

RICS Arts & Antiques Market Survey

RICS Economics Q4 2009

www.rics.org

Prices rises gain momentum led by silver and jewellery subsectors

- The All Lot price balance rebounds further.
- Best performing subsectors are Silver and Jewellery; worst performing are Clocks and Ceramics.
- Confidence in demand and supply falls slightly but remains comfortably positive.

The net balance of surveyors reporting rising rather than falling prices edged up further in the fourth quarter, with the All Lot price balance increasing from +14 to +17 (the highest reading since Q1 2009). The rebound in the arts and antiques market coincides with the rebound in other asset classes such as equities and property.

Out of the ten subsectors covered in the survey, only three did not record a positive net balance during the latest three month period; clocks, ceramics and books. For the second consecutive quarter, all price ranges recorded positive readings, with price momentum at the bottom end playing catch-up.

For the first time since Q3 2008, the contemporary art subsector recorded a positive net balance of +6, possibly signalling an end to the sharp downturn that has taken place in the subsector. In the oil and water colour subsector, prices rose at the headline level, but were still falling at the bottom end of the market.

Silver and Jewellery remained the best performing subsectors with net balances of +50 and +37 respectively. Their strength is in part due to the increased scrappage value of precious metals during the fourth quarter.

In terms of the demand and supply outlooks for Q1 2010, confidence fell slightly in both cases but still remains conformably in positive territory.

	Proportion of surveyors reporting a rise, fall or no change in All Lot prices over the last three months ³				Expected buyers ¹	Expected sales ¹
	Rise %	Same %	Fall %	Balance ²		
-----Not Seasonally Adjusted-----						
Q1-2008	36	48	16	20	32	17
Q2-2008	20	59	21	0	-25	-11
Q3-2008	19	60	21	-2	0	17
Q4-2008	9	51	41	-32	-5	-14
Q1-2009	33	53	14	19	39	31
Q2-2009	26	56	19	7	41	13
Q3-2009	22	69	8	14	47	47
Q4-2009	29	58	12	17	33	31

¹ Expectations over the next three months

² Balance = Proportion of surveyors reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the unadjusted balance will be 25%)

³ proportions are based on simple weighted averages of the three or four price tiers

Figures may not sum up to 100% due to rounding errors.

Total number of survey contributors = 40

RICS UK
12 Great George Street
Parliament Square
London SW1P 3AD
T +44 (0) 20 7334 3774
F +44 (0) 20 7334 3795
economics@rics.org.uk

All rights reserved, copyright 2008 RICS. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means without prior permission of RICS.

RICS makes no representation, express or implied, with regard to the accuracy of the information contained in this publication and cannot accept any responsibility in law for any errors or omissions. The information in this publication contains general guidelines or estimates, and does not purport to be advice on any particular matter or project. No reader should act on the basis of information contained in this publication without first taking professional advice appropriate to their particular circumstances.



RICS Arts & Antiques Market Survey

All Lots

----- All Lots - Not Seasonally Adjusted Balance ¹ -----						
	£1 - £1,000	£1,000 - £5,000	£5,000 - £50,000	£50,000 upwards ²		Average
Q1-2008	4	7	50	n/a		20
Q2-2008	-41	-18	15	43		0
Q3-2008	-34	-22	7	39		-2
Q4-2008	-45	-39	-22	-23		-32
Q1-2009	33	21	17	6		19
Q2-2009	18	18	8	-17		7
Q3-2009	6	9	13	29		14
Q4-2009	23	19	19	7		17

Furniture

----- Furniture Lots - Not Seasonally Adjusted Balance ¹ -----				
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards	Average
Q1-2008	2	2	37	14
Q2-2008	-51	-21	12	-20
Q3-2008	-41	-9	33	-6
Q4-2008	-50	-40	-31	-40
Q1-2009	23	9	4	12
Q2-2009	5	5	0	4
Q3-2009	3	6	9	6
Q4-2009	8	26	-4	10

Books

----- Book Lots - Not Seasonally Adjusted Balance ¹ -----					
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards		Average
Q1-2008	n/a	n/a	n/a		n/a
Q2-2008	-2	8	12		6
Q3-2008	-2	6	6		3
Q4-2008	-2	-5	-3		-3
Q1-2009	16	7	0		8
Q2-2009	10	5	6		7
Q3-2009	14	17	19		16
Q4-2009	0	-4	0		-1

