

**The Latest Market Trends in Impressionist & Modern Art
February-March 2018, London**

For their February 2018 London evening sales of Impressionist & Modern Art and Surrealist Art, Sotheby's and Christie's each managed respectable sales, if with different strategies: Christie's offered 97 lots in one evening across their sales; Sotheby's offered fewer than half of Christie's volume with just 47 lots across the two sales, though their combined evening total amounted to 91% of Christie's evening total, thanks to their top lot Picasso, *Femme au béret et à la robe quadrillée*, which sold for £49.8 million (\$69.3 million), 37% of Sotheby's evening total. Of Christie's and Sotheby's top five lots in their Impressionist & Modern Art sales, four of each were guaranteed by third-party irrevocable bids. Picasso was the star of the week, thanks, in large part, to a single buyer who took home 13 of the 15 Picasso works offered in the evening sales.

Two key observations are that, A) certain artists are performing consistently well regardless of quality, namely Picasso and Magritte. We're skeptical, however, that middling works by such prolific blue-chip artists are a great buy, especially when, B) exceptionally fine works by lesser known artists—Boccioni, Dada-period Picabia, Pevsner and Vantongerloo—are also being offered for comparably attractive prices. Presently, high quality gems are strangely obtainable at surprisingly accessible price levels, relatively speaking.

AUCTION SUMMARY

Christie's, February 27, 2018:

Sotheby's, February 28, 2018:

Impressionist & Modern Art Evening Sale

Impressionist & Modern Art Evening Sale

- Sale total: **£114,103,000 (\$158,603,170)**
- % sold by lot: **81%** (51/63 lots)
- % sold at a **hammer price above the high estimate: 30%** (19/63)
- % sold at a **hammer price within the estimates: 37%** (23/63)
- % sold at a **hammer price below the low estimate: 14%** (9/63)

- Sale total: **£118,932,000 (\$165,315,480)**
- % sold by lot: **69%** (18/26 lots)
- % sold at a **hammer price above the high estimate: 19%** (5/26)
- % sold at a **hammer price within the estimates: 31%** (8/26)
- % sold at a **hammer price below the low estimate: 19%** (5/26)

The Art of the Surreal Evening Sale

Surrealist Art Evening Sale

- Sale total: **£35,729,750 (\$49,664,353)**
- % sold by lot: **74%** (25/34 lots)
- % sold at a **hammer price above the high estimate: 15%** (5/34)
- % sold at a **hammer price within the estimates: 38%** (13/34)
- % sold at a **hammer price below the low estimate: 21%** (7/34)

- Sale total: **£17,069,500 (\$23,726,605)**
- % sold by lot: **86%** (18/21 lots)
- % sold at a **hammer price above the high estimate: 33%** (7/21)
- % sold at a **hammer price within the estimates: 33%** (7/21)
- % sold at a **hammer price below the low estimate: 19%** (4/21)

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

Christie's kicked off this round of sales with a voluminous evening sale of Impressionist & Modern Art, immediately followed by The Art of the Surreal. Both sales achieved values within their pre-sale estimates and had neither particularly high nor low sell-through rates of 81% and 74% by lot. If fireworks were not on the evening's agenda, the results were solid overall.

The top lots of the Impressionist & Modern Art portion were from reliable favorites: Picasso, Degas, and Monet. That said, Christie's presented amazing opportunities for jewels hidden in plain sight from less commercial moments and less popular artists. Kandinsky's wonderful vibrant and cohesive 1910, *Studie für Landschaft (Dünaberg)* sold over its high estimate for £6.8 million (\$9.4 million). A true Dada Picabia, *Sans Titre (Pot de fleurs)* more than doubled its high estimate for a final price of £3 million (\$4.2 million). A rare and exquisite construction by



Pevsner, *Deux cônes dans un même plan*

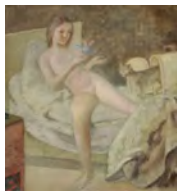
Antoine Pevsner, *Deux cônes dans un même plan* sold for an artist's record of £788,750 (\$1.1 million). The two paintings on offer by František Kupka exceeded their high estimates with *Série C, III, Élévations* tripling its low estimate to reach a price with buyer's premium of £1.81 million (\$2.5 million). The two enticingly priced Die Brücke paintings by Erich Heckel sold over their high estimates. However, appetite for German Expressionism in general was spotty with works by Beckmann and Klee failing to sell and works by Nolde, Hoch and Kirchner selling below their low estimates.



