



Despite the continuation of trepidation and volatility in the global economy, the art market, both locally and internationally, has not been subjected to as large a blow as one might have believed. While the first quarter of 2009 may have seen a moderate decline in art investment, the industry remains considerably buoyant during this period of fiscal unease.

Stern, Irma (1894 – 1966)
"Still Life with Coral Tree Flowers"
Gouache on Paper 77 x 48cm
Signed: "Irma Stern" (Lower/Right)
Dated: 1935

artistic optimism

Local Art Market Stands Firm

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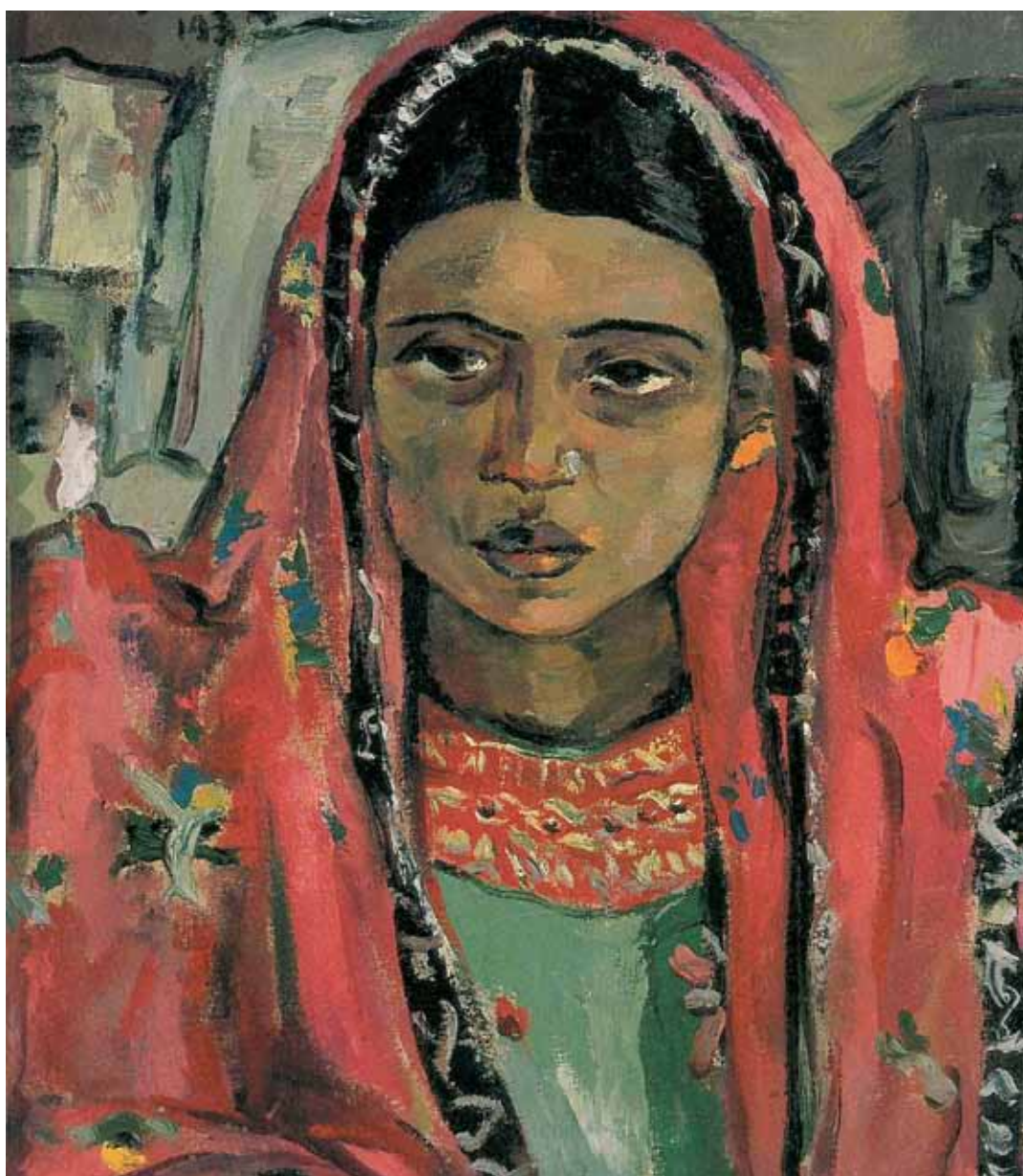
Stern, Irma (1894 – 1966)
 "Zanzibar Woman" Oil on Canvas
 59 x 49.5cm

