Finance Workshops

Backdrop to the Finance Workshops

The Finance Workshops formed a central pillar of the 2025 Luxury Roundtable, reflecting a growing professional consensus that luxury assets are evolving from a niche lifestyle category into a fully-fledged investment class. High-net-worth individuals and family offices are devolving an increasing proportion of their investable capital into luxury assets – from fine art, gold, and precious stones to collectible timepieces and high-end real estate – exclusive possessions which have traditionally been beyond the remit of conventional banking systems.

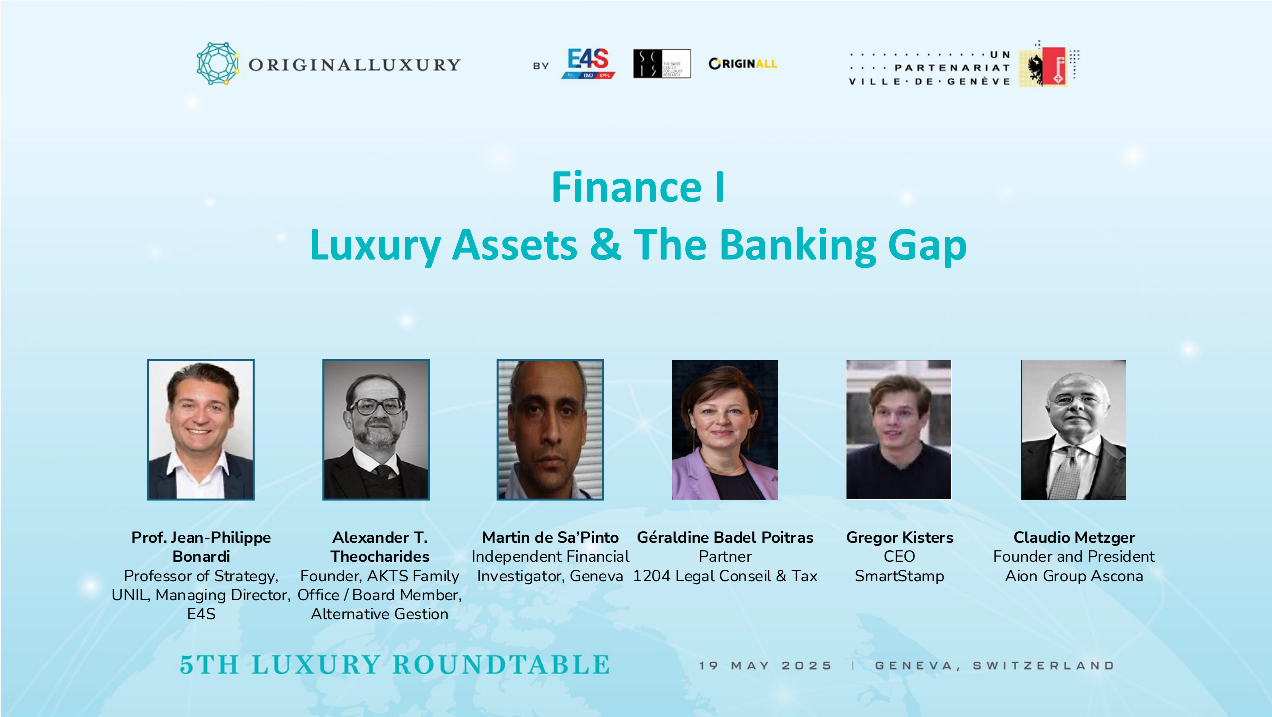
These workshops were conceptualised and curated by Alexander Theocharides, who brought together voices from finance, regulation, technology, and luxury goods markets to explore how this growing segment could be better integrated into the financial system. He was supported in the development and delivery of the workshops by Martin de Sa'Pinto, who also served as panel moderator for both sessions.

The programme was developed in coordination with Margot Stuart, who provided strategic oversight and alignment with the broader goals of the Roundtable, and in close collaboration with Professor Jean-Philippe Bonardi, who served as academic co-facilitator and framed the sessions with historical, legal, and economic context.

Together, the team sought to examine how luxury assets can be rendered more transparent, regulated, and ultimately bankable – bringing together private bankers, legal experts, technology innovators, and luxury professionals in a rare cross-disciplinary dialogue. The two workshops were designed as a sequential journey: the first identified key obstacles and investor realities, while the second explored emerging solutions addressing areas including origin and ownership through technology, regulation, and tokenisation.

by Martin de Sa'Pinto & Alexander Theocharides

Finance I: Luxury Assets and the Banking Gap



Objectives:

The first workshop aimed to:

1. Identify the types of luxury assets most sought after by wealthy investors.
2. Understand the key issues banks face in accepting these assets into custody and portfolios.
3. Lay an intellectual foundation for exploring potential solutions in subsequent discussions

Introduction & Framework:

Alexander opened the session by underlining the growing importance of luxury assets as investment vehicles beyond traditional banking instruments. He noted that while luxury acquisitions were once largely driven by the desire for prestige or personal gratification, they now play an active role in wealth diversification and portfolio enhancement.

