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News Release

UBS Billionaire Ambitions Report 2023: The great wealth transfer

- **For the first time in nine editions of the report, billionaires have accumulated more wealth through inheritance than entrepreneurship, indicating that the great wealth transfer is gaining momentum.**
- **A new cohort of multigenerational families is taking shape, where each generation has their own views on their legacy and ambitions, requiring sophisticated solutions for succession planning and defining common values.**
- **Billionaire wealth partially recovered from a post-pandemic fall, driven by organic business growth, and lifted in part by Europe's consumer and retail billionaires, after falling by almost a fifth in the previous 12 months.**

London, November 30, 2023 – UBS, the leading truly global wealth manager, today announced the launch of the ninth [UBS Billionaire Ambitions report](#), which surveyed for the second time¹ UBS billionaire clients around the world on the unique challenges and opportunities they face as stewards of great wealth.

“This year’s report found that the majority of billionaires that accumulated wealth in the last year, did so through inheritance as opposed to entrepreneurship. This is a theme we expect to see more of over the next 20 years, as more than 1,000 billionaires pass an estimated USD 5.2 trillion to their children,” said Benjamin Cavalli, Head of Strategic Clients at UBS Global Wealth Management.

“The next generation has fresh views about business, investing, and philanthropy, redirecting large pools of private wealth to new business opportunities arising from the times we live in. Engineering a smooth succession will require founders and their families to do things differently, more than ever discovering common values and purpose to navigate a way forward that appeases all generations and allows them to continue building their legacies,” Cavalli added.

Changing of the guard

After a surge in entrepreneurial activity over the last few decades, this year’s report found that many billionaires are passing their wealth on to the next generation and for the first time in nine editions of this report, the next generation of billionaires accumulated more wealth through inheritance than entrepreneurship. A total of USD 150.8 billion was inherited by 53 heirs over the last year, exceeding the 84 new self-made billionaires’ total of USD 140.7 billion.

As the great wealth transfer progresses, each generation has their own view on legacy. Sixty-eight percent of billionaires surveyed with inherited wealth, said that they aim to continue and grow what their parents achieved in terms of business, brand, or assets. Believing in continuing the current family legacy, 60% of heirs want to enable future generations to benefit from their wealth and plan to continue to follow their parents pre-defined philanthropic goals (32%).

Heirs make their own way

However, heirs are conscious that they may need to reshape and reposition their wealth to continue the family legacy. As they inherit their parents’ businesses, investments, and foundations, heirs look to focus more on today’s major economic opportunities and challenges, such as innovative technologies, the clean-energy

¹ The first UBS/PwC Billionaires Report was published in 2015 and branded as ‘Billionaires Insights’ until 2022.

transformation and impact investing. First-generation billionaires are aware of this, with 58% claiming their greatest challenge will be instilling the necessary values, education, and experience in their heirs to take over.

Heirs also have their own views on risks to the business and how they should be positioned for the future. For example, 66% of first-generation billionaires rank a potential US recession as their primary concern, closely followed by geopolitical tensions (62%). In contrast, heirs are concerned about inflationary pressures (57%) and the availability and price of raw materials (52%). However, all agree on the opportunities and risks of generative artificial intelligence ("AI"), with 65% viewing AI as offering one of the greatest commercial opportunities to their operating business over the next 12 months. As technology gains prominence, 58% viewed a cyber threat or hacking as the biggest risk.

When it comes to investing, 43% of first-generation billionaires intend to increase their allocation to private debt over the next 12 months and 38% plan to increase developed market bond holdings. Heirs favor private equity, with 59% looking to raise direct private equity investments and 55% looking to invest more in private equity funds.

Among billionaire heirs, there is a strong entrepreneurial theme, and many see alternative opportunities to joining the C-suite of the family business. More than half of the 53 heirs surveyed are choosing to step away, opting for careers more suited to their own ambitions, skills, and circumstances. There is also a rise in heirs becoming philanthropists and driving sustainable innovation, creating new business ventures, or building on existing ones with a focus on sustainability and philanthropy.

Billionaire wealth partially recovers from post-pandemic fall

Globally, billionaire wealth partially recovered in the 2022/2023 period, lifted by billionaires with consumer and retail businesses in Europe, after falling by almost a fifth in the previous 12 months. Overall, the number of billionaires rose by 7% globally in the last year, increasing from 2,376 to 2,544² and their wealth recovered by 9%, from USD 11.0 trillion to USD 12.0 trillion.

While billionaires with innovative companies in technology and healthcare have accumulated the greatest wealth over the past decade, there are early signs of improving fortunes (+15%) for billionaires with industrials companies, which will likely continue amid the energy transition and higher defence spending in several countries.

Regional findings:

Americas:

Sixty-three percent of billionaires in the Americas plan to increase their exposure to private equity direct investments over the next 12 months, closely followed by private equity funds (44%). AI is the technology offering the biggest commercial opportunity for the operating business (71%) and in portfolios (65%) over the next 12 months, while rising cyber threats and hacking are seen as the biggest risks (80%). Demonstrating a strong home bias, 68% think that North America offers the greatest opportunity for returns over the next 12 months, but 70% are worried about a potential US recession.

Europe, Middle East, and Africa (incl. Switzerland):

Fifty percent of billionaires in Europe, the Middle East, and Africa ("EMEA") plan to increase exposure to developed market bonds, closely followed by hedge funds (46%). Forty-five percent think that North America offers the greatest opportunity for returns over the next 12 months, but overall, 61% are worried about geopolitical tensions and 44% worry about the outlook for inflation. AI is the technology offering the biggest commercial opportunity for the operating business (65%) and in portfolios (60%) over the next 12 months, but new technologies disrupting or destroying the existing operating model of their business is seen as the biggest risk (56%).

Asia Pacific:

Billionaires surveyed in Asia Pacific had a home bias, with 50% viewing the region as the greatest opportunity for returns over the next 12 months. Forty-four percent of billionaires plan to increase their exposure to

² The study period is the 12 months to 6 April 2023. The data is not comparable with the 2022 Billionaire Ambitions Report as the method of selection has been adjusted to minimize weighting effects. For more information see UBS/PwC wealth assessment methodology.



developed market bonds over the next 12 months, closely followed by cash (39%), potentially seeking a haven amidst concerns of geopolitical tension (53%). AI is the technology offering the biggest commercial opportunity for the operating business (57%) and in portfolios (71%) over the next 12 months. Fifty-nine percent see new technologies disrupting or destroying the existing operating model of their business as the biggest risk.

Learn more and download the report, [here](#).

About the UBS Billionaire Ambitions Report 2023

This is the ninth report from UBS focusing on billionaire wealth and ambitions. For the second year in a row, UBS surveyed 79 billionaire clients from Europe (incl. Switzerland), the Middle East, Singapore, Hong Kong SAR, and the United States, between 28 June and 17 September 2023 on the unique challenges and opportunities they face as stewards of great wealth.

About UBS

UBS is a leading and truly global wealth manager and the leading universal bank in Switzerland. It also provides diversified asset management solutions and focused investment banking capabilities. With the acquisition of Credit Suisse, UBS manages 5.5 trillion dollars of invested assets as per second quarter 2023. UBS helps clients achieve their financial goals through personalized advice, solutions, and products. Headquartered in Zurich, Switzerland, the firm is operating in more than 50 markets around the globe. UBS Group shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

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