

# Wealth Management opportunities in an emerging economy – The Brazilian case

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# Brazil – Notable Wealth Management market on a global scale

## (U)HNWIs Clients

- With 147,000 HNWI's Brazil ranks among the top 12 HNWI markets worldwide and is the No 1 market in LatAm
- With approx. +12% (2009) the AGR of HNWI's in Brazil is moderate
- Brazil shows a significant concentration of wealth on UHNWIs

**Interesting field for Private Banking activities**

## M&A activities

- With USD 90.5 bn (2009) Brazil ranks among the top ten target markets for M&A deals worldwide
- International investors look for opportunities in the booming economy
- Brazilian companies are consolidating locally

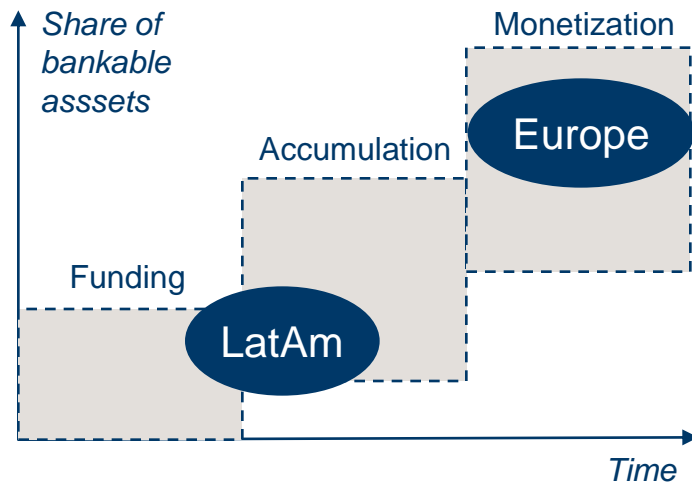
**Important market for global Investment Banks**

Source: Capgemini & Merrill Lynch, World Wealth Report 2010; Scorpio Partnership, Wealth Distribution Analysis; Zephyr, Annual M&A Report 2009

# LatAm – Special requests on Private Banking services

## Stage in the Entrepreneur Lifecycle

- Compared to Europe or the US, most LatAm Entrepreneurs are in earlier stages within the Lifecycle



- LatAm Entrepreneurs are (on average) younger than Entrepreneurs in Europe or the US

