



mintus

**H1 2022**

# AUCTION MARKET REVIEW

*JULY 2022*

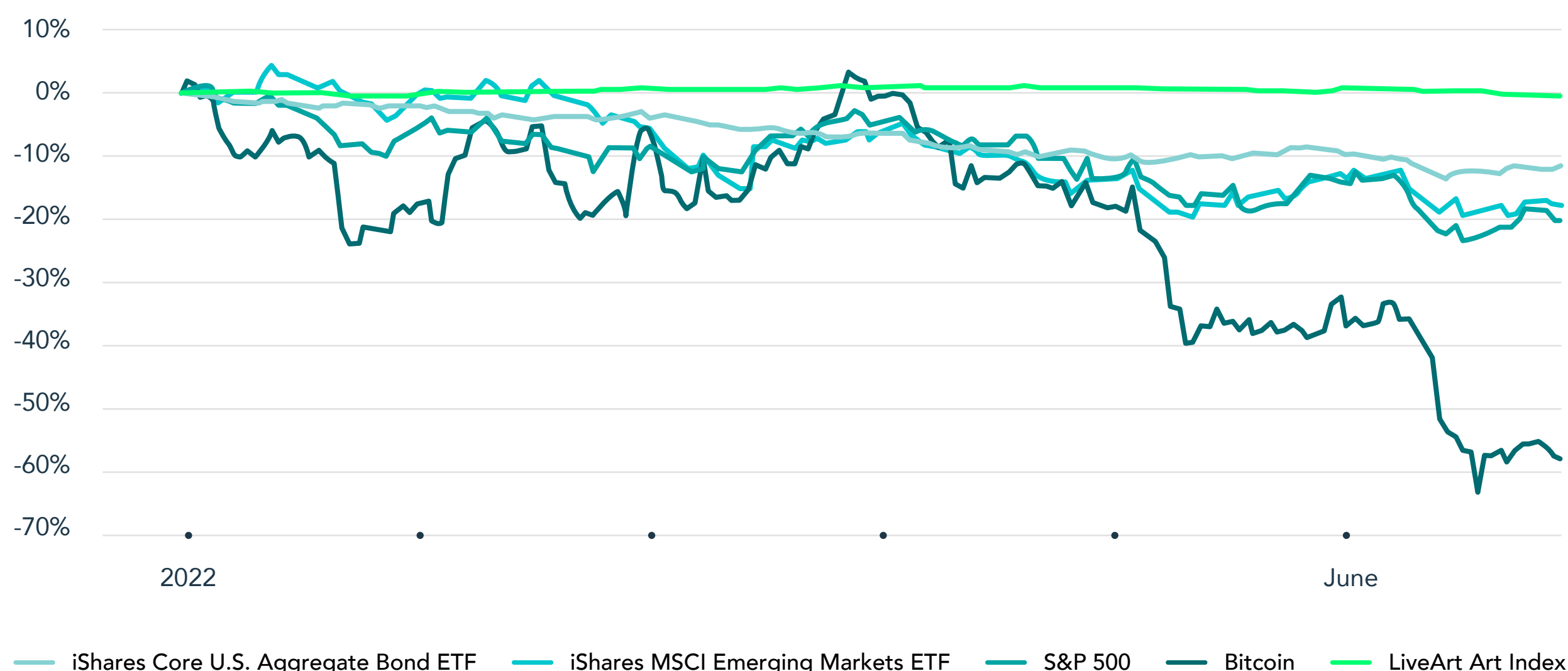
OWN THE  
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# INTRODUCTION: ART & THE FINANCIAL MARKETS IN 2022

The first half of 2022 has seen global markets suffer their worst performance in decades. Stocks and bonds have tumbled, cryptocurrencies have crashed, and inflation continues to rise at an unprecedented rate. According to Dow Jones Market Data, the S&P 500 suffered its worst first half year since 1970.

## Change, year to date



Source: FactSet (funds, S&P 500); CoinDesk (bitcoin); LiveArt Art Index (art)

Graph courtesy of the Wall Street Journal.

Concurrently, the art market has seen total sales hit \$7.4 billion, exceeding the market's most recent peak in 2018 and posting 25.2% year-on-year growth from 2021, all the while seeing record prices being set at auction for both artists and sale categories.

***What else are you going to invest in right now? Art doesn't evaporate.***

– Charles Stewart, Chief Executive, Sotheby's

Overall, the first half of 2022 paints a healthy picture of the art market: sales growth reflects strong market demand, whilst the inundation of high-quality works, particularly in the New York Flagship Sales in May demonstrated seller confidence. In the face of record levels of inflation and the prospect of continued uncertainty in the financial markets, the outlook for the art market remains promising based off of the first half of the year.

