise provide assurance in respect of the obligations of such Credit Suisse entities. **Austria**: This report is distributed by CREDIT SUISSE (LUXEMBOURG) S.A. Zweigniederlassung Österreich (the "Austria branch") which is a branch of CREDIT SUISSE (LUXEMBOURG) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The Austria branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), 283, route d'Arlon, L-2991 Luxembourg, Grand Duchy of Luxembourg, as well as of the Austrian supervisory authority, the Financial Market Authority (FMA), Otto-Wagner Platz 5, A-1090 Vienna, Austria. **Bahrain**: This information is being distributed by Credit Suisse AG, Bahrain Branch, duly licensed and regulated by the Central Bank of Bahrain ("CBB") as an Investment Business Firm - Category 2 (Branch). Related financial services or products are only made available to Accredited Investors, as defined by the CBB, and are not intended for any other persons. Credit Suisse AG, Bahrain Branch is a Foreign Branch of Credit Suisse AG, Zurich/Switzerland and is located on Level 21, East Tower, Bahrain World Trade Centre, Manama, Kingdom of Bahrain; **DIFC**: This information is being distributed by Credit Suisse AG (DIFC Branch). Credit Suisse AG (DIFC Branch) is licensed and regulated by the Dubai Financial Services Authority ("DFSA"). Related financial services or products are only made available to Professional Clients or Market Counterparties, as defined by the DFSA, and are not intended for any other persons. Credit Suisse AG (DIFC Branch) is located on Level 9 East, The Gate Building, DIFC, Dubai, United Arab Emirates. **France**: This report is distributed by Credit Suisse (Luxembourg) S.A. Succursale en France (the "France branch") which is a branch of Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The France branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and of the French supervisory authority, the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and of the Autorité des Marchés Financiers. **Germany**: This report is distributed by Credit Suisse (Deutschland) Aktiengesellschaft is authorised by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and supervised by BaFin and the German Central Bank (Deutsche Bundesbank) in Germany; **Guernsey**: This report is distributed by Credit Suisse AG Guernsey Branch, a branch of Credit Suisse AG (incorporated in the Canton of Zurich), with its place of business at Helvetia Court, Les Echelons, South Esplanade, St Peter Port, Guernsey. Credit Suisse AG Guernsey Branch is wholly owned by Credit Suisse AG and is regulated by the Guernsey Financial Services Commission. Copies of the latest audited accounts are available on request. **Hong Kong**: This material is distributed in Hong Kong by Credit Suisse AG, Hong Kong Branch, an Authorized Institution regulated by the Hong Kong Monetary Authority and a Registered Institution regulated by the Securities and Futures Commission. The contents of this material have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to any offer. If you are in any doubt about any of the contents of this material, you should obtain independent professional advice. No one may have issued or had in its possession for the purposes of issue, or issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or material relating to any product, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than where a product is or is intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder. **India**: This report is distributed by Credit Suisse Securities (India) Private Limited (CIN no. U67120MH1996PTC104392) regulated by the Securities and Exchange Board of India as Research Analyst (registration no. INH 000001030), as Portfolio Manager (registration no. INP000002478) and as Stock Broker (registration no. INZ000248233), having registered address at 9th Floor, Ceejay House, Dr.Annie Besant Road, Worli, Mumbai - 400 018, India, T- +91-22 6777 3777. **Italy**: This report is distributed in Italy by Credit Suisse (Italy) S.p.A., a bank incorporated and registered under Italian law subject to the supervision and control of Banca d'Italia and CONSOB. **Japan**: by Credit Suisse Securities (Japan) Limited, Financial Instruments Firm, Director-General of Kanto Local Finance Bureau (Kinsho) No. 66, a member of Japan Securities Dealers Association, The Financial Futures Association of Japan, Japan Investment Advisers Association, Type II Financial Instruments Firms Association. **Lebanon**: In Lebanon, this material is distributed by Credit Suisse (Lebanon) Finance SAL ("CSLF"), a financial institution incorporated in Lebanon, regulated by the Central Bank of Lebanon ("CBL") and having financial institution license number 42. Credit Suisse (Lebanon) Finance SAL is subject to the CBL laws and circulars as well as the laws and regulations of the Capital Markets Authority of Lebanon ("CMA"). CSLF is a subsidiary of Credit Suisse AG and part of the Credit Suisse Group (CS). **Luxembourg**: This report is distributed by Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. Credit Suisse (Luxembourg) S.A. is subject to the prudential supervision of the

Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF); **Mexico**: Banco Credit Suisse (México), S.A. (transactions related to the securities mentioned in this report will only be effected in compliance with applicable regulation); Banco Credit Suisse (México), S.A., Institución de Banca Múltiple, Grupo Financiero Credit Suisse (México) and C. Suisse Asesoría México, S.A. de C.V. ("Credit Suisse Mexico"). This document is elaborated for information purposes only and does not constitute a recommendation, advice or an invitation to execute any operation and does not replace direct communication with your relationship manager at Credit Suisse Mexico before the execution of any investment. The people who elaborated this document do not receive payment or compensation from any entity of the Credit Suisse Group other than the one employing them. The prospectuses, offering documentation, term sheets, investment regimes, annual reports and periodical financial in- Investment Monthly | April 2020 19 formation contained useful information for investors. Such documents can be obtained without any cost, directly from the issuer of securities and investment fund managers or at the securities and stock market web page, as well as from your relationship manager at Credit Suisse Mexico. The information herein does not substitutes the Account Statements, the INFORME DE OPERACIONES or/ and confirmations you receive from Credit Suisse Mexico pursuant to the General Rules applicable to financial institutions and other persons that provide investment services. C. Suisse Asesoría México, S.A. de C.V., is an investment advisor duly incorporated under the Securities Market Law ("LMV") and is registered before the National Banking and Securities Commission ("CNBV") under folio number 30070 and therefore is not a bank, is not authorized to receive deposits nor to custody any securities, is not part of Grupo Financiero Credit Suisse (México), S.A. de C.V.. Under the provisions of the LMV, C. Suisse Asesoría México, S.A. de C.V. is not an independent investment advisor pursuant to its relationship with Credit Suisse AG, a foreign financial institution, and its indirect relationship with Grupo Financiero Credit Suisse (Mexico), S.A. de C.V. The people who produced this document do not receive payment or compensation from any entity of the Credit Suisse Group other than the one employing them. **Netherlands**: This report is distributed by Credit Suisse (Luxembourg) S.A., Netherlands Branch (the "Netherlands branch") which is a branch of Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The Netherlands branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and of the Dutch supervisory authority, De Nederlansche Bank (DNB), and of the Dutch market supervisor, the Autoriteit Financiële Markten (AFM). **Portugal**: This report is distributed by Credit Suisse (Luxembourg) S.A., Sucursal em Portugal (the "Portugal branch") which is a branch of Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The Portugal branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and of the Portuguese supervisory authority, the Comissão do Mercado dos Valores Mobiliários (CMVM). **Qatar**: This information has been distributed by Credit Suisse (Qatar) L.L.C., which is duly authorized and regulated by the Qatar Financial Centre Regulatory Authority (QFCRA) under QFC License No. 00005. All related financial products or services will only be available to Business Customers or Market Counterparties (as defined by the QFCRA), including individuals, who have opted to be classified as a Business Customer, with net assets in excess of QR 4 million, and who have sufficient financial knowledge, experience and understanding to participate in such products and/or services. Therefore this information must not be delivered to, or relied on by, any other type of individual. **Saudi Arabia**: This document is being distributed by Credit Suisse Saudi Arabia (CR Number 1010228645), duly licensed and regulated by the Saudi Arabian Capital Market Authority pursuant to License Number 08104-37 dated 23/03/1429H corresponding to 21/03/2008AD. Credit Suisse Saudi Arabia's principal place of business is at King Fahad Road, Hay Al Mhamadiya, 12361-6858 Riyadh, Saudi Arabia. Website: www.credit-suisse.sa. **Singapore**: This material is distributed in Singapore by Credit Suisse AG, Singapore Branch, which is licensed by the Monetary Authority of Singapore under the Banking Act (Cap. 19) to carry on banking business. This material has been prepared and issued for distribution in Singapore to institutional investors, accredited investors and expert investors (each as defined