Investing in Luxury Handbags

with

Splint Invest

Risk Category
Moderate

Average Return
13%

Investment Horizon
2-11 years

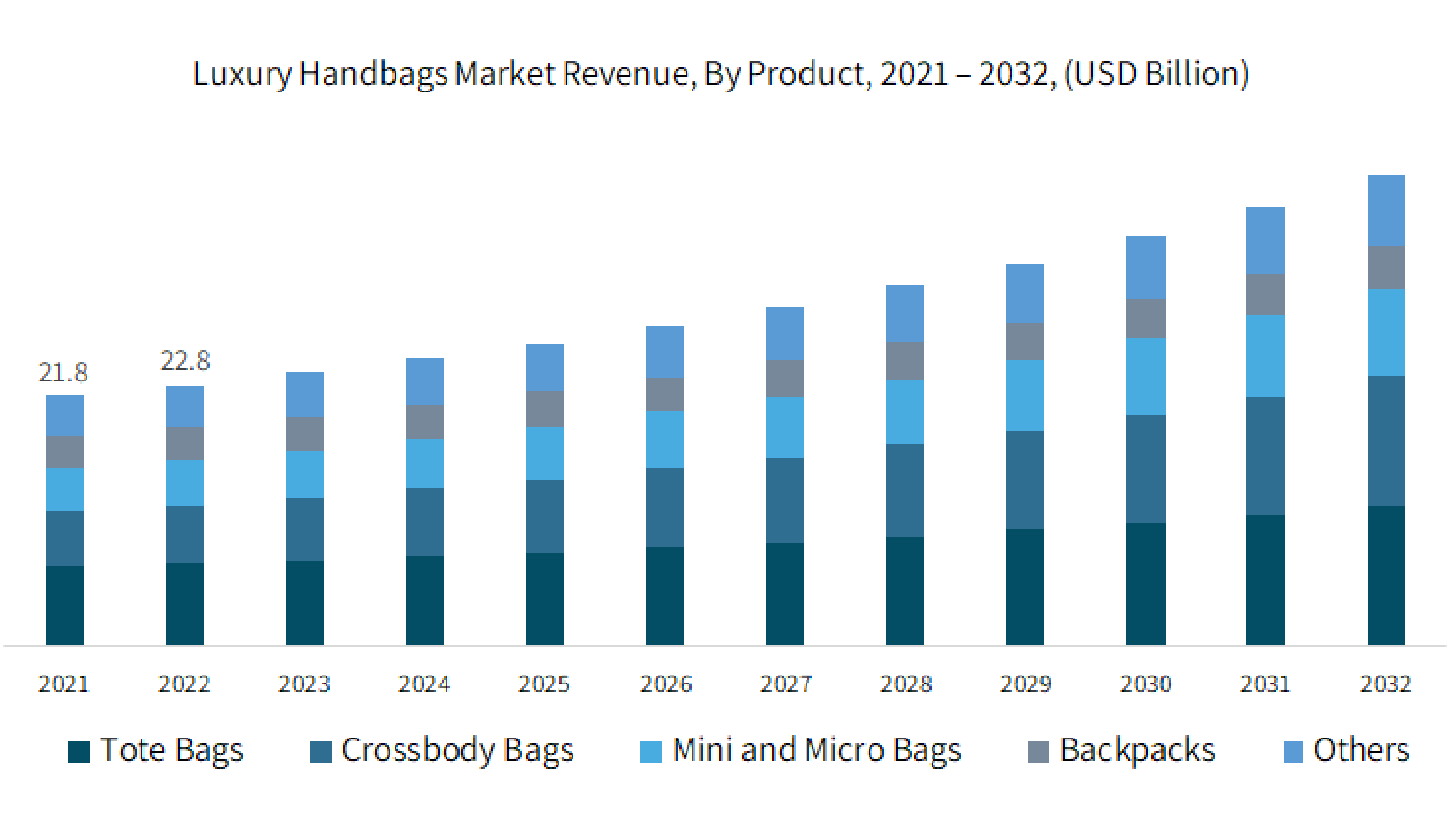
Luxury Handbags as Investment

Investing in Luxury Handbags is a relatively new trend that has piqued the interest of many, including those who have nothing to do with the world of fashion.

