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# Alternative Investments – What the Wealthy Choose

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Pontus Silfverstolpe, Co-founder, Barnebys

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At Barnebys ([www.barnebys.co.uk](http://www.barnebys.co.uk)), as the leading global art and collectables search engine, we have been monitoring this front for the past year. It represents billions of dollars of luxury item buying.

Barnebys is the world's leading auction aggregator, monitoring a database second to none of what is selling around the world for record prices and tracking sales of art, antiques and collectables from their 2,000 auction clients in Europe, Asia and the USA. On any one day the Barnebys site hosts almost a million objects for sale.

We have seen that the price level in some of those collecting areas has increased enormously last few years. But of course there are still just a minority of the population that can play this game. Nevertheless, interest in the top end – the very, very best of each collecting category – has gone through the roof in the last 25 years.

There is much evidence in many of our auction house clients around the world of bidding at the highest level for items that are really coveted by the billionaires, and there is no sign that we can see of any lessening of the desire to acquire the ultimate in everything of value.

At the moment, the main action lies with wine, cars, diamonds and watches. Thanks to the increased global market, greater transparency in the auction sector and a favourable economic situation with good growth in major parts of the world, interest in the auction market has increased. Many wealthy people see these new collectibles as a good investment and also a fun investment where the return is more than money in the bank.

These collecting areas have skyrocketed in recent years and growth has been enormous. Many millionaires have discovered the pleasure and excitement of the auction market thanks to these categories – cars, wine, watches and jewellery. Meanwhile other people have become millionaires thanks to their forgotten treasures in the attic or the basement.

### Classic Cars

The number of classic cars sold at auction every year keeps on rising, so if you are looking for something classic, auction houses are a very good place to start your search. Top classic car auction houses include RM Sotheby's, Bonhams, H&H Classics, Gooding & Co, Barrett Jackson, Artcurial, Aguttes, Russo and Steele.



1962 Ferrari 250 GTO, sold at auction in August 2018 for a record £38 million.  
Photo: RM Sotheby's

The most famous automotive brands like Ferrari, Porsche, Aston Martin or Bugatti, to name just a few, have been attracting a broader audience each year and are the object of fierce auctions. With the internationalisation of auction houses sales are increasing and spreading all around the globe.

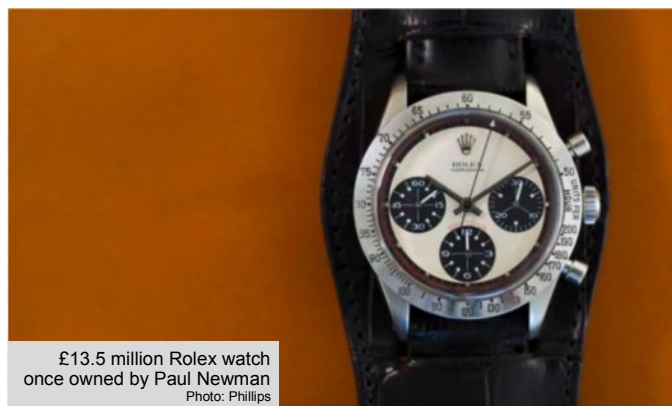
According to *The Wealth Report* published last year (2018) by Knight Frank, classic cars are, in the long-term, a better investment than art and show an impressive progression of 334% over the past ten years. A good example of the strength of this sector is the 1962 Ferrari 250 GTO, which sold at auction just a month ago in August for a record £38 million.

### Watches

Not since the Renaissance has the fascination with watches been as great as now says Barnebys, the world's leading auction search engine which offers 65 million prices achieved at auctions worldwide.

This astonishing database is a goldmine for tracking down trend information and currently the watch market is going ballistic according to Barnebys figures. Barnebys-affiliated auction houses and traders offer approximately one million searchable items daily.

It's the exclusive watch brands that are the hottest ticket on the auction market which continue to make records at auction. This classic status symbol worn on one's wrist has become a popular collector's item and is now one of the most collectable of categories which include wine, cars, art and antiques.



£13.5 million Rolex watch once owned by Paul Newman  
Photo: Phillips

The most searched for watch brand is Rolex, followed by Omega and Patek Philippe. Unlike most other collecting areas, wristwatches attract a younger audience. Over 90% of the searches on Barnebys are made by men between 18-34. But more and more women are also looking for exclusive wristwatches. Today, the watch market is one of the hottest in the auction world.

