

Despite Covid, Indians turned a tad wealthier in Jan-June, but inequality still high: Credit Suisse

KR SRIVATS

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India, along with China, was among the few large economies to make gains in total wealth in the first six months of calendar 2020, Credit Suisse Research Institute said in its *Global Wealth Report 2020*, released on Thursday.

Despite the pandemic, India's wealth per adult showed some growth at \$17,420 as of June-end, against \$17,300 at the end of 2019.

The report said that wealth growth in India is expected to be strong through the remainder of 2020 and in 2021. "While average wealth rose by only 1.7 per cent in the first half of 2020, we estimate that the full rise for 2020 will be 5-6 per

Wealth by region, in 2019	Total wealth (\$b)	Wealth per adult (\$)
Africa	4,805	7,372
Asia-Pacific	70,397	57,739
China	77,978	70,962
Europe	94,289	159,730
India	15,309	17,299
Latin America	12,418	28,180
North America	123,983	446,638
World	399,179	77,309

Source: Credit Suisse

cent and 2021 will see growth of 9 per cent," it added.

Household wealth in India is dominated by property and other real assets, although financial assets have grown over time, now forming 22 per cent of all assets.

Over the last two decades, India's wealth has grown impressively despite a setback in 2008 due to the global financial crisis and currency fluctuations. Annual growth of wealth per adult averaged 9.7 per cent over 2000-19, using current exchange rates.

Poverty still high

However, wealth inequality remains high in India. That 73 per cent of the adult population had wealth below \$10,000 at the end of 2019 shows the pervasive poverty.

At the other extreme, a small fraction of the population (2.3 per cent of adults) had a net worth of over \$1,00,000. India has 907,000 adults in the top 1 per cent of

global wealth holders, which is a 1.8 per cent share. Credit Suisse estimates that 4,600 adults in India have wealth over \$50 million.

Moderate global impact

A key finding is that global household wealth has actually held steady in 2020 despite the pandemic. "There has been a relatively moderate impact (of the pandemic) on total wealth during the first half of 2020. We have also found no evidence of distribution of wealth changing much within countries," said Nannette Hechler-Feyd'herbe, Chief Investment Officer, International Wealth Management and Global Head of Economics & Research, Credit Suisse.