

The Latest Market Trends in Impressionist & Modern Art February 2016, London

While the prior London Impressionist & Modern Art auction season in June 2015 was notably strong, the market adjusted by November 2015, when the New York sales brought well-informed bidders who dismissed lots with outsized estimates, but pursued those with enticing ones. This latter condition continued during the London February 2016 Impressionist and Modern Art sales, which featured independent segments focused on Surrealist Art.

This season brought many **fewer guarantees** than seen recently with just four guaranteed lots across the four evening sales. This is largely because guarantors—both third-parties and the auction houses—have been burned lately, winding up with overpriced inventory when guaranteed lots failed to stimulate the hoped-for enthusiasm. This resulted in lower prices achieved for lower quality works on offer, many of which had been seen recently at auction, and **weak results in the middle market for works in the \$1-10 million range, where prices generally have dropped.** However, the move away from guarantees has led to a healthier market overall where works attained honest values, without being pre-sold and propped up. This season's highlights came from fresh material that carried low-estimates. Where the market was given this room to breathe, it performed as or better than expected.

AUCTION SUMMARY

Christie's, February 2, 2016:

Impressionist & Modern Art Evening Sale

- Sale total: **£66,430,000 (\$95,659,200)**
- % sold by lot: 72% (36/50 lots)
- % sold lots sold at a **hammer price below the low estimate: 25%** (9/36)

The Art of the Surreal Evening Sale

- Sale total: **£29,487,100 (\$42,461,424)**
- % sold by lot: 76% (31/41 lots)
- % sold lots sold at a **hammer price below the low estimate: 35%** (11/31)

Sotheby's, February 3, 2016:

Impressionist & Modern Art Evening Sale

- Sale total: **£78,853,000 (\$133,548,320)**
- % sold by lot: 68% (25/37 lots)
- % sold lots sold at a **hammer price below the low estimate: 52%** (13/25)

Surrealist Art Evening Sale

- Sale total: **£14,860,500 (\$21,399,120)**
- % sold by lot: 81% (13/16 lots)
- % sold lots sold at a **hammer price below the low estimate: 15%** (2/13)

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

Given a relatively modest selection of works, Christie's led off the sales with solid results. Only **three lots were guaranteed**—a minor Pissarro landscape, *Le village à travers les arbres* which sold to the guarantor in the Impressionist & Modern Art sale and two works in The Art of the Surreal sale, Ernst's *Fleur coquillages sur fond marin*, which failed to sell despite the guarantee, and Ernst's *The Stolen Mirror*, which sold to its guarantor for **£7.6 million (\$11 million)**, rather less than the \$16.3 million it went for at Christie's New York in 2011. With very few guarantees compared to last year, it was interesting to see that the lots that performed best were those offered with very modest estimates, such as Renoir, *Femme nue à sa toilette* which sold for **£3.9 million (\$5.6 million)**, well over the £1.8–2.2 million estimate and Cézanne's *Portrait* depicting a dreamy young man that sold for **£1.2 million (\$1.7 million)** against an estimate of £300-500,000, confirming the health of the market and that the old-fashioned strategy of low estimates aimed to attract multiple bidders is still the best way forward.



Renoir, *Femme nue à sa toilette*



Scholz,
*Badische
Kleinstadt
bei Tag*

Léger, Ernst, Schiele and Chagall were the star lots of the evening. They all sold for full prices although high estimates in the case of the Ernst and Léger limited the numbers of bidders. Strong works by artists infrequently seen in evening sales, but carrying appealing estimates below the £1 million mark fared well, with bidders chasing Georg Scholz's *Neue Sachlichkeit Badische Kleinstadt bei Tag* to **£1.2 million (\$1.7 million)**, more than double its high estimate. André Lhote's *La danse au bar* sold for **£1.1 million (\$1.6 million)**, over its high estimate, but considerably less than the \$2.7 million it sold for at Christie's New York in 2007. Magritte, *Mesdemoiselles de l'île Adam*, which sold just over one year ago in November 2014 for \$5 million, this time sold shy of its low estimate for just **£2 million (\$2.9 million)** with the catalogue symbol indicating that Christie's was the seller. This again demonstrates the combined importance of market freshness and appealing estimates.

