

NON-FUNGIBLE ART **REPORT**

2018 - 2019

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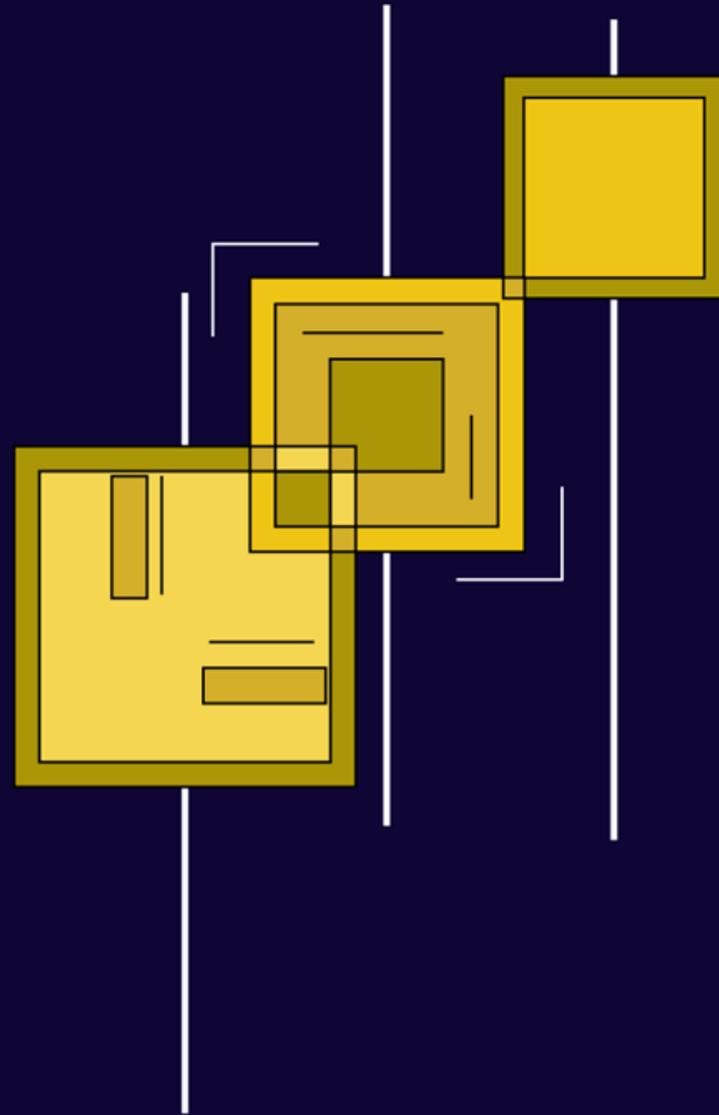
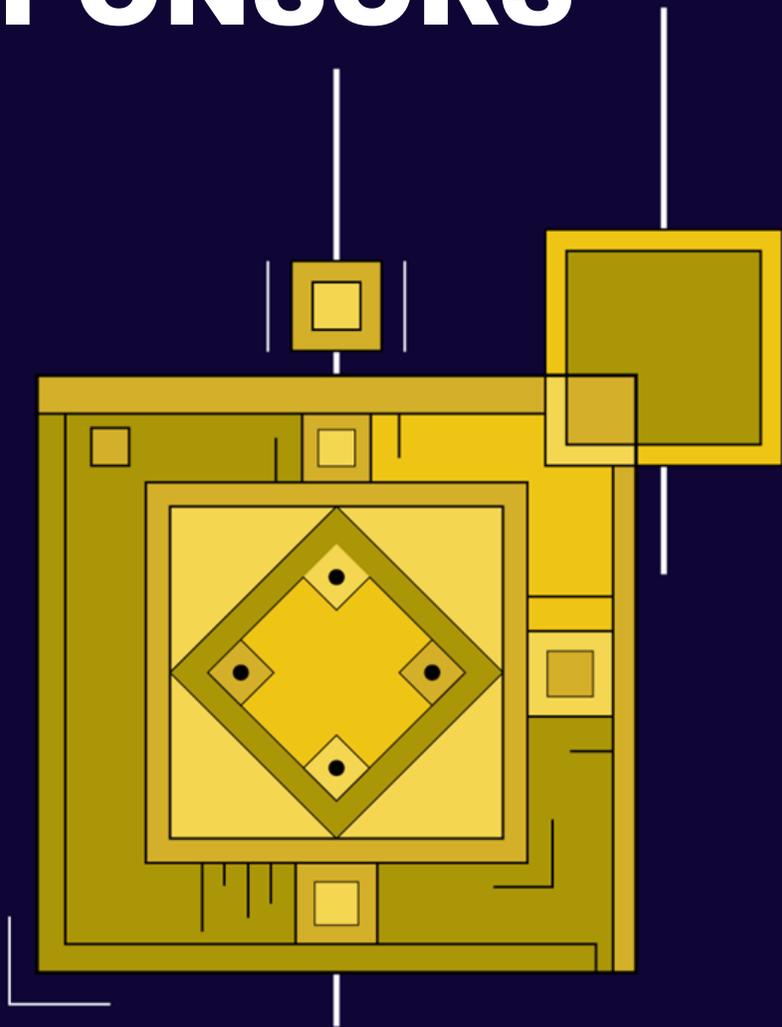
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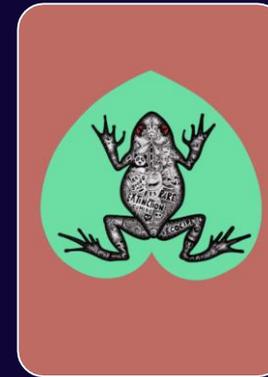
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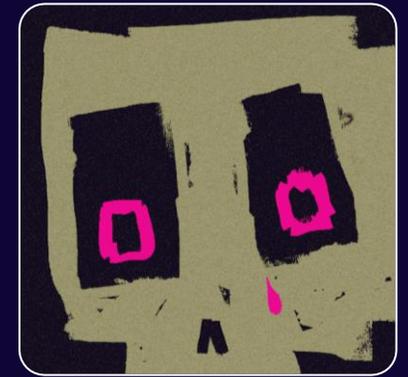
GODS UNCHAINED
Prometheus



