

Guide to insuring your jewellery

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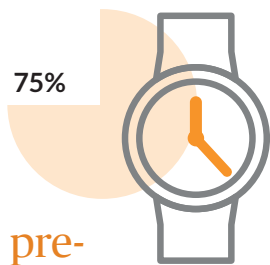
A close-up photograph of several luxury watches arranged in a display case. The watches are set in individual compartments of a light-colored, possibly leather or suede, lined case. The watches vary in design, including a prominent gold-toned chronograph watch with a white dial and a rotating bezel, and a silver-toned watch with a white dial and a date window. The lighting is soft, highlighting the metallic finishes and the intricate details of the watch faces and bracelets.

Policies, services,
and more

Why it's important to protect your jewellery



Online sales of diamond jewellery grew from 14% of U.S. diamond sales by value in 2015 to 30% in 2022.¹



The pre-owned luxury watch segment is expected to grow by 75% by 2030 fueled by Millennials and Gen Z.⁵

Jewellery and watches continue to be top collectibles, as people buy online

Since 2009, the fine jewellery and watch market has seen a steady overall increase and is expected to see greater growth thanks to e-commerce. In fact, online sales of diamond jewellery grew from 14% of U.S. diamond sales by value in 2015 to 30% in 2022.¹ That may be, at least in part, because auction houses are now actively using online engagement and social media as part of their sales strategy. Online-only sales accounted for 66% of all Christie's new buyers YTD and luxury remains as the number one entry category for new buyers.² Sotheby's reported nearly 50% of bidders in the luxury category were new to the auction house in 2022³ and Phillips similarly saw first-time buyers across online-only and live auctions reach 47%.⁴ In addition, the pre-owned luxury watch segment is expected to grow by 75% by 2030 fueled by Millennials and Gen Z.⁵

Brands are growing in popularity⁶

Luxury jewellery outperformed other luxury categories in 2021 and continued to post strong sales growth in the first half of 2022. In fact, branded jewellery items accounted for 80% of diamond jewellery sales by value in the U.S. in 2021, and 74% of all jewellery was acquired by high-income (U.S. \$150k+) women in the U.S. While Gen Z accounted for only 4% of luxury purchases in 2020, this generation's share could grow to 40% by 2035.⁷

More women are buying for themselves

Younger women, in particular, are buying diamonds for themselves more than ever before. In fact, more than half of millennial women say they are the primary buyers of jewellery in their households. This may be due to their established careers, tendency to purchase more for non-traditional occasions and buy before they get married, since many are getting married later than previous generations. Women are estimated to control 75% of discretionary spending by 2028 and make up 85% of all brand purchases. Luxury brands especially recognize female jewellery self-purchasers are a pivotal growing market. For example, Audemars Piguet intends to grow its women customer base from 20% to 45% by 2030 by catering to women.⁸

Only a small minority of jewellery purchased is insured

With a diamond engagement ring costing an average of \$6,000⁹, it makes sense for you to have a way to replace your ring or other jewellery if lost, misplaced, or stolen. But, surprisingly, a vast majority of jewellery purchased is left uninsured.



5 reasons to look for the right jewellery insurer

If you don't believe you need to protect your jewellery with insurance, here are a few reasons to reconsider:

1 If something happens to your jewellery, you'll want to be able to replace it

The right insurance can replace your fine jewellery and watches if they are stolen, lost or misplaced. Some policies will replace a pair of earrings, for example, if only one has been lost, and pay a replacement cost of up to 150% of the initial insured amount if the item has increased in value.

2 Your homeowner's insurance may not cover your jewellery.

You may think that your homeowner's policy will cover you if your jewellery is stolen, lost or misplaced. That may not be the case. Typical homeowner's policies cover jewellery only if it is stolen, not if it is lost or misplaced. And most have a maximum limit, so if your jewellery is valued at an amount higher than that, you won't be able to replace it with a similar item. The right insurance policy, specifically for jewellery and other valuables, will provide "all-risk" coverage for most causes of loss, with no deductible. That means, if you break an item, lose it, can't find it, or it's stolen, you'll have coverage so you can purchase another one exactly like you had.

3 You don't need a current appraisal in all cases.

While it may be helpful to have a high quality appraisal for your fine jewellery, a current appraisal is not necessary with some insurance companies. Some premium insurance companies don't require an appraisal unless your individual jewellery item is valued at over \$100,000. They just need a good description of the piece and an estimated value. That makes getting the right coverage easy. They also provide automatic coverage for newly acquired items, so you don't have to worry about adding each new piece to the policy the same day you buy it.

4 With the right insurer, getting your claim payment is a smooth process.

While you may think getting a claim payment for a piece of expensive jewellery will be a hassle, that's not true for all insurance companies. Chubb provides claims service, day or night, no matter where you are in the world. We will issue payment for a covered loss within 48 hours of settlement, and will let you decide whether you want to keep the money or repair or replace your item at the merchant of your choice.

5 Helping you protect your jewellery isn't just about the right insurance.

Getting the right protection to fit your needs is important. But it takes more than a good policy to select the right piece, keep it safe, and make sure it's repaired correctly if damaged. The right insurance company will not only provide you with pricing and coverage options to fit your needs and lifestyle, but will also have additional risk management resources you need. For example, one company can help you find quality appraisers and jewellers, locate hard-to-source gemstones, and provide security assessments to help you ensure your jewellery is as safe as possible when in transit and in your home.

Helping you protect your jewellery

With the markets for jewellery and watches seeing continuous change, it's more important than ever to protect your valuables and ensure that they can be replaced if they are stolen, broken, lost, or damaged. Chubb's Masterpiece Valuable Articles coverage provides superior coverage, unparalleled claim service, and the peace of mind you need.

For more information, please contact your broker or visit chubb.com/ca-jewellery

Chubb is a premium insurer that specializes in serving successful families and individuals with more to insure. With over 100 years of experience in 54 countries around the world, Chubb has a history of finding ways to say yes and ways to do more for our clients.

¹<https://www.debeersgroup.com/reports/insights/the-diamond-insight-report-2023>

²<https://press.christies.com/christies-projected-global-sales-total-62-ps5-eur58-hk487-billion-in-2023>

³sothebys.com/en/series/year-in-review

⁴phillips.com/press/release/phillips-achieves-the-highest-annual-total-in-company-history-for-the-second-consecutive-year-amid-continued-international-expansion

⁵robbreport.com/style/watch-collector/pre-owned-watch-surge-millennials-gen-z-1234760656/

⁶bain.com/insights/eight-themes-that-are-rewriting-the-future-of-luxury-goods/

⁷debeersgroup.com/-/media/Files/D/De-Beers-Group-V2/documents/reports/2022/DeBeers_DIR2022.pdf

⁸diamonds.net/News/NewsItem.aspx?ArticleID=64522&ArticleTitle=How+to+Sell+to+Female+Self-Purchasers

⁹diamonds.net/Magazine/Article.aspx?ArticleID=69021&RDRIssueID=229