Kupka, *Série C, III, Élévations*

The sale's top lots were for the most part protected by high third party guarantees which prevented the risk of remaining unsold and, at the same time, limited the amount of upside. Of the five lots guaranteed by third parties with irrevocable bids, only Picasso, *Femme se coiffant* went above the high estimate, selling for an astonishing price including buyer's premium of £6.8 million (\$9.4 million) to Gurr Johns, a dealer and advisor who purchased nine of Christie's eleven Picasso paintings on offer. Three third-party guaranteed lots—Picasso, *Mousquetaire et nu assis*, Monet, *Prairie à Giverny* and Degas, *Dans les coulisses*—sold at or below their low estimates, suggesting they went to their guarantors. The guaranteed Léger, *Les deux amoureux* sold one bid above the low estimate, implying that it found a buyer other than the guarantor, but that there was little reward for the irrevocable bid.

The difficulty determining the current market's appetite for B and B+ works and middle market works in the \$300,000 to \$2 million range, like Morandi and Schiele works on paper, quickly became apparent. Buyers' shifting tastes and vendors' high expectations certainly don't help in gauging price levels beyond an educated guess. While the results were inconsistent, in the end, Christie's team managed very well.



Conservative estimates have become a rare luxury, but the recipe still works, often making a work more enticing than deserved. An average Balthus, *Le Lever*, with significant market exposure is probably the most telling example. Twenty years ago it was estimated at \$4-5 million and failed to sell. It was now offered for a modest £1.5-2.5 million (\$2-3.5 million), leading to a respectable sale price of £2.3 million (\$3.2 million).

Balthus, *Le Lever*

Christie's touted the freshness of their lots to the market. While this was the case for much of the sale, works that were recently seen at auction often fared poorly. For instance, a familiar posthumous Rodin sculpture, *Iris, messagère de Dieux, étude sans tête, grand modèle*, last seen at Sotheby's in 2013, went unsold, as did a Caillebotte, *Le pont de l'Europe – Étude partielle*, which sold at Artcurial in 2013.

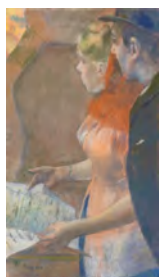
Two lots were withdrawn from the Impressionist & Modern Art sale, seemingly due to lack of interest. The fauve Derain, *Londres: la Tamise au pont de Westminster* was one of the more hyped lots on offer and had been estimated to sell for £6-9 million. While fauve Derains are rare and covetable, this was one of the least successful of the 29 works in Derain's London series. We would rate it a five on a scale of ten. Also withdrawn was van Dongen, *La femme au collier – fond rouge*, which had been estimated at an equally aggressive £5-7 million.



Derain, *Londres: la Tamise au pont de Westminster*

As with Impressionist & Modern Art, The Art of the Surreal saw familiar names—Picasso, Magritte and Miró—excel. Picasso paintings from different periods were the top lots in both of the evening’s sales, and the Surrealist example, *Figure* from 1930, was particularly fine, exceeding its high estimate for a final price of £8.3 million (\$11.8 million). All seven Magritte works found buyers, as did all four works by Miró. Delvaux, a more academic Surrealist, remains difficult with two of the four works on offer failing to sell and the other two selling below their low estimates. Dalí also had a bumpy evening with three of five works unsold and the other two selling at and under their low estimates.

