

**The Latest Market Trends in Impressionist & Modern Art
February-March 2017, London**

The February Impressionist and Modern Art auctions in London, the first major sales of 2017, set a strong tone for the year. This is especially welcome after the uncertainty that hung over much of last year's sales, between the U.S. presidential election that occurred just before the November sales in New York and undoubtedly affected business getting for that season, and the Brexit Referendum vote, which took place the day after the completion of the London sales in June 2016. The market reacted well to this moment of relative calm with Christie's and Sotheby's offering strong sales and selling them with remarkably consistent 89-92% sold rates for the evening sales. This season's results bode well for the offerings of the upcoming May sales in New York, as the auction houses now turn their attention to building these sales.

Though traditionally this round of late-winter London sales have been held at the beginning of February, this year the auction houses postponed them to avoid competing with the Chinese New Year, a move that appears to have been successful, due to the elongated business getting period and the participation of Chinese bidders, which boosted the sale results.

AUCTION SUMMARY

Christie's, February 28, 2017:

Impressionist & Modern Art Evening Sale

- Sale total: **£94,306,000 (\$117,222,358)**
- % sold by lot: **92%** (46/50 lots)
- % sold lots sold at a **hammer price below the low estimate: 26%** (12/46)
- % sold lots sold at a **hammer price above the high estimate: 39%** (18/46)

The Art of the Surreal Evening Sale

- Sale total: **£42,568,598 (\$52,912,654)**
- % sold by lot: **91%** (31/34 lots)
- % sold lots sold at a **hammer price below the low estimate: 42%** (13/31)
- % sold lots sold at a **hammer price above the high estimate: 26%** (8/31)

Sotheby's, March 1, 2017:

Impressionist & Modern Art Evening Sale

- Sale total: **£177,022,250 (\$219,905,872)**
- % sold by lot: **89%** (31/35 lots)
- % sold lots sold at a **hammer price below the low estimate: 26%** (8/31)
- % sold lots sold at a **hammer price above the high estimate: 19%** (6/31)

Surrealist Art Evening Sale

- Sale total: **£17,731,250 (\$21,926,451)**
- % sold by lot: **89%** (17/19 lots)
- % sold lots sold at a **hammer price below the low estimate: 12%** (2/17)
- % sold lots sold at a **hammer price above the high estimate: 41%** (7/17)

Christie's, Impressionist & Modern Art Evening Sale and The Art of the Surreal Evening Sale:

With a collection of 13 mostly Impressionist works from the collection of Barbara Lambrecht and a group of four works presumed to have come from the collection of Russian collector, Dmitry Rybolovlev—Gauguin, *Te Fare (La Maison)*; Rodin, *Le Baiser, grand modèle*; Picasso, *Joueur de flûte et femme nue*; and Magritte, *Le domaine d'Arnheim*, along with several works by German and Austrian artists, and a group of rare paintings by Le Corbusier, Christie's presented a solid sale and achieved strong results. Of the 84 lots offered on Tuesday night, only seven failed to find buyers for an impressive 92% sold rate.

Moreover, Christie's conservatively shielded themselves from risk, by arranging just two third-party guarantees for Delvaux, *Le village des sirènes* and Magritte, *La corde sensible*, both in the Surrealism portion of the sale. While the Delvaux sold above its high estimate, presumably making for a happy guarantor who would have either had a stake in the upside or acquired the work, the Magritte, though the top price in this portion of the sale and the second highest price of the evening, with a very big estimate (a world record for the artist), not surprisingly sold below its low estimate to a third party guarantor who received a deduction to the buyer's premium. The painting had received some market exposure in the month preceding the sale.



Morisot,
*Femme en
noir*, sold for
£2 million
(est.: £600-
800,000)

Top Lots, Christie's Impressionist & Modern Art Evening Sale:



Gauguin
Te Fare (La Maison)
Sold for:
£20,325,000
(\$25,263,975)
Estimate: £12-18m



Matisse
Jeune fille aux anémones
Sold for:
£8,453,000
(\$10,507,079)
Estimate: £5-7m



Picasso
Joueur de flûte et femme
Sold for:
£4,645,000
(\$5,773,735)
Estimate: £6.5-8.5m



Cézanne
Femme assise
Sold for:
£4,533,000
(\$5,634,519)
Estimate: £2-3m



Renoir
Canotage à Bougival
Sold for:
£4,197,000
(\$5,216,871)
Estimate: £3.7-4.7m

Top Lots, Christie's The Art of the Surreal Evening Sale:



