

CONSUMER CYCLICAL RESEARCH

Singapore Luxury Goods Market View



Source: The Shoppes at Marina Bay Sands

Summary

Singapore's luxury goods sector remains supported by a combination of cyclical recovery and structural growth drivers. While global luxury demand has softened, the outlook for Singapore continues to stand out, underpinned by resilient tourism inflows and a rapidly expanding UHNW population. Recent data also points to sustained strength in luxury consumption, with sales of watches and jewellery rising by 6.2% y-o-y in March, outperforming total retail sales growth of 4.8% y-o-y. We adopt the watches and jewellery segment as a proxy for luxury goods consumption.

Several key drivers underpin this resilience in luxury demand. Among these, tourism recovery and UHNW wealth creation are expected to provide the strongest support to luxury consumption, particularly for high-end discretionary segments. In contrast, gold price dynamics are likely to play a more cyclical role, with moderating price momentum in 2026 suggesting a shift away from price-driven growth toward more fundamental demand drivers.

Across the SGX-listed universe, the impact remains uneven. Luxury watch retailers such as The Hour Glass and Cortina are best positioned to benefit from rising UHNW wealth and tourist spending, given their direct exposure to high-net-worth consumption and collectible demand. Meanwhile, jewellery retailers such as ValueMax, MoneyMax and Aspial Lifestyle are expected to see more stable but normalising growth, supported by steady retail demand, with a reduced contribution from gold price appreciation.

That said, risks remain in the form of geopolitical tensions, inflationary pressures and potential shifts in consumer sentiment, which may result in more cautious discretionary spending and some demand leakage to lower-priced markets.

Overall, the Singapore luxury goods sector is expected to remain on a stable growth trajectory, with structural drivers such as wealth creation and tourism underpinning long-term demand.

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In this Singapore luxury goods overview, we will first review Singapore's economic outlook before discussing the market outlook.

