

The British Art Market in 2023

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Prepared for:

BAMF
British Art Market Federation

By:

**ARTS
ECONOMICS**
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The UK is the leading art market in Europe and is second in size to the US globally. It has bounced back after COVID and is growing. While sales remain below pre-pandemic levels, they amounted to a healthy \$11.9 billion in 2022. That success generates significant employment, supports many ancillary businesses and results in revenue from cultural tourism.

The British Art Market as Global Player

- The British art market has retained its position as one of the largest global hubs for trading art. It was the second largest internationally with aggregate sales in 2022 of \$11.9 billion (£9.7 billion).
- The US dominated the global market with a share of 45% in 2022.
- The UK's market share has declined from 21% in 2016 to 18% in 2022, well below its high point of 34% in 2008.
- Aggregate sales in the British art market have been steadily recovering since the COVID pandemic, but remain below pre-pandemic levels (\$12.2 billion in 2019).
- The UK market remains significantly larger than the EU art market as a whole, which accounted for 12% of global sales in 2022.
- London's significance as an art market hub is based on the inflow of art for sale. In the ten years from 2013, art imports have declined from £3.7 billion to £2.2 billion.

Dealers and Galleries

- Dealer and gallery businesses are growing in number – a 14% rise throughout the UK since 2019.
- Approximately 58% of sales in the British art market were made by over 7,000 dealers and galleries.
- 72% of fine art dealers and galleries are actively involved in the primary market, supporting the careers of artists in the UK.
- On average, dealers and galleries each represented 30 artists in 2022.

Auction Houses

- Auction sales totalled \$5 billion (£4.1 billion) and accounted for 42% of the UK market, the third largest auction market globally.
- There are over 3,000 auctioneers and auction rooms in the UK, and it is estimated that at least 800 of them sell art, antiques and collectibles either exclusively or regularly.

The Art Market's Economic Impact

- There are about 7,800 businesses operating in the British art market, directly supporting 45,520 jobs.
- The market spent an estimated \$3.2 billion (£2.6 billion) on ancillary services and products in 2022, supporting a further 37,900 jobs.
- Many of the services supported by the art market are highly specialised and would not exist without it.
- The fiscal contribution made by the British art market is estimated at £1.6 billion.
- The art market plays a key role in attracting high-value cultural tourism to the UK.

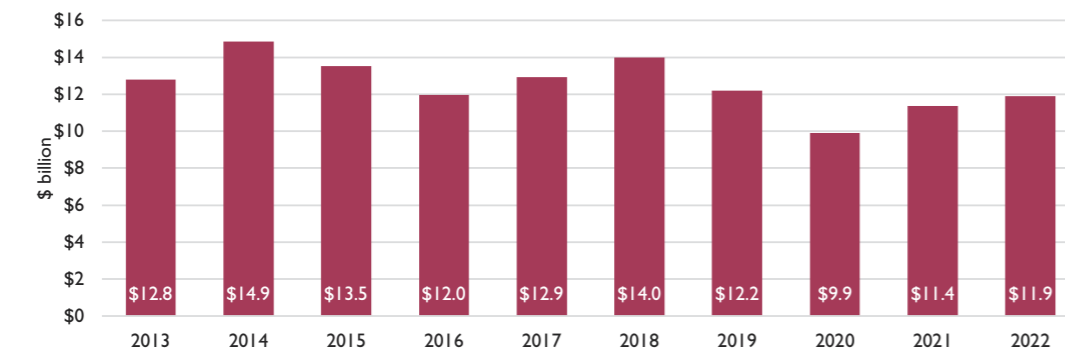
I. The British Art Market in a Global Context

The British art market is a major international hub for trading art, supporting a wide and diverse network of artists, galleries, auction houses, advisories and related business, and making a significant contribution to the UK economy, through sales, spending and employment. It also hosts an increasing number of events, fairs and exhibitions which generate substantial economic activity and additional revenues in ancillary industries and high value cultural tourism.

The British art market was the second largest internationally next to the US in 2022, with aggregate sales of art and antique estimated at \$11.9 billion (£9.7 billion).¹ It has come under serious pressure over the last few years due to the complexities of Brexit and other economic factors, as well as suffering from the broader impact of the COVID-19 pandemic which affected art sales globally.

After falling to a low of \$9.9 billion in 2020, their lowest level in a decade, sales in the UK rose by 15% year-on-year in 2021 to just over \$11.4 billion. This represented a weaker recovery than for some of its larger peers and for the art market as a whole (which grew by just over 30% in 2021). Despite continuing economic and political pressures, sales maintained their momentum in 2022, with a moderate rise of 5% to \$11.9 billion.

Figure 1 - Sales in the British Art and Antiques Market 2013-2022



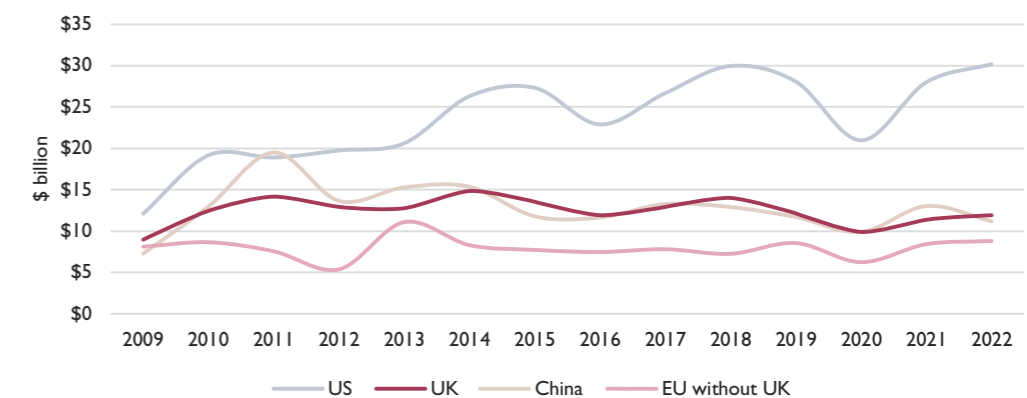
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¹ Values for the art market are from Arts Economics global art market research in 2022/2023 which uses dollars for measuring sales and other values. Values are converted to GBP using an exchange rate of 0.82 for 2022. See Arts Economics (2023) *The Art Market 2023, an Art Basel and UBS Report*, available at theartmarket.artbasel.com.