# GLOBAL AUCTION ROUND-UP: H1 2022

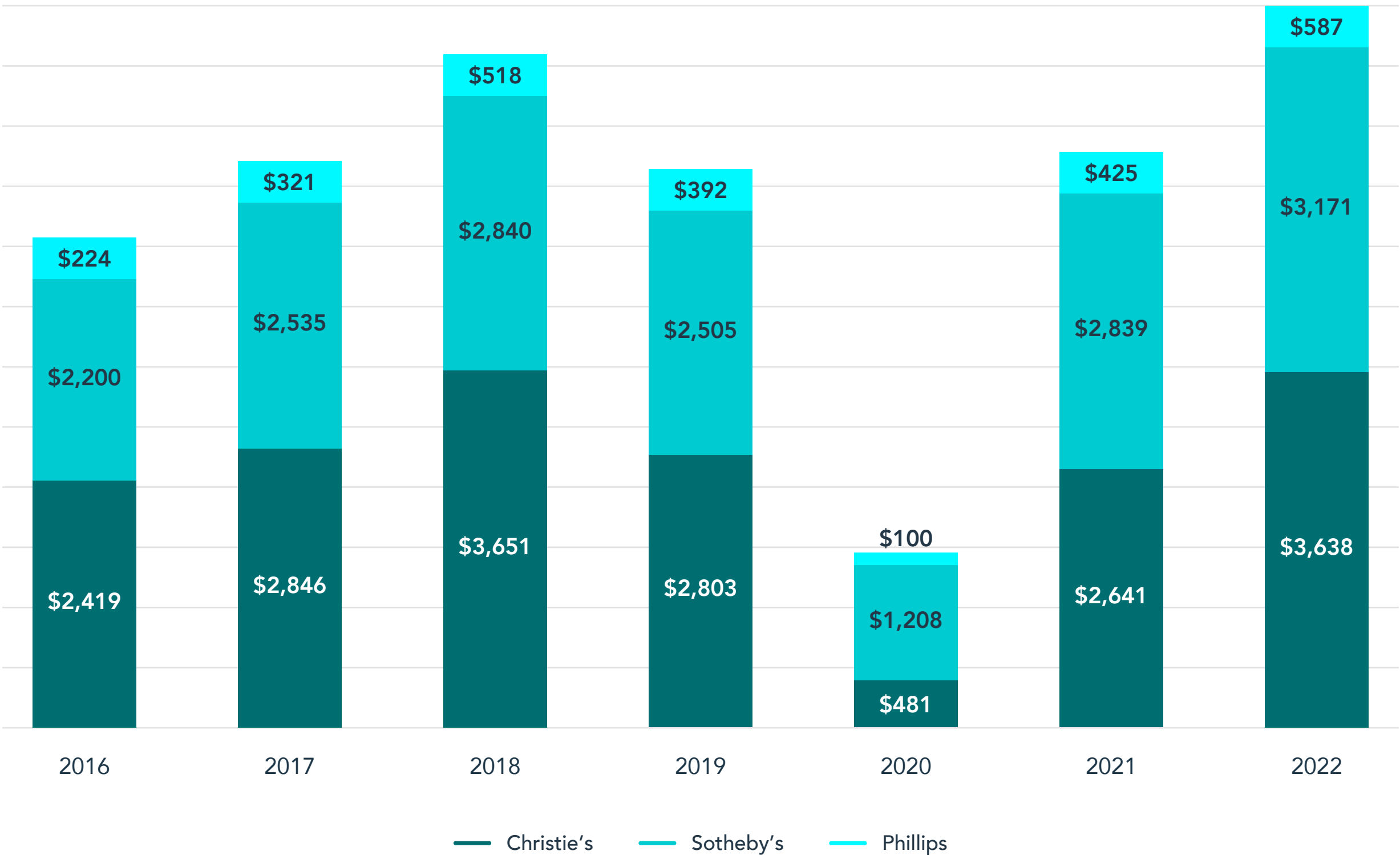
## Key Takeaways:

- Global Auction Sales in H1 2022 show significant growth, propelled by high-quality supply and strong demand.
- Post-War & Contemporary art led H1 of 2022, driven by in-demand emerging artists; Impressionist & Modern art achieved greatest y-on-y growth, fuelled by major works and single-owner collections.
- Global demand remains strong as New York solidifies itself as the dominant art market destination; Hong Kong falls to third behind London.
- Online-Only auction sales decline with the full return of in-person auctions.
- Uncertainty in the cryptocurrency markets sees NFT sales plummet as collectors focus on physical art.
- \$1m+ works by established artists underpin strong results and high average auction prices.
- Top Five Sales in H1 2022.