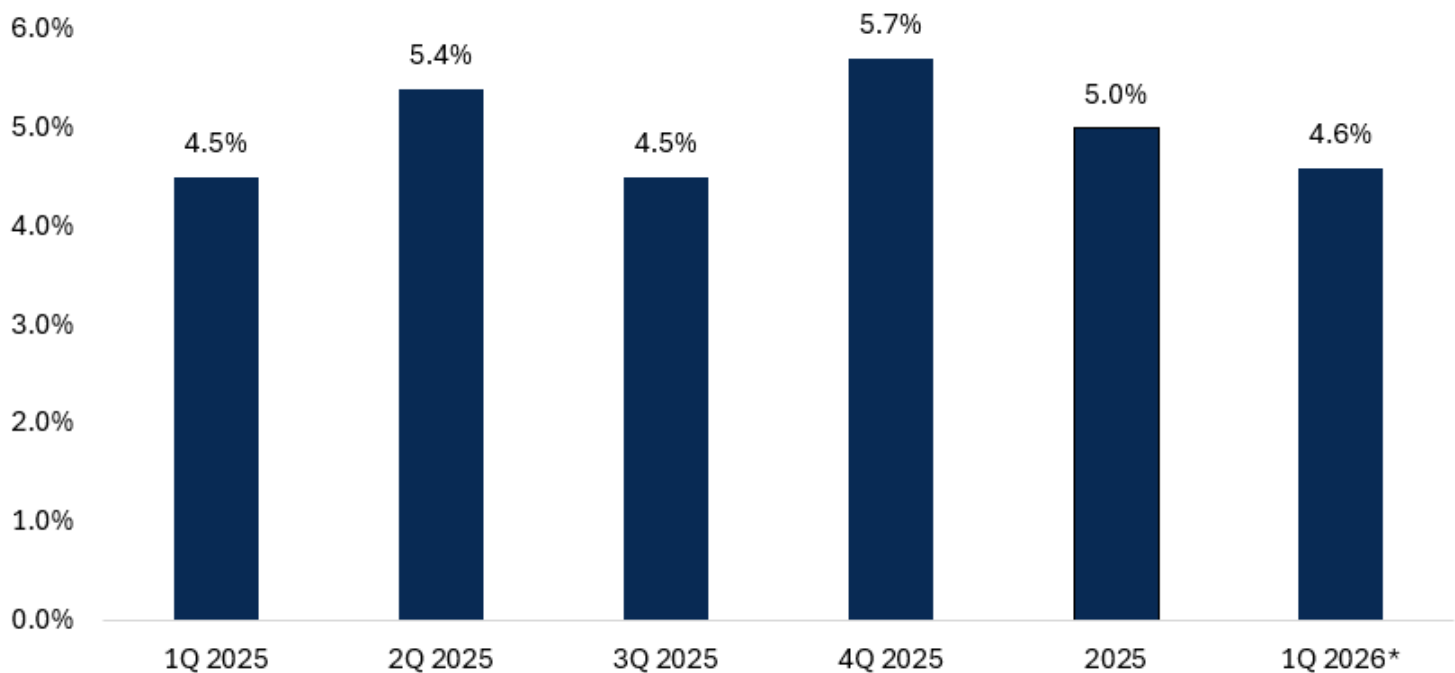
SINGAPORE ECONOMIC OUTLOOK

(I) OVERALL ECONOMIC GROWTH

On 14 April 2026, the [Ministry of Trade and Industry](#) ("MTI") reported that the Singapore economy grew by 4.6% year-on-year ("y-o-y") in Q1 2026, based on advanced estimates, as shown in **Exhibit 1**. This moderated from the 5.7% y-o-y growth recorded in Q4 2025.

MTI commented that while GDP growth remained resilient in Q1 2026, the Middle East conflict, which began in late February, is likely to weigh on economic activity in the coming quarters.

Exhibit 1: Singapore Economic Y-o-Y Growth



Source: MTI, FPA

Looking ahead, [Straits Times](#) reported that UOB has downgraded its full-year 2026 GDP growth forecast for Singapore to 2.5%, from 3.6% previously. Separately, Maybank has maintained its 2026 GDP growth forecast at 3.4%, while RHB has also kept its forecast unchanged at 3.0%.

Against this macroeconomic backdrop, the [Monetary Authority of Singapore](#) ("MAS") released its monetary policy statement on 14 April 2026 and announced a slight increase in the rate of appreciation of the S\$NEER policy band. The tighter policy stance strengthens the Singapore dollar and is expected to help moderate imported inflation. In tandem, MAS raised its forecasts for MAS Core Inflation¹ and CPI-All Items Inflation to 1.5–2.5%, from 1.0–2.0% previously.

