

Artprice: Art Market posts positive signals in H12017

Fine Art Auctions (painting, sculpture, drawing, photography, printmaking, installations)

H1 2017 saw a general recovery of the Art Market, with turnover up 5%

- 1. Global art auction turnover reached \$6.9 billion in H1 2017**
- 2. Prices in the Contemporary segment rose 9.6%**
- 3. With \$2.2 billion, the USA overtook China's \$2 billion**
- 4. The UK and France contributed to the recovery, up 13% and 7% respectively**
- 5. Contemporary Art accounted for 15% of global turnover, vs. 3% in 2000**
- 6. A work by Jean-Michel Basquiat (born 1960) fetched \$110.5 million**
- 7. The auction unsold rate improved by 2 percentage points versus 2016**

Global overview

At a global level, the Art Market was in better shape in H1 2017, ending two consecutive years of slowdown.

Global figures

More than 228,700 Fine Art lots sold worldwide during the first six months of 2017, generating a total turnover of \$6.9 billion (including fees). These results were recorded at more than 3,054 public sales that are subjected to Artprice's systematic and detailed analysis. Artprice has been global leader in Art Market information since 1987. This half-year report covers all public sales of Fine Art (painting, sculpture, drawing, photography, printmaking, installations).

According to thierry Ehrmann, founder and CEO of Artprice, Since 2000, the art market has been functioning with outstanding maturity, resisting the NASDAQ crisis, the nine-eleven attacks, the second intervention in Iraq and of course the unprecedented financial and economic crisis that began in 2007. It has also resisted a significant increase in global geopolitical tensions and the emergence of a negative interest rate environment that hurts savings. During the past 17 years, the Art Market has shown its capacity to adjust to conditions, thus avoiding the kind of meltdowns seen in the financial sphere. It has therefore played a vital "shelter asset" role, without inflating into a speculative bubble.

For a number of years now, the financial returns on art have outperformed other investments, and the Art Market has become an independent, liquid and efficient market on all continents.

H1 2017 Global Art Market Report, by Artprice.com, online at:

<https://www.artprice.com/artprice-reports/global-art-market-in-h1-2017-by-artprice-com>

Country: – Turnover total in USD – (Market share)

Top 10 countries by Fine Art auction turnover in H1 2017

Country: ---Turnover total – (Market share)

1 Unites States: --- 2,239,080,536 — (32.4%)

2 China: --- 1,999,094,934 — (29.0%)

3 United Kingdom: --- 1,581,615,191 — (22.9%)

4 France: --- 326,398,192 — (4.7%)

5 Germany: --- 100,451,363 — (1.5%)

6 Italy: --- 95,051,377 — (1.4%)

7 Switzerland: --- 73,623,263 — (1.1%)

8 Austria: --- 53 720 750 — (0.8%)

9 Australia: --- 47 329 131 — (0.7%)

10 South Korea: --- 39,787,141 — (0.6%)

Other countries: --- 344,862,990 — (5.0%)

The data concerning China was compiled by Artprice in close collaboration with its Chinese institutional associate-partner, the Artron Group and AMMA (Art Market Monitor by Artron) directed by Wan Jie.

Despite a relatively unfavourable economic context, the global art market has shown signs of buoyancy, driven by a powerful combination of investment logic, speculative buying, passion collecting and insatiable demand for major signatures from new museums around the world.

These growth drivers rely heavily on easy access to reliable Art Market information such as provided by Artprice (pioneer and global leader in the field) and have been accelerated by a whole series of underlying phenomena: a rapidly spreading awareness that every aspect of participation in the art market, including online sales, can be conducted via the Internet (97% of participants are connected to Internet); a financialisation of the art market's high-end fostered by its stability and transparency; a rapid increase in the art-buying population from roughly 500,000 after 1945 to approximately 70 million in 2016; a significant reduction in the average age of market players and a major geographical expansion of the market to nearly all of Asia, the Pacific Rim, India, South Africa, the Middle-East and South America.

Another massive Art Market driver is the new-era museum industry (700 new museums per year) that has become a significant economic reality in the 21st century. More museums opened between 2000 and 2014 than in the previous two centuries.

Hungry for museum quality works, this sector is one of the primary drivers of the Art Market's spectacular growth. The Art Market is now both mature and liquid, offering yields of 10% to 15% per year on works valued over \$100,000.

Considering these macro- et micro-economic data, the past 17 years have confirmed the Art Market's potential as a safe haven against economic and financial turbulence, generating substantial and recurring yields.

In a financial environment based on negative central bank interest rates (in real terms), the Art Market looks very healthy by comparison, especially having posted a 1200% growth in the annual auction turnover of its Contemporary segment over the past 17 years. The global Art Market has also posted linear growth in the average value of an artwork (Old, Modern and Contemporary) of +47.5% over the same period. If we look at the Contemporary segment alone, the progression is +116%.

These returns are not just reserved for "star" artists. We find a substantial average annual yield of +9% on works sold above the €20,000 threshold.

The Art Market is an efficient, historical and global market whose capacity to resist economic and geopolitical crises requires no further proof.

