

Hermès, Kelly

20cm, Desordre, 2023

Return Potential

An investment of 500 EUR is projected to be worth approximately 735 EUR in 4 years.

Cost-to-Return Ratio

With just 2.7% annual total costs (including exit fees), your net profit could be an impressive 10.1% per year.

Collector's Appeal

The Kelly Desordre has become a sought-after item at auctions in 2023, driven by robust collector demand. Surpassing expectations, the newest Kelly bag has commanded prices between \$40,000-\$45,000, indicating a significant premium of over three times the retail price.



Fun facts:

The Kelly Desordre, unveiled during the Hermès Women's Autumn-Winter 2022 collection, has swiftly become a sensation among collectors.

General Info

Manufacturer	Hermès
Model	Kelly Desordre
Year	2023
Size	25 cm
Leather	Epsom-Leather
Hardware	Palladium
Color	Vert Fizz
Condition	New and unworn
Price per bag (excl. external costs and platform fees)	38,400€
Investment Horizon	2 to 4 years
Asset ID	a1cd95c8-c11c-4bcd-b1ee-6c828fcf8f38

Cost Analysis

	Value in €
Asset Value	38,400 €
Platform Fee Splint Invest	2,350 €
External Maintenance Cost	500 €
Price	41,250 €
Number of Splints	825
Price per Splint	50 €

- The price of 41,250 € includes the Splint Invest platform fee and external maintenance costs of 2,850 €. 38,400 € can be allocated to the asset.
- Splint Invest will charge an exit fee of 2 % applied to the proceeds from the sale of the asset.
- Each Splint holder bears a proportional part of the costs.

Rating



Return

The average annual increase in value of the sought-after Birkin bags since 1985 is at 14.2%.

According to the 2023 wealth report of Knight Frank, the prices for collectible handbags increased by 74 % over the last 10 years.



Stability

The production volume is kept at a low level by Hermès. This leads to annual price increases of 5 up to 10 % for the primary market of Birkin bags.

The prices on the secondary market follow the increase on the primary market.

The annual production of the Kelly bag is around 20,000 pieces.



Track Record

This handbag was launched in 1935 as Sac-à-Dépêches. The actress Grace Kelly fell in love with the bag. Many customers subsequently spoke of the Grace Kelly bag, after which Hermès renamed it the Kelly bag.

Quality is of the utmost importance, and the production time is 40 hours per bag.

Investment Horizon of 2-4 years

Forecast per Splint in €	2 years	3 years	4 years
Ambitious	61	69	78
Balanced	59	66	75
Defensiv	52	53	54

The investment horizon has been set to 2 to 4 years.

- The investment horizon has been set at short to medium term. It is expected that Hermès will continue to increase prices by 5 to 10% annually and that prices on the secondary market will, therefore, also increase. At the same time, demand in the Chinese market is expected to continue to grow.
- If one of the following two conditions is met, the sale of the asset is considered:
 - End of the defined investment horizon has been reached.
 - Ambitious case already occurs before the end investment horizon.

Your Return Potential

	Value in € defensive	Value in € balanced	Value in € ambitious
Expected gross sales proceeds at maximum maturity	44,550 €	61,875 €	64,350 €
- Splint selling fees of 2%	-891 €	-1,238 €	-1,287 €
- External maintenance cost	-500 €	-500 €	-500 €
- Splint Invest platform fee	-2,350 €	-2,350 €	-2,350 €
- Asset value at acquisition	-38,400 €	-38,400 €	-38,400 €
Expected return at maximum maturity	2,409 €	19,388 €	21,813 €
Average annual rate of return	1.4%	10.1%	11.2%

Details to weighted calculation of the average annual rate of return:	Defensive Scenario	Balanced Scenario	Ambitious Scenario
Base value 1 with a 50% weighting	12 month inflation rate Switzerland (1.4%)	Average annual appreciation of Birkin Bags over the last 35 years. (+14.2%)	AMR Handbags Index, Performance 2022 incl. price premium for special edition bags (+17%)
Base value 2 with a 50% weighting		2023 Hermès Kelly Desordre Sellier bags (hermes.com) price increase (+10,52%)	2023 Hermès Kelly Desordre Sellier bags (hermes.com) price increase (+10,52%)

Why you should invest

1. 14.2% annual increase in value since 1985.
2. Auction prices over 3 years have shown average annual price increases of 14.5 %.
3. This asset has a yearly growth potential of 9%.

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