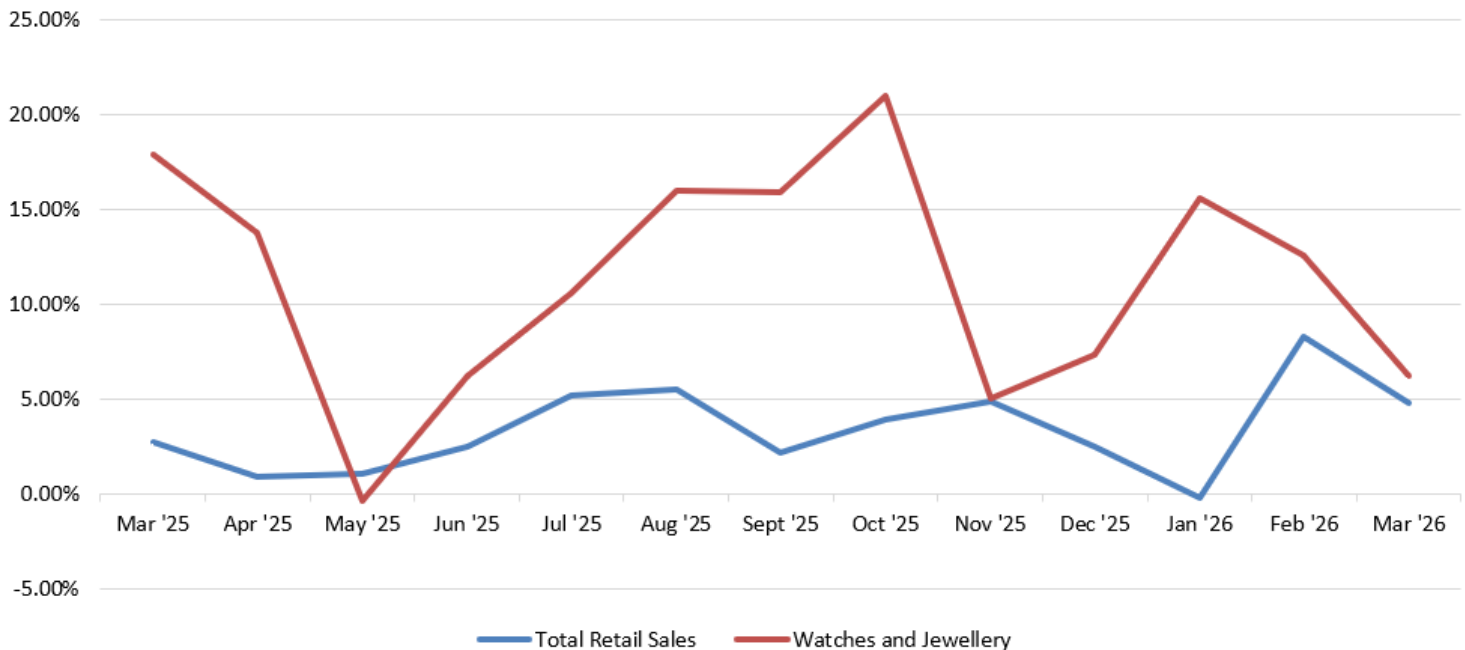
¹ MAS Core Inflation excludes the costs of accommodation and private transport.

(II) RETAIL SALES OF LUXURY GOODS

On 5 May 2026, the Department of Statistics Singapore (“SingStat”) released the Retail Sales Index (“RSI”) for March 2026. Total retail sales grew by 4.8% y-o-y in March 2026, following an 8.3% y-o-y increase in February 2026, as shown in **Exhibit 2**.

Notably, sales of watches and jewellery rose by 6.2% y-o-y in March. This segment has continued to outperform overall retail sales growth for the tenth consecutive month. We adopt the watches and jewellery segment as a proxy for luxury goods consumption.

Exhibit 2: RSI (Y-o-Y Growth, March 2025 – March 2026)



Source: Singstat, FPA

Straits Times noted that retail sales growth moderated in March following the Chinese New Year–driven surge in February and is expected to soften further in the months ahead amid fallout from the Middle East conflict. Rising energy prices and supply disruptions are likely to exert upward pressure on inflation, weighing on affordability, although government support measures should help mitigate the impact.

DBS similarly highlighted that first-quarter performance reflects resilient consumer activity, supported by a healthy labour market and tourism recovery, despite the moderation in March. However, the bank cautioned that the outlook remains uncertain given elevated global risks, with inflationary pressures and softer labour conditions likely to dampen consumer spending. Nonetheless, additional government support, such as front-loaded Community Development Council (“CDC”) vouchers and enhanced cost-of-living payments, should provide some offset to weaker sentiment.

MARKET OUTLOOK

According to KPMG¹, global luxury goods sales declined in 2024 and continued to soften in 2025. In contrast, the outlook in Asia, particularly Singapore, remains more resilient, with brands well positioned to capture opportunities arising from the sector's ongoing transformation.

Luxury sales in Singapore were forecasted to reach nearly S\$14 billion in 2025, representing 7% growth from 2024. This growth was supported by a rising middle class and an increasing number of ultra-high-net-worth individuals ("UHNWIs"). The region has also seen the emergence of homegrown brands, which are gaining traction through experiential offerings and targeted storytelling.

Traditional luxury houses face a delicate balancing act between preserving exclusivity and maintaining accessibility. While approximately 40% of revenues are derived from ultra-wealthy clients, this group represents only about 2% of the global luxury customer base. As such, brands cannot afford to overlook the aspirational middle class, which seeks status but remains value conscious.

At the same time, continuous innovation will be critical as consumer preferences evolve, particularly in Asia. Demand is increasingly shaped by rapid technological adoption and heightened awareness of sustainability, requiring brands to adapt accordingly.