Ceramics

----- Ceramic Lots - Not Seasonally Adjusted Balance ¹ -----				
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards	Average
Q1-2008	-22	2	25	2
Q2-2008	-31	-10	15	-8
Q3-2008	-16	-6	21	-1
Q4-2008	-48	-31	-19	-33
Q1-2009	10	0	10	7
Q2-2009	-20	0	13	-3
Q3-2009	-12	-3	5	-3
Q4-2009	-8	3	0	-2

Silver

----- Silver Lots - Not Seasonally Adjusted Balance ¹ -----				
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards	Average
Q1-2008	43	44	34	40
Q2-2008	32	27	37	32
Q3-2008	31	22	32	28
Q4-2008	3	0	-3	0
Q1-2009	52	37	20	36
Q2-2009	39	42	35	39
Q3-2009	44	42	24	37
Q4-2009	63	50	38	50

Clocks

----- Clock Lots - Not Seasonally Adjusted Balance ¹ -----				
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards	Average
Q1-2008	-21	-4	22	-1
Q2-2008	-32	-15	8	-13
Q3-2008	-28	2	18	-3
Q4-2008	-42	-24	-13	-26
Q1-2009	-5	-14	12	-3
Q2-2009	-3	-7	29	7
Q3-2009	3	6	12	7
Q4-2009	-17	-10	-6	-11

Notes:

1 Balance = Proportion of surveyors reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the unadjusted balance will be 25%)

2 This category was added in Q2 2008

Several new categories have been added in the Q2 2008 survey, namely: books, jewellery, toys, militaria, oils and watercolours, and contemporary art. The latter two categories have replaced paintings in the Q1 2008 survey.

RICS (Royal Institution of Chartered Surveyors) is the leading organisation of its kind in the world for professionals in property, land, construction and related environmental issues. As part of our role we help to set, maintain and regulate standards – as well as providing impartial advice to Governments and policymakers. RICS members operate in 146 countries, supported by an extensive network of regional offices located in every continent around the world. To ensure that our members are able to provide the quality of advice and level of integrity required by the market, RICS qualifications are only awarded to individuals who meet the most rigorous requirement for both education and experience and who are prepared to maintain high standards in the public interest. With this in mind it's perhaps not surprising that the letters RICS represent the mark of property professionalism worldwide.



RICS Arts & Antiques Market Survey

Jewellery

----- Jewellery Lots - Not Seasonally Adjusted Balance ¹ -----						
	£1 - £1,000	£1,000 - £5,000	£5,000 - £50,000	£50,000 upwards ²	Average	
Q1-2008	n/a	n/a	n/a	n/a	n/a	n/a
Q2-2008	17	20	30	30	24	24
Q3-2008	25	22	27	45	30	30
Q4-2008	-10	15	0	-9	-1	-1
Q1-2009	63	62	29	46	50	50
Q2-2009	32	33	18	18	26	26
Q3-2009	36	47	45	45	44	44
Q4-2009	65	48	17	17	37	37

Toys

----- Toy Lots - Not Seasonally Adjusted Balance ¹ -----						
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards	Average		
Q1-2008	n/a	n/a	n/a	n/a	n/a	n/a
Q2-2008	-4	-5	15	2	2	2
Q3-2008	10	9	7	7	9	9
Q4-2008	-21	-11	-13	-13	-15	-15
Q1-2009	24	5	25	25	18	18
Q2-2009	18	15	10	10	14	14
Q3-2009	17	23	14	14	18	18
Q4-2009	28	20	-8	-8	13	13

Militaria

----- Militaria Lots - Not Seasonally Adjusted Balance ¹ -----						
	£1 - £1,000	£1,000 - £5,000	£5,000 upwards	Average		
Q1-2008	n/a	n/a	n/a	n/a	n/a	n/a
Q2-2008	11	7	15	15	11	11
Q3-2008	13	20	15	15	16	16
Q4-2008	7	10	-66	-66	-16	-16
Q1-2009	50	29	15	15	31	31
Q2-2009	26	40	31	31	32	32
Q3-2009	42	36	23	23	34	34
Q4-2009	25	16	8	8	16	16

