

The Latest Market Trends in Impressionist & Twentieth Century Art June 2022, London

The June London sales applied the same recipe used in New York in May: bring in consignments with in-house or third-party guarantees, secure third party guarantees for as many lots as possible, withdraw works unlikely to sell, and press for low reserves where needed. Overall, this led to good if uneven results, particularly for the guaranteed works which made up about a third of the lots in the main evening sales. Generally, we feel these June sales did as well as they could have on the heels of the gigantic New York sales, just over a month ago, when the market absorbed an astonishing \$2.7 billion worth of art.

June's offerings were solid at the high end and the headline lots were largely third-party guaranteed and sold, seemingly mostly to buyers other than their backers. However, the values of works even slightly outside the market's current interest in Monet, Magritte, and Picasso remain unpredictable. There were middling and poor results for Boudin, Klee, Kandinsky, Moore, Pissarro, among others, as well as examples of less important works selling far above our own expectations. This was the case with Hepworth, *Hollow Form with White Interior*, which sold at Christie's for £5.8 million (\$7.1 million) with buyer's premium and Giacometti's early Archipenko-esque *Femme qui marche [1]* from the Hubert de Givenchy estate sale in Paris, which we might have estimated at €7-10 million, rather less than Christie's €30 million unpublished estimate, presumably inflated to entice the seller. Ultimately, it sold for €27.2 million with buyer's premium. As we saw in May, big-name provenance commands a premium today.

Forthwith, please find our summary and thoughts on these final sales of what was an extraordinary first half of the 2022. We'll be back in November with a fresh assessment and, for now, congratulate the auction houses on keeping the art market afloat with their careful sale management. They've set a reasonably encouraging tone for the fall season, albeit amidst a difficult economic forecast. The big question is: will the art market continue to hold? It's difficult to imagine it will improve, but with a robust market of third-party guarantors helping maintain the sales at their highest possible levels, we're hopeful it's well-structured for what may come.

AUCTION SUMMARY

CHRISTIE'S	SOTHEBY'S
<p><u>Impressionist & Modern Art Results from the 20th/21st Century: London Evening Sale</u></p> <ul style="list-style-type: none"> - Total: £77,825,800 (\$94.9m) - % sold by lot: 78% (14/18 lots) - % sold at a hammer price above the high estimate: 6% (1/18 lots) - % sold at a hammer price within the estimates: 56% (10/18 lots) - % sold at a hammer price below the low estimate: 17% (3/18 lots) 	<p><u>Impressionist & Modern Art Results from the Modern & Contemporary Evening Sale</u></p> <ul style="list-style-type: none"> - Total: £37,490,000 (\$45.4m) - % sold by lot: 72% (18/25 lots) - % sold at a hammer price above the high estimate: 16% (4/25 lots) - % sold at a hammer price within the estimates: 40% (10/25 lots) - % sold at a hammer price below the low estimate: 16% (4/25 lots)
<p><u>Contemporary Art Results from the 20th/21st Century: London Evening Sale</u></p> <ul style="list-style-type: none"> - Total: £103,147,600 (\$125.3m) - % sold by lot: 95% (41/43 lots) - % sold at a hammer price above the high estimate: 30% (13/43 lots) - % sold at a hammer price within the estimates: 42% (18/43 lots) - % sold at a hammer price below the low estimate: 23% (10/43 lots) 	<p><u>Contemporary Art Results from the Modern & Contemporary Evening Sale</u></p> <ul style="list-style-type: none"> - Total: £39,269,200 (\$47.5m) - % sold by lot: 90% (18/20 lots) - % sold at a hammer price above the high estimate: 35% (7/20 lots) - % sold at a hammer price within the estimates: 30% (6/20 lots) - % sold at a hammer price below the low estimate: 25% (5/20 lots)

Christie's, 20th/21st Century: London Evening Sale

Strong Results for a Well-Managed Sale

Christie's delivered strong results in their 20th/21st Century London evening sale of 61 lots after three pre-sale withdrawals. Of the top lots, three exceeded \$30 million and two more were over \$10 million, all around or above their expectations. Impressionist & Modern Art accounted for 30% of the sale's lots and 43% of the sale's value, as well as four of the sale's six unsold lots. 18 lots, 30% of the sale, were backed by third parties, and just one of these showed a guarantor's discount in the final price. This was Henry Moore's *Interior Form*, which hammered at £1.8 million, within its £1.8-2.5 million estimate or £2.1 million (\$2.6 million) with fees, a £100,000 discount to the standard buyer's premium. Having combined their Impressionist & Modern and Post-War & Contemporary sales into a single 20th/21st century evening offering, has allowed Christie's to successfully tailor their sale to the market and relieve pressure on the thinner markets, such as middle-market Impressionism.

