



WISE

When we think of investing, stocks and shares may immediately come to mind, but luxury goods

BUY

like art, jewellery, wine, whiskey, and even handbags can all earn you smart returns on your money.

words Leonie Corcoran

We have all been talking about the gifts that keep on giving for quite a while, but how about a gift that grows a little... or even a lot? No, I am not talking about an acre of native woodland (which you can actually give as a gift through a number of Irish organisations, and what a lovely gift that is), I am talking about giving the gift of an investment to someone special in your life.

While stocks and shares might not seem like the obvious choice of gift for a child, for example, Leanne Malone, relationship manager at Key Capital private wealth management, says it is “not uncommon in the US for parents or grandparents to gift a baby shares to start them on their investment journey early. It is seen as not only fun, but an educational and potentially profitable way to teach kids about the stock market,” she explains. “It can also be a very tax-efficient way to gift cash on a more regular basis (up to €3,000 per year) rather than giving it as a lump sum later in life.”

As well as the traditional asset classes, there are also collectibles, which can be thoughtful presents that could rise in value in future years. For those not *au fait* with investing lingo, collectibles are simply items that can be purchased or sold for more than their original value, considered a type of alternative investment.

Given that the origin of the word “investment” was tailored from the Latin verb *investire*, meaning “to clothe”, it seems appropriate to look towards handbags and jewellery, but it would be remiss to exclude wine, whiskey and art. Expert reports point to rare whiskey as one of the best-performing collectible commodities of the decade, with Irish whiskey proving the best bet with growth of about 500 per cent in the last ten years, and it’s expected to double by 2030.



This year, the return on handbag investments grabbed global headlines and when you look at the figures, it is not surprising. Morgane Halimi, head of handbags and accessories at Sotheby’s, shares some of the most eye-watering figures. “The limited-edition Hermès Mini Picnic Kellys are about US\$14,000 retail, but can reach up to US\$76,000 in auction, and Sotheby’s Hong Kong has sold a Picnic Mini Kelly in Vert Verone for HK\$820,000 (US\$104,000),” she says. “The most coveted Hermès Himalaya Birkins sold for US\$95,000 in the resale market a few years ago, but now you will rarely see any Himalayas falling below the US\$200,000 mark.”

For someone investing in a gift, for themselves or others, brands that have proven to be bankable, according to Morgane, are Hermès and Chanel. “As for Louis Vuitton, it is mostly limited editions, runway pieces or collaborations with artists – such as Louis Vuitton’s Artycapucines, or collaborations with Virgil Abloh and Supreme. Calf leather Birkins and Kellys in desirable sizes (there is a rising trend for the smaller sizes) are

often selling for up to two-and-a-half times their original retail price in auction,” she explains.

There are entry points for everyone online at Sotheby’s (sothebys.com), with prices from €250-€175,000 (at the time of publication). Their auctions are “meticulously curated with a wide range of buyers in mind – from the seasonal collectors to the younger buyers, and some lots are offered with no reserve, meaning the bidding starts from \$1,” explains Morgane.

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When it comes to art, expert Jane Beattie (janebeattie.com) also shares a tip for those thinking of investing at the entry-point level. “If I had €500, I would go to the National College of Art and Design (NCAD) Graduate Exhibition and invest there.” She cautions that you aren’t guaranteed financial rewards on such an investment, but you are investing in a young artist and their career. And there is always the potential for your piece to be highly sought after in the future. At higher entry points, Jane cautions that while “in times of financial turbulence on a global scale, art has historically proven itself to be a good vehicle in which to put your money, it may not yield”.



“If you buy correctly, in a well-advised and informed way, I would hope that the work of art that you buy will hold its value,” she says, as she goes on to share more eye-watering investment pay-offs, such as John Magnier’s purchase of Joshua Reynolds’ “Portrait of Omai” in the early 2000s at a Sotheby’s auction for £10.3 million. He has seen the value increase five-fold, and currently the National Portrait Gallery in London is setting out to raise £50 million to buy it.

