



FGV INVEST Short Studies Series

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Brazilian contemporary artists in the main international auction houses, from 2014 to 2022

The purpose of this short study is to summarize the data collected for works by Brazilian living artists auctioned at Christie's, Sotheby's, and Phillips de Pury from 2014 to 2022 and to briefly comment on the findings.

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1. Introduction

It is a well-known fact that not much data is available on the art market, more so when related to a country or region that is not one of the major centres for art. This is the case of Brazil which, according to Artprice's report on contemporary art (Artprice, 2022), based on auction data from mid-2020 to mid-2021, is one of a group of countries that together share 8% of the global art market, whereas China alone was responsible for 40%, the United States 32%, the United Kingdom 16%, France 2.2%, and Germany 1.7%. However, this same report ranks the 500 contemporary artists (those born after 1945) with greater total sales in

the period and among them we see six Brazilian artists, a participation greater than that of any other of the BRICS, excepting China, and greater than Cuba, the only other Latin American country with artists on the list.

There is not much more information on the Brazilian contemporary art market and much of what is available is outdated. The ArtBasel & UBS report (McAndrew, 2022), one of the most important in this area, has, so far, brought little information regarding the country. In Brazil, ABACT (a Brazilian association of contemporary art galleries) and Apex-Brasil (the Brazilian agency for promotion of exports and investment) partnered in

a programme called Latitude, which has been developing market reports since 2012 with a specific focus on ABACT's member galleries and their internationalization. However, their latest report (Latitude, 2022) had a different aim and was directed to the impact of the Covid-19 pandemic on the art market. In addition, a group of researchers from FGV Invest launched a project in 2021 aimed at mapping the players in the Brazilian art market, and in 2022 published a report on the galleries actively working in the country in 2021 (Brunello et al., 2022). Much more information is needed to cover different aspects of the Brazilian art market and provide a comprehensive understanding of where it stands, how it works and where it is heading.

It was with the scarcity of information in mind that this project began in 2014, collecting data for Brazilian contemporary artists in the main international auction houses, and aiming at a contribution to understanding the performance of Brazilian artists in the international market. The present short study summarizes the information gathered until December 2022.

2. Definitions and inclusion criteria

- Contemporary art is here defined as art made by a living artist and, thus, works are considered as contemporary when negotiated during the period in which the artist was alive.
- Auction results are for contemporary works by Brazilian artists from the first quarter of 2014 to

the fourth of 2022; auction lots for artists deceased during this period were included until the date of death, but not thereafter.

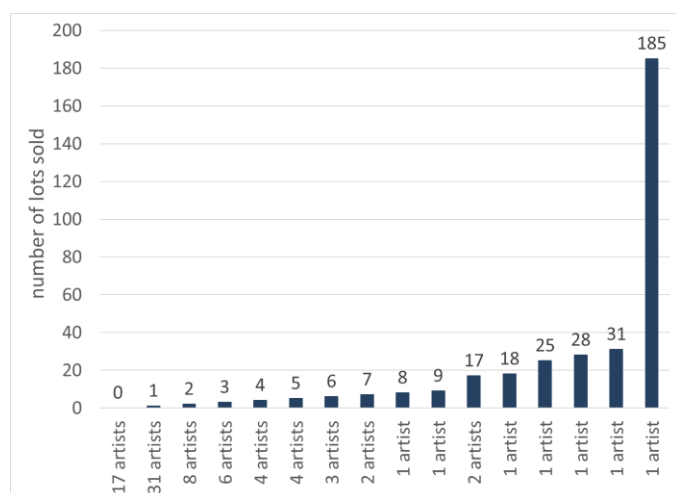
- Only the major international auction houses dealing with Brazilian art have been considered, i.e., Christie's, Sotheby's, and Phillips de Pury.
- Only sales with location registered in New York and London were considered, whether they were in-person or online only.
- Data are for the following types of sales: contemporary evening sales, contemporary day sales, other sales of contemporary art, and those of Latin American art.
- Unless otherwise stated, values are for premium prices (including buyer's fees) in US dollars, using conversion rates from GBP to USD for date of sale (Oanda FX Data Services).
- Data were collected directly from the auction houses' websites either during or after the sale.

3. General trends

During this nine-year period, a total of 675 lots by 84 contemporary Brazilian artists were taken to auction and, of these, 471 lots were successfully sold. Ten artists who were alive in 2014 died during this period: eight men and two women.

Seventeen artists had no lots sold and another 31 had only one lot sold from 2014 to 2022. There were only 18 artists who sold at least five lots in this period (Figure 1).