Insatiable Appetite for Monet

Two series works by Monet were offered in the wake of May's extraordinary \$300+ million in Monet sales, but appetite for the Impressionist master remained insatiable and *Waterloo Bridge, effet de brume* and *Nymphéas, temps gris* both hammered at matching prices of £26 million, or £30.1 million (\$36.7 million) with buyer's fees, apparently to the same buyer. Both were backed by third party guarantees though neither reflected a guarantor's discount in the final price. This was the second highest price paid for a work from Monet's Waterloo Bridge series, the highest being the \$48.5 million set in May 2021 for a particularly atmospheric example.

Magritte: Still the Apple of the Market's Eye

Magritte, *Souvenir de voyage*, an oil on canvas image of an enigmatic ostensibly concrete apple on a beach under a crescent moon, soared over its £5-7 million estimate to hammer at £13.8 million, or £16.1 million (\$19.6 million) with buyer's premium, over four times the £3.4 million (\$4.2 million) it sold for at Sotheby's in March 2017. This was the biggest surprise of the season, though Magritte has had a strong spring with the artist's record set in March with a majestic *L'empire des lumières* selling for £59.4 million (\$79.4 million) at Sotheby's.

Another Bidding War for Ernie Barnes

After May's epic sale of Ernie Barnes', *The Sugar Shack*, for \$15.3 million, over 100 times its low estimate of \$150-200,000, Christie's offered another work by the artist, *Main Street Pool Hall*, which hammered at £1.2 million, 10 times the high of its £80-120 million estimate, or £1.5 million (\$1.8 million) with buyer's premium.

Chagall & Paris Sales

Christie's bookended their marquee 20th/21st Century London Evening sale with a group of 20 Chagalls, mostly works on paper, offered in London by the artist's heirs and a Paris sale of 20th/21st Century Art filled with Post-War mainstays of Paris Contemporary sales such as Pierre Soulages, Simon Hantaï, and Yves Klein. The Chagall sale totaled £9.7 million (\$11.9 million) with buyer's premiums. This exceeded the high estimate and Christie's touted an extraordinary average of seven bidders per lot. The Paris sale totaled €15.3 million (\$16 million) with 88% sold. The top lot was Soulages, *Peinture 143 x 202 cm, 4 décembre 1970* which sold for €2.1 million (\$2.2 million).

Top Lots, Christie's, 20th/21st Century: London Evening Sale



Monet
Waterloo Bridge
Sold for:
£30,059,500
(\$36.7m)
Est.: £22-32m



Monet
Nymphéas, temps gris
Sold for:
£30,059,500
(\$36.7m)
Est.: £20-30m



Klein
Anthropométrie
Sold for:
£27,197,000
(\$33.1m)
Est. on request (£24m)



Magritte
Souvenir de voyage
Sold for:
£16,090,500
(\$19.6m)
Est.: £5-7m



Koons
Balloon Monkey
Sold for:
£10,136,500
(\$12.4m)
Est.: £6-10m

Sotheby's, Modern & Contemporary Evening Auction, London

A Tougher Climate at Sotheby's

Where Christie's results signaled strength to the market, Sotheby's Modern & Contemporary Art evening sale showed some challenges beginning with a weaker selection of works. Nine of the 45 lots offered (after two withdrawals, one announced mid-sale in the case of Warhol's *Mao*) did not sell for a rate of 80% sold by lot. The unsold works included Kirchner's fantastic and historically important, *Self-Portrait with a Pipe*, estimated at £8-12 million and Renoir's *Place de la Trinité* estimated at £4-6 million, with the remaining unsold works all estimated at £800-1.2 million or less. The sale was balanced with 25 Impressionist and Modern lots and 20 Post-War & Contemporary lots, though the Impressionist & Modern category had a weaker 70% sold rate, a consequence of several lower quality and unguaranteed works.

