

THE ROMANIAN ART MARKET REPORT

2014-2015



As the world celebrates 25 years from the fall of the Berlin Wall and Romania enters its 25th year since the liberation from the communist regime, the young Romanian art market shows contradictory signs.

Starting from scratch in 1990, the first Romanian auction house appeared right after the revolution. Nevertheless, it took more than 20 years for the market to arrive at a first level of functionality, with a firm pool of frequent art buyers, a decent number of operating auction houses, a network of galleries with international exposure and a minimum necessary portfolio of market instruments. With an increased demand in art and growing awareness of heritage values, in the years 2011-2013 prices have gone up exponentially, with public sale volumes increasing from EUR 2.5 mil in 2008 to EUR 15.1 mil in 2013.

2014 - 2015 saw important developments in the number and quality of players on the market. 2014 marked the first Romanian international art fair, Art Safari Bucharest, successfully reiterated and expanded in 2015 and 2016, and the first online-only auction house, Lavacow. 2015 brought the first edition of Art Encounters Timișoara, a one-month biennial event that turned the Western part of Romania into a hub of contemporary art exhibitions, workshops and talks, drawing to Romania international curators, artists and audience. Also worth mentioning is the opening of a handful of new contemporary art galleries and a new space operated by ARCUB (the Cultural Centre of the Bucharest Municipality).

Looking at Romania's evolution on the international art scene, 2014 and 2015 are filled with accomplishments. Probably most acclaimed is Adrian Ghenie's success on the international market. The young Romanian artist has entered the international league of elite artists, in July 2014 celebrating his first sale above EUR 1 mil., a price level he has confirmed and widely outperformed ever since, fuelled also by a successful representation at the Venice Biennale in 2015.

Nevertheless, local public art market results do not entirely mirror these developments. 2014 and 2015 registered the first cool down at Romanian art auctions since the fall of communism. While the middle auction market has become more solid, the trophy works lack behind previous price expectations. On the bright side, this contraction might prove a blessing in disguise, as it keeps the Romanian market away from overheating and ensures that in the long run prices grow at a grounded, sustainable rate, with periods of healthy price-adjusting fluctuations around the upward trend.

Speaking of the long term, there are positive signs, with more and more players interested in the Romanian art market. In 2016-2017 we are looking forward to the imminent opening of an important private museum for recent Romanian art, the continuation and expansion of already established international events like Art Safari Bucharest and Art Encounters Timișoara, the inclusion of Romania in the first edition of My Art Guide East Central Europe, but also the more and more frequent visits of acquisition committees from international museums like Tate Modern or Beelden aan Zee, lured by the increased visibility of Romanian contemporary art.

The report is based on acknowledgements, conclusions and assessments regarding the Romanian art market, contextualizing the progress of Artmark, and is based on data included in the Romanian Art Market Index, market reports of previous years, Artprice database, the results recorded on the websites of the Romanian auction houses (Alis, Artmark Goldart, Lavacow, Quadro), press releases of art institutions and specialized media inquiries in the field. All prices and amounts mentioned are in Euro, unless stated differently.

MAJOR DEVELOPMENTS ON THE ROMANIAN ART MARKET

Probably most relevant for the past two years are the continuous developments towards a functional, professional market. A first visible progress is in the number and quality of the players active on the Romanian art scene. Compared to two years ago, one can easily sense the increasing professionalization of the art scene at all its levels.

GALLERIES AND EXHIBITION SPACES

One of the most visible changes is at the level of art galleries. The last two years have witnessed, mainly in Bucharest, the launch of a series of commercial art projects that work at international standards and in tight relations with the wider regional and international art scenes. Eastwards Prospectus was established in 2014 by transforming a beautiful historical building in Bucharest into a gallery with two different art spaces. It is promoting Romanian artists alongside regional and West European contemporary artists, both in Romania and at international fairs abroad. Also in 2014, Galeria Romană opened in the centre of Bucharest, in a monumental building in the Romană Square, organising shows of contemporary, modern and decorative art. The same year, Artfooly Gallery started to promote mainly Romanian contemporary artists both nationally and internationally.

