



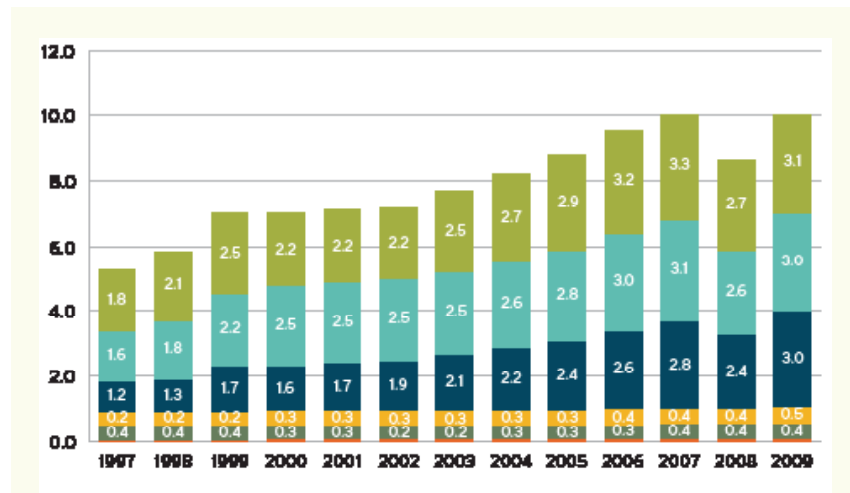
FOLLOWING THEIR PASSIONS

One of the primary reasons the market for art and luxury collectibles has been so robust over the past decade is that more people have large amounts of money to spend on passion investments—those made out of personal interest rather than for pure economic gain. The number of high-net-worth individuals (HNWIs)—people with financial assets totaling at least \$1 million—more than doubled from 1996 to 2009 (the last year for which data is available from the Cap Gemini/Merrill Lynch Wealth Management World Wealth Report). Of course, if we were talking about inflation-adjusted dollars the difference over the years would not be quite as stark. Below we take a look at the shifts in the geographic distribution of this wealth as well as the passion-investing categories—from art and antiques to jewelry and wine—into which it has flowed. **BY ROMAN KRAEUSSL**

NUMBER OF HNWIS PER REGION (IN MILLIONS)

The chart shows a steady increase in the number of HNWIs from 1996 to 2007, when it topped out at 10.1 million. In 2008 the global financial crisis left the world with nearly two million fewer wealthy individuals than in the previous year, but by 2009 the number had rebounded. (Africa's share of HNWIs has held steady since rising to 100,000 in 2000.)

- North America ■
- Europe ■
- Asia-Pacific ■
- Latin America ■
- Middle East ■
- Africa ■



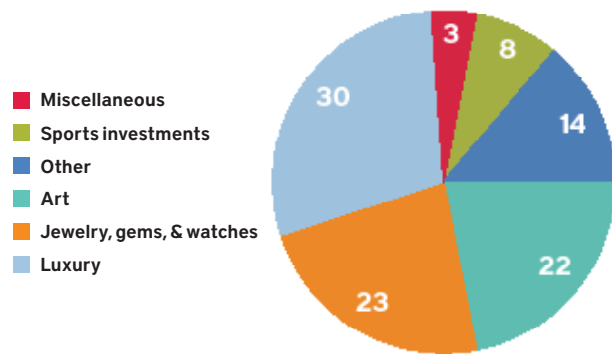
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WHERE THEY LIVE AND WHAT THEY BUY

By the end of 2009 most millionaires were residing in the United States, Japan, and Germany, which together accounted for around 53 percent of the global HNW population.

COUNTRY	NUMBER OF HNWIS
United States	2,866,000
Japan	1,650,000
Germany	861,000
China	477,000
United Kingdom	448,000
France	383,000
Canada	251,000
Switzerland	222,000
Italy	179,000
Australia	174,000
Brazil	147,000
Spain	143,000
India	127,000
South Korea	127,000
Russia	118,000

COLLECTIBLE ALLOCATIONS BY PERCENT



In 2009, 75 percent of passion investing was in three categories: luxury, which includes cars, boats, and jets; jewelry, gems, and watches; and art. The “other” category covers antiques, wine, and coins; “sports” is composed of such assets as pro teams and racehorses; and “miscellaneous” contains guns, musical instruments, and leisure pursuits. 田