Guarantees

Just over a quarter of the lots in the sale were guaranteed by third parties and four of these showed a guarantor's discount in the final reported price, including the top lot of the sale, Warhol, *Self Portrait*, which hammered at £11 million, below its £12-18 million estimate, totaling £12.7 million (\$15.4 million) with buyer's fees, a £150,000 discount to the standard buyer's premium. Another four lots were guaranteed by Sotheby's, three of which sold below their low estimates.

Classic Monet

Sotheby's offered one Monet with *Vétbeuil* from 1880. Unguaranteed, it hammered at the low of its £10-15 million estimate, £11.7 million (\$14.2 million) with buyer's fees. A strong work from Monet's mid-market, we thought this sun filled and attractive townscape could have made more. Though impossible to know, we wonder if a third-party guarantee may have encouraged additional bidders by signaling committed interest.

No Repeat Success for Boudin

After the world record success of a particularly fine Boudin sold by Christie's London in March for £2.3 million (\$3 million), Sotheby's offered two lesser works by the artist, *Plage aux environs de Trouville. Marée basse*, estimated at £120-180,000 and *Trouville, l'heure du bain*, estimated at £500-700,000, neither of which found buyers.

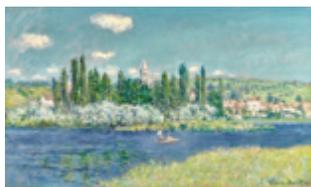
British Art: The Jubilee Auction

Before their Modern & Contemporary Art evening auction, Sotheby's presented a 33-lot evening sale of British Art which was a mixed bag of highs and lows. The evening's top lot, Bacon, *Study for a Portrait of Lucien Freud*, hammered at £37.5 million, above its unpublished £35 million estimate, resulting in £43.3 million (\$52.4 million) with buyer's fees. Several impressive prices were achieved for works by in-demand young artists, such as Flora Yukhnovich's *Boucher's Flesh* which sold for £2.3 million (\$2.8 million) against an estimate of £200-300,000 along with post-war British staples, like Auerbach, whose *Head of Gerda Boehm* sold for £4.1 million with buyer's fees, ahead of its £2-3 million estimate. However, another 10 lots did not sell for a low 70% sold rate. The unsold lots included Hockney, *Woldgate Woods II, 16 & 17 May, 2006*, estimated at £10-15 million and Banksy, *Turf War*, estimated at £4-6 million.

Top Lots, Sotheby's, Modern & Contemporary Evening Auction



Warhol
Self Portrait
Sold for:
£12,737,500
(\$15.4m)
Est.: £12-18m



Monet
Vétbeuil
Sold for:
£11,738,500
(\$14.2m)
Est.: £10-15m



Richter
Study for Clouds
Sold for:
£11,164,000
(\$13.5m)
Est.: £6-8m



Strindberg
Wave V
Sold for:
£6,797,800
(\$8.2m)
Est.: £2-3m



De Kooning
Untitled XVI
Sold for:
£3,545,000
(\$4.3m)
Est.: £3-4m

Top Lots, Sotheby's, British Art: The Jubilee Auction



Bacon
Study of Lucien Freud
Sold for:
£43,336,000
(\$52.4m)
Est. on request (£35m)



