

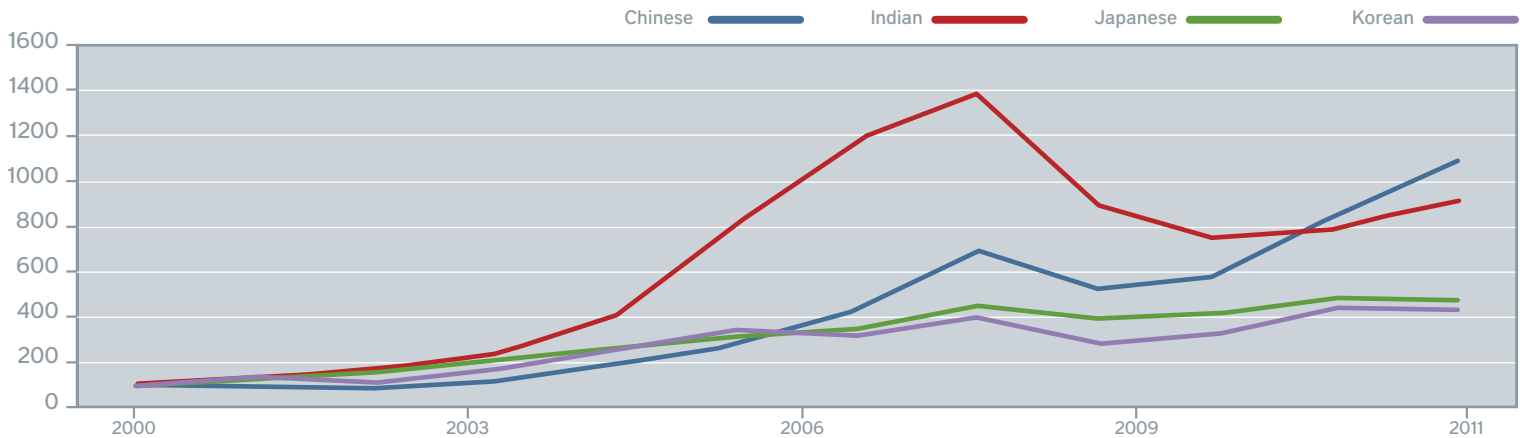
# Eastern Expansion

Coming off the implosion of the real estate bubble in Japan in the early 1990s and the resulting years of stagnation, few could have predicted the explosive economic growth that would spread across Asia, especially in China and India, over the past dozen years. As a newly wealthy consumer class has emerged in those two countries since the turn of the millennium, demand for works made by their nations' artists has likewise taken off. The paintings auction data culled from the Blouin Art Sales Index that was used for this analysis indicates growth in all four countries highlighted. However, the most dramatic changes took place in China, which today boasts the most sales by volume and the most liquid art market. Moreover, while equities indices have shown average annual returns in the single digits in the period since 2000, some Indian and Chinese artists—both contemporary and established ones—have generated returns of more than 1,000 percent, outperforming any other investment class. BY ROMAN KRAEUSSEL

## INDICES BY NATIONALITY, 2000 THROUGH 2011

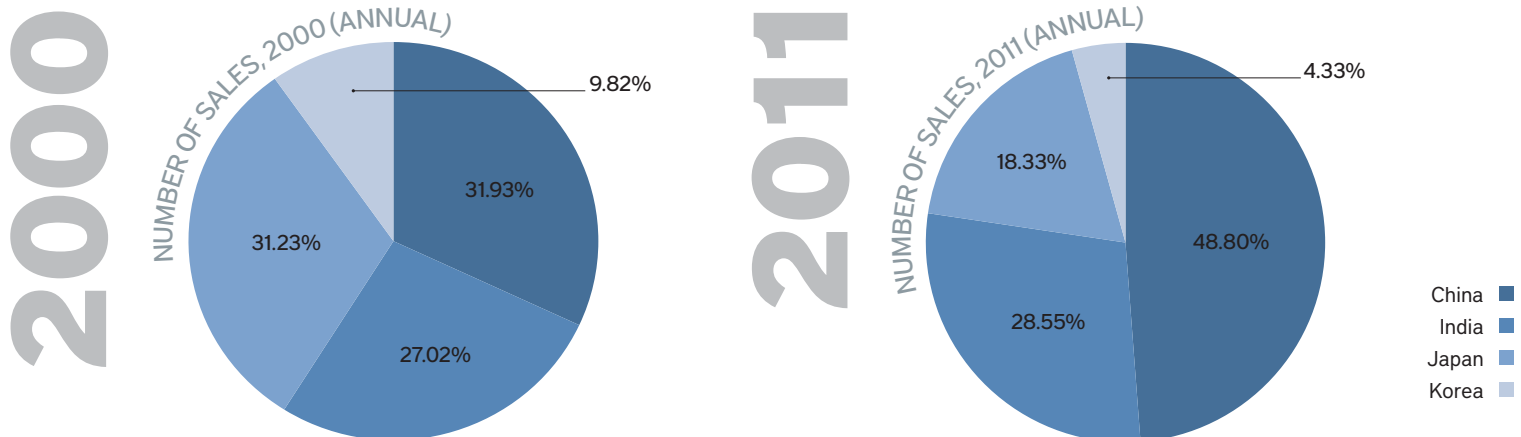
The Indian art index had an average annual return of more than 25 percent, but it also displayed the most volatility and, despite modest gains in 2010 and 2011, remains well off its 2007 high. In contrast, the Chinese market grew significantly from 2003 through 2007 and was less affected by the slump of 2008 and 2009, resulting in an average annual index return of more than 30 percent. By 2010 its gains had overtaken those of the Indian market for the first time. No longer "emerging," China can now be considered the region's dominant art market, heavily backed by national collectors. The index to Japanese paintings behaves like a blue-chip investment, offering lower returns in exchange for lower risk, and reflecting that country's established art market.