Pictures A) Oils and Water Colours

----- Oil and watercolour Lots - Not Seasonally Adjusted Balance ¹ -----						
	£1 - £1,000	£1,000 - £5,000	£5,000 - £50,000	£50,000 upwards ²	Average	
Q1-2008	n/a	n/a	n/a	n/a	n/a	n/a
Q2-2008	-45	-19	2	35	-7	-7
Q3-2008	-40	-18	3	34	-5	-5
Q4-2008	-56	-40	-46	-47	-47	-47
Q1-2009	-10	-3	22	31	10	10
Q2-2009	-16	-3	15	25	5	5
Q3-2009	-29	-6	14	9	-3	-3
Q4-2009	-19	6	16	17	5	5

Pictures B) Contemporary Art

----- Contemporary Art Lots - Not Seasonally Adjusted Balance ¹ -----						
	£1 - £1,000	£1,000 - £5,000	£5,000 - £50,000	£50,000 upwards ²	Average	
Q1-2008	n/a	n/a	n/a	n/a	n/a	n/a
Q2-2008	28	40	56	68	48	48
Q3-2008	7	22	68	66	41	41
Q4-2008	-50	-58	-41	-13	-41	-41
Q1-2009	-21	-31	-48	-50	-38	-38
Q2-2009	-22	-20	-33	-21	-24	-24
Q3-2009	-48	-32	-29	-27	-34	-34
Q4-2009	5	0	9	9	6	6

Notes:

¹ Balance = Proportion of surveyors reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the unadjusted balance will be 25%)

RICS Arts & Antiques Market Survey

Expected Supply

Proportion of respondents expecting a rise, no change or fall in lots offered over the next 3 months

	Rise %	Same %	Fall %	Balance
-----NSA-----				
Q1-2008	33	50	17	17
Q2-2008	26	37	37	-11
Q3-2008	40	37	23	17
Q4-2008	24	38	38	-14
Q1-2009	50	31	19	31
Q2-2009	37	39	24	13
Q3-2009	50	47	3	47
Q4-2009	41	49	10	31

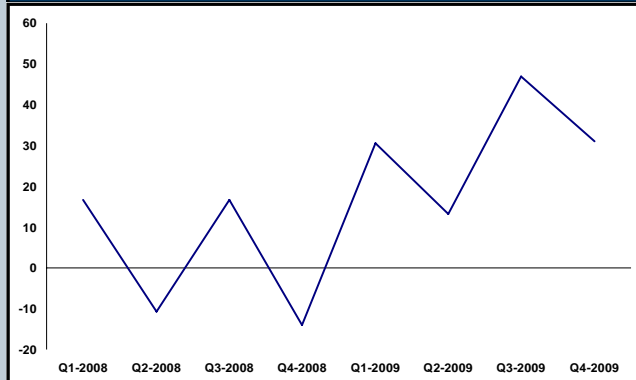
Balance figure is NOT the percentage change in sales but an indication of the trend in expected sales

Figures may not sum up to 100% due to rounding errors

NSA = Not Seasonally Adjusted

Expected supply (lots offered), next three months

% balance, not seasonally adjusted



Expected demand

Proportion of respondents expecting a rise, no change or fall in supply over the next 3 months

	Rise %	Same %	Fall %	Balance
-----NSA-----				
Q1-2008	36	60	4	32
Q2-2008	14	48	38	-25
Q3-2008	18	63	18	0
Q4-2008	12	71	17	-5
Q1-2009	53	33	14	39
Q2-2009	46	49	5	41
Q3-2009	53	42	6	47
Q4-2009	41	51	8	33