## Global Auction Sales in H1 2022 show significant growth

The global sales by Christie’s, Sotheby’s, and Phillips totalled just under \$7.4 billion in the first half (H1) of 2022, up 25.2% from the \$5.9 billion in H1 2021 and \$1.8 billion of H1 2020. The rise in sales surpassed the most recent peak in 2018 of \$7 billion, displaying the art market’s remarkably quick recovery rate since the 2020 pandemic downturn and the strength of collector confidence in the market.

Auction sales in millions

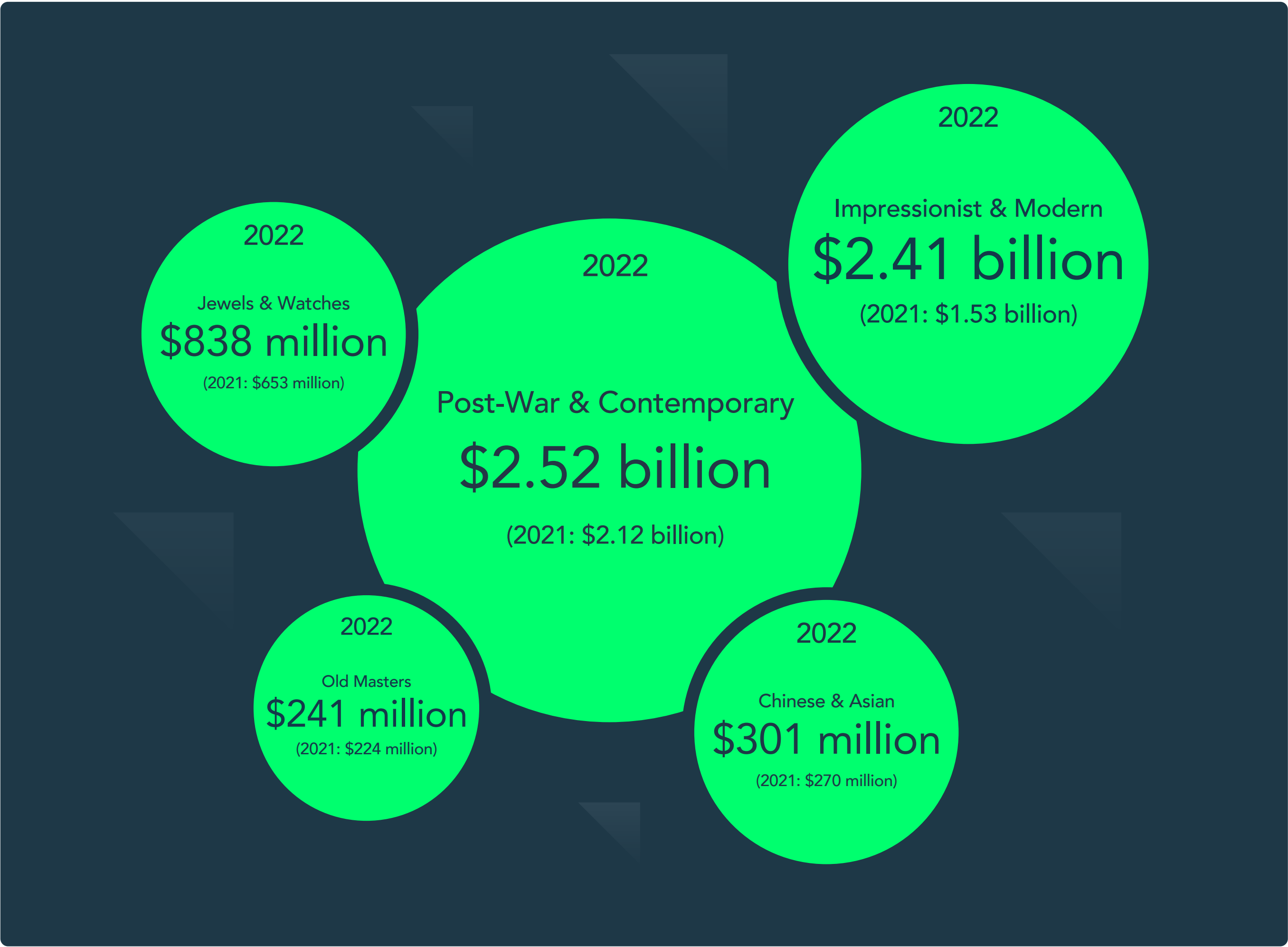


## Post-War & Contemporary art led H1 of 2022; Impressionist & Modern art achieves greatest growth

The global auction sales in the H1 of 2022 have grown across all leading categories (Post-War & Contemporary, Impressionist & Modern, Old Masters, Chinese & Asian Works of Art, Jewels & Watches). This reflects the strength of demand in the market, as well as the high quality of supply – exemplified in the several major works and significant single-owner collections that came to market, particularly in May in New York.

