

ARTEMUNDI  
GLOBAL FUND

CONTEMPORARY ART AUCTION ANALYSIS  
LONDON AND HONG KONG  
OCTOBER 2012

The following analysis covers the Contemporary Art auctions at London and Hong Kong from the 7<sup>th</sup> to the 13<sup>th</sup> of October 2012. The objective of this report is to give a very broad update of the current state of the Contemporary Art market especially in UK. The auctions studied account for \$151,779,688 USD in sales meaning that they are only a small fraction of the global market, nonetheless the results are useful in order to know the average prices, bought-in rates, top lots, etc. Unless specified otherwise all prices considered include buyers premium and are in US dollars. The auctions analyzed were the following:

- Sotheby's Contemporary Asian Art, Hong Kong 7 Oct. 2012
- Sotheby's Contemporary Evening Sale, London 12 Oct. 2012
- Sotheby's Contemporary Day Sale, London 13 Oct. 2012
- Christie's Post-War and Contemporary Evening Sale, London 11 Oct. 2012
- Christie's Post-War and Contemporary Day Sale, London 12 Oct. 2012

## RESULTS OVERVIEW

In general the results were as expected, there were very few surprises or revelations. In London the auctions were conducted parallel to Frieze Art Fair and the new and highly expected Frieze Masters.

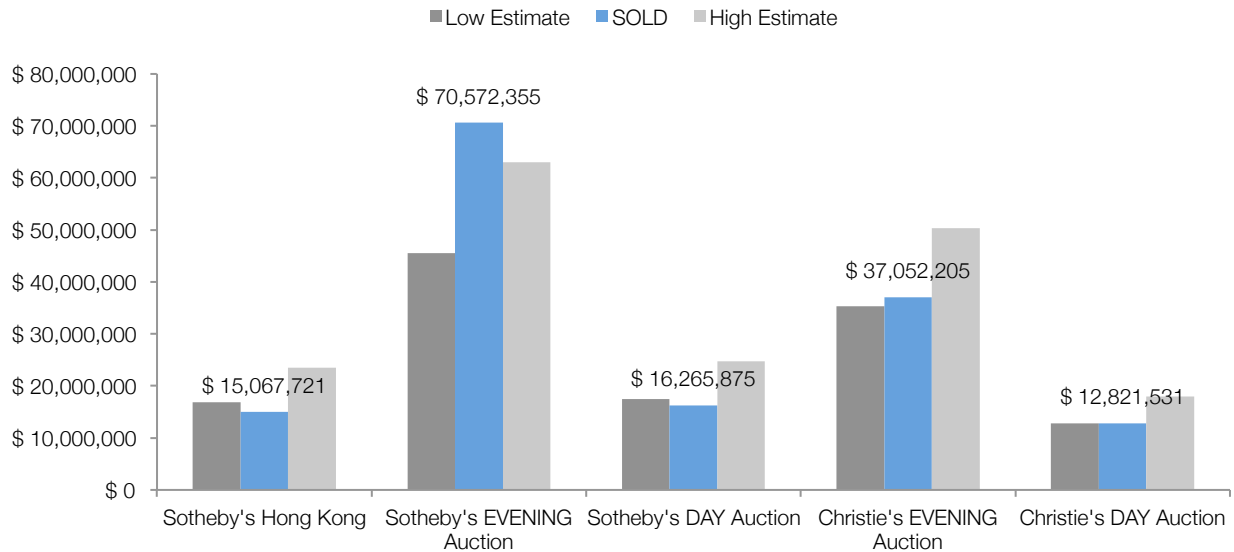
From all the 507 lots sold, 22 were transactions above 1 million and only 3 above 3 million. The average bought in rate was 27% and the average price per lot sold was \$299,400.

In Sotheby's the most important lot was *Abstraktes Bild* from Gerhard Richter, which sold above its high estimate at \$ 34.2 million, and became the highest price paid for a living artist. Another remarkable lot was Yves Klein's *RE 9-1*, which achieved \$5.9 million, also above its high estimate.

As for Christie's the most important sale was from *Untitled (from the series Hand-Painted Pictures)* by Martin Kippenberger sold for approximately \$5 million, followed by another piece from Gerhard Richter at \$3.4 million.