The Surrealist sale struggled more than in past seasons, probably due more to its modest offerings than to market trends. Both sales suffered from too many mediocre lots that were doomed from the outset, and only contributed to slowing. The 25% of lots that remained unsold, and 20 lots that sold below their low estimates, were hardly surprising.

When the market was allowed to express itself, it showed depth and strength, leading to overall good results: tighter sales and reasonable estimates seem best suited to the current market, an old recipe still valid today, especially when the market needs to reassure itself. Let's hope for fresher material in May.

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



Schiele
Selbstbildnis
Sold for:
£7,250,500
(\$10,433,470)
Estimate: £6-8m



Chagall
Les mariés de la tour Eiffel
Sold for:
£7,026,500
(\$10,111,134)
Estimate: £4.8-6.8m



Léger
Le moteur
Sold for:
£5,234,500
(\$7,532,446)
Estimate: £4-6m



Cézanne
Ferme en Normandie
Sold for:
£5,122,500
(\$7,371,278)
Estimate: £4.5-6.5m



Kirchner
Erna am Meer
Sold for:
£4,786,500
(\$6,887,774)
Estimate: £1.5-2.5m

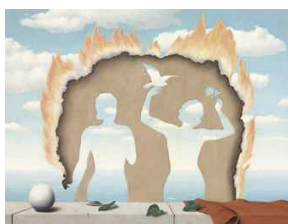
Top Lots, Christie's The Art of the Surreal Evening Sale:



Ernst
The Stolen Mirror
Sold for:
£7,642,500
(\$10,997,558)
Estimate: £7-10m



Miro
Femme et Oiseaux
Sold for:
£5,794,500
(\$8,338,286)
Estimate: £3-5m



Magritte
Mesdemoiselles de l'île Adam
Sold for:
£1,986,500
(\$2,858,574)
Estimate: £2-3m



Picasso
Arlequin
Sold for:
£1,426,500
(\$2,052,734)
Estimate: £1.5-2.5m



Lam
Chant de la forêt
Sold for:
£1,426,500
(\$2,052,734)
Estimate: £1.3-1.8m

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

Sotheby's Impressionist & Modern Art and Surrealist Art Evening sales had a tougher selection of works and easy it wasn't with 15 lots in the two sales going unsold and another 15 of the sold lots failing to reach their low estimates, but overall the results were satisfactory.

The only highlights were the Rodin, *Iris, messagère des dieux* which exceeded its high estimate to sell for **£11.6 million (\$16.6 million)** in the Impressionist & Modern Art sale and Delvaux, *Le Miroir* which sold within estimate for **£7.3 million (\$10.5 million)** in the Surrealist Art sale. Matisse's *La leçon de piano* was fresh to the market but a little too bourgeois and not seductive enough to attract more than one bidder or to reach its low estimate. Léger, *Eléments mécaniques* had considerable private market exposure prior to coming to auction and consequently found only two bidders, just enough to push the price to **£3.2 million (\$4.7 million)**, slightly over the low estimate.

The top lot of the evening was Picasso's colorful portrait of Marie-Thérèse, *Tête de femme*, which fetched **£18.8 million (\$27.1 million)**, a third less than when last offered at auction two years ago. This is not entirely surprising considering the intense battle between two bidders that drove it to an exaggerated price of \$39,925,000 in November 2013. One of the prior bidders was now absent, being the present consignor.

The two Monet paintings, one of which sold below its low estimate and the other, which did not sell, were not fresh to the market. The Impressionist works offered were all of average quality resulting in nearly all of them failing to sell, and those that did, eking by below their low estimates.

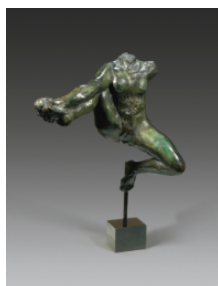
Overall, the auction houses reacted fairly well to the loss of confidence with the fewer guarantees. The May 2016 sales in New York, where expectations are significantly higher, will be a more revealing test.

