

Artprice launches its “blue-chip” Art Market index, Artprice100®, designed for financiers and investors

Artprice’s Global Index® shows an average value increase for artworks of +30% since the index was started 20 years ago. Although this is an appreciable performance particularly at a time when central banks’ interest rates are close to zero in the United States (FED) and negative in Europe (ECB), if we focus uniquely on the most stable segment of the market, we find a much more impressive value accretion.

Thierry Ehrmann, founder and CEO of Artprice, said “*Artprice’s econometrics department has created a new index that ignores the most volatile artists (those most subject to the price impact of fashion and speculation) and focuses exclusively on the art market’s “blue-chip” artists. This new index, Artprice100®, shows that art is an extremely competitive financial investment over the longer term.*”

Artprice’s new Artprice100® scientific index is subject to IPR protection and represents a major new weapon in Artprice’s commercial arsenal as World Leader in Art Market Information.

PRINCIPLE

The objective of Artprice’s new Artprice100® index is to monitor and quantify the art market’s value accretion by focusing on its most stable elements. This new scientific index is a new tool in Artprice’s panoply of proprietary decision-support tools. In effect, the Artprice100® index represents an unavoidable new benchmark in a financial world constantly searching for new investment opportunities in efficient markets.

The creation of the Artprice100® index is a response to a recurring demand from Artprice’s financial and banking institution customers, particularly in the Private Banking segment, who need a reliable and durable benchmark that does not require specialist knowledge of the Art Market from its user.

With the Artprice100®, the Art Market – universally considered an alternative to traditional financial investments – now has a benchmark comparable to the world’s major stock indices like the S&P 500, the FTSE 100, the CAC 40, the DAX and the NIKKEI 225. It is composed using the same general principles for the construction of these indices: it focuses on the Art Market’s fundamental artists and takes into account their relative weight and importance.

COMPOSITION

The composition of the Artprice100® is adjusted by a scientific committee every 1st January to reflect the evolution of the Art Market. The index essentially identifies the 100 top-performing artists at auction over the previous five years who satisfy a key liquidity criterion (at least ten works of comparable quality sold each year). The weight of each artist is proportional to his/her annual auction turnover over the relevant period.

Thus, starting from 1 January 2000 – the Artprice100®’s reference year – an investment is made on the 100 artists whose auction results are the most regular (constant) and the highest (in turnover terms) during the previous five years (i.e. 1995, 1996, 1997, 1998 and 1999). The relative weight of each of the 100 artists is detailed in Appendix 1.

The composition of the index does not change during the year. Therefore, the overall value of the Artprice100® evolves according to the individual average performances of each artist in the portfolio, adjusted according to his or her weight within the portfolio.

FINANCIAL PERFORMANCES

In 2000, the value of the Artprice100® increased by 10.9%. Thus, for an initial investment of \$100, the value of this portfolio already reached \$110.9 by the end of 2000.

