



ARTEMUNDI
GLOBAL FUND

AUCTION SEASON
MAY 2012
NEW YORK-MEXICO CITY

LATIN AMERICAN ART: Sotheby's, Christie's, Lopez Morton / IMPRESSIONIST AND MODERN ART: Sotheby's, Christie's /
POST-WAR AND CONTEMPORARY ART: Sotheby's, Christie's, Phillips de Pury

It has certainly been an extraordinary auction season. Artist's record prices, high estimates met, exceptional sell-rates and generalized enthusiasm by the bidders. The statement that the art market is shifting towards Post-War and blue chip Contemporary Art was confirmed by the results of this season's auctions. The numbers speak for themselves...

LATIN AMERICAN ART

In the Latin American auctions the most surprising results were those achieved by Wilfredo Lam and Roberto Matta. Although the Bought-In (BI) rates were fairly high the total amount sold was \$ 57 million, definitely not a small figure. It is interesting that in the three auctions the majority of the artworks were sold between \$ 10,000 - \$50,000 USD, and the 10 top pieces sold represent 33% of the total.

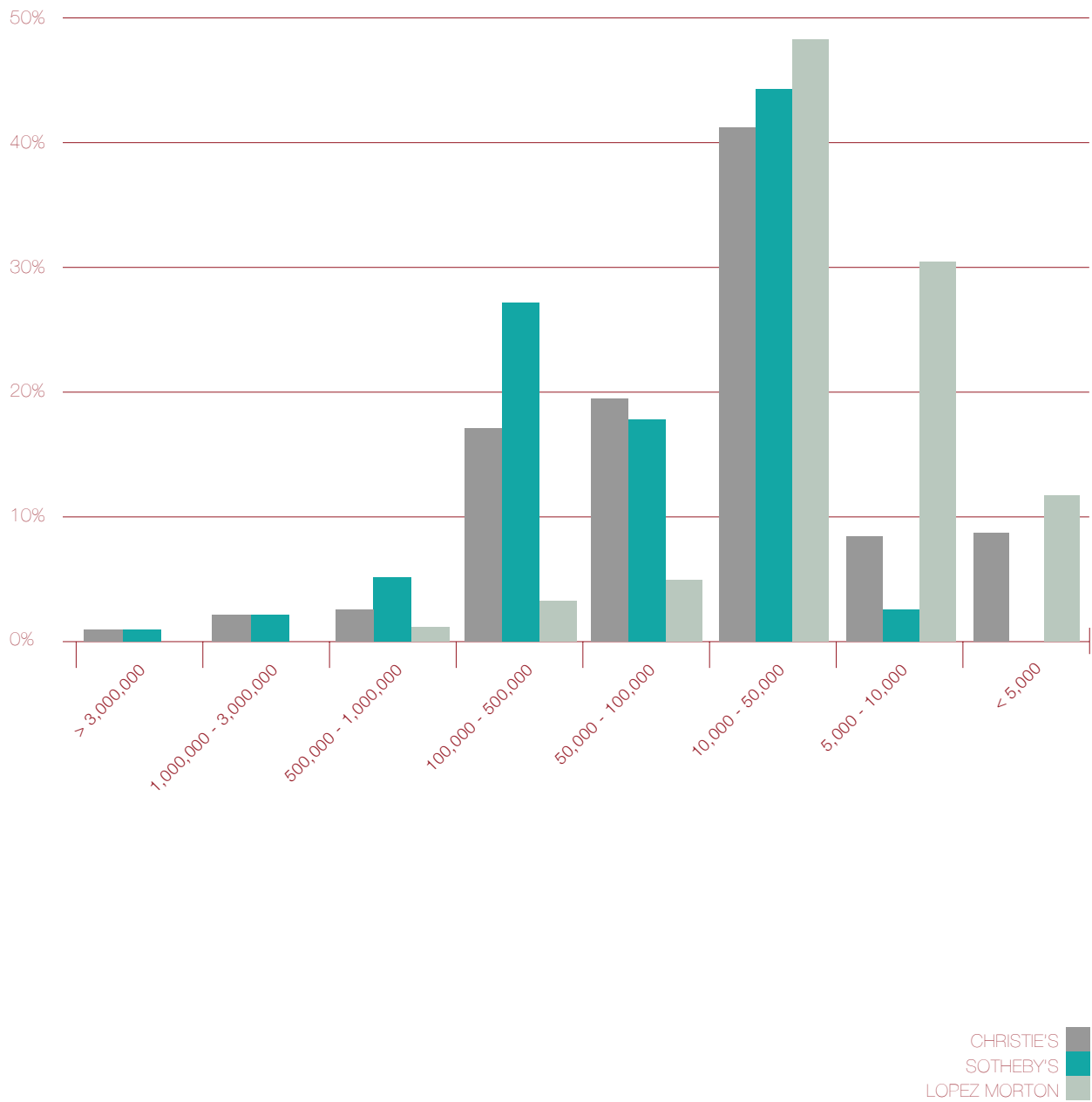
LATIN AMERICAN ART (MAY 2012)			
	SOTHEBY'S	CHRISTIE'S	LOPEZ MORTON
VOLUME SOLD	\$ 26,859,250	\$ 27,731,875	\$ 3,395,315
NUMBER OF LOTS	243	302	205
UNSOLD LOTS	85	80	84
BOUGHT IN	35%	26%	41%
AVERAGE PRICE	\$ 169,995	\$ 124,918	\$ 28,060