Figure 1 – Amount of Brazilian contemporary artists with the respective number of lots sold in the main international auction houses from 2014 to 2022



In 2017 there was a sharp drop in the number of lots taken to auction, falling from around 110 lots per year until 2016 to about 60 afterwards (Figure 2). It is a positive sign, though, that the number of lots did not drop any further and, mostly, that the bought-in rate (the percentage of lots not sold relative to the total number of lots) improved from around 30-40% pre 2017 – an expected rate for these auction houses – to about 20% or less in the last three years. This implies that despite the reduced number of lots on the market, they are easily finding buyers.

A similar trend can be seen for both the total value sold and the average value of a lot (Figure 3), that is, a continuous fall, reaching a nadir in 2017, and then a slow albeit oscillating recovery.

Figure 2 – Number of lots and bought-in rate per year by Brazilian contemporary artists in the main international auction houses from 2014 to 2022

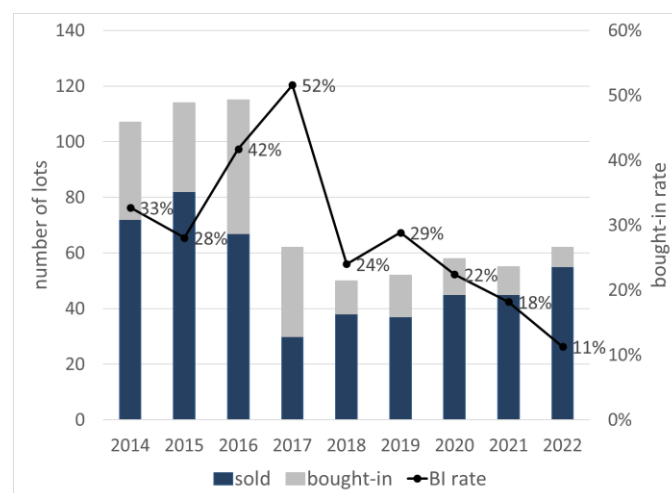
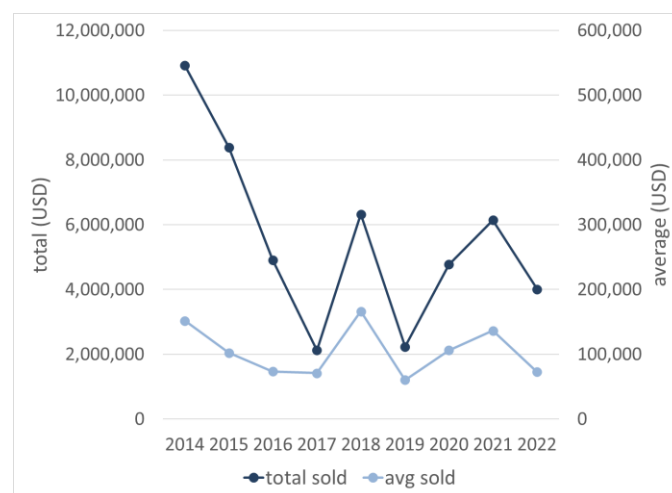


Figure 3 – Total value sold, and average value of sold lot (based on premium prices) per year by Brazilian contemporary artists in the main international auction houses from 2014 to 2022



It is hard to define the reasons for this, but the pattern does not look too different from that of

contemporary art in general, as shown by Artprice's contemporary art index (Artprice, 2022), where there is a decline from 2014 to mid-2016, and then a recovery – sharper than that for the Brazilian artists – until mid-2021.

4. Male vs female artists

It is estimated that the gender pay gap, although improving, is still around 11.6% across countries of the Organization for Economic Co-operation and Development (OECD, 2022) and, in the art world, this is perhaps even higher with works by women possibly representing only 2% of total sales (Halperin & Burns, 2019). But anecdotal evidence suggests that in the Brazilian art market this may not be the case, as the country boasts several famous female artists.

The present data show that there is a greater presence of male artists in these auctions (59 male vs 25 female) with a greater average number of lots (9 vs 6), although the average is skewed by one outlier male artist, Vik Muniz, who had 257 lots taken to auction during the period. This is confirmed by the smaller median number of lots for men (2 vs 3). Figure 4 shows the number of lots sold and not sold for both male and female artists.

Of note is the generally higher and more volatile bought-in rate for women (Figure 4), although, as a group, they tend to reach higher sale prices, despite an also greater volatility than the males (Figure 5). This is further evidenced when

considering the whole nine-year period, where the men's group has lower average lot price (USD59,819 male group vs USD274,129 female) and coefficient of variation (126% vs 137%) but more lots sold (370 vs 101).