After two year's growth, the value of sales in the UK in 2022 was still below pre-pandemic 2019 levels, and the value of the market in the UK fell by 7% between 2013 and 2022, versus a rise of 46% for the US market in that period. While both the UK and US art markets saw an increase in the value of sales in 2021, the recovery in the US was substantially stronger than in the UK, with sales increasing by over one third, versus a 14% increase in the UK. This continued in 2022, with US growth outpacing the UK and reaching an historic peak in sales while the UK market had still not returned to pre-COVID levels. The margin in value between the two markets has also significantly widened over the last ten years: sales in the UK were 66% of those in the US in 2012, versus about 40% in 2022.

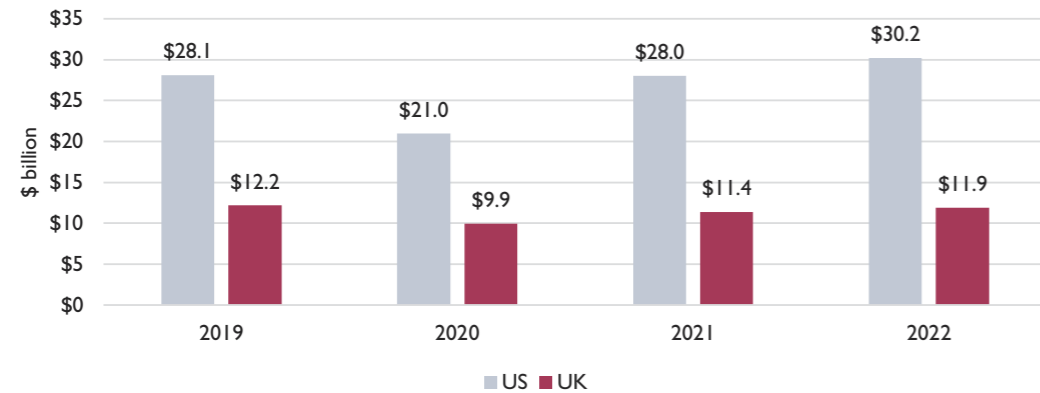
Looking at the rate of growth between the low point in 2009 and 2022, sales in the UK have increased by 33%, against a rise of 149% in the US and 54% in China (including Mainland China and Hong Kong). The US, UK and China have outpaced EU markets, which aggregated and measured without the UK for the entire period, grew just 8%.

Figure 2. Sales in Major Art Markets 2009-2022



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Figure 3. Art Market Sales 2019 – 2022



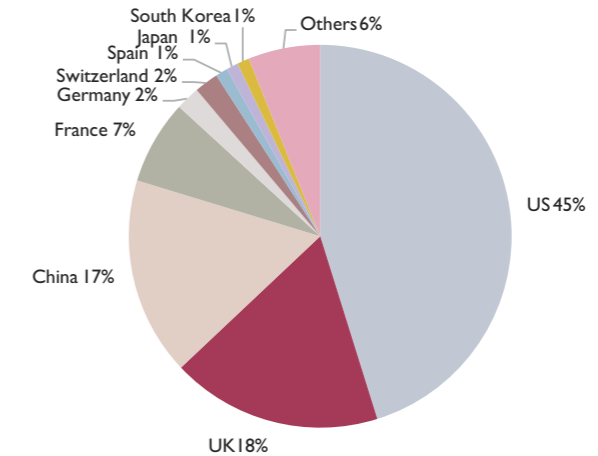
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Although the UK market was the second largest worldwide in 2022 with an 18% share by value, the UK and China have seen much reshuffling between second and third positions over the last decade, and the UK market only regained second position in 2022 with a 1% increase in share year-on-year from 2021, with China dropping by 3% into third position. Although it regained global share in 2022, the British art market has gradually lost market share over time, having accounted for a high of 34% of the market in 2008.

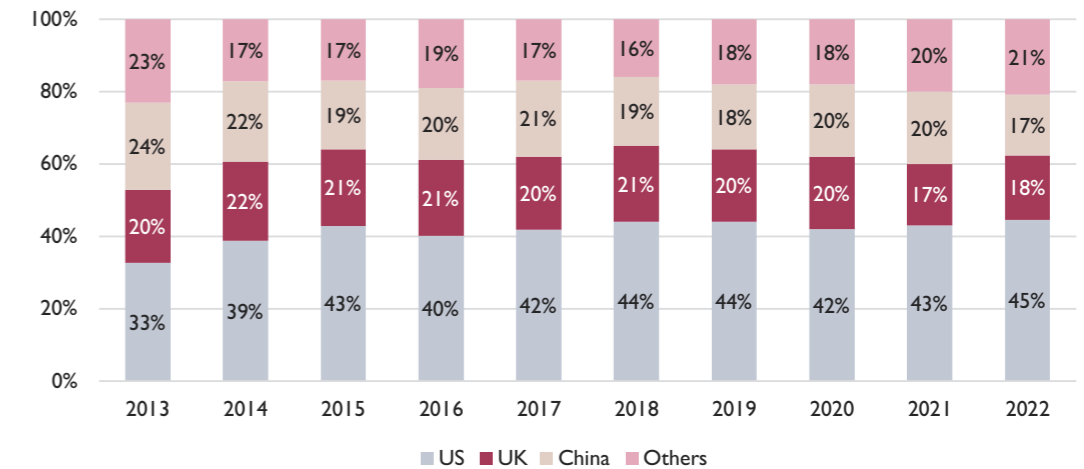
The UK’s art market remained significantly larger than France’s, which was the fourth largest market with a static share of 7% in 2022. France, together with the rest of the EU, accounted for a combined 12% of global sales. The EU’s share of the global market declined from a high of 49% in 2008 to 32% in 2020. In 2021 (without the UK art market) the EU’s share fell to 13% of global sales by value, and increased slightly to 14% in 2022. While the UK was inside the EU Single Market, it maintained supremacy in Europe, accounting for an average share of 63% of EU sales in the decade between 2011 and 2020. Nonetheless, the UK’s share of the global art market stayed generally static during that period with between 19% and 23% of the global art market, substantially behind the US and either ahead of or just behind China. No other individual European art market exceeded 7% percent during this period.