For Sotheby's the total of \$ 26,859,000 (including buyers premium) has been the second highest result achieved in a Latin American sale, 61% higher than last November's auction. The results were unexpected, ten artist records were set, but a couple of well established artist's works failed to sell, like Diego Rivera's *Niña en azul y blanco* (est. 4-6 million). The most exciting result was Wilfredo Lam's *Ídolo (Oya/Divinité de l'Air et de la mort)*, which was sold for 4.5 million when it had been estimated in 2-3 million. In general, Kinetic artists did surprisingly well; Jesus Rafael-Soto and Carlos Cruz-Diez outbid their high estimates. The same can be said about Brazilian artists such as Sergio Camargo and Emiliano Di Cavalcanti.

TOP 10 PIECES			
1	Roberto Matta	\$ 5,010,500	Christie's
2	Wilfredo Lam	\$ 4,562,500	Sotheby's
3	Sergio Camargo	\$ 1,538,500	Sotheby's
4	Joaquín Torres-García	\$ 1,426,500	Christie's
5	Fernando Botero	\$ 1,426,500	Christie's
6	Claudio Bravo	\$ 1,172,500	Sotheby's
7	Candido Portinari	\$ 1,142,500	Christie's
8	Claudio Bravo	\$ 1,142,500	Christie's
9	Jesús Rafael Soto	\$ 1,022,500	Sotheby's
10	Armando Reverón	\$ 872,500	Sotheby's
% OF TOTAL LATIN AMERICAN ART AUCTIONS			33.31%

As for Christie's sale the most remarkable result was achieved by Matta's *La révolte des contraires*, which sold for \$ 5 million when it had been estimated at 2.5 million. This was also a world record for Roberto Matta, an artist that had been undervalued considering his importance. The total sale for this year was 60% higher than the one from last November. Once again Brazilian artists performed particularly well, the most remarkable lots sold were those by Ernesto Neto, Ibere Camargo, Candido Portinari, Alfredo Volpi and Vik Muniz.

PRICE DISTRIBUTION LATIN AMERICAN ART



IMPRESSIONIST AND MODERN ART

Without a doubt the most surprising result was achieved by Edvard Munch's masterpiece *The Scream* that was sold for \$ 119,922,500 USD. Throughout history this has been the highest price ever paid for an artwork at an auction. Before the auction there had been a lot of speculations about the sale, but the price achieved surpassed any expectation. The added sale for both auctions was \$ 447,142,500 USD; this was a great result for both auction houses.

IMPRESSIONIST AND MODERN ART (MAY 2012)

	SOTHEBY'S	CHRISTIE'S
VOLUME SOLD	\$ 330,568,500	\$ 117,086,000
NUMBER OF LOTS	76	31
UNSOLD LOTS	15	3
BOUGHT IN	20%	10%
AVERAGE PRICE	\$ 5,419,156	\$ 4,181,643

