

COMMENTS ON THE ART MARKET

VOLUME 200

Rehs Galleries, Inc.
Rehs Contemporary Galleries, Inc.
5 East 57th Street, New York, NY 10022 - (212) 355-5710
www.rehs.com

Summer Hours, Nantucket & Baltimore

During the month of August our gallery will be open Tuesday - Thursday from 10 am - 5:30 pm and all other times by appointment.

The gallery will be exhibiting at the Nantucket Summer Antiques Show from August 11th - 14th and the Baltimore Antique Show from August 24th – 27th. Check our website for more information.

The Dark Side

By: Alyssa

An important 1886 ceremonial sword, stolen back in March 2016, has been recovered at a London Auction house. The ornately carved, mosaic sword belonged to the Provincial Grand Lodge of Mark Master Masons of Kent. The object was stolen during a home invasion which targeted two vehicles, one of which had the sword inside. According to reports, an antiques dealer purchased the sword from a car boot sale in West Sussex but had no further information to aid the police and ARI (Art Recovery International) in catching the thieves. While no arrests have been made, the now Provincial Grand Master of Kent, Archie Torrance, is delighted to have the sword back and plans to use it in an upcoming ceremony.

French officials are in the process of returning over 500 items including paintings, sculptures, precious books and vinyl records. The trove, found in the home of an unnamed 45-year-old kleptomaniac, was discovered after he stuck his hands in the same cookie jar just once too often. He had stolen two paintings from a hotel in his hometown of Avignon, when he returned for another theft, a receptionist recognized him, called police and his arrest was made. Back at his home, police found what resembled "Aladdin's Cave" - hundreds of works were piled on top of each other, just like the scene from the famous Disney animation. Fortunately for police, the thief tagged each piece with notes listing the date, location of the theft and estimated value for each work. This made it possible for authorities to quickly return 40 works to their rightful owner. Five additional works were spotted on a French database of stolen works. He is set to go on trial for the two works stolen from the hotel that led to the larger discovery of artworks. Additional judgements will be made later on the rest of the trove.

I am sorry, but I am having a little trouble siding with the artists on this one. I have written several stories detailing situations where an artist's work was taken by a retailer and used as their own. Now, jumping on the bandwagon are four graffiti artists who are livid with Vince Camuto (VC), according to their attorney. Unlike prior cases, I see no harm with the way VC used the graffiti art. Why? It was used as a backdrop to a new advertisement campaign. If you are going to spray paint your art in public spaces, it should be fair game. All I am smelling here is greed.

While there is no actual crime here, this story has gained mass attention. Pilar Abel Martinez, 61, claims to be the product of a love affair between her mother and surrealist-father, Salvador

Dali. Suing the Gala-Salvador Dali Foundation and the Spanish State, Abel is seeking recognition as his legal heir, which would grant her 25% of the estate. OK, more greed! The only way to confirm that Dali is her father is through genetic testing, so the Judge ruled that they must raise Dali from his grave (something Dali might have embraced). As you might guess, this has outraged many. Now, after 28 years entombed in a crypt beneath the stage in his Theatre-museum in Gifurees, Dali has been pricked and pried for DNA. The results will be known in early September, and with all the negativity surrounding this unusual case, I hope she is telling the truth!

Really!
By: Amy

Several really unique items recently made their way to the market – to begin, a watch that once belonged to one of our nation’s most beloved first ladies, Jaqueline Kennedy, made headlines when it sold to an anonymous bidder (reports now claim the new owner is Kim Kardashian –really?!). The Cartier Tank Ordinaire, one of just three that were produced in 1962, was given as a gift to Kennedy by her brother-in-law, Prince Stanislaw (‘Stas’ Radziwill), who was married to her sister, Lee. In return, Kennedy gave Radziwill an original painting which she created of Radziwill and his friend Chuck Spalding - the gifts were given in celebration of completing a 50 mile hike that Kennedy challenged Radziwill to as part of a nationwide public health initiative by President Kennedy. The hike took place in Palm Beach, Florida and each piece commemorates the date, as well as the start/finish time of the hike – February 23, 1963, 2:05 AM – 9:35 PM...just under 20 hours – really!! The watch and the painting were sold together and had a pre-auction estimate of \$60-120K, but after some fierce bidding they climbed to \$380K! Who’s to say that the watch made the unbelievable price...maybe it was the painting the buyer really wanted...LOL. The watch originally cost just a few hundred dollars and if you want a similar example of a Cartier Tank from 1962, it should only set you back about \$3,000 - really! And a few Jacqueline Kennedy original works of art have made it to the auction rooms with the most expensive selling for \$11,500 in 2012; however, most of her works did not sell.



