

September 15, 2009

Lure Of Solid Returns Inspires SocGen Art Advisory JV

Tom Burroughes Editor in London

[SG Private Banking](#) has joined with the London-based firm, [1858 Limited Art Advisory](#), to offer art advisory services to high net worth individuals, a move that continues steps by wealth managers to exploit what is seen as a still-vibrant art market.

The service will include selecting, estimating and negotiating the prices of works of art, in particular enabling clients to secure significantly reduced transaction charges. Other services comprise advice in buying and selling art; understanding art valuation, logistics management such as restoration and storage; the organisation of private sales and advice on philanthropy.

Private banks and investment specialists have been looking at art as an asset class in its own right, attracted by the possibility of returns that are, so some art investors argue, lowly correlated to assets such as equities or bonds.

Art was reported to have delivered an average annual return of 7.7 per cent a year between 1875 and 2000, compared to a return of 6.6 per cent from equities. The annual report on wealth trends by Merrill Lynch/Capgemini earlier this year said HNW investors were increasingly turning to art as an asset class.