

# Valentine's Day – our devotion to jewellery

Ensuring you are properly protecting the things you treasure.

By Karl Constable, Underwriter, Art & Private Client

Whilst 14<sup>th</sup> February may be the feast day to mark the execution of poor Saint Valentine, these days it's all about the exchange of cards and gifts between couples – an impressive £1.6BN is estimated to be spent on this day of romance each year<sup>1</sup>.



So what do you buy your Valentine? Last year, Tatler Magazine ran an article on “Eight truly terrible Valentine's Day presents”, listing cuddly toys, vouchers and balloons as bad ideas – while jewellery, flowers and handbags were on the list of acceptable presents. And although most of us would probably welcome a Steiff bear (considering the large price tags, especially for early 20<sup>th</sup> century examples<sup>2</sup>), it is often jewellery that is the focus of our spending for the big day.

Jewellery has a universal appeal; bringing together precious metals and gem stones in designs by skilled craftsmen. And although we may think of jewellery as being mostly worn by women, the rise of the luxury watch has been an opportunity for men to indulge in these adornments. In fact, the stand out jewellery auction result of 2017 was the sale of Paul Newman's Rolex Cosmograph Daytona, with the gavel falling at £13.5M at Phillips in New York<sup>3</sup>. Newman's then wife, Joanne Woodward, gifted Newman the watch in 1969, which she'd had inscribed with the words “DRIVE CAREFULLY ME” - a heartfelt message following Newman's motorcycle accident years earlier.

While Newman's timepiece set a world record for a wristwatch sold at auction, the record for any watch in the sales room is still held by a Patek Philippe pocket watch, which sold for 23,237,000 Swiss francs on July 10<sup>th</sup>, 2014 (around £18.3M)<sup>4</sup>.

When it comes to jewellery, it's not just watch sales that hit the headlines in 2017. Christie's auction house's jewellery department realised more than \$556M in global sales in 2017 with nine world auction records set - the majority for gemstones. One stand out result for Christie's was the sale of an Art Nouveau pendant necklace by René Lalique which sold for \$978,000<sup>5</sup> setting a new record for an Art Nouveau jewel.

There's no doubt that a significant amount of the £1.6BN of the money spent last year on Valentine's day went to the jewellers of Bond Street, but the gifting of jewellery as a symbol of love is certainly nothing new. The Victoria and Albert Museum boasts one of the most comprehensive collections<sup>6</sup> in the world, showcasing jewellery through the ages, documenting our devotion to jewellery from the Middle Ages through to today.

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With all forms of jewellery last year breaking records, from watches to diamonds and even Art Nouveau jewellery making a fashionable reappearance, jewellery continues to be seen as a strong investment – and an ever popular gift.

It's a gift worth protecting too. Whether you're giving jewellery as a present or lucky enough to be the recipient, it's an opportune time to consider the value of your collection as a whole. Several well publicised jewellery thefts and losses in 2017 have highlighted the importance of ensuring that the pieces you own are adequately insured for their current replacement value. And with the market so strong, there's a good chance prices have gone up. After all, it's not only unique pieces that may have increased in value thanks to the rising price of precious metal and gemstones. Brands such as Rolex have also increased their prices in the last 18 months, meaning that the replacement for a like for like item may well now be higher.

Remember to speak to your broker if you're buying jewellery this Valentine's Day to ensure that you are properly protecting the things you treasure.

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<sup>1</sup> <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/12149827/Lovers-in-Preston-spend-more-on-Valentines-than-anyone-else-in-the-UK.html>

<sup>2</sup> <https://www.justcollecting.com/toys/the-worlds-10-most-expensive-teddy-bears>

<sup>3</sup> <http://www.telegraph.co.uk/luxury/watches/expensive-watches-world/>

<sup>4</sup> <http://www.bbc.co.uk/news/world-us-canada-41787046>

<sup>5</sup> <http://www.christies.com/features/Sell-with-Christies-Jewellery-8495-1.aspx>

<sup>6</sup> <https://www.vam.ac.uk/collections/jewellery>