The Nicodim Gallery has moved into a wing of the Cantacuzino Palace on Calea Victoriei, transforming a suit of rooms in this magnificent palace into a contemporary gallery space. It thus continues the showcasing of hip international young artists and a portfolio of promising or already established Romanian artists. Zorzini Gallery moved to a new space, better suited for contemporary art shows, located right next to the old town. Both H'art Gallery and aiurART have opened auxiliary exhibition spaces, the appendix gallery on Calea Victoriei, respectively the aiurArt @ Cărturești Carusel - a fabulous bookshop, highly praised by the international press at the beginning of 2015 when it opened in a refurbished former bank in the old center of Bucharest. Just opposite of Cărturești Carusel, another cultural institution - ARCUB (the Cultural Centre of the Bucharest Municipality) opened its second venue in a beautifully refurbished building, disposing of a generous exhibition space with a solid exhibition programme.

Three more galleries opened in 2015 in Bucharest. First there was SUPRAINFINIT Gallery that opened in an ample space in a former factory and has a programme of promoting very young and daring artists, including lots of digital art and installations. Just weeks afterwards, Mobius Gallery opened in the proximity of the Romanian Athenaeum with a programme of showing established

artists and creating international partnerships, most notable until now, those with Russian counterparts. The Art of Living, a magazine dedicated to art, culture and wealth management, extended its activity in 2015 with a gallery space in the same flourishing area, next to the Romanian Athenaeum.

Turning away from Bucharest, in 2015 IAGA Contemporary Art Gallery opened in Cluj, with the declared aim to instigate and promote a dialogue between Italian and East European contemporary art research.

AUCTION HOUSES

While auction houses have been keeping the pace with international trends since the appearance on the market in 2008 of Artmark, the first Romanian auction house to impose international standards for sales at auction, 2014 has reached a new milestone. In May 2014 we witnessed the launch of Lavacow, the first auction house from Romania to be truly international and conduct its activity entirely in English and entirely online, in order to be as easily accessible by Romanians as by the international audience. Lavacow is focusing on contemporary art, accessible multiples by international stars of modern and contemporary art (an art segment that has previously been ignored in Romania) and collectibles. The launch of Lavacow was followed, just a few months later, by another online-only auction house, Ziman Auctions, with an offer exclusively made out of Romanian contemporary art. 2015 has continued the trend with the launch of several smaller projects of online art selling platforms.

ART EVENTS

Another recent breakthrough in the market is the appearance of a new type of player, the art fair - the key piece of the art market puzzle that was previously missing in Romania. 2014 saw the first edition of an international art fair in Romania. Art Safari 2014 was a tremendous success, with 79 participating exhibitors, over 3,000 artworks on display, more than 15,000 visitors during the 4 days of the fair and extensive media coverage. The second edition of Art Safari in 2015 expanded upon the success of the first edition, attracting 19,716 visitors, to admire the 57 exhibition spaces and take part in 16 conferences.

While Art Safari hosted also non-selling exhibitions powered by national and regional museums from all over Romania, visitors could discover the offer and acquire artworks from galleries like 418 Contemporary Art Gallery

[București, Ro], Anca Poterașu Gallery [București, Ro], Annart Gallery [București, Ro], Baril [Cluj, Ro], Eastwards Prospectus [București, Ro], European Art Gallery [București, Ro], Five Plus Art Gallery [Viena, At], Galeria Posibilă [București, Ro], Galleria Doris Ghetta [Bolzano, It], Jecza Gallery [Timișoara, Ro], Kunst Art [Bochum, De], Larm Galleri [Copenhaga, Dk], Plan B [Cluj, Ro / Berlin, De], Schleifmühlgasse 12-14 [Viena, At], Zorzini Gallery [București, Ro] and many more. It also added to the public appeal of the 2015 edition of Art Safari that it was housed in the Ciclop Building, a modernist building in the very centre of Bucharest, excluded years ago from the public circuit and thus not that easily available for the general public.

If 2014 witnessed the first edition of an international art fair, 2015 introduced Art Encounters Timișoara, a bi-annual extensive event, covering a series of exhibitions and conferences, over the course of one month, showcasing the most important Romanian artists, alongside emerging artists and international highlights. During Art Encounters, several spaces in Timișoara and Arad were converted to host the 24 different exhibitions that comprised the event, with the main exhibition curated by Rainald Schumacher & Nathalie Hoyos.

