

The Art of Preservation

Art as a portfolio diversifier

Willem Sels

Global Chief Investment Officer, HSBC Private Bank

Transcript

So there is a big trend in diversification, and it is to diversify your diversifiers. Traditional ways of doing that by investing in bonds and goals to diversify your stock portfolio is no longer really sufficient.

So people are opening up again into other assets. So private assets, real estate, private equity, and more and more also, of course, passion assets.

We're seeing a steady increase in the number of people who want to use arts as a portfolio diversifier. And I think it has to do with the number of trends, the rising wealth of the emerging market investor.

I think also it becomes easier to hold art in portfolio because, there's the digitization which addresses a little bit of the liquidity concern and all of that encourages people to include art as a real valid, you know, portfolio element.

It's about determining what is going to be the next trend, who is going to be, you know, the next Picasso and the younger generation will lead us there, I think.