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



Picasso
Mousquetaire et nu assis
Sold for:
£13,733,750
(\$19,089,913)
Estimate: £12-18m

Degas
Dans les coulisses
Sold for:
£8,993,750
(\$12,501,313)
Estimate: £8-12m

Monet
Prairie à Giverny
Sold for:
£7,546,250
(\$10,489,288)
Estimate: £7-10m

Monet
Vétheuil
Sold for:
£7,546,250
(\$10,489,288)
Estimate: £4-6m

Picasso
Femme se coiffant
Sold for:
£6,758,750
(\$9,394,663)
Estimate: £2.5-3.5m

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



Picasso
Figure
Sold for:
£8,333,750
(\$11,583,913)
Estimate: £3-5m

Magritte
Le groupe silencieux
Sold for:
£7,208,750
(\$10,020,163)
Estimate: £6.5-9.5

Miró
Painting
Sold for:
£3,608,750
(\$5,016,163)
Estimate: £2-3m

Magritte
L'oasis
Sold for:
£3,128,750
(\$4,348,963)
Estimate: £1.4-2m

Magritte
Les signes du soir
Sold for:
£1,808,750
(\$2,514,163)
Estimate: £1.5-2.5m

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

Sotheby’s slim 26 lot Impressionist & Modern Art evening sale began with auctioneer Helena Newman wrestling every next bid from her colleagues on the phones, who were only so able to oblige. That said, the sale was successful thanks in large part to the 1937 Picasso portrait of Marie-Thérèse, *Femme au béret et à la robe quadrillée* and the mysterious aforementioned Picasso buyer bidding through agent Gurr Johns who bought this work plus 12 other Picasso paintings of varied quality over the two evenings. It appeared as though the work was headed to China when the bidding slowed

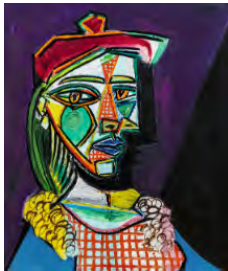
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and reached £41.2 million with Sotheby's Chairman Patti Wong, up from a start of £32 million, but then Sotheby's Chairman Lord Mark Poltimore piped in for the first time on behalf of Gurr Johns with £42 million, ultimately winning at £44 million hammer or £49.8 million (\$69.2 million) with buyer's premium, exceeding Sotheby's unpublished pre-sale estimate of £37 million (\$50 million).

Picasso, *Femme au béret et à la robe quadrillée* was guaranteed with a third party irrevocable bid along with three other works: Derain, *Bateaux à Collioure*, Boccioni, *Testa + Luce + Ambiente*, and Picasso, *Le Matador*. The Derain, which was acquired by the seller at Christie's in 2011 for £5.9 million (\$9.4 million), did well with a final price of £10.9 million (\$15.1 million), as did the dark yet radiant Boccioni with a final price of £9 million (\$12.6 million), exceeding its high estimate. Both works were chased by four bidders each. Bidding on Picasso, *Le Matador* was flat, but it eked by above the low estimate.

In Sotheby's Surrealist Art evening sale, Dalí did well with two of three works on offer selling above their high estimates, both to Asian buyers. The sale's one guaranteed work, backed by Sotheby's rather than a third party, was Ernst, *Portrait de Gala*, which sold within estimate. In general, we felt that five of the 21 lots in the Surrealist Art sale could have been incorporated into the Impressionist & Modern Art sale with the lesser works sold in the day sale.

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



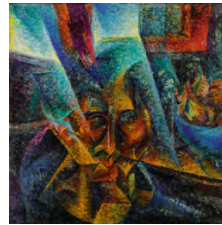
Picasso
Femme au béret
Sold for:
£49,827,000
(\$69,259,530)
Est. on request (£37m+)



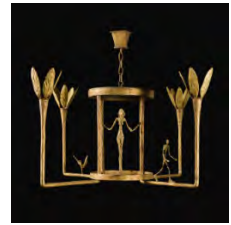
Picasso
Le Matador
Sold for:
£16,521,500
(\$22,964,885)
Estimate: £14-18m



Derain
Bateaux à Collioure
Sold for:
£10,876,500
(\$15,118,335)
Estimate: £7.5-10m



Boccioni
Testa + Luce + Ambiente
Sold for:
£9,070,100
(\$12,607,439)
Estimate: £5.5-7.5m



Giacometti
Lustre
Sold for:
£7,602,400
(\$10,567,336)
Estimate: £6-8m

Top Lots, Sotheby's Surrealist Art Evening Sale:



Dalí
Maison pour érotomane
Sold for:
£3,538,000
(\$4,917,820)
Estimate: £1.2-1.8m