Figure 4. Global Art Market Share by Value

a. 2022



b. 2013-2022



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2. Dealers and Galleries in the UK

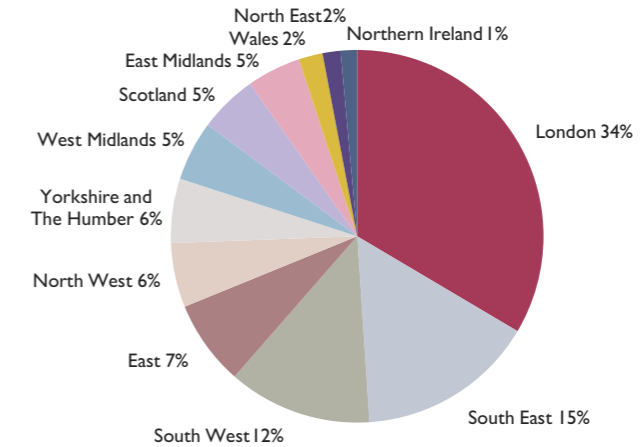
In 2022, approximately 58% of the sales in the British art market by value (an estimated \$6.9 billion/ £5.7 billion) were made through over 7,000 galleries and dealers. Although London remains the largest centre for the art market in the UK, these businesses are spread throughout the country supporting employment and local economies in different regions.

Just over one third of the 3,855 VAT or PAYE-registered commercial galleries and antique businesses recorded by the Office of National Statistics in 2023 were based in London, with the remainder spread around the country, including key clusters in Brighton, Bristol, Bath, Birmingham, Manchester, Leeds, Glasgow, and other cities and regions. Figure 5 shows that the number of those businesses in the sector has also steadily expanded over time, increasing in number by 31% from 2013 to 2023, including a 14% rise from 2019, despite the challenges facing these predominantly small businesses during the pandemic.

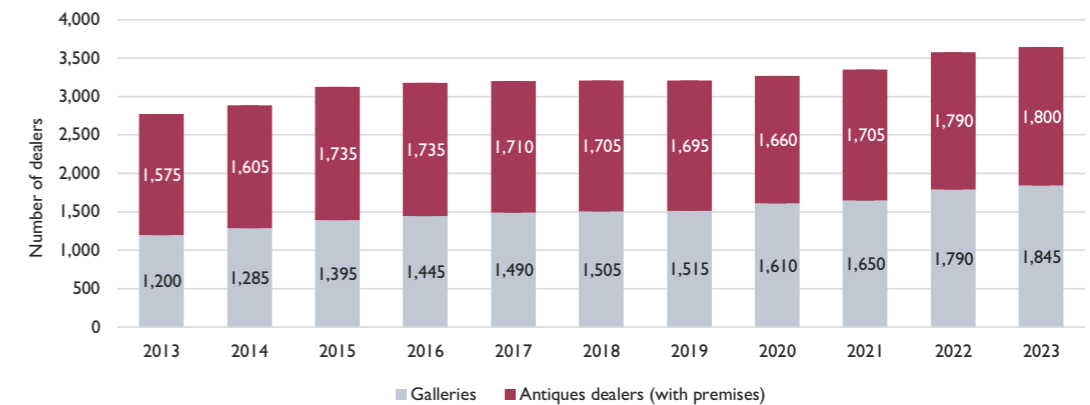
In 2022, approximately 58% of the sales in the British art market by value were made through over 7,000 galleries and dealers

Figure 5. Number of VAT/ PAYE- Registered Commercial Galleries and Antiques Dealers in the UK

a. By Region in 2023



b. Growth in Number 2013-2023



© Arts Economics (2023) with data from the ONS

The dealer market is made up of the primary and secondary market businesses. The primary market is where dealers and galleries sell new works by artists to collectors for the first time. Works sold in the primary market range from those by new and emerging artists through to well established contemporary artists. While there are many very successful living artists with stable and high prices, prices in the primary market tend on average to be lower than the secondary market and are more volatile, as it involves artists at various stages of their careers, with works appearing on the market for the first time, before a consensus is established about the artist's reputation.

The primary market plays a significant role in the development of artists' careers, and is where their work and commercial presence is promoted and developed. Dealers operating in the primary market establish the initial sales price levels for the artist's work, and once a defined price base has been established, they control supply, using gradual increases to help broaden their market. They also often directly support their artists and act as gatekeepers, administrators and promoters, enhancing the longevity of their careers. 72% of dealers and galleries in fine art were actively involved in supporting the careers of living artists in the UK.

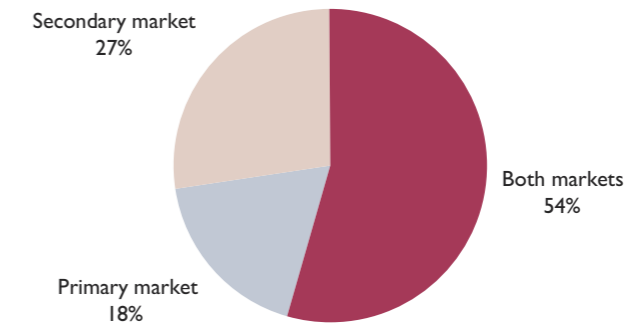
The secondary market is where dealers offer works of art for resale. One of the distinctive features of the art market on a global level is the predominance of trade in the secondary tier. In the primary marketplace, prices tend to be lower than in the secondary market, as by the time an artist's work reaches the secondary market, the artist's reputation will have been established. Information costs are also lower on the secondary market and buyers are likely to have more and better information concerning the artists and demand for their work, and therefore purchases tend to be less risky.