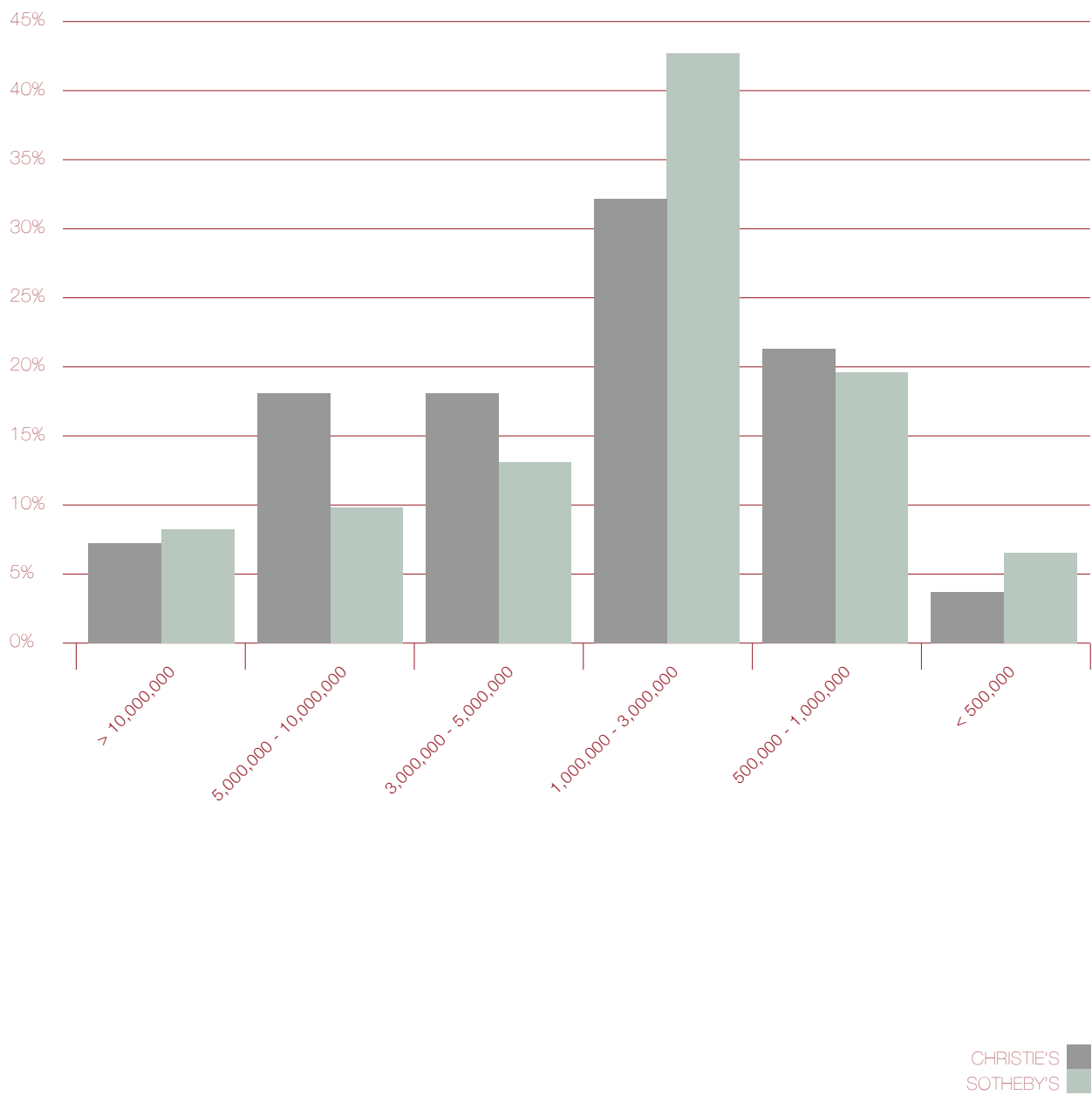
For Sotheby's the total sale was \$ 330,568,550 USD, this has been the highest-ever total for a sale of Impressionist & Modern Art worldwide and the second-highest total for a Sotheby's auction in any category. Although Munch's piece represented 36% of the total sale; 84% of the lots were sold, and 5 for more than 10 million.

TOP 10 PIECES

1	Edvard Munch	\$ 119,922,500	Sotheby's
2	Pablo Picasso	\$ 29,202,500	Sotheby's
3	Paul Cézanne	\$ 19,122,500	Christie's
4	Henri Matisse	\$ 19,122,500	Christie's
5	Salvador Dalí	\$ 16,322,500	Sotheby's
6	Joan Miró	\$ 14,866,500	Sotheby's
7	Constantin Brancusi	\$ 12,682,500	Sotheby's
8	Pablo Picasso	\$ 9,882,500	Christie's
9	Claude Monet	\$ 9,602,500	Christie's
10	Chaim Soutine	\$ 9,378,500	Sotheby's
% OF TOTAL IMPRESSIONIST AND MODERN ART AUCTIONS			58.10%

The auction at Christie's was among the most successful in this category since 2006. The highest prices achieved were for Henri Matisse's still life *Les Pivoines* and Paul Cézanne's re-discovered study for *Card Players*, both at \$ 19.1 million. The artworks were carefully selected for only 3 of the 31 lots offered failed to find a buyer, representing a Bought-In rate of only 10%.

