



Q2

2015
MARKET INDEX





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Global Perspective

Yacht brokerage market conditions improved on both sides of the Atlantic in the second quarter of 2015. Collectively, brokerage members of YachtWorld reported in their proprietary database, SoldBoats, that they were selling more boats, at a higher total value, than in the second quarter of 2014.

For the combined first and second quarters of 2015, total sales were 125 boats ahead of 2014, less than 1 percent. The total value of sales in 2015 was \$24 million behind 2014, also less than 1 percent, and with currency variation, 2015 may have been effectively ahead of 2014.

In this edition of the *YachtWorld Market Index*, we not only provide detail on overall sales in the U.S. and Europe, but we also have two special reports. In Europe, we report sales for six major countries, which shows some surprising variation in volume and value. As a barometer of sales in the U.S., our Florida report shows how boats in the Sunshine State are selling faster and, in most segments, at higher average prices.

We welcome your continued comments and suggestions on how to make the *Market Index* a more useful resource.

John Burnham

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YachtWorld Editorial Director

Global Brokerage – Combined Sales

Global Totals

2014, Q1+Q2

\$2.98 billion

19,519 boats

2015, Q1+Q2

\$2.96 billion

19,644 boats

United States

2014, Q1+Q2 - \$1.96 billion / 15,917 boats

2015, Q1+Q2 - \$2.04 billion / 15,582 boats

Europe

2014, Q1+Q2 - \$1.02 billion / 3,602 boats

2015, Q1+Q2 - \$917 million / 4,062 boats

** Source: all data in this edition of YachtWorld Market Index is derived from SoldBoats, the proprietary database of YachtWorld member brokerages.*



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United States: Market Picks Up; Post-Recession “Best” in June

Brokerage sales in the U.S. gained momentum in the second quarter and drew level with the pace of sales in 2014, thanks to a strong June in which 3,649 boats were sold, 3 percent above June 2014. The market volume achieved in June was the highest for the month since 2007.

For the quarter, volume was 10,144 boats, 1 percent below the level of 2014, but the combined value of sales increased 4 percent, with \$1.29 billion changing hands. The superyacht market above 80 feet was down by \$27 million, but all other segments were level or higher. Big-boat segments, 56 to 79 feet and 46 to 55 feet were the best performers, up \$33 million and \$26 million, respectively.

For the first half of the year, the volume of sales was lower than in 2014 by 2 percent, with 15,582 boats sold. Values generally increased, however, with total sales rising from \$1.96 to \$2.04 billion.

Powerboat sales for the year to date were down by 2 percent, and sailboat sales were off by 5 percent. The total value of powerboat sales rose by 6 percent, to \$1.84 billion. Sailboat sales' value declined 10 percent, with sales of just under \$200 million.

Average sold prices for powerboats increased 7 percent, from \$132,000 in the first half of 2014 to \$142,000 in the first half of 2015. Sailboat prices declined, from an average of \$79,000 to \$76,000.

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US – Overall Sales Q1+Q2

OVERALL

BOATS SOLD

2014 - 15,917 boats
2015 - 15,582 boats

AVG. DAYS TO SALE

2014 - 277
2015 - 269

VALUE OF BOATS SOLD

2014 - \$1.96 billion
2015 - \$2.04 billion

AVG. BOAT VALUE

2014 - \$123,025
2015 - \$130,891



POWER

BOATS SOLD

2014 - 13,172 boats
2015 - 12,974 boats

AVG. DAYS TO SALE

2014 - 269
2015 - 261

VALUE OF BOATS SOLD

2014 - \$1.74 billion
2015 - \$1.84 billion

AVG. BOAT VALUE

2014 - \$132,112
2015 - \$142,003



SAIL

BOATS SOLD

2014 - 2,745 boats
2015 - 2,608 boats

AVG. DAYS TO SALE

2014 - 312
2015 - 310

VALUE OF BOATS SOLD

2014 - \$218.0 million
2015 - \$197.2 million

AVG. BOAT VALUE

2014 - \$79,416
2015 - \$75,616





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United States: Market Picks Up; Post-Recession “Best” in June *(cont.)*

Both types of boats began selling faster in 2015. The average time a boat was listed before selling declined, with powerboats’ time to sale decreasing 8 days to 261, and sailboat sales dropping 2 days, to 310.

Compared to 2014, the strongest sales in the first quarter of 2015 were among boats 46 to 55 feet; in the second quarter, sales were flat in that size range but increased among boats 26 to 35 feet and 56 to 79 feet.

For the two quarters combined, on a percentage basis, the 46- to 55-foot range was up 4 percent, with sales volume of 882 boats, and the 26- to 35-foot range gained 1 percent, with volume of 5,947 boats.

The overall recovery in volume of sales in the second quarter was slowed by a 7 percent decline among boats under 26 feet, which in most regions is the second largest category of brokerage boat sales. Sales volume in the second quarter was down by 233 boats and for the six-month period, off by 315 boats. Until that segment makes a comeback, significant volume growth in the market will be hard to come by.