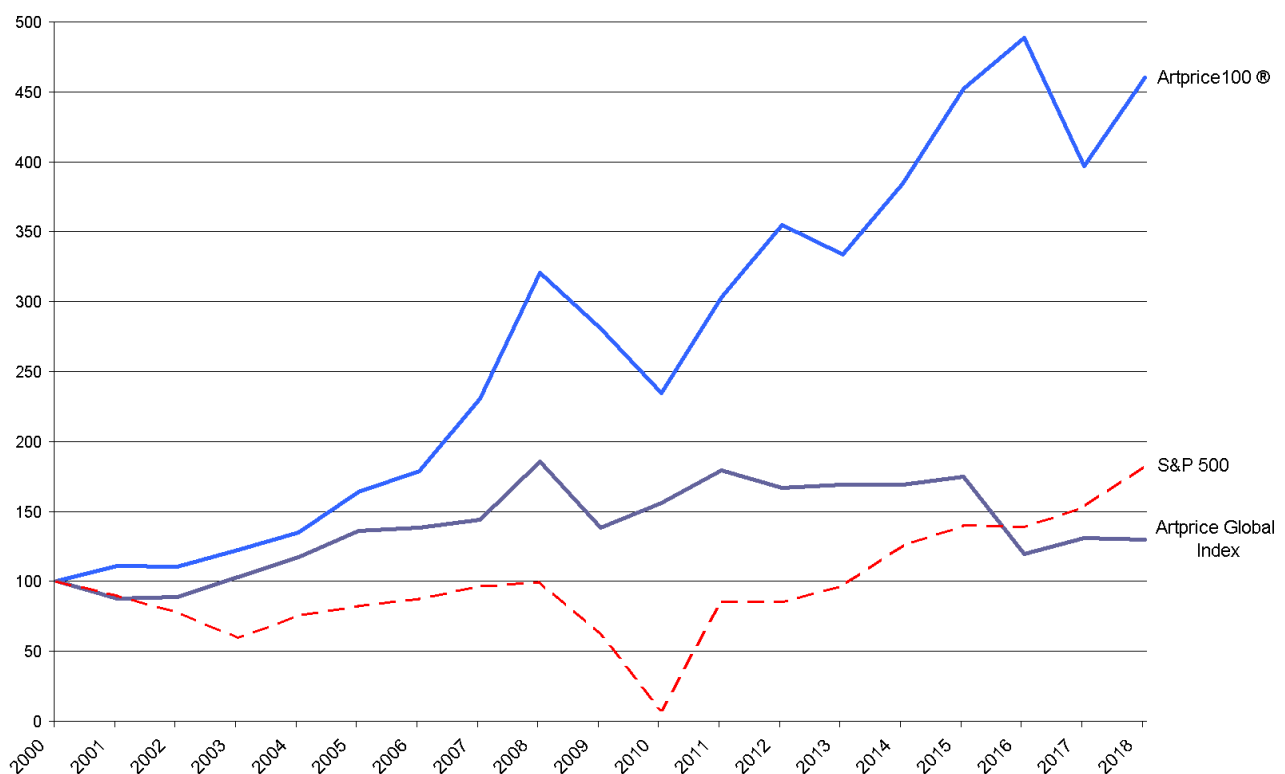
The contribution of each artist to this result provides additional information. For example, in 2000, the artist Pablo Picasso had a 16% weighting in the portfolio. During that year, his auction performance contracted by 9%. Therefore, the initial \$16 invested in Pablo Picasso (16% of \$100) was valued, at 31 December 2000, at \$14.6.

Fortunately, the portfolio's diversification helped offset Pablo Picasso's negative performance in 2000. So, for example, that year saw strong positive performances for Robert Rauschenberg (+59%), Antoni Tapies (+48%), René Magritte (+18%), allowing the Artprice100® index to post a quite remarkable performance for the portfolio as a whole.

Over the long term, the performance of the Artprice100® largely exceeds that of Artprice's Global Index and of the US stock market, as represented by the S&P 500.

The Artprice100® index (see PDF)

Base 100 at 1 January 2000



INDIVIDUAL PERFORMANCES

The Artprice100® index provides essential information since its very composition reflects the progressive evolution of the Art market. The artists included each year in the Top 100 are the market's most important artists, weighted for their average performances over the previous five years.

This purely objective criterion allows identification of the most stable segment of the Art Market with a built-in evolution mechanism (annual adjustment). In fact, the new index relies on a huge mass of market information (Artprice's Big Data) and eliminates possible blind spots that might escape the Index's Scientific Council by analysing repeat sales and auction results from all over the planet. With its intranet connecting it with more than 6,300 Auction Houses, Artprice is the only organisation in the world that can process this data and produce an index based on a highly complex series of calculations.

The composition of the Artprice100® for the years 2000 and 2017 is provided in the Appendices. From 2016 to 2017, four artists joined the index and four left (as with stock indices):

Joiners (incoming): Agnes Martin, Francis Picabia, Barbara Hepworth, Michelangelo Pistoletto
Leavers (outgoing): Giorgio De Chirico, Alexej von Jawlensky, Paul Klee, Cindy Sherman

This gradual transformation of the 100 artists within the Artprice100® is striking over the long term. For example, in 2000, there was only one Chinese artist in this list (Zhang Daqian) compared with 18 in 2017.

CONCLUSION

Over 18 years, the Artprice100® grew by 360%, generating an average annual return of 8.9%. This revolutionary approach to investment in the Art Market allows the financial and investment community to apprehend the Art Market via the art of "index management", a possibility that was hitherto non-existent. This average annual return of 8.9% represents the profitability of the art market's most stable segment.

It proves once again that a relatively well-diversified art portfolio, constructed on the basis of a simple and non-aggressive acquisition strategy, has a genuine economic *raison d'être*, quite apart from the non-pecuniary benefits of collecting art.

Over the last 20 years, the art market has massively increased in liquidity and has grown to now be widely appreciated as a genuinely efficient market to which Artprice – as world leader – has substantially contributed.

