

## POSITIVE 2016 CAMPAIGN FOR ARQANA SALES

A couple of days ago, the 2016 Breeding Stock sale brought the curtain down on another season of growth in all key indicators for the Deauville-based sales company ARQANA.

The cumulated aggregate for the 10 auctions that were held since February 2016 is €129,608,000 (including private sales), up almost 5% from the previous year's record-breaking figure. With the market starting to show signs of overproduction near the end of 2015, the amount of horses catalogued was carefully monitored and a total of 60 fewer horses went through the ring. This approach paid off, with the overall clearance rate bouncing back to reach 78.15% while the average price for all horses sold took a 5% leap to pass the €50,000 mark for the very first time.

	Offered	Sold (incl. PS)	% Sold	Turnover	Turnover + private	Average	Median	Top price
<b>2016</b>	<b>3 324</b>	<b>2 598</b>	<b>78.15%</b>	<b>€128,091,400</b>	<b>€129,608,000</b>	<b>€50,311</b>	<b>€20,000</b>	<b>€1,900,000</b>
	-1.7%	-	+1.58	+5.55%	+4.8%	+5.43%	-	
2015	3 385	2 592	76.57%	€121,347,300	€123,666,700	€47,643	€20,000	€2,600,000
2014	3 266	2 649	81.10%	€116,288,050	€119,208,750	€44,968	€18,000	€1,200,000
2013	3 142	2 500	79.56%	€102,638,500	€105,470,200	€42,483	€17,000	€1,500,000
2012	3 000	2 345	78.16%	€80,657,250	€86,155,900	€37,480	€16,000	€1,200,000

NB: The average does not include private sales

The 2016 racing season was a particularly fruitful one for graduates of the Arqana sales ring. August yearling sale purchases ALMANZOR and QEMAH carried all before them in the Classic generation, the former ending the year as highest-rated three-year-old colt in Europe and the latter landing a cross-Channel Gr.1 double over a mile. ZELZAL, JEMAYEL, as well as Group 2 and Group 3 winners THE JULIET ROSE, CAMPROCK, PARVANEH, MEKHTAAL, HESHEM, JIMMY TWO TIMES and many more also flew the flag among the three-year-old crop.

There is plenty more to come in the younger generation with the two-year-old colt NATIONAL DEFENSE providing Danielle and Ting Kong Cheng's Australian-based Sun Bloodstock with their first Group 1 title overseas when landing the Prix Jean-Luc Lagardère for Criquelette Head. SANS EQUIVOQUE, RICH LEGACY, KEEP QUIET, PEACE ENVOY, LANDFALL and SYPHAX emulated him in Group 2 or Group 3 company and will be among the many exciting horses to follow next year.

ARQANA graduates also made their presence felt among the older horses with the likes of SILVERWAVE, WAKE FOREST, ECTOT, WAIKIKI, SIGNS OF BLESSING, BELARDO and MSHAWISH all scoring at the highest level.

## 2016 Group 1 winners bought at ARQANA

Horse	Gr.1 race	Sale	Vendor	Buyer	Price
ALMANZOR	Champion Stakes Irish Champion Stakes Prix du Jockey Club	August Yearling	Etreham	Rouget J.C.	€100,000
QEMAH	Coronation Stakes Prix Rothschild	August Yearling	Cadran	Mandore International	€200,000
NATIONAL DEFENSE	Prix Jean-Luc Lagardère	August Yearling	Monceaux	Sun Bloodstock	€280,000
ECTOT	Joe Hirsch Turf Classic	August Yearling	Monceaux	Sylvain Vidal	€75,000
WAIKIKI	Premio Vittorio di Capua	October Yearling	Etreham	Barberot Y.	€15,000
MONDIALISTE	Arlington Million	Summer (horse in training)	Wertheimer	EURL du Chêne	€190,000
SIGNS OF BLESSING	Prix Maurice de Gheest	August Yearling	Mézeray	MAB Agency	€102,000
ZELZAL	Prix Jean Prat	October Yearling	Quesnay	Al Shaqab Racing	€180,000
SILVERWAVE	Grand Prix de Saint-Cloud	Autumn (horse in training)	A. Couétil	A. Couétil for H. Spirit	€420,000
JEMAYEL	Prix Saint-Alary	October Yearling	Capucines	Al Shaqab Racing	€100,000
WAKE FOREST	Man O'War Stakes	Arc	Wöhler	Bradley Thoroughbreds	€140,000
BELARDO	Lockinge Stakes	August Yearling	Ballylinch Stud	Voute Sales	€100,000
MSHAWISH	Donn Handicap	Breeze Up	Brown Island Stables	Mandore International	€170,000
PTIT ZIG	Grande Course de Haies d'Auteuil (hurdle)	Autumn (horse in training)	Y. Fouin	Highflyer Bloodstock	€100,000

