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Analysis of today
Assessment of tomorrow

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Have the European capitals lost the battle for global capital?

Global capital migration has reached a new stage in 2025. According to the latest report by international consultancy Henley & Partners, which specialises in monitoring the wealth movements and residency of the richest individuals, this year's millionaire migration will be the largest ever recorded.

More than 142,000 high-net-worth individuals with a net worth of more than $1 million will change residence by the end of the year.

This process is not just a matter of personal security or tax optimisation but has profound implications for the financial policies of governments, the structure of capital markets and the long-term build-up of the soft power of national economies.

The current loss of the UK's position, which has been one of the main destinations for wealthy migrants from Asia, the Middle East and Russia over the last two decades, is particularly significant.

According to the above-mentioned report, the UK will see a net loss of more than 16,500 high-net-worth individuals in 2025, the highest level since the 2008 global financial crisis.

However, the reasons for this departure are not only related to taxes. They include growing regulatory uncertainty, political instability and a general feeling that London no longer offers a strategic advantage over competing financial centres. The issue of residency post-Brexit, increased scrutiny of capital flows and stricter residency visa rules for investors have further reduced the attractiveness of the UK system for high-net-worth individuals.

Favourite destinations for private capital

While the UK is losing wealthy residents, the UAE is the biggest winner in 2025 with a net influx of 9,800 millionaires, followed by the United States with 7,500 high-net-worth individuals. Popular destinations such as Singapore and Australia are also attracting significant private capital thanks to strategic tax and regulatory frameworks.

Thanks to efficient visa procedures for investors and a competent financial environment, Singapore is one of the ten most desirable destinations for millionaires. Australia has also made it into the top 10 thanks to its political stability and high quality of life, which attracts high-net-worth individuals.

The United States expects a high net inflow of millionaires thanks to programmes such as EB-5, but the announcement of a tightening of its terms could reduce the long-term inflow of private capital.

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The impact of these migrations on their countries of origin is particularly important to analyse. The loss of wealthy individuals means not only a reduction in the tax base but also a decline in investment capacity, an outflow of strategic knowledge and the loss of soft networks of power. As the wealthiest leave, so do lawyers, portfolio managers, private bankers, investment advisers, and institutions trying to retain them as clients.

An atmosphere of general uncertainty

The UK faces a real challenge to redefine its strategy for managing private equity. After Brexit, more flexible rules, faster visa mechanisms and an opening to growing economies were promised. Instead, there is a slow bureaucratic system, increased regulatory obligations and an atmosphere of general uncertainty.

The UK financial sector, particularly private banking, will feel the consequences of this exodus within two to three years, when the decline in active liquidity and the withdrawal of portfolios from the balance sheets of the leading institutions will become clearly visible.

> The UK will lose £66bn worth of investable assets in 2025 as 16,500 millionaires move away

According to the Henley & Partners Private Wealth Migration Report 2025, the UK will lose £66bn worth of investable assets in 2025 as 16,500 millionaires move away.

In April, BlueCrest Capital Management received regulatory approval to operate from the Dubai International Financial Centre and relocated from the Dubai World Trade Centre, while Brevan Howard and TCI Fund Management opened their offices in Abu Dhabi in 2022. According to Euromoney, 1,650 single-family offices were registered in Singapore at the end of 2024, of which DBS Private Bank manages more than a third.

A new form of soft power

Some British experts believe that this process is reversible, but that depends on the speed of the government's response. Should there be tax reforms that allow greater flexibility for the so-called non-residents with easier tax treatment, as well as more favourable visas for investors and entrepreneurs from third countries, it is possible to stop or at least slow down the negative trend.

However, the main obstacle remains the political will and the ability to make strategic decisions under great public pressure against "tax havens".

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In this context, it is uncertain whether London will be able to maintain its status as the private wealth capital of the world. Although the physical resources are still there, its reputation as a safe and predictable destination is beginning to erode.

Large private banks are increasingly opening branches in Dubai and Singapore, while companies that manage family wealth (family offices) are shifting some of their activities from Europe to Asia and the Middle East.

In the long term, this migration can change the global financial landscape. It is no longer just about money flows but also about the relocation of decision-making centres, investment strategies, technology development, and access to influential networks.

Countries that are currently succeeding in attracting highly mobile private capital are simultaneously building a new form of soft power that can have a greater impact than traditional diplomacy.

These trends are likely to accelerate over the next year. OECD-led global tax reforms and bilateral wealth taxes could further encourage the outflow of capital from Europe to new destinations.

If the UK does not redefine its position, it could lose not only its private banking revenues but also its strategic role in global finance. The millionaire migration is no longer a random phenomenon. It has become a reliable signal of tectonic shifts in the current economic order.