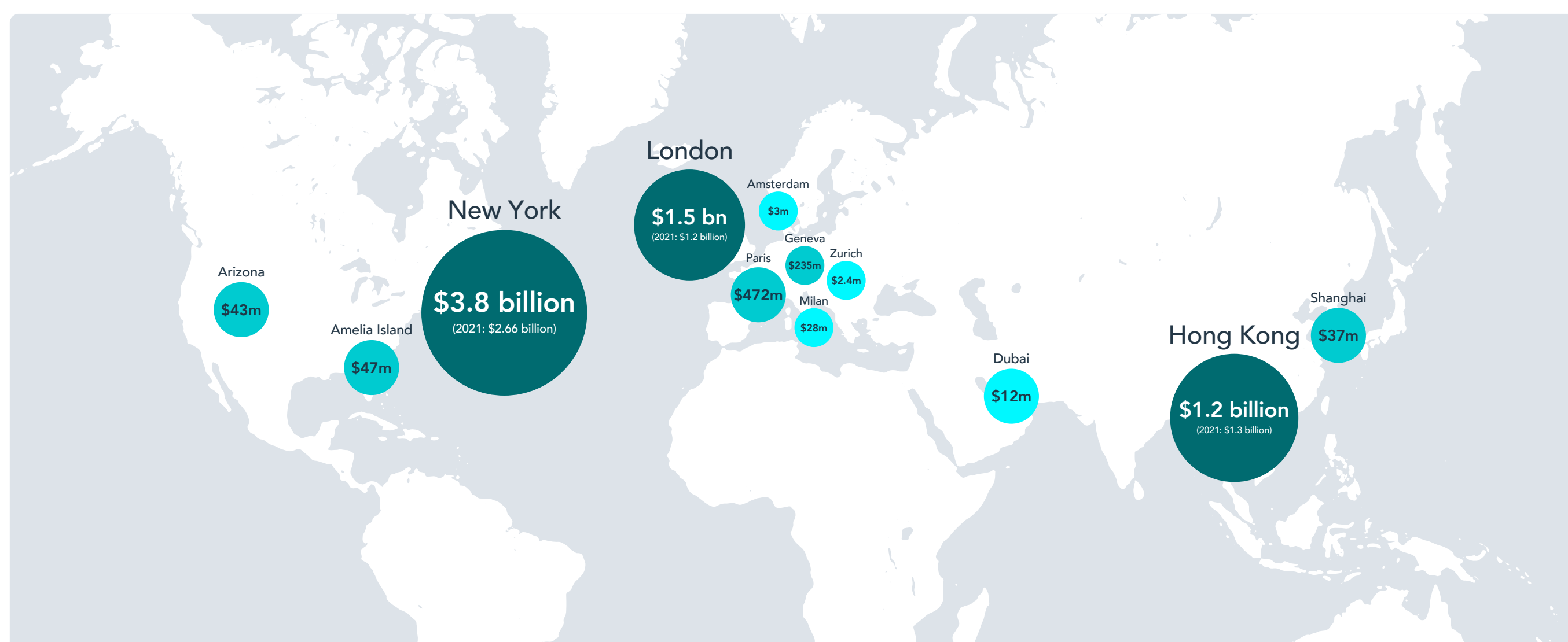
Post-War & Contemporary was the highest grossing category, with its total sales hitting \$2.52 billion, a year-on-year growth of 18.7% propelled by the focus upon younger, emerging, in-demand talents. The growth in the Impressionist & Modern category however was particularly impressive; buoyed by the appearance of numerous major paintings by Claude Monet in New York and London respectively, the total sales in the Impressionist & Modern category rose by 57.5% year-on-year.

The dominance of the Post-War & Contemporary and Impressionist & Modern categories is apparent in their market share, which accounted for 66.6% of total global sales.



## New York reasserts itself as the dominant art market destination

The strength of global demand is apparent in the breakdown of figures posted by the major art centres of New York, London, and Hong Kong. Whilst the latter generated similar figures to the previous year, London and New York both increased their market shares.