-John Burnham

US – Sales by Length Q1+Q2

<26'

BOATS SOLD

2014 - 5,398 boats
2015 - 5,083 boats

VALUE OF BOATS SOLD

2014 - \$122.9 million
2015 - \$124.7 million

46'–55'

BOATS SOLD

2014 - 849 boats
2015 - 882 boats

VALUE OF BOATS SOLD

2014 - \$232.2 million
2015 - \$277.1 million

26'–35'

BOATS SOLD

2014 - 5,897 boats
2015 - 5,947 boats

VALUE OF BOATS SOLD

2014 - \$345.5 million
2015 - \$359.2 million

56'–79'

BOATS SOLD

2014 - 404 boats
2015 - 404 boats

VALUE OF BOATS SOLD

2014 - \$281.2 million
2015 - \$335.9 million

36'–45'

BOATS SOLD

2014 - 3,264 boats
2015 - 3,171 boats

VALUE OF BOATS SOLD

2014 - \$440.9 million
2015 - \$424.8 million

80'+

BOATS SOLD

2014 - 105 boats
2015 - 95 boats

VALUE OF BOATS SOLD

2014 - \$535.6 million
2015 - \$517.9 million

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Florida: Second Quarter Gains Put 2015 Sales Ahead of 2014

Sales activity in 2015's second quarter in the Florida brokerage market showed strong improvement over the same quarter in 2014, with sales volume up 7 percent and a total of 1,845 boats sold.

All segments made volume gains or were relatively level, except for boats over 80 feet, which declined 30 percent. The highest volume growth was among boats 26 to 35 feet, where brokers sold 670 boats, 17 percent or nearly 100 boats more than in 2014. Sales among boats 56 to 79 feet increased 7 percent, with 115 boats sold. The only segment besides superyachts to show weakness was boats 36 to 45 feet, which were down 2 percent with 420 boats sold.

Sales volume through the first six months of 2015 was 3 percent higher than 2014, with 3,307 boats changing owners.

Total value declined by \$117 million, but that was attributable mainly to a drop in superyacht values of \$182 million, masking value increases in most other segments.

The hottest category in the year's first half was boats 46 to 55 feet, up 19 percent with 311 boats sold. The total value of boats sold increased from \$86 million to \$110 million, and the average sold price rose from \$328,000 to \$355,000.

Boats were selling faster than the year before; the average boat sold after 240 days, down from 245 in 2014. Powerboats sold 3 percent faster, with an average time to sale of 236 days. The time to sell a sailboat actually increased 8 days, to 265 during the period.

-John Burnham

FL – Overall Sales Q1+Q2

OVERALL

BOATS SOLD

2014 - 3,217 boats
2015 - 3,307 boats

AVG. DAYS TO SALE

2014 - 245
2015 - 240

VALUE OF BOATS SOLD

2014 - \$995.1 million
2015 - \$878.4 million

AVG. BOAT VALUE

2014 - \$309,336
2015 - \$265,632



POWER

BOATS SOLD

2014 - 2,801 boats
2015 - 2,883 boats

AVG. DAYS TO SALE

2014 - 243
2015 - 236

VALUE OF BOATS SOLD

2014 - \$947.5 million
2015 - \$826.8 million

AVG. BOAT VALUE

2014 - \$338,285
2015 - \$286,778



SAIL

BOATS SOLD

2014 - 416 boats
2015 - 424 boats

AVG. DAYS TO SALE

2014 - 257
2015 - 265

VALUE OF BOATS SOLD

2014 - \$47.6 million
2015 - \$51.7 million

AVG. BOAT VALUE

2014 - \$114,415
2015 - \$121,851



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Europe: Volume Gains Continue, Pricing Remains a Challenge

Brokerage sales in Europe of 2,284 boats in the second quarter of 2015 represented an 11 percent increase over the second quarter of 2014, according to YachtWorld member brokerages reporting on SoldBoats. The improving sales came on the heels of an equally strong first quarter, and total sales for the year were 4,062 – a 13 percent rise.

The total value of sales in the second quarter increased 8 percent over the previous year, a gain of €32 million to €456 million. This was an improvement over the first quarter, in which the total value of sales was lower than the previous year even though sales volume was higher. Pricing remained a weakness in the market, however, as average sold prices declined 3 percent in the quarter.

Sailboat sales made the strongest gains during the second quarter, up 17 percent with 1,034 boats sold. Powerboat sales also increased, by 6 percent, with a total of 1,250 boats reported sold. Both categories experienced faster average times to complete a sale, with sailboat sales dropping from 372 to 354 days, and powerboats, from 355 to 348.

Looking at 2015 for the year to date, powerboat and sailboat sales were higher by a similar percentage. Brokers reported sales of 2,242 powerboats, a 12 percent increase over the previous year. They reported 1,820 sailboat sales, a 14 percent gain.