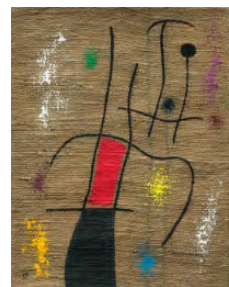
Dalí
Gradiva
Sold for:
£2,691,250
(\$3,740,838)
Estimate: £1.2-1.8m



Magritte
Le jockey perdu
Sold for:
£1,929,000
(\$2,681,310)
Estimate: £1-1.5m



Magritte
La Perspective
Sold for:
£1,389,000
(\$1,930,710)
Estimate: £800-1.2m



Miró
Femme et oiseau
Sold for:
£1,269,000
(\$1,763,910)
Estimate: £1.2-1.8m

Phillips : Highest Sale Total Ever

Worth mentioning this Season, the auction house Phillips recorded its best sale ever with a combined sale catalog of Modern & Contemporary art fetching 135 million dollars this week in London.

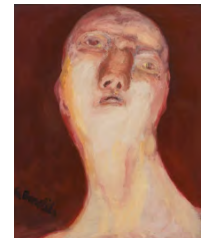
Under the helm of Christie's ex CEO, the energetic and highly respected Ed Dolman, Phillips carved itself a niche in the auction market over the last few years against the two main auction houses. Interviewed on the challenge Phillips was facing, Dolman had realistically stated "you are dead without guarantees"... And yet this week's amazing result for the third auction house came the old fashion way: two marvellous and un-guaranteed masterpieces climbed well above their pre-sale estimates, realising a combined 78 million dollars or 57% of their record sale total.

An unfinished 1932 large composition of Picasso's celebrated muse, Marie-Therese Walter, presented an elegant balance between painting and drawing obtained a whopping 57.8 million dollars (£41.8) against a conservative pre-sale estimate of £ 12-18 million (\$16.5-25). Worth mentioning, the amazing price was obtained without the generous bids of the advisory firm Gurr Johns who had purchased 13 of the 15 Picassos the previous week, (see above). Perhaps their new client hadn't consulted Phillips sale catalog preferring to focus on the bigger auction house "brands". The Picasso sale coincided with the 1932 Picasso travelling exhibition at the Tate gallery, perhaps contributing a few additional bids to the battle.

The second piece was a rare and celebrated sculpture by Matisse: *Nu allongé I*, better known as *Aurore*, is one of the most iconic bronzes by the artist. Rare and unseen on the market since exhibited in 1917, the beautiful *Aurore* obtained a strong 20.5 million dollars (£14.9) to a telephone bidder against an estimate of 7-10 million dollars (£5-7), doubling along the way the previous world record for the subject (\$10.4 million in 2001).

Because of the competitive market environment, high-valued works generally come to the market "protected" by strong guarantees. These two un-guaranteed masterpieces, however, generated the most numbers of bids seen so far this year at auction: a refreshing alternative future consignors should hopefully consider.

Top Lots, Phillips 20th Century & Contemporary Art Evening Sale:



Picasso
La dormeuse
Sold for:
£41,859,000
(\$57,765,420)
Estimate: £12-18m

Matisse
Nu allongé I (Aurore)
Sold for:
£14,859,000
(\$20,505,420)
Estimate: £5-7m

Bradford
Helter Skelter I
Sold for:
£8,671,500
(\$11,966,670)
Estimate: £6-8m

Stingel
Untitled
Sold for:
£5,746,500
(\$7,930,170)
Estimate: £4-6m

Baselitz
P.D. Idol
Sold for:
£1,929,000
(\$2,662,020)
Estimate: £1.5-2m

MARKET TRENDS

Picasso

Picasso saved the day, and, more specifically, Gurr Johns' purchase of 13 of the 15 Picassos of widely varying quality, presumably for a new client, saved the day. Perceived demand for Picasso is so strong that there is a real match between seemingly outsized seller expectations and guarantors, among other bidders, willing to buy at high levels, even for poor quality. This is exemplified by Christie's top lot, featured on the cover of their catalogue, Picasso, *Mousquetaire et nu assis*, a loosely painted and sizable late work that sold at its low estimate of £12 million hammer, or £13.7 million

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(\$19.1 million) with buyer's premium, very likely to the guarantor. The work last sold at auction in 2007 for £6.7 million (\$13.4 million). More colorful, if little else, Picasso, *Le Matador*, sold at Sotheby's for one bid over the low estimate at £14.5 million hammer or £16.5 million (\$23 million). At these current prices, late Picassos are understandably finding a thinner audience than the great master's earlier work.