## Solid gains in October and v.2 sales help yearling market post further records

	Offered	Sold (incl. PS)	% Sold	Average*	Median	Turnover	Turnover + private	Top price
<b>August 2016</b>	<b>340</b>	<b>270</b>	<b>79.41%</b>	<b>€152,598</b>	<b>€110,000</b>	<b>€39,828,000</b>	<b>€40,574,000</b>	<b>€1,400,000</b>
August 2015	333	265	79.5%	€163,292	€95,000	€41,966,000	€42,771,000	€2,600,000
	+2%	+2%	-	-6.55%	+15.78%	-5.09%	-5.38%	
<b>v.2 2016</b>	<b>118</b>	<b>89</b>	<b>75.42%</b>	<b>€39,648</b>	<b>€33,000</b>	<b>€3,489,000</b>	<b>€3,499,000</b>	<b>€125,000</b>
v.2 2015	120	90	75.00%	€33,922	€30,000	€3,053,000	€3,053,000	€150,000
	-1.6%	-1%	+0.42	+16.88%	+10%	+14.28%	+14.61	
<b>October 2016</b>	<b>578</b>	<b>475</b>	<b>82.18%</b>	<b>€42,148</b>	<b>€30,000</b>	<b>€19,388,000</b>	<b>€19,649,100</b>	<b>€260,000</b>
October 2015	551	441	78.95%	€36,054	€25,000	€15,683,500	€15,837,500	€290,000
	+4.9%	+7.7%	+3.23	+17.64%	+20%	+24.97%	+24.36%	
<b>Autumn 2016</b>	<b>354</b>	<b>269</b>	<b>75.98%</b>	<b>€12,426</b>	<b>€7,000</b>	<b>€3,280,500</b>	<b>€3,332,500</b>	<b>€125,000</b>
Autumn 2015	356	255	72.24%	€13,287	€8,000	€3,335,000	€3,350,000	€115,000
	-	+5.4%	+3.74	-6.48%	-12.5%	-1.63%	-0.5%	
<b>TOTAL 2016</b>	<b>1 390</b>	<b>1 103</b>	<b>79.3%</b>	<b>€61,123</b>		<b>€65,985,500</b>	<b>€67,054,600</b>	
TOTAL 2015	1 356	1 051	77.5%	€62,935		€64,037,500	€65,011,500	
	+2.5%	+4.9%	+1.8	-2.8%		+3%	+3.1%	

\*Not including private sales

The four yearling auctions held in Deauville enabled a record-breaking number of individuals to change hands for the third year in a row and grossed a turnover 3% clear of last year's record figure.

### **August figures second best since sale's new format**

The August Yearling sale posted results that, in the four years since it was brought back to three days down from four, were only second to the 2015 vintage renewal. The higher end of the market showed brilliant vitality as showed by the record-breaking median price of €110,000, up 15% from 2015, and great depth with 11 individual buyers spending in excess of €1 million.

Sheikh Hamdan Al Maktoum's Shadwell Estate Company made a remarkable return to the leading buyer position, buying 8 yearlings for €2.9 million, while Ecurie des Monceaux dominated the vendors' standings for the fifth consecutive year courtesy of a €10.9 million turnover achieved with 30 horses sold.

### **v.2 yearling sale a definite source of affordable precocious types**

The catalogue for the 2016 edition of the v.2 yearling sale, which is dedicated to early types with speedy pedigrees, featured the first yearlings which were produced with this particular session in mind and breeders were handsomely rewarded with their decisions. All indicators registered solid increases and the 30 horses who sold for €50,000 or more against only 14 a year ago pushed the average and median prices firmly to record levels. French-based stallions with strong credentials to produce two-year-old winners dominated the market with Siyouni, Penny's Picnic and Dabirsim making up the leading trio.