Auerbach
Head of Gerda Boehm
Sold for:
£4,149,000
(\$5m)
Est.: £2-3m



Hepworth
Elegy
Sold for:
£2,576,000
(\$3.1m)
Est.: £1.7-2.5m



Bonington
Picardy Coast
Sold for:
£2,394,500
(\$2.9m)
Est.: £2-3m



Riley
Tinct
Sold for:
£2,334,000
(\$2.8m)
Est.: £2.4-2.8m

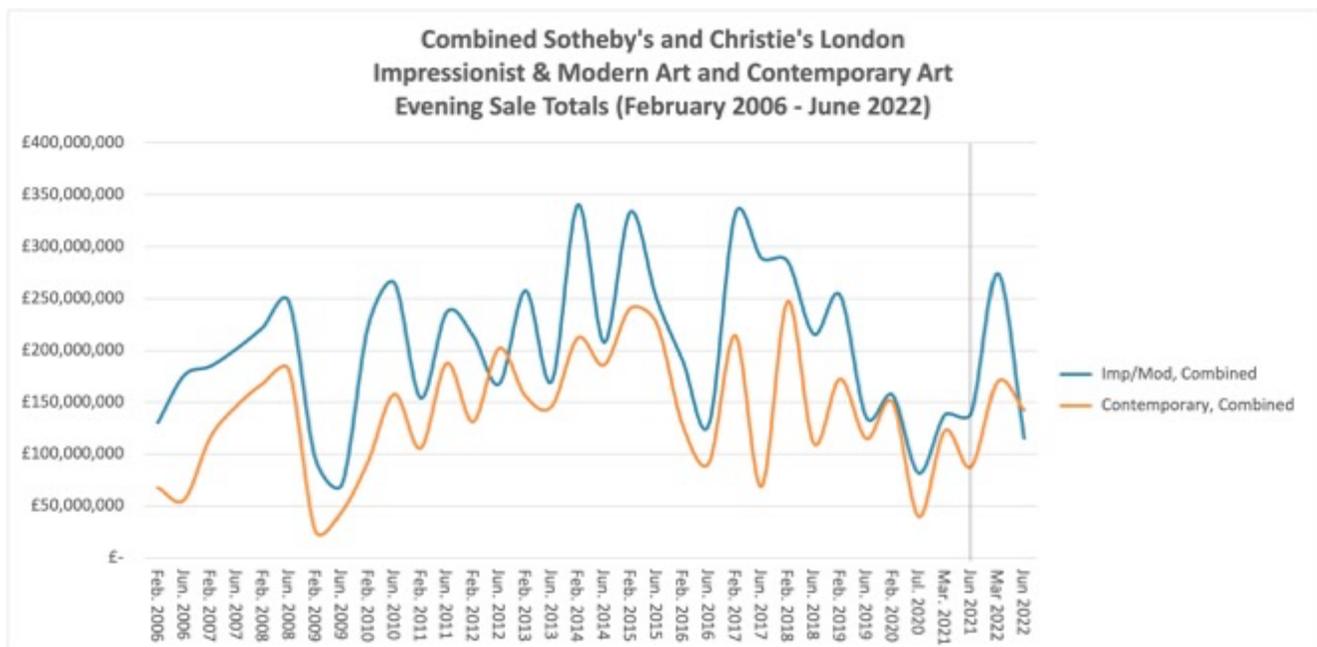
PRIVATE SALES & THOUGHTS FOR THOSE CONSIDERING SELLING

Private sales are following many of the same trends as the auctions: there are buyers for great works by blue chip artists, and, while less our market, we suspect also for the rising young art stars of today. The middle market is more difficult.

For those selling at auction, perhaps more than ever, we would not consider consigning without a guarantee. As we saw with the Kirchner and Hockney at Sotheby's, even for good works there is a huge risk of failing to sell without the security of a guarantee in the present market.

SALE CATEGORY COMPARISON

While the success of the November 2021 sales boosted the London market in March 2022, particularly for Impressionist & Modern Art, this June the evening sale category totals returned to levels more typical of recent years, through which, despite the upheaval of the pandemic and other global tests, the art market remained relatively buoyant. This chart does not include the results of Sotheby's British Art: The Jubilee Auction sale, which had some lots often included in Contemporary evening sales that would have further boosted the total for that category.



ARTICLES RELATED TO THE RECENT IMPRESSIONIST & TWENTIETH CENTURY ART AUCTIONS:

<https://www.theartnewspaper.com/2022/06/29/banking-on-the-monets-christies-london-to-paris-relay-brings-in-a-solid-pound2039m>

<https://news.artnet.com/market/christies-london-to-paris-sale-2022-2138148>

<https://www.artnews.com/art-news/news/yves-klein-anna-weyant-christies-london-paris-sales-250-m-1234632998/>

<https://www.artnews.com/art-news/market/francis-bacon-tops-sothebys-london-sales-1234633065/>

<https://www.theartnewspaper.com/2022/06/30/sothebys-modern-and-contemporary-sale-in-london-brings-in-over-pound76m>

<https://www.wsj.com/articles/nft-artists-get-first-major-test-since-cryptos-collapse-11656453852>

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