Some galleries work exclusively in just one of the markets, while many combine primary sales with resales.

Surveys of dealers in the UK in 2022 carried out by Arts Economics revealed that of those operating in the fine art market, 18% worked only in the primary market and 27% focused exclusively on secondary market sales.² 54% worked across both the primary and secondary markets, and for these, 45% of their sales came from the primary market and 55% from the secondary market.

² Arts Economics' surveys were undertaken in late 2022 for Arts Economics (2023) *The Art Market 2023, an Art Basel and UBS Report*, available at theartmarket.artbasel.com.

Figure 6. Markets Operated in by Galleries and Dealers in the UK in 2022



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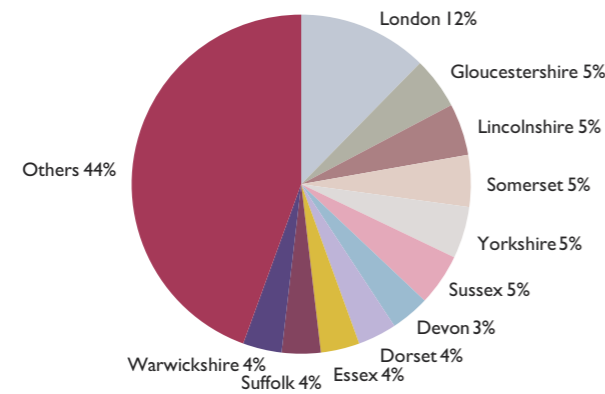
On average, dealers operating partially or completely in the primary market represented 30 artists each in 2022. It is often the case that only a relatively small number of artists represented by a gallery or dealer are commercially successful, and the profit made through the sales of their work is often invested in the careers of others, as a form of cross-subsidization. Dealers reported that in 2022, 34% of the sales they made were from their top-selling artist and a further 48% from their top three artists, meaning that nearly half of their revenue comes from just 10% of their artists, while their other artists generate smaller sales but still require significant support, exhibition, production and marketing efforts.

72% of dealers and galleries in fine art were actively involved in supporting the careers of living artists in the UK

3. Auction Houses in the UK

The remaining 42% of sales relates to those conducted by auction houses (an estimated \$5 billion/£4.1 billion in 2022). There are over 3,000 auctioneers and auction rooms in the UK, and it is estimated that at least 800 of them sell art, antiques and collectibles either exclusively or regularly. Beyond the major auction houses of Christie's, Sotheby's, Bonham's and Phillips, all with a substantial presence in London, there is a network of auction houses throughout the UK. Listings of those selling fine and decorative art and antiques in 2023 show that only about 10% are based in London. The Society of Fine Art Auctioneers (SOFAA) represents over 80 members exclusively selling fine and decorative art, 88% of which are outside London.

Figure 7. Regional Distribution of Fine Art Auction Houses (SOFAA Members)



© Arts Economics (2023) using data from SOFAA

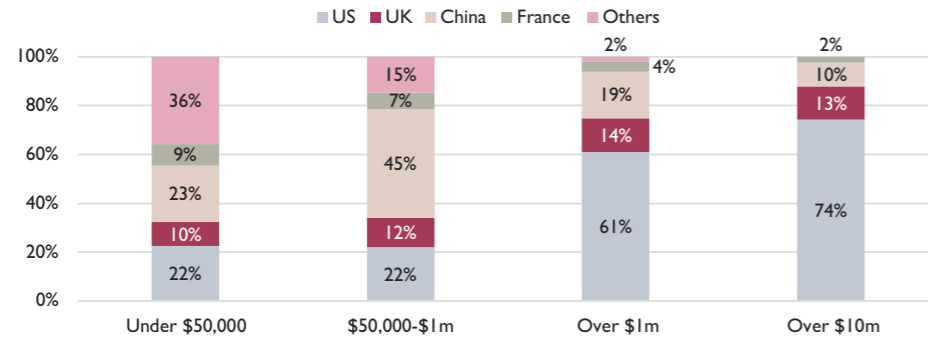
The UK had the third largest auction market worldwide in 2022, next to China and the US. These three markets together accounted for 76% of global sales of fine and decorative art and antiques at auction in 2022. While smaller domestic markets often have a high volume of low value sales, most of the highest priced lots at auction are sold in these three dominant hubs.

Global hubs compete to attract sales of individual artworks priced at over \$1 million, which together make up the majority of the market's overall value. In 2022, 60% of total auction sales by value were accounted for by individual sales of over \$1 million, with 32% priced at \$10 million or more. In 2022, 96% of all global fine art auction lots over \$1 million were sold in the US, China and the UK (and 98% of objects sold for over \$10 million). In 2019, the UK accounted for 19% of all individual sales over \$1 million, and 18% of those over \$10 million. However, in 2021 the UK's share decreased to 12% of sales over \$1 million and only 9% of those over \$10 million. This share improved slightly in 2022, but is still significantly below the US which dominates the global market for the high end sales. The UK's share of sales priced over \$1 million in 2022 was 14% versus 61% in the US. The US is even more dominant in the market over \$10 million (74%), with the UK having the second largest share (13%) in 2022.

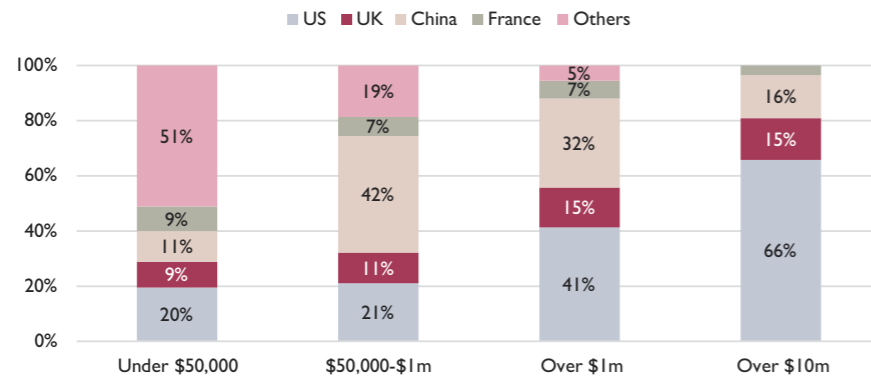
In 2022, 96% of all global fine art auction lots over \$1 million were sold in the US, China and the UK

