

# COMMENTS ON THE ART MARKET

## VOLUME 213

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Rehs Galleries, Inc.  
Rehs Contemporary Galleries, Inc.  
5 East 57<sup>th</sup> Street, New York, NY 10022 - (212) 355-5710  
www.rehs.com

### Summer Hours

For the month of September, the gallery hours are:

Monday - Thursday 10 am - 5:30 pm

We will be **closed** on Monday, September 3rd & Tuesday, September 4th

All other times by appointment

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### Upcoming Show

Rehs Contemporary is pleased to present the third edition of ARC Select. This year's exhibition, ARC Select: The Modern Muse, will explore the traditional concept of the muse and the way in which they inspire and influence contemporary artists. On display will be works by an eclectic group of international contemporary artists including: Linda Adair, David Bowers, Randalf Dilla, Amanda Greive, Hiroshi Furuyoshi, and Michael Van Zeyl.

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### Stocks

By: Howard

Eight months into the year and a few days ago we finally broke the 26,000 mark ... but they just could not hold on till the end of the month. We opened the month at 25,415, gradually rose to a high of 26,124 (on the 29<sup>th</sup>), and closed at 25,964 ... a gain of about 550 points. Another respectable month! The Euro is holding steady at \$1.16; the Pound dropped to \$1.30; Crude gained a bit, closing at \$69.88, and Gold lost more, closing at \$1,206.90 (down \$46.80).

Then we have the always volatile crypto-currency market. Bitcoin went for a wild ride and finally closed out August at \$7201—a loss of \$538. Ethereum was crushed, losing over \$134 to close at \$300.62. Litecoin lost \$11.19, closing at \$67.71, and Ripple lost \$.08 ... settling at \$.35. There are a lot of people who believe these coins will go the way of the dinosaurs, but we will hold on to what we have ... at least for now.

I figured another up month for the Dow would bring another great month for my stocks and overall it wasn't too bad. JP Morgan (\$114.58 – down \$0.37), Exxon (\$80.17 – down \$1.34), AT&T (\$31.94 – down \$0.03), Verizon (\$54.37 – up \$2.73), Wal-Mart (\$95.86 – up \$6.63), Coke (\$44.57 – down \$2.06), DowDuPont (\$70.13 – up \$1.36), Merck (\$68.59 – up \$2.72), Disney (\$112.02 – down \$1.54), Intel (\$48.43 – up \$0.33), Apple (\$227.63 – up \$37.34 – guess those Apple watches the kids bought are

having a lingering effect!), Microsoft (\$112.33 – up \$6.25), United Technologies (\$131.70 – down \$4.04), and then there is Google (\$1218.19 – up \$1.19).

The ups vs downs were not as good as last month ... 8 up and 6 down; however, the gains in Apple, Microsoft and Wal-Mart were very nice!

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## Really

By: Amy

I found a few rare items that may not qualify as one of a kind, but I believe you would be hard pressed to see another one come up for auction in the near future. While many felt that the recent release from the Star Wars sagas (*Solo: A Star Wars Story*) was not quite up to par, the character Han Solo, originally played by Harrison Ford, is one of the most iconic movie characters today. An auction held on the 35<sup>th</sup> anniversary of the release of *The Return of the Jedi* featured a sci-fi weapon prop from the movie – a BlasTech DL-44 that was built on a non-firing version of a German Mauser C96 Broomhandle. (The German Mauser was a semi-automatic manufactured between 1896-1937.) Once the production of the film wrapped up, the film's property master presented the blaster to the US art director of the Jedi movie, James Schoppe, who has had the blaster in his collection ever since. The blaster was estimated to make \$300-500K and did not disappoint fans when it shot to \$450K (\$550k with the premium)! Although no Star Wars fanatic got their hands on it, we will all be able to really enjoy it when visiting Ripley's Believe it or Not museum, as they are the lucky new owners!

Two very rare bottles of 1926 Macallan scotch made record prices in Hong Kong. In 1986, the distillery produced just 24 bottles as gifts for their most valued customers; they commissioned the Pop artists, Valerio Adami (b. 1935) and Sir Peter Blake (b. 1932), to create the labels - 12 bottles each. Adami is an Italian artist best known for his bold, flat, forms outlined in black and Blake is best known for creating the Beatle's album cover for Sgt. Pepper's Lonely Hearts Club Band in 1967. Each bottle was estimated to make (\$460-570K) and easily surpassed that. A bidder in the room shelled out \$1.1M for the bottle decorated by Adami; while a phone bidder purchased the Blake bottle for only \$1.014M! I really doubt anyone will ever open these bottles since each pour would cost about \$40,000. That's a lot to digest!