Via its contacts in the financial sphere, Artprice aims to get its Artprice100® index and derivative products rapidly included in the standard financial newsflow packages used in trading rooms around the world.

Appendix 1

Composition of the Artprice100® in 2000

Rank - Artist – Weight

- 1 - Pablo PICASSO - 16.1%
- 2 - Claude MONET - 7.8%
- 3 - Paul CÉZANNE - 5.3%

4 - Pierre-Auguste RENOIR - 4.7%
5 - Edgar DEGAS - 3.9%
6 - Henri MATISSE - 2.9%
7 - Marc CHAGALL - 2.8%
8 - Amedeo MODIGLIANI - 2.8%
9 - Andy WARHOL - 2.2%
10 - Joan MIRO - 2.0%
11 - Camille PISSARRO - 1.7%
12 - Fernand LÉGER - 1.7%
13 - René MAGRITTE - 1.6%
14 - Henry MOORE - 1.4%
15 - Alberto GIACOMETTI - 1.3%
16 - Auguste RODIN - 1.2%
17 - Georges BRAQUE - 1.1%
18 - Pierre BONNARD - 1.1%
19 - Jean DUBUFFET - 1.1%
20 - Kees VAN DONGEN - 1.0%
21 - Paul GAUGUIN - 1.0%
22 - Jasper JOHNS - 1.0%
23 - Wassily KANDINSKY - 1.0%
24 - Paul KLEE - 0.9%
25 - Alexander CALDER - 0.9%
26 - Alfred James MUNNINGS - 0.9%
27 - Alfred SISLEY - 0.9%
28 - Maurice DE VLAMINCK - 0.9%
29 - Gerhard RICHTER - 0.8%
30 - Édouard VUILLARD - 0.8%
31 - Willem DE KOONING - 0.8%
32 - Jean-Michel BASQUIAT - 0.8%
33 - Emil NOLDE - 0.8%
34 - Roy LICHTENSTEIN - 0.8%
35 - Giorgio MORANDI - 0.8%
36 - Egon SCHIELE - 0.7%
37 - Pieter II BRUEGHEL - 0.7%
38 - Salvador DALI - 0.7%
39 - Lucio FONTANA - 0.7%
40 - Juan GRIS - 0.6%
41 - Giorgio DE CHIRICO - 0.6%
42 - Ernst Ludwig KIRCHNER - 0.6%
43 - Maurice UTRILLO - 0.6%
44 - Raoul DUFY - 0.6%
45 - Eugène BOUDIN - 0.6%
46 - Camille Jean-Baptiste COROT - 0.5%
47 - Paul SIGNAC - 0.5%
48 - Edvard MUNCH - 0.5%
49 - Francis BACON - 0.5%
50 - Rufino TAMAYO - 0.5%
51 - Alexej VON JAWLENSKY - 0.5%
52 - Cy TWOMBLY - 0.4%
53 - Wifredo LAM - 0.4%
54 - Diego GIACOMETTI - 0.4%
55 - Laurence Stephen LOWRY - 0.4%

56 - Piet MONDRIAAN - 0.4%
57 - Marino MARINI - 0.4%
58 - Jack Butler YEATS - 0.4%
59 - Max ERNST - 0.4%
60 - Odilon REDON - 0.4%
61 - Albert MARQUET - 0.4%
62 - Georges ROUAULT - 0.4%
63 - Franz MARC - 0.4%
64 - Sam FRANCIS - 0.3%
65 - Fernando BOTERO - 0.3%
66 - Robert RAUSCHENBERG - 0.3%
67 - Richard DIEBENKORN - 0.3%
68 - Hermann Max PECHSTEIN - 0.3%
69 - Bernard BUFFET - 0.3%
70 - Henri-Théodore FANTIN-LATOURE - 0.3%
71 - Diego RIVERA - 0.3%
72 - Roberto MATTA - 0.3%
73 - Karel APPEL - 0.3%
74 - Georg BASELITZ - 0.3%
75 - Frank STELLA - 0.3%
76 - Serge POLIAKOFF - 0.3%
77 - Moïse KISLING - 0.3%
78 - MAN RAY - 0.3%
79 - Yves KLEIN - 0.3%
80 - ZHANG Daqian - 0.3%
81 - Asger JORN - 0.3%
82 - Gino SEVERINI - 0.3%
83 - John LAVERY - 0.3%
84 - Anders Leonard ZORN - 0.2%
85 - Aristide MAILLOL - 0.2%
86 - Lyonel FEININGER - 0.2%
87 - Erich HECKEL - 0.2%
88 - Max BECKMANN - 0.2%
89 - Sigmar POLKE - 0.2%
90 - Marie LAURENCIN - 0.2%
91 - Henri MARTIN - 0.2%
92 - Henri LE SIDANER - 0.2%
93 - Otto DIX - 0.2%
94 - Louis VALTAT - 0.2%
95 - Gustave LOISEAU - 0.2%
96 - Antoni TAPIES - 0.2%
97 - Jean FAUTRIER - 0.2%
98 - Adrien Jean LE MAYEUR DE MERPRES - 0.2%
99 - Massimo CAMPIGLI - 0.2%
100 - David HOCKNEY - 0.2%