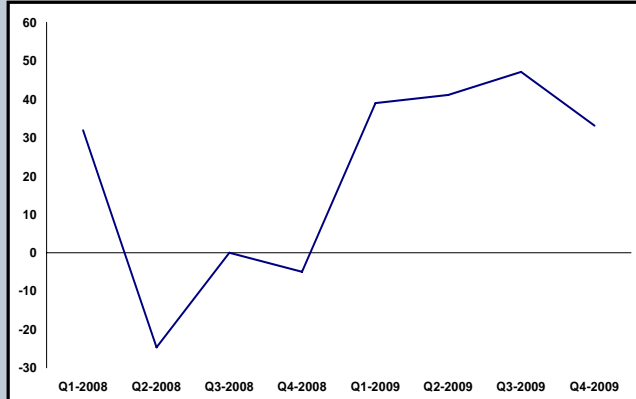
Balance figure is NOT the percentage change in prices but an indication of the trend in expected prices

Figures may not sum up to 100% due to rounding errors

NSA = Not Seasonally Adjusted

Expected demand (number of buyers), next three months

% balance, not seasonally adjusted



Attendees

Proportion of surveyors reporting a rise, no change or fall in attendees over the last 3 months

	Rise %	Same %	Fall %	Balance
-----NSA-----				
Q2-2009	55	38	8	48
Q3-2009	64	33	3	61
Q4-2009	64	28	8	56

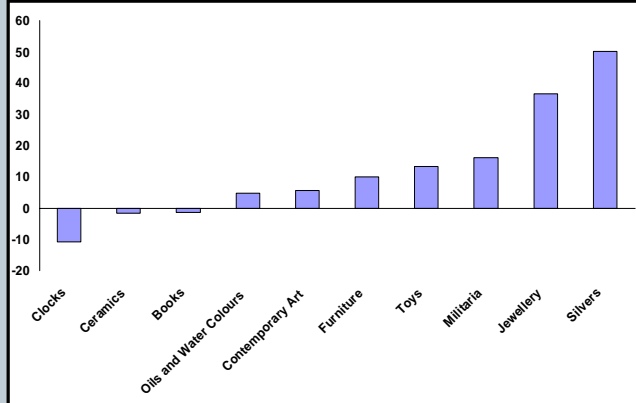
Balance figure is NOT the percentage change in sales but an indication of the trend in expected sales

Figures may not sum up to 100% due to rounding errors

NSA = Not Seasonally Adjusted

Q3 2009 sector rankings — balance readings for current quarter

% balance, not seasonally adjusted



RICS Arts & Antiques Market Survey

Chartered Surveyor Market Comments

Toby Pinn MRICS, Clevedon Salerooms, Clevedon, North Somerset, 01934 830111 - In early December we held our largest sale in terms of number of lots for the whole of 2009, This was the direct result of attendance at our fortnightly format of three consecutive Free Valuation Days, described by our Saleroom Manager as the busiest he had known.

Simon Shouler FRICS, Shouler & Son, Melton Mowbray, Leics, 01664 560181 - To some extent prices are seasonal.

Sean Ball MRICS, Cunningham Lindsey, London, City, 7880780177 - Low interest rates offered by usual investment providers has lead people to explore other methods of investment. Particular activity in "precious metal" related items. Contemporary Art has shown an upward trend for some time and is also an alternative investment.

David Webb FRICS, Webb Valuations Fine Art Ltd, London, Tower Hamlets, 020 7491 3941 - The market remains selective and discerning, with a good level of demand throughout.

David Brettell ARICS, Brettells, Newport, Shropshire, 01952 815925 - Still waiting for House sales to pick up, most of our lots come from House Clearances.

John Stancliffe FRICS, Stancliffe & Glover Ltd., London, Westminster, 020 7630 8255 - Still a shortage of good property coming in for auction.

Christopher Ironmonger FRICS, Bigwood Fine Art Auctioneers Ltd, Stratford Upon Avon, Warwickshire, 01789 269415 - We have seen an improvement in supply since September 2009 and demand has remained generally good. Our wine sales have shown strong demand for good quality lots.

Charles Ashton MRICS, Cheffins, Cambridge, Cambs, 01223 213343 - Strong bidding still from the Far East for items of sufficient age and quality. A notable example being an ivory table screen which had fetched £3,200 in June this year, did not get paid for and made £5,500 in November when it was re-offered.

Rupert Toovey MRICS, Rupert Toovey Antique and Fine Art Valuations, Horsham, West Sussex, 07802 203655 - The revival in the market especially for more traditional things continues apace!