Figure 4 – Number of lots and bought-in rate per year by (A) male and (B) female Brazilian contemporary artists in the main international auction houses from 2014 to 2022

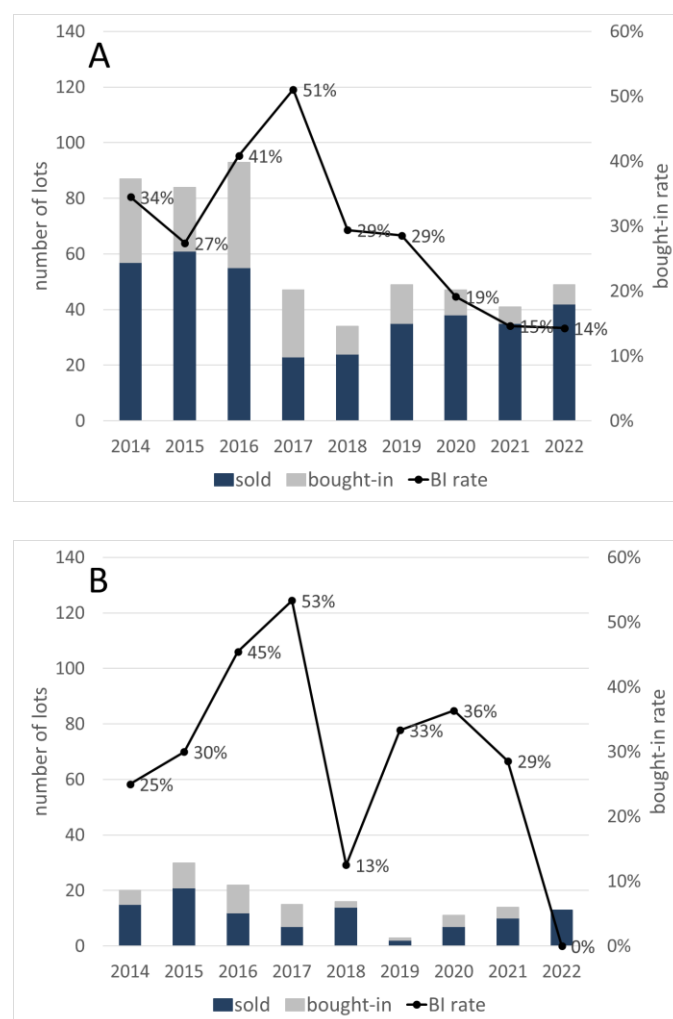
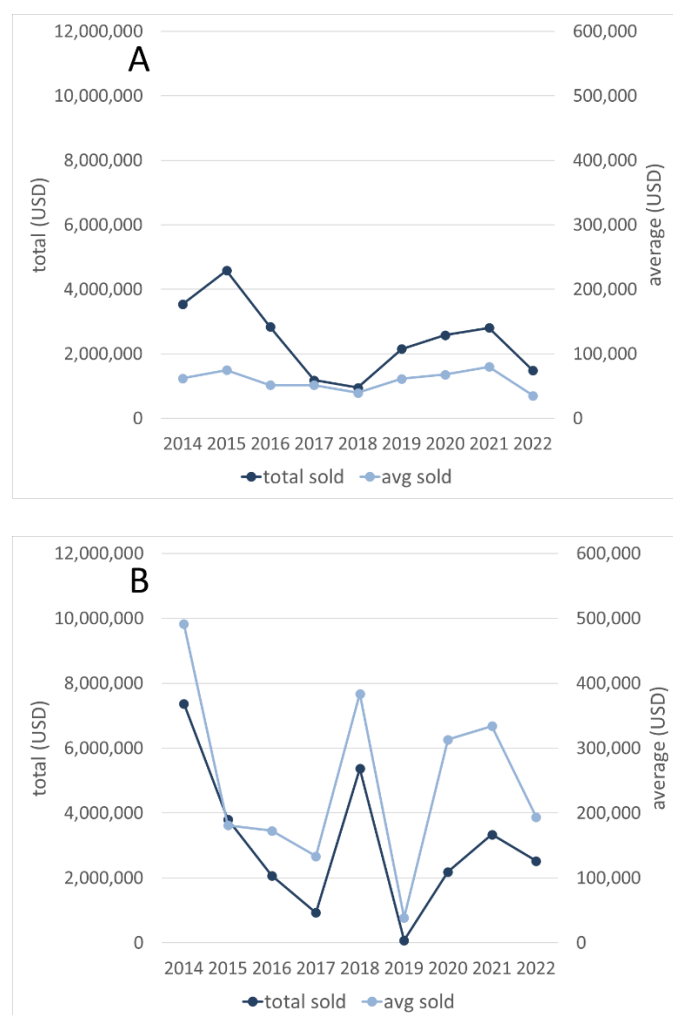


