

Sales Down at Fall Auctions

The most prestigious art sales of the fall were held this week in New York and overall sales were disappointing. The auctions in May broke records, despite the fact that the global economy was struggling. Historically, it has taken the art market six months to a year to slow down following declines in the stock market and other indexes. It now appears that the recession has finally caught up to the art market.

At Sotheby's Contemporary Art Sale, of 63 lots offered, 20 did not sell. The marquis offering, an Yves Klein relief from 1960, estimated at \$25 million, sold for only \$19 million. Another star of the evening was Roy Lichtenstein's *Half Face with Collar*. Sotheby's reportedly paid a \$15 million guarantee to the seller and estimated it at \$15-\$20 million, but it failed to sell. Many of the works sold went for well below their estimates. Overall, \$125.1 million worth of art was sold, far below the low estimate of \$202.4 million.

Last week, Sotheby's reported a third quarter loss of \$46.4 million. Poor sales in London and Hong Kong contributed to the decline for the publicly traded company as were guarantees. Many guarantees were negotiated prior to the economic collapse this fall, and Sotheby's lost a lot of money in works that did not sell or sold for less than expected. Sotheby's and Christie's have both cut guarantees to sellers by approximately 50 percent.

The Contemporary Sale at Christie's did not fare any better. The low estimate was \$227 million, but only \$113.6 million sold. Of the 75 works on the block, nearly a third failed to sell. A self-portrait by Francis Bacon was estimated at \$440 million, but did not receive even one bid. In a controversial sale, former head of Lehman Brothers Richard Fuld reportedly received a \$20 million guarantee to sell 16 works, which only realized \$13.5 million.

It has not all been bad news though. A painting by Juan Gris sold for \$21 million at the Christie's Impressionist and Modern Sale last week, setting a new record for the artist. At the Contemporary Sale, a Basquiat canvas of a boxer sold for \$12 million.

Sales at the October Frieze Art Fair in London were disappointing too. Although no official figure is available, dealers reported that sales were intermittent and that the days of a three minute reserve for preferred customers was over. The market next looks to Art Basel Miami Beach, considered to be the most prestigious fair.

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