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MERRILL LYNCH GLOBAL WEALTH MANAGEMENT AND CAPGEMINI RELEASE
14TH ANNUAL WORLD WEALTH REPORT

Wealth Recovery Nearly Compensates for 2008 Losses – HNWI population up 17.1 percent while HNWI wealth reaches $39 trillion

Asia-Pacific Leads Emerging Wealth Recovery – Number of HNWI in Asia-Pacific equals that of Europe for the first time

In India, HNWI population grew 50.9% in 2009

MUMBAI, June 23, 2010 – The world’s high net worth individuals (HNWIs)\(^1\) regained ground despite weakness in the world economy, according to the 14th annual World Wealth Report, released today by Merrill Lynch Global Wealth Management and Capgemini. The world’s population of HNWIs returned to 10 million in 2009 and HNWI financial wealth increased, posting a gain of 18.9 percent to $39 trillion. Ultra-HNWIs\(^2\) increased their wealth by 21.5 percent in 2009. These figures indicate that emerging wealth recovery has nearly recouped 2008 losses, returning to levels last seen in 2007.

“The last few years have been significant for wealthy investors. While in 2008 global HNWI

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1 HNWIs are defined as those having investable assets of $1 million or more, excluding primary residence, collectibles, consumables, and consumer durables

2 Ultra-HNWIs are defined as those having investable assets of US$30 million or more, excluding primary residence, collectibles, consumables, and consumer durables
wealth showed an unprecedented decline, a year later we are already seeing distinct signs of recovery, and in some areas a complete return to pre-crisis levels of wealth and growth,” said Bertrand Lavayssière, Managing Director, Global Financial Services, Capgemini. “Much of this rebound has been, and will continue to be, driven by emerging markets – especially India and China, as well as Brazil.”

While the global HNWI recovery was generally stronger in developing nations, most of the world's HNWI population and wealth remained highly concentrated in the U.S., Japan and Germany, which together accounted for 53.5 percent of the world’s HNWI population in 2009, down slightly from 54 percent in 2008. North America remains the single largest home to HNWIs, with its 3.1 million HNWIs accounting for 31 percent of the global HNWI population. Asia-Pacific, however, was the only region in which both macroeconomic and market drivers of wealth expanded significantly in 2009.

**Asia-Pacific HNWIs, Hit Especially Hard in 2008, Led Recovery in 2009**

After falling 14.2 percent in 2008 to 2.4 million, Asia-Pacific’s HNWI population rebounded in 2009 to reach 3 million, matching that of Europe’s HNWI population for the very first time. Asia-Pacific wealth also surged 30.9 percent to $9.7 trillion, more than erasing 2008 losses and surpassing the $9.5 trillion in wealth held by Europe’s HNWIs. This shift in rankings occurred because HNWI gains in Europe, while sizeable, were far less than those in Asia-Pacific, which saw continued robust growth in both economic and market drivers of wealth. Hong Kong and India led growth in Asia-Pacific, after experiencing massive declines in their HNWI bases and wealth in 2008.

“The Asian story continues to lead the global economic recovery and this has benefited many of the markets in the region in terms of both growth and wealth creation,” said Pradeep Dokania, Chairman, Merrill Lynch Global Wealth Management, India. “In the case of India, the strong rebound in HNWI numbers is highly correlated to the strong recovery in stock market prices and strong outlook for India’s underlying economy.”

“With a growth of 50.9% in the HNWI population in 2009, India promises to be key driver of growth of HNWI wealth in Asia-Pacific region. The Government stimulus and credit policies have had a big impact in ensuring that the adverse effect of the global financial crisis on the Indian economy was kept to the minimum. Going forward based on the positive outlook for market and macroeconomic drivers of wealth, India is likely to remain one of the fastest-growing HNWI segments in the region”, said Salil Parekh - CEO, Global Financial Services, AsiaPacific Region, and India Delivery Centers.
HNWI population in India grew 50.9% in 2009

Among Asia-Pacific markets, Hong Kong and India led the pack, rebounding from severe declines in their HNWI bases and wealth in 2008 amid an outsized resurgence in their stock markets. While Hong Kong, witnessed the highest growth of 104.4% in HNWI population, India was the second largest contributor with a growth of 50.9% in HNWI population.

“The HNWI population in India for 2009 at 126,700 has exceeded even 2007 levels. With a GDP growth rate of 7% and a relatively high market-cap-to-GDP ratio, India presents a great opportunity and continues to remain an important market for wealth management providers worldwide,” said Atul Singh, Head of Wealth Management, Merrill Lynch Wealth Management India.

Elsewhere in the Asia-Pacific region, the trend was similar. In fact, the region was home to eight of the world’s ten fastest-growing HNWI populations. China rose 31 percent to 477,000 amid Chinese stock market capitalization growing more than 100 percent in 2009 as the economy grew at a rapid 8.7 percent pace.

Asia-Pacific HNWIs Remain Fully Invested in Real Estate

In terms of asset allocation, HNWIs in the Asia-Pacific region (excluding Japan) continued to have the highest allocation to real estate investment and to residential real estate in particular. As at the end of 2009, 28 percent of the assets held by the region’s HNWIs was in real estate. The region also had the lowest allocation to fixed income, with only 16 percent of assets invested in this class compared with the global average of 31 percent.

Moving Forward, Asia-Pacific and BRIC Will Likely Be the Powerhouses of HNWI Growth

BRIC nations (Brazil, Russia, India and China) are expected to again be the drivers of HNWI growth for their respective regions in the coming years. In Asia-Pacific, China and India will continue to lead the way, with economic expansion and HNWI growth likely to keep outpacing more developed economies. Asia-Pacific HNWI growth is likely to be the fastest in the world as a result.

About Merrill Lynch Global Wealth Management

Merrill Lynch Global Wealth Management (GWM) is a leading provider of comprehensive wealth management and investment services for individuals and businesses globally. With more than 15,000 Financial Advisors and approximately $1.4 trillion in client assets as of March 31, 2010, it is among the largest businesses of its kind in the world. More than two-thirds of GWM relationships are with
clients who have a net worth of $1 million or more. Within GWM, the Private Banking & Investment Group provides tailored solutions to ultra high net worth clients, offering both the intimacy of a boutique and the resources of a premier global financial services company. These clients are served by more than 160 Private Wealth Advisor teams, along with experts in areas such as investment management, concentrated stock management and intergenerational wealth transfer strategies. Merrill Lynch Global Wealth Management is part of Bank of America Corporation.

About Capgemini

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies. Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working, the Collaborative Business Experience™. The Group relies on its global delivery model called Rightshore®, which aims to get the right balance of the best talent from multiple locations, working as one team to create and deliver the optimum solution for clients. Present in more than 30 countries, Capgemini reported 2009 global revenues of EUR 8.4 billion and employs 90,000 people worldwide.

Capgemini’s wealth management practice can help firms from strategy through to implementation. Based on our unique insights into the size and potential of target markets across the globe, we help clients implement new client strategies, adapt their practice models, and ensure solutions and costs are appropriate relative to revenue and profitability expectations. We further help firms develop, and implement the operational infrastructures - including operating models, processes, and technologies - required to retain existing clients and acquire new relationships. For more information on how we can help you, please visit www.capgemini.com/financialservices.

Note to Editors/Reporters: To download the 2009 World Wealth Report, please visit www.capgemini.com/worldwealthreport.