*whenever we've noticed stress or anxiety coming from country X, sector Y, category Z, the bidding is so broad-based that it offsets these concerns. That keeps prices strong.*

– Charles Stewart, Chief Executive, Sotheby's

## Online-Only auction sales decline; NFT sales plummet

The full return to physical auctions has seen the remarkable growth of online-only auctions sales halted for the first time since 2020. Christie's, Sotheby's, and Phillips generated a combined \$437.7 million in H1 2022, a decrease of 35% from the total of \$670.7 million achieved over the same period in 2021. The decline in online-only sales is tied to a pivot in strategy as the world emerges from pandemic restrictions; in-person auctions have once again the status quo. However, auction houses have retained the online element in their hybrid auctions, utilising a 'relay' format linked by video technology where an auction begins in one city and ends in another, retaining the global reach and interactivity of the online format.

On a more extreme scale, the hot-topic of 2021 – NFTs – plummeted in sales in 2022 as collectors reverted to the greater stability of physical art amidst the volatility in the cryptocurrency markets. Dedicated sales of NFTs in H1 of this year generated \$5.8 million, a fraction of the \$116 million sold over the same period in 2021.

*During times like these, people are looking into diversifying their portfolio. This is a time that is good for blue-chip works.*

– Peter Osborne, Founder & Director, Osborne Samuel

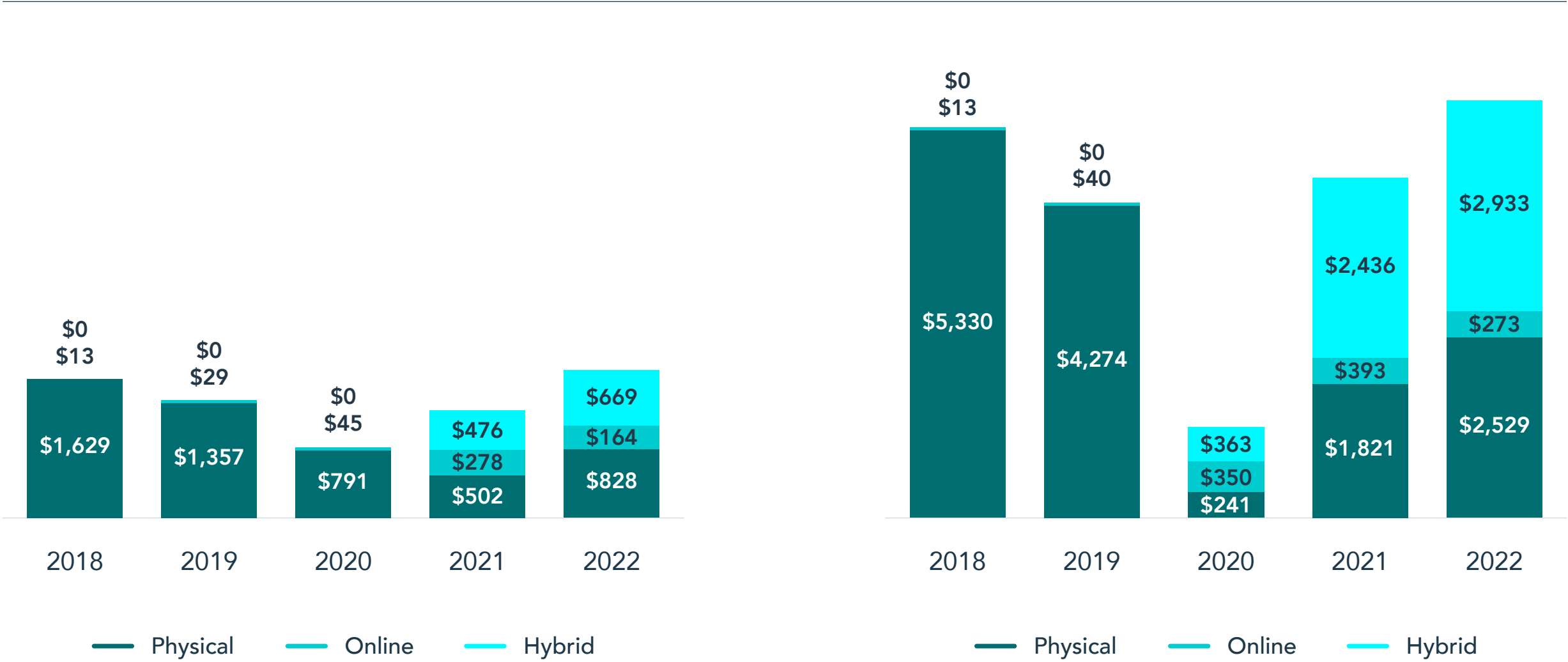
## \$1m+ works by established artists underpin strong results and high average auction prices

