



News release

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UBS/PwC Billionaires Report 2017: Return to growth for billionaires globally, with Asia outpacing the US for the first time

Report shines a spotlight on new trends among billionaires, including the use of networks and investments in art and sports.

- *Globally, the total wealth of billionaires rose by 17 percent in 2016 to USD 6.0 trillion, double the rate of the MSCI World Index.*
- *Asian billionaires now outnumber their US counterparts, but the US still retains the greatest concentration of wealth*
- *Billionaires are responsible for businesses that employ a workforce equal to that of the UK*
- *Networks are playing an increasingly powerful role, with families working together on new ventures and younger entrepreneurs using contacts to orchestrate deals; billionaires are also playing an increasingly important role in art and sports*

Zurich/London, 26 October 2017 – Billionaire wealth returned to growth in 2016 after falling the year before. For the first time, Asian billionaires outnumbered their US counterparts, but the US still retains the greatest concentration of wealth. If the current trend continues, the total wealth of Asian billionaires will overtake that of their counterparts in the US in four years.

These findings emerge as UBS Group AG and PwC today released their joint annual billionaires insight report, *New wealth creators gain momentum*. Now in its third year, the report draws upon UBS and PwC's extensive networks, and aims to better understand the billionaire population globally.

The report highlights subtle trends emerging, including the increasingly important role of peer networks to orchestrate new deals and access significant funding outside of capital markets. Moreover, elite philanthropic and impact investing networks are emerging.

It also analyses the wider societal impact of billionaires in terms of improving living standards, job creation and providing access to cultural capital. Specifically, the report finds that:

- The 1,542 billionaires analysed own or partly own companies that employ at least 27.7 million people worldwide – roughly the same as the UK's working population. The new entrants on the list in 2016 employ at least 2.8 million people.
- Billionaires are creating alternative legacies through their cultural pursuits. They are becoming more engaged in the arts and, increasingly, investing in sports clubs. Private museums are growing in number and public museums are receiving more funding, increasing the accessibility of art to the public. Billionaires are also helping sports clubs to



become more sustainable, helping them to deliver associated benefits to the communities they are part of.

Josef Stadler, Head Global Ultra High Net Worth, UBS, comments on the new report:

“This year we have seen not only a return to growth for billionaire wealth, but also a significant shift in its geographic dimensions. Dramatic growth in Asian wealth shows it could overtake the US in just four years.”

“Beyond this headline figure, billionaires are also having a wider impact on the global economy through the people they employ and the growth they foster. The societal effect of great wealth is, however, not exclusively economic. Through their own passion for arts and sports, they are playing an increasingly important role in enriching the cultural life of communities.”

“The findings of this report help us to stay ahead of the issues that matter to our clients, who comprise one in two of the world’s billionaires, and enable us to offer them more tailored advice based on insights from the market and from their peers.”

Dr. Marcel Widrig, Partner and Private Wealth Leader, PwC comments:

“Whereas last year we were concerned about issues such as regulatory upheaval and currency fluctuations, this year’s return to growth and change in demographics shifts the focus to idealism, philanthropy and impact investing.”

“It’s not enough anymore to just preserve and grow wealth. Today’s billionaires also feel a responsibility to drive social and economic impact - whether that means creating a private museum to promote the arts or buying a professional sports team to promote a passion. This will be even more important when an estimated USD2.4 trillion of billionaire wealth is expected to be transferred in the next two decades. Technology, the creation of social networks and high-profile examples of philanthropic peers have all had an impact on this exclusive group.”

Billionaire wealth in numbers

- Total billionaire wealth rose by 17 percent from USD 5.1 trillion to USD 6.0 trillion in 2016, led by a surge in Asia’s emerging billionaire class and growth in the materials, industrials, financial and technology sectors. On average, a new billionaire was created in Asia every two days, with the total number of Asian billionaires rising by almost a quarter to 637, compared to 563 in the US.
- The combined wealth of Asian billionaires grew by almost a third from USD 1.5 trillion to USD 2.0 trillion, but still lags behind the US, which maintains the largest concentration of billionaire wealth. In 2016, US billionaires saw their wealth increase from USD 2.4 trillion to USD 2.8 trillion, driven by technological innovation, financial services and materials. The report shows that if the current trend continues, the total wealth of Asian billionaires will overtake that of their counterparts in the US in four years.
- The story for Europe in 2016 was largely the preservation of wealth. There were 342 billionaires in Europe by the end of the year, but growth remained static. Overall wealth grew modestly by 5 percent to just over USD 1.3 trillion, with 24 new billionaires and 21 dropping off, a third of them due to death. This corresponds with previous findings that Europe has the highest number of multi-generational billionaires.



Notes to Editors

1. To download the report and previous reports, please visit: www.ubs.com/billionaires
2. **About UBS** UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. The operational structure of the Group is comprised of our Corporate Center and five business divisions: Wealth Management, Wealth Management Americas, Personal & Corporate Banking, Asset Management and the Investment Bank. UBS's strategy builds on the strengths of all of its businesses and focuses its efforts on areas in which it excels, while seeking to capitalize on the compelling growth prospects in the businesses and regions in which it operates, in order to generate attractive and sustainable returns for its shareholders. All of its businesses are capital-efficient and benefit from a strong competitive position in their targeted markets. Headquartered in Zurich, Switzerland, UBS has offices in 54 countries, including all major financial centers, and employs approximately 60,000 people. UBS Group AG is the holding company of the UBS Group. Under Swiss company law, UBS Group AG is organized as an Aktiengesellschaft, a corporation that has issued shares of common stock to investors. Building on a deep understanding of our clients' mindset, motivations and core values, we create bespoke solutions which are bold, innovative and tailored precisely to their individual needs. The four dimensions of Great Wealth – business, investments, passion, and legacy – form the basis on which we open a dialogue and begin a partnership with our clients across generations for generations, so that Great Wealth endures. For more information, please visit: www.ubs.com

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