

NO FAST BUCK HERE

Quality antiques make a good long term investment for collectors with a mound of spare cash.

THE GULF WAR rages on with no immediate resolution. Uncertainty is at sky-high levels economically, politically and socially, but the general sentiment for investment is still, surprisingly optimistic for most investment areas.

If you are a calculated risk-taker and very rich, look into arts and antiques. In addition to aesthetic appreciation, you will also be saving these 'priceless' pieces for posterity, and fetching a more handsome price many years down the road.

They say you need money to make more money. And rightly so. Thus, investing in art and antiques is not for the wage earners and the 'micro earners'. Mega bucks are needed and sometimes one doesn't even see the monetary returns. Putting money in the treasures of yesteryears for investments purposes is still in its infancy in Malaysia. But if you have the cash to spare, why not?

Dr Hans U Storz, resident delegate at the German Industry & Trade office in Kuala Lumpur, says these art and antique pieces are usually priced beyond the reach of the 'not-so-rich' investors. 'Good pieces are very inelastic in their prices,' he says. Storz himself has been an avid Collector of antiques and art for some 30 years (he inherited a collection from his father and continued to build it up).

Artist-cum-art historian, Redza Piyadasa, who once ran the Saujana Fine Arts Gallery, says there is a growing demand, albeit very slowly, for art and antiques in Malaysia. However, he concedes that the demand is generally confined to 'the rich and famous'. To be known as a collector of art and antiques heightens the status of one's affluence, Piyadasa reckons. In Malaysia, renowned serious art/antique collectors include Arab-Malaysian Merchant Bank's Tan Sri Azman Hashim, Tan Sri Kamarul Ariffin, Datuk Lim Chong Keat, Hijjas Kasturi, Zain Azahari Zainal Abidin and P G Lim.

As a collector, Storz is very much against the idea of speculation *per se* in the art/antique market. He says that one should stay away from investing in antiques unless one also buys it for love of the item. 'Investing in art/antiques is difficult. You should never, never, as far as art/antiques goes, invest in anything that doesn't please you. If you buy a piece without being emotionally involved in it, then you might be disappointed.'

'When you buy a piece of art or antique,' he explains, 'there is a possibility that you may be taken for a ride. But if you truly like the piece you're buying, that will kind of offset your feelings a little if you are cheated. If you're buying it to resell, than the fake piece might not fetch the price you think it's worth.' What happens then? Disappointment, of course. Maybe a little disillusionment too. Antique investors, take heed.

Piyadasa shares Storz's views. His advice is, 'When you buy art, you should buy it because you like it. Don't buy it to make a fast buck.' The dividends of investing in art and antiques are often not translated into dollars and cents. Storz says that the dividends often come in intangible forms.

For the budding collector and investor, Storz has this to say, 'When you invest, go for the best. Don't settle for second-class pieces. This is expensive. You are also running a risk.' Collectors

agree that for a piece of antique to retain its value and continually appreciate in price, it has to obviously been rare, one-of-its-kind and it must have originated during certain time periods in history. Storz stresses that investors should purchase quality antique pieces as these will never experience price fluctuations even during recessionary periods.

Buying international class antiques and art pieces is a definite investment because there's always a ready buyer should the collector decides to sell later, says Lem Hon Heng, the honorary curator and consultant of the National Museum.

Storz spoke at length about Chinese antiques – Chinese porcelains in particular. He notes that the prices of Chinese porcelains and paintings have gone down considerably. But that is not a green light for collectors and investors to jump on the bandwagon to buy. 'There are a lot of fakes around,' says Storz with a tinge of disappointment.

'Fakes are often beautifully made and for the private collector or investor and it's quite hard to determine a fake from a genuine piece,' Storz adds. He shares a useful tip. 'When buying a piece of an antique, be very careful of the price fluctuation. The prices for genuine pieces are usually fixed, but fakes usually have considerably low prices.' Having good taste, knowledge and experience is no guarantee against buying forged or faked items.

Most fakes are made in Thailand, Indonesia and Hong Kong. With modern technology, forges have become so adept that even experts have difficulty determining the authenticity of the item, he points out. As such, sometimes even dealers and collector themselves are unaware that the items they have are nothing more than fakes. That's the risk when you take investing in antiques.

Dr Othman Mohd Yatim, curator of Oriental and Islamic arts at the National Museum, says that new collectors are the ones that often fall victim to sellers of fake antiques. He says lack of knowledge and the eagerness to collect make them easily attracted to low prices and the chances of ending up with a fake piece is high.

AS MALAYSIA IS still very much a novice in the art/antique business, and with the absence of established auction houses, the risk is even higher. However, the percentage would be lower if the items are bought from auction houses such as Christie's or Sotheby's in New York or London. Malaysia is not a developed antique market unlike Hong Kong, Singapore or Tokyo, says Othman. As a result, 'trading' is dull. The market size and worth is also difficult to estimate. Nevertheless, the number of collectors is slowly increasing, and people are more aware and appreciative of art and antiques.

Lem says the state of the local art/antique market is primarily a supply and demand phenomenon. 'If you don't have a good supply of antique and art pieces, you generally do not generate a lot of interest. Only good masterpieces could create a lot of interest. We only have a handful of collectors. There is a lack of exhibitions and no long term, established auction houses.'

Malaysia is a 'general' market, Othman reckons. 'Most people here collect a little bit of everything.' There aren't many serious local collectors. Lem, too, observes that most Malaysians are general collector rather than specialised collectors.

The wave of recession sweeping across the globe is sparing very few economies. Even the mighty Japanese economy may be affected if the Gulf War persists for another six months. But genuine antiques and art may well be exempt from the onslaught as they are inherently timeless and priceless. So if you have the cash (and I mean, lots of cash) quality antiques and art are a good bet.