Beyond Sotheby's evening sales, a sale of Picasso ceramics and works on paper from the private collection of Marina Picasso, the artist's granddaughter, had good results with 186 lots achieving £12 million (\$17.5 million) and 90% sell-through rate. A collection such as this, with **low estimates, no guarantee and prestigious provenance continues to do well in the current market.**

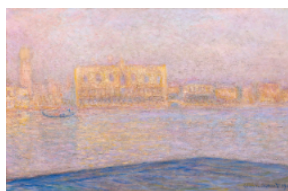
Top Lots, Sotheby's Impressionist & Modern Art Evening Sale:



Picasso
Tête de femme
Sold for:
£18,853,000
(\$27,144,549)
Estimate: £16-20m



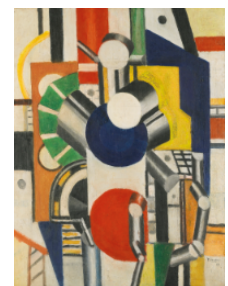
Rodin
Iris, messagère des dieux
Sold for:
£11,573,000
(\$16,662,805)
Estimate: £6-8m



Monet
Le palais ducal
Sold for:
£11,573,000
(\$16,662,805)
Estimate: £12-18m

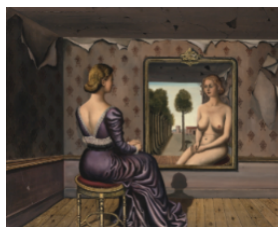


Matisse
La leçon de piano
Sold for:
£10,789,000
(\$15,534,002)
Estimate: £12-18m

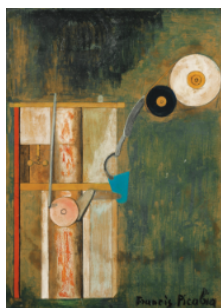


Léger
Eléments mécaniques
Sold for:
£3,285,000
(\$4,729,743)
Estimate: £3-5m

Top Lots, Sotheby's Surrealist Art Evening Sale:



Delvaux
Le Miroir
Sold for:
£7,317,000
(\$10,535,017)
Estimate: £5.5-7.5m



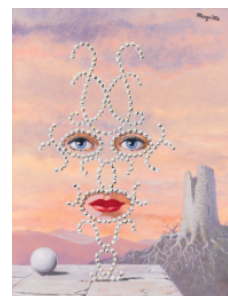
Picabia
Ventilateur
Sold for:
£2,389,000
(\$3,439,682)
Estimate: £1.8-2.5m



Magritte
L'Usage de la parole
Sold for:
£965,000
(\$1,389,407)
Est.: £500-700,000



Picasso
Personnages
Sold for:
£965,000
(\$1,389,407)
Estimate: £1-1.5m



Magritte
Shéhérazade
Sold for:
£785,000
(\$1,130,243)
Est.: £500-700,000

MARKET TRENDS

Picasso

- Of the 18 works by Picasso offered this season, four failed to sell and several others sold at or below their low estimates. Picasso no longer appeals across the board to new buyers who are primarily excited by the name and less concerned by the quality of a work itself. Rather, pictures are being examined on their individual merits and value.

German Art

- This season brought many works by German expressionists. In keeping with the auctions on the whole, the results were patchy and uneven, but ultimately low estimates were the key to success where it happened.

Sculpture



- Sculpture continued to do well and all of the sculptures offered in the evening sales—including those by Rodin, Magritte, Degas, Miro and Maillol—found buyers, with the single exception of Picasso's *Le foin* at Sotheby's.