A jersey worn by Mickey Mantle during the 1964 World Series just made headlines. Mantle was wearing the jersey when he hit home runs in games 6 and 7 against the St. Louis Cardinals; unfortunately (my opinion) the Cardinals prevailed in game 7 though Mickey did his best! Mantle holds the record for the most home runs hit during the World Series (a cumulative record over the course of his career). In game 3 he tied Babe Ruth's record of 15, and in games 6 and 7 he broke the Babe's record hitting a career total of 18, which still stands today! Last year a road jersey from Mantle's final season brought an impressive \$486K; however, this one really hit it out of the park when it sold for \$1.32M!! Now, of course, the Babe still holds the record for the most expensive jersey, when his 1920 Yankees jersey (his first year with the team), sold for \$4.415M. Guess we can consider that a grand-slam!

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## Tales From the Dark Side

By: Alyssa

**When Will Jho Low Go Away?** Jho Low's antics have been hitting the airwaves and art world since 2014. Now, Malaysia has charged him with money laundering and is asking Interpol to help locate the "criminal". You might wonder why we are covering this one? Well, some of the \$4.5 billion in misappropriated funds were used to buy expensive works of art – Monet, Picasso, etc. I cannot wait for the movie.

**Chowaiki – The Fun Never Ends.** Earlier this year, Ezra Chowaiki pleaded guilty to defrauding collectors and dealers to the tune of \$16 million between 2015 and 2017. Chowaiki now faces up to 20 years in prison.

On August 15th, The Art Collection Inc. filed a lawsuit demanding the return of three paintings: two by Salvador Dali and one by Juan Gris. The suit claims that the works were consigned to Chowaiki and they were never paid. The whereabouts of the two Dali works are still unknown; however, the Juan Gris is in the possession of David Benrison Fine Art (who is also named in the lawsuit).

The fun never seems to end for Chowaiki.

**Adam & Eve – Still In Limbo.** In 2007, Marei von Saher filed a suit claiming she is the rightful heir to a pair of life-size portraits of Adam and Eve by Lucas Cranach the Elder. According to von Saher, the works were forcibly purchased by the Nazi's during World War II from her late husband's family — the Goudstikkers, who were Jewish Dutch art dealers.

In a 2016 decision, the court ruled that the two works will remain at the Norton Simon Museum because the Goudstikker family failed to meet a known 1951 deadline which allowed Dutch citizens to void any sales to the Nazis and ask for restitution. This, in turn, left the Netherlands as the legal owner and they then sold the works to George Stroganoff in 1966. A few years later, he sold them to Norton Simon.

Since then, von Saher has been appealing the judgment. Now, von Saher's lawyer has filed a petition that the case be reheard en banc — meaning all judges who serve on the appellate court would consider and vote on a decision. It's rare that courts rehear cases in that manner.

**The Demolition ... Man.** Ai Weiwei has been documenting the demolition of his Beijing studio over the past 4 days on Instagram. His first post, exceeding 21,000 views, captures the first moments of the deconstruction, which Weiwei claims he had not been given any prior notice of. According to the BBC, Weiwei's assistant, Gang Ra, said that his rental contract for the building ended last year but that it "simply wasn't possible" to move out at the time because of the amount of works still present. This is not the first time the artist lost one of his studios without notice. Back in 2011, neighbors phoned Weiwei about heavy machinery noises coming from his studio. By the time he arrived at the location in Shanghai from Beijing, where he lived, about 80% of his studio was destroyed.

Weiwei, who now lives in Germany, is a strong critic of China's government. He was arrested in 2011 in a government crackdown which targeted dozens of bloggers, human rights lawyers, and writers that the government feared would launch a "jasmine revolution," a protest against corruption, poverty and political repression in Tunisia, North Africa.

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## **The Art Market**

By: Howard & Lance

It was a busy month for us with both the Nantucket and Baltimore (where we are right now) shows. Lots of packing, setting up, breaking down and most importantly, sales! As for the public forum, there was no serious action, so this month we finished reviewing the July sale sales in London.

### **19<sup>th</sup> Century European, Christie's, London**

Let's wrap up those July sales over in London... the last of the bunch was Christie's 19th Century European and Orientalist Art on July 12th, and the results weren't great... I could have told you that before I even looked at any of the numbers – why? Because as usual, when Christie's doesn't have some impressive results to write about they don't write anything... no press release, no auction results, and on top of that, they pull the unsold works from the website which makes it a bit more difficult to get an understanding of what happened – so much for transparency.

As I alluded to, the numbers weren't through the roof... in fact, only the top lot eclipsed the \$100,000 mark and we waited a long time for it to come... it wasn't until lot 81 (of 95) that we saw something impressive – the lone star lot of the night. The work, *In the Mosque* by Rudolf Ernst was only expected to bring between £100-150K but far surpassed that mark as it sold for a bit over £488K (\$626K). It seems the work has never appeared at auction before, and Christie's did not provide any provenance to accompany the lot... without much else to go on, I have to believe the "freshness" of the material accounted for the elevated price-point.

