



Anticipation: an influx of rich African clients is hoped for — Getty Images

Wealth Fast rising millionaire population gives fund managers cause for excitement

The number of millionaires in Mauritius has grown faster than in any other African country over the past decade, helping to kick-start its fledgling fund management industry.

After a big influx of wealthy foreigners, especially from France and South Africa, the number of individuals with at least \$1m in net assets more than tripled to 3,800 in Mauritius over the decade, says AfrAsia Bank's Africa wealth report.

More wealthy individuals are likely to be attracted to Mauritius after the government relaxed the rules on property ownership by foreigners at the end of last year. Foreigners can buy an apartment costing more than Rs6m (£136,000) in any building of more than two storeys. Pravind Jugnauth, prime minister, says the government has received hundreds of applications this year from people based in Europe, Africa and Asia.

Ziyad Bundhun, of advisory company New Africa Advisors, says

the move into wealth management is a natural progression for the Mauritian financial services industry as it moves into higher value activities.

Bankers and fund managers see the African continent as a potentially valuable source of wealthy clients. While accepting a need to build up asset management skills, they argue that Mauritius would find itself with a cost advantage over European banks.

Sanjiv Bhasin, chief executive of AfrAsia Bank, argues that Mauritius is well-positioned to capture African clients being driven out of European banks by the rising cost of compliance. Louis Lallia, international development manager of wealth management group Axys, agrees that the retreat of European banks from Africa has created a "great opportunity".

Central bank chief Ramesh Basant Roi, meanwhile, aims to ensure strict adherence to rules against money laundering: "We have to be very stringent to keep things clean." **VH**