

Art sales top \$140m, but it's a buyers' market

Year in review Inflation is hitting the lower end after a pandemic surge.

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The 2023 Australian art auction market largely defied rampant inflation, high interest rates and worsening global armed conflict, with sales to total \$140 million by the time the last few bids are made at the end of next week.

This is roughly equal to last year's sales total of \$143.93 million, an unusual year in which art works from the collections of Cbus super fund and National Australia Bank were sold for a combined total of more than \$20 million. But it's still short of the pre-GFC record year of 2007, when \$176 million in art was bought across the auction houses.

Those two corporate sales propelled auctioneer Deutscher and Hackett into top position among Australia's auction houses in 2022, followed by arch rival Smith & Singer.

Now, after 12 months during which those two biggest houses jostled for the right to sell the best works from prestige consignors, those positions are reversed. Smith & Singer has come out on top in 2023, with sales totalling \$42.03 million, and Deutscher and Hackett on \$34.12 million (not counting the house's final 2023 auction, a timed sale with a high estimate of \$261,300 that ends on December 12).

While buyers at the top end of the market remain virtually immune from rising interest rates on hefty mortgages, "mum and dad" investors trying to balance the family budget are beginning to desert the art market.

This sector took to the art market in droves during COVID-19, looking to spend amounts of perhaps \$5000 or \$10,000 on a picture to match the sofa. This money was available because no one was travelling overseas during lockdowns. But those smaller buyers are now beginning to leave the market to people who could be classified as "connoisseurs", who always remain interested in rare works of top quality by distinguished artists, and are prepared to pay for them.

With prices starting to soften at the lower end of the market, insiders speculate that fewer works under about \$50,000 will come on to the market because vendors will worry they will not get the right price for them.

These sentiments are among those expressed by a variety of market insiders and auction houses that Sale-room asked to comment on the year that was.

First, the raw data on the Australian Art Sales Digest website gives general structure to the shape of the market. These figures show that the year's top price was \$4 million (including buyer's premium, as will all the prices in this article) for John Peter Russell's *Souvenir de Belle-Ile, (Marianna Russell with Goats, Goulphar, Belle-Ile)*, 1897. The work was sold by Deutscher and Hackett in August.

Next came \$3.25 million for Brett Whiteley's *Yellow*, 1975, at Smith & Singer in October and \$3.25 million for Fred Williams' *Masons Falls (S & S)*, August). Then it was \$2.7 million for Sidney Nolan's *Early Morning Township*, 1955 (D+H, August), and \$2.2 million for Brett Whiteley's *South Coast After the Rain* (D+H, August).

There were no women in the list of top 10 prices. But Emily Kam Ngwaray, now the subject of an expansive survey exhibition at the National Gallery of Australia (and scheduled to tour to Tate Modern in London in 2025), came in as the seventh most traded artist on the Australian art market.

A total of \$2.975 million was paid for Ngwaray art works during the year,



John Peter Russell's *Souvenir de Belle-Ile, (Marianna Russell with Goats, Goulphar, Belle-Ile)*, sold for \$4m; Criss Canning's *Native Flowers from Pomonal*.

putting her ahead of Russell Drysdale and John Brack but behind Brett Whiteley (topping the list of most traded, with \$12 million), Sidney Nolan (\$11.3 million), Fred Williams (\$8.85 million), Charles Blackman (\$5.54 million), John Peter Russell (\$4.46 million), Arthur Boyd (\$4.36 million) and John Olsen (\$3 million).

Record Australian art auction prices were achieved for many artists, including Del Kathryn Barton (\$527,727 for *Pink Planets*). Other artists with new records included Joel Elenberg, the late sculptor whose beautiful work, *Mask I*, 1978, fetched \$1,135,227 through Smith & Singer. This was the top price ever paid for a work of sculpture at an Australian auction.

Other artists with new high prices to their names included Criss Canning, whose painting *Native Flowers from Pomonal*, 2001, went for \$231,250 at a private Smith & Singer auction on Tuesday this week.

Carol Jerrens' famously brooding image, *Vale Street*, 1975, fetched \$175,000, the highest price paid for a photograph at auction in Australia.

