

SA's black dollar millionaires on the rise



BY [BULELWA DAYIMANI](#) | [November 15, 2013](#)



Patrice Motsepe

A survey released recently by global wealth consultancy, New World Wealth, has found that the number of black dollar millionaires has increased by 81% since 2007.

The spike in black dollar millionaires was significantly greater than that for millionaires in general which stood at just 14%.

There is a total of 48 700 dollar millionaires in SA with a collective kitty of R2 trillion – just over 30% of the country's total (individual) wealth. Of these, 16% are black, Indian, coloured and Chinese – relatively low, considering that this demographic makes up 90% of the population.

The number of previously disadvantaged dollar millionaires grew from 4 300 to 7 800. In contrast, there are 36 500 white male and 4 400 white female millionaires.

Millionaires were defined as owning assets in excess of \$1 million, in addition to their primary residence. The survey looked at director databases; private jet, yacht, and property sales; and income distribution trends from the World Bank, in its research.

New World Wealth senior analyst Andrew Amoils said the gap between black and white dollar millionaires will only be bridged after 25 years. Previously disadvantaged millionaires made up a small ratio of extremely wealthy millionaires.

Interestingly, of SA's top 10 richest people on the previously disadvantaged list, nine live in Joburg, while only the fourth richest lives in Cape Town. Also interesting is that while SA's richest black man, Patrice Motsepe, is worth \$2,6 billion, SA's richest white man, asset manager Allan Gray (who lives in Bermuda), is worth \$8,5 billion.

The previously disadvantaged millionaires made a large chunk of their money through Black Economic Empowerment deals.

Astonishingly, in an associated story from Voice of America, it was noted that Johannesburg's sprawling Porsche dealership racked up the highest sales figures in the company's 19-country, Middle East/Africa region in the past year (20% of total sales). It said that since May, a staggering 71 new Ferraris, 19 new Maseratis and 1 035 new Porsches have been sold here, adding that changing demographics are helping to drive the rising figures.

Here are the names that topped the list:

1. Patrice Motsepe of African Rainbow Minerals and Premier Soccer League soccer team Sundowns, who has a staggering \$2,6 billion net worth.
2. ANC deputy president and executive chairman of Shanduka Group, Cyril Ramaphosa, who has a net worth of \$550 million.
3. Tokyo Sexwale of Mvelaphanda Group, with a net worth of \$200 million.
4. Siphon Nkosi, who is the Chief Executive Officer of Exxaro Resources, and also owns a stake in Sanlam, with a net worth of \$163 million.
5. Phuthuma Nhleko, chairman and former CEO of MTN, with a net worth of \$142 million.
6. Vincent Mntambo, chairman of technology company ASG Consulting, with a net worth of \$95 million.
7. Nkululeko Leonard Sowazi, chairman of Kagiso Tiso Holdings and director of Emira Property Fund, with a net worth of \$68 million.
8. Mike Teke, Richards Bay Coal Terminal chairman and director of Optimum Coal, worth \$64 million.
9. Saki Macozoma of Standard Bank/Safika, worth \$53 million.
10. Dalikhaya Zihlangu, CEO of Eyabantu Capital and once-CEO of state-owned diamond mine Alexkor, with \$50 million.

Sources: *Business Day Live*, *IOL*