Luxury Handbags are an emerging category on the Alternative Investments spectrum with a very high potential to make profits.

The Luxury Handbags market has significantly grown in size in recent 5 years, and it is expected to grow much further.

Luxury Handbags are not directly linked to conditions present on the stock market. They would still be expected to increase in value in bear market caused by recession or inflation.



Global Market Insights Inc.

Low volatility

Luxury handbags are one of the most stable asset class with annualised volatility between 2% and 7%.[1]

Market growth

The global luxury handbag market is expected to reach $41.1 billion by 2032. [2]

Increasing exclusivity

Average prices for designer handbags are up 26% compared to 2019; prices for popular Hermès, Louis Vuitton and Chanel styles are up even more.[3]

[1] Credit Suisse: Collectibles: between passion and investment

[2] Global Market Insights Inc.

[3] BoF: Can Luxury bags Be Smart Investments?

Splint Invest

Market Overview

Market Size

The market is expected to experience a CAGR of 6% until 2032. This indicates that the market value, which was USD 22.8 billion in 2022, would rocket[1] up to USD 41.1 billion by 2032.

Key Countries

France, Italy, USA

Auction House Volume

In 2019 3,500 designer bags were sold at auctions for the total of $32.9 million.[2]

Value Increase

The luxury handbags as an investment category have increased in value by 15% in 2022 and by 74% in the last decade .[3]

Key Brands

Hermès , Chanel, Louis Vuitton

Key Models

Hermès Birkin, Hermès Kelly, Chanel Classic Flap Bag, Chanel Boy Bag, Louis Vuitton Neverfull

Splint Invest

1 DataBridge; Global Luxury Handbag Market 2022
2 Forbes; Designer Handbags are Now a Better Investment than Art
3 Knight Frank; The Wealth Report 2022

Risk Considerations

Damaged item

The handling and storage of the luxury handbags are crucial in maintaining their fundamental value. However in case of unforeseen events such as human errors, a fire or natural disasters, the bottles can be damaged or destroyed.

Counterfeit pieces

Due to the popularity and exclusivity of luxury handbags, counterfeit pieces are not uncommon on the market. As popularity of the category increases, the issue will become even more paramount.

Market conditions

Following a set of due diligence and market research, investment grade assets are identifiable. Nevertheless, the paying the right price for the asset is a challenge and therefore poses a risk of acquiring the asset at a price premium.

ESG

Currently, the entire fashion industry is under the microscope in the context of ESG. CO_2 footprint and usage of water are heavily criticized. This poses an additional regulatory risk. However, in the luxury segment, the margins tend to be much healthier which provides the premium brands with a possibility to adapt while remaining profitable.

Investing with Splint Invest

Diversification

With Splint Invest, you can easily diversify your portfolio, therefore reducing your risk by investing in the 12 already available asset categories with numerous exciting assets on the platform.

Verified Investment Case

Every potential investment case goes through an extensive due diligence process and is validated by our experienced team.

Proven Track Record

The luxury handbags are sourced from our trusted partners with high market expertise and a proven track record for luxury handbag investments.

Security

The assets are securely stored and insured in freeports and vaults.

Performance of our Assets

Best performing asset

Hermès, Birkin, 2013
Annualised performance: **23.4%**

Asset category performance

Annualised performance: **12.72%**

Average value increase

On average, 1,000€ invested 4 years ago would be worth 1,614€ today.

Your Contact Persons

Mario von Bergen
Co-Founder
Head of Investments

For further information contact us at info@splintinvest.com

Splint Invest