

ASIAN COLLECTING POWER

GLOBAL AUCTION HOUSES SOTHEBY'S AND CHRISTIE'S SHARE
THEIR INSIGHTS INTO THE LATEST TRENDS AND THEIR OUTLOOK ON
WHAT WEALTHY ASIANS ARE SPLURGING ON THESE DAYS.

In 1683, after the end of the disruptive Rebellion of the Three Feudatories in China, there's a story deduced by some scholars that tells of a blue and white Wan Shou vase that was made for Emperor Kangxi's 30th birthday. Other experts believe that the vase was more likely made for the 70th birthday of the Empress Dowager, Kangxi's beloved grandmother, that same year.

Standing at 76.6cm high, the exquisite vase, likely part of a set of nine, is inscribed with 10 thousand characters including the characters "wan shou", conveying the message of "wan shou wujiang", or "countless years of long life without limit". The inscriptions boast creative calligraphic variations, from seal

script to abstract script that resemble images of tadpoles, plants and fish. A striking and impressive feature of the vase is the meticulous and perfect alignment of the characters.

More than 300 years later, that vase was recently the subject of an intense bidding war. At a Christie's auction in Hong Kong late last November, an Asian collector paid US\$8.4 million (S\$10.6 million) for the vase. Formerly owned by an American private collector, it fetched a sale price that was more than 12 times its estimated price tag of US\$390,000 to US\$650,000.

This recent auction sale gives just a tiny glimpse of how the uber rich in Asia today are getting more ambitious with their opulent acquisitions,

forking out hundreds of millions of dollars every year on luxurious goods of value across all categories of art, jewellery, watches and more.

"Christie's achieved a grand total of US\$977.5 million for 2013 – the highest annual result ever for Christie's Asia," says Francois Curiel, chairman of Christie's Asia Pacific. "Christie's continues to lead the market, with a 30 per cent increase in sales from 2012. Hong Kong is now firmly established as an international sale room, with New York and London."

Noting that Asian buyers continue to play a key role in the global art market, across categories and across its sales offices, he adds that buyers from China have been

ABSTRACT VALUE

A Hong Kong collector recently bought Picasso's *Femme Assise En Costume Rouge Sur Fond Bleu* at a Christie's auction for US\$8.3 million.





01 FIT FOR AN EMPRESS

The Wan Shou vase from the Qing dynasty was sold for more than 12 times its estimated price tag of US\$390,000 to US\$650,000 at a Christie's auction.

02 DIAMONDS ARE FOREVER

The 118.28-carat D-Flawless diamond – the biggest white diamond ever auctioned – fetched HK\$238.68 million at a Sotheby's auction in Hong Kong last year.

02



A BRAVE NEW CHANNEL

The Internet has been enlarging the pool of new buyers at auction houses in recent years. At Christie's last year, online-only sales totalled US\$20.8 million, indicating that the worldwide Web is a distinct key driver in attracting new buyers and that it is increasing global accessibility to authenticated art and luxury goods.

The auction house notes that 45 per cent of buyers on the online platform are new to Christie's, with registrants from over 100 countries. The top price achieved in its online-only sale, or Christie's version of Ebay, was US\$387,750 for an original Apple computer, known as the Apple-1.

Christie's also offers live bidding. "One key feature of the Christie's LIVE client interface platform is the option of (information) being presented in Chinese, such as the data labels for bidding. This development increases online sales participation among Mandarin-speaking clients worldwide," says Francois Curiel, Christie's Asia Pacific chairman.

The highest price paid for a work of art in the live auction room via Christie's LIVE was for Zhao Wujia's 09.05.61, which realised US\$1.7 million.



especially bullish. “They accounted for 22 per cent of global sales in 2013, a 63 per cent increase on spending during 2012,” he says, adding that three new galleries in Hong Kong, Shanghai and Beijing will open this year.

The spending clout of wealthy Asians from emerging economies at auction houses has only been a matter of time. Indeed, in a bid to catch the new wave of rising affluence in Asia, luxury brands like LVMH and Ermenegildo Zegna have sprouted all over greater China, the latter in second-tier cities. Here’s an outlook on what they are splurging on these days.

ASIA DOMINATES GLOBAL WINE MARKET

Industry watchers observe that the wealthy in China and Taiwan have been showing relentless interest in the global wine market in recent years. Some of them have been snapping up top-end vineyards in France, favouring Bordeaux. In late 2012, Chinese investors swooped in to buy the Chateau Bellfont Belcier. Then, in the summer of 2013, the famous Gevrey Chambertin winery was sold to another Chinese investor for US\$8 million.

Other wealthy wine lovers in Asia have been gravitating to wine auctions. “Asia continues to dominate the global wine market, particularly at the highest value. Sotheby’s sales in Hong Kong totalled US\$25.5 million in 2013, followed by London sales at US\$20 million and New York sales at US\$12.5 million,” says Robert Sleight, Sotheby’s head of wine in Asia.

He adds that Asian buyers were accountable for 99 per cent of sales at its Hong Kong auctions, 40 per cent at its London auctions and 32 per cent at its New York auctions. “Asia will remain the driving force for global wine demand.” He also notes that the Asian market has become more sophisticated, since the auction house started wine auctions in Hong Kong in 2009. “Collectors now understand more about wine, what it is worth and how to trade it,” says Sleight. “The market is also slowly diversifying its tastes as it becomes more knowledgeable. Top Bordeaux – which made up 64 per cent of Sotheby’s Hong Kong wine sales last year – remains the most popular choice among Asian collectors.”

JEWELLERY KEEPS ITS SHINE

“In the past few years, the dollar threshold for jewellery collection has gone considerably higher,” says Quek Chin Yeow, chairman of Sotheby’s International Jewellery in Asia. “In our Asia sales, we see strong and ever-growing demand from wealthy collectors for natural gems of top quality, including DIF white diamonds, rare-coloured diamonds and coloured gemstones, namely Burmese ruby, Kashmir sapphire and Colombian emerald, as well as jadeite.”

Singapore buyers in particular, Quek adds, have shown “growing demand for top-quality diamonds and signed jewellery, especially Cartier and other big-name marques”.

At a Hong Kong auction in October last year, a 118.28-carat D-Flawless diamond – the biggest white diamond ever sold at an auction

– fetched HK\$238.68 million (S\$38.7 million), setting a world auction record for a white diamond.

“The Asian market for jewellery is thriving. We have seen double-digit growth year on year in the past three years and expect it to continue,” he says. In response to the growing demand, he adds that the auction house’s upcoming sale next month will highlight three stunning pieces set with diamonds, sapphires and Burmese rubies, each weighing over 100 carats, as well as an extremely rare jadeite bangle of the best quality, estimated at over HK\$40 million.

CHINESE BUYERS LOOKING BEYOND ASIAN ART

While Chinese collectors are primarily interested in all forms of Asian art, Curiel notes that they are now keen on other areas.

He adds that 2013 saw record prices in nearly all categories at Christie’s and “an ever-growing participation by collectors from mainland China”.

These collectors regularly participate in auctions in Europe and the US, notes Curiel. Citing an example, a collector from Hong Kong bought *Femme Assise En Costume Rouge Sur Fond Bleu*, painted in 1953 by Picasso, for US\$8.3 million in New York last May.

The painting was of Françoise Gilot, Picasso’s lover, muse and mother of his children, Claude and Paloma. The harsh use of lines and the limited palette in this work was said to have reflected their strained relationship. According to Christie’s, the painting has been in private hands almost all its life. 