



Press release

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Swiss watch exports in 2021

A strong recovery carries Swiss watchmaking to new heights

2021 saw a faster than expected recovery for Swiss watch exports. Performance was driven by very strong growth in the United States, alongside a steady upward trend in China, while numerous other markets continued to face sometimes significant difficulties.

The return to pre-crisis levels as early as September and positive performance in the fourth quarter produced the best-ever annual results for the sector, at 22.3 billion francs, 2.7% higher than in 2019 (+31.2% compared with 2020) and a 0.2% improvement over the 2014 record. While the Covid-19 pandemic continued to make its presence felt throughout the year, its consequences for the watch market proved less severe. Overall, luxury personal goods benefited from the sharp increase in demand in China and the United States, additional opportunities created by digitalisation, the use of savings accumulated during the various lockdowns and more significant restrictions on luxury experiences, particularly tourism-related activities. While travel retail suffered from the decline in tourism, an increase in domestic purchases, a switch to digital channels and the development of the duty-free market in Hainan offset losses to some extent.

Despite the encouraging results overall in 2021, stark discrepancies exist between the various actors in the luxury sector and in Swiss watchmaking. Growth is being driven more by a set of brands than by product categories as in the past, while others are proving less successful and in some cases, suffering significant declines. The same polarisation is being seen in markets and price segments, as evidenced by the decline in volumes. This can be explained in part by current economic factors associated with the pandemic – which are by definition temporary – but also, more worryingly, by structural changes, to which the sector must respond and adapt.

In spite of the still precarious health situation and less favourable macroeconomic prospects for the main markets, luxury personal goods should see increased demand in 2022. The strong results achieved last year – and even earlier, in 2020, in China – will nonetheless create a slightly unfavourable base effect. Given these factors and a still significant degree of uncertainty, the forecasts for Swiss watch exports are based on cautious optimism.

Products

Exports of wristwatches increased by 3.5% compared with 2019, to 21.2 billion francs. The number of items, however, continued to fall, to 15.7 million. This is a decline of 4.9 million (-23.8%) compared with 2019.

Watches priced at less 500 francs (export price) fell sharply, accounting for over 95% of the decline in volumes, with a 25.1% drop in their export value. The decline in value for watches priced between 500 and 3,000 francs was significantly less marked (-3.5%), while watches priced at over 3,000 francs grew by 9.7%.



The groups of materials that saw the highest decline in volumes were steel (-21.4%) and the Other materials category (-37.4%). Value was driven mainly by watches made from precious metals (+7.8%) and steel (+2.9%).

Markets

Among the main regions, America (+21.7% compared with 2019) recorded the strongest growth thanks to the United States, absorbing 17% of Swiss watch exports. In Asia (+1.0%), growth in China was offset by often marked declines in most other markets on the continent. Its market share was 52%. Europe fell overall (-3.4%), with a market share of 29%.

Swiss watch exports per market in 2021

Markets	Mil of CHF	Variation /2019	Share
1. USA	3,078.8	+27.8%	13.8%
2. China	2,967.2	+48.8%	13.3%
3. Hong Kong	2,133.4	-20.7%	9.6%
4. Japan	1,416.5	-11.9%	6.4%
5. United Kingdom	1,334.0	-2.4%	6.0%
6. Singapore	1,276.9	+0.6%	5.7%
7. Germany	1,061.2	-5.9%	4.8%
8. UAE	995.5	+6.4%	4.5%
9. France	953.9	-11.2%	4.3%
10. Italy	859.6	-11.5%	3.9%
11. South Korea	749.1	-18.7%	3.4%
12. Spain	341.9	-12.9%	1.5%
13. Taiwan	318.9	+3.0%	1.4%
14. Saudi Arabia	316.5	-1.8%	1.4%
15. Netherlands	292.1	+12.6%	1.3%
World	22,296.7	+2.7%	

The United States (+27.8%) witnessed remarkable growth throughout the year and was once again the leading market for Swiss watch exports. China (+48.8%) came in just behind, thanks to continuing steady growth. Between them, these markets represented 27% of total value and accounted for most of the growth observed.

Hong Kong (-20.7%), Japan (-11.9%) and South Korea (-18.7%) all saw sharp falls. Conversely, Singapore (+0.6%) returned to its 2019 level, while the United Arab Emirates (+6.4%) outstripped it.

In Europe, the United Kingdom (-2.4%) fared better but still declined and Germany (-5.9%) recorded a notable fall, while the situation remained challenging in France (-11.2%), Italy (-11.5%) and Spain (-12.9%). The Netherlands (+12.6%) grew strongly, probably for logistical reasons.

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