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ART & AUCTIONS

Art Market, Hoping the Good Times Keep Rolling, Prepares for N.Y. Sales

Sotheby's, Christie's and Phillips will try to sell at least \$1.8 billion of art in a week that could shake up prices for dozens of artists



Christie's aims to sell David Hockney's 'Portrait of an Artist (Pool With Two Figures)' for \$80 million. If it surpasses \$58.4 million, Mr. Hockney will reset Jeff Koons's record for most-expensive artwork auctioned by a living artist. PHOTO: CHRISTIE'S IMAGES LTD.

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The art market is about to undergo a critical stress test.

Amid volatile stock markets and trade-war worries, New York's major auction houses will try to sell at least \$1.8 billion of art. The week of sales starts on Sunday and could shake up price levels for dozens of top artists.

Sotheby's, Christie's and smaller house Phillips have been riding high all year long, spurred by surging collector confidence in everything from wine to Wassily Kandinsky. This ebullience enticed heavyweight collectors like British billionaire Joe Lewis, Denver fund manager Tom Marsico and former Merrill Lynch chief executive John Thain to consign pieces into these fall sales of impressionist, modern and contemporary art.

Christie's, which is selling works by the three men, declined to discuss the consigners' identities. Messrs. Lewis, Marsico and Thain didn't immediately respond to requests for comment.

Mr. Thain, who once oversaw the New York Stock Exchange, is asking Christie's to help him get at least \$25 million on Sunday for his 1931 Pablo Picasso, "The Lamp." Mr. Marsico has asked the same house to sell his 1917-19 Claude Monet "Water-Lily Pond" for at least \$30 million. Mr. Lewis has put the biggest price tag of the series—\$80 million or more—on his David Hockney painting coming up for sale at Christie's on Thursday, 1972's "Portrait of an Artist (Pool With Two Figures)."

Yet consignment deals are typically signed months ahead of their sales. Market conditions can shift in the interim, altering the mood of potential bidders.

Tom Mayou, an art adviser with the London firm Beaumont Nathan, said he is "sensing jitters" in recent weeks that could compel some bidders, particularly those in mainland China, to sit on their paddles. "I'm not forecasting doom and gloom, but the selling environment this fall feels very different from a year ago," he said. "There's a big risk that the Chinese won't show up at all."



Jacob Lawrence's 1947 painting 'The Businessmen' comes up at Sotheby's on Wednesday with an estimate of \$1.5 million to \$2 million. PHOTO: SOTHEBY'S

Chinese collectors' participation matters because their purchasing power has buoyed auctions of trophy art for nearly a decade. During a similar set of fall auctions last year, Sotheby's credited seven Asian bidders for taking home half of the priciest pieces in its impressionist and modern-art evening sale—including one buyer who went on a \$70 million spending spree.

Last month, during a series of sales in Hong Kong, Sotheby's said participation from mainland Chinese bidders fell 14% compared with the year before, hurting its sales of jadeite and traditional Chinese paintings. Last week in a call with investors, Sotheby's Chief Executive Tad Smith noted the decline of mainland Chinese bidders and said the market next year could be a "bit more subdued."

Asian collectors in nearby Taiwan, Singapore and Indonesia are angling to fill in the gap, but these buyers are mainly drawn to international modern and contemporary art, said David Chau, a Shanghai collector who co-founded the city's art fair, Art021, which opens Thursday. These buyers also appear to be more comfortable splurging for art in the \$500,000 to \$5 million range, rather than the \$25 million-plus trophy market.

"The mainland Chinese were just not prepared for the bumps in our economy like the collectors in Taiwan and Singapore," Mr. Chau said. "People have money—they're just shifting it around."

In New York, expect the houses to play up pieces that come from estates, because these tucked-away works tend to appeal to collectors seeking fresh or pedigreed material. The heavyweight set this fall comes from luxury travel executive Barney Ebsworth, who died in April and whose 90-piece, \$260 million estate includes Willem de Kooning's "Woman as Landscape," estimated to sell for at least \$60 million, and Jackson Pollock's "Composition With Red Strokes," priced to sell for at least \$50 million.

Another big group comes from the estate of David Josefowitz, a Ukrainian who made a fortune selling mail-order vinyl records and vitamins before he died in 2015. His collection of Fauvist works, estimated to sell for at least \$92 million, will kick off Sotheby's impressionist and modern-art sales on Monday and Tuesday.

Here are six key works to track as test cases for the fall auctions—and the market's trajectory overall.

Edward Hopper

The going rate for a bowl of Chinese stir fry was around 40 cents in 1929 when American modernist Edward Hopper painted "Chop Suey," but Christie's will aim to sell this sunlit restaurant scene from Mr. Ebsworth's estate for between \$70 million and \$100 million on Tuesday.

That's a big step up from the artist's \$40.5 million auction record, set five years ago. MutualArt, an art data and analytics firm based in London, said that if the painting achieves its low estimate, it will eclipse Hopper's best-selling year, 2013, when sales of his works totaled \$64.6 million.