One wonders if current new buyers are interested in specialist advice or just giving instructions to "buy" with other unknown motives? Like the extreme example of the Leonardo da Vinci sold by Christie's last November for \$450 million, it seems that new buyers could be motivated by factors beyond artistic criteria such as political or social reasons, museum projects, or investments. Pictures are difficult to value when the gap between the intrinsic value of the painting and the purchasers' motivations and tastes are so far apart. Personally, we don't think headlong bulk buying is beneficial for the long term and it creates an unpredictable and fragile market. The Picasso purchaser's enthusiasm led him to buy works likely to lose value over time as many lack in quality. We would recommend that this mystery Picasso buyer establish a constructive dialogue with advisors and learn to focus on the artistic merit of the works pursued.

Surrealism

In general, Christie's and Sotheby's Surrealist Art sales felt tired and lacked blockbuster works from the category. We wonder if there is any value left in giving this genre a sale of its own, or if it's time to roll it into the Impressionist & Modern Art sales. At Christie's Surrealist Art sale, we saw seven mediocre works by Magritte find buyers and a similar result at Sotheby's where six of seven dull Magritte works sold. The Surrealist sales did well on paper but bloated the evening events with works that would have fared just as well in the day sales.

Impressionism

Thinking of selling your Impressionist painting at auction? Now is not the time. Unless you're the lucky owner of an A+ work by Monet, Sisley, Pissarro, Renoir and, to some extent, Degas, are suffering from rarefied interest, especially the rural subjects.

PRIVATE SALES

The private market was energetic for the first quarter of 2018 and saw several important trades by Post-Impressionist, School of Paris and other twentieth century masters of painting and sculpture. If you are considering buying or selling, it's a good moment to explore opportunities in both the private and auction worlds. If selling at auction, however, we recommend have your consignments guaranteed as guaranteed works with logical estimates are selling well but be wary of excessive exposure by the auction houses when shopping for a guarantee, as this could dampen interest.

UP NEXT: CHRISTIE'S SALE OF THE PEGGY AND DAVID ROCKEFELLER COLLECTION

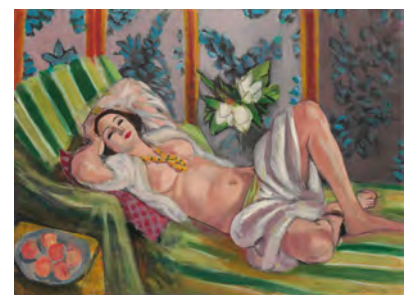
The market will now turn to New York for the May auctions, including Christie's sale of the Rockefeller Collection. Despite having donated their very best works to the Museum of Modern Art in New York the collection and sale contain some real treasures. Gris, *La table du musicien* and Léger, *Trois femmes* are truly fantastic. Matisse, *Odalisque couchée aux magnolias* likewise is a wonderful example. While the sale presents the rare opportunity to purchase Rockefeller provenance and some great works, the collection is of its time, assembled with the advice of mid-century dealers, and may feel dated to today's buyers.