Figure 5 – Total value sold, and average value of sold lot (based on premium prices) per year by (A) male and (B) female Brazilian contemporary artists in the main international auction houses from 2014 to 2022



To further investigate these discrepancies, quartiles were established based on average premium prices for each artist. Table 1 shows the distribution within these quartiles of artists with more than one lot sold. Firstly, one can see that, although women are fewer, there is a higher proportion of female artists

with more than one lot sold (39% male vs 52% female). And, secondly, sales by male artists are more evenly distributed among the quartiles, while sales by females are more concentrated on the higher end. Together, this may suggest that it is harder for female artists to reach these main international auction houses and that, once they do, it is because they are the ones whose works are more highly sought after.

5. Success vs expectations

Success rate, measured as the number of lots sold relative to the total number taken to auction, for the whole nine-year period was 70% (69.7% for men and 70.1% for women). As mentioned earlier, a 30% bought-in rate is expected for these auction houses and, therefore, it can be said that the performance of Brazilian contemporary artists is within what would be more generally expected.

Another measure of success is to compare hammer price (sale price before buyer's fee) to the expected, estimated prices. The database consists of 499 entries for which hammer prices are available, representing 74% of the total number of lots, and similar between genders. The following comparisons refer to this subset, assuming it is representative of the entire set.

It should be noted that estimated prices are, in fact, educated guesses, and a work being sold for a value different from this may be due to an over or under performance of the work or, simply, to an

Table 1 – Distribution within quartiles of average premium price per artist of the number of Brazilian contemporary artists with more than one lot sold in the main international auction houses from 2014 to 2022

QUARTILE (AVERAGE PRICE RANGE, USD)	NUMBER OF ARTISTS (% of respective total number with more than one lot sold)		
	MALE & FEMALE	MALE ONLY	FEMALE ONLY
Q1 (0-10,000)	2 (6%)	2 (9%)	0 (0%)
Q2 (10,001-19,375)	9 (25%)	7 (30%)	2 (15%)
Q3 (19,376-39,675)	11 (31%)	7 (30%)	4 (31%)
Q4 (39,676-564,740)	14 (39%)	7 (30%)	7 (54%)
Total number with more than one lot sold (% of all artists)	36 (43%)	23 (39%)	13 (52%)

error on establishing the estimate. Therefore, interpretation of these comparisons should bear this in mind.

Figure 6 – Percentage of lots sold per year by Brazilian contemporary artists in the main international auction houses from 2014 to 2022, with hammer prices below, above or within the estimated values, and the amount by which these hammer prices differed from the mean estimate