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EU – Overall Sales Q1+Q2

OVERALL

BOATS SOLD

2014 - 3,602 boats
2015 - 4,062 boats

AVG. DAYS TO SALE

2014 - 359
2015 - 363

VALUE OF BOATS SOLD

2014 - €880.7 million
2015 - €820.8 million

AVG. BOAT VALUE

2014 - €244,498
2015 - €202,063



POWER

BOATS SOLD

2014 - 2,005 boats
2015 - 2,242 boats

AVG. DAYS TO SALE

2014 - 358
2015 - 358

VALUE OF BOATS SOLD

2014 - €697.0 million
2015 - €634.3 million

AVG. BOAT VALUE

2014 - €347,638
2015 - €282,928



SAIL

BOATS SOLD

2014 - 1,597 boats
2015 - 1,820 boats

AVG. DAYS TO SALE

2014 - 361
2015 - 371

VALUE OF BOATS SOLD

2014 - €183.7 million
2015 - €186.5 million

AVG. BOAT VALUE

2014 - €115,007
2015 - €102,449



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Europe: Volume Gains Continue, Pricing Remains a Challenge *(cont.)*

All but one segment of boats by length experienced double-digit percentage gains in sales during the quarter, although on a percentage basis, year-over-year sales were not up quite as significantly as in the first quarter. Showing the strongest growth in sales in the second quarter were boats 46 to 55 feet, up 20 percent with 236 boats sold. For the year to date, the 56- to 79-foot and the 46- to 55-foot categories were the leaders, up 26 and 23 percent, respectively.

Through six months of 2015, the total value of sales increased on a double-digit percentage basis in the four length segments from 26 to 79 feet. Boats 36 to 45 feet were up the most

in value, 31 percent, with €145 million in sales. Boats 26 to 35 feet were up 28 percent in value, and boats 56 to 79 feet were up 27 percent in value, with totals of €79 million and €141 million respectively.

Sales of boats less than 26 feet were down 5 percent for the year and the total value of sales declined 3 percent, to €17 million. At the other end of the spectrum, sales of boats over 80 feet were up 21 percent through six months, with 109 boats sold, but the average price of the boats sold was €3.1 million, down from €5.5 million, and the total value of sales was €341 million, down 31 percent from the first half of 2014.

-John Burnham

EU – Sales by Length Q1+Q2

<26'

BOATS SOLD

2014 - 810 boats

2015 - 769 boats

VALUE OF BOATS SOLD

2014 - €17.9 million

2015 - €17.3 million

46'–55'

BOATS SOLD

2014 - 347 boats

2015 - 427 boats

VALUE OF BOATS SOLD

2014 - €83.1 million

2015 - €97.1 million

26'–35'

BOATS SOLD

2014 - 1,209 boats

2015 - 1,412 boats

VALUE OF BOATS SOLD

2014 - €62.0 million

2015 - €79.4 million

56'–79'

BOATS SOLD

2014 - 193 boats

2015 - 244 boats

VALUE OF BOATS SOLD

2014 - €111.3 million

2015 - €140.9 million

36'–45'

BOATS SOLD

2014 - 953 boats

2015 - 1,101 boats

VALUE OF BOATS SOLD

2014 - €110.7 million

2015 - €145.4 million

80'+

BOATS SOLD

2014 - 90 boats

2015 - 109 boats

VALUE OF BOATS SOLD

2014 - €495.7 million

2015 - €340.7 million

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Europe: Sales Volumes Rise in France and The Netherlands

A comparison of reports in the first half of 2015 by YachtWorld member brokerages shows that brokers shared unevenly in Europe's generally higher sales volumes. Those in France and The Netherlands experienced the strongest gains compared to the first half of 2014, reporting sales of 496 and 435 boats, respectively. On a percentage basis, both countries' brokers increased volume by more than 50 percent.

Sales in Spain and Italy also made double-digit percentage gains, rising from 382 to 453 boats in Spain and 268 to 310 boats in Italy. Sales were lower only in the U.K. and Germany, although among YachtWorld members reporting, U.K. brokers still made the most sales—1,740 boats. The total price paid for boats in the period increased most in Italy, which also led all countries, reporting €260 million in sales.

EU – Brokerage Sales Q1+Q2

COUNTRY	BOATS SOLD 2014	BOATS SOLD 2015	CHANGE
United Kingdom	1,829	1,740	-5%
France	320	496	55%
Spain	382	453	19%
Netherlands	257	435	69%
Italy	268	310	16%
Germany	116	109	-6%

Total value was lower in most countries, and none more so than The Netherlands, down more than 50 percent to €50 million. A closer look indicates that the sale of high-priced boats over 80 feet in February 2014 distorted the picture. In fact, other than in February, sales values in The Netherlands were higher in all other months since the beginning of 2015.

Aggregate prices paid in the period were 4 percent higher in the U.K. on a Euro basis, but with actual sales conducted in GBP, which rose against the Euro in 2015, the total value of sales was down 7 percent, from £91 million to £85 million. Most of that difference could be attributed, however, to variation in the sale and pricing of a small number of boats over 80 feet.

-John Burnham

EU – Value

COUNTRY	TOTAL PAID 2014	TOTAL PAID 2015	CHANGE
Italy	€202.9 m	€260.1m	28%
France	€175.8m	€150.1m	-15%
United Kingdom	€114.5m	€118.8m	4%
Spain	€129.2m	€106.5m	-18%
Netherlands	€121.1m	€50.4m	-58%
Germany	€10.9m	€13.3m	23%

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