

**TEFAF
Art Market
Report 2014**



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**The Global Art Market,
with a focus on the US and China**

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CHAPTER 1

SUMMARY OF PRINCIPAL FINDINGS

KEY FINDINGS

- The international art market reached €47.4 billion in total sales of art and antiques in 2013, close to its highest ever recorded total, and advancing 8% year-on-year.
- The volume of transactions in the global art market also increased in 2013, but by less than the growth in value, indicating that a significant part of the uplift of the market was due to higher priced works, rather than simply more works sold.
- Sales in the US in 2013 increased by 25% in value year-on-year, confirming its position as the key centre worldwide for sales of the highest priced art.
- The Chinese market experienced more cautious buying in 2013, with low positive growth of 2%.
- The EU has been one of the most stagnant regions of the art market, with sales falling by 2% in 2013.
- In 2013, the US accounted for 38% of the market by value, China dropped to 24% and the UK was in third place, at 20%.
- Online sales in 2013 were estimated to have been in excess of €2.5 billion, or around 5% of global art and antique sales. It is estimated that the online art market, including online sales by auction houses, dealers and online-only companies, could grow at a rate of at least 25% per annum, meaning that they could exceed €10 billion by 2020.
- Post War and Contemporary art was the largest sector of the market in 2013 and included the highest priced works sold during the year. It accounted for 46% of the fine art auction market by value and 44% by volume.
- The Post War and Contemporary sector grew 11% in value in 2013, reaching a historical peak of €4.9 billion in auction sales alone. The number of lots sold also rose to its highest level, with 6% growth year-on-year.
- In 2013, dealers reported making 33% of their total sales through art fairs, while sales through galleries increased 6% to 50%.
- There were 32 million millionaires worldwide in 2013 and 42% of those were based in the US. At least 600,000 of this global group are mid-to-high level art collectors (less than 2% of the world's millionaire population).
- World imports of art and antiques reached a total of €17.6 billion in 2012^A, a 19% increase year-on-year and the highest total yet recorded.
- The US and UK accounted for a combined majority of 69% of world imports as they continued to attract both international and domestic demand for art and antiques. Switzerland also maintained a high share at 8%.





- World exports increased 25% year-on-year to a new record high of €18.0 billion in 2012, their highest ever recorded level.
- The UK and US together accounted for the majority of the value of exports of art, with a combined share of 65%, underlining their importance as entrepôt markets for the art trade.
- The UK was the largest importer and exporter of art globally and a net importer of art, with imports of €6.1 billion exceeding exports of €5.8 billion, both just marginally ahead of the US.
- In 2013 sales in the art market in the US by dealers and auction houses reached a total of €18.0 billion, an advance of 25% year-on-year, having doubled in value in the five years since 2009.
- The US is the leading market place for sales of the highest priced art and antiques in the world. In 2013, it had a 52% share of the value of all lots sold for over €1 million at auction around the world. It also accounted for 78% of the volume and 60% of the value of all transactions priced over €10 million.
- Post War and Contemporary art represented by far the largest sector of the art market the US in 2013, accounting for 59% of the value of fine art auction sales, with several examples of US and international artists selling for prices in excess of \$50 million during the year.
- China remains the most important of all of the newer art markets, both in terms of the size of its domestic sales and the importance of its buyers globally, and was the second largest market by value worldwide in 2013, with sales of €11.5 billion.
- In 2013 public auction sales in China reached €7.5 billion, with 29% by value taking place in Hong Kong and 71% in Mainland China.
- The volume of auction sales in China in 2013 increased by 8% year-on-year, but buy-ins remained persistently high, at 53%, the highest average rate in the last ten years.
- The majority of sales at auction in China in 2013 were within the fine art sector, (accounting for 66% of total sales). The largest sector was Chinese painting and calligraphy, with 56% of the market by value.
- Although not unique to China, late and non-payment by winning bidders at auction remains a persistent problem in the art market in China.
- In 2013, based on conservative estimates, there were 308,525 businesses selling art and antiques worldwide, consisting of dealers, galleries, antique shops and auction houses.
- Businesses in the art market in 2013 directly supported 2.5 million jobs, including over 400,000 in the EU, 587,000 in the US and 300,930 in China.
- In 2013, it is conservatively estimated that the global art trade spent €12.1 billion on a range of external support services directly linked to their businesses.
- The highest single item of expenditure in 2013 by the art trade was on advertising and marketing at €3.2 billion (26% of total spending), of which 79% was spending by auction houses. Spending on art fairs, although only incurred by dealers, was the second largest at €1.9 billion.