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## The Art Market – Stable and Knowledgeable

The art market is in good health and there is much to be optimistic about contrary to recent gloomy comments in the media. Treating the market as a single entity simply does not make sense. Much of what has been written implies that there is one single market for art and antiques whereas in reality there are many different sectors each with its own buyers and sellers and, perhaps more importantly, with varying recent histories.

A thorough analysis of the current market shows that many sectors are performing strongly and consistently at a time when property prices have fallen substantially and the stock market has been on a roller coaster ride with more downs than ups. In October as the first pessimistic headlines began to emerge, the London auctions of 20<sup>th</sup> century Italian art produced extremely good results that went almost entirely unnoticed. Sotheby's sold 88.5% of its lots for more than £13.5 million (US\$23.6 million) breaking four artists' records. It was the second highest total ever for a sale in this category at the auction house in London and was 94.2% sold by value. Christie's did slightly less well but almost 70% of its weaker line-up found buyers with business totalling £11 million (US\$19.2 million). It was a classic example of how well-curated sales in a niche market that has grown steadily but sensibly over the past decade can succeed.

The good results for artists like Lucio Fontana, Piero Manzoni and Giorgio Morandi were not one-offs in a single sector of the market. Chinese works of art have also done well recently with Christie's London sale on 4 November totalling £5.3 million



KAZIMIR MALEVICH  
Suprematist Composition, 1916  
Oil on canvas, 34 7/8 by 28 inches  
Estimate in the region of \$60 million, sold for \$60,002,500 (£36,660,659)

(US\$8.3 million) which was 87% sold by value. A rare and magnificent Western Han jade belt hook estimated at £100,000 to £150,000 fetched a record £825,250 (US\$1.3 million). At the same time leading dealers in the annual *Asian Art in London* event, which attracts collectors from all over the world, also had reason to smile. Giuseppe Eskenazi sold 11 of the 16 works within days of his show *Chinese Ceramics and Stone Sculpture* opening. Ben Janssens sold three-quarters of his exhibition including a Ming dynasty imperial lacquer brush to a private collection in the UK for about £50,000 and an 18<sup>th</sup> century lacquer box with nine dragons to

an American private buyer for in the region of £40,000.

The brush was not only rare but had not been on the market for 40 years and had an excellent provenance having once been in the collection of Mrs Walter Sedgwick. Recent sales have shown just how important provenance is, even in sectors of the market that have been less fashionable in the past few years, and single owner sales have been performing strongly. On 19 November Sotheby's in London offered 242 British pictures from the collection of the late Sir David and Lady Scott. Although some are Modern British pictures, which have done

very well in recent times, the core of 150 paintings are from the currently less popular Victorian era. Sotheby's rightly stressed their provenance, their freshness to the market and the fact that the Scotts had tremendously good taste and, in the middle of what has been described as the biggest world recession since the Great Crash of 1929, 87.6% of the lots sold for £4.6 million (US\$6.9 million). Not only were 14 new artists' records established but 56.6% of the works sold for above their high pre-sale estimate. At least four bidders competed for the most expensive picture of the sale *No Walk Today* by Sophie Anderson, which fetched more than £1 million (US\$1.5 million).

Furniture and traditional antiques have also sometimes been described as unfashionable but combine top quality with good provenance and there is no shortage of buyers. Two of the greatest dealers in the furniture business in England, Hotspur and Jeremy, recently decided to auction their stock. The sale of 178 of their finest pieces at Christie's on 20 November



SOPHIE ANDERSON  
*No Walk Today*  
Oil on canvas, 19 by 15 1/2 inches  
Estimate: £600,000 - 800,000  
Sold for: £1,038,050 (\$1,555,518)

produced a packed saleroom encouraged by sensible estimates with 85% of the lots selling for a total of £4.4 million (US\$6.5 million). While the names of two companies that had become institutions in the antiques world were an undoubted draw even anonymous sales of private collections will do well if the quality is right. The next day Christie's disposed of the contents of an unnamed London town house for almost £2 million (US\$2.9 million) in an auction that was 81% sold by lot and 86% by value. Eight of the ten most expensive pieces exceeded their pre-sale high estimates with a George II giltwood mirror attributed to Matthias Lock and estimated at £80,000 to £120,000 being bought by a British dealer for £169,250 (US\$250,659). House sales are popular and when Christie's sold art and antiques from two properties – Pomfret House and Tetworth Hall – at its South Kensington saleroom on 5 November 92% of the lots sold for almost £1.2 million (US\$1.8 million) with a Philip Reinagle painting of a grouse fetching twice as much as expected. Other areas of the market that have done well recently are tribal art and watches, two very different sectors which both appeal strongly to collectors. The strength of the former was demonstrated by the sale of African and Oceanic Art from the collection of Frieda and Milton Rosenthal at Sotheby's in New York on 14 November. This was the most important collection of such works to be offered for sale in New York in 40 years and the Rosenthal pieces pushed aside pre-sale estimates as American and European collectors and dealers competed for them. The sale total was US\$10.8 million (£7.3 million), which was 97.3% sold by value, and among the