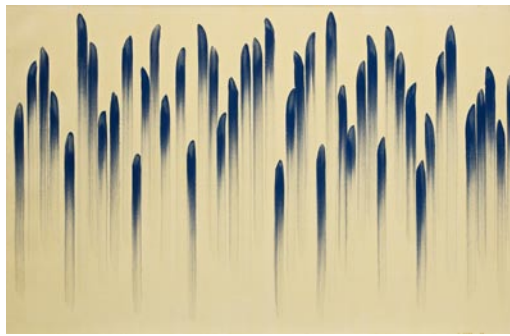
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## MARKET SHARE BY NATIONALITY, 2000 VS. 2011

The small market for Korean art has grown roughly fourfold in recent years, yet its share of the region's overall art market shrank between 2000 and 2011. Japan likewise lost nearly half of its market share, with all of the gains from both countries accruing to China, which now accounts for nearly half of all sales in the region. Despite the price volatility within its market, India maintained its share of the Asian sector during the period under consideration.





Zhang Xiaogang's *Bloodline: Big Family No. 1*, 1994, sold for \$8.4 million at Sotheby's Hong Kong in October 2011; Lee Ufan's *From Line, 790294*, 1979, earned \$1.4 million at Sotheby's New York this past May; Yoshitomo Nara's *Missing in Action*, 1999, fetched \$1.5 million at Christie's London in June 2011; and S.H. Raza's *Clocher du village*, 1958, realized \$785,000 at the house earlier that same month.



## TOP ARTISTS BY TOTAL VALUE OF SALES, 2000 THROUGH 2011

While growth in the region's art markets has been broad-based, occurring in all countries and across all art segments, the years from 2003 to 2007 saw the emergence of a particularly dynamic and speculative contemporary category. Artworks by several Asian artists nowadays regularly fetch upwards of \$1 million at auction. Indeed, in the top-10 lists of artists with the greatest dollar turnover, those from the contemporary segment dominate all other styles in all four countries.

### Chinese

RANK	NAME	# SALES	USD TURNOVER
1	Zao Wou-Ki	344	\$192,485,598
2	Zhang Xiaogang	206	\$158,175,869
3	Zeng Fanzhi	160	\$112,869,350
4	Yue Minjun	151	\$101,864,573
5	San-Yu	59	\$78,215,575
6	Chu Teh-Chun	300	\$66,285,041
7	Wu Guanzhong	111	\$51,208,285
8	Wang Guangyi	218	\$45,379,428
9	Liu Ye	78	\$42,004,442
10	Yan Pei Ming	141	\$37,842,265

### Indian

RANK	NAME	# SALES	USD TURNOVER
1	Francis Newton Souza	520	\$73,718,847
2	Sayed Haider Raza	513	\$67,934,257
3	Maqbool Fida Husain	485	\$66,429,540
4	Tyeb Mehta	67	\$37,892,754
5	Subodh Gupta	88	\$35,439,663
6	Ram Kumar	229	\$28,934,745
7	Akbar Padamsee	131	\$23,249,992
8	Vasudeo S Gaitonde	38	\$17,047,786
9	Jagdish Swaminathan	83	\$14,146,983
10	TV Santhosh	76	\$9,581,115

### Japanese

RANK	NAME	# SALES	USD TURNOVER
1	Takashi Murakami	152	\$55,949,713
2	Yayoi Kusama	356	\$38,221,795
3	Yoshitomo Nara	189	\$34,496,786
4	Tsuguharu Foujita	167	\$17,097,531
5	On Kawara	29	\$12,703,354
6	Kazuo Shiraga	63	\$12,629,753
7	Takanari Oguiss	131	\$8,263,429
8	Tetsuya Ishida	19	\$5,116,326
9	Aya Takano	52	\$4,706,970
10	Hiroyuki Matsuura	33	\$3,153,307

### Korean

RANK	NAME	# SALES	USD TURNOVER
1	Lee Ufan	50	\$15,590,707
2	Kim Dong-Yoo	24	\$8,453,725
3	Park Soo Keun	11	\$7,275,000
4	Kim Whanki	22	\$6,104,209
5	Kang Hyung Koo	19	\$5,892,013
6	Hong Kyong Tack	22	\$5,408,542
7	Kim Tschang-Yeul	39	\$4,045,680
8	Choi So-Young	20	\$3,353,269
9	Oh Chi Gyun	7	\$2,825,694
10	Kim Sou	6	\$1,519,708