These more recently launched major art events have joined already established art calendar events like the White Night of the Galleries, the Gallery Weekend or the Bucharest Biennale. Together with the newly established galleries, art spaces and online initiatives, these events have helped to create a blooming Romanian art scene, increasing awareness and extending the involvement of the general public.

THE PUBLIC SECTOR

The last years have seen changes in the management of important national and regional museums, like the National Museum of Contemporary Art, the National Museum of Art of Romania or the National Art Museum in Craiova. Chosen by open call, as opposed to being nominated, the new generation of museum managers shows initiatives to further open the museums to the general public and develop a series of educational programmes.

There have been changes not just with regard to the management of the museums, but also to the state and shape of the museums, as many museums have seen prolonged periods of refurbishment. In 2014 the Art Museum Craiova opened after a long period of rehabilitation of the 'Jean Mihail' Palace, a beautiful building from 1900-1907, by French architect Paul Gottereau. Other two museums have recently reopened in Bucharest after long periods of refurbishment and

rehabilitation, the Theodor Aman Museum and the Museum of Art Collections, while Primăverii 50, president Nicolae Ceușescu's former residence opened for the first time to the public as a museum in 2016. Plans include also the opening of the Bucharest Picture Gallery (Pinacoteca București) in a palace in the old centre, after more than 20 years in which it has lacked a headquarters of its own, and the transformation of the Leonida Garages into a concert and exhibition hall.

Talking about immovable heritage, the last years have seen a series of projects of preservation of monumental buildings, in Bucharest and nationwide, with many heritage buildings, including mansions and castles, transformed into galleries, restaurants, guesthouses or private homes. A private initiative, Artmark Historical Estate takes advantage of the large number of receded monumental buildings, especially Transylvanian castles and mansions, to organise the first historical estate auctions in Romania.

TOTAL SALES AT ART AUCTIONS

2014 and 2015 do not differ substantially in terms of total public sales in the market, but they show a slowdown compared to the previous peak of 2011 - 2013.

Although the market is growing as a whole, with more and more players entering the art trade and an increasing number of new art collectors emerging every year, there is a clear decline in the total volume of art publicly traded in Romania. What actually happened in the market is that competition decreased for the upper-tier works, with less people being comfortable with spending large amounts in public sales, while middle-tier works became more desirable. The cause behind this is less related to the art market but rooted in the changes in the economical and political situation in Romania. The past two years were marked by political instability, a constant change of people in charge and an aggressive anti-corruption campaign that hunted many of Romania's high-net-worth individuals.

DISTRIBUTION OF SALES ON ART MARKET SEGMENTS

Auction houses adapted to this situation and expanded their offer with new types of auctions, immersing into the collectible area and setting up affordable thematic sales. Artmark, who since 2009 is the unfailing leader of Romanian art auction sales, conducted in 2015 a number of 39 auctions, out of which approx. 59% traded in fine art, 23% were collectibles and 18% was decorative art.

At the whole market, in terms of sale volumes, the division between art market segments is approx. 60% fine art, 25% decorative art and 15% collectibles. Although the number of collectibles put out for sale surpasses that of decorative art objects, decorative art has an approx. 60% higher average price than collectibles.

Looking at Fine Art alone, approx. 20% was contemporary art, while Old Masters and Modern Art generated 80% of the market.

CHANGES IN PRICES

While Artmark offered for sale in 2015 with 5% more artworks compared to 2013 (4.132 items vs 3.919 items in 2013), the average winning bid decreased on all auction segments. The price adjustment bears the strongest impact on the top sales, obvious in a comparison between top 10 auction sales in 2011-2013 and top 10 auction sales in 2014-2015:

	Artwork	Year sold	Price (EUR)	Artwork	Year sold	Price (EUR)
1	Ștefan Luchian - Două muze	2013	300.000	Theodor Aman - Natură statică cu căpșuni	2015	160.000
2	Nicolae Tonitza - În iatac	2011	290.000	Theodor Aman - Hora de la Aninoasa	2015	110.000
3	Nicolae Grigorescu - Țărăncuță odihnindu-se	2011	270.000	Ștefan Luichian - Anemone în ulciță	2014	110.000
4	Nicolae Grigorescu - Ciobănaș pe Valea Doftanei	2011	250.000	Nicolae Grigorescu - Țărăncuță cu fuior	2015	85.000
5	Nicolae Grigorescu - Țărăncuță cu fuior pe cale	2011	250.000	Nicolae Tonitza - Pregătiri de masă	2014	85.000
6	Nicolae Grigorescu - Cărciumă la Rucăr	2011	230.000	Nicolae Tonitza - Fetița acrobatului	2014	75.000
7	Nicolae Grigorescu - Nimfă dormind	2011	220.000	Dimitrie Paciurea - Himera Pământului	2014	70.000
8	Nicolae Grigorescu - Întoarcerea de la târg	2011	210.000	Ion Țuculescu - Metamorfoză	2015	65.000
9	Nicolae Grigorescu - La marginea pădurii	2011	200.000	Nicolae Tonitza - Tătăroaică în cerdac	2014	65.000
10	Nicolae Grigorescu - Ciobănaș cu turma de oi	2011	195.000	Nicolae Grigorescu - Car cu boi	2014	62.000
	Total (EUR k)		2.415			887

The sum of the top 10 sales in 2012-2013 is almost 3 times higher than the sum of the top sales in 2014-2015. Nevertheless, if compared to 2008-2009 (pre market boom period), the sum of top 10 sales in 2014-2015 is by 14% (100.000 euro) higher. This should signal that the Romanian art market has undergone in 2014-2015 a correction after its boom from 2012-2013, nevertheless the trend reminds a positive one, with long term expectations of consistent appreciation.

DISTRIBUTION OF SALES PER AUCTION HOUSES

Looking at the distribution of sales per auction houses, there has not been any important change, as the market shares remain relatively constant, with only one-digit % shifts among players and a growing but still shy percentage captured by the new comers on the market. The peak of "Others" market share in 2014 was generated by the Grimberg Auction House, a former gallery that organized a series of successful auctions in 2014, fuelled with works from its own collection, but then returned to its former status of art gallery.

NEW SALES CHANNELS – MOVING INTO THE ONLINE

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Sales through Artmark Live	2014	2015
Total sales through Artmark Live	593.745	903.215
Total no of lots sold through Artmark Live	393	597
Total no of auction participants through Artmark Live	154	227

Then, there is the blooming scene of online art initiatives. The first Romanian online-only auction houses providing also online live auctions, Lavacow and Ziman Auctions, generated in 2015 total sales of approx. EUR 220k.

ROMANIAN ARTISTS ON THE INTERNATIONAL MARKET

2014 and 2015 were definitely marked by Adrian Ghenie's breakthrough in the league of international star artists. In June 2014 a work by Adrian Ghenie (b. 1977) sold at Sotheby's for EUR 1.8 mil., surpassing for the first time the threshold of EUR 1 mil. His previous record, in 2013, stood below EUR 300.000. In 2014 artnet.com ranked Ghenie No. 1 in a top of artists that performed surprisingly well at auction. What was considered to be a surprisingly well performance in 2014 was consolidated and taken further the next years. In 2015 Ghenie had a solo show at Galerie Thaddaeus Ropac in Paris and the acclaimed solo show at the Venice Biennale, that were followed in 2016 by a record EUR 4 mil. sale in a Sotheby's auction.

Although Adrian Ghenie is by far the most famous Romanian contemporary artist abroad, there is a long list of artists that claim international success. Ghenie and his Cluj colleagues Șerban Savu, Mircea Cantor, Ciprian Mureșan, Mircea Suciuc, Marius Bercea participate in the most important biennales, in international fairs, have solo shows at relevant galleries abroad and have artist monographs published at top international publishing houses.

Among the highlights of the past 2 years was the awarding by Deutsche Bank of the title Artist of the Year to Victor Man (b. 1974), accompanied by a dedicated solo show, Zephir, at the Deutsche Bank KunstHalle Berlin, a show that subsequently travelled to Zacheta – National Gallery of Art in Warsaw and Haus der Kunst in Munich.