This next piece has quite a history; some would say a really royal love story - a locket George IV (Prince of Wales) gave to his secret and illegal wife, Maria Fitzherbert. It is believed that George IV met Fitzherbert at an opera sometime in 1780 and they secretly married in 1785. Fitzherbert had already twice divorced and George IV would have never received his father’s, nor Parliament’s, permission to marry her - the Royal Marriage Act of 1772, required the King’s permission for him to marry – I guess his father already knew Georgie would be a problem child. Anyway, back to the gold locket; it was set with 24 rose cut diamonds and a larger, transparent, diamond as the cover that shielded a miniature portrait of the Prince of Wales. The provenance states that it has been passed down directly through Fitzherbert’s family, and was one half of a pair, the other belonged to King George IV which was buried with him at Windsor Castle. The family finally decided to sell the locket and received a £80-120K estimate, it hammered down at £280K (£341K/\$442K - with commission) beating the high estimate by more than double.

A good old-fashioned drama played out when this next item came up for sale. A finely engraved Etruscan bronze mirror from the 4th century BC that was in near perfect condition made its way to the auction floor. The mirror, engraved with a scene from a lost play by Euripides titled Telephos, was discovered in 1893 while excavating the Calini Sepus tomb in Italy. The tomb was discovered a year earlier by Count Terrosi while preparing a vineyard that he owned. All the finds that were excavated were kept by Count Terrosi and later given to mostly Italian museums, although a few were sent to museums abroad. Sometime prior to 1981, the mirror was acquired by Elsa Bloch-Diener, a Swiss collector. The mirror had an aggressive estimate of £10-15K (\$12-19K), as this estimate was actually 2 to 3 times what a typical Etruscan mirror might bring at auction, but all bets were off as the bidding drama played out and its new owner shattered the estimate when they paid £473K (including the commission - \$612K). Really!!

A pair of marble lions from the funerary monument of Charles V (France) created by sculptor Andre Beauneveu (c. 1335 – 1402) set a record for medieval art at auction. The 18 inch figures were commissioned by Charles V for his royal tomb at the Basilica of Saint Denis in Paris. During the French Revolution, Alexander Lenoir, an archaeologist, began collecting French monuments for inclusion in a new museum, these lions were most likely part of the collection. In 1802 they were sold to Sir Thomas Neave, an English aristocrat, to help support the museum. They remained in his (family) collection ever since. The lions' estimate was 'on request' and they were hoping for somewhere in the £4M range, based on another example of tomb figures which sold last year - a pair of alabaster marble figures of mourners that were from the tomb of Charles V's brother, Jean, Duc de Berry, sold for \$5.7M to the Louvre. Well, the lions far exceeded expectations when they sold for a roaring £8.2 (\$10.6M!) Really!!!

Stocks

By: Howard

We were so busy with the streets of Paris this month, and the Newport show, that I only looked at the market at 8:36 last night.

As for the currencies and commodities, the Euro closed at \$1.182 (big up); the Pound rose again - \$1.32; Crude saw a little sunlight -- closing at \$50.18 (remember that last month Goldman cut its forecast and Citi claimed it hit the floor and will soar); and Gold soared – closing at \$1,274. And we cannot forget about the DOW ... we opened the month at 21,349 and closed out at 21,891 – Yee haa!

