



Paris
as of May 18th, 2023

Dear all,

IN SHORT: RICH PEOPLE (ONLY) MARKET ATM

Forget hype because only quality mattered and got highly rewarded. The rest was either soft or unsold. However, the real surprise came from the prices: when high VERY high!

Of course, the elephant in the room was Rolex which is now vastly anticipated to be actively building the collection for their museum. The latter being a public one or not is still unknown. Its buying pressure against some strong hands ended in some astonishingly high results for 6 watches of very good quality. One can wonder the overall mood without Rolex museum's bid.

Now beyond the glitter some of the non "sponsored" Rolex pieces did pretty well too. Especially within Daytonas and stone/gem DateJust-DayDates. Overall, 19 watches sold over the 1m CHF mark. Less than in Nov22 but still very solid and heavily contrasting with the overall market mood. The 500k-1m CHF bucket reveals an impressive concentration of Patek, marking the migration of many very serious collectors into security as always in troubled times. Another striking feature of this season is the colossal rise of FP Journe (partly thanks to Christies thematic auction of course) with 55 watches sold over 100k CHF. Equally remarkable was the collapse of AP with 19 watches sold over 100k (-39% vs Nov22 and -84% vs the anniversary last year). Richard Mille was hardly represented with 6 watches sold above 100k (-72% vs Nov22). The global picture is stable with a total of 285 watches sold over the 100k CHF threshold (only -5% vs Nov22).

As the watch collecting market gets more mature the knowledge about watches has been spreading among collectors and changed the market dynamics. It is now less about icons only but rather watches offering true and underlying values/complications. Combining it with an icon is a winner. Out of the top 25 most expensive watches sold this week end, 22 offered complications and 3 were "time only".

Finally, the hierarchy among auction houses is back to normal with a large dominance of Phillips and Christies (36% and 34% of total sales), then Monaco Legend (14%) reflecting their clients reach, big underperformance of Sotheby's (9%) and finally Antiquorum (6%).

Patek: dominance without any museum bid

	# pieces	Patek	Rolex	Journe	AP	Cartier	Richard Mille	Vacheron onstantin	Breguet	De Bethune	Dufour	Voutilanen	Lange	Others
>1m CHF	19	10	5	3										1
500k - 1m CHF	30	14	6	5	1		1			2				1
250k - 500k CHF	59	18	14	14	3	3	1	1		1		1		3
100k - 250k CHF	177	55	44	33	15	3	5	2	4	2		1	2	11
TOTAL	285	97	69	55	19	6	6	4	4	3	2	2	2	16
		34%	24%	19%	7%	2%	2%	1%	1%	1%	1%	1%	1%	6%



TOP 5 per value: The #1 position of the podium goes to the flamboyant Rolex Daytona 6270 (3.7m CHF) followed by a Patek 2499 second series in pink gold (3.2m CHF). #3 was a sumptuous Patek 2523 Heure Universelle (3m EUR). Then comes the FP Journe Toubillon souscription 2/20 (2.7m CHF) and finally another Patek 2499 first series this time (2.36m CHF). This reference confirms its grail status of most wanted within collectors worldwide.

Podium per brand: with 34% of watches sold above 100k CHF and no thematic auction or museum bid Patek is the uncontested winner of these auctions. The manufacture represents half (!) of the 49 watches sold above 500k CHF. Rolex comes second thanks to spectacular quality vintage pieces offered during the week end and the fierce bidding they managed to attract. The brand also represented 24% of the watches >100k CHF. Finally, FP Journe is a very clear #3 with a significant presence in all the price buckets and of course for its total of 19% (55 watches) of total >100k CHF. AP, Cartier, Vacheron, Richard Mille and Breguet are far behind.

	# pieces	Phillips	Christies	Christies Thematic	Sotheby's	Mocaco Legend	Antiquorum
>1m CHF	19	6	6	3	1	3	
500k - 1m CHF	30	18	4	3	1	4	
250k - 500k CHF	59	18	17	9	2	9	4
100k - 250k CHF	177	62	34	22	21	25	13
TOTAL	285	104	61	37	25	41	17
		36%	21%	13%	9%	14%	6%

Auction house premium

We covered that topic in previous take away. It was less obvious this time around even for comparable mainstream pieces.

Rolex

The representative of the brand was bidding and spent a good 12m+ CHF to catch top quality pieces. This can support further supply of sublime pieces for future auctions. Except for the Killy 6036 in rose gold (571k) and the seldom seen Explorer 1016 albino (101k) which were both in okay condition the 6541 milgus, 6270, 6241PN JPS and 6263-8 were really mint/NOS (new old stock). They achieved respectively 2.2m, 3.7m, 2.2m and 312k.