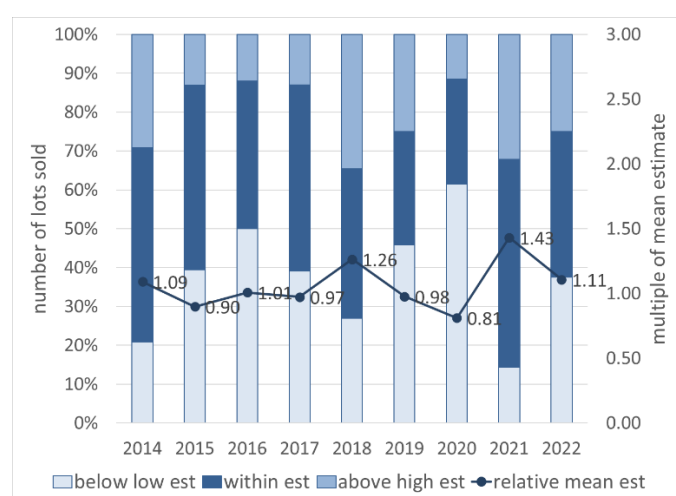


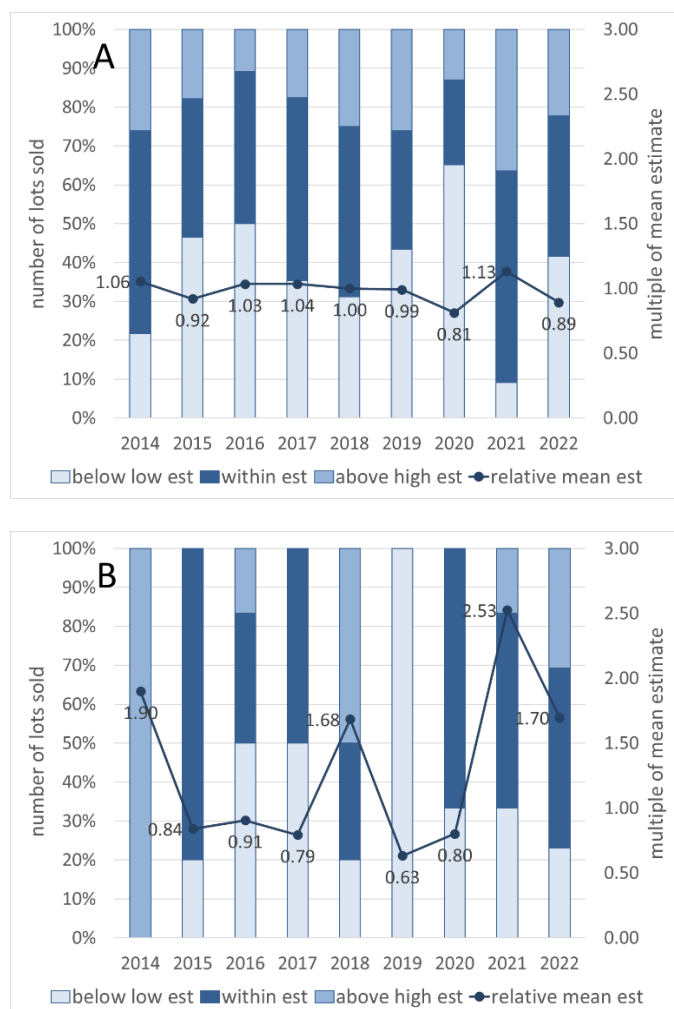
Figure 6 represents the number of lots selling below the low estimate, above the high estimate, or within these boundaries. It also shows how much was sold above or below the mean estimate (calculated as the average of low and high estimates), where a value of 1.0 indicates selling for the same value as the mean estimate.

In six of the nine years, there were more lots sold below the low estimate than above the high but, except for 2018 (26% above), 2020 (19% below) and 2021 (43% above), hammer prices were within 10% of the mean estimate. The stability is due to the men's group (Figure 7A) whose sales were even closer to the mean estimate, whereas the women's group was more erratic (Figure 7B).

In addition to the suggestion given above about the difficulty for non-top women artists to reach these main auction houses, possibly leading to more unstable results, an explanation to the more volatile nature of their sales may simply be the smaller

number of entries, compared to that of the group of male artists.

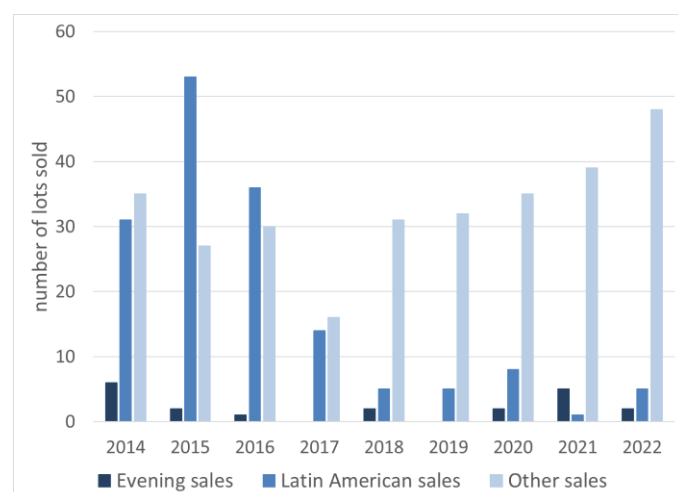
Figure 7 – Percentage of lots sold per year by (A) male and (B) female Brazilian contemporary artists in the main international auction houses from 2014 to 2022, with hammer prices below, above or within the estimated values, and the amount by which these hammer prices differed from the mean estimate



6. Types of sales

Traditionally, Christie's, Sotheby's and Phillips de Pury would have three types of sales involving Brazilian contemporary artists: the most prestigious contemporary evening sales, the contemporary day sales, and the Latin American art sales. With time and the arrival and proliferation of online sales, this has changed, and the titles of the sales are today less standardized. Thus, for the purpose of this paper, sale types have been separated into "Evening sales", "Latin American sales" and "Other sales", the latter including the contemporary day sales and other sales of contemporary art such as those titled "Contemporary Curated", "New Now", "First Online" etc.