He highlighted Geneva's unique position at the intersection of luxury and private banking and emphasized the need for true integration of luxury assets into bankable portfolios – not just for safekeeping but to enable leverage and portfolio optimization.

Prof. Bonardi set the intellectual context, presenting data to illustrate how luxury items and collectibles have taken a significant place in investment portfolios globally. Investors' confidence in luxury holdings such as jewellery, fine art, watches and precious stones is supported by market growth trends, but also by increasing demand for ESG compliance and certification of origin. These evolving standards are essential not only for transparency but also for meeting banks' requirements.

Panel discussion

Martin outlined several ongoing challenges which need to be overcome if luxury goods are to be broadly accepted as bankable assets. In areas including the art market, these include proof of ownership, disputes over authenticity and the use of the art market for money laundering.

Martin's Introduction

Martin opened the discussion by spotlighting key hurdles preventing luxury assets from gaining full acceptance in banking circles—particularly in sectors like art. Challenges include verifying ownership, settling authenticity disputes, and combating money laundering risks.

While technology offers potential solutions—such as tracing the origins and production conditions of luxury items—Martin emphasized its inconsistent application, citing recent exposés on sweatshop labour in high-end fashion. He stressed that addressing these gaps is critical—not only to protect brand reputation and meet regulatory standards but also to satisfy ESG-conscious investors and curb the counterfeit market.

Claudio's Insights on Fine Art Markets:

Claudio elaborated on the varied liquidity and market acceptance across fine art categories. He contrasted well-documented and bankable Old Masters with lesser-known or emerging artists whose works may be illiquid or even untradeable. For example, a widely recognized case like the "Second Mona Lisa" illustrates how provenance, documentation and market reputation critically impact liquidity and financing availability. Specialized auction houses and niche financial institutions offer financing options for recognized masters, but mainstream private banks rarely do, unless in exceptional cases.

Gregor's Technology Viewpoint:

Gregor introduced his blockchain-based technology enabling collectors and investors to create unique 3D prints of artworks, which are secured alongside provenance, ownership history and certification on the blockchain. He noted banks' current limited interest in adopting such technology, but expressed optimism that with standardization and security enhancements, blockchain will significantly improve the bankability and security of luxury assets, especially fine art.

Geraldine's Regulatory Overview:

Geraldine provided a briefing on Swiss AML, KYC, and KYT regulations as they relate to luxury assets, focusing on fine art, watches, and similar jewellery. She highlighted challenges such as source of funds verification, provenance, and ownership history, and how discrepancies (like replaced watch parts) can severely affect valuation and financing prospects. Her insights framed the regulatory hurdles banks face in accepting luxury assets.

Martin closed the panel with the following observations:

1. Some asset classes such as art-works by grand masters or fine wines have a developed secondary market and a high degree of valuation consensus. These qualities afford a high comfort level to potential lenders.

2. Asset classes where provenance, authenticity and ownership are more nebulous could be the biggest beneficiaries of technological applications that can map their history.

3. Tokenisation can create a layer of value including assurance on authenticity and ownership. However, complexities remain on how consensus can be achieved at each step of the process.

Table Discussions

Following a brief break, Alexander reconvened the group and guided them into three focused roundtable discussions.

1. What's Hot in Luxury Investments:

- Fine art by grand masters and well-documented established artists remain the most sought-after due to stable market value and liquidity.
- High-end, unique watches and jewellery follow closely as liquid, valued assets.
- Luxury real estate, lesser-known and emerging artists, fine wine – particularly where there exists a secondary market – and finally precious stones round out the spectrum.

2. Why Banks Still Say No:

- Key concerns include verifying source of funds, provenance, full ownership history, and custodial arrangements.
- Technical challenges like traceability and valuation standardization remain as barriers.
- Banks tend to lend only when they have custody, raising questions about whether technology can eventually mitigate this constraint.

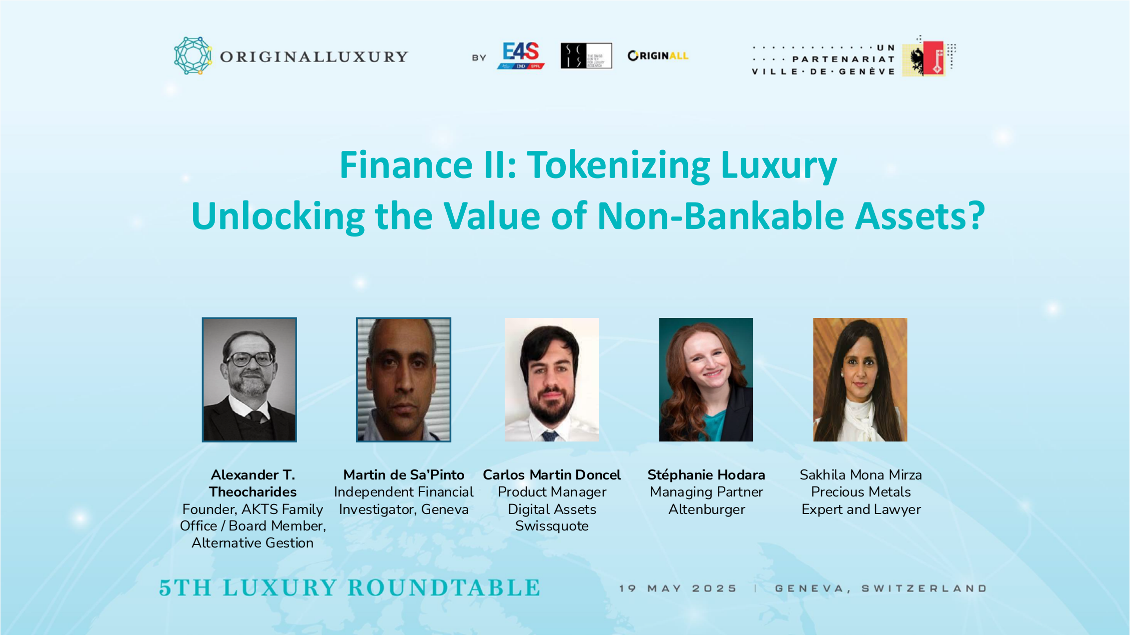
3. Compliance and Regulatory Challenges:

- The difficulties of meeting AML/KYC standards and regulatory obligations, both in Switzerland but also internationally, were dissected, with special emphasis on the detailed documentation and corroboration needed for luxury assets.

Conclusion

Martin and Alexander brought the first workshop to a close and reconvened all participants to the second and final finance workshop. This follow-up session would explore how technology and regulatory frameworks can evolve to address the issues raised in the first workshop—specifically, how and why banks remain reticent to onboarding luxury assets as they would other asset classes, and how these barriers might be resolved.

Finance II: Tokenizing Luxury, Unlocking the Value of Non-Bankable Assets



Objectives

Alexander opened the second workshop by positioning it as the logical continuation of Workshop 1. Where the first workshop identified issues and barriers, the second would explore technology—especially blockchain—as a transformative solution to unlock the value of luxury assets and overcome banking limitations.

Introduction & Framework

Martin briefly recapped Workshop 1's key takeaways: the growing appeal of luxury assets as an investment class, with progress hampered by regulatory, valuation, and custody challenges. He then introduced the panel with the goal of examining blockchain's potential in addressing these barriers.

Panel discussion

- **Carlos Martin Doncel (Swissquote):**

Carlos explained Swissquote's blockchain integration for luxury asset management, highlighting how tokenization mitigates counterparty risks, improves transparency, and enhances liquidity.

- **Sakhila Mona Mirza (LBMA):**

Sakhila provided a legal perspective on tokenizing luxury, focusing on regulatory compliance. She detailed the growing market for gold as a luxury asset, distinguishing between mined gold and recycled/old gold, including altered ornaments, which present additional challenges for provenance and ESG certification.

- **Gregor (Technology Expert):**

Stepping in for Michel Arditti, Gregor discussed how emerging technologies—ranging from isotope tracing for gold to blockchain authentication for art, watches, and gems—can dispel banks' risk concerns and create a secure environment for luxury asset tokenization.

Table Discussions

Two tables were convened for in-depth debate on two central themes

1. **Overcoming Compliance Challenges:**

   Participants explored how blockchain and digital tools can help meet stringent regulatory requirements, ensuring provenance, KYC, AML compliance, and ESG standards are verifiable and auditable

2. **Technology Adoption and Ecosystem Creation:**

   This group reviewed current technologies enabling authentication, traceability, valuation, and securitization. Examples included isotope tracing for gold and blockchain platforms for art and precious stones. They discussed what partnerships and infrastructure are needed to build a viable tokenization ecosystem.

Conclusion

Alexander and Martin closed the workshops by thanking all participants for their valuable contributions. They underscored the shared commitment to evolving luxury asset finance through collaboration across advisory, banking, legal, and technological sectors.

7 Key Takeaways from the two Finance Workshops

I. Luxury Assets Are a Distinct and Growing Investment Class: Wealthy individuals increasingly allocate significant portions of their portfolios to luxury assets beyond traditional bankable instruments.

II. Geneva as a Unique Crossroads: The city's dual status as a luxury capital and private banking hub offers fertile ground for innovation and integration of luxury assets into financial portfolios.

III. Major Barriers Persist: Provenance, proof of ownership, valuation, regulatory compliance, and custody remain the key obstacles preventing wider acceptance of luxury assets by private banks. If the client wishes to leverage his/her luxury portfolio, the liquidity of the asset class will also bear on loan-to-value ratios and the interest charged against any borrowing.

IV. Blockchain and Technology Offer Promising Solutions: From tokenization to digital fingerprinting, isotope tracing and 3D provenance, technology can enhance transparency, liquidity, and security, paving the way for bankability.

V. Regulatory Clarity and Collaboration Are Essential: Successful adoption depends on cooperation between banks, legal experts, regulators, and technology providers to create standards and frameworks.

VI. Education and Pilot Projects Are Critical: The journey toward full integration requires continued dialogue, pilot initiatives, and demonstrations of value and security.

VII. The Future of Luxury Finance Is Interdisciplinary: A combination of financial expertise, legal rigour, technological innovation, and deep knowledge of luxury markets will be needed to drive the next evolution of wealth management.