Paul Newman's legendary Rolex "Paul Newman" Daytona sold for £13,545,848, a new world record for a wristwatch at auction. The timepiece sold to an anonymous bidder on the phone after 12 minutes of spirited bidding at Phillips in New York 2017.

## Jewellery

Jewellery has continued to perform well over the past decade. Jewellery is as subject to fashion as any other commodity says Barnebys and jewellery from the 1960s and 1970s is extremely desirable at the moment.



This fancy Vivid Pink diamond sold by Christie's last year for £38.3 million was described as the Rolls Royce of diamonds.

There is also a real interest for art deco jewellery, viewed by collectors as small works of art. But it is the great white diamonds, the coloured diamonds, the coloured gemstones – sapphires, emeralds and rubies – and the very best pearls that are currently commanding the most excitement in auction rooms.



This 27.68-carat Kashmir sapphire and diamond ring, The Jewel of Kashmir, sold for £5.4 million at Sotheby's in 2015

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## Wine and Whisky

There has been something of an earthquake in the wine world with the major sales now taking place in Hong Kong where enormous air conditioned cellars keep premier crus cool for even cooler customers. Where the world record price for Whisky is now held by a Japanese brand.

A bottle of Japanese whisky sold at Hong Kong's Bonhams Whisky Sale for £261,000, toppling both its estimated sale price and the previous world record for a single bottle of Japanese whisky. The bottle in question was a 50-year-old Yamazaki, a rare single malt. Yamazaki is Japan's oldest whisky distillery, and first opened in 1923. The Drinks Business notes that the bottle, first released in 2005, is one of only 50 made by the distillery; it was matured in mizunara (Japanese Oak) casks and is "thought to be the oldest Yamazaki on the market."



A bottle of Macallan whisky sold for a staggering £1.2 million in 2018

Considered one of the great vintages of the last century, when it comes to wine nothing has topped the Jeroboam of 1945 Chateau Mouton Rothschild that sold for £236,000 in February 2007 at Sotheby's in New York.



## Handbags – bags of investment value

The value of branded women's handbags have gone through the roof and today are one of the most collectable alternate investment categories at auction say Barnebys.



Current world record holder at £384,000



The new world record is held by a matte white Himalaya Niloticus Crocodile Diamond bag by Hermès Birkin designed by Jean Paul Gaultier. It sold for £384,000. It was described as the "rarest, most sought-after, most valuable bag." Only one or two of the Diamond Himalayas are produced each year.

So next time your partners says that she wants a handbag and the price horrifies you, just think that it may in fact prove to be an investment.

[www.barnebys.co.uk](http://www.barnebys.co.uk)

## About Barnebys.co.uk

### Welcome to the world of art, antiques and design

We have created Barnebys ([www.barnebys.co.uk](http://www.barnebys.co.uk)) for all of us who seek the unique.



(left to right) Pontus Silfverstolpe, Head of Content and Co-founder, and Christopher Barnekow, CEO and Co-founder

Not long ago, both patience and knowledge were required in order to browse auction catalogues or to find something special from a dealer as these businesses targeted a small circle of customers. That has, however, changed and globally people are discovering art and antiques for themselves. This means that there was a whole world of new buyers wanting to access the art and antiques market.

The idea behind Barnebys was first conceived in 2011, when we ourselves realised how difficult it was to navigate in the world of auctions and art. A search on the internet gave pretty much nothing, and certainly not access to the full art market. In the autumn of 2011, we launched a test version of our service in Sweden, and only a couple of months later most Scandinavian auction houses were available with a single search. It was revolutionary, and we have continued to affect the market ever since.

A lot has happened since the launch, and we are now in place in the US, UK, Sweden, France, Germany, Italy, Spain and Hong Kong. Every day new auction houses and dealers affiliates with us, and the number of objects on Barnebys continue to grow.

We are the auction houses' and dealers' best friend. The number of buyers and sellers on the art market is quickly growing. In order for the auction and antique dealing market to grow, it needs to become more available and transparent. That's why we are convinced that our model, where the houses and dealers handle their customer relationships directly and own the deals, is a long-term winner.