Figure 8 - Number of lots sold per year by Brazilian contemporary artists in the main international auction houses from 2014 to 2022, by type of sale

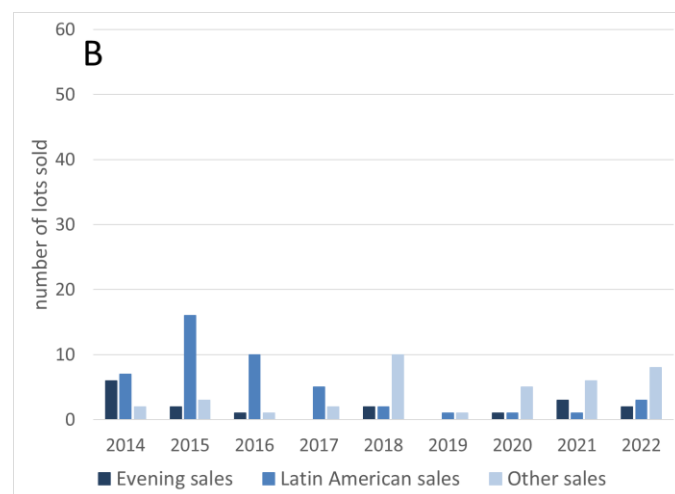
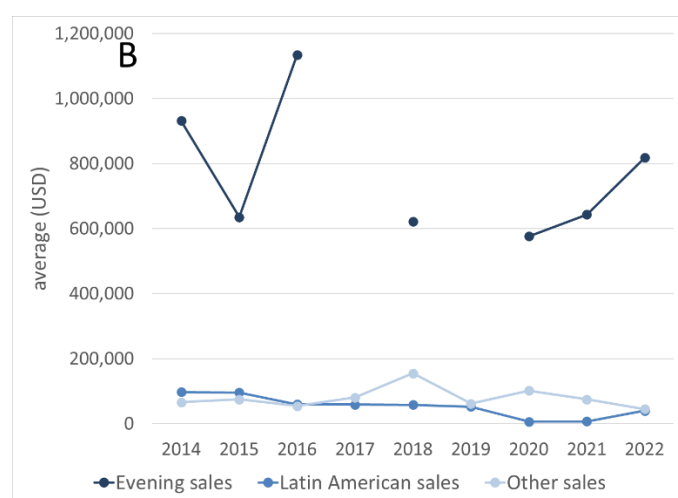
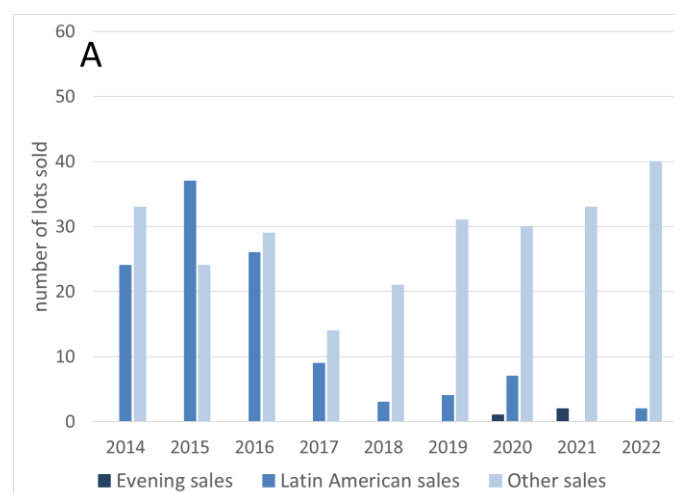
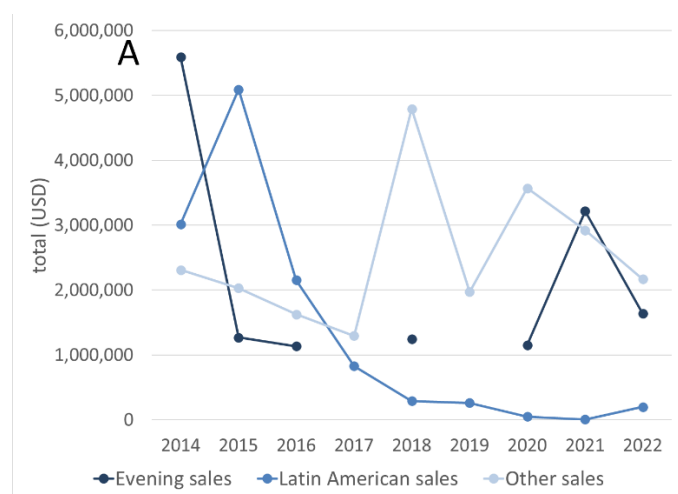


It is clear from Figure 8 that the Latin American art sales have nearly been extinguished (at least as far as regards Brazilian contemporary art), their content having migrated into “Other sales”. Also of note is the very small number of lots which enter the evening sales.

The years 2014 and 2021 were highlights with six and five lots, respectively, in these sales, with other years receiving only one, two or no lots. Moreover, total sale value from the evening sales, with just a few lots, sometimes surpasses that of the other sales (Figure 9A).

