



NEWSLETTER



The Art Market Is Back!

After numerous successful fourth quarter transactions in the art industry, it is safe to say that the art market is back!

In trying to recover from the peak of the high priced 2007 market, the first half of 2009 looked daunting. But, Chief Executive William F. Ruprecht of Sotheby's reported in an early November Bloomberg article that, "the art market is clearly in a better place than it was last autumn and the early spring of this year." This message which conveys confidence for the future of art, was spurred by the remarkable Impressionist & Modern evening sale at Sotheby's which achieved \$181,800,000 over the high estimate of \$163,600,000. The article went on to say that this sale was the first of its kind to beat its high estimate in New York since early 2006.

Tobias Meyer, esteemed auctioneer in both New York and London, reported that this was the most active Impressionist & Modern sale that he has ever led. Furthermore, he noted that "collectors were back after a year of abstinence."

Yet, the infamous brushstrokes of Impressionism were not the only art genre to whet collectors' appetite. Universally recognized artists Raphael, Rembrandt and van Dyck made the Old Master sales in early December a true success. Three works by these artists earned an impressive \$115,000,000 confirming the notion that Old Master works are solid investments that rarely fluctuate in a changing economy. Buyers are as eager as ever to come across gems from this period known for limited availability of signature pieces.

Created almost 400 years later, Andy Warhol would indeed have the last laugh as his iconic *200 One Dollar Bills* masterpiece achieved over \$43,000,000 alone, soaring past its \$8-12 million estimate. With figures reported directly from the auction house, this Contemporary sale was 98.6% sold by value and 96.3% sold by volume, again confirming the success and revitalization of the art market at large.

Art museums all over the country would also agree that the art market is back with a bang as research from *The Art Newspaper* has found that 2/3 of major museums have reported a significant increase in visitors since the start of the recession. This trend applies to institutions with free and paid admissions, indicating the significant role of art in peoples lives from all economic standings.



ART BASEL MIAMI BEACH

Importantly noted as the largest significant Contemporary art show in the US, the art market seemed as vibrant as ever at the 8th annual Art Basel Miami Beach (ABMB). Over 250 galleries from North America, Europe, Latin America, Asia and Africa exhibited an eclectic collection of art from more than 2000 artists, which attracted over 50,000 visitors to the week-long ABMB show and off-shoot fairs simultaneously running in Miami.

With several galleries reporting double-digit growth in sales at this year's show, the buzz throughout Miami was exuberant and captivating, a sharp contrast from the previous year. One New York gallery owner noted that "the positive energy that has always driven the fair has come back, especially when you compare it to last year. Confidence is contagious!" Another gallery rep was interviewed by The Miami Herald and said "everybody's happy this year. We had many more sales than in any previous ABMB show."

The Miami Herald conducted a survey of the fair that quantified its overall success in sales and tourism. In their overview of ABMB, they found that almost 90% of the interviewed galleries reported that the fair would bring them a favorable outcome, 43% said their results were better than expected and

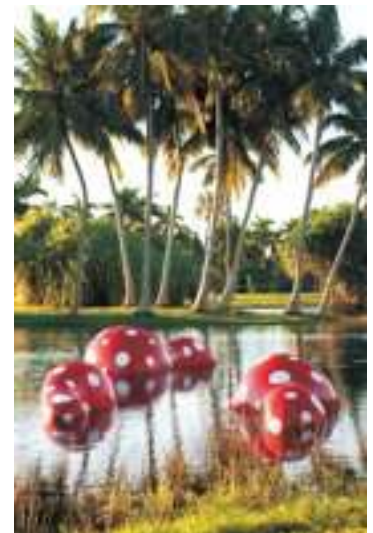
75% of the galleries said sales grew substantially over 2008.

Even though sales were on the rise, Art Basel Miami Beach was definitely a buyers' market. Many collectors took their time in contemplation rather than impulse buying

for speculative investments. Others offered low-ball prices while negotiating deals and seemed uninterested by less recognizable artists that lacked global appeal or significant quality. Whereas some may have feared that the fair wouldn't be as successful this year due to economic uncertainty, the overall result was triumphant. The conjunction of high priced exquisite works by reputable artists mixed with fresh Contemporary pieces from all over the globe made everyone in Miami crave for more!



Louise Lawler, *Nipple*, 2008
Purchased by Artemundi at ABMB



ARTEMUNDI ACQUIRES 20 PIECES OF ART AT MAJOR FALL AUCTIONS + ART BASEL MIAMI BEACHRoberto Matta, *Morningness*, 1953Wassily Kandinsky, *La Resolution*, 1938

During this seasons major Fall auctions at Sotheby's and Christie's as well as in Art Basel Miami Beach, Artemundi acquired twenty magnificent pieces of art for their collection. Spanning the globe from New York to Paris, Miami to Milan, Artemundi successfully secured several paintings and photographs from big names such as Roberto Matta, Louise Lawler and Wassily Kandinsky, amongst many others.

Roberto Matta is recognized for his Abstract Expressionist and Surrealist themes and is arguably the most famous artist from Chile. After leaving Chile for Paris in 1933, Matta learned the techniques and psychology behind Surrealism from distinguished artists Dali, Breton and Magritte. With the death of the artist in 2002, his

works have skyrocketed in value, making any remaining painting from his now finite collection a true gem.

