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North America high-net-worth individual population surges, while Europe and Middle East shrink

- *U.S. led the world in growth in its millionaire population, adding 562,000 to reach 7.9 million*
- *Ultra-high net worth individual population rises by 6.2% worldwide*
- *High-net-worth individuals now allocate 15% of their portfolios to alternative investments, including cryptocurrencies*

Paris, June 4, 2025 – The Capgemini Research Institute's World Wealth Report 2025, published today, reveals the global high-net-worth individuals[1] (HNWIs) population rose by 2.6% in 2024. Now in its 29th edition, the report finds this increase was driven by the growth in the population of ultra-high-net-worth individuals (UHNWIs), which grew by 6.2%, as strong stock markets and AI optimism boosted portfolio returns. The data indicates that alternative investments[2], such as private equity and cryptocurrencies, are now an established presence in HNWI holdings, representing 15% of their portfolios.

Bullish stock market performance in the U.S. fuels wealth increase
A favorable interest rate environment and strong U.S. equity market returns helped boost wealth creation in 2024. North America saw the biggest gains, with the HNWI population rising by 7.3%. In contrast, Europe, Latin America and the Middle East saw declines in their HNWI populations, as macroeconomic challenges weighed.

At the end of 2024, according to Capgemini's research:

- Europe's HNWI population declined 2.1% due to economic stagnation in major countries, with United Kingdom, France and Germany losing 14,000, 21,000 and 41,000 millionaires, respectively. In contrast, Europe's UHNWI population rose 3.5%, reflecting increased wealth concentration.
- Asia-Pacific's HNWI population increased 2.7%, with notable variability across the region.
- Latin America's HNWI population declined 8.5%, due to currency depreciation and fiscal instability. Brazil (-13.3%) and Mexico (-13.5%) witnessed the biggest population declines.
- The Middle East's HNWI population declined 2.1%, driven by lower oil prices.

Within the largest individual markets, the U.S. was the clear leader, adding 562,000 millionaires as the country's HNWI population grew by 7.6% to 7.9 million. India and Japan were standouts in the Asia-Pacific region, with both countries registering 5.6% growth, adding 20,000 and 210,000 millionaires, respectively. In contrast, growth in China was negative, with HNWI population declining by 1.0%.

[1] HNWIs are high-net-worth individuals with investable assets of USD1 million or more, excluding their primary residence, collectibles, consumables, and consumer durables. HNWIs are segmented into three categories based on wealth bands: Ultra-HNWIs (USD30 million or more), Mid-Tier Millionaires (USD5-30M) and Millionaires Next Door (USD1-5M).
[2] Alternative investments include commodities, currencies, private equity, hedge funds, structured products, and digital assets

Next-gen HNWIs seek wealth management firms that align with investment priorities

Wealth management firms are actively preparing for a new era of wealth transfer in which 83.5 trillion USD[3] will change hands over the next two decades, creating the next generation of HNWIs[4]. According to the report, this handover will unfold in three phases: 30% of HNWIs will receive an inheritance by the end of 2030, 63% will inherit wealth by the end of 2035, and 84% by 2040.

"The great wealth transfer will be a defining moment for the industry. Despite global wealth on the rise, 81% of inheritors plan to switch firms within one to two years of inheritance. Potentially losing these unsatisfied clients is going to create significant risk for the global wealth management sector," said Kartik Ramakrishnan, CEO of Capgemini's Financial Services Strategic Business Unit and Group Executive Board Member. *"The next-generation of high-net-worth individuals arrive with vastly different expectations to their parents. This necessitates an urgent shift away from traditional strategies to effectively cater to their evolving needs on this wealth journey. Firms must also prepare to equip advisors with the digital capabilities, potentially augmented with agentic or generative AI, to mitigate the risk of losing both clients and key employees."*

As of January 2025, HNWI investors parked 15% of their portfolios in alternative investments, including private equity and cryptocurrencies. They are willing to take more risks to expand their wealth – allocating capital to higher growth asset classes and niche product offerings, notably by 61% of millennial and Gen Z HNWIs.

To attract next-gen HNWIs, wealth management firms must rethink

The report highlights that wealth management firms need to refresh and revamp their services and offerings to resonate with the next-gen HNWI customer base. Including:

- **Private equity and cryptocurrencies:** 88% of advisors observe a greater interest in alternative assets amongst this group of investors over baby boomers
- **New offshore booking centers:** 50% of advisors indicate their lack of capabilities in emerging wealth hubs – Singapore, Hong Kong, UAE and Saudi Arabia – will drive these clients to alternate firms, as they seek diversification, better returns and a favorable regulatory environment
- **Tailored services:** concierge services such as luxury travel, medical care, and safeguarding against cyber threats, rank as the top non-financial value-added service most sought after
- **Digital interactions:** advisors rank a digital platform providing a holistic client view and actionable insights as the most important capability to effectively serve next-gen HNWIs, followed by intelligent automation of operational tasks like meeting summaries and emails

Insufficient support from wealth management firms makes advisors a flight risk

According to the report, one-in-three advisors express dissatisfaction with their firms' lack of digital capabilities, negatively impacting their productivity, and creating a technological divide. In addition, 62% of next-gen HNWIs say they would follow their advisor if they moved to a different firm. Altogether, this directly impacts retention, as advisors struggle to engage these digital-native clients.

Beyond digital resources, the industry is on the cusp of a talent shortage amid an unprecedented transfer of wealth to Gen X, millennial, and Gen Z inheritors. In the next 12 months, one in four advisors plan to be on the

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[3] UBS, "Global Wealth Report 2024"

[4] Gen X (aged 44 to 59 years as of 2025), millennial (aged 28-43 years as of 2025), and Gen Z (12 to 27 years as of 2025) inheritors are referenced as "next-gen HNWIs" to signify the generational shift in HNWI wealth

move, with a majority transitioning to a competitor firm and a few starting their own ventures. Additionally, 20% of advisors say they will retire by 2035, with 48% planning to retire by 2040.

As the great wealth transfer unfolds, the wealth management industry will need to reimagine product offerings through tailored investment options for next-gen HNWIs. Firms must empower and engage advisors with an intuitive digital experience across all channels to secure their loyalty, the report concludes.

Read the full report: Sailing through the Great Wealth Transfer

Report Methodology

The World Wealth Report 2025 market-sizing model covers 71 countries, accounting for more than 98% of global gross national income and 99% of world stock market capitalization. The Capgemini 2025 Global HNW Insights Survey questioned 6,472 HNWIs including 5,473 Next-gen HNWIs across four regions: Americas, Europe, and Asia-Pacific and Middle East. The 2025 Wealth Management Executive Survey includes 141 responses across 10 markets, with representation from pure WM firms, universal banks, independent broker/dealer firms, and family offices. The 2025 Relationship Manager Survey, executed by Phronesis Partners, includes 1,306 responses across twelve markets.

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