



Another take: Korean artist Kim Dong Yoo's 'Marilyn Monroe' shown at Art Stage Singapore 2011

## Three trends put art auctions in the frame

### Singapore going places in rankings of world's top art collecting capitals

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Singapore doesn't come to mind as an art collection capital off the top of people's heads – at least not yet.

But after the top-billing art fair Art Stage Singapore swept through town two weekends ago in mid-January, the perception seems to be changing, sooner than one might think.

Data from artprice.com which tracks publically available auction data from 3,600 auction houses shows that in 2006, Singapore was the 21<sup>st</sup> largest venue for contemporary art revenues with about US\$537,000 in recorded sales.

Last year it leapt to sixth spot with US\$10.6 million in contemporary auction revenues, besting more sophisticated collector's markets like Italy, Belgium and the Netherlands.

Top spot in 2006 and 2010 went to the United States, which recorded US\$252.5 million and US\$287.3 million in those years respectively.

Singapore's rise as an art investment capital seems to come from three different currents: the generation of wealth in Asia, Singapore's increasing number of auction houses, and the successful transformation of art into a valid investment asset class.

Artprice.com CEO T Erhmann told BT that more auction houses based in Singapore – like Larasati Auctioneers in 2003 and 33 Auction in 2009 – have helped the rankings.

Viola Raikhel-Bolot who heads HSBC Private Bank's art and design advisory service, says larger scale art fairs like Art Stage Singapore and the Singapore Biennale as well as supporting infrastructure like the Singapore Free Port have helped Singapore's stature as an art collecting hub.

The Singapore Free Port in Changi North established last year acts as a free trade zone dedicated to the storage of high-value art and collectibles, and was expected to house US\$3 billion of valuable art on its completion, said Ms Raikhel-Bolot.

“Between the free port and the art fairs, Singapore is moving towards being a more vibrant arts and cultural city” said Ms Raikhel-Bolot.

Singapore has been helped by the Great Recession, say gallerists, that BT spoke to at Art Stage Singapore, as the epicentre of art collection shifted to Asia then. “Based on my experience, the buyers are local Singaporeans and expatriates said Ms Raikhel-Bolot. “Singapore has a straw draw from across Asia, but Chinese interest has been keen, not just here, but internationally.”

However Singapore as an art market is still immature according to some. Mu Jing Peng of Beijing based Ullens Centre for Contemporary Art feels that Singapore is still a young market as compared to bustling Hong Kong.

Moreover another gallerist, Armine Bienger, director at Marlborough Fine Art, pointed out that the recent Art Stage Singapore didn't boast blockbuster prices. “The most expensive work here would be a \$15 million Picasso. That's fairly moderately priced compared to the other art fairs around the world.”

However Singapore looks set to become a more important art investment centre in the future, partly from the admission of art as a valid asset class.

Pascal de Sarthe, owner of Pascal de Sarthe Fine Art in Hong Kong and Paris, says that over the past few years, efforts of “the financial world” to push for art as an asset class have paid off as investors got spooked parking their money in conventional assets.

Not all that glitters is gold, however. The so-called “blue-chip names” like Picasso and Warhol were the best stores of value. Younger, less established artists – read: “riskier”- artists were punished as investors got more squeamish about taking gambles, say most gallerists BT spoke to.

A less tangible alternative to actual art works would be to go for arts funds. Still, insist some diehards, that misses the point of collecting art. Over and above being an object of value, these assets are objects of beauty.

“When you buy a work of art, there is an emotional attachment. It's not like owning stocks where it's purely financial.” Says Mr de Sarthe.