

CONSTANZE KUBERN

ART ADVISORY

MARKET UPDATE

Art and the Brexit

A few weeks after the UK decided to say "goodbye" to its continental pals the economy, and subsequently its currency and markets, are still in limbo. Let's take a look at the consequences Britain's political unrest has on the art market.

The "Brexit" auctions

The weakening of the pound and investors' flight into tangible assets as a safe-haven retreat certainly aided the set of auctions at the big three houses for Contemporary & Post-War Art in London a few weeks ago. With lowered estimates and reserve prices, international buyers pushed prices to multiples of their valuations and achieved near to total sell-out results. Overall sales totals were down significantly from last year but that is no surprise given the fact that consignors were, and are even more now, hesitant to part with their treasures in exchange for cash.

Art as a tangible asset

As during the "credit crunch" crisis of 2008/9, investors are once again looking for portfolio diversifiers to combat inflation and stock market fluctuations. Art, as a real asset, was back then tried and tested- and it passed. With

a very global affair and gone are the days when a select few dominate the market. With online resources an ever increasing influx of new time buyers from emerging markets ensure that demand for quality works of art from established artist whose supply is limited will remain on a high.

Enjoy your summer!
Best wishes,
Constanze

NEWS



[WALL STREET JOURNAL](#)

[Weak Pound Helps London Auctions](#)

Interview with Constanze Kubern on the consequences of the Brexit and the recently held auctions of Contemporary & Modern Art in London. Please click [here](#).

Please find all of our media contributions and relevant art market news [here](#).

an initial drop of 20-30% in prices art recovered as one of the quickest compared to other more traditional financial categories. Simply spoken: A Picasso painting will, albeit itâ€™s low liquidity, never have a nil value. The pound is a another story.

Looking forward

More deals will be seen privately placed again and international collectors will remain in the driving seat. In particular non-EU buyers who will remain untouched by the additional taxes within the EU. In fact one could speculate that Paris will become the new gateway into Europe with Franceâ€™s relatively low import VAT duty for art of 5.5% compared to Germanyâ€™s 7% and Italyâ€™s 22%. Thankfully the market has become

CONTACT

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Be smart about art.

We are your trusted confidant when it comes to art collecting. We work for you- professional, unbiased and transparent at all times.

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