Figure 8. Global Share of Fine Art Auctions by Price Level in 2022

a. Value



b. Volume

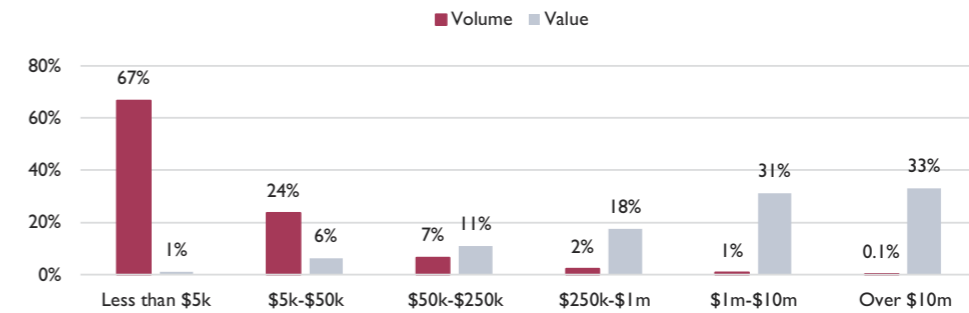


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In common with most countries, the majority of the individual fine art auction transactions in the UK are at lower price levels, with 90% of the works sold under \$50,000, but the overall value of the British market is heavily dominated by higher-priced sales. In 2022, 64% of the value of sales at fine art auctions in the UK came from a small share of 1% of the lots sold, including 33% of total value in the very narrow segment of works priced at over \$10 million.

In the fine art market, the largest share of sales in 2022 was in the Post War and Contemporary art, which made up 59% of sales by value and 53% of the lots sold. This is where most of the highest value sales now take place, with the majority of works sold being by living artists. The work of living artists made up 59% by value and 71% of transactions in the Post War and Contemporary sector, and over one third of these transactions (36%) were works created in the last 20 years.

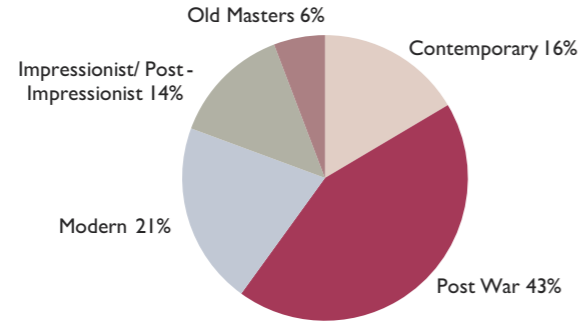
Figure 9. Share of UK Fine Art Auction Sales by Price Level



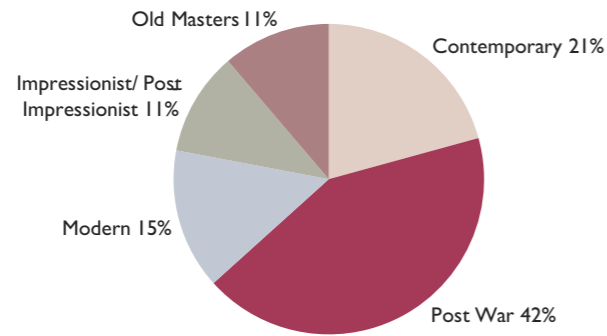
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Figure 10. Share of UK Fine Art Auction Sales by Sector in 2022

a. By Value



b. By Volume



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4. Cross-Border Trade

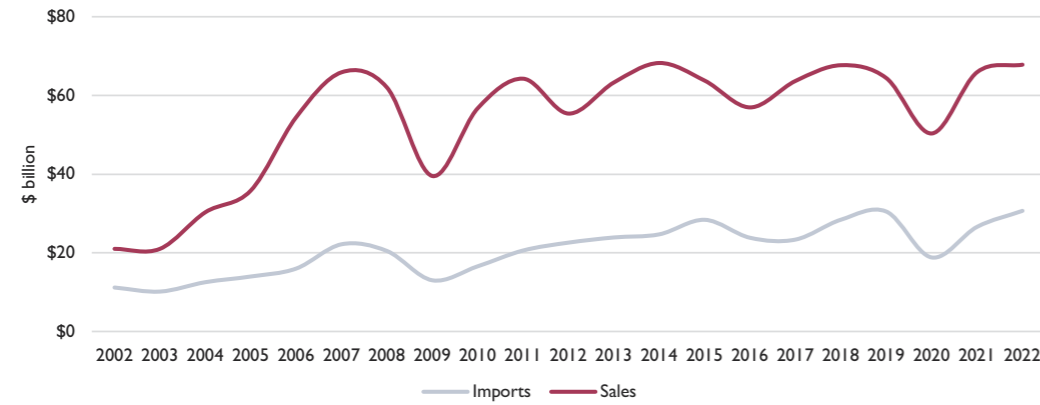
Much of the success of the British art market is built on cross-border trade, making it one of the largest entrepôt markets in the world. London’s significance as an art market hub is not built on sourcing business locally, but on the flow of works of art in and out of London. All global art market hubs are dependent on imports as owners of the most expensive artworks want to sell them in the company of similar works at auction or through galleries and art fairs. Because of their rarity, these objects have to be sourced both domestically and internationally if auction houses, galleries or art fairs are to accumulate a critical mass of objects that will attract the attention of buyers and therefore generate the highest returns.

There is strong empirical evidence that imports of art and antiques are highly correlated with the growth of the art market. Global import growth and world art market growth have a positive correlation of 0.87 between 2002 to 2022. Similarly, the correlation between UK art sales and imports of art from 2002 to 2022 showed a high positive of 0.55. The correlation is even closer in the most recent decade from 2013 through 2022, at 0.69.