A comparison of the sales volume and lots sold in the second quarter (Q2) of 2021 and 2022 highlights the increased demand for high-value works by established artists. Although Q2 sales values increased 23.3% y-on-y between 2021 and 2022, the volume of lots decreased by 6% over the same period, indicating both a higher value per lot and strong collector demand for them. Despite the drop off from 2021, lot volume still remains higher than 2018 and 2019, showing that there is increased supplier confidence at the top-end of the market.



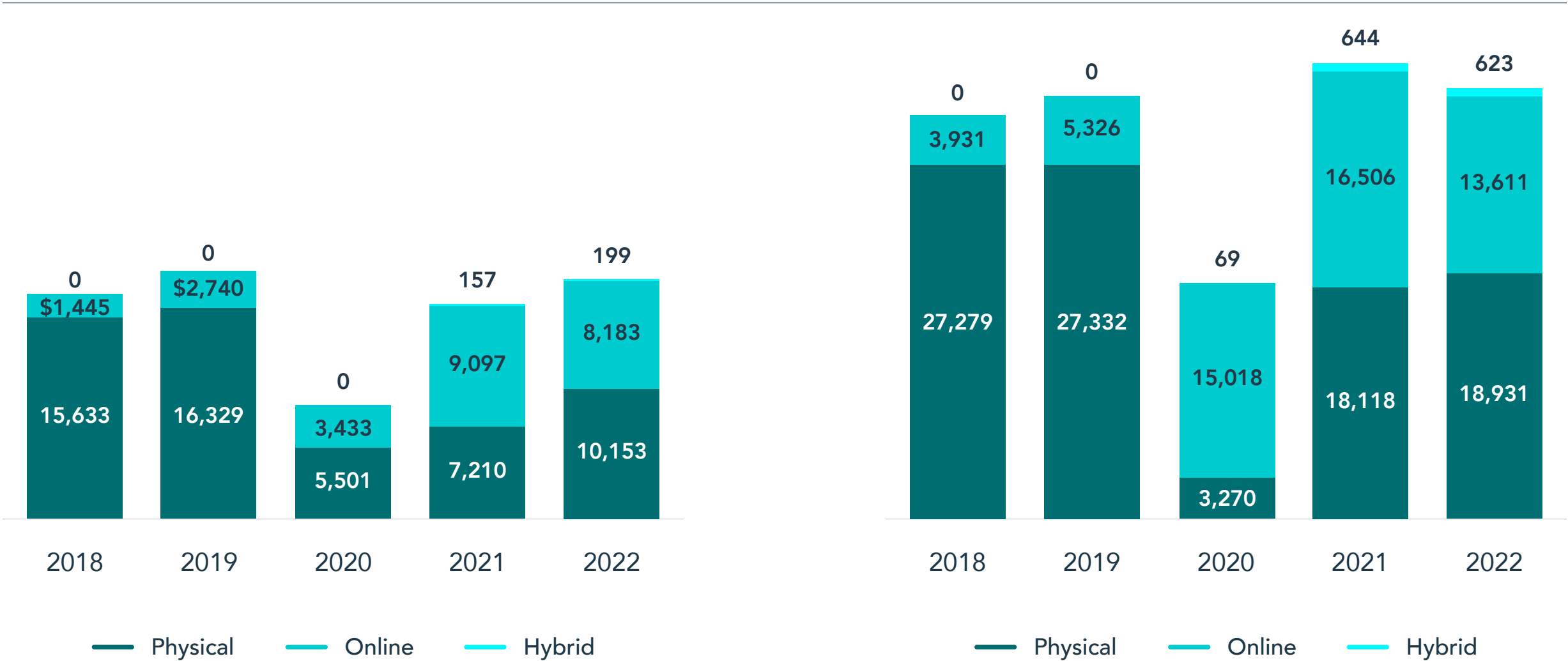
Auctions, Q1 & Q2, 2018 - 2022

Comparative Performance - Sales Volume (Million USD)