Daytona: No thematic auction for the Daytona's 60th birthday from any of the auction houses. It was so obvious that nobody did it. Now when you take the top 20 most expensive Rolex sold 15 of them were Daytonas! They were strong across the board. Vintage and modern. Especially if gem set. As always quality Paul Newman easily found their buyers and prices are relatively easy to understand with all 6239PN, 6241PN, 6262PN, 6264PN in steel now within a 200-350k range for good examples. Any special dial variants command substantial premium. 18k Gold 6241-8PN champagne dial traded 762k. The black dial version (JPS) did 2.2m but the rarer 6239PN JPS of Antiquorum did not sale as its imperfect dial prevented buyers to bid beyond 750k.

Among non-Paul Newman Daytonas it is interesting to note that 6240 are still not in favor unless they have a proof from Rolex they were born with that reference (a service would prove that).



Gold 6265/8 traded higher. Gold 6263/8 had their NOS champion at Antiquorum hitting 312k and a bad relumed representative at Sotheby's that did 190k. Big Red results were not representative of the renewed bid we observe in the market as the Sotheby's specimens were not great and performed poorly (76-83k range).

Zenith: lower. All Porcelain 16520/16528 and Patrizzi were basically down ~30% vs Nov2022. The 4 lines of Christies was unsold. Nice pieces such a double signed Tiffany on a floating configuration did 152k and the incredibly attractive purple Asprey 16528 did 355k. If anything the mainstream be they in gold or in steel were actually stable.

Stone dials: they continue to trade very well as they offer to collectors exactly the sort of fun they like with an immense variety and colorful configurations and dials. The DateJust and DayDates are the most usual vectors of these sorts of dials but gem set Daytonas are also in very high demand with all rainbow trading between 420k and 479k CHF.

Time Only Rolex (Submariners/Sea-Dwellers/GMTs/Explorers/Milgauss): numbers have spoken. Out of the 69 Rolex sold above 100k CHF, only 10 of them (14%!) were time only. If you exclude the above-mentioned stone/gem set ones and the very special and unique piece that use to be the property of former Rolex CEO ie. the 11620PT YatchMaster from Monaco Legend which made 2.3m EUR you are down to 6 pieces above 100k. Not much. Among them the NOS Milgauss 6541 from Phillips, two "Polipetto" 16600 (celebrating the 50th anniversary of the diving corps of Italian state police) at 210k with Phillips and 338k (NOS) with Monaco Legend. A very nice sea-dweller 1665 quaboo which disappointed at 252k. A nice (not perfect) early GMT 6542 at 178k. A honeycomb/stelline index 6098 at 126k (always around these levels) and finally the Albino explorer 1016 which was bought by the Rolex Museum. Only 2 important Submariners were listed: a 5517 Milsub at 252k and big crown tropical 6538 at 188k. At first glance the 5510 tropical from Antiquorum looked nice but it had some space between the dial and the edge (hmm). All the others were Daytonas or chrono. No change seen in prices of the "mainstream" Rolex trading below 100k CHF.

Patek

Big monsters: 2499, 1518, 2523 continue to reign on the top of the watch collectability chain achieving huge prices (3.2m, 3m, 2.36m, 1.74m, 1.5m...). Their grands complications heirs such as the minutes repeaters QP or tourbillon 3974G, 5208P, 5016R, 5531R, 5074P, 1579P all scored big numbers way above the half million mark for each.

Perpetual calendar and Neo-vintages: the 3940 reference doubled over the past two years. It is no longer overlooked and its perpetual calendar complication remains an excellent value for money. Finding rare variants is sought after. In that respect the 292k CHF made by the 1st generation 3940J Beyer doré dial was relatively timid 292k CHF due to a polished case (no hallmarks seen) while its non-rare sibling 3940R achieved 61k. I am still looking for a white metal 1st generation dial myself.

The 3970 are experiencing the same hype at an even higher level. There is some sort of urban myth that the reference is the "5th series of the 2499". 1st generation and white metal 2nd generation or 3971 are in strong demand trading in the 200-250k CHF range during the weekend. Special order dials are still super strong achieving 571k CHF at Phillips for a relatively non funky black one (lot 95).



5004 are in a way the “supersized” version of the 3970 thanks to its split-second complication. These were very strong with the pink gold hitting 330k CHF and the steel version 940k CHF. They also doubled in the last 2 years.

The relative losers of that neo vintage category are the perpetual calendar chrono 5970. The white gold version sold for as low as 171k CHF while the platinum black dial was okay-ish at 260k CHF. These albeit flashing a much more modern design than the classic 3970, offer a supplementary complication and very balanced timepiece. Probably a good time to switch into these.

