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ART + AUCTION

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New York FAIRS Close Ranks

ANTHONY
McCALL
GOES
BIG

WHERE
NOW?

Experts Predict
2012 Market Trends



Lucy Mitchell-Innes,
president of the ADAA,
and Paul Morris, director
of the Armory Show

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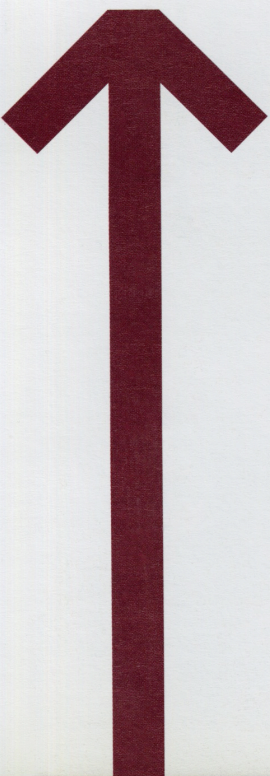
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WHERE NOW?

Experts Predict Market Trends in 2012

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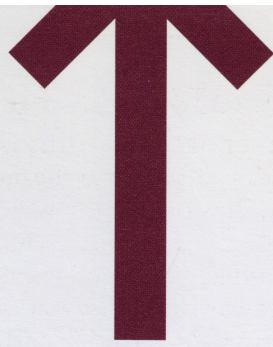


GIVEN HOW FREQUENTLY the word *uncertainty* comes up in discussions of all things financial these days, it is surprising that a panel of market experts would find consensus of any kind, and even more unexpected that they would coalesce around an essentially buoyant outlook. Yet confidence is the most common attitude struck in the following pages.

Auction specialists and private dealers see room for virtually limitless sales records, as long as top-notch material remains at hand. Gallerists believe that passion is still the animating force, the bedrock for dealers and their best customers alike. For others, new opportunities abound in emerging territories, from the Middle East and Southeast Asia to the digital realm and the nascent art-fund industry. To paraphrase one veteran, maybe most of us who got involved with the art business are just optimists by nature.

Of course, notes of caution sound in the following pages as well. Southern European governments risk stifling the art trade—or driving it underground—with onerous luxury taxes. China is at a crossroads, and its players will need to commit to higher standards of professionalism if its markets are to continue to grow. And more than one expert here believes there are too many fairs.

Taken together, these sketches from varied corners of the art world depict two coexisting planes. In the foreground, garnering the headlines, is the arena where those who buy for love and investors who buy for security converge in pursuit of the best. In the background is a larger field of players endeavoring to expand the art world outward rather than upward, by reaching new audiences in new ways. Both groups seem pretty happy about where they are right now. *The Editors*



Beyond the Obvious

IT'S BUSINESS AS USUAL, as far as we're concerned. 2009 was a surprisingly good year for us. We were able to buy some things we might not have chosen to buy or couldn't afford previously. So was early 2010. As the market has regained momentum, we've had to exercise more caution, especially now, because Wall Street has taken notice and there are people coming into the market on a strictly speculative basis.

You can see areas of activity where you need to be very careful; an artist may be having a 'moment' that may not have anything to do with the long-term merits of the work. But these surges shouldn't scare anyone from the market; you simply have to be aware of them.

There are a number of people who are buying based on market dynamics, buying artists that the market favors. We try consciously to buy independently of this dynamic, even though sometimes our interests overlap with what's happening. The truth is that the market homogenizes the art world. It becomes such a narrow place, especially if you're only playing in that narrow realm of the auction world, with 20 or 30 artists who come up every season. Occasionally you can get wonderful deals at auction, but you are more often likely to pay a premium when you buy there.

It's much more interesting as a process of learning and discovery to go out and find work that may not be on everyone's radar screen, because it hasn't been predigested.

My clients want a financial perspective on what they're buying. They want to understand why they're paying what they're paying and to make sure it's consistent with other works by the artist—or to make the decision knowledgeably if they choose to pay more. While it's not an investment mentality, it's certainly a financially prudent mentality, and that has become more the case since the market crashed in 2008. Everyone wants more information now.

MARY HOEVELER is a New York-based private art adviser focused on contemporary art. Previously she was managing director at Citigroup Art Advisory Service.

Building New Bridges



THE ART WORLD NO LONGER has just two or three global centers. China might be the market locomotive right now, but there is interesting art in every country. Go to Vietnam, go to Cambodia—it's like China 15 years ago. In 10 years the most interesting scene will be Burma.

In the past six months, at least two dozen collectors and curators have called me and asked for addresses of artists' studios in Indonesia. I am sure that very soon some of the

big Western galleries will be doing shows of Indonesian artists.

The biggest difference between Indonesia and more developed markets like China and India is not the strength of the art but the strength of the infrastructure—the galleries and museums. And that development is happening in various places. We see some Asian galleries opening other branches: ShangART and Tomio Koyama Gallery are both opening in Singapore. A national gallery is also under construction there and will open next year. And the Singaporean government is trying to encourage big collectors to open private museums.

While Indonesia is the scene on the brink, the market that is undeniably growing the fastest is China. It still may not be growing as quickly as we think, but the potential is huge. With Chinese collectors, and with almost all Asian collectors, the trajectory is the same: First they buy local artists, then they buy Western. That's why it's important to build up the bridges between these art scenes, to promote Chinese buying Japanese artists, Indians buying Indonesian artists, and so on.

LORENZO RUDOLF is CEO and director of Art Stage Singapore, which debuted in 2011. He previously helmed Art Basel, Art Basel Miami Beach, and SH Contemporary in Shanghai.

“The truth is that the market homogenizes the art world.”

—MARY HOEVELER