The Wassily Kandinsky painting exhibited on the left represents a victorious acquisition. With its vibrant colors set against a dark background, *Le Resolution* embodies Kandinsky's famous abstract style. Jean-Louis Prat, author of *Kandinsky Retrospective*, notes that this style within Kandinsky's oeuvre possesses a "new vocabulary of biomorphic and stylized forms borrowed from molecular biology." Highly innovative for his time, Russian born Kandinsky is one of the first artists to experiment with abstract forms in order to achieve visual freedom.

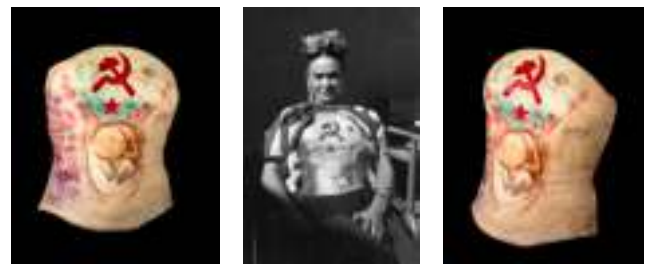
ARTEMUNDI'S FRIDA KAHLO CORSET JOINS MAJOR RETROSPECTIVE IN EUROPE

In paying homage to one of the most successful female artists in history, Frida Kahlo, two major European museums are putting on the largest retrospective exhibition ever for this Mexican artists' eclectic and successful career.

The Martin-Gropius-Bau in Berlin, Germany and the Kunstforum Wien in Vienna, Austria have coordinated this exhibition on the collective works of Frida Kahlo in 2010 to commemorate the centennial anniversary of Mexico's independence, nearly the centennial anniversary of the artist and both Austria and Germany's diplomatic and cultural relationship with Mexico. The two museums set out to include as many works by this symbolic and commemorative artist as possible.

Dating back through the life of this revolutionary Modern Mexican female artist, Frida Kahlo lived a life of pain and pleasure which she often depicted in her various works. In her early twenties, Kahlo was seriously injured in a bus accident that left her immobile for months and almost entirely infertile. During this period at bed rest when Kahlo recovered

in a full body cast, she started her career as a painter to ease the pain and pass the time. After months in this cast and several self portraits later, Frida Kahlo actually painted the corset itself, depicting the unborn baby she lost and the revolutions she deeply identified with.



Today, this work remains a tri-dimensional piece that alludes to the broken state of her body, while offering social commentary on events both historical and personal. Artemundi is the proud owner of this rare piece of artwork and history. Furthermore, Artemundi will be contributing this piece to the retrospective on the artist in both Berlin and Vienna this year. Artemundi Global Fund is thrilled to have work included in such a monumental exhibition.



AGF INVESTORS

At the start of November 2009, Artemundi Global Fund was invited to participate in the Marcus Evans Elite Summit for global investors in Montreux, Switzerland. Team members Javier Lumbreras and Laura Sheridan were very successful at the conference, giving a combined total of 36 presentations to potential investors including some of Europe’s top CEOs, Family Office Directors, Investment Managers and Wealth Advisors.

Numerous of these high powered executives representing banks, investment firms, family offices



and advisory services were extremely intrigued by Artemundi’s presentation on art as an alternative asset. Art appreciates in value over time, rewards

investors intellectually, emotionally and aesthetically while being generally unaffected by other markets or inflation.

Lumbreras and Sheridan connected with a wide range of individuals that spanned the spectrum of being art enthusiasts to intellectuals that were unaware of an art investment funds intricacies. Conference members represented Switzerland, Italy, Spain, Germany, Belgium, The UK, Jersey Island, Austria, Andorra, France, Turkey, Cyprus & The Netherlands.

The overall feedback was so encouraging that after weeks of following up, Lumbreras and Sheridan will be returning to Europe at the beginning of February to meet with investors and passionate art collectors to bring them on board to AGF. Additionally, the duo has been selected as key note speakers for next years Summit in Montreux.

For more information on becoming an AGF investor please contact Laura Sheridan at LSheridan@artemundiglobalfund.com or +1.305.517.7405

JAVIER LUMBRERAS’ AV&VS CLAIMS TOP ARCHITECTURAL DESIGN AWARD FOR 2009

Miami’s AV&VS building, designed by Oppenheim Architecture + Design, is among the few distinguished buildings to have received the American Architecture Award for 2009. Selected by The Chicago Athenaeum: Museum of Architecture and Design, this is the highest and most prestigious national award for leading-edge product design that honors “outstanding new achievements and innovation” in Contemporary American architecture.



AV&VS (Art Vault & Valuables Services) is among a conglomerate of art-related companies created by Javier Lumbreras, one of the true visionaries in the art world today. The 140,000-square foot high-rise structure has been conceived as the prototype AV&VS facility that will later expand to 20-25 other markets in the U.S. and abroad over the next few years. This flagship will be located in the West Wynwood district of Miami, the city’s art capital and a fitting location for an innovative art storage facility. It will provide full protection against environmental hazards and security risks and will utilize green materials as well as artist murals for the exterior.

Ancillary services, ranging from logistics to management, insurance, conservation and registrar capabilities will also be available.



AV&VS demonstrates Javier Lumbreras and Artemundi Global Fund’s all encompassing understanding of the art world from every angle.