With a 500 plus point gain I was expecting a really good showing this month JP Morgan (\$91.80 – up 38 cents – what?), boy, I hope that is not a trend: Exxon (\$80.04 – down 67 cents – I am not feeling very good), GE (\$25.61 – down \$1.40 – now I am getting a little queasy), AT&T (\$39 – up \$1.26 – ok, that is something), Verizon (\$48.40 – up \$3.73 – now we are talking), Wal-Mart (\$79.99 – up \$4.32 – now I am feeling a little better), Coke (\$45.84 – up 98 cents – better than a down), DuPont (\$82.21 – up \$1.47 – keep it going), Merck (\$63.88 – down 21 cents – ok, I can deal with that), Disney (\$109.93 – up \$3.69 -- yes), Intel (\$35.47 – up \$1.73 – keep 'em coming), Apple (\$148.73 – up \$4.71 – real nice), Apache (\$49.48 – up \$1.55 – I was hoping for more, but will take it), and Microsoft (\$72.70 – up \$3.77 – ending on a high note is always good). Of the 14 stocks listed, 11 were up and 3 were down - -- much better than last month! The big question is: will this continue?

The Art Market

The auction action continued through July and surprisingly, the results were rather upbeat. At the beginning of the month the Old Masters took center stage in London.

The Old Masters

By: Lance

It seems the art world is bucking two recent trends... the typical summer lull and its pure affinity with Modern and Contemporary art. In early July, Sotheby's and Christie's held some impressive Old Masters sales in London – it's noticeable that buyers are turning to undervalued and underappreciated works as other segments of the art market soar to unreachable levels. To elevate things further, much of the offered work was fresh to the market and they were high-quality pieces.

Sotheby's started the Old Masters week off and leading the way was the highly anticipated J.M.W. Turner painting, *Ehrenbreitstein*; expected to bring £17-25M, the work found a buyer at £19M (\$25M) – the work last appeared on the market in 1965 when it sold for just £88K. As I alluded to earlier,

many of the works had not appeared on the market in quite some time, if at all... of the 68 lots offered, 40% (27 works) had never been previously auctioned, while another 18% (12 works) were offered for the first time in over 50 years. That said, nothing else came close to the Turner masterpiece... In a distant second was Bartolome Murillo's *Ecce Homo*, bringing £2.7 (\$3.5M) on a £2-3M estimate. Just behind that was Bellotto's *Venice, Piazza San Marco* which achieved £2.5M (\$3.2M – Est. £2.5-3.5M). A number of auction records were achieved by lesser known Masters, giving strength to the narrative that older segments of the art market are seeing a resurgence of buying interest - and it is not just the top-tier artists from a period, it is good condition, good quality works in general. The sale as a whole brought in a grand total of £52.5M (\$67.8M) on a pre-sale estimate of £48.4-73.5M... which doesn't seem that great, but only because we are jaded by \$500+M Modern and Contemporary sales... Last year, Sotheby's same sale only recorded a total of £16.5M – less than the top lot alone this year. Additionally, the 85.3% sold was the highest ever sell-through rate for an Old Masters London sale.

Christie's Old Master Evening sale was headlined by a massive 4 foot by 6 foot view of Venice by Francesco Guardi. The work was estimated to bring between £25-35M but only made it into that range with the buyer's premium – all in, the work brought £26.2M (\$33.8M), or roughly 60% of the entire sale's total. Well off in second was Tiepolo's *The Minuet* at £3M (\$3.9M – Est. £1.5-2.5M) followed by an unsigned work attributed to Rembrandt – a portrait titled *An Old Bearded Man*, bringing £2.1 (\$2.7) on a £2-3M estimate. The Guardi was splashy enough to set the top price for an Old Master painting in 2017 and a handful of works from the evening set new auction records for artists. By the end of the evening, Christie's sold 77% of the works offered for a total of £43.8M on a £37.4-54M estimate.

Looking at the sales after the fact, data revealed that not only was there a significant increase in the number of bids placed, but there was a noticeable increase in the number of countries bids were coming in from – up 28% from last year's London sales. Additionally, the auction houses revealed that collectors who have focused on Modern and Contemporary artists have begun to show interest in Old Master works as well – a sign of eroding boundaries for collectors and something that could be great for the health of the overall market.