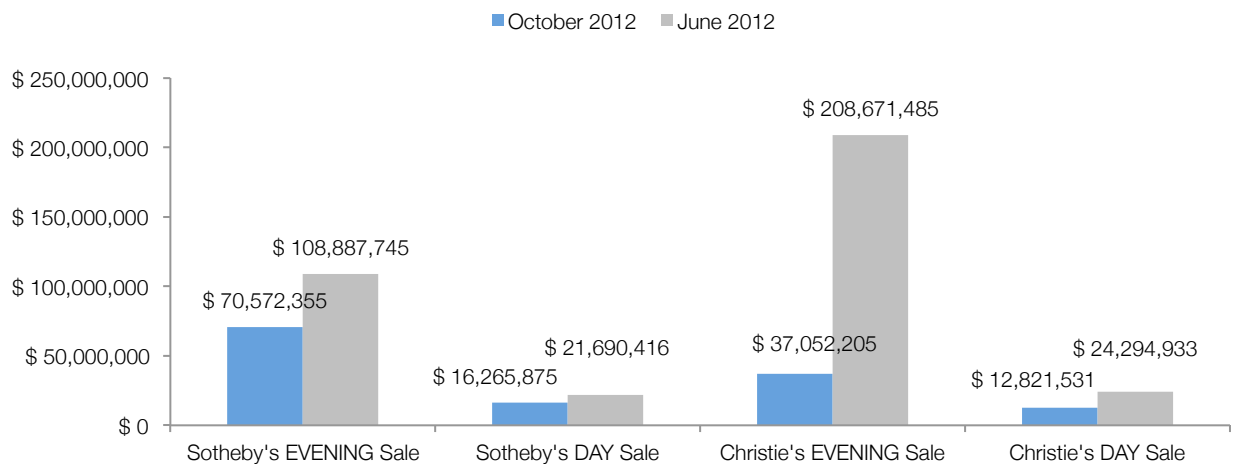


## TOTAL SALES AND ESTIMATES



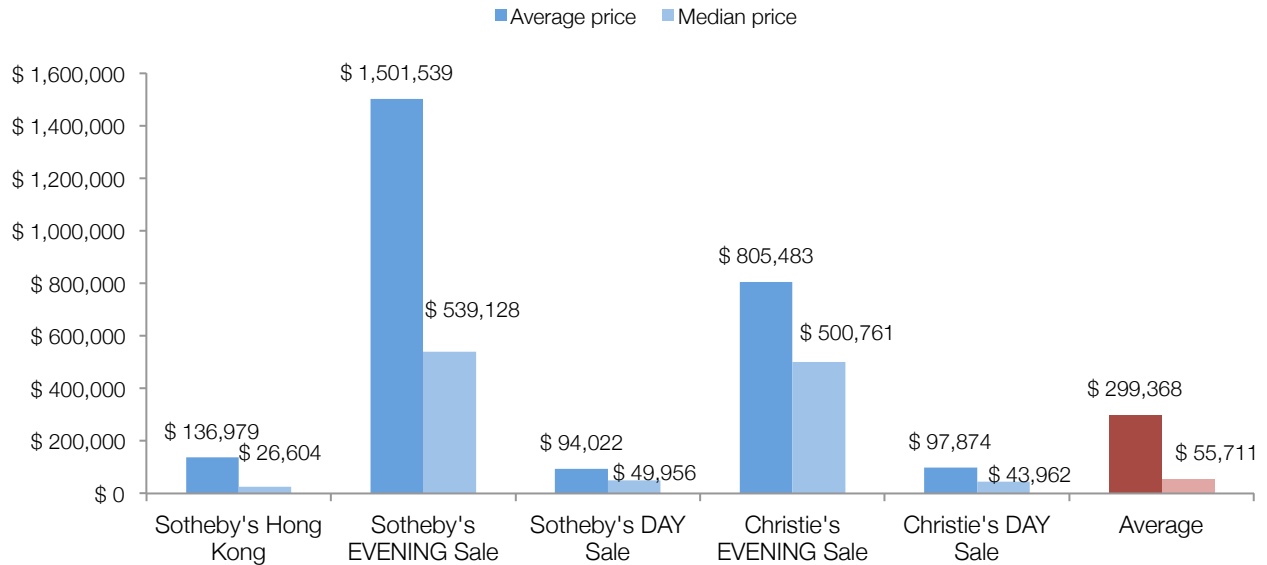
The graph shows the actual sale price (buyers premium included) together with the low and high total estimated. It is worth noticing that the only auction where the total surpassed the high estimate was the Sotheby's Evening sale.

## COMPARATIVE WITH SALES IN JUNE 2012 (LONDON)



This chart aims to compare the total amount sold in the auctions being analyzed with the amount sold in the same type of auctions in June 2012. In every auction the total sold in October was significantly lower than what was sold in June.