Much of the success of the British art market is built on cross-border trade, making it one of the largest entrepôt markets in the world

Figure 11. Sales and Imports of Art and Antiques 2002 – 2022

a. Global



b. UK

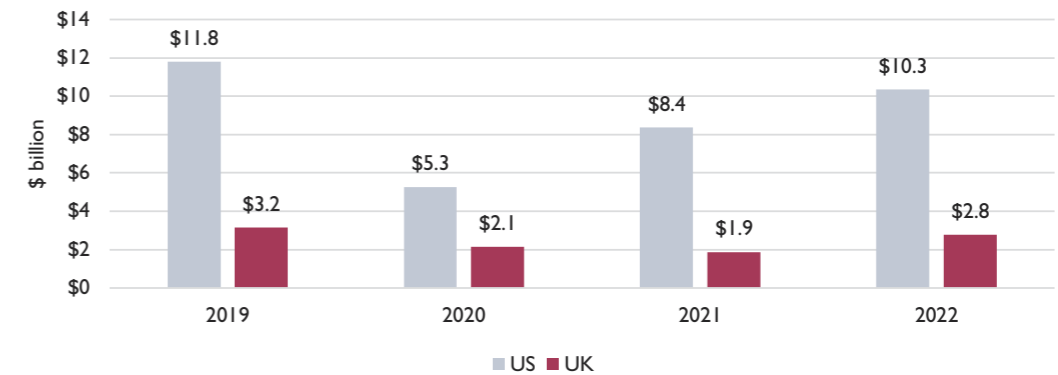


© Arts Economics (2023) with import data from UN Comtrade

After the UK's departure from the EU at the end of 2020, imports of art and antiques declined substantially, with a corresponding drop in the UK's share of the global market, which fell to 17% in 2021, its lowest recorded level. The UK's market performed relatively worse than some of its other major peers, while sales in the US and globally exceeded levels achieved in 2019.

An analysis of comparable data from the UN Comtrade database shows that imports declined in both of the major art markets of the US and UK in 2020 due to COVID-19. However, unlike the US which recovered significantly in 2021 (with a 59% increase in imports), the UK's imports continued to deteriorate (falling a further 12% year-on-year), reaching their lowest level in more than 20 years. While imports to the UK improved in 2022, their value (at \$2.8 billion) remained just over one quarter of those into the US (\$10.3 billion), and were less than half their level in 2015.

Figure 12. UK and US Imports of Art and Antiques 2019 – 2022

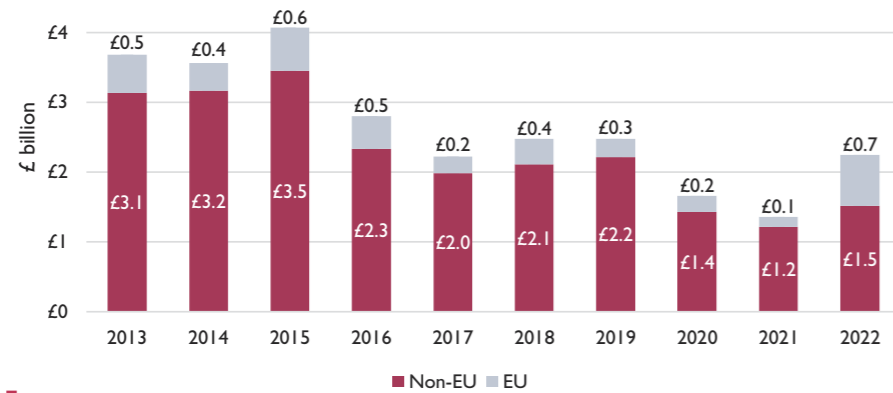


© Arts Economics (2023) with import data from UN Comtrade

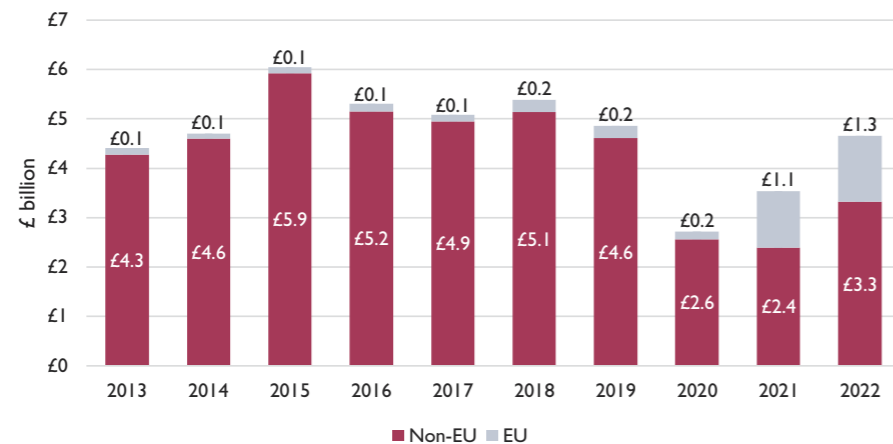
Figure 13 presents the HMRC’s import and export data for works of art and antiques from 2013 to 2022 (which are reported to the UN Comtrade database used in the analysis above). This shows the decline of trade since 2019, with both imports and exports still below their previous levels, despite some improvement in 2022. It also shows the dominance of extra-EU trade to the UK, which made up a majority of 55% of imports and 71% of exports in 2022.³

Figure 13. of Art and Antiques to the UK 2013 to 2022

a. Imports



b. Exports



© Arts Economics (2023) with import data from HMRC

5. Economic Impact

The art market makes a significant contribution to the British economy, in terms of the employment it generates through galleries, dealers and auction houses. The market also helps to sustain the income and livelihoods of the UK’s 43,400 visual artists, as well as supporting revenues and employment in a wide range of specialised ancillary industries that it needs. The event-driven art market also generates substantial revenue through key exhibitions, art fairs and other events, creating additional spending and employment in many unrelated industries that benefit from high-quality domestic and international cultural tourism.