Gris, *La table du musicien*



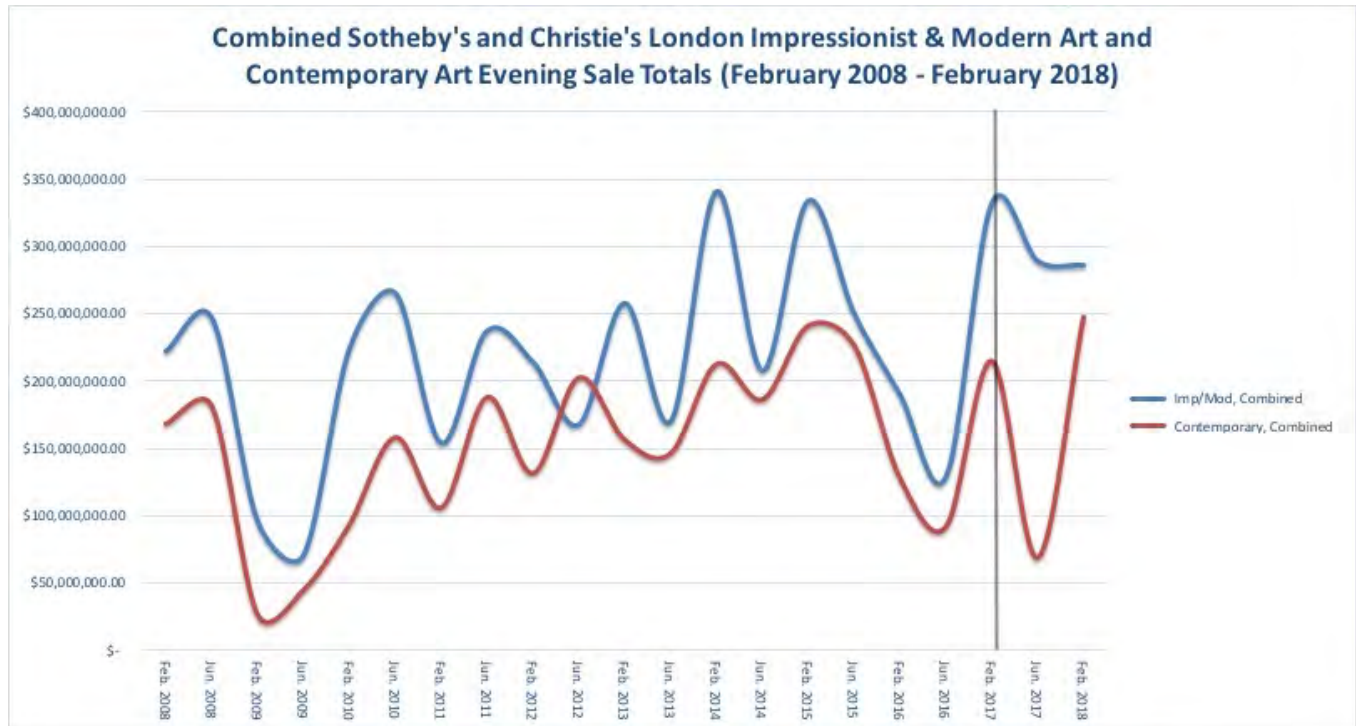
Léger, *Trois femmes*



Matisse, *Odalisque couchée aux magnolias*

SALE CATEGORY COMPARISON

Impressionist & Modern Art was down slightly from a year ago but was nonetheless solid. Phillips' capture of two top Impressionist & Modern Art lots took a bite of Christie's and Sotheby's market share. Contemporary again tracked just below Impressionist & Modern. The Contemporary dip in June 2017 is due to Christie's folding that sale into their 2017 fall offerings, rather than the traditional summer sale.



Source: Seydoux & Associés, 2018

ARTICLES RELATED TO THE FEBRUARY 2018 IMPRESSIONIST & MODERN ART SALES:

https://www.bloomberg.com/amp/news/articles/2018-02-28/picasso-sells-for-69-million-in-first-test-of-2018-art-market?_twitter_impression=true

<https://www.artmarketmonitor.com/2018/02/28/christies-surprise-picasso-buyer-and-other-tales-from-a-long-sale/>

<https://news.artnet.com/market/picasso-sothebys-impresionist-modern-sale-london-1233899>

<http://uk.blouinartinfo.com/news/story/2888314/picasso-mania-as-golden-muse-lover-portrait-sells-for-692>

<https://www.artmarketmonitor.com/2018/03/01/pulling-teeth-at-sothebys/>

<https://www.theartnewspaper.com/news/mystery-picasso-collector-on-spending-spree-buys-gbp49-8m-portrait-of-marie-therese>

<http://juddtully.net/blog/sothebys-slow-but-steady/>

<http://juddtully.net/blog/christies-chunky-picasso-filled-night/>

http://www.lemonde.fr/argent/article/2018/03/03/edouard-vuillard-revient-en-salle-des-ventes_5265105_1657007.html

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