Under the unofficial heading of "run-away prices" came *Landscape*, attributed to Wang Hui. Estimated at a meagre \$3000 to \$5000, *Landscape* sold for a whopping \$393,600 through Bonhams in August. Look out for surprises at Bonhams' sale of Asian Art on Thursday night.

Likewise, Charles Rodius' *Miniature Portrait of Mrs Sophie Wiseman* sold for \$50,400 on a pre-sale estimate of just \$600 to \$800. And Davidson Auctions sold Emanuel Phillips Fox's *A Beach in France, c.1909-II*, for \$304,000, which made the pre-sale estimate of \$120,000 to \$180,000 look very undercooked.



Sold

Top salerooms and artists, 2023*

Auction house	Sales (\$m)
Smith & Singer	42.0
Deutscher and Hackett	34.1
Menzies Art Brands	16.8
Leonard Joel	10.0
Bonhams	9.7
Others (combined)	28.9

Most traded artists	Sales (\$m)	Works sold
Brett Whiteley	12.00	70
Sidney Nolan	11.30	650
Fred Williams	8.85	44
Charles Blackman	5.54	112
John Peter Russell	4.46	10
Arthur Boyd	4.36	97
John Olsen	3.00	141
Emily Kam Ngwaray	2.98	36
Russell Drysdale	2.63	16
John Brack	2.47	23

* YTD SOURCE: AUSTRALIAN ART SALES DIGEST

Likewise, Arthur Streeton's *The Yarra near Heidelberg*, 1891, sold for \$596,000 on an estimate of \$150,000 to \$250,000 at Davidson's.

In all, 21,000 works were offered at auction in Australia this year, of which 66 per cent were sold. The average value of the works was \$10,153.

Smith & Singer's sales total was the highest since the company acquired Sotheby's Australia in 2009, chairman Geoffrey Smith said.

Quality and rarities on the market have performed well, but areas at the lower end of the market for works around \$5000 are suffering.

"There is far less discretionary spending," Smith said.



"The priorities have shifted for different households. The boom we saw during COVID as people bought [artworks] at home, clicking on auctions on the internet, has subsided. And what we're seeing is a return to connoisseurs and discerning collecting."

A return to world travel following the boredom of lockdowns has also affected the market, "but the true collectors, whether it's private individuals or public institutions, are just incredibly focused and discerning", Smith said.

As for 2024, Smith said the market will "recalibrate to pre-COVID".

"If great works of art come forward they'll be keenly sought after, provided the estimates are fair and reasonable," he said.

Deutscher and Hackett's Damian Hackett said the auction house had had a "very good year", with 18 record prices achieved for artists, including six by Indigenous artists.

"We've turned over \$86 million in 24 months and that's something that no auction house has achieved over that period," Hackett said. "We had four works sell for over \$2 million each."

Hackett believes the market is in for more of the same next year. Roger McLroy, auctioneer and chairman of The Fine Art Group, Australia and New Zealand, agrees.

Justin O'Brien's *Edgecliff Landscape and Peter Kingston's Cool and Blue Down There (Sydney Ferries)* fetched well above their estimates at Menzies last week.

"I can't see anything that's going to particularly stop it at the moment," McLroy said.

"I think the market will still concentrate quite heavily on the unique and the top end, the really top things, because there are plenty of people around who want to buy the top things, and in any cycle those things do very well."

Unlike other commentators, McLroy said there were few signs of the middle and lower ends of the market softening.

"Davidson's had a fantastic sale the other day, and Leonard Joel [auction house] is still doing their thing," he said. "There are lots of players in the market now."

Art consultant Annette Larkin believes there is a generational swing away from traditionalist works by the likes of Arthur Boyd and Charles Blackman, in favour of more contemporary works by artists such as Shaun Gladwell.

Gladwell's photographic artwork, *Approach to Mundi Mundi: Silverton Road/Mundi Mundi [2]*, 2007, carried a pre-sale estimate of \$10,000 to \$15,000 but fetched \$57,810 in Bonhams' November sale.

Adam Sims of Sims Veldakis art consultants believes rising interest rates will affect the market for artworks of about \$20,000 or less.

For Menzies' head of art, Brett Ballard, Indigenous works of art are "still incredibly well priced". This included the work of many Indigenous artists who were using contemporary media.

"They haven't quite had their day yet, so we're looking at that," Ballard said.

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