

## India and China to contribute 40% of world growth: report

Aug 31 2011 by: [Simon Danaher](#) , Online News Editor , International Adviser

*In 2011 and 2012 it is expected that India and China together will contribute more than 40% of global growth, according to a new report from Julius Baer.*

The first *Julius Baer Wealth Report* to focus on Asia, published today (Wednesday 31 August), it provides an analysis of the High Net Worth Individuals (HNWI) in the Asia region.

In the report, Julius Baer said it expects the estimated 1.16 million HNWI's in Asia, with wealth of around \$5.6trn in 2010, to more than double to 2.82 million by 2015, with these individual's wealth expected to triple to \$15.81m over the same period. China alone is forecast to have 1.4 million HNWI's with wealth of \$8.76trn by 2015.

However, Indonesia stands out as having the highest expected rate of growth for HNWI's over the five year period, with an expected increase of 25% - bringing the total number of HNWI's to 99,000, with wealth of \$487m by 2015.

In addition to the report, Julius Baer has launched the Julius Baer Lifestyle Index which aims to capture consumption costs in Asia Pacific and the inherent inflation. The index is based on a basket of luxury goods and services which, according to Julius Baer, represent discretionary purchases of HNWI's in the region. It covers high-end vendors across four major cities: Hong Kong, Shanghai, Singapore and Mumbai.

Julius Baer said the index was up 11.7% for a one year time period until April 2011 indicating clearly that the cost of living in Asia substantially outpaces conventional Consumer Price Index measures, which stood at 5.1% over the same period. The private banking group said the new index will give investors direction in terms of future investment returns required to finance a certain lifestyle as well as an indication of the underlying inflation.

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