Looking ahead, Kearney sees Southeast Asia as one of the most attractive luxury markets. The region benefits from continued spending by an established base of HNWIs, alongside a rapidly expanding cohort of young, high-income professionals with growing luxury purchasing power. While a strong sense of local heritage shapes consumer identity, ownership of established global brands remains highly aspirational. As a result, more brands are blending global design with local culture to capture demand. Kearney noted that cities such as Singapore, Bangkok and Ho Chi Minh City are consolidating their roles as regional luxury hubs, with categories such as beauty, small leather goods and entry-level products scaling rapidly as new consumers enter the market.

¹ KPMG is a multinational professional services firm providing audit, tax and advisory services.

SGX-LISTED INDUSTRY PLAYERS

We highlight selected SGX-listed firms that have exposure to the luxury goods market.

(I) VALUEMAX GROUP LIMITED (“VALUEMAX”; SGX:T6I)

ValueMax provides pawnbroking and moneylending services, as well as retail & trading of jewellery & gold. The Group operates 50 pawnbroking and retail outlets in Singapore and 32 outlets in Malaysia through its associated company. As at 8 May 2026, ValueMax had a market capitalisation of S\$1.0 billion.

For FY2025, profit attributable to shareholders rose by 23.2% to S\$102.1 million, compared with S\$82.8 million in the previous year. The improvement in performance was driven by higher contributions across its pawnbroking, retail & trading of jewellery & gold, and money lending segments, supported by stronger gross margins and a higher share of results from associates.

FPA maintains a hold recommendation on ValueMax with a target price of S\$1.159. A detailed research update on ValueMax is available [here](#).

(II) MONEymax FINANCIAL SERVICES LTD. (“MONEymax”; SGX:5WJ)

MoneyMax is a financial services provider and retailer of luxury products in Southeast Asia. The Group offers pawnbroking and secured financing services, alongside the retail & trading of gold & luxury items. Headquartered in Singapore, MoneyMax operates over 110 outlets across Singapore and Malaysia. As at 8 May 2026, MoneyMax had a market capitalisation of S\$937.5 million.

For FY2025, profit attributable to shareholders rose by 87.6% to S\$71.7 million, compared with S\$38.2 million in the previous year. The strong performance was driven by higher sales volume, an expanding customer base and favourable gold prices within its retail & trading of gold & luxury items segment. In addition, interest income from pawnbroking increased, further contributing to overall earnings growth.

(III) ASPIAL LIFESTYLE LIMITED (“ASPIAL LIFESTYLE”; SGX:5UF)

Aspial Lifestyle is a Singapore-based consumer lifestyle company focused on pawnbroking, secured lending, and the retail and trading of jewellery and branded merchandise. The Group manages six brands: Maxi-Cash, Lee Hwa, Goldheart Jewellery, Niessing, BigFundr, and Dr. Pajak. As at 8 May 2026, Aspial Lifestyle had a market capitalisation of S\$786.8 million.

For FY2025, profit attributable to owners of the company rose by 135% to S\$80.7 million, compared with S\$34.3 million in the previous year. The strong performance was driven primarily by higher revenue from its retail business, supported in part by contributions from the Niessing Group, as well as increased interest income from the pawnbroking segment and higher revenue from secured lending activities.

A comparative overview of selected pawnbrokers is shown in **Exhibit 3**

Exhibit 3: Peer Comparison Table

Company	Currency	Stock Symbol	Price (S\$) as at 08 May '26	Market Cap (S\$ million)	Diluted EPS (cents)	P/E	DPS (cents)	Dividend Yield (%)	NAV per share (S\$)	P/B
ValueMax Group	SGD	T6I	1.070	1,031.79	10.77	9.93	3.88	3.63%	0.64	1.66
MoneyMax	SGD	5WJ	1.020	937.50	8.10	12.59	2.00	1.96%	0.29	3.57
Aspial Lifestyle	SGD	5UF	0.425	786.80	4.35	9.77	1.20	2.82%	0.16	2.61
Peer average:		-	-	-	-	10.77	-	2.80%	-	2.61

Source: SGX Stock Screener, respective companies, FPA

(IV) THE HOUR GLASS LIMITED (“THG”; SGX:AGS)

THG is a Singapore-based specialty luxury watch retailer. The Group operates over 70 boutiques across 15 cities, offering a curated selection of prestigious brands such as Rolex, Patek Philippe and Hublot. As at 8 May 2026, THG had a market capitalisation of S\$1.6 billion.