Auctions, Q1 & Q2, 2018 - 2022

Comparative Performance - Lots Sold

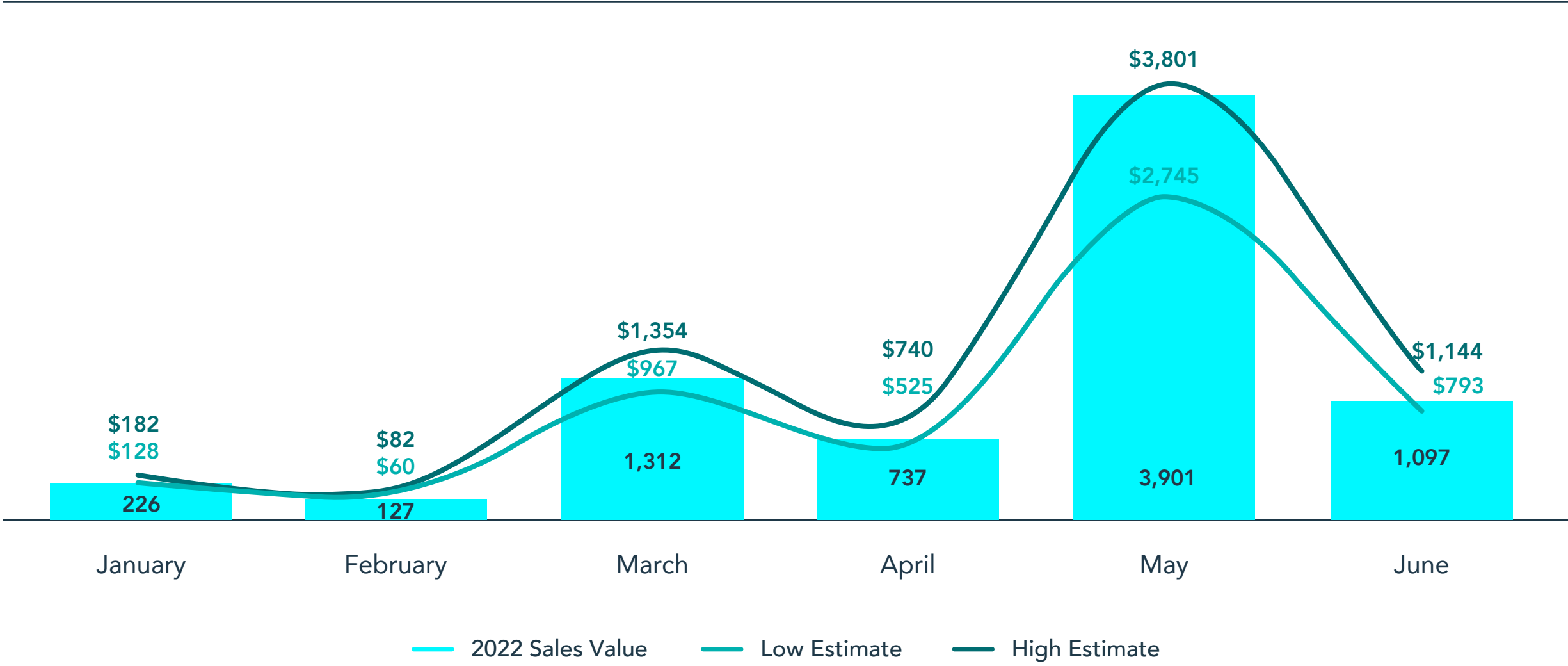


This is emphasised in the month-by-month analysis of estimated results vs actual results over H1 2022 in which realised results have matched high estimate expectations, if not exceeded them. Meanwhile, a similar story is apparent in the average auction prices over the period, which have also either matched or exceeded equivalents in 2021. May is a particularly strong example of this: the average of \$284,174, influenced by the high volume of high-value works from single-owner collections up for sale in New York, was well beyond the 2021 average of \$190,795.

The strong results are underpinned by the demand for high-value works (\$1m+), which consistently outperformed their low estimates, pushing up sales totals and average auction prices. The results are an indicator of collector confidence; high-quality high-value property combined with market confidence drives competitive bidding and higher prices. Indicators of a healthy market.