The same year, Marius Bercea enjoyed a highly acclaimed solo show at the prestigious gallery Blain|Southern in London, UK, and Corneliu Brudașcu (b. 1937) participated in the Gwangju Biennale (South Korea), followed in 2015 by a contribution with 5 artworks in a dedicated room to the exhibition *The World Goes Pop*, at Tate Modern (London).

In 2015 the Venice Biennale offered a solo show of Adrian Ghenie in Romania's Pavilion, a room dedicated to Victor Man in the main exhibition curated by Okwui Enwezor and a work by Mircea Cantor (b. 1977) in the Azerbaijan Pavilion. The same year, Mircea Suciuc (b. 1978) started to be represented by Zeno X Gallery from Belgium, having his first solo show, *Root and Branch*, with the gallery, a show that travelled later that year to the Museum of Contemporary Art in Bucharest.

Art Basel (Basel, June 2015) was another good opportunity for Romanian artists to excel. Three Romanian galleries were present in the different Basel fairs: Plan B (Cluj, Berlin), Sabot (Cluj), Jecza (Timișoara). Additionally, works by Mircea Suciuc could be found at Zeno X and Ion Grigorescu (b. 1945) was on show at Gregor Podnar Gallery (Berlin), while Mircea Cantor was on show at Magazzino Gallery (Rome) and participated with an impressive installation in the Unlimited section of the fair. Ciprian Mureșan presented at Art Basel Parcours a puppet theatre performance, but was also present with drawings at the Plan B booth and closed the year at Art Basel Miami Beach with works on show at the David Nolan Gallery booth.

The international success of the Romanian artists abroad did not lack consequences for the Romanian local scene. The Russia and Eastern Europe Acquisition Committee from TATE Modern (which includes also 4 Romanian collectors) has visited Bucharest and Cluj in September 2014 and looked into gallery portfolios and dedicated exhibitions for new museum acquisitions. In the 2013/2014 TATE Report, the acquisition highlights include two works by Romanian artists: *Medeic Callisthetic Moves*, 1980 – 1981, by Geta Brătescu (b. 1926) and *Loto*, 1972, by Ion Grigorescu (b. 1945).

LOOKING INTO THE FUTURE

2014 and 2015 have been years of contradictory signs, on the one hand showing growth in the number of players and events, an increasing interest in Romanian art and acclaimed international success, on the other hand the Romanian art market being hit by a change in demand, with a broadening of the middle-price market segment and a more reserved demand at the high-end of the market.

These contradictory signs should be interpreted as a signal for a healthy approach towards the Romanian art market, with periods of re-evaluation, mandatory for a solid growth that can be sustained in the long run. It should not be forgotten that the Romanian art market is still very young, with a first auction sales boom in the 2011-2013 period, regularization in the last two years and high expectations for continuing the positive upward trend in the next couple of years.

The positive feeling about the Romanian art market evolution comes from the increasing number and quality of the art players involved in the market, a visible professionalization of galleries and art spaces, tighter connections with international counterparts, the continuity and year-on-year improvement of public art events, the continuous effort of art auction houses like Artmark to keep the pace with international developments in the field and develop all necessary instruments to form the next generation of collectors.

Furthermore, the first generation of internationally renowned contemporary art collectors from post-communist Romania has been crystalized in the last couple of years. They are frequently invited to take part in talks at international art events and are included in international professional bodies, like the Tate Modern Acquisition Committee for Russia and Eastern Europe, proving once again the international interest for investing in local art.

What we expect to see in the next year is an ongoing development of the gallery network in Romania. Some of the older initiatives should finally become established at an international level, fuelled by their more frequent participation in international events, including fairs and contributions to museum exhibitions. In parallel, a new generation of Romanian artists should emerge, to be discovered by international collectors, as the current stars of Romanian contemporary art have been already absorbed by the broad international art scene. Events like Art Safari Bucharest and Art Encounters Timișoara will further help connect the local art scene to international collectors and art professionals, creating bridges for further collaborations.

Looking at auction houses, old masters and especially modern art will probably continue to represent the largest segment of the market, but following in the footsteps of the international market, the percentages should slowly become even. 2016 is expected to conserve the 2015 market level, with the following years expected to touch on previous market performances and further continue the expected long-term upward trend.



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