Appendix 2

Composition of the Artprice100® in 2017

Rank - Artist - Weight

1 - Pablo PICASSO - 6.8%

2 - Andy WARHOL - 6.8%
3 - ZHANG Daqian - 4.4%
4 - QI Baishi - 3.8%
5 - Gerhard RICHTER - 3.7%
6 - Claude MONET - 3.4%
7 - Francis BACON - 3.3%
8 - Jean-Michel BASQUIAT - 2.9%
9 - Roy LICHTENSTEIN - 2.2%
10 - Alberto GIACOMETTI - 2.1%
11 - FU Baoshi - 2.0%
12 - Cy TWOMBLY - 1.9%
13 - ZAO Wou-Ki - 1.8%
14 - Amedeo MODIGLIANI - 1.8%
15 - XU Beihong - 1.8%
16 - Alexander CALDER - 1.8%
17 - LI Keran - 1.8%
18 - Lucio FONTANA - 1.7%
19 - Joan MIRO - 1.7%
20 - WU Guanzhong - 1.7%
21 - Willem DE KOONING - 1.6%
22 - HUANG Zhou - 1.5%
23 - Marc CHAGALL - 1.4%
24 - HUANG Binhong - 1.3%
25 - LU Yanshao - 1.3%
26 - Jeff KOONS - 1.3%
27 - Christopher WOOL - 1.2%
28 - LIN Fengmian - 1.0%
29 - CHU Teh-Chun - 1.0%
30 - Yves KLEIN - 0.9%
31 - Henri MATISSE - 0.9%
32 - Fernand LÉGER - 0.9%
33 - René MAGRITTE - 0.9%
34 - Henry MOORE - 0.9%
35 - Jean DUBUFFET - 0.9%
36 - Wassily KANDINSKY - 0.8%
37 - PAN Tianshou - 0.8%
38 - Edvard MUNCH - 0.8%
39 - Pierre-Auguste RENOIR - 0.8%
40 - Paul CÉZANNE - 0.7%
41 - SAN Yu - 0.7%
42 - Yayoi KUSAMA - 0.7%
43 - Peter DOIG - 0.6%
44 - PU Ru - 0.6%
45 - Edgar DEGAS - 0.6%
46 - Auguste RODIN - 0.6%
47 - Richard PRINCE - 0.6%
48 - Joan MITCHELL - 0.6%
49 - Sigmar POLKE - 0.5%
50 - Camille PISSARRO - 0.5%
51 - Paul GAUGUIN - 0.5%
52 - Salvador DALI - 0.5%
53 - Martin KIPPENBERGER - 0.4%