Calatravas: en vogue! The black 2526 from Phillips did 228k. The NOS 2577 pink gold 203k. The 2526P with diamond index 165k. Even less important ones did well such as 2508R pink dial (77k), the very nice 130J with Breguet numbers (63k) and even the 130J (65k) with a restored dial by Patek.

Nautilus: 3700 were soft although one could observe some contrasting results depending on rarity and quality. For example, a 3x difference between the perfect 3700AJ of Phillips (165k) vs Christie’s ones (50k) while a good one at Sotheby’s did 114k. Gold 3700J were weak. Except for Monaco Legend’s mint one with a rare gold dial (“gold on gold” configuration) at 416k. All the other did poorly and traded pretty flat to the steel ones. The never seen before gold MK1 dial version of Monaco Legend did a nice 338k but the quality of the dial prevented it to fly. Finally the iconic steel version did not have a perfect representative. Phillips’s had a great one except for the replacement bracelet/clasp but it still managed to achieve 152k. Christies’ one was beaten up and made 120k. Of course, the Khanjar remains super special and has to be treated separately as its price of 1.3m EUR reminds us all!

We noticed that the medium size 3800 is attracting more collectors’ demand if it is a 1st series configuration with black date wheel. The one from Phillips in steel achieved 82k while the 2nd series in yellow gold from Monaco Legend scored only marginally higher at 88k.

It is fair to say that steel Nautilus had their fair share of indigestion of the past 18 months thanks to the launch of the farewell 5711A green dial plus finally the 5711A blue Tiffany (keeps going down now 2.2m) and the immediate launch of the 5811. Even the relatively rare 3712A traded 107k CHF at Christies and the magnificent 5740G still in production now trades down in the 200-250k CHF range. Bottom fishing some special or great 3700 makes a lot of sense. Think medium and long term and remember the original 3700 turns 50 in 2026. Too big not to be celebrated for an icon.

Aquanaut: close to no contender for the neo vintage references 5060, 5065, 5066. We know they weakened vs last year but no tritium version offered. Some good opportunities to seize in the market at the moment. Their modern counterparts were stable with 5168G khaki trading 82k CHF twice and 5164A at 76k CHF. The ultimate version of the Aquanaut is the advance research 5650G and is still very well bid with 2 specimens trading 480-500k.

AP: pockets of life after the crash

Uber rare vintage AP such as 5514BA or the 831 attracted massive bids with 221k CHF and 736k CHF respectively.



Quantieme Perpetuel (QP) seem to have now bottomed as they did trade. The quality pieces of Christies even scored okay with 352k CHF for the beautiful MK1 blue MOP in platinum and 277k CHF for the MK1 skeleton also in platinum. The 25820PT which is the leap year version also in platinum to ease comparison achieved 189k CHF. The pink gold leap year made for the 120th anniversary managed to get away with a nice 216k CHF. Interesting to note the price hierarchy between the early QP (non-leap year) and later (leap year) finally makes sense. Round shaped QPs also traded: classic ones in the 13/16k CHF price range, special ones such as skeleton dials, salmon or clover in the 52k/68k CHF range. Back to reality but they sold.

Most 5402s however remain in total lethargy. Gold ones resisted better but steel versions are completely missing in action. The rare white gold 5402BC hit 208k CHF at Monaco Legend. Although a lower print vs last year 250k CHF level (-17%), it looks healthy compared to its yellow gold siblings trading prices at 90-110k CHF. The only 5402st A series we saw trading thanks to a low reserve was Christie's poor quality and naked one at 53k CHF. The market is simply not ready yet to swallow the correction on quality pieces.

Cartier

Very few lined up but still super solid. Crash in the 200-317k range (stable to higher) depending on metal and condition (no London this time). The superb 100 years old tank cintré in platinum with a restored dial fetched an impressive 302k! Oval maxi London 237k. Tank obus savonette 150k. The new edition of the Pebble 107k (2.5x the retail).

FP Journe

After an impressive rise and acceleration over the past years the brand entered in some kind of maturity age with collectors. Price peaks are probably behind us for now until a larger audience is found. Nonetheless the relatively big amount of FP Journe offered during the week-end managed to find their buyers. Among exceptional specimens the second souscription Tourbillon (2nd/20) sold for 2.7m, pre-souscription Resonance sold for 1.37m and the hypnotic Jade dial platinum Tourbillon sold for 1.13m. Solid.

We observe some kind of price structure hierarchy unfolding. Tourbillon are slightly more popular than Resonance while the latter remains THE signature of the manufacture. Platinum trades over Rose gold and stone/special dials command a 2x premium. Within Tourbillon, brass movement are praised with a rare platinum with pink dial selling for 50% more than a platinum with yellow gold dial (768k vs 504k). More "common" Tourbillons in rose gold traded in the 355-381k range. Within Resonances, brass ones are the most expensive (290-420k range this week end), then Ruthenium (one sold for 533k), then the transitional Resonance Nouveau (226-252k this week end) which is actually the least produced hence it is the one I picked for the inventory. Then Resonance 24h and "Park Meter" (190-220k) and finally the 3rd generation.