The v.2 Beachcomber Challenge, which crowns the best juvenile having been bought at this sale, was taken by Keith Dalglish's talented CLEM FANDANGO, a €11,000 buy by Federico Barberini from Haras du Lieu des Champs which turned into a Listed winner at Ayr and twice placed at Group level including third to the mighty Lady Aurelia in Royal Ascot's Gr.3 Queen Mary Stakes in the colours of Middleham Park Racing.

### **Buoyant October market**

Turnover for the October Yearling Sale had remained pretty static over the past three years but took a significant step up in 2016, climbing 25% to reach €19.6 million, half the August Yearling Sale total. Both clearance rate and average price also posted record-breaking totals over the four days of trading. Part I corresponding to the opening day saw a lot of new faces and a more international clientele than in recent years, a sign of the growing attraction of the French yearling crop. Highly successful sires Le Havre, Siyouni and Kendargent, whose progeny have performed at the top level both in France and abroad, played a significant part in the results and topped the stallion tables by turnover.

The newly-introduced October Yearling Sale Criterium, which offers the rare opportunity to have a runner on Arc weekend in a €250,000 race restricted to horses offered at this sale, also proved a major attraction on French and international purchasers.

### **Quality a requirement in National Hunt yearlings**

The final yearling sale of the season, held as part of the Autumn Sale, saw more horses change hands than ever before but this was achieved at the expense of the average price, which slipped by 6%. There was plenty of appetite from both sides of the Channel for the best-bred individuals with the conformation to match, but trade proved more difficult in the less commercial categories.

### ***Contrasts on Breeding stock market***

The Breeding Stock sale was another to tell a contrasted tale. The opening session, featuring the top selection of fillies and broodmares from the drafts of such successful breeding operations as Wertheimer et Frère, Godolphin, the Aga Khan Studs as well as several black type fillies off the track and blue-blooded foals, saw some flourishing trade as attested by the 80% clearance rate and a 5% rise in the average price.

Demand proved weaker in the lower tiers of the market despite the addition of some well-bred National Hunt mares on the final day, a reality also observed in many other countries this season and which should act as a warning for all stakeholders in the industry.

The introduction of a Breeding Stock section as part of the Summer Sale, in a view to provide breeders with an opportunity to turn over some of their stock halfway through the breeding season, proved a success with a very high clearance rate and a trio of six-figure prices.

	Offered	Sold (incl. PS)	% sold	Average price	Median price	Aggregate	Aggregate + private	Top price
<b>December 2016</b>	<b>832</b>	<b>643</b>	<b>77.28%</b>	<b>€37,250</b>	<b>€16,000</b>	<b>€23,132,500</b>	<b>€23,359,000</b>	<b>€1,000,000</b>
<i>December 2015</i>	<i>895</i>	<i>703</i>	<i>78.54%</i>	<i>€37,822</i>	<i>€19,000</i>	<i>€25,945,900</i>	<i>€26,605,100</i>	<i>€900,000</i>
	-63	-60	-1.26	-1.51%	-15.78%	-10.84%	-12.20%	
<b>Summer 2016</b>	<b>64</b>	<b>53</b>	<b>82.81%</b>	<b>€26,590</b>	<b>€11,500</b>	<b>€1,170,000</b>	<b>€1,230,500</b>	<b>€275,000</b>

### ***Breeze Up sale continues to break records across the board***

The 2016 Breeze Up sale, which took place in Deauville for the first time due to the temporary relocation of the French Guineas race meeting, broke new grounds with a fifth consecutive year of solid growth and new records across the board. The average exceeded six figures for the first time ever at €122,446, an increase of 22% from 2015, while the clearance rate was an outstanding 82.6%. A Frankel filly offered by Brendan Holland's Grove Stud and knocked down for €800,000 to Nicolas de Watrigant of Mandore International Agency commanded the highest price of the year for a European breeze up sale.

	Offered	Sold (incl. PS)	% Sold	Average*	Median	Turnover	Turnover + private	Top price
<b>May 2016</b>	<b>115</b>	<b>96</b>	<b>83.47%</b>	<b>€110,174</b>	<b>€67,000</b>	<b>€10,466,500</b>	<b>€10,496,500</b>	<b>€800,000</b>
<i>May 2015</i>	<i>119</i>	<i>88</i>	<i>73.95%</i>	<i>€92,011</i>	<i>€60,000</i>	<i>€8,097,000</i>	<i>€8,097,000</i>	<i>€600,000</i>
	-3.3%	+9.09%	+9.52	+19.74%	+11.66%	+29.26%	+29.63%	

\* Not including private sales

The second two-year-old sale of the year, organised as part context of the Summer Sale, returned a much improved clearance rate but a significant drop in the average price and turnover. Once again, it was a matter of demand focusing on the higher quality lots and a decreasing amount of money available for the less commercial horses.