Richard Harrison MRICS, G E Sworder & Sons, Hertford, Hertfordshire, 01992 583508 - Little demand in the middle range of antique furniture that was once the backbone of the antiques trade, no sign of improved interest from the American market. Tastes have moved significantly away from traditional antiques.

Chris Ewbank FRICS ASFAV, Ewbank Clarke Gammon Wellers, Guildford, Surrey, 01483 223101 - There is continuing underlying strength in the antiques and fine art auction market with our December auction being our best for 18 months. This strength covers virtually all areas. A good entry of contemporary prints was extremely well received.

Colin Young MRICS FNAVA, Golding Young & Co, Grantham, Lincolnshire, 01476 565118 - The volume of buyers is increasing sale by sale across the board and having an inevitable positive drive on prices. An interesting statistic is that less than 1% of purchases in our last sale was paid for by credit card.

Jeremy Lamond MRICS, Halls Auctioneers Ltd, Shrewsbury, Shropshire, 01743 284777 - The recession has seen heightened activity in the salerooms but the coming general election may lead to some volatility as customers anticipate tax rises and cuts in the public sector.

Peter Warren MRICS, Warren & Wignall Ltd, Leyland, Lancashire, 1772451430 - Continuing lack of confidence in the economy and money investments has lead to an increase in the number of buyers at auction and the general level of buying and selling particularly at the lower end of the market.

Aaron Dean MRICS, Gorrings, Lewes, East Sussex, 01273 472503 - Condition is now more important than ever on fine art and antiques worth up to £1500. This is particularly important with furniture and ceramics, anything in need of attention or tired is passed by the trade and private buyers alike.

Guy Schooling FRICS, Sworders Fine Art Auctioneers, Stansted Mountfitchet, Essex, 01279 817778 - The number of lots we have handled this year is greater than ever (a 20% increase on last year), average lot values are down a little. Furniture remains difficult, with much less trade activity. Victorian remains unpopular.

Simon Jones FRICS, Jones & Jacob Ltd, Watlington, Oxon, 01491 612810 - Prices are held back by lack of demand in brown furniture. Special items remain much sought after especially Oriental items.

Diane Sinnott MRICS, Tennants Auctioneers, Leyburn, North Yorkshire, 01969 623780 - Tenants had a record November catalogue sale, £2.6 million (including commission) with low unsold. There is more demand for furniture, silver and gold.

P. Muzzlewhite FRICS, Whitton & Laing, Exeter, Devon, 01392 285070 - Insolvency work has increased leading to larger sales.

Andrew Acquier FRICS, Andrew Acquier FRICS, London, City of London, 020 7353 6440 - We have noticed a sharp rise in the value of silver and jewellery at auction in recent weeks.

D M Wise FRICS, Mitchells, Cockermouth, Cumbria, 01900 827800 - The relatively static housing market is still having a negative impact on both the supply of and demand for goods. Jewellery prices and prices for better quality goods are steadily increasing probably due to poor returns on cash and shares etc.

RICS Arts & Antiques Market Survey

Contributor details

Robert P Inman FRICS,
Raymond P Inman,
Brighton and Hove,
East Sussex - 01273
774777

Toby Pinn MRICS,
Clevedon Salerooms,
Clevedon, North Som-
erset - 01934 830111

Simon Shouler FRICS,
Shouler & Son, Melton
Mowbray, Leics - 01664
560181

Sean Ball MRICS, Cun-
ningham Lindsey, Lon-
don, City - 7880780177

David Webb FRICS,
Webb Valuations Fine
Art Ltd, London, Tower
Hamlets - 020 7491
3941

David Brettell ARICS,
Brettells, Newport,
Shropshire - 01952
815925

John Stancliffe FRICS,
Stancliffe & Glover Ltd.,
London, Westminster -
020 7630 8255

Gerald Chidwick
FRICS, Gerald Chid-
wick Chartered Sur-
veyor, Bampton,
Devon, Devon - 01 398
331 354

John D M Thomson
FRICS, Thomson, Rod-
dick & Medcalf, Carlisle,
Cumbria - 01228
528939