under the Financial Advisers Regulations (the "FAR")) only. By virtue of your status as an institutional investor, accredited investor, or expert investor, Credit Suisse AG, Singapore Branch is exempted from complying with certain requirements under the Financial Advisers Act 2001 (the "FAA"), the FAR and the relevant Notices and Guidelines issued thereunder, in respect of any financial advisory service which Credit Suisse AG, Singapore branch may provide to you. These include exemptions from complying with: Section 34 of the FAA (pursuant to Regulation 33(1) of the FAR); Section 36 of the FAA (pursuant to Regulation 34(1) of the FAR); and Section 45 of the FAA (pursuant to Regulation 35(1) of the FAR). Singapore recipients should contact Credit Suisse AG, Singapore Branch for any matters arising from, or in connection with, this material. **South Africa**: This information is being distributed by Credit Suisse AG which is an authorized financial services provider under the Financial Advisory and Intermediary Services Act and is registered with the Financial Sector Conduct Authority in South Africa with FSP number 9788 and / or by Credit Suisse (UK) Limited which is an authorized financial services provider under the Financial Advisory and Intermediary Services Act and is registered with the Financial Sector Conduct Authority in South Africa with FSP number 48779. **Spain**: This report is distributed in Spain by Credit Suisse AG, Sucursal en España, legal entity registered at Comisión Nacional del Mercado de Valores. **Turkey**: The investment information, comments and recommendations contained herein are not within the scope of investment advisory activity. The investment advisory services are provided by the authorized institutions to the persons in a customized manner taking into account the risk and return preferences of the persons. Whereas, the comments and advices included herein are of general nature. Therefore recommendations may not be suitable for your financial status or risk and yield preferences. For this reason, making an investment decision only by relying on the information given herein may not give rise to results that fit your expectations. This report is distributed by Credit Suisse Istanbul Menkul Degerler Anonim Sirketi, regulated by the Capital Markets Board of Turkey, with its registered address at Levazim Mahallesi, Koru Sokak No. 2 Zorlu Center Terasevler No. 61 34340 Besiktas/ Istanbul-Turkey. **United Kingdom**: This material is distributed by Credit Suisse (UK) Limited. Credit Suisse (UK) Limited, is authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Where this material is distributed into the United Kingdom by an offshore Credit Suisse entity to a client or a prospective client not exempted under the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 the following will apply: To the extent communicated in the United Kingdom ("UK") or capable of having an effect in the UK, this document constitutes a financial promotion which has been approved by Credit Suisse (UK) Limited which is authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority for the conduct of investment business in the UK. The registered address of Credit Suisse (UK) Limited is Five Cabot Square, London, E14 4QR. Please note that the rules under the UK's Financial Services and Markets Act 2000 relating to the protection of clients will not be applicable to you and that any potential compensation made available to "eligible claimants" under the UK's Financial Services Compensation Scheme will also not be available to you. Tax treatment depends on the individual circumstances of each client and may be subject to changes in future. **United States of America**: This document is issued and distributed in the United States of America by Credit Suisse Securities (USA) LLC, a member of NYSE, FINRA, SIPC and the NFA, and CSSU accepts responsibility for its contents. Clients should contact analysts and execute transactions through a Credit Suisse subsidiary or affiliate in their home jurisdiction unless governing law permits otherwise. This report may not be reproduced either in whole or in part, without the written permission of Credit Suisse.

Also published by the Research Institute

The global food system: Identifying sustainable solutions
June 2021

Global wealth report 2021
June 2021

The CS Gender 3000 in 2021: Broadening the diversity discussion
September 2021

The young consumer and a path to sustainability
February 2022

Summary Edition Global Investment Returns Yearbook 2022
February 2022

Collectibles amid heightened uncertainty and inflation
June 2022

CREDIT SUISSE AG
credit-suisse.com