## AVERAGE AND MEDIAN PRICES

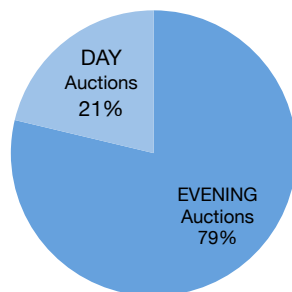


The median represents the middle value of a series of numbers, meaning that exactly half of the values are below the median and the other half are above the median. It is interesting to observe that in every case the median is lower than the average price, implying that in general the average is biased upwards because of the extremely expensive artworks sold, this effect is even more noticeable in the evening sales where most of the "trophy" artworks were sold. It is useful to look at the average because it represents the range of prices where most transactions take place.

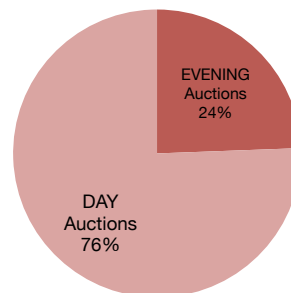
## SHARE OF EVENING AND DAY SALES

The following graphs show that 24% of the lots sold represent 79% of the amount sold meaning that the high-end market accounts for most of the market value in this category of art.

Value of lots sold



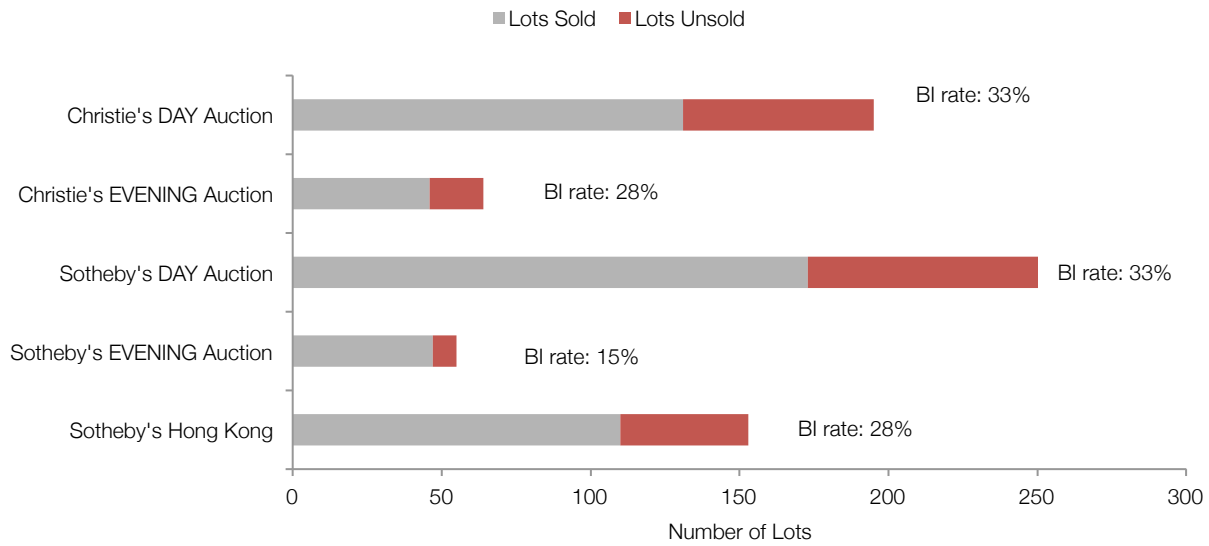
Number of lots sold





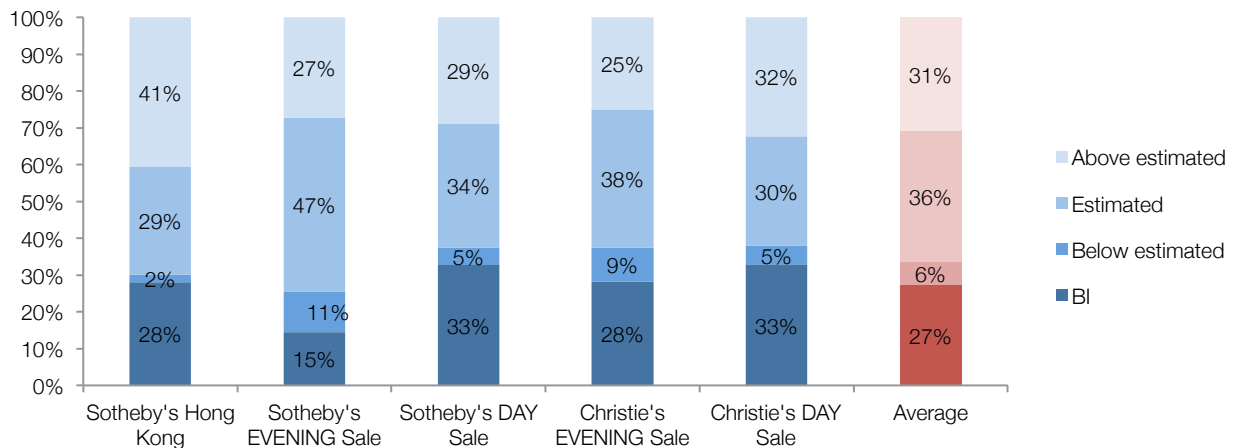
## NUMBER OF LOTS SOLD, UNSOLD AND BOUGHT-IN (BI) RATE

In total there were 724 lots for sale, of these only 507 found buyers, generating an average bought-in rate of 27%, a usual number for auction houses. In terms of unsold lots the most successful auction was the Sotheby's Evening sale.



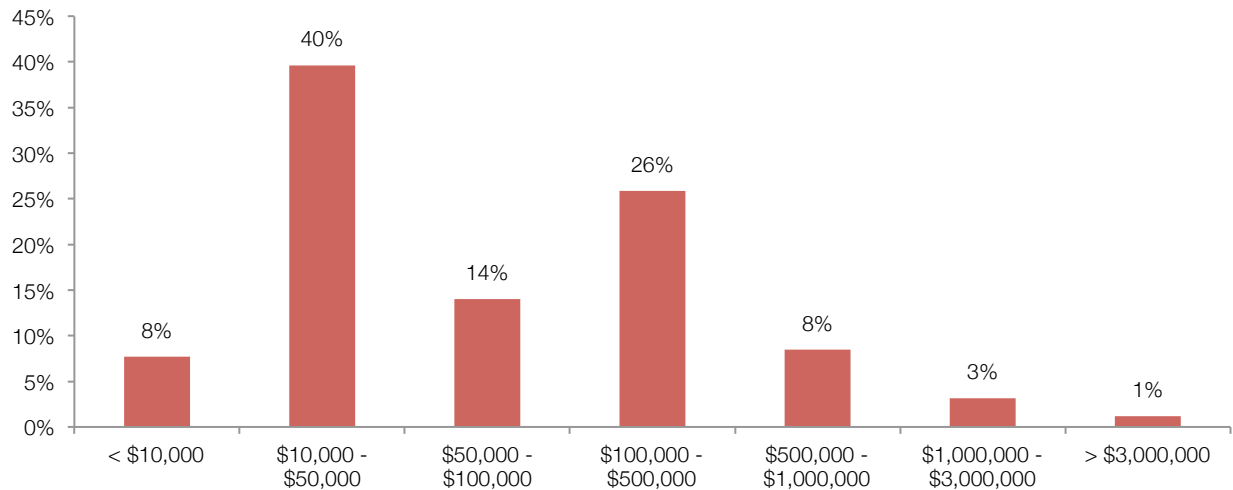
## SHARE OF LOTS SOLD ABOVE ESTIMATE, BELOW ESTIMATE AND BI'S

The following chart shows that most of lots were sold either above or between the estimated prices. It is interesting to notice that in the Hong Kong sale most of the sales were above the estimate, this could mean that either the lots were underpriced or that the growing demand for art pushed the prices up.

