



The Hackstons Guide to protecting yourself in alternative investment markets

Description

Alternative investments have grown in popularity in recent years as investors from all walks of life look to diversify their portfolios and manage risk. In a world where stocks and bonds used to make up the majority of portfolios, today, we're seeing investors increasingly focus on tangible assets. Commercial and residential property, collectibles, commodities, and cask whisky are all common examples.

To make sure that you know how to approach the alternative investment markets, we're going to guide you through the key things you need to know.

Remember that alternative investments are less liquid

You can buy and sell stocks in a matter of minutes if you want to, meaning that liquidity is rarely an issue. If we take the example of cask whisky, however, we quickly see that the outlook is very different. A smaller market, a more exclusive asset, and a generally slower rate of appreciation mean that buying and selling are typically done over a period of years. This means that if you want to make sure that your portfolio works for you, you will need to think about how much capital to invest and how much you want to keep as cash. Putting everything you have into an alternative investment is rarely a good idea.

Walk away from guaranteed returns

Just when you've figured out how much of your liquid cash to invest, someone comes along promising a guaranteed return that you would be foolish to ignore. Surely this means that you need to double down and ratchet up the size of your proposed investment so that you don't risk missing out? Wrong; what's really happening is that you are likely being targeted by an investment scam.

Anyone who says to you that the market is completely guaranteed is an extreme red flag, says Alphie Valentine, Co-founder of [Hackstons](https://hackstons.com), whisky specialists who provide

opportunities for both investment and consumption. These wise words are true in the world of cask whisky investments, and in every other type of asset that you could possibly invest in. We can all make predictions on the likely outcome, but no one ever knows for sure what is going to happen within any given market.

Always focus on asset verification

Performing due diligence is what will keep you safe and protected in the world of alternative assets. In the case of cask whisky, a Delivery Order is the gold standard in terms of asset verification as it will prove your ownership, detail the exact nature of the asset, and include details of the storage facility that is being used. Verifying your asset is a vital step that it can be easy to overlook if you get caught up in the moment and allow your passion for whisky to take over. Slow down, check the basics, and make an investment with peace of mind.

Only use past performance as a guide

Assessing how likely it is that an asset will increase in value is smart, but thinking about past performance as proof that something will happen in the future is not. Markets are complex and involve a whole host of variables that interact with one another in unpredictable, often unquantifiable ways. Accepting this fact will ensure that you don't put too much stock in past performance and fall into the trap of assuming that what happened previously will continue to happen in the future.

Look for a partner with a track record

You simply cannot put a price on experience because it's the vital component that will allow you to optimise the risk profile of your portfolio. The fact that [Hackstons recently won Newcomer of the Year](#) at the 2026 Drinks Retailing Awards,, their online testimonials, and their level of attention to detail when it comes to guiding potential investors are all hallmarks of expertise and experience. While there will always be new entrants to any market who look to disrupt things with eye-catching offers, choosing an experienced partner who has been there and done it many times over is always the best approach to take.

Ask questions and clarify the fee structure

Your key contact should be happy to guide you through the details of the different offerings, the storage facilities, and arrange to meet in person. They should also be more than happy to outline the fee structure in a way that is simple and easy to follow, allowing you to assess the true size of the potential opportunity. By asking questions during your due diligence process, you can determine whether or not the person you are talking to is someone you want to do business with.

Take your time to work through each of these key points, and you will be able to protect yourself, not just in the world of whisky investments, but in any alternative investment market.

Category

1. Investing

Tags

1. Value Investing

Date

07/22/2026

Author

huubster