

Hermès, Kelly

Clouté, Black Box, Palladium Hardware, 2023

Return Potential

An investment of 500 EUR is projected to be worth approximately 706 EUR in 4 years.

Cost-to-Return Ratio

With just 2.5% annual total costs (including exit fees), your net profit could be an impressive 9.0% per year.

Limited Edition

Released as a limited edition as part of the FW 2023 collection, these studded design bags were released solely in Mini Kelly and Constance in limited quantities.



Fun facts:

Hermès fans know that Hermès generally does not do “embellished”. The classic and limited edition designs extend only as far as intricate inlays of different leathers, etchings, and even some cool paintings. But this? This is extremely rare.

General Info

Manufacturer	Hermès
Model	Kelly Cloutè
Year	2023
Size	20 cm
Leather	Box Leather
Hardware	Palladium
Color	Black
Condition	New and unworn
Price per bag (excl. external costs and platform fees)	68,750€
Investment Horizon	2 to 4 years
Asset ID	35a5c393-2769-419f-8956-5482fbf61c23

Cost Analysis

	Value in €
Asset Value	68,750 €
Platform Fee Splint Invest	4,150 €
External Maintenance Cost	500 €
Price	73,400 €
Number of Splints	1,468
Price per Splint	50 €

- The price of 73,400 € includes the Splint Invest platform fee and external maintenance costs of 4,650 €. 68,750 € 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



7/10

Return

According to a study by Art Market Research, the value of Birkin bags has increased by an average of 14.2% per year Since 1980.

As per Knight Frank's 2023 wealth report, prices of coveted handbags have surged by 74% in the past decade.



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Stability

Hèrmes maintains a low production volume, resulting in annual price hikes of 5 to 10% for Birkin bags in the primary market. According to a report by The RealReal, the secondary market prices of Hermès bags has increased by 27% over the past five years, demonstrating their enduring appeal and investment potential.

The Kelly bag has an annual production of approximately 20,000 pieces.



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Track Record

This handbag was introduced in 1935 under the name Sac-à-Depêches. It caught the attention of actress Grace Kelly, who developed a fondness for it, notably using it to conceal her pregnancy from the paparazzi, contributed to its allure and mystique, following widespread customer acclaim referring to it as the Grace Kelly bag, Hermès decided to rename it the Kelly bag.

Box leather is one of the oldest and original crafted leathers for Hermès.

Investment Horizon of 2-4 years

Forecast per Splint in €	2 years	3 years	4 years
Ambitious	60	67	76
Balanced	58	65	72
Defensive	52	53	54

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

- The investment horizon is characterized as being short to medium term. It is predicted that Hermès will maintain an annual price escalation ranging between 5 to 10%, resulting in a proportional uptick in secondary market values. Additionally, there is an anticipated ongoing expansion in demand within the Chinese market.
- 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	79,272 €	105,696 €	111,568 €
- Splint selling fees of 2%	-1,585 €	-2,114 €	-2,231 €
- External maintenance cost	-500 €	-500 €	-500 €
- Splint Invest platform fee	-4,150 €	-4,150 €	-4,150 €
- Asset value at acquisition	-68,750 €	-68,750 €	-68,750 €
Expected return at maximum maturity	4,287 €	30,182 €	35,937 €
Average annual rate of return	1.4%	9.0%	10.5%

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		2024 Hermès Kelly mini bags (hermes.com) price increase (+8,1%)	2024 Hermès Kelly mini bags (hermes.com) price increase (+8,1%)

Why you should invest

1. From 1985 onwards, there has been a consistent annual appreciation in value of 14.2%.
2. Over a span of three years, auction prices have shown an average annual growth rate of 14.5%.
3. This particular asset carries the potential for a yearly growth of 9%.

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