Signed: "Irma Stern" (Upper/Left) Dated: 1939

The emerging markets, including the group known as the BRIC nations (Brazil, Russia, India and China) established themselves as pivotal characters in the global economy leading up to the third and fourth quarters of last year. These emerging markets were driven by impressive gains and vigorous market capitalisation growth. A substantial increase of high net worth individuals contributed to this increasing wealth, as stated in the 2008 World Wealth Report. Though some nations have felt much pressure due to the world's agitated economy, emerging markets have not experienced as much of a crisis. The economic position of China, India, Brazil and South Africa, among others, has been described by financial institutions as stable and, at present, relatively secure. The arts and cultural spheres of these emerging market countries have been invested in both monetarily and emotionally, especially in the BRIC nations, where art is developing into a recognised prestigious and progressive area of interest and investment.

The South African art market continues to move forward so as to align with these emerging economies, and reached a significant watershed with the Bonham's South African Fine Art Sale. The Sale took place in London on 9 and 10 September last year, and achieved extraordinary results, which cemented South African historical art in an international market. The considerable success of the developing South African art market internationally has led to the appreciation of our top historical masters, which include JH Pierneef, Maggie Laubser, Gerard Sekoto and Alexis Preller. One of South Africa's most prolific historical masters, Irma Stern, ranked 85 in a list of the world's top 500 artists' rating at auction in 2007 and 2008, as seen in Artprice's "2008 Art Market Trends." In short, this sees a South African artist valued higher in comparison to artists such as George Braque, the legendary cubist, and other major artists such as Gustav Klimt, David Hockney and Amedeo Modigliani.

The price of South African pieces confirms that we are seeing a maturing market; one that also received a very positive response from non-South African investors. Artprice, a major art market information firm, has created an index based on both consumer and industry



opinions of the current state of the global art market, compiling these opinions from over 1.3 million members of their online website. This Art Market Confidence Index illustrates strong support for prospective artwork acquisitions and reflects an optimistic view on the forthcoming months.

Considering art as an alternative form of investment has always been a favourable and stable option, and is indeed a smart store of wealth. Art is a Rand hedge and a finite asset class that has an appreciating and intrinsic core value. This worth is visibly reflected in the results of both local and international auction houses, as well as in the private domain. Graham Britz, Director of Graham's Fine Art Gallery, affirms this, "In terms of fine art investment and a buying criterion, quality guarantees returns

on a work; never compromise on quality. You must buy the best work that you can afford and not a marginal artwork in order to see relevant returns on your investment. Works of quality cost more, but in the long run these are the pieces that will always hold their value."

South Africa can proudly boast a prestigious line of important and relevant artists spanning as far back as the 18th Century. Many of our current contemporary artists, such as William Kentridge and Marlene Dumas, have earned significant international recognition. The rise in interest internationally in South African fine art has created not only a stable platform for investment in South African art, but also a pure appreciation and support for this important area of our cultural background.



Footballers Exhibition



The *Footballers* series forms part of the 2010 Fine Art Collection. These exceptional and rather extraordinary bronzes have been recognised as the Official Licensed Products of the FIFA Confederations Cup 2009 and 2010 FIFA World Cup™. The series of 11 pieces was created by South African sculptor, Keith Calder, and will be launched at a private VIP event to be held at Graham's Fine Art Gallery in Broadacres, Johannesburg. The launch and exhibition will correspond with the start of the FIFA Confederations Cup 2009™. The bronzes are part of a limited edition and only a few fortunate collectors will have the chance to acquire one of these valuable figures.

"These are quite possibly the finest collectibles to have ever been attached to a FIFA World Cup™," says Craig Mark, Managing Director of 2010 Fine Art.

"They are already attracting strong interest from collectors, marketing affiliates and soccer enthusiasts both locally and abroad," says Graham Britz, Managing Director of Graham's Fine Art Gallery. "We are proud to have been selected as a partner gallery for the 2010 Fine Art Collection, and are excited to be contributing towards the excitement of the 2010 FIFA World Cup™."

While attendance at the launch is by invitation only, the exhibition will be open to the public from 12 June 2009 to 18 July 2009. For more information, contact Graham's Fine Art Gallery on +27 11 465 9192. ☎