Magritte
La corde sensible
Sold for:
£14,441,348
(\$17,950,596)
Est.: £14-18m



Magritte
Le domaine d'Arnheim
Sold for:
£10,245,000
(\$12,734,535)
Est.: £6.5-8.5m



Delvaux
Le village des sirènes
Sold for:
£3,077,000
(\$3,824,711)
Est.: £1.7-2.5m



Ernst
Portrait érotique voilé
Sold for:
£2,285,000
(\$2,840,255)
Est.: £1.5-2.5m



Picabia
Statics
Sold for:
£2,045,000
(\$2,541,935)
Est.: £1.3-1.8m

Sotheby's, Impressionist & Modern Art Evening Sale and Surrealist Art Evening Sale:

Sotheby's Wednesday night sale of a comparatively svelte 54 lots of Impressionist, Modern and Surrealist Art totaled £195 million, the highest for any auction ever to take place in London. A very respectable 89% of the evening's offerings found buyers. The sale was led by Klimt's dazzling 1907 *Bauerngarten*, which Sotheby's estimated to sell in excess of £35 million and ultimately found a buyer at £48 million (\$59 million). The work, long-owned by Prague's state Národní Galerie, was consigned by a Canadian Collector who purchased it at Christie's London in 1994 for £3.7 million (\$5.8 million).

Across the board, bold, decorative works by marquee names sold very well at logical estimates. The few failures occurred in cases of works that were not fresh, too ambitiously estimated or simply unappealing. Pissarro, *Les Quatres saisons*, which held the record for the artist from 2007 until 2014, returned after ten years to make £7.7 million (\$9.5 million), considerably less than its 2007 price of \$14.6 million. This particular Pissarro has also had significant exposure on the private market over the past year.

SEYDOUX & ASSOCIÉS fine art

Sotheby's guaranteed two lots themselves—Hepworth, *Summer Dance* and Degas, *Femme nue, de dos, se coiffant*—and arranged third-party irrevocable bids for six more lots. While the third-party guarantors appear to have done well from these arrangements, which in most cases went for hammer prices above their low estimates, Sotheby's house guarantees were less successful. The Degas, after failing to sell as a part of the aggressively guaranteed Taubman estate in November 2015 at an estimate of \$15-20 million, was this time estimated at £6-8 million (\$7.4-9.9 million) and found a buyer at £5.4 million (\$6.7 million), a very good buy indeed for a beautiful example of the subject.

Top Lots, Sotheby's Impressionist & Modern Art Evening Sale:



Klimt
Bauerngarten
Sold for:
£47,971,250
(\$59,321,247)
Est. on request (£35m+)



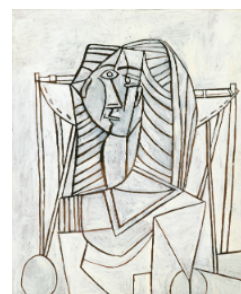
Picasso
Plant de tomates
Sold for:
£17,033,750
(\$21,063,935)
Estimate: £10-15m



Modigliani
Portrait de Baranowski
Sold for:
£16,021,250
(\$19,811,878)
Estimate: £10-15m



Picasso
Femme nue assise
Sold for:
£13,658,750
(\$16,890,410)
Estimate: £9.5-12.5m

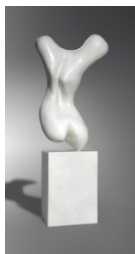


Picasso
Femme assise
Sold for:
£12,083,750
(\$14,942,765)
Estimate: £6.5-9.5m

Top Lots, Sotheby's Surrealist Art Evening Sale:



Magritte
Souvenir de voyage
Sold for:
£3,421,250
(\$4,230,718)
Estimate: £2.5-3.5m



Arp
Torse
Sold for:
£3,308,750
(\$4,091,600)
Est.: £2.5-3.5m



Delvaux
Filles au bord de l'eau
Sold for:
£2,288,750
(\$2,830,268)
Est.: £1.7-2.2m



Magritte
Le repas de nocces
Sold for:
£2,048,750
(\$2,533,484)
Estimate: £900-1.2m