PRICE DISTRIBUTION IMPRESSIONIST AND MODERN ART



POST-WAR AND CONTEMPORARY ART

In the Contemporary Art auctions in Sotheby's, Christie's and Phillips de Pury the total sale added \$ 741,976,500 USD (Buyers Premium included). This has been the second highest sum in this auction category. The average lot price for the three auctions was \$ 5,071,843 USD; representing the highest price per lot in Contemporary Art auctions. Most of the artworks were sold between 1 and 3 million. Of the masterpieces sold there were 18 new artist's records, including the record of Mark Rothko *Orange, Red, Yellow* at \$ 77.5 millions making him the most expensive Post-War artist. Another great example was *Sleeping Girl* by Roy Lichtenstein, which reached \$ 44.8 million. It is interesting to notice that from the ten top pieces sold the only living artist is Gerhard Richter, all of the others are really Post-War artists.

POST-WAR AND CONTEMPORARY ART (MAY 2012)

	SOTHEBY'S	CHRISTIE'S	PHILLIPS DE PURRY
VOLUME SOLD	\$ 266,591,000	\$ 388,488,000	\$ 86,897,500
NUMBER OF LOTS	59	61	44
UNSOLD LOTS	13	5	9
BOUGHT IN	22%	8%	20%
AVERAGE PRICE	\$ 5,795,457	\$ 6,937,286	\$ 2,482,786