Figure 9 – (A) Total value sold, and (B) average value of sold lot (based on premium prices) per year by Brazilian contemporary artists in the main international auction houses from 2014 to 2022, by type of sale

Figure 10 - Number of lots sold per year by (A) male and (B) female Brazilian contemporary artists in the main international auction houses from 2014 to 2022, by type of sale



Similar to the number of lots, Figure 9A also reflects the fall in the “Latin American sales” and increase in “Other sales”. As for the average sale price (Figure 9B), that for the “Evening sales” is much higher than for the other two types, but one should be reminded that these are often the average of just two, and in 2016 only one sale. It is interesting to see, however, that the average price for the “Latin American sales” is very similar to that for “Other sales”.

Figure 10 again shows the discrepancy in number of lots between male and female artists and highlights the greater presence of women in the upper end of the value scale: in the whole nine-year period, only three lots in the “Evening sales” were by men, the other 17 by women.

7. Top artists

Another well-known fact about the art market is that it is concentrated in a small number of top artists. In general, the five top male artists account for about 10% of total auction sales for men, and the five top female artists take up around 40% of the sales for women (Halperin & Burns, 2019). To determine if this holds true for the Brazilian contemporary market, top artists were defined as those satisfying at least two of three criteria: (1) number of lots sold in the period greater than 10; (2) total value sold in the period greater than USD500,000; and (3) value of average lot sold in the period greater than USD100,000.

The criteria were established quasi-arbitrarily as they were based on knowledge of usual auction values and had the aim of setting a minimum threshold but without being excessively strict.

Table 2 – Compilation of data for Artprice’s list of top 500 contemporary artists from mid-2020 to mid-2021 (Artprice, 2022) and criteria for the present study

ARTPRICE’S TOP 500	NUMBER OF LOTS SOLD	TOTAL VALUE SOLD (USD)	AVERAGE LOT SOLD (USD)
average	45	4,873,235	294,852
range	1-1,679	343,319 - 385,872,046	2,050 - 34,798,125
Present study’s criteria	> 10	>500,000	>100,000

As a means of comparison, one can see in Table 2 the variation in these parameters for the top 500 contemporary artists listed by Artprice (2022) for one year of auction data, and where there were

65% of artists with more than 10 lots sold, 75% with a total value sold above USD500,000 and 41% with an average lot sold for a value above USD100,000. It is clear that criteria for the present study are near

the lower bound, more so considering that they are applied to data for a period of nine years, and therefore are in fact quite benevolent, as intended.

Seven artists satisfied at least two of these criteria, namely: Abraham Palatnik, Adriana Varejão, Beatriz Milhazes, Cildo Meireles, Lucas Arruda, Os Gêmeos and Vik Muniz. Of these, Abraham Palatnik, born in 1928, passed away in May 2020, and all others were born after 1945. It is, therefore, no coincidence that these living artists are the same Brazilians to show up on Artprice's list of 500 contemporary artists with greater volume of sales (Artprice, 2022).

Looking at the share of the market that these artists detain, one can confirm that they are the major makers of the market. Vik Muniz alone is responsible for 39% of the number of lots sold between 2014 and 2022; the other six top artists take up another 28%; and the remaining 34% is shared among the other 67 artists with sold lots (Figure 11). More striking is the share of total value sold (Figure 12) where Beatriz Milhazes, Adriana Varejão and Vik Muniz together take up 68% and the non-top artists are left with a slice of only 11% of sales.

Similar to what was reported by Halperin & Burns (2019) for the art market in general – that sales are concentrated on a few top artists and more so for women – but in a magnified scale, the two top women in this group of Brazilian contemporary artists accounted for 92% of the female market, and the five top men, for 86% of the male market.

Figure 11 – Share of number of lots sold by the top and other Brazilian contemporary artists in the main international auction houses from 2014 to 2022