Arp
Homme-Moustache
Sold for:
£1,688,750
(\$2,088,308)
Est.: £1.2-1.5m

PRIVATE SALES

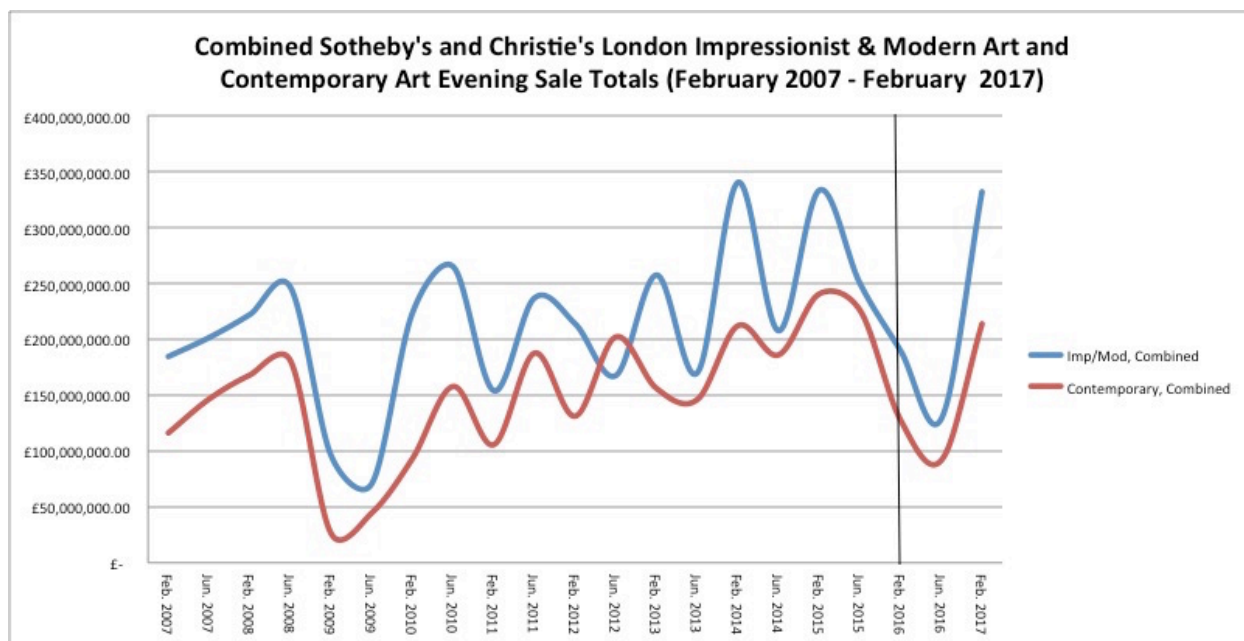
The London sales showed that attractively estimated fresh-to-the-market works are currently and unsurprisingly doing well at auction. We can confirm that such works are also trading well on the private market, without the risk and exposure of selling at auction. For the moment, buyers and sellers have a variety of good options for their collecting needs and we would in many cases encourage taking advantage of this healthy moment in the market.

A NEW YORK FREEPORT

New York City could become a new hub for art storage with Arcis hoping to open a Freeport in Harlem this summer. It will give collectors a new opportunity for storage away from Delaware or Switzerland. Collectors will have the benefit of a more convenient storage facility and this new opening underlines this facility's utility for the art business. More information on the following link: <https://news.artnet.com/art-world/will-new-york-get-its-own-freeport-for-art-arcis-plans-a-tax-haven-in-harlem-878165>

SALE CATEGORY COMPARISON

After a downward market adjustment that unfolded over last year, which we attributed at the time to Sotheby's and Christie's pulling back from offering myriad aggressive guarantees, both auction houses showed a strong recovery to peak levels. Doing so with mostly third-party guarantees suggests better profitability for the auctioneers and a more logical market overall.



Source: Seydoux & Associés, 2017

ARTICLES RELATED TO THE FEBRUARY 2017 IMPRESSIONIST & MODERN ART SALES:

<https://www.nytimes.com/2017/03/01/arts/design/a-59-million-klimt-tops-a-landmark-sothebys-auction-in-london.html?rref=collection%2Fsectioncollection%2Fdesign&action=click&contentCollection=design®ion=rank&module=package&version=highlights&contentPlacement=1&pgtype=sectionfront>

<https://www.wsj.com/articles/asian-collectors-spur-brisk-bidding-at-london-auctions-1488406123>

<https://www.bloomberg.com/news/articles/2017-02-28/that-85-million-painting-bought-as-an-investment-now-down-74>

<https://news.artnet.com/market/sothebys-recording-smashing-sale-klimt-877094>

<http://www.blouinartinfo.com/news/story/1985455/christies-season-welcoming-night>

<http://www.blouinartinfo.com/news/story/1991094/sothebys-super-heated-night>

<http://www.artmarketmonitor.com/2017/03/02/and-just-like-that-the-art-market-is-fine-again/>

<http://www.artmarketmonitor.com/2017/03/01/rybolovlevs-losses-dont-overshadow-christies-solid-sale/>

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