For H1 FY2026 ended 30 September 2025, profit attributable to shareholders rose by 23.2% to S\$75.7 million, compared with S\$61.4 million in the previous year. The Group did not provide detailed commentary on the key drivers of its performance.

(V) CORTINA HOLDINGS LIMITED (“CORTINA”; SGX:C41)

Cortina is a Singapore-based specialty luxury watch retailer. The Group operates over 50 boutiques across Singapore, Malaysia, Thailand, Hong Kong, Macau, Taiwan and Australia, offering brands such as Rolex, Patek Philippe, Cartier and Chopard. As at 8 May 2026, Cortina had a market capitalisation of S\$554.7 million.

For H1 FY2026 ended 30 September 2025, profit attributable to shareholders rose by 10% to S\$30.5 million, compared with S\$27.8 million in the previous year. The Group did not provide detailed commentary on the key drivers of its performance.

A comparative overview of selected luxury retailers is shown in **Exhibit 4**.

Exhibit 4: Peer Comparison Table

Company	Currency	Stock Symbol	Price (S\$) as at 08 May '26	Market Cap (S\$ million)	Diluted EPS (cents)	P/E	DPS (cents)	Dividend Yield (%)	NAV per share (S\$)	P/B
The Hour Glass	SGD	AGS	2.450	1,563.70	23.18	10.57	6.00	2.45%	1.51	1.62
Cortina Holdings	SGD	C41	3.380	554.69	40.00	8.45	16.00	4.73%	2.67	1.26
Peer average:		-	-	-	-	9.51	-	3.59%	-	1.44

Source: SGX Stock Screener, respective companies, FPA

DRIVERS

(I) GOLD PRICES

On 5 May 2026, Morgan Stanley¹ noted that gold has stumbled in the wake of the Iran conflict. The performance of the precious metal relative to other asset classes has prompted investors to reassess gold's traditional role as a safe haven.

In March, the first month of the Middle East conflict, gold fell 14.5%, while the FTSE All-World Index declined 9%, the S&P 500 dropped 7.8%, and the U.S. Treasury Total Return Index fell 3.6%. This marks a notable departure from prior geopolitical crises, during which gold typically outperforms and provides protection during market downturns.

The weak performance extended into April. While equities recovered to near pre-conflict levels in the first half of the month, gold remained about 10% below its pre-conflict level. Its performance has tracked more closely with U.S. Treasuries, suggesting that gold is currently more sensitive to real interest rates and monetary policy than to geopolitical risk.

The Middle East conflict has triggered an energy shock that has dampened expectations for lower U.S. interest rates. As a result, gold has struggled to function as a safe-haven asset during this period. This underscores that gold does not always provide protection against inflationary shocks, as elevated oil prices and supply chain disruptions can push interest rate expectations higher, weighing on gold prices.

Gold's sensitivity to monetary policy has become a key price driver, overshadowing its safe-haven status and reducing its effectiveness as a hedge against both geopolitical and inflation risks.

Additional downward pressure has come from shifts in central bank activity. After accumulating significant amounts of gold since 2022, central banks paused purchases in March. For example, Turkey's central bank sold 52 tonnes of gold between 27 February and 27 March, while India delayed approvals for bullion imports.

Exchange-traded funds ("ETFs"), another key source of demand, also turned into net sellers, liquidating roughly 90 tonnes of the 150 tonnes accumulated in January and February.

However, early signs suggest that these pressures may be easing. ETFs have already repurchased nearly half of the gold sold in March, while China reported its largest monthly increase in gold reserves since January 2025. A weakening U.S. dollar is also providing support to prices.