Jane’s advice for buying at auction includes being able to accurately discern the condition, quality and provenance of the piece. Doing this requires experience and expertise, which is why she is asked by collectors and investors to assist them in purchasing and



CLOCKWISE FROM ABOVE LEFT Auctions can be a place to find value on contemporary pieces – this 2020 Hermès watch recently sold at Adam’s for €2,750, but retails currently at €5,250, perfect for a future investment. “Portrait of Omai” by Joshua Reynolds. A pair of early 20th century diamond earstuds with an estimated value at auction with Adam’s of €30-€40,000.



divesting their art portfolios. For someone going it solo, she encourages always asking for a condition report. “If the auctioneer doesn’t offer a condition report, ask for one. I also advise people to refine what it is that they like and to learn more about that style or the artist. They can then start to learn more about that specific area and to train their eye,” she says.

Quality, provenance and condition are also important when it comes to jewellery, according to Claire-Laurence Mestrallet, director and head of jewellery and watches at Adam’s auctioneers (adams.ie). Like Jane, she directs buyers to learn more about specific areas. “I encourage people to find what they like, whether it is an era, such as the 1920s, ’30s, ’40s or Victorian; signed pieces (eg Cartier, Van Cleef & Arpels); or coloured stones.” Then you can “start to educate yourself through books and online courses, which will help you to identify what might be a good investment”.

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However, Claire emphasises the difference between recouping your money through a piece of jewellery and buying something as an investment that you expect to increase in value. “If you truly want the piece to grow in monetary value, increased discernment is required. Quality is essential, as is rarity. If you are attracted to rare stones, look for mines that are now closed. For example, think of a Kashmir sapphire. The mines were exhausted in the 19th century so there are a limited number of these stones,” she says, before explaining the attraction of signed pieces, by the big names such as Cartier and Van Cleef & Arpels, but also smaller houses. The inclusion of a signature

LEFT The Louis Vuitton x Supreme Epi Keepall Bandouliere 45 bag originally retailed in 2017 for around US\$3,500, but recent listings have been around US\$10,000.

– or some maker’s marks – adds to the value of the piece, depending on its rarity.

Across jewellery, art and handbags, all the experts encourage buying something that is personally appealing, something that you like, if you are buying for yourself. They also agree that the more you see, the more attuned your eye will become to spotting what might be a quality investment. And seeing these items is not as difficult as you might think. For those interested in handbags, Sotheby’s specialist Aurélie Vassy will be in Dublin for valuation day on November 28th, offering free valuations and advice. Jane advises popping into auction rooms and visiting The European Fine Art Fair (TEFAF) in Maastricht, in March. Ahead of the Adam’s December jewellery auction, there is “an opportunity to see items never before seen in Ireland,” explains Claire. She cites recent sales: a retro sapphire and diamond Tubogas bracelet by Bulgari, circa 1940, that was the property of a noble Italian woman, which sold for €65,000; and a Van Cleef & Arpels mystery-set sapphire and diamond flower brooch, which was consigned by an Irish woman, that sold for €137,500, as particularly interesting pieces people could have viewed. “We are keenly aware that someone may not have the funds to invest today, but they may be investors in the future. They are always welcome to view.”

Speaking to the experts across these sectors was a reminder to this writer of the level of knowledge that is out there and available to us all. Though tempting to go it alone, when it comes to investments, why not let your heart guide you to the collectible that is calling you and then seek out reliable advice... whether it is a gift for yourself or someone else?

Your guide to alternative investments: To read our online mini-series on investing in collectables, scan this QR code



HERE’S TO THE FUTURE: INVESTING IN WINE



At Bubble Brothers Wine Merchants (bubblebrothers.ie) in Cork’s English Market, Billy Forrester notes increased interest in investing in wine *en primeur* (from the barrel). “If stored well and kept in the original boxes from the château, these wines can also be sold at future dates at a profit,” he says. “However, most people buy for themselves to start to build an interesting cellar or as a gift on the birth of a baby or other big occasions – you get a lot of ‘gift’ for €500.”

Billy’s three recommendations from the 2021 En Primeur campaign, which “scored well, will improve and will keep easily for 10–25 years” are:

Château Haut-Bages-Libéral 2021

- Drink to 2045+
- Pauillac 5ème Grand Cru Classé
- En Primeur price: €213 per case of six (€35.50 per bottle)

Château Les Ormes de Pez 2021

- Drink to 2035
- Saint-Estèphe Cru Bourgeois
- En Primeur price: €154.80 per case of six (€25.80 per bottle)

Château Laroque 2021

- Drink to 2040
- Saint-Emilion Grand Cru Classé
- En Primeur price: €162.60 per case of six (€27.10 per bottle)

