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INDEPENDENT NEWS FROM RUSSIA

Russians, Chinese Boost Auction Sales

By The Moscow Times

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LONDON — London's art market is attracting the lion's share of business from an emerging class of super-wealthy collectors from Russia, the Middle East and China, and they are likely to be a big factor in a summer season of sales valued at up to $1 billion.

Christie's, Sotheby's and smaller rivals like Phillips de Pury hold a three-week series of auctions featuring works by artists as diverse as Rembrandt, Renoir and Gerhard Richter.

Euro zone turmoil and slowing Chinese economic growth are giving investors the jitters, yet the high-end art market has defied gravity on a record-breaking streak.

New York has long been considered the global capital of the auction world — most recent records have been set there, including the $120 million paid for Edvard Munch's "The Scream" at a Sotheby's sale in May.

London, a more natural fit for Russian tycoons who have homes in the city and Middle Eastern buyers just a mid-haul flight away, may be closing that gap.

Sotheby's has calculated that, while the number of lots sold to buyers from "new" markets has risen in both cities so far this year, the increase has been far more marked in London (33 percent) than New York (6 percent).

"Particularly the Russians feel very comfortable bidding in the London sales as many of them have second homes and are very active here," said Helena Newman, chairman of Sotheby's impressionist and modern art department in Europe.

"I think that because of our geographic situation, we are the gateway to the East ... Central Asia, the Middle East and the East," she said at the company's London headquarters where star lots from the upcoming sales were on display.

"We definitely see that in the sales of recent years," she said. "It is a growing trend."

Christie's, the world's largest auction house, expects to raise at least £310 million from its sales of impressionist, modern and contemporary art, as well as those of British paintings and Old Masters.

The upper estimate is closer to £500 million, and combined with Sotheby's low target of £210 million, a billion-

dollar art bonanza looks well within reach.

Soaring prices for coveted works of art at a time of global economic uncertainty have long prompted warnings of a sharp correction and even collapse, but time and time again in the last three years the market has defied the gloomiest predictions.

There has been weakening Chinese demand and tastes can be fickle, but the very best works of art have generally risen in value since a sharp but brief drop in auction turnover in 2009.

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