Investing in Watches

with

Splint Invest

Risk Category
Moderate

Average Return
0.1%

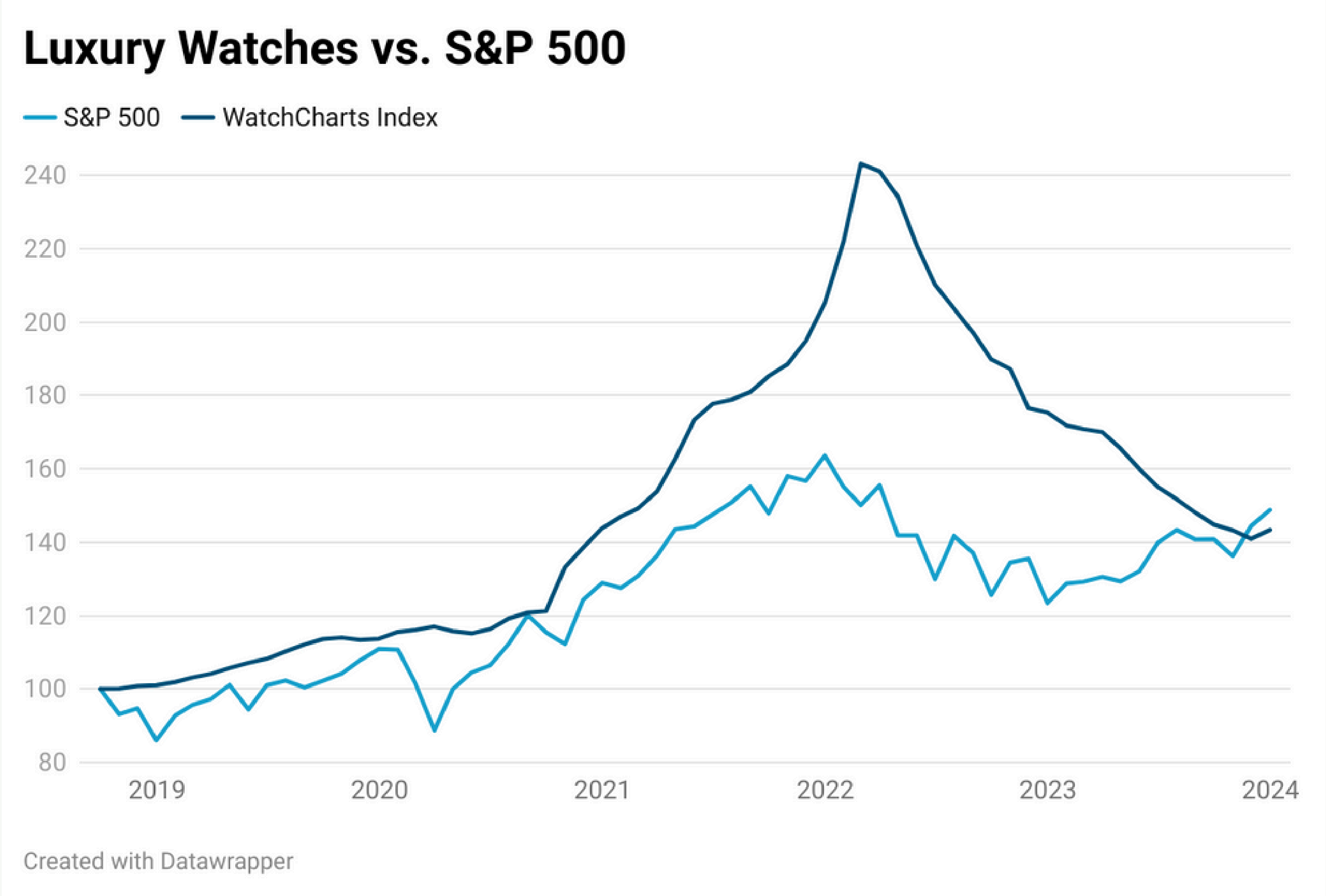
Investment Horizon
3-9 years

Watches as Investment

High-quality luxury watches, especially those from Rolex, Patek Philippe, and Audemars Piguet, offer an appealing addition to existing portfolios and gained traction as investments during the COVID period.

According to reports from the Boston Consulting Group, these watches recorded an average annual appreciation of 20% between 2018 and 2023, positioning them significantly ahead of the S&P 500 (8% per year).

Manufacturers consistently increased base prices, contributing to a robust secondary market. However, in 2023, the luxury watch market experienced a slight annual downturn, likely influenced by global economic factors. Despite this dip, experts expect a swift recovery, reaffirming the enduring appeal and value of luxury watches as investments.



The development of the Watch Index Watchcharts since its inception compared to the performance of S&P 500

Growing collector base

Pre-owned watch sales are projected to hit $30 billion by 2025.[1]

Market growth

The global luxury watch market is expected to reach $78.2 billion by 2026.[2]

Limited supply

Luxury watch brands are limiting their supply; for example, Rolex only produces around 850,000 to 1,000,000 pieces a year.

[1] CNBC: Luxury watch shortage drives growth

[2] GME: Global Wristwatch Market Size

Market Overview

Market Size

The global Luxury Watches market was valued at USD 62.8 billion in 2021 and is expected to reach USD 78.2 billion by 2026.[1]

Key Countries

Switzerland, Japan

Key Brands

Rolex, Audemars Piguet, Patek Phillipe

Value Increase

The value of Luxury Watches has increased by 147%[2] in the last decade.

Key Materials

Stainless Steel, Gold, White Gold, Titanium

Supply and Demand

Increased demand for brands like Rolex, Patek Philippe and Audemars Piguet coupled with limited supply pushed the waiting times for a new watch to more than 1-2 years.

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[1] GME: Global Wristwatch Market Size

[2] Knight Frank: The Wealth Report 2021

Risk Considerations

Damaged watches

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

Counterfeit watches

Due to the popularity and exclusivity of luxury watches, 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.

Investment case

As it is with physical assets, fees and taxes apply. The higher the value of the asset, the higher these costs are. Hence when purchasing, the potential income should exceed such costs for the invesment to be valid.

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 watches are sourced from our trusted partners with high market expertise and a proven track record for watch investments.

Security

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

Performance of our Assets

Best performing asset

Rolex GMT, Master IIs, Ref. 126719
Annualised performance: **17.8%**

Asset category performance

Annualised performance: **0.1%**

Collaborators

Mario von Bergen

Co-Founder

Head of Investments

The forecasted estimates are based on past performance data. Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, or product made reference to directly or indirectly in this factsheet, will be profitable, equal any corresponding indicated performance level, or be suitable for your portfolio. Due to various factors, including changing market conditions, the content may no longer be reflective of current opinions or positions.

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