Falling to second was another piece by Ernst – *Le Marchand de coquillages*... it was expected to bring between £80-120K and fell right in the middle at an even £100k (\$128K). Provenance on the work dates back to 1908 when it made just 475 francs... a few years later it was exhibited at the Grand Palais des Champs-Élysées and was resold for 1,200 francs – for more than 100 years, the work has since remained in the same collection in Fontenay-aux-Roses in France, where Ernst himself died in 1932.

There was a three-way tie for third... lots 6 (Corot), 35 (Ziem) and 85 (Fausto Zonaro) all came in at £93,750 including premiums (\$120K). The large and uninspiring Corot was expected to bring £80-120K... it depicts a group gathering under trees along the water's edge at sunset... a scene that would make for a tranquil picture yet the messy brushwork and sketchy feel in conjunction with the muted palette of browns and yellows leaves more to be desired. The work was last sold in 1986 through Sotheby's London and has remained with the buyer since. The Ziem was also expected to bring between £80-120K... the only record of sale was in 1901 in Paris, though no price was provided. Featuring Saint Georges leading a procession before Saint Mark's Basilica, this work appeared thin and sketchy while lacking contrast and vibrancy – probably why it failed to hit its estimate (before you factor in the buyer's premium). The last of the three, Zonaro's *A view of Constantinople*..., was only projected to bring £60-80K, so it performed relatively better than the Corot and Ziem. This canvas felt fresh and lively composed of luscious greens and blues surrounding the town below – it's no surprise this one went above its estimate.

As always, there were a handful of lots that failed to sell... unfortunately, this time around there were a few that really impacted the bottom line... a Corot estimated at £100-150K; a large interior by Mihaly Munkacsy estimated at £200-300K; a Boldini estimated at £250-350K; and a work by Franz Von Stuck estimated at £200-300K – all estimated higher than the Ernst that made the top price.

In the end, 68 of the 95 works found a buyer, yielding a 72% sell-through rate. Even with the strong price the Ernst made along with the collective buyer's premiums added in, the sale could not make up for the failures and still fell short of the estimate... as a whole, Christie's expected to bring in a minimum of £2.79M yet the sale totaled just £2.47M.

### **More Victorian Art – Sotheby's, London**

Now that our show hattrick (oh wait, we do have one more next week) is over and we're back in the gallery, it's time to get back to some auction reviews... following Christie's Victorian sale in early July, Sotheby's took its shot in the London market and performed fairly well.

On the evening of July 12<sup>th</sup>, Sotheby's offered up a far slimmer 92 lot sale. Leading the way (and accounting for more than 50% of the sale) was Waterhouse's *The Siren* – the two figure work depicts a man struggling in the water clinging to a rock, while a female figure passively looks down upon him. Most interestingly, the work featured provenance all the way back to the artist, where it was first sold through Agnew's on February 1<sup>st</sup> 1901. Most recently, the work sold through Sotheby's London in 1985... at that time, the work sold for £72,000 (\$105K)... it was also offered for sale back in 2003, but found no takers at the \$1-1.5M estimate in New York. This time around, the work was offered with a £1-1.5M estimate and blew past that with bidding topping out at £3.8M (\$5.07M)... I'm sure the seller was quite pleased. In a (very very) distant second was Simeon Solomon's *Habet! In the Coliseum A.D.XC*, which first appeared at auction in 1891 where it was purchased for 21 Guineas through Christie's. The work was acquired in 1914 by the grandparents of the present owner... at the auction last month, the work found a buyer for

£370K (est. £300-500K / \$490K). Following that was Dame Laura Knight's *The Ballet Girl and the Dressmaker*, which found a buyer at £322K (£100-150K / \$426K). There is not much provenance here... the work was commissioned by H. Earl Hoover in 1930 and was exhibited at the Royal Academy, London of that same year... it was then passed to Hoover's widow, Miriam U. Hoover, where it has remained since – the work was being sold as part of her estate.

While more than a quarter of the works did not find a buyer, there were a few failures that were more significant than others... Works by Edward Lear (est. £250-350K); Herring Snr. (£150-200K); Stanhope Alexander Forbes (£200-300K); and Munnings (£150-200K) all went unsold... that said, the Waterhouse more than made up for those and the other 21 unsold lots (72% sold).

In the end, the sale still topped its £5-7M estimate as it brought in £7.28M. Granted, that figure includes the buyer's premium but it was still a fine showing for a Victorian Sale these days.... And as we always say, what a difference one painting can make.

The Rehs Family

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