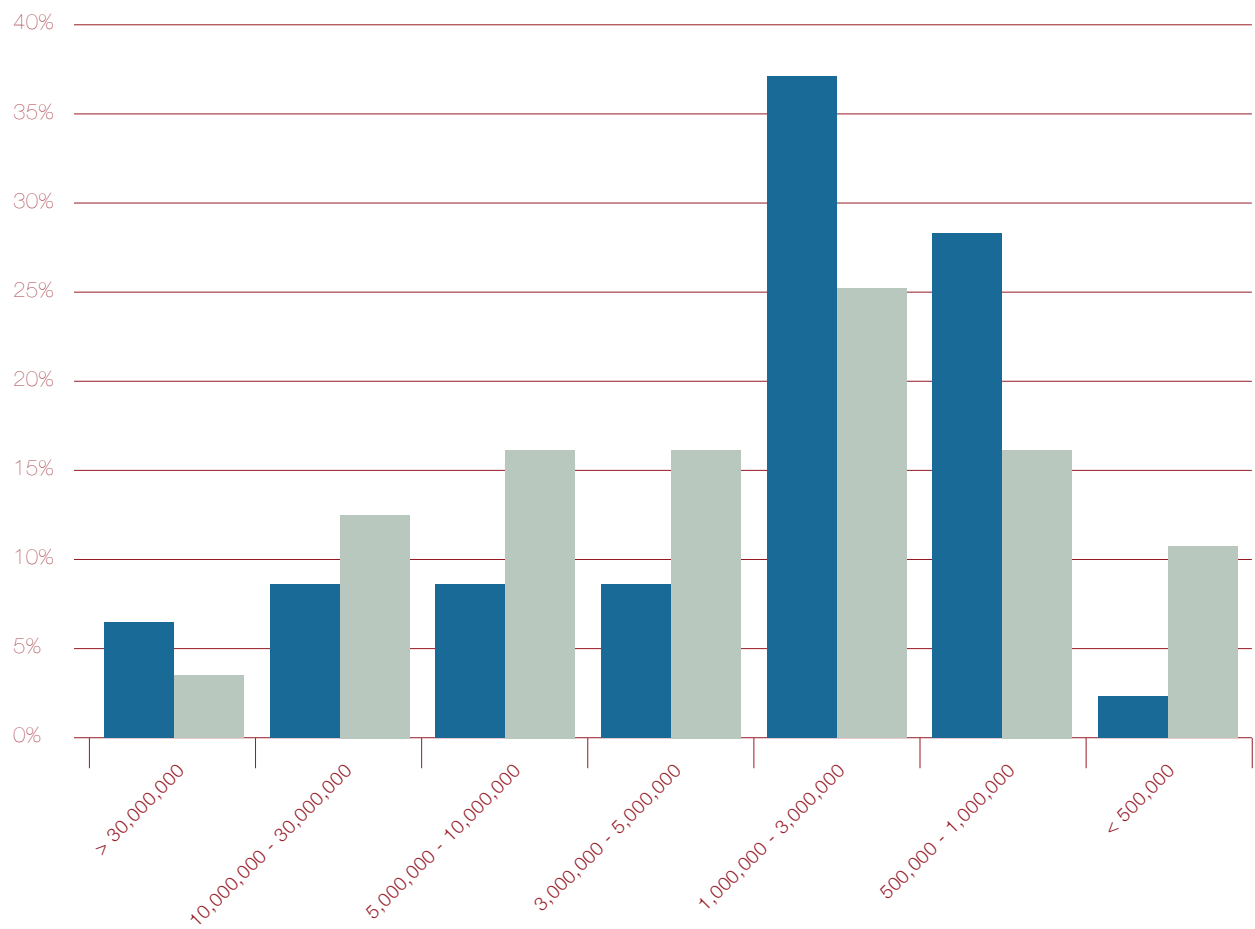
TOP 10 PIECES

1	Mark Rothko	\$ 77,500,000	Christie's
2	Roy Lichtenstein	\$ 40,000,000	Sotheby's
3	Francis Bacon	\$ 40,000,000	Sotheby's
4	Andy Warhol	\$ 33,000,000	Sotheby's
5	Yves Klein	\$ 32,500,000	Christie's
6	Jackson Pollock	\$ 20,500,000	Christie's
7	Barnett Newman	\$ 20,000,000	Christie's
8	Gerhard Richter	\$ 19,400,000	Christie's
9	Gerhard Richter	\$ 17,200,000	Christie's
10	Alexander Calder	\$ 16,500,000	Christie's
% OF TOTAL POST-WAR AND CONTEMPORARY ART AUCTIONS			42.67%

Christie's auction was by far the most successful; 92% of the lots were sold, meaning that the artworks in the catalog were very well selected and the buyers acknowledged it. Only in this auction fourteen new records were established. The sale achieved a total of \$ 388,488,000 surpassing the high pre-sale estimate; this result was 49% higher than last November's result and 21% higher than May 2011. This auction included 13 lots from the collection of David Pincus, all of these works sold above the estimated price raising \$ 174.9 millions. Rothko's *Orange, Red, Yellow* belonged to the aforesaid collection.

Sotheby's results were also good but not as surprising as Christie's. The total sale was well between the pre-sale estimate and 82% of the lots found a buyer. The result was 113% higher than May 2011 but 17% lower than last November.

PRICE DISTRIBUTION POST-WAR AND CONTEMPORARY ART



CHRISTIE'S 
SOTHEBY'S 

MARKET INSIGHT

Over all the results can be interpreted as a sign of a bullish market. The extraordinarily high prices achieved by several of the artworks reflect a market where very wealthy consumers are buying. In general all of the auctions had a high rate of lots sold, meaning that there is a growing demand for artworks.

It is worth mentioning that in the Impressionist and Modern Art sale, the top 10 pieces represented 58% of the total amount sold. This result is somewhat biased because of the extraordinary result achieved by the work of Edvard Munch, if his piece were not considered the top 10 pieces would only represent 42% of the total amount sold. As for the other artists in the 10 top pieces sold there were no remarkable surprises except for the high prices that prevailed.

In the Post-War and Contemporary auctions Christie's performance was the most outstanding, the total amount sold was extraordinary and the Bought-In rate was very low. It was interesting to see that the best results were achieved by Post-War artists and in general the Contemporary Art being analyzed corresponds to blue chip contemporary artists.

On average more money was spent in Post-War and Contemporary Art than on the Impressionist and Modern Art (\$ 741,976,500 vs \$ 447,654,500). Except for the records of Rothko and Munch, the top 10 pieces in the Contemporary auction were a lot higher than the ones in Impressionist and Modern Art. After comparing these results one could say that there has been a shift of the market towards Post-War and Contemporary Art. A possible explanation for this could be that in general the best impressionist and modern artworks are already in very established museums or collections, and whenever someone decides to bring one into the market extraordinary prices will be achieved, like in the case of the Munch. In general, the prices of Contemporary artworks are increasing indicating that they could be profitable investments, but one should not forget about the high volatility attached to them.

As for Latin American Art what can be said is that prices are rising for artists that had been underappreciated. It was great to see that the market finally acknowledged great artists like Matta and Lam. It will be interesting to see if their high prices achieved will have an impact in future sales. It is also important to keep in mind the performance of Brazilian artists for there performance in this auction season was worth a mention. And finally, the prices of the blue chip Latin American artists seem to be stable and fairly priced.

In general, it was an auction season full of surprises but with great results.