Art Market Employment

The British art and antiques market is mostly made up of a number of small, knowledge-intensive businesses that employ a gender-balanced mix of highly educated, skilled and creative individuals. The level of skill, creativity and expertise within the art market’s infrastructure is among the features giving the British market its competitive edge. It is a high value employer, with over 7,800 businesses operating directly within the art market in 2023, directly supporting over 45,520 jobs.

According to the ONS, there are 3,855 VAT or PAYE businesses operating in the dealer sector as commercial art galleries or antiques retailers in 2023. There are listings of over 7,000 businesses in these categories in directories and online listings, including those operating under VAT thresholds and without employees. Although businesses vary, according to dealer surveys carried out by Arts Economics in 2022, the average number of employees per business in the dealer sector was 9.⁴ This average was influenced by a small number of larger businesses employing over 50 people, and the median was 4. Using this more conservative median, the numbers employed in the sector was over 28,000 in 2022.

³ The apparent rise in share of intra-EU trade in 2022 is due in part to the recording of flows of trade in and out of the UK, which are captured more fully in 2022 due to new post-Brexit customs procedures. Prior to this, some intra-EU trade was under-recorded due to the use of the margin scheme for VAT by dealers and auctioneers in Europe. Normal transactions of VAT-registered businesses with other Member States of the EU are recorded on VAT returns and all flows are therefore available to the HMRC with which to compile their trade data. However, goods supplied using one of the margin schemes (which includes the Auctioneers Scheme) are excluded from Intrastat, the EU framework for collecting customs data (as set out in 21.8 (o) of Notice 60). Intra-EU sales to non-VAT registered buyers using the margin scheme result in sales VAT being accounted for in the country of the seller, with no mention in the EU trade section of a VAT Return. Even in cases where the purchaser who is based in another EU Member State is registered for VAT, if they are also a dealer wishing to sell on the margin scheme then the seller will use the margin scheme for the sale and, as with the previous example, there will be no entry made in the EU trade section of a UK VAT return. However, research in the sector has indicated that between 75% to 90% of sales both sales and consignments or purchases by value for auction houses and dealers are from outside the EU.

⁴ Data on the gallery sector is based on surveys by Arts Economics for Arts Economics (2023) *The Art Market 2023, An Art Basel and UBS Report*, available at theartmarket.artbasel.com.

As noted above, there were around 3,000 auction houses, with at least 800 focusing exclusively or regularly on fine art, decorative art and antiques. In the auction sector, there is a large variation in the size of enterprises and in the numbers employed. The top auction houses of Christie's, Sotheby's, Phillips and Bonhams employ a combined total of around 1,600 staff in the UK, whereas the other businesses generally have a smaller staff of less than 50 people. Based on global median of around 20 people for the second-tier auction sector, the estimated total numbers employed in the auction sector in 2022 for the 800 business was 17,520.

These figures do not include a number of other associated areas of employment that are directly supported by the art market, notably artists, who rely on a strong domestic market in order to sustain a living. As noted above, surveys of the dealer sector in the UK in 2022 showed that 72% of business worked in the primary market dealing with the first sales of artists, either solely operating in this sector, or alongside sales in the secondary market. The Office of National Statistics reports that there were 43,400 visual artists working in the UK in 2023 with most (85%) being self-employed and reliant on the art trade to make sales, generate income and establish their careers.

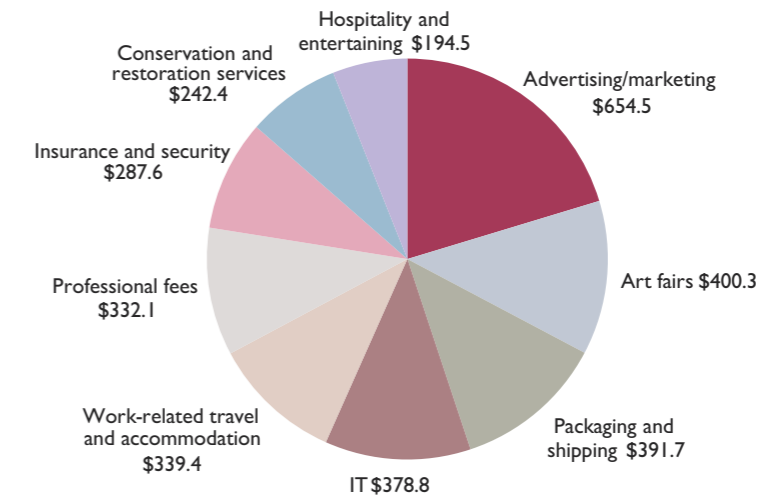
Ancillary Spending and Employment

As well as creating revenue and employment directly within the art trade, notably, the art market generates high value employment in many ancillary industries. The external support services used by the art trade are often highly specialized, niche industries and would not exist without it. Skills such as conservation and restoration are fostered by the art trade, and have developed into specialized industries of their own, with their own academic and training infrastructure. Similarly, although insurance, packing and shipping are used in many industries; the art trade has spawned the development of high value niche market businesses in these areas to cater for the specialized needs of buyers and sellers in the art market. The art and antiques market therefore fosters specialized skills that might not thrive without its support.

Based on surveys of the sector in 2022, it is estimated that the annual expenditure by the art trade in the UK on ancillary services and products was around 26% of its turnover on average, which amounted to \$3.2 billion (£2.6 billion) in 2022.⁵ Using the latest available data on sales per employee in a range of relevant support services in the UK, approximately a further 37,900 jobs can be attributed as being supported by the art trade through direct spending on ancillary services.⁶ The largest areas of spending by the art trade were on advertising and marketing, and

art fairs. Apart from the \$400 million (£328 million) spent directly on art fairs by dealers, and the employment that this generates, these events produce very substantial economic benefits for the cities in which they take place, as they attract wealthy visitors over a number of days, who spend their money on top hotels, restaurants and other goods and services.

Figure 14. Estimated Ancillary Expenditure by the British Art Trade 2022 (\$ million)



© Arts Economics (2023)

The expenditure and employment figures discussed above do not include spending by artists, museums or other arts institutions, or by art fair and events companies in these sectors. The spending by these groups is likely to be substantial, meaning a much greater economic impact in reality than implied by considering only auctions and dealers.