GODS UNCHAINED
Atlas



Ra'ed-eyed Frog
@HACKATAO



Taxman
@XCOPY

«

We believe that Rare Digital Art is the most mature use case for NFT technology and will also undoubtedly one of the first use cases to break through to mainstream adoption.

»

Whale Shark

NIFTIES



ORIGINAL CONTENT & VIRTUAL PRODUCTIONS ABOUT NFTS & CRYPTOART

At **NIFTIES** we strongly believe in the virtual economy. Our goal is to give collectors the tools to build their own collections while they contribute to the rise of many creative minds.

Apart from traditional content, we look for unique ways to spread knowledge of non-fungible tokens & digital assets to new audiences.

We produce virtual events, artist & project interviews, and market news. We aim to accompany collectors & creators in the transition from the old physical world to the digital and virtual one in a fun original way.

www.nifties.com

« *The most important revolutions in Art usually happen in the first 20 years of the centuries.*

This time, in the first 20 years of the 2nd millennium the CryptoArt movement emerged.

»

TokenAngels

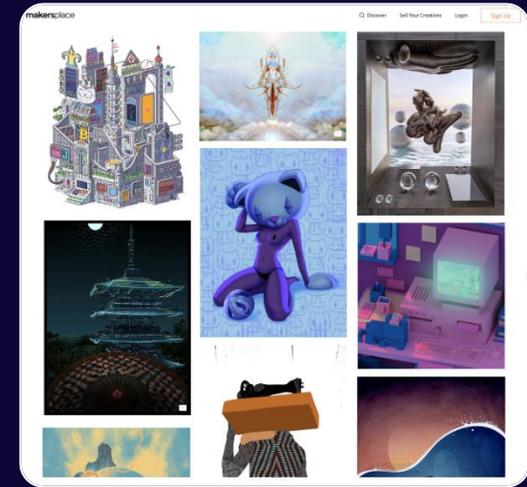
makersplace

WORLD'S PREMIER MARKET FOR RARE DIGITAL ART

MakersPlace is a premier market to discover and collect rare digital art. On MakersPlace, you can discover from the largest selection of authentic and original artworks by the world's leading contemporary digital artists, and displayable in Decentraland, Cryptovoxels, Somnium Space and more.

Founded on the mission to build a brighter future for digital creativity, MakersPlace is home to hundreds of digital creators showcasing: illustrations, animations, 3D / VR / AR and more, all of which are provably scarce and protected via the Ethereum blockchain.

www.makersplace.co