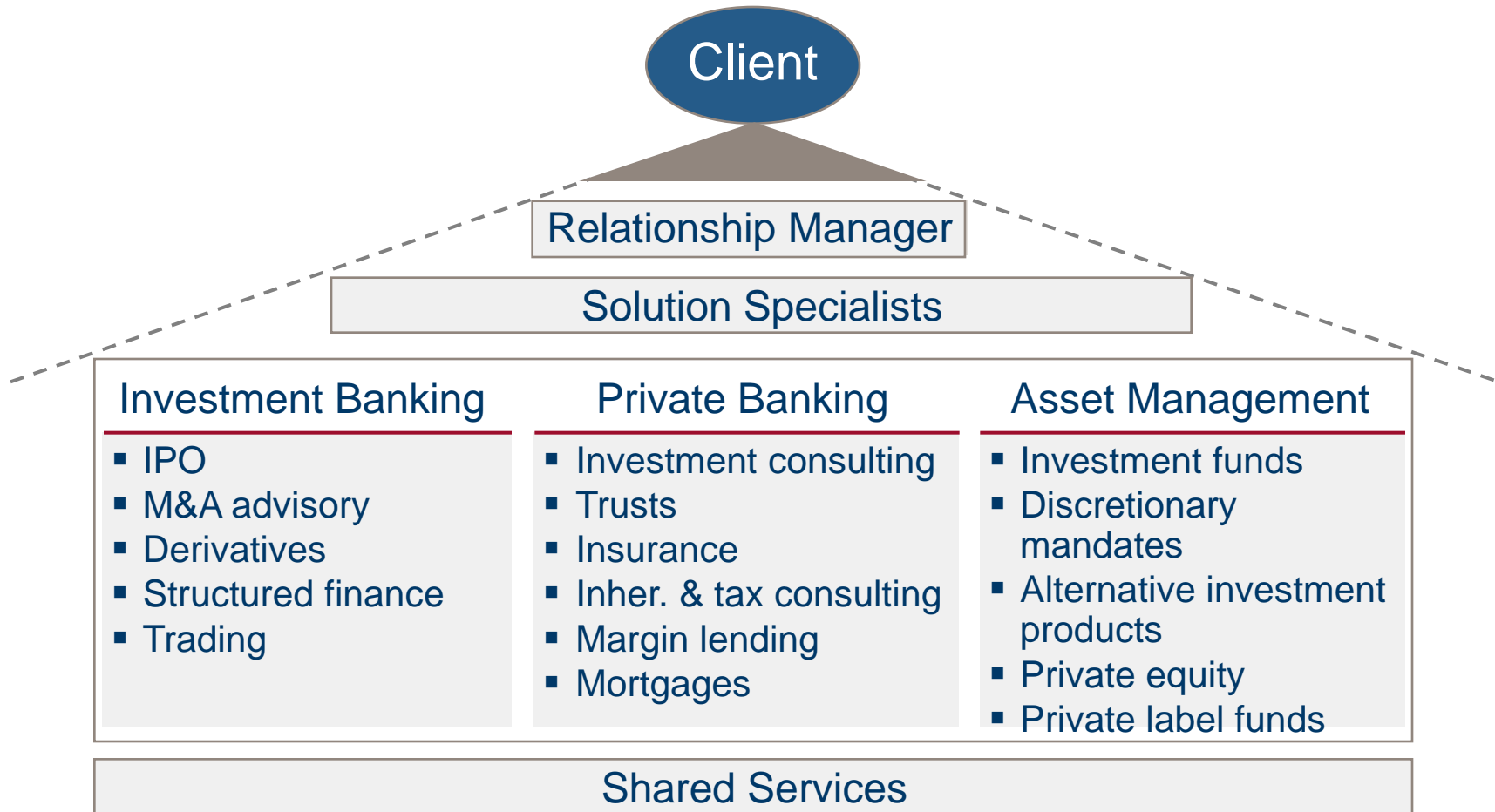
## Investment behaviour

- Compared to other regions, LatAm HNWI's clearly favour an international asset allocation
  - LatAm HNWI's: 63% AOHR<sup>1)</sup>
  - European HNWI's: 52% AOHR
  - Asia Pacific: 39% AOHR
  - North American HNWI's: 32% AOHR
- LatAm (U)HNWI's are increasingly sophisticated and act through Multi/Single family offices