The Rosenthal Primordial Couple, a Senoufo rhythm pounder male and female pair, Ivory Coast heights 45 5/8 inches (male) and 38 1/8 inches (female)  
Estimate: \$3,000,000 - 5,000,000  
Sold for: \$4,002,500 (£2,699,103)

records was the US\$4 million (£2.7 million) paid for a stunning Senoufo sculpture *The Rosenthal Primordial Couple*. Christie's held a successful sale of watches in Geneva on 17 November which totalled US\$15.1 million and was 88% sold by value. Bidders from Europe, Asia and North America vied for a selection of watches that was both new to the market and realistically estimated. A European collector paid a record US\$805,932 (£547,843) for a Patek Philippe watch made in 1963 for Tiffany & Co.

The market for top quality works is still strong whether it be for watches, tribal sculpture or great paintings. The recent major auctions at Sotheby's and Christie's in New York totalled more than US\$775.7 million in less than a fortnight. In Sotheby's sale of Impressionist and Modern Art on 3 November three hugely important paintings sold for record prices. Kazimir Malevich's *Suprematist Composition*, an iconic example of early 20<sup>th</sup> century *avant-garde* art, fetched US\$60 million (£36.6 million), Edvard Munch's rare masterpiece

*Vampire* went to an American private buyer for US\$38.1 million (£23.3 million) and *Danseuse au Repos* by Edgar Degas sold for US\$37 million (£22.6 million). At Christie's a few days later Juan Gris's Cubist still life *Livres, Pipe et Verres* also set a new record when it fetched US\$20.8 million (£13.1 million).



JUAN GRIS  
*Livres, Pipe et Verres*, 1915  
Oil on canvas, 28 by 36 inches  
Estimate: \$12,500,000 - 18,500,000  
Sold for: \$20,802,500 (£13,166,139)

What the New York sales also demonstrated is that art is still sold at a profit. When the American collector Donald L. Bryant Junior bought Philip Guston's *Beggar's Joys* at Christie's in New York in 1996 he paid a record US\$1.7 million. Since then prices for Guston have soared and at Sotheby's Contemporary Art auction on 11 November the picture once again broke the record selling to an American buyer for US\$10.1 million (£6.5 million). Although the price was less than Sotheby's estimate it represented a huge return on Mr Bryant's investment, particularly as the auction house had guaranteed the picture for a figure believed to be well above the sale price. New York real estate developer Aby Rosen also had good reason to be pleased when *Buster Keaton*, a sculpture by Jeff Koons for which he had paid US\$2.7 million two years ago, sold for US\$4.3 million (£2.9 million). A painting by the American pop artist Tom Wesselman that fetched US\$149,000 in 2000 went

for US\$2.4 million (£1.5 million) this time.

The auction houses are the publicly visible face of the art market but what is often forgotten is that they account for slightly less than half of all business done. A report published at The European Fine Art Fair in Maastricht last year revealed that 52% of sales are made through dealers and art agents. This is a discreet way of doing business that avoids the spotlight of the salerooms where if an artwork does not sell its failure is very public and where estimates can reflect expectation rather than actual value. Art agents remain busy and high calibre dealers' exhibitions – as shown at *Asian Art in London* – are still doing well.

Above all art is an orderly market which has avoided the wild fluctuations seen on stock exchanges around the world and managed a sensible correction amid a difficult global economic situation. At its heart are high quality works of art and knowledgeable specialists and collectors and the events of the past few weeks show that that solid centre has not changed.



JEFF KOONS  
*Buster Keaton*, 1988  
Polychromed wood, 66 by 51 by 27 inches  
Estimate: \$5,000,000 - 7,000,000  
Sold for: \$4,338,500 (£2,892,333)