	Offered	Sold (incl. PS)	% Sold	Average	Median	Turnover	Turnover + private	Top price
<b>Summer 2016</b>	<b>65</b>	<b>48</b>	<b>73.84%</b>	<b>€14,935</b>	<b>€11,000</b>	<b>€687,000</b>	<b>€736,000</b>	<b>€69,000</b>
<i>Summer 2015</i>	<i>77</i>	<i>47</i>	<i>61.03%</i>	<i>€21,356</i>	<i>€14,000</i>	<i>€961,000</i>	<i>€976,500</i>	<i>€160,000</i>
	-15.58%	-2.12%	+12.81	-30.06%	-21.42%	-28.51%	-24.62%	

NB : The average does not include private sales

### ***Strong market for horses in training***

It was a matter of less is more in the horses in training market, with fewer horses through the ring returning improved results across the board. National Hunt and international prospects were in high demand at the Summer Sale, which posted historical records both in turnover and highest price for the horses in training section. The latter was achieved by Carlos and Yann Lerner's DANCE OF LIFE, for which Horse France and Paul Moroney shelled out €400,000 to head Down Under.

The Arc Sale was also particularly strong with a pair of two-year-old Group-winning fillies, TOULIFAUT and SPAIN BURG, commanding seven figures respectively from Katsumi Yoshida's Northern Farm and American owner Dean Reeves.

The Autumn Sale saw an impressive 87% clearance rate for horses in training and an almost stable average price.

This market also benefitted from the introduction, from the 2016 Summer Sale onwards, of an online repository allowing vets to view X-Rays and endoscopic videos from anywhere in the world.

	Offered	Sold (incl. PS)	% Sold	Average*	Median	Turnover	Turnover + private	Top price
<b>Summer 2016</b>	<b>105</b>	<b>76</b>	<b>72.38%</b>	<b>€43,257</b>	<b>€12,000</b>	<b>€3,287,500</b>	<b>€3,287,500</b>	<b>€400,000</b>
Summer 2015	161	115	70.81%	€27,864	€9,500	€3,176,500	€3,226,500	€380,000
	-34.7%	-33.91%	+1.57	+55.24%	+26.31%	+3.49%	+1.89%	
<b>Arc 2016</b>	<b>44</b>	<b>29</b>	<b>65.91%</b>	<b>€292,207</b>	<b>€135,000</b>	<b>€8,474,000</b>	<b>€8,474,000</b>	<b>€1,900,000</b>
Arc 2015	42	33	76.19%	€242,938	€120,000	€7,774,000	€8,124,000	€1,350,000
	+4.7%	-12.1%	-10.28	+20.28%	+12.5%	+9.0%	+4.3%	
<b>Autumn 2016</b>	<b>183</b>	<b>160</b>	<b>87.43%</b>	<b>€30,478</b>	<b>€15,000</b>	<b>€4,815,500</b>	<b>€4,877,500</b>	<b>€295,000</b>
Autumn 2015	173	142	82.08%	€31,053	€12,500	€4,409,500	€4,409,500	€355,000
	+5.78%	+12.67%	+5.35	-1.85%	+20%	+9.20%	+10.61%	
<b>TOTAL 2016</b>	<b>332</b>	<b>265</b>	<b>79.81%</b>	<b>€63,030</b>		<b>€16,577,000</b>	<b>€16,639,000</b>	
TOTAL 2015	376	288	76.59%	€54,548		€15,360,000	€15,710,000	
	-11.7%	-7.9%	14%	+15.5%		+7.9%	+5.9%	

NB: The average does not include private sales

### **Store market bounces back owing to stricter selection**

Stronger selection in the store category allowed for stronger results, particularly at the Summer Sale which caters for two and three-year-old unraced National Hunt horses. Five individuals reached the six-figure mark between the Summer and Autumn sale against only one a year ago.