TOP 20 artistes - S1 2017 © Artprice.com

Artist — Turnover (USD) — Number of works sold — Best result (USD)

1 Pablo PICASSO (1881-1973)	— 280,065,050	— 1495	— 45,047,500
2 Jean-Michel BASQUIAT (1960-1988)	— 243,763,718	— 58	— 110,487,500
3 Andy WARHOL (1928-1987)	— 123,953,149	— 597	— 27,500,000
4 ZHANG Daqian (1899-1983)	— 123,206,027	— 293	— 13,145,618
5 Wassily KANDINSKY (1866-1944)	— 88,458,422	— 62	— 42,264,404
6 Gerhard RICHTER (1932-)	— 86,959,069	— 177	— 21,608,217
7 Roy LICHTENSTEIN (1923-1997)	— 85,356,419	— 251	— 28,247,500
8 Claude MONET (1840-1926)	— 83,204,310	— 17	— 15,987,500
9 FU Baoshi (1904-1965)	80,137,781	— 36	— 27,451,938
10 HUANG Binhong (1865-1955)	— 75,704,612	— 95	— 50,577,000

Top 10 auction results in H1 2017

Artist — Work — Price (USD) — Date — Auctioneer

1 Jean-Michel BASQUIAT (1960-1988)	— <i>Untitled</i> (1982)	— 110,487,500	— 18/05/2017	— Sotheby's New York
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2 Gustav KLIMT (1862-1918) — *Bauerngarten* (1907) — 59,004,638 — 01/03/2017 — Sotheby's London

3 Constantin BRANCUSI (1876-1957) — *La muse endormie* (1913) — 57,367,500 — 15/05/2017 — Christie's New York

4 Cy TWOMBLY (1928-2011) — *Leda and the Swan* (1962) — 52,887,500 — 17/05/2017 — Christie's New York

5 Francis BACON (1909-1992) — *Three Studies for a Portrait of George Dyer* (1963) — 51,767,500 — 17/05/2017 — Christie's New York

6 HUANG Binhong (1865-1955) — *Yellow Mountain* — 50,577,000 — 19/06/2017 — China Guardian Beijing

7 CHEN Rong (1189-1258) — *Six Dragons* — 48,967,500 — 15/03/2017 — Christie's New York

8 Max BECKMANN (1884-1950) — *Hölle der Vögel* (1937-1938) — 45,830,765 — 27/06/2017 — Christie's London

9 Pablo PICASSO (1881-1973) — *Femme assise, robe bleue* (1939) — 45,047,500 — 15/05/2017 — Christie's New York

10 Pablo PICASSO (1881-1973) — *Femme écrivant (Marie-Thérèse)* (1934) — 44,405,117 — 27/06/2017 — Christie's London

About Artprice:

Artprice is listed on Eurolist by Euronext Paris, SRD long only and Euroclear: 7478 - Bloomberg: PRC - Reuters: ARTF.

Artprice is the leading databank for the global art market, with over 30 million indices and auction results covering more than 657,000 artists. Artprice Images® gives unlimited access to the largest Art Market resource in the world: a library of 126 million pictures and prints of artworks from 1700 to the present day, with notes and comments by our art historians.

Artprice permanently feeds its databanks with information from roughly 4,500 auction operators worldwide and publishes a constant flow of art market indicators for the world's principal news agencies and approximately 7,200 international press publications. For its 4.5 million members, Artprice gives access to the world's leading Standardised Marketplace for buying and selling art either at a fixed price or within a bidding system (as regulated by paragraphs 2 and 3 of article L 321.3 of France's Code of Commerce). Artprice is a BPI-labelled "innovative" company and is developing a Blockchain project for the Art Market.

Artprice's Global Art Market Annual Report for 2016:

http://imgpublic.artprice.com/pdf/rama2016_en.pdf

The following text is a translation of **Arte Creative's** online presentation for a series of mini-documentaries featuring Thierry Ehrmann:

ARTE: An enormous Christmas tree resembling a giant butt plug, a machine that defecates five-star meals, an icon immersed in urine and staged corpses – subversive, trash, provocative or

insulting? Thierry Ehrmann, the man behind The Abode of Chaos (*dixit* The New York Times), artist and founder of Artprice, features in 9 short episodes that decode the most media-hyped scandals in the Contemporary art field... scandals that inevitably guarantee blockbuster exhibitions. <http://www.arte.tv/guide/en/weekly-highlight>

Discover the alchemical universe of Artprice <http://web.artprice.com/video>, whose headquarters is the famous Museum of Contemporary Art, the Abode of Chaos <http://goo.gl/zJssd> and <https://vimeo.com/124643720>

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<http://artmarketinsight.wordpress.com/>

The Contemporary Arts Museum The Abode of Chaos on Facebook:

<https://www.facebook.com/la.demeure.du.chaos.theabodeofchaos999>

The Abode of Chaos/Demeure du Chaos Contemporary Art Museum by thierry Ehrmann,author, sculptor, artist, photograph:

https://www.flickr.com/photos/home_of_chaos/sets/72157676803169034

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