Source: Capgemini & Merrill Lynch World Wealth Report 2010

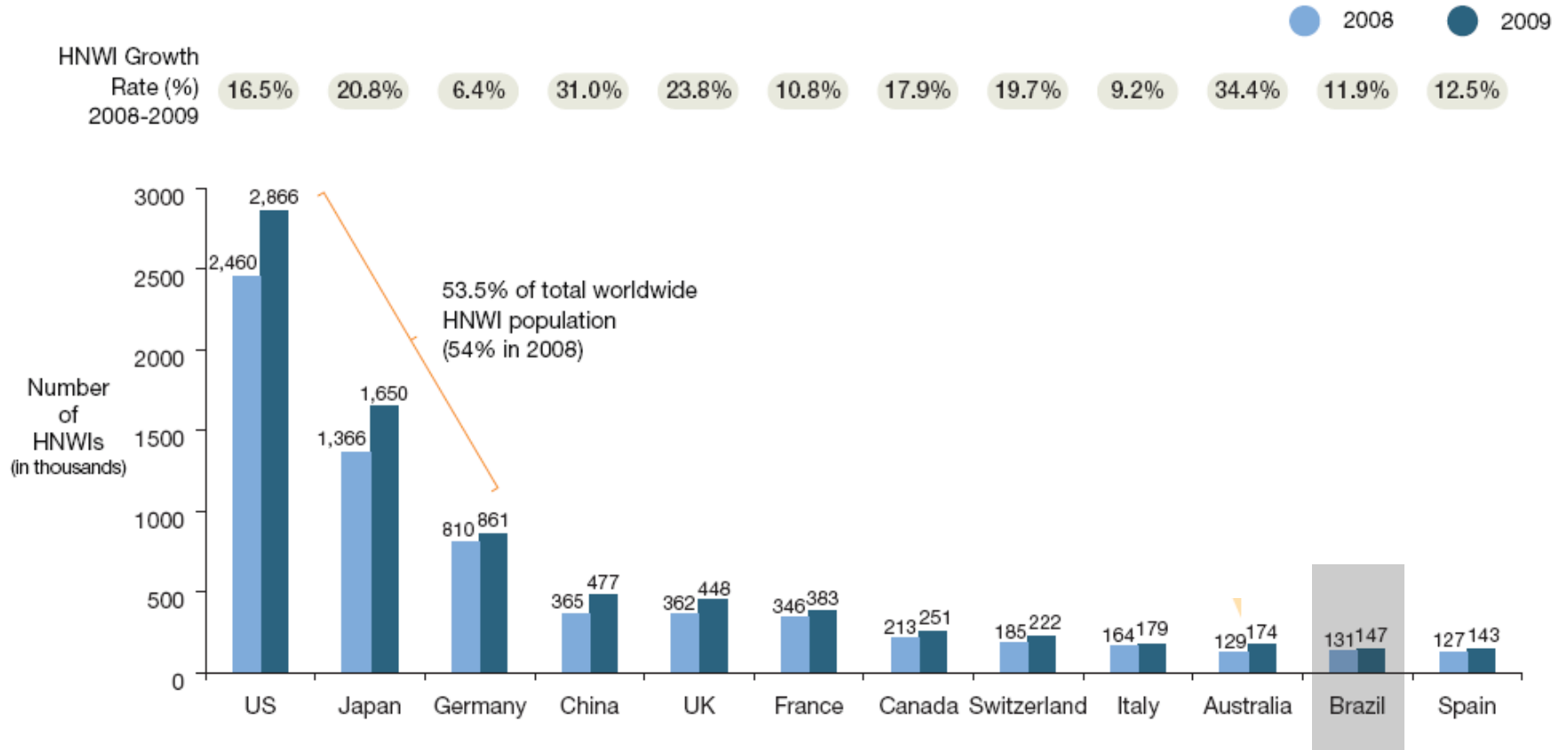
1) AOHR = Assets outside home region

# Credit Suisse – integrated coverage and solution delivery



# Appendix

# HNWIs – Brazil is important market on a global scale



Source: Capgemini & Merrill Lynch, World Wealth Report 2010

# UHNWIs – Brazil is the dominating market in LatAm

Individuals (2007)	Argentina	Brazil	Chile	Colombia	Mexico	Venezuela
USD 10-50m	1,483	7,519	1,152	712	5,726	1,303
USD 50-100m	102	619	88	55	493	100
USD 100-500m	54	367	50	31	302	56
USD 500m+	5	48	7	4	36	6