With central banks and ETFs resuming purchases, and expectations for the Federal Reserve to remain on hold for the rest of 2026, Morgan Stanley forecasts that gold prices could rise to US\$5,200 per ounce in the second half of the year, approximately 9% above 22 April levels.

¹ Morgan Stanley is a global investment bank.

The gold prices from May 2025 to May 2026 are shown in **Exhibit 5**.

Exhibit 5: Gold Prices (XAU/USD), May 2025 – May 2026



Source: *Investing.com*, *FPA*

Implications for listed companies:

In 2025, gold prices rose by 62% to US\$4,315 per ounce on 31 December 2025, from US\$2,657 per ounce on 2 January 2025. For 2026, Morgan Stanley forecasts gold prices to reach US\$5,200 per ounce, implying a 20% increase from 1 January 2026 levels of US\$4,348 per ounce. This suggests a moderation in price momentum compared to 2025.

For jewellery retailers such as ValueMax, MoneyMax and Aspial Lifestyle, this is likely to translate into a normalisation in earnings growth. In 2025, strong gold price appreciation supported revenue through higher jewellery prices. In contrast, a more stable price environment in 2026 implies reduced upside from price-driven gains, shifting earnings towards underlying business fundamentals.

The retail and trading of jewellery and gold should continue to be supported by elevated price levels, although growth may soften amid more cautious consumer sentiment following the conflict. In addition, with gold prices rising more slowly, retailers may see smaller gains from trading, as they buy and sell jewellery at less favourable price differences compared to periods of sharp price increases.

From a company-specific perspective, management commentary remains cautious. ValueMax highlighted ongoing market volatility and competitive pressures, while emphasising its established market position, disciplined risk management framework and diversified revenue streams. MoneyMax continues to focus on store expansion through organic growth and strategic acquisitions, suggesting confidence in underlying demand. Aspial Lifestyle noted that inflationary pressures may weigh on consumer sentiment and increase commodity price volatility, and indicated that it will continue to adapt its strategies accordingly.

For luxury watch retailers such as THG and Cortina, the direct impact of gold prices on sales is likely to be minimal. Luxury watch demand is primarily driven by brand value, scarcity, collectability and UHNW spending. However, if gold underperforms as a safe-haven asset, some investors may rotate into alternative stores of value, such as luxury watches. That said, persistent inflationary pressures could weigh on consumer sentiment, potentially dampening discretionary spending and leading to softer sales.

(II) TOURISM

According to Business Times, Singapore's tourism industry recorded a strong performance in 2025, with international visitor arrivals reaching 16.9 million and generating S\$32.8 billion in tourism receipts. This exceeded the Singapore Tourism Board's ("STB") forecast range of S\$29.0 billion to S\$30.5 billion.

Minister for Sustainability and the Environment Grace Fu attributed the robust performance to a strong pipeline of leisure events and experiences, as well as a recovery in international and home-grown events within the Meetings, Incentives, Conferences and Exhibitions ("MICE") sector.

However, despite the encouraging performance in 2025, Minister Fu cautioned against complacency, highlighting emerging challenges such as the Middle East energy crisis and its potential spillover effects on consumer spending. While supply chain disruptions and rising fuel costs may pose near-term headwinds, she also noted opportunities for Singapore to enhance its value proposition and maintain its competitiveness.

To support the tourism sector in navigating these challenges and capturing future growth opportunities, the Singapore government has committed S\$740 million to the Tourism Development Fund over the next five years. This funding will support various initiatives, including capability development, event attraction and product innovation.

Looking ahead, the STB projects international visitor arrivals to reach between 17 million and 18 million in 2026, with tourism receipts expected to range between S\$31.0 billion and S\$32.5 billion.

Implications for listed companies:

The record visitor arrivals in 2025 underscore Singapore's position as a leading regional tourism hub. In addition, continued investment in the tourism sector, including enhancements to leisure offerings and MICE capabilities, is expected to further strengthen Singapore's attractiveness. Barring any escalation in geopolitical tensions, the tourism industry is poised for continued growth in 2026 and beyond.

For jewellery retailers such as ValueMax, MoneyMax and Aspial Lifestyle, stronger tourist inflows are likely to support earnings through higher retail sales of jewellery and gold, driven by increased tourist spending.

