

Art Market Still Steady, But Buyers More Cautious

The art market appears to have slowed down a bit, although sales from some auctions and fairs are still strong. At the beginning of the downturn in the credit and housing markets in August, it was predicted that it would take six months to a year to catch up to the art market. Although the markets seem to be still far away from a crash, most experts agree that it has softened.

According to Art Market Research, after the art market crash in 1990, the value of works decreased by half over the next five years. The buyers dried up, and many galleries went out of business. The market has increased exponentially in recent years, and there is a long way for it to theoretically fall. Moody's Investor Services said that auction volumes were at \$8.1 billion, up from \$3.4 billion in 2003.

Some dealers, and obviously collectors, would welcome a slow down or correction. The November auctions were generally strong, as were the larger fairs. However, auction houses are reporting record levels of consignments, with sellers hoping to cash in before their art loses value.

Dealers were worried going into the Armory Show in March, but most reported that sales were normal. Attendance was up at Maastricht, although only 225 private places landed at the town's airport, 80 less than 2007. Sales figures could not be confirmed, but they were reportedly up from last year, with Europeans responsible for the bulk.

Spring auction sales have been mixed. During the Asian Art Sales in March, Christie's brought in \$80.1 million from art it had valued from \$45 to \$63 million. Sotheby's did not fare so well, as they achieved only \$46 million with estimates of \$51 to \$71 million. The next major test of the market's health will be the Impressionist and Contemporary Sales in May. A 1976 triptych by Francis Bacon is expected to reach \$70 million.

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