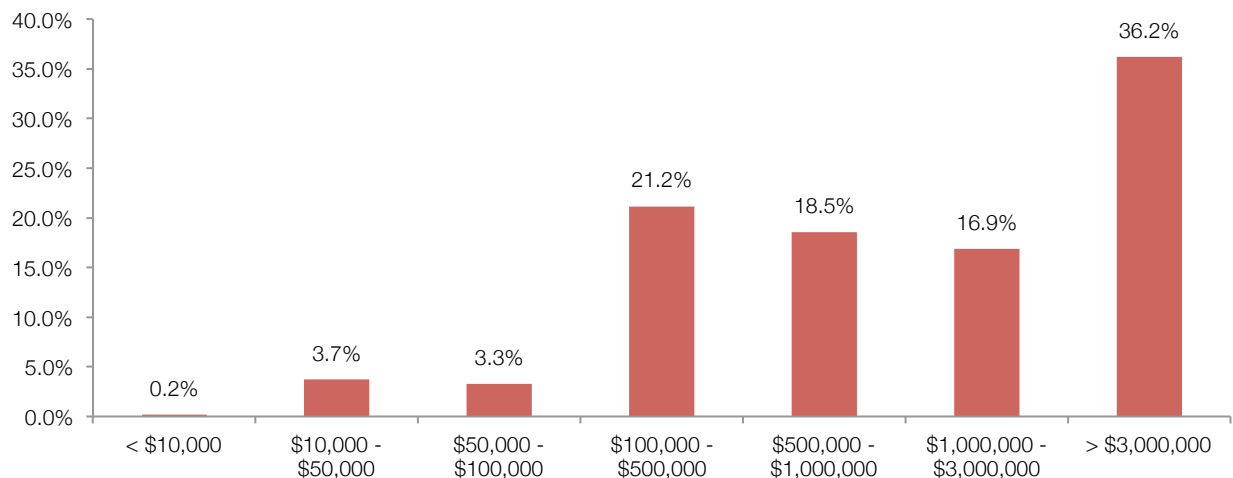


## PRICE DISTRIBUTION OF LOTS SOLD

This first graph shows how many artworks were sold in each corresponding price range and the second one displays the value in monetary terms (USD) of the artworks sold in each consequent price range.



## SHARE OF VALUE FROM LOTS SOLD



It is worth noticing that most of the lots sold in the auctions analyzed were between \$10,000 and \$50,000 USD, followed by the \$100,000 - \$500,000 range. These numbers make sense if they are compared with the median (\$55,711) and average (\$299,368) prices. Nonetheless this first price range is not worth a lot in market because it only represents 3.7% of the transactions in monetary terms. Once again it is clearly observed that a few high-end artworks represent most of the market sales. Specifically, only 1% of the lots sold account for 36% of the sales.

## TOP LOTS SOLD

TOP 10 PIECES IN EVENING AUCTIONS			
1	Gerhard Richter, Abstraktes Bild	\$ 34,084,150	Sotheby's
2	Yves Klein, RE 9-1	\$ 5,974,370	Sotheby's
3	Martin Kippenberger, Untitled	\$ 5,079,150	Christie's
4	Gerhard Richter, 5 Türen II	\$ 3,467,780	Christie's
5	Miguel Barceló, Areneros y muleros	\$ 3,288,720	Christie's
6	Gerhard Richter, Abstraktes Bild	\$ 3,109,680	Sotheby's
7	Alexander Calder, Hello Allentown	\$ 2,572,550	Christie's
8	Alexander Calder, Untitled	\$ 2,483,020	Sotheby's
9	Eduardo Chillida, Ikarundi (Great Trembling)	\$ 1,677,330	Sotheby's
10	Chris Ofili, Untitled Diptych	\$ 1,498,290	Christie's
% OF TOTAL CONTEMPORARY AUCTIONS		46.0%	

TOP 10 PIECES IN DAY AUCTIONS			
1	Wade Guyton, Untitled	\$ 673,410	Sotheby's
2	Lee Ufan, From Line	\$ 673,410	Christie's
3	Lucio Fontana, Concetto Spaziale	\$ 615,860	Christie's
4	Gerhard Richter, Abstraktes Bild	\$ 615,860	Christie's
5	Sam Francis, On Return	\$ 615,860	Christie's
6	Bridget Riley, Cool Place	\$ 539,130	Sotheby's
7	Gerhard Richter, Abstraktes Bild	\$ 519,940	Sotheby's
8	On Kawara, Jan. 14,2011	\$ 500,760	Sotheby's
9	Yayoi Kusama, Infinity Mirrored Room - Love Forever	\$ 500,760	Christie's
10	Manolo Valdés, Reina Mariana	\$ 481,580	Sotheby's
% OF TOTAL CONTEMPORARY AUCTIONS		4%	

TOP 5 PIECES IN HONG KONG AUCTION		
1	Zhang Xiaogang, Tiananmen No.1	\$ 2,685,550
2	Liu Wei, Revolutionary Family Series - Invitation to Dinner	\$ 2,252,150
3	Zeng Fanzhi, Fire	\$ 1,086,090
4	Liu Ye, The Pope Rescues a Small Pig	\$ 699,120
5	Zeng Fanzhi, Untitled (Mask Series)	\$ 853,910
% OF TOTAL HONG KONG AUCTION		50%