Victorian, Pre-Raphaelite & British Impressionist

By: Howard

Boy, this Christie's sale included a wide range of styles and periods spanning 1820 – 1960. Taking the top spot was a beautiful Waterhouse, owned by Rod Stewart, titled *Isabella and the Pot of Basil* which realized £1.157M (\$1.49M - est. £1-1.5M). In second was a rather large Munnings portrait titled *Going to the Meet: Captain F.G. Chamberlin and his sister on Mousehold Heath, Norwich* that sold for £509K (\$657K – est. £400-600K). This same painting sold back in 2004 for \$848K, so the seller took a bit of a loss. Third place was taken by a rather lackluster Grimshaw - *Old Hall, Cheshire, early morning, October* - at £125K (\$161K – est. £120-180K). This one last sold in 2013 for £85K ... so a bit of a profit for the seller. Rounding out the top five were Bertrand's *Ophelia*, a beautifully painted work from the Rod Stewart collection, that crushed its £15-25K estimate when it sold for £97.5K (\$126K) and Fred Morgan's *The See-saw* which made £81K (\$105K – est. £60-80K).

Among the other highlights were: G.F. Watts' *Head Study...*, a small drawing, at £27.5K (\$35.5K - est. £5-7K); S. Solomon's *Head of a Youth* at £50K (\$64.5K - est. £15-25K); G.S. Watson's *Portrait of Miss Dewitt...* at £50K (\$64.5K - est. £10-15K); de Laszlo's *The Hon. Mrs. Henry Dindas...* that brought £37.5K (\$48.4K - est. £10-15K) and a small Burne-Jones titled *Study of three female figures...* £30K (\$38.7K - est. £6-8K).

As with all the recent sales, there were a number of misses – some bigger than others. Among them were works by: Grimshaw (est. £300-500K); Godward (£200-300K); Ety (£70-100K); Landseer (£40-60K); Bartlett (£30-50K) – I am still trying to figure out how anyone could come up with that estimate; and Riviere (£70-100K).

When the sale was over, of the 117 offerings, 84 found buyers (71.8% -- not too bad for a summer sale) and the total take was £3.66M (\$4.73M). The low end of the estimate range was £3.75M, so even with the buyer's premium they fell a little short ... something that has become the norm. You know we always like to get out the shovel and dig a bit deeper, so here are some of our findings. Of the sold lots, 35 were below, 19 within and 30 above their presale estimates. Adding in the 33 unsold works that gives them an accuracy rate of 16.2% ... not very good. On the bright side (you know there is always a bright side), 25.6% of the works sold above their estimate range ... much better than the other recent 19th century sales. Finally, the top 3 works accounted for £1.79M or 49% of the sale's total ... not a very balanced sale since the Waterhouse alone accounted for 31.6% of the total.

I often talk about the oversaturation of certain markets or artists, and this sale was no exception. Between Flint and Seago there are 19 works offered (16% of the sale) ... just too many for the market to absorb over the summer and 7 (36.8%) failed to find buyers. I was also surprised to find that the sale included less than a handful of Victorian landscapes ... no classic works by Percy, Leader, Breanski, Boddington, Cole, Parker, Glendening, etc. Was that by choice, or is nobody selling?

The following day, Sotheby's presented their sale and taking the top spot here was Rossetti's Lady Liliith at £681K (\$879K - est. £400-600K). Coming in second was Watt's Orpheus and Eurydice at £321K (\$414K - est. £300-500K) and rounding out the top three was a very small (14 x 11 inches) Grimshaw, *After the Shower*, that made £231K (\$298K - est. £100-150K). We are currently offering Grimshaw's *Autumn Gold*, a larger work dating from the same year (1880) ... at a far more attractive price.

Other highlights from the sale included Rossetti's *Portrait of Miss Herbert* - £188K (\$242K - est. £70-100K); Godward's *Far Away Thoughts* - £150K (\$194K - est. £120-180K); Hughes' *The Weary Moon* - £144K (\$186K - est. £30-50K) and Russell Flint's *Cecila* at £119K (\$153K - est. £50-70K). In addition, there were a number of big misses which include works by Godward (£300-500K), Grimshaw (£150-250K), Seago (£70-90K and £60-80K), J. Morgan (£70-100K) and Emms (£80-120K).