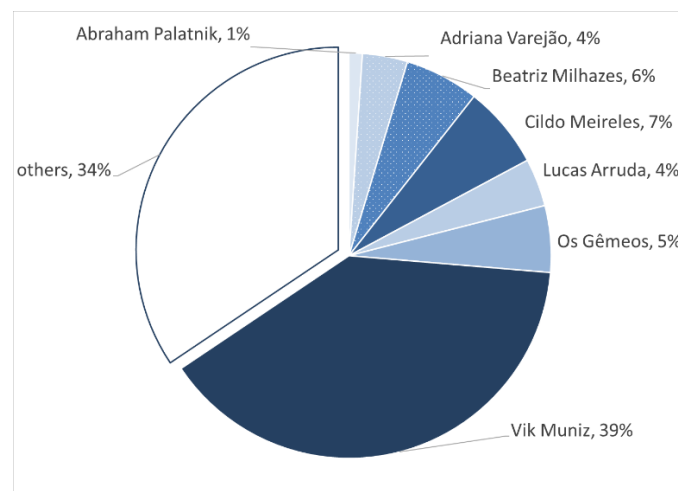
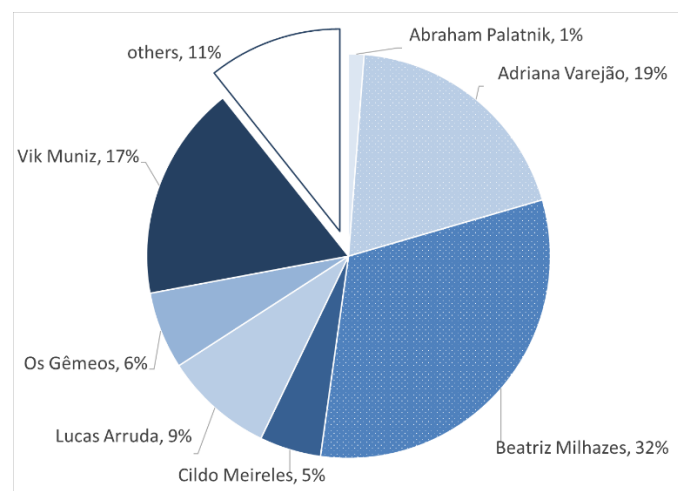


Figure 12 – Share of the total sale value by the top and other Brazilian contemporary artists in the main international auction houses from 2014 to 2022



Interestingly, it is the only two women in this top group who lead the list (Table 3), with average sale prices of more than twice that of any of the others

and, in the case of Milhazes, nearly twice the total value sold.

As a reminder, lots for Abraham Palatnik were only included until his death, according to the criteria established for entry into the database, and, thus, this study cannot establish if his sales increased

after 2020. And as a final note, mention should be made for Lucas Arruda, the youngest of the top artists (born in 1983), with a first lot taken to one of these auction houses in November 2019 and now ranked as one of the top artists, responsible for a considerable share (9%) of the market.

Table 3 – Number of lots sold, total value sold, and average sold lot (based on premium prices) for the top and other Brazilian contemporary artists in the main international auction houses from 2014 to 2022

ARTIST	NUMBER OF LOTS SOLD	TOTAL VALUE SOLD (USD)	AVERAGE LOT SOLD (USD)
Abraham Palatnik	5	618,000	123,600
Adriana Varejão	17	9,600,585	564,740
Beatriz Milhazes	28	15,798,120	564,219
Cildo Meireles	31	2,453,500	79,145
Lucas Arruda	18	4,356,943	242,052
Os Gêmeos	25	3,075,309	123,012
Vik Muniz	185	8,588,669	46,425
others	162	5,329,149	32,896

8. Conclusion

The purpose of this study was to summarize data gathered from 2014 to 2022 for works by Brazilian contemporary artists taken to auction in the main international auction houses, i.e., Christie's, Sotheby's, and Phillips de Pury. The year of 2017 was a turning point for this market: sale prices, which were already dropping, reached a nadir, and number of lots fell approximately 40%. Recovery seems to be slow, with still few lots being taken to auction and prices oscillating from year to year. However, bought-in rates are low, meaning that

there is demand for the – albeit few – lots, and sale prices are generally within the estimates.

Women represent only 30% of the Brazilian artists in these sales, although they are more concentrated on the upper end, whereas male artists are more evenly distributed on the price range. Possibly because of this concentration and the small numbers, prices for the group of female artists tend to oscillate more than for their male counterparts.

Just as for the art market in general, the market for Brazilian contemporary artists is highly

concentrated in just a few artists. It is two women, Beatriz Milhazes and Adriana Varejão, who are the highest ranked in total sale and average lot value, followed by five male artists and, together, these seven artists account for 89% of all sales.

The traditional Latin American art sales are slowly being extinguished and works that used to be allocated to these sales are being distributed to the “contemporary day” sales or to other sales dealing with contemporary art. However, the most prestigious “contemporary evening” sales still receive very few lots by Brazilian artists.

In summary, the general behaviour of the international market for Brazilian contemporary art does not seem to differ from that of the art market as a whole. It is still modest in the sense that there are few artists who have an established presence in these main auction houses, but not different or perhaps more successful than other peer nationalities.

More years of data need to be added to this database and other data about the Brazilian art market need to be studied to better understand the trends and relationships that might explain certain behaviours and, eventually, help draw significant policies for the sector. However, it is hoped that the present short study has brought some interesting information on which to build upon.

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