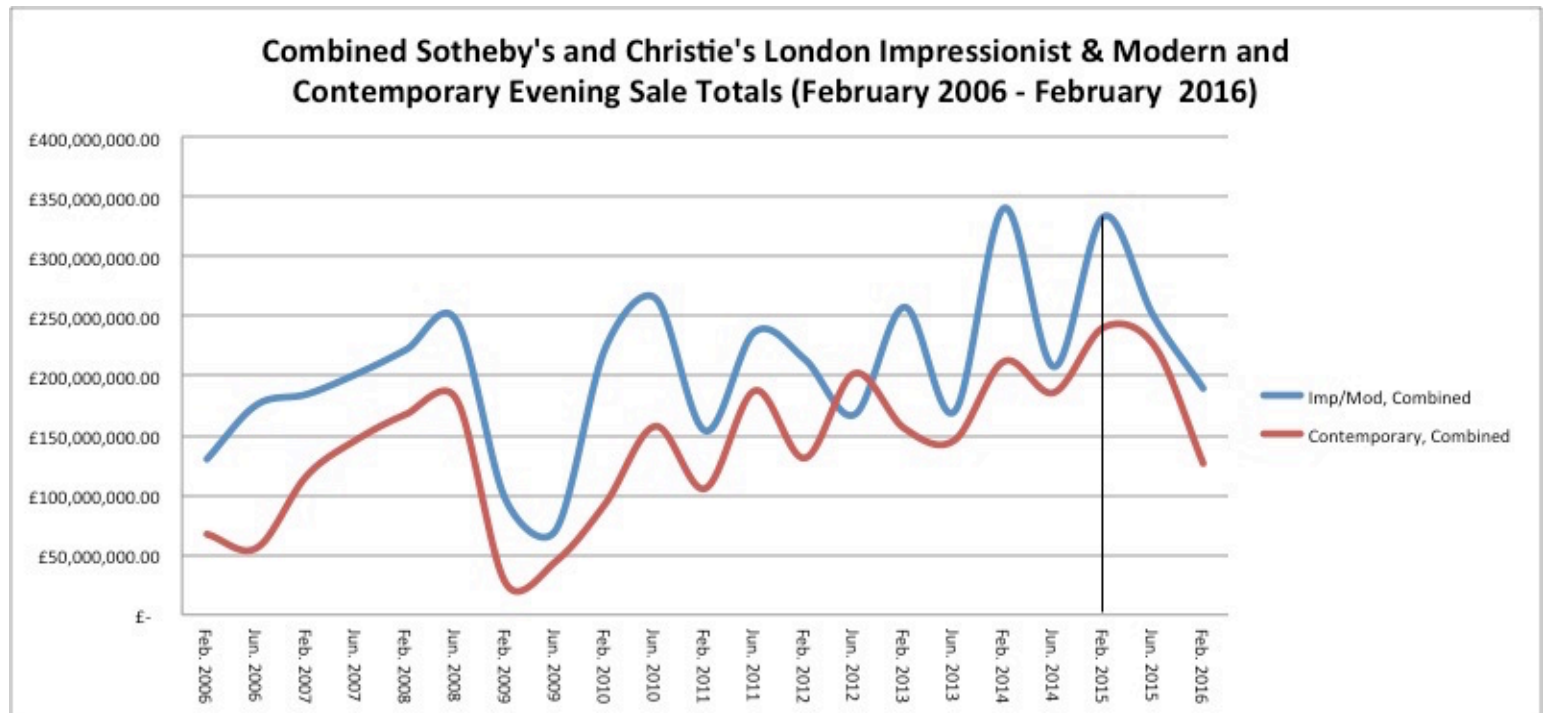
Magritte, Le puits de vérité

PRIVATE SALES

After two years of auction dominance, the effervescence has mellowed and the pendulum of the best conditions for selling high-value artwork is swinging back to private sales, where there is lower risk of adverse over exposure and firm net-to-seller prices are confidentially agreed to in advance of offering.

SALE CATEGORY COMPARISON

While the past several February London sale seasons have been larger than the June London seasons, the 2016 February London sale season was even smaller than June of last year, continuing a downward trend. As is typical of London, and unlike New York over the past several years, Impressionist & Modern Art remains the dominant sale category over Contemporary Art, even if both have tumbled.



Source: Seydoux & Associés, 2016

ARTICLES RELATED TO THE FEBRUARY 2016 IMPRESSIONIST & MODERN ART SALES:

https://news.artnet.com/market/christies-138-million-impressionist-and-modern-art-sale-418751?utm_campaign=artnetnews&utm_source=020316daily&utm_medium=email

http://www.blouinartinfo.com/news/story/1323511/christies-reassuring-london-opener?utm_source=Blouin+Artinfo+Newsletters&utm_campaign=15e4ec383e-Daily+Digest+February+3+2016&utm_medium=email&utm_term=0_df23dbd3c6-15e4ec383e-82792741

<https://news.artnet.com/art-world/sothebys-135-million-impressionist-and-modern-evening-sale-419528>

http://www.blouinartinfo.com/news/story/1324262/sothebys-mixed-message-evening-in-london?utm_source=Blouin+Artinfo+Newsletters&utm_campaign=c5c7eca3cb-Daily+Digest+February+4+2016&utm_medium=email&utm_term=0_df23dbd3c6-c5c7eca3cb-82792741

<http://www.ft.com/intl/cms/s/0/cf1370e2-ca6d-11e5-a8ef-ca66e967dd44.html>

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