

**The Latest Market Trends in Impressionist & Modern Art
June 2015, London**

After the extraordinary New York sales in May and the Art Basel art fair (June 16-19), the London June sales could have succumbed to art market fatigue, but this was not the case. Strong results were achieved across the board at Christie's and Sotheby's, although each house offered a very different sale. Now that the June London Impressionist & Modern Art auctions have come to a close, please find below a review of the sales and their impact on the current market.

AUCTION SUMMARY

Christie's, June 23, 2015:

Impressionist & Modern Art Evening Sale

Sale total: **£71,461,000 (\$113,662,990)**

% sold by lot: 84% (42/50 lots)

Sotheby's, June 24, 2015:

Impressionist & Modern Art Evening Sale

Sale total: **£178,590,000 (\$282,172,200)**

% sold by lot: 84% (42/50 lots)

Christie's, Impressionist & Modern Art Evening Sale:

Christie's London had a rather modest offering, probably due to the Impressionist & Modern Art team's focus on their record-breaking New York sale in May. The sale—led by a large but uninspiring *Iris mauves* by Claude Monet—was thin, both in volume and quality, many lots having been previously seen on the block, or, in the case of the aforementioned Monet from the Marc Rich Estate, having had considerable market exposure. The lack of fresh material combined with strong estimates seemed fragile, but **with 84% sold by lot, it did surprisingly well.**

Christie's guaranteed four lots and secured irrevocable bids for two additional lots, essentially pre-selling six lots in the sale. Notably, they are guaranteeing works across the value spectrum, not only high-value marquee lots. Of the six guaranteed or IBd lots, four sold at or below the low estimate, leading us to believe they went to the guarantors and that little additional profit was made from the arrangements.

Top Lots:



Monet
Iris mauves
Sold for:
£10,834,500
(\$17,118,510)



Picasso
Tête
Sold for:
£4,450,500
(\$7,031,790)



van Dongen
Anita en almée
Sold for:
£4,114,500
(\$6,500,910)



Miró
La tige de la fleur
Sold for:
£3,778,500
(\$5,970,030)



Signac
Marseille, le port
Sold for:
£3,666,500
(\$5,793,070)

Sotheby's, Impressionist & Modern Art Evening Sale:

The following evening, Sotheby's presented a wide variety of works in excess of \$10 million: Degas, Gauguin, Malevich, Picasso, Manet, Klimt, Derain, Soutine and Miro. All found successful bidders contributing to a **sale total of £178 million (\$282 million)**, over £100 million more than the previous evening at Christie's.

Sotheby's avoided in-house guarantees entirely, securing irrevocable bids from third parties for eight lots in the sale. Four of the top selling works—the Manet, Malevich, Gauguin and Degas sculpture—all entered the sale with irrevocable bids, which nonetheless did not elicit the depth of bidding that Sotheby's had hoped for, with the Manet and Malevich selling at and below their low estimates respectively, and the Gauguin selling at one bid above the irrevocable bid for **£11.6 million (\$18.2 million)**.



Gauguin, *Nature morte aux mangos*

In May, we observed that third-party guarantees seemed in several cases to propel the prices of top-quality works by making public that a buyer was assured at a strong price, thereby encouraging confidence in other bidders. For the London Impressionist & Modern Art sales, this was not so consistently the case, as the IBs were set at already aggressive levels in order to secure the works for auction (and certainly not for guaranteed works of average quality, which didn't sell especially well against their pre-sale estimates), and this is reflected in the results for most of those works.

Sotheby's has maintained a higher buyer's premium than Christie's since the former raised theirs in January of this year. Currently, buyers at Sotheby's London pay the hammer price plus 25% of the hammer up to and including £100,000, 20% of the hammer on any amount in excess of £100,000 up to and including £1,800,000, and 12% on any amount in excess of £1,800,000. Christie's London buyer's premium is 25% of the hammer up to and including £50,000, 20% of the hammer over £50,000 up to and including £1,000,000, and 12% of the hammer over £1,000,000. Given the success of Sotheby's 2015 Impressionist & Modern Art evening sales, the larger commission doesn't seem to have deterred buyers.