⁵ Data is from Arts Economics and based on polling UK dealers in 2022, and the global share of ancillary spending by auction houses.

⁶ Data on sales per employee are taken from the Structural Business Statistics from Eurostat with the latest data published in 2023 reporting on 2021, and data on UK earnings in 2022. An average was used of the broad categories of administration and support services, professional scientific and technical services and accommodation and food services, to arrive at an average of £70,000 per employee.

Fiscal Contribution

The art market also makes a significant contribution to the UK economy through the taxes and levies it pays directly to the Exchequer on sales, incomes and profits. Table I is a conservative estimate of the total tax revenue generated. In 2022, it is estimated that the art market contributed close to £1.6 billion to the economy in taxes. Income tax and national insurance were the largest component of total fiscal revenues accounting for 45% of tax paid.

Table I. Estimated Treasury Take from the Art Trade in 2022

	Estimated Revenue (£ millions)
Income tax	£735.2
Corporation tax	£259.6
Net VAT on Sales	£550.8
Import VAT	£34.8
TOTAL	£1,580.3

© Arts Economics (2023)

If ancillary industries were included, the fiscal contribution from these would add at least another £1.1 billion, and this still excludes the fiscal contribution of artists, museums, art fairs and other art-related events.

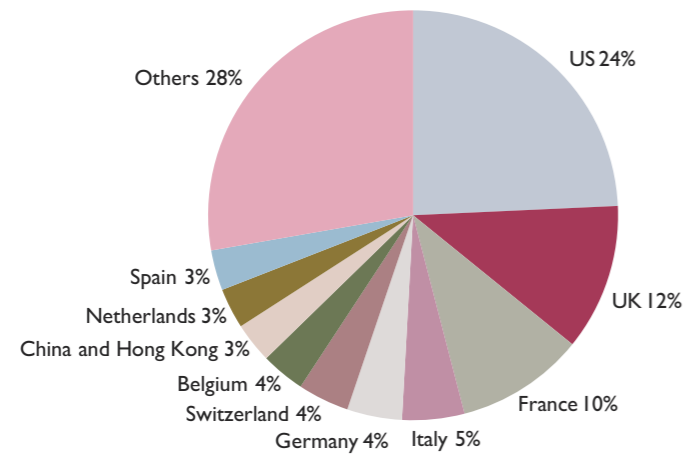
The UK art market is a high value employer within the art trade itself, as well as indirectly supporting a number of jobs in ancillary industries. When all those employed in the market and its related industries spend their earnings (wages, salaries, profits, rent and dividends) in the British economy, this in turn also generates revenue and employment in a range of industries in the UK.

These positive ramifications throughout the economy work via a ripple or “multiplier” effect. That is, as a result of art trade increasing income directly and indirectly throughout the economy (from increased employment), a proportion of this increased income will be re-spent on other goods and services.

The appropriate size of a multiplier applied to calculate indirect or induced effects depends on the extent of linkages between the event and its supply chain, and the greater the linkages, the larger the multiplier will be. Estimates of the size of the multiplier vary in input–output analysis studies averaging 1.5 for tourist events, but often much higher (two to three) for art specific events and industries. Using a multiplier of two for example, would imply that, including both direct and ancillary jobs, the art trade could account for twice as many jobs as indicated above.

Finally, the art market supports revenues and employment indirectly by adding to the cultural and historical attractions available to visitors to London and to other centres throughout the country. Cultural tourism is one of the largest and fastest growing sectors of global tourism markets, and art, culture and the creative industries are increasingly being used to promote destinations.

According to statistics from the International Passenger Survey, there were an estimated 31.2 million inbound overseas visitors to the UK in 2022, following two years of very low tourism post-COVID-19 (down 24% vs 2019), spending £26.5 billion during the 12 months of 2022 (down 7% on 2019). Of these visitors 73% attended exhibitions at galleries, museums or other art venues, and cultural activities were distinctively sought when visiting Britain. Museums such as the Tate Modern and the National Gallery are consistently the most visited attractions in the UK, with two institutions alone attracting close to 7 million visits in 2022. Fairs and other events also attract an influx of cultural tourists which have been consistently shown to be the highest spenders within different tourist segments. There were 46 major art fairs throughout the UK in 2022 / 2023, 20% of which were outside London, and accounting for 12% of the number of total art fairs worldwide.

Figure 15. Number of Major Art Fairs Worldwide 2023

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The art market is a critical part of the cultural infrastructure of the British economy, and directly supports employment and revenues as well as indirectly adding to the cultural and historical attractions available to visitors to London and other areas throughout the country. The World Travel & Tourism Council estimate that tourism and travel contributed £252.4 billion to the UK economy in 2022, creating 3.6 million jobs.⁷ Assuming that even a modest 60% of tourism is related to culture and the arts implies an addition £151.4 billion in revenues and 2.2 million jobs that have a more indirect link to the market.

⁷ Statistics from data published in 2023 from the World Travel & Tourism Economic Impact Studies, available at wtcc.org.

The last study of the British art market conducted by Arts Economics 'The British Art Market in 2017' revealed that the UK was the second largest art market worldwide. The UK remains in second place, but its global market share has declined from 21% in 2016 to 18% in 2022.

The COVID-19 pandemic and the disruption to UK/EU trade brought about by Brexit caused a deterioration in the UK's global position, and despite some recovery in the last two years, it has continued to lose share. The US, on the other hand, still dominates global sales, being firmly established as the world's leading art market, by a large margin and with its highest ever level of sales in 2022.

The three largest markets - the US, China and UK – still account for the majority of sales by value (80% in 2022, on par with 2016). But the gap between the US and its main competitors has substantially widened. The EU's collective market share has meanwhile remained static, at 12%, well below the UK's share of the global market.

There are no doubt many reasons for the dominance of the US and for the relatively sluggish performance of Europe as a whole, but the ability to attract international buyers and sellers is likely to be key. The decline in cross-border trade indicates that the UK risks losing the battle to attract worldwide sales at the highest level of values.

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