Christopher Ironmonger
FRICS, Bigwood Fine
Art Auctioneers Ltd,
Stratford Upon Avon,
Warwickshire - 01789
269415

Charles Ashton MRICS,
Cheffins, Cambridge,
Cams - 01223 213343

Richard Storry MRICS,
lithgow sons and partners,
Middlesbrough, North
Yorks - 1642710158

Rupert Toovey MRICS,
Rupert Toovey Antique
and Fine Art Valuations,
Horsham, West Sussex -
07802 203655

Richard Harrison MRICS,
G E Sworder & Sons,
Hertford, Hertfordshire -
01992 583508

Chris Ewbank FRICS AS-
FAV, Ewbank Clarke
Gammon Wellers, Guild-
ford, Surrey - 01483
223101

Colin Young MRICS
FNAVA, Golding Young &
Co, Grantham, Lincoln-
shire - 01476 565118

A D Hartley FRICS,
Hartleys, Ilkley, West
Yorkshire - 01943 816363

Ryan Beach MRICS, An-
themion Auctions, Cardiff,
South Wales - 029 2047
2444

Lindsey Braune MRICS,
The Cotswold Auction
Company, Cheltenham,
Glos - 01242 256363

Jeremy Lamond MRICS,
Halls Auctioneers Ltd,
Shrewsbury, Shropshire -
01743 284777

Mark Stephen MRICS,
Christies, London, South
Kensington - 2077523211

Peter Warren MRICS,
Warren & Wignall Ltd,
Leyland, Lancashire -
1772451430

Aaron Dean MRICS, Gor-
ringes, Lewes, East Sus-
sex - 01273 472503

Toby Service, Brightwells
Ltd, Leominster, Hereford-
shire - 1568611122

Guy Schooling FRICS,
Sworders Fine Art Auction-
eers, Stansted Mount-
fitchet, Essex - 01279
817778

Philippa Deeley MRICS,
Philippa H Deeley Ltd,
Bodiam, East Sussex -
07977 565616

Simon Jones FRICS,
Jones & Jacob Ltd, Wat-
lington, Oxon - 01491
612810

Diane Sinnott MRICS,
Tennants Auctioneers,
Leyburn, North Yorkshire -
01969 623780

Geoffrey Crofts MRICS,
Brightwells Ltd, Leomin-
ster, Herefordshire - 01568
611122

Mary Griffith-Thompson
MRICS, The Antiques At-
tache, Norwich, Norfolk -
01603 879653

P.Muzzlewhite FRICS,
Whitton & Laing, Exeter,
Devon - 01392 285070

SARAH PLIMMER
MRICS, Wintertons Fine
Arts (part of Bagshaws
LLP), Uttoxeter, Staffor-
dshire - 01889 564385

Rita Kearsey MRICS,
Smiths Newent Auctions,
Newent, Gloucestershire -
01531 821776

William Gerard Coughlan
FRICS, Hartleys, Ilkley,
West Yorkshire - 01943
816363

Andrew Acquier FRICS,
Andrew Acquier FRICS,
London, City of London -
020 7353 6440

C Beacher ASFAV, Henry
Adams, Chichester, Sus-
sex - 01243 532223

Robin Barlow FRICS,
Robin Barlow Fine Art
Consultant, Newton Abbot,
Devon - 01803 812893

D M Wise FRICS,
Mitchells, Cockermouth,
Cumbria - 01900 827800

Mark Stephen, Christies,
London, South Kensington
- 2077523211

Mark Dalrymple
FRICS, FCII, FCILA, FRSA,
Tyler & Co., London - 020
7377 0282

RICS Arts & Antiques Market Survey

Subscription information and contributor enquiries

The Arts and Antiques Market Survey is available from the RICS web site - www.rics.org, along with other quarterly surveys covering the housing market, residential lettings, commercial property, construction activity and the farmland market.

To subscribe the market surveys, to obtain time series data or for contributor database enquiries, please contact Janet Guilfoyle on +44 (0)20 7334 3890.

The Royal Institution of Chartered Surveyors
12 Great George Street
Parliament Square
London SW1P 3AD

T +44 (0)20 7222 7000
F +44 (0)20 7334 3795

economics@rics.org
www.rics.org