Turtle shaped Vagabondage still trades 260-300k and even the "ultimate quartz watch" the Elegante 48mm which shares the same shape did very well with 57k in Titalyt (I happen to offer one at 42k if anyone is interested!).



Centigraph ranged from 139k for the “entry level” in titanium to 529k for the Ferrari version. All classic Octa variants sold between 107k and 227k while the rare MOP respected the 2x premium with a 390k score.

Lange

Although the reborn German brand did not escape the global softening it managed to maintain decent value. The ones offered at Phillips resisted quite well and sold above their estimate. Special Pisa Datograph achieved 228k. Lange1 ranged from 89k for the early platinum 101.005 to 57k for the market’s favorite blue color dial version 101.027. Surprisingly black dials Lange1 seem not to be popular with the once hype “Darth” 101.035 trading 42k at Antiquorum and its yellow gold sibling 101.031 sold for 25k at Sotheby’s. Datograph in platinum traded uniformly 70k everywhere. For memory this is the reference a master such as Philippe Dufour bought for himself. All things being equal, Lange’s quality and finishing is so good, production was low and prices are still very reasonable which makes me believe they are poised for a rebound. The one surprise was the bad performance of the 101.027X which has the same configuration as the uber rare steel version and traded 53k only.

Independents

The comparison with modern art stands. The fight for the Biver unique piece was laughable and ended up at 1.27m. People do not want to repeat the mistake they made with FP Journe at his debut when his genius was ignored. Only difference is that Biver is not exactly a rookie and ALL the details of the watch have been thought out in order to maximize the value: titanium, domed shaped obsidian dial, carillon minute repeater, tourbillon, hand finished movement... A “max plus” watch.

Dufour Simplicity sold for 762k (seems to be the standard tariff now) while his 2nd ever made (pocket) watch sold for 889k. Smith series 1 sold for 730k. Greubel Forsey x Urwerk sold for 406k, Voutilainen minute repeater achieved 343k, DeBethune DB15 sold for 267k.

All these have found their audience thanks to a great education work made mostly by Phillips. High prices reflect essentially the very small production as their design is often not for everyone. One of the best example is Daniel Roth with their very thick ellipsocurvex shaped case while the dial largely retained their inspiration from the year the watchmaker spent with Breguet.

Vacheron Constantin

Each time VC manages to do a “coup” during the auctions. This time it was the popular 222 reference which unveiled a previously unknown (even to the brand itself) white gold specimen sold for 571k.

Richard Mille

No firework for RM this time (remember Jean Todt’s collection last November). One RM004 sold for 378k and five other “mainstream” RM sold for around 100k each.



Not sure how healthy this market is I do not follow it and I am quite ignorant about it. Buyers just seem a very different population than any of the other watch collector we know and the “correlation” with crypto assets do not seem that obvious.

CONCLUSION

During each troubled economic periods Patek is a clear shelter. This time is not different and as the market horological knowledge has increased, more collectors – including wealthy ones which are not sensitive to cycles - appreciate the complications of the timepieces offered by Patek. Some will argue that Rolex Museum somewhat distorted the price action representing an estimated 10% of the total value sold but you can also consider this will continue in the future as they are only starting. This encourages top quality as is a very good thing. Let’s face it, it’s tough for the rest though!

Collectors want some true underlying complication for their money. As far as icons are concerned, they need to be flawless or ready to suffer a significant haircut. That being said that leaves some fairly obvious choices for me that should materialize over the next 24 months: Patek 5970 over 3970, Breguet from the 1990s using same Lemania movement than Patek and trading at a fraction of the price. Any rare Patek with some complication. Daytona forever (Paul Newman, Big Red or even better rare ones). Stone dials are already pricey but they are fun (a word no longer in use it seems) and refreshing although culturally not for everyone. Bottom fishing: iconic Royal Oak trying to find special variants (impossible during hype periods), same for Nautilus 3700s which offer the security of the 50th anniversary 3 years from now. Lange Datograph or Lange1. Try to enter FP Journe if you can afford it. Sorry I skipped Cartier as I cannot get to it.

Obviously, given the structure of the market no complacency about the quality of the pieces and I prefer seizing an expensive popular rare watch with a high appreciation potential in the medium run than several mainstream watches that are unlikely to seduce important collectors. All the above presupposes you love watches which is the best downside protection!

Best regard,

Teddy