

WHY WE CHOSE THIS MASTERPIECE

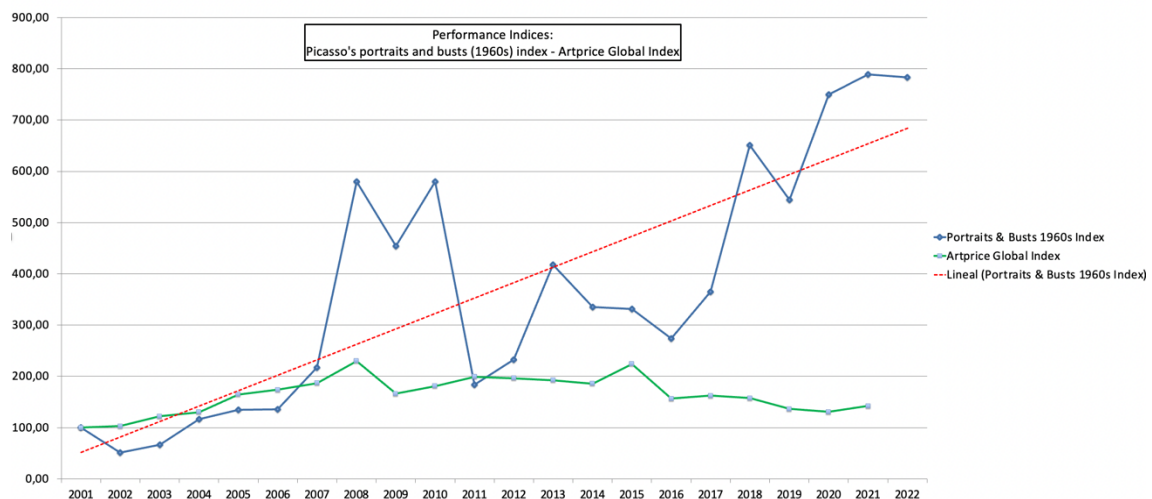
Pablo Picasso

Often titled the most influential artist of the 20th century, Pablo Picasso's importance for the world's cultural heritage is reflected in the constantly growing prices and the dominance of his works within the top levels of the global art market. While Picasso created a vast output of artworks including paintings, drawings, sculptures and ceramics, it is mainly his paintings that determine his prominence as an artist worth acquiring. The total turnover of paintings sold at auction since 2000 accumulates to a whopping USD 5.1 billion, with USD 660 million (which makes 13% in 22 months) since 2021, when the artworld started to resume after the global health crisis had auction houses cancel sales in 2020.

Portraits and busts

Over a third of these USD 660 million were paid for portraits or paintings of busts of which 21 works sold at auction in the respective period. Portraits and busts form a significant part of Picasso's artistic creation and especially works from the 1960s have a strong market presence. When looking at the last two decades around 100 of these paintings from the 1960s changed hands at auction; with steadily rising prices, particularly in the last half a dozen years, when the average sale price rose to USD 5.9 million in comparison to an average of USD 3.5 million since 2000. The total sales of portraits and busts from the 1960s confirm this rising trend with the overall turnover of this group accumulating to USD 342 million since 2000 and half of it achieved in the last five years only.

In the last ten years, this group of artworks significantly outperforms the Artprice Global Index and shows a steep tendency upwards.



Paloma Picasso

The selected group of paintings range in prices from USD 200,000 to 22 million, which is greatly owed to whether the painting's sitter can be identified or not. Paintings of these group with a known sitter and entirely on canvas tend to fare better, with those of the women in Picasso's life achieving consistently good results. This means that the discrepancy in prices does not translate to volatility but rather requires to understand well the specific painting in Picasso's oeuvre.

Paloma, one of the artist's daughters and born in 1949, sat for her father especially as a young girl and today paintings of her have a full sell-through rate with the most recent one sold fetching USD 8.1 million in 2018.

Fillette au béret

The present painting, which follows the trend set out by portraits and busts of known sitters, changed hands seven times before being tokenized and made available to investors. With an annualized ROI of 12.1% since its first sale and a full sell-through rate, the artwork confirms a top-level investment performance with little risk.

Tokenized in October 2021 for CHF 4 million (around USD 4.1 million), the artwork is now appraised at USD 4.95 million (CHF 4.75 million), a significant increase with respect to its dollar tokenization price. Compared to the subscription price in CHF, the increase represents 16.7% growth, or an unrealized ROI of 18.75%.

(Sources: Artemundi 2022, Artprice 2022)

*** Our selection incorporates masterpieces that are so unique they can be considered "monopolies" of universal recognition. Moreover, they have a track record of growth that continues for generations.