Edward Hopper, 'Chop Suey,' estimated to sell for \$70 million to \$100 million. PHOTO: CHRISTIE'S IMAGES LTD.

Christie's expert Alex Rotter said the rarity of Hopper's paintings, and the resurgent interest in overlooked American artworks from the first half of the 20th century, led the

house to give it "a masterpiece estimate."



Ernst Ludwig Kirchner's 'Artillery Men' carries a \$15 million estimate. PHOTO: SOTHEBY'S

Ernst Ludwig Kirchner

Ernst Ludwig Kirchner's 1915 "Artillery Men" depicts the horror and anonymity the German artist felt during World War I basic training. After suffering a nervous breakdown, he was discharged.

The work, which Sotheby's aims to sell for at least \$15 million on Monday, could get a boost, because earlier this year it was restituted from the

Solomon R. Guggenheim Museum and Foundation to the heirs of Jewish dealer Alfred Flechtheim. Kirchner's record is another restituted work, "Berlin Street Scene" from 1913-14, that sold at Christie's for \$38.1 million, over its \$24 million high estimate, in 2006.

The soldiers-in-the-shower subject matter of the coming example could prove a turnoff, though. "It's important, but it'll put off 95% of the collecting public," Mr. Mayou said. Sotheby's expert August Uribe disagrees, saying the work's angst could attract "people who collect Francis Bacon."

Jacob Lawrence

Collectors have pushed up prices for contemporary black artists like Kerry James Marshall, but what about Jacob Lawrence, an earlier chronicler of the African-American experience whose \$2.5 million auction record has sat, unchallenged, for more than a decade? Lawrence's "The Businessmen" from 1947 could prove a contender when it comes up at Sotheby's on Wednesday carrying an estimate of \$1.5 million to \$2 million.

Lawrence already appears to be having a banner year. Two of his works sold earlier this year for \$475,000 combined, more than all his paintings resold for at auction between 2013 and 2017, according to MutualArt. The firm said his works are also currently in at least nine exhibitions across the U.S. and the U.K., a sign of curatorial favor.

Art adviser David Norman said it makes sense to put Lawrence in a contemporary sale, but the move will also test the breadth of interest in recalibrating African-American artists.

Alberto Burri



Alberto Burri's 'Big Wood and Red' is expected to fetch at least \$10 million at Phillips on Thursday. PHOTO: PHILLIPS

The market has fluctuated for postwar Italian art, with plateauing prices for

minimalist artists like Piero Manzoni, known for his folded white abstracts, and Lucio Fontana, who made slashed canvases his signature. But Alberto Burri's 1950s abstracts are harder to sum up, and that may prove a boon.

Burri burned, cracked and stitched his compositions together, and they've shown up in greater numbers, and valuations, over the decade, according to MutualArt. His 1957-59 "Big Wood and Red" is estimated to sell for at least \$10 million at Phillips on Thursday.

David Hockney

At age 81, David Hockney has been getting the elder statesman treatment lately, with multiple museum shows and a reappraisal at auction. Sotheby's reset the bar for the British transplant to Los Angeles when it sold his cheery 1990 landscape, "Pacific Coast Highway and Santa Monica," for \$28.5 million in May. Now, three paintings and seven works on paper are headed for sale, including his 1972 "Portrait of an Artist (Pool With Two Figures)," which Christie's will aim to sell Thursday for around \$80 million.

If it surpasses \$58.4 million, Mr. Hockney will reset Jeff Koons's record for most-expensive artwork ever auctioned by a living artist—but the jury is still out among dealers and art advisers on whether this example merits the title. Mr. Mayou said bidding for trophies has proved thinner this year than last, and that makes the Hockney "a little vulnerable."

Mr. Rotter at Christie's said the painting has all the elements of the artist's best-known works—it's a large, double portrait that contains a mountainous, desert landscape and a swimming pool.



'Clean Slate,' a 25-foot-tall KAWS sculpture, is estimated to sell for at least \$900,000. PHOTO: PHILLIPS

KAWS

New York artist Brian Donnelly, professionally known as KAWS, started out in the 1990s as a graffiti artist turned toy maker, but he is getting a blue-chip market push this fall.

On Wednesday, Heritage Auctions is selling a KAWS toy collection amassed by collector Ronnie Pirovino that's estimated to go for at least

\$141,400, followed the next day by the opening of a solo show at his New York gallery, Skarstedt. At least eight examples of KAWS's cartoonish Everyman figures will be also be offered across the major houses—including a 25-foot-tall sculpture at Phillips, "Clean Slate," estimated to sell for at least \$900,000.

The record for KAWS is the \$1.3 million paid at Sotheby's last month for "Again and Again," a portrait evoking SpongeBob SquarePants, but market watchers say his sculptures typically outperform his paintings at auction. So far this year, MutualArt said 64% of the sculptures offered at auctions sold within or above their estimates, compared with 46% of his paintings.

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