For reference, at Sotheby's New York, the buyer's premium is currently 25% of the hammer price up to and including \$200,000, 20% of hammer price in excess of \$200,000 up to and including \$3,000,000, and 12% of the hammer price in excess of \$3,000,000. At Christie's New York, the buyer's premium remains lower at 25% of the hammer up to and including \$100,000, 20% of the hammer over \$100,000 up to and including \$2,000,000, and 12% of the hammer over \$2,000,000.

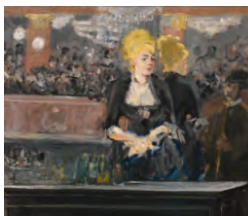
Top Lots:



Klimt
Portrait of Gertrude Loew
Sold for:
£24,789,000
(\$39,149,268)



Malevich
Suprematism, 18th Construction
Sold for:
£21,429,000
(\$33,842,820)



Manet
Le Bar aux Folies Bergère
Sold for:
£16,949,000
(\$26,767,556)



Picasso
Deux Personnages (La Lecture)
Sold for:
£16,389,000
(\$25,883,148)



Degas
Petite danseuse de quatorze ans
Sold for:
£15,829,000
(\$24,998,740)

MARKET TRENDS

- Buyers:

Buyers this season appeared evenly spread between Europe, the United States, and Asia with visible activity from Russian buyers, who underbid the Monet at Christie's and purchased the Malevich at Sotheby's. The Russian presence has been more discreet in other recent sales. We also observed a number of seasoned collectors, particularly European and American, aggressively reentering the market after a period of lower activity.

- Impressionism:

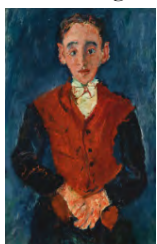
Strong prices achieved by Claude Monet continued the trend of high demand for his work. The Monet market is still largely supported by Asian collectors. Manet, Gauguin and Degas' bronze, *Petite danseuse de quatorze ans*, required more sophisticated taste and yet realized equally strong results. It is reassuring to see that interest for Impressionist and Post-Impressionist works from new collectors has broadened beyond Monet and Van Gogh. Nevertheless, early more subtle works from the beginning of the 1870s, such as the wonderful Sisley at Christie's, are still considered too classical and their later sblings continue to fetch substantially more.



Sisley, *Le potager*

- Modern Art:

There is no doubt that size matters in the current market. Large canvases by Picasso, Miro and Klimt were relentlessly fought for. Soutine's *Le valet de chambre*, sold for **£10.8 million (\$17 million)**, confirming that May's New York results for the artist were not a fluke; Soutine is at his highest market level ever. Léger's work is uneven, and so are his prices. Excitement remains for his early 1920s works, but interest for his later works strongly varies based on the decorative nature of the subject. The German & Austrian market is also sensitive to decorative appeal, although probably due to the absence of high quality works for several years now. Klimt performed extremely well, as did Liebermann. Surrealism continues to do well, particularly in London. Magritte's powerful gouaches lead the field, but late works by Dali, Dominguez and Ernst all sold well.



Soutine, *Le valet de chambre*

- Unfinished and Unsold:

The relatively few lots that remained unsold this season lacked decorative appeal or were perceived as unfinished. A large Derain fauve work, painted spontaneously in Collioure, had too much bare canvas to attract a single bid, besides the fact that it had a lot of market exposure.

- Provenance:

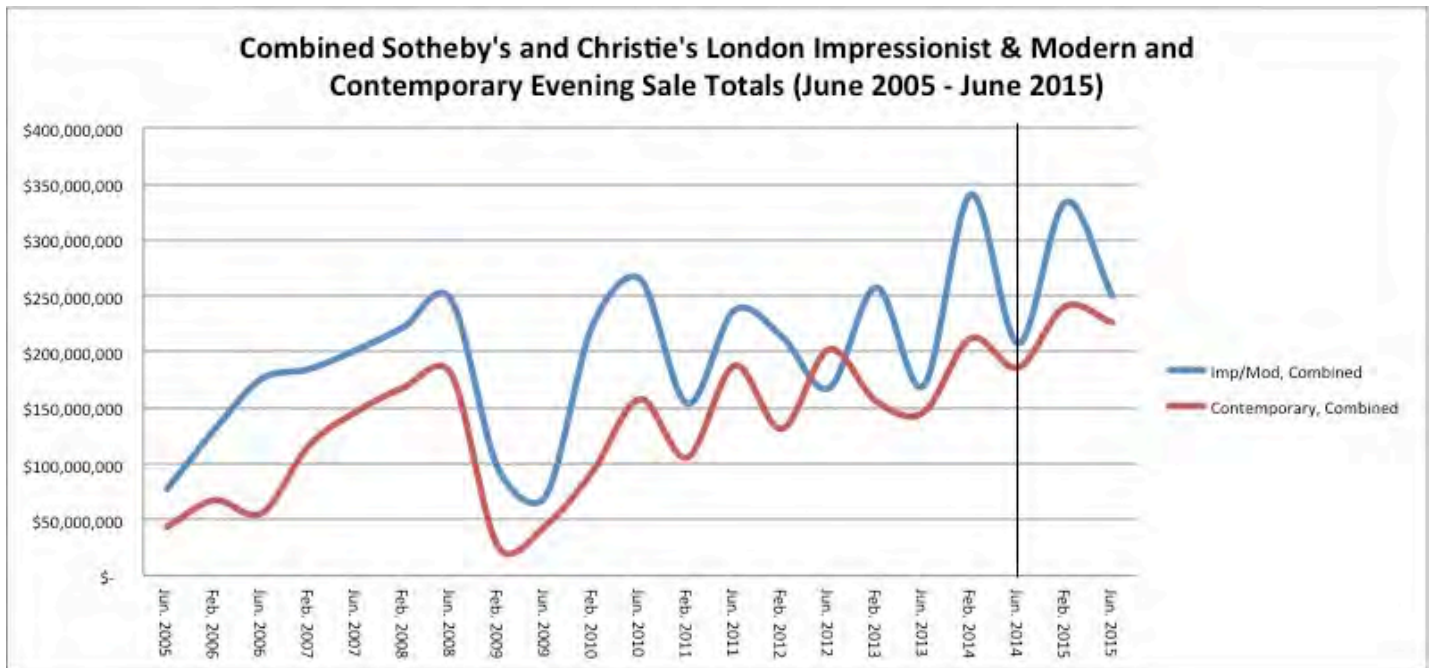
At Sotheby's, a rather classical Max Liebermann equestrian scene more than tripled its high estimate, fetching **£1.87 million (\$2.9 million)**, a surprising result achieved mainly due to its Gurlitt provenance. Over the past year the significant media exposure of the Gurlitt case demonstrated the public fascination with looting and restitution, and it certainly contributed to the Liebermann result, the painting would have probably gone unnoticed otherwise. Similarly, the week's top selling work, Klimt's *Portrait of Gertrud Loew*, which sold for **£24.8 million (\$39 million)**, well over its high estimate, carried the intrigue and closure of having been recently restituted to the sitter's heirs.



Liebermann, *Two Riders on the Beach*

SALE CATEGORY COMPARISON

In London, unlike New York, Impressionist & Modern Art has generally remained the leading sale category over Contemporary Art. Recently, the February London sales have been stronger than the June London sales, perhaps due to springtime resources being directed toward the higher value May sales in New York, less than two months prior.



Source: Connery Pissarro Seydoux, 2015

PRIVATE SALES

Successfully closing the first half of 2015, the strong results of the London sales indicate that some new buyers, especially from Asia, are most comfortable purchasing at auction rather than privately. Some beginning collectors are sensitive to branding and the impression of an underbidder, even if bidding against the reserve, and Sotheby's and Christie's offer such clients the context to spend with confidence. There is no doubt that certain works, especially those with strong commercial appeal, have fetched higher prices at auction in 2015 than they would have privately, but we believe that a well-informed collector buying privately will do better than at auction.

ARTICLES RELATED TO THE FALL IMPRESSIONIST & MODERN ART SALES:

<http://www.blouinartinfo.com/news/story/1185334/christies-london-season-opener-brings-solid-results-without-a>

<http://www.blouinartinfo.com/news/story/1186004/klimt-leads-sothebys-trophy-hunters-night>

<https://news.artnet.com/market/christies-impressionist-modern-sale-310921>

<https://news.artnet.com/market/sotheby-s-london-impressionist-sale-311351>

<https://news.artnet.com/market/christies-losing-impressionist-market-share-312753>

<http://theartnewspaper.com/market/art-market-news/157197/>

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