54 - Ed RUSCHA - 0.4%
55 - DONG Qichang - 0.4%
56 - Paul SIGNAC - 0.4%
57 - Piet MONDRIAAN - 0.4%
58 - Egon SCHIELE - 0.4%
59 - Alberto BURRI - 0.4%
60 - Richard DIEBENKORN - 0.4%
61 - Georges BRAQUE - 0.4%
62 - Juan GRIS - 0.4%
63 - WEN Zhengming - 0.4%
64 - Damien HIRST - 0.4%
65 - Pieter II BRUEGHEL - 0.4%
66 - Donald JUDD - 0.3%
67 - Louise BOURGEOIS - 0.3%
68 - Keith HARING - 0.3%
69 - Piero MANZONI - 0.3%
70 - Alfred SISLEY - 0.3%
71 - David HOCKNEY - 0.3%
72 - Max ERNST - 0.3%
73 - CHEN Yifei - 0.3%
74 - Ernst Ludwig KIRCHNER - 0.3%
75 - Frank STELLA - 0.3%
76 - Sam FRANCIS - 0.3%
77 - Pierre BONNARD - 0.3%
78 - Alighiero BOETTI - 0.3%
79 - Kees VAN DONGEN - 0.3%
80 - Jasper JOHNS - 0.3%
81 - Pierre SOULAGES - 0.3%
82 - Bernard BUFFET - 0.3%
83 - Fernando BOTERO - 0.3%
84 - Laurence Stephen LOWRY - 0.3%
85 - Agnes MARTIN - 0.3%
86 - Enrico CASTELLANI - 0.3%
87 - Robert RAUSCHENBERG - 0.3%
88 - Morton Wayne THIEBAUD - 0.3%
89 - Nicolas DE STAËL - 0.3%
90 - Francis PICABIA - 0.2%
91 - Barbara HEPWORTH - 0.2%
92 - Anselm KIEFER - 0.2%
93 - GUAN Liang - 0.2%
94 - YU Fei'an - 0.2%
95 - Emil NOLDE - 0.2%
96 - Maurice DE VLAMINCK - 0.2%
97 - Georg BASELITZ - 0.2%
98 - Tom WESSELMANN - 0.2%
99 - Anish KAPOOR - 0.2%
100 - Michelangelo PISTOLETTO – 0.2%

About Artprice:

Artprice celebrates its 20th birthday, editorial by thierry Ehrmann, founder and CEO of Artprice.
<https://www.actusnews.com/fr/ARTPRICE/cp/2017/10/04/artprice-celebrates-its-20th-birthday-editorial-by-thierry-ehrmann-founder-and-ceo-of-artprice>

<https://artmarketinsight.wordpress.com/category/artprice-is-20-today/>

Artprice is listed on the Eurolist by Euronext Paris, SRD long only and Euroclear: 7478 - Bloomberg: PRC - Reuters: ARTF.

Discover Artprice in video: <https://www.artprice.com/video>

Artprice is the global leader in art price and art index databanks. It has over 30 million indices and auction results covering more than 700,000 artists. Artprice Images(R) gives unlimited access to the largest Art Market resource in the world: a library of 126 million images or prints of artworks from the year 1700 to the present day, along with comments by Artprice's art historians.

Artprice permanently enriches its databanks with information from 6,300 auctioneers and it publishes a constant flow of art market trends for the world's principal news agencies and approximately 7,200 international press publications. For its 4,500,000 members, Artprice gives access to the world's leading Standardised Marketplace for buying and selling art. Artprice is preparing its blockchain for the Art Market. It is BPI-labelled (scientific national French label).

Artprice's Global Art Market Annual Report for 2016 published last March 2017:
http://imgpublic.artprice.com/pdf/rama2016_en.pdf

Artprice's Contemporary Art Market Annual Report for 2016 - free access at
<https://www.artprice.com/artprice-reports/the-art-market-in-2016>

The text presented hereafter is a translation of Arte Creative's online presentation: ARTE: A gigantic Christmas tree in the guise of a butt plug, a machine that defecates five-star meals, an icon immersed in urine and staged corpses - subversive, trash, provocative or insulting? Thierry Ehrmann, the man behind The Abode of Chaos dicit "The New York Times", an artist and the founder of Artprice, is the mouthpiece for scandal and discloses the workings of the most striking controversies in contemporary art. And scandal sells. 9 episodes are online:
<http://www.arte.tv/guide/en/weekly-highlight>

Artprice's press releases: http://serveur.serveur.com/Press_Release/pressreleaseen.htm and
<https://twitter.com/artpricedotcom>

Artmarket News:

<https://twitter.com/artpricedotcom> & <https://twitter.com/artmarketdotcom>

<https://www.facebook.com/artpricedotcom> & <https://plus.google.com/+Artpricedotcom/posts>

<http://artmarketinsight.wordpress.com/>

Discover the Alchemy and the universe of Artprice <http://web.artprice.com/video>, which headquarters are the famous Museum of Contemporary Art, the Abode of Chaos
<http://goo.gl/zJssdhttps://vimeo.com/124643720>

The Contemporary Art Museum The Abode of Chaos on Facebook:
<https://www.facebook.com/la.demeure.du.chaos.theabodeofchaos999>

The Abode of Chaos/Demeure du Chaos Contemporary Art Museum by thierry Ehrmann,author,
sculptor, artist, photograph https://www.flickr.com/photos/home_of_chaos/sets/72157

Contact ir@artprice.com