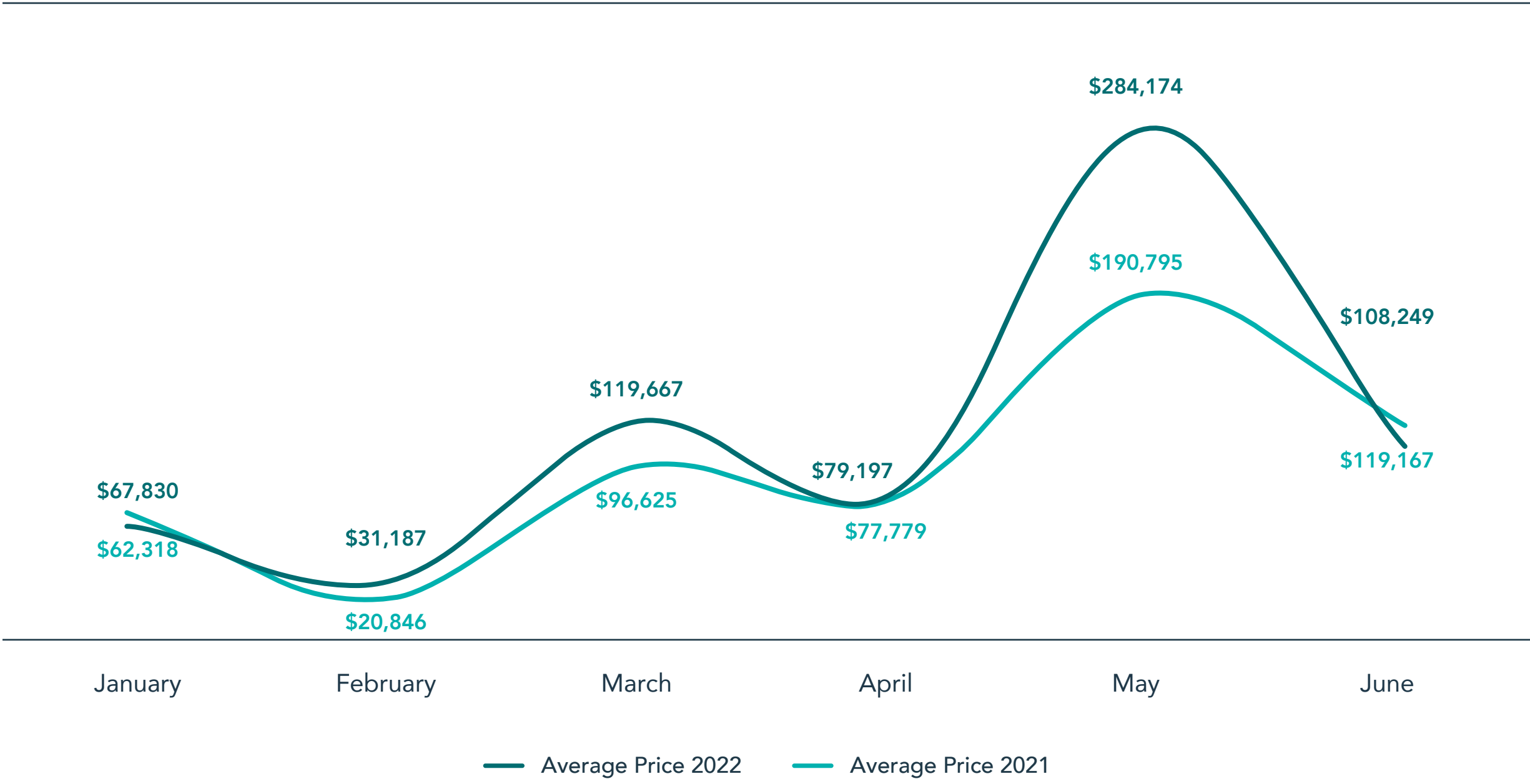
### Auctions, January - July 2022

Expectations vs Actual Results (Millions USD)



### Avarage Auction Prices, January - June 2021 & 2022

Comparative Performance 2021 & 2022 (USD)



## Top Five Most Expensive Works at Auction in H1 2022



Andy Warhol, *Shot Sage Blue Marilyn*, 1964

**Sold:** \$195 million

**Where & When:** Christie's New York, 9 May 2022



Jean-Michel Basquiat, *Untitled*, 1982

**Sold:** \$85 million

**Where & When:** Phillips New York, 18 May 2022



René Magritte, *L'empire des lumières*, 1961

**Sold:** \$79.4 million (£59.4 million)

**Where & When:** Sotheby's London, 2 March 2022



Claude Monet, *Le Parlement, soleil couchant*, 1900-03

**Sold:** \$76 million

**Where & When:** Christie's New York, 12 May 2022



Pablo Picasso, *Femme nue couchée*, 1932

**Sold:** \$67.5 million

**Where & When:** Sotheby's New York, 17 May 2022

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***Top-quality works sell for top prices, however tumultuous the state of the world—be it a war overseas, a pandemic or a terrorist attack.***

– The New York Times

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Data and graphics courtesy of ArtTactic.  
Financial data correct as of July 2022.

Past performance is no guarantee of future success.