For luxury watch retailers such as THG and Cortina, tourism represents a key revenue driver. An increase in high-spending visitors is likely to translate more directly into higher sales, particularly in flagship boutiques and prime retail locations. Improved tourist flows also support stronger inventory turnover. THG has noted that its strategic partnerships with leading watch brands provide a resilient foundation for sustained performance, which could be further supported by a continued recovery in tourism.

(III) ULTRA-HIGH-NET-WORTH INDIVIDUAL (“UHNWI”) SPENDING

According to Business Times, Singapore’s billionaire population has more than doubled since 2021, with further growth in the ultra-wealthy expected across Asia Pacific, as reported by Knight Frank.

Knight Frank’s latest Wealth Report indicated that Singapore added 35 billionaires over the past five years, bringing the total to 63 in 2026, up from 28 in 2021. Over the same period, the number of UHNWIs, defined as those with a net worth of at least US\$30 million, grew by 54.5% to 7,171 in 2026, from 4,642 in 2021. This figure is projected to reach 10,495 by 2031, while the number of billionaires is expected to rise to 85. As such, Singapore is projected to rank among the top 10 globally for UHNW population growth over the next five years. Against this backdrop of rising wealth, demand for luxury collectibles has remained resilient globally despite a volatile macroeconomic environment.

Globally, Knight Frank noted that demand for luxury collectibles has remained resilient despite a volatile macroeconomic backdrop. While values remained under pressure, the pace of annual decline moderated over the year, from 5.3% in Q1 to 0.4% in Q4, suggesting the market may be stabilising. Performance, however, was uneven across asset classes. Impressionist art led gains, rising 13.6%, while watches increased by 5.1%, supported by strong demand for leading brands such as Patek Philippe and Rolex. In contrast, whisky was the weakest-performing category, declining 10.9%.

However, stronger demand from UHNWIs may contribute to upward pressure on luxury prices. This could reduce affordability for aspirational consumers in Singapore, potentially resulting in demand leakage to lower-priced markets such as Malaysia or other regional destinations, where currency and pricing differentials make luxury goods relatively more accessible.

Implications for listed companies:

The expansion in Singapore’s ultra-high-net-worth population is expected to provide a strong structural tailwind for the luxury goods sector.

For jewellery retailers such as ValueMax, MoneyMax and Aspial Lifestyle. Growth in wealth could support demand for higher-value jewellery and branded merchandise within their retail segments.

For luxury watch retailers such as THG and Cortina, this is particularly positive, as demand is closely tied to high-net-worth consumption and interest in collectible assets. Rising UHNW wealth supports sustained demand for high-end timepieces, especially from brands such as Rolex and Patek Philippe, and may also drive higher average selling prices and improved sales mix. In addition, strong interest in luxury collectibles reinforces the positioning of watches as both consumption and investment assets.

CONCLUSION

Singapore's luxury goods sector remains supported by a combination of cyclical recovery and structural growth drivers. While global luxury demand has softened, the outlook for Singapore continues to stand out, underpinned by resilient tourism inflows and a rapidly expanding UHNW population. Recent data also points to sustained strength in luxury consumption, with sales of watches and jewellery rising by 6.2% y-o-y in March, outperforming total retail sales growth of 4.8% y-o-y. We adopt the watches and jewellery segment as a proxy for luxury goods consumption.

Several key drivers underpin this resilience in luxury demand. Among these, tourism recovery and UHNW wealth creation are expected to provide the strongest support to luxury consumption, particularly for high-end discretionary segments. In contrast, gold price dynamics are likely to play a more cyclical role, with moderating price momentum in 2026 suggesting a shift away from price-driven growth toward more fundamental demand drivers.

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That said, risks remain in the form of geopolitical tensions, inflationary pressures and potential shifts in consumer sentiment, which may result in more cautious discretionary spending and some demand leakage to lower-priced markets.

Overall, the Singapore luxury goods sector is expected to remain on a stable growth trajectory, with structural drivers such as wealth creation and tourism underpinning long-term demand.

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