	Offered	Sold (incl. PS)	% Sold	Average	Turnover	Turnover + private	Top price
<b>Summer 2016</b>	<b>74</b>	<b>50</b>	<b>67.56%</b>	<b>€36,934</b>	<b>€2,350,000</b>	<b>€2,444,000</b>	<b>€150,000</b>
Summer 2015	94	55	58.51%	€25,498	€1,225,500	€1,371,500	€100,000
	-21.2%	-9.0%	+9.05	+44.8%	+91.7%	+78.1%	
<b>Autumn 2016</b>	<b>33</b>	<b>24</b>	<b>72.72%</b>	<b>€22,261</b>	<b>€512,000</b>	<b>€534,000</b>	<b>€130,000</b>
Autumn 2015	33	25	75.75%	€22,313	€535,500	€542,000	€85,000
	-	-4%	-3	-	-4.3%	-1.2%	
<b>Stores 2016</b>	<b>107</b>	<b>74</b>	<b>69.15%</b>	<b>€39,750</b>	<b>€2,862,000</b>	<b>€2,978,000</b>	
Stores 2015	127	79	62.20%	€24,126	€1,906,000	€1,928,500	
	-15.7%	-2.2%	+6.95	+64.7%	+50.15%	+54.42%	

\* Figures for both the Summer and Autumn sale, two and three-year-old stores included

### **Quality sells well on purebred Arabian market**

The Purebred Arabian sale, which is organised in partnership with AFAC, is the only sale in Europe dedicated to this segment of the market. A larger catalogue resulted in a drop of the clearance rate, however quality continued to sell well as showed by the significant gains in average price and turnover. Major breeder Sheikh Mansoor bin Zayed notably invested in six well-bred fillies via Emirates Bloodstock's Faisal Al Rahmani, while Sheikh Mohammed Al Thani's Al Shahania Stud and Gérard Larrieu of Chantilly Bloodstock Agency were also among the leading spenders.

The section dedicated to endurance performers continued its rise and registered its first six-figure sale for ASSAD, who was was knocked down for €110,000 to Bahrein's Royal Endurance Team.

	Offered	Sold (incl. PS)	% Sold	Average	Turnover	Turnover + private	Top price
PSAR 2016	116	77	66.37%	€41,855	€3,181,000	€3,221,000	€260,000
PSAR 2015	85	70	82,35%	€35,100	€2,457,000	€2,457,000	€210,000
	+36.4%	+10%	-15.9	+19,2%	+29,4%	+31.1%	

### **Arqanaonline.com establishes as an alternative market place for quality offerings**

Launched in the summer of 2015 and an immediate success, the innovative platform Arqanaonline.com continued to assert as an efficient showcase for top quality horses and stallion shares.

Seven auctions were held in 2016 according to the principle 'one sale = one horse'. Shares in the successful French-based sires Siyouni, Wootton Bassett and Le Havre changed hands on Arqanaonline.com, with the highest price falling to a share in the last named which was acquired by Nurlan Bizakov's Hesmonds Stud for €400,000.

The three-year-old Aga Khan Studs homebred VEDEVANI was also offered on the platform only a few days after posting a commendable effort in the Prix de l'Arc de Triomphe and it took a bid of €800,000 from Gérard Larrieu's Chantilly Bloodstock Agency, acting on behalf Khalifa Al Kuwari, to see out seven other bidders who placed a total of 47 bids on the 105-rated son of Dubawi.

Eric Hoyeau, chairman of ARQANA, commented on the 2016 year review: *"As another year ends with growth in all our key indicators, we gear up to start the second decade of ARQANA on the right foot. In a demanding market, the work of our entire team, of our international representatives, of our partner the FRBC combined with that of our vendors and, most importantly, the support of all our buyers, big and small, have enabled us to consolidate our major sales.*

*A further step up was even taken on some intermediary auctions such as the October Yearling Sale owing to a closely adjusted catalogue and the efforts of French breeders to upgrade their stock. Two boutique sales held on the eve of major race meetings, the Breeze Up sale and the Arc Sale, were successfully relocated: the former elected base in Deauville for the first time alongside the French Guineas while the latter took place in Chantilly as we all wait for the Arc weekend to be held in the new Longchamp.*

*The 2016 season was also marked by technological innovations. Online sales truly broke through and now form integral part of our offer to vendors and the repository was launched to general acclaim by professionals.*

*Finally, the great number of Group winners bought at the ARQANA sales, in all age groups, will contribute to enhance the trust place in all buyers in our sales, which we see at the best possible blessing for the next sales season. »*

For more information: [info@argana.com](mailto:info@argana.com)

All results and statistics are available at [http://www.argana.com/annual\\_statistics.html](http://www.argana.com/annual_statistics.html)