# M&A – Activities in Brazil are growing

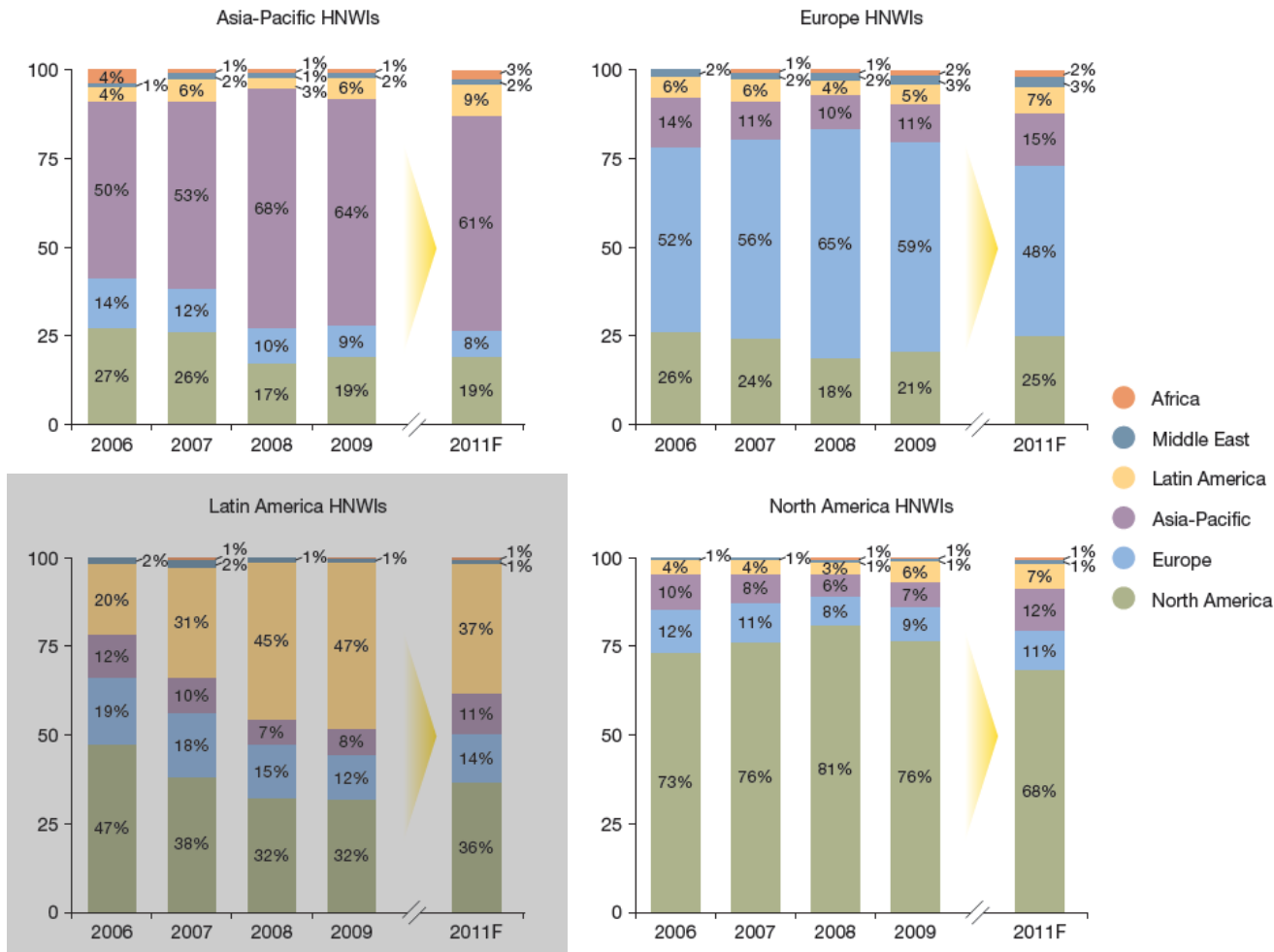
Target country	2007 (mil USD)	2008 (mil USD)	2009 (mil USD)
US	1,577,130	1,363,264	1,063,141
UK	480,606	377,071	318,807
China	254,334	184,297	223,931
Japan	141,065	127,320	220,712
Australia	211,781	120,200	156,672
Canada	256,126	121,285	131,676
Spain	235,911	109,026	120,036
Germany	159,577	150,213	115,789
Russia	221,716	160,191	101,186
<b>Brazil</b>	<b>55,385</b>	<b>115,178</b>	<b>90,496</b>
France	326,984	127,921	81,683
Italy	184,966	142,341	80,080
South Korea	72,489	52,664	76,128
Taiwan	91,877	82,893	65,940
Netherlands	242,319	97,354	64,130
India	83,445	69,242	62,715
Belgium	87,615	58,813	35,239
Switzerland	63,404	63,355	33,766
Cayman Islands	42,295	15,834	32,090
Hong Kong	35,456	45,769	26,803

League Table of Financial Advisors to Brazilian M&A: Volume				
Q1 2009	Q1 2010	House	Value (US\$m)	Deal Count
5	1	Credit Suisse	6,949	8
-	2	Deutsche Bank	7,899	5
-	3	Rothschild	1,064	4
9	4	Morgan Stanley	5,777	3
7	5	Bank of America Merrill Lynch	1,866	3
-	6	Caixa Banco de Investimento	1,221	3
-	7	Santander Global Banking and Markets	1,713	2
8	8	Banco Bradesco	4,238	1
-	9=	Banco Itau BBA	1,184	1
-	9=	Motilal Oswal Investment Advisors	1,184	1
1	11	Citigroup	771	1
-	12=	Credit Agricole	529	1
-	12=	ING	529	1
-	14=	Blackstone Group Holdings	350	1
3	14=	JPMorgan	350	1
4	14=	UBS Investment Bank	350	1

Source: Zephyr, Annual M&A Report 2009; mergermarket, Latin American M&A Round-up for Q1 2010



# Asset allocation – LatAm HNWI's invest internationally



Source: Capgemini & Merrill Lynch, World Wealth Report 2010