When the session was over, of the 89 works offered, 53 sold (59.5% - not very strong and well below Christie's) and the total take was £3.28M (\$4.23M) - the low end of the presale was £3.6M ... so they missed the mark. As for the accuracy rate, 11 were below, 26 within and 16 above their estimate range; adding in the 36 unsold lots yields a rate of 29.2% -- better than the competition.

As with the other sale, there were no classic Victorian landscapes to be seen; however, they did add 4 more Flints and 6 Seagos to the weeks offerings ... too much of the same thing.

European & Orientalist

By: Howard

Two days later the same saleroom presented their 19th century European and Orientalist Art sale. I am going to cover this in two parts; first, was the Orientalist. There were 73 paintings offered and of those, 46 (63%) came from one collection. The top lot here (and for the entire sale) was a smallish work by Ludwig Deutsch - *At Prayer* - that brought £605K (\$780K - est. £400-600K). Then there was David Roberts' *The Ruins of the Smaller Temple at Baalbec* which sold for 221K (\$285K - est. £200-300K) and in third we find Carl Werner's watercolor, *The Holy Rock, Jerusalem*, which made £209K (\$270K - est. £40-60K). There were other interesting results in the section, including: Frere's *Outside the City Wall by the Jaffa Gate* at £30K (\$38.7K - est. £12-18K); a watercolor by Bauernfeind titled *King David Street, Jerusalem* that made £137K (\$177K - est. £40-60K); Fromentin's *Rencontre de chefs arabes* that brought £113K (\$145K - est. £60-80K) and a figure study by Weeks that made £52.5K (\$68K - est. £12-18K).

Of the 73 Orientalist works, 56 (76.7%) found buyers for a subtotal of £2.74M (\$3.54M). The low end of the estimate range was £2.55M ... so they made it with the buyer's premium.

The sale then continued with a selection of general 19th century works, some of which I thought would never make it and boy was I surprised. The top lot in this group was Sorolla's *Llegada de las barcas* at £437K (\$564K – est. £300-500K – the second highest lot in the sale). Then there was Boldini's *Signora seduta con gatto* which brought £221K (\$285K – est. £200-300K) and finally, the ever consistent Ziem whose Venetian scene brought £191K (\$245K – est. £80-120K).

Among the real surprises were a small (nothing more than a sketch or study) by Corot that brought £32.5K (\$42K – est. £25-35K) and one by Rousseau that made £27.5K (\$35.5K – est. 15-20K) I was amazed that they found buyers ... and for fairly strong prices. In addition, a small (12 x 9 inch) study of Venice by Rubens Santoro brought £37.5K (\$48K – est. £15-20K) ... another very strong price for this particular work. One of his more important works, *Scuola Grande di San Marco and the Ponte Cavallo on the Rio dei Mendicanti, Venice*, is currently featured on our website.

http://www.rehs.com/view_image.html?image_no=5053&inq=1

This part of the sale included 50 works, of which 37 (74%) found buyers ... another nice sell-through rate ... for a subtotal of £2.11M (\$2.72M). The low end of this section's presale estimate range was £2.1M; so again, they made it with the buyer's premium.

In all, of the 123 works offered, 93 (75.6%) found buyers ... not bad ... and the total take was £4.85M (\$6.26M). The low end of full sale's estimate range was £4.65M – thank goodness for that buyer's premium. Of the 93 sold works, 33 were under, 37 within and 23 above their presale estimates. Adding in the 30 unsold works, that gives them an accuracy rate of 30% ... better than the last sale; however, only 18.7% of these works sold above their range. In addition, the top three lots in the sale brought in £1.26M, or 26% of the sale's total ... that is a sign that the sale was more balanced than others and did not rely on a one-hit-wonder. I like that!

I know that I say this all the time, but it is my hope that someone will take it to heart. These salerooms need to scale back the offerings. While it is hard to find too much fault with these two summer sales, the results would have been even better had they combined them and cut out some of the fluff.

The Rehs Family
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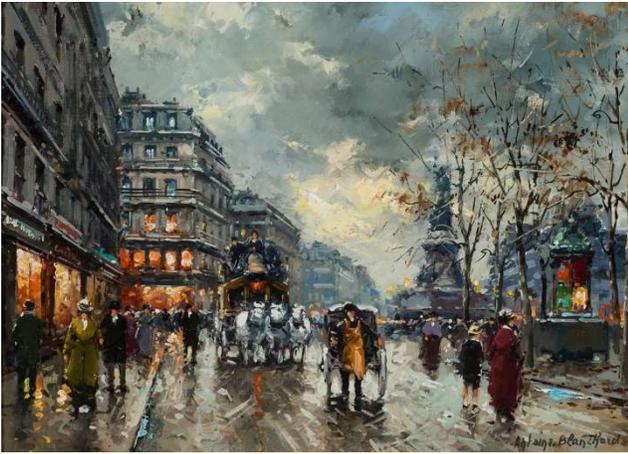
Gallery Updates: The gallery is open Tuesday through Thursday during the month of August and all other times by appointment. We will also have a selection of works on display at the Newport Summer Antiques Show and the Baltimore Antique Show.

Web Site Updates: Two new biographies were posted to our website – Constantin Kluge & Henri Geoffroy. We also added and/or sold paintings by: Dunkel, Jahn, Koepfel, Salaz, Kluge along with 4 paintings by Blanchard and 14 paintings by Cortes. Below is a small selection of the recent additions:

TRADITIONAL



Henri Geoffroy
Un soir de composition



Antoine Blanchard
Place de Clichy



Edouard Cortes
Place du Tertre, Montmartre



Bernard Pothast
The Pet Canary

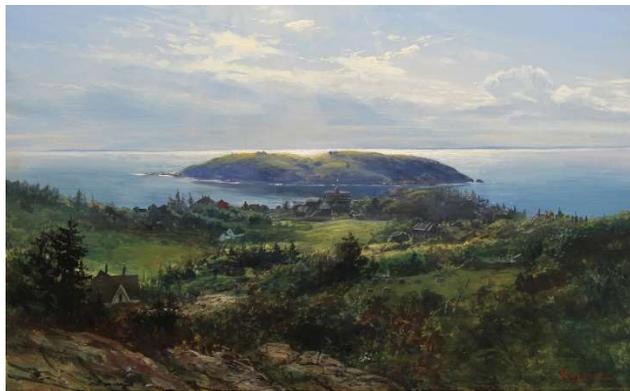
CONTEMPORARY



Ken Salaz
Catalina Sunrise



Stuart Dunkel
Strange Smell



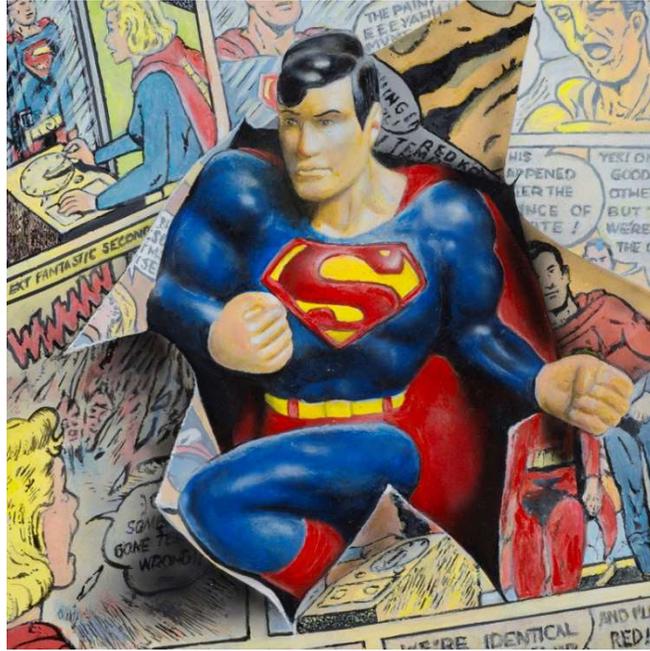
Erik Koeppel
Light on Mohegan Island



Todd Casey
Columbia Study II



Sally Swatland
Late Afternoon



Cesar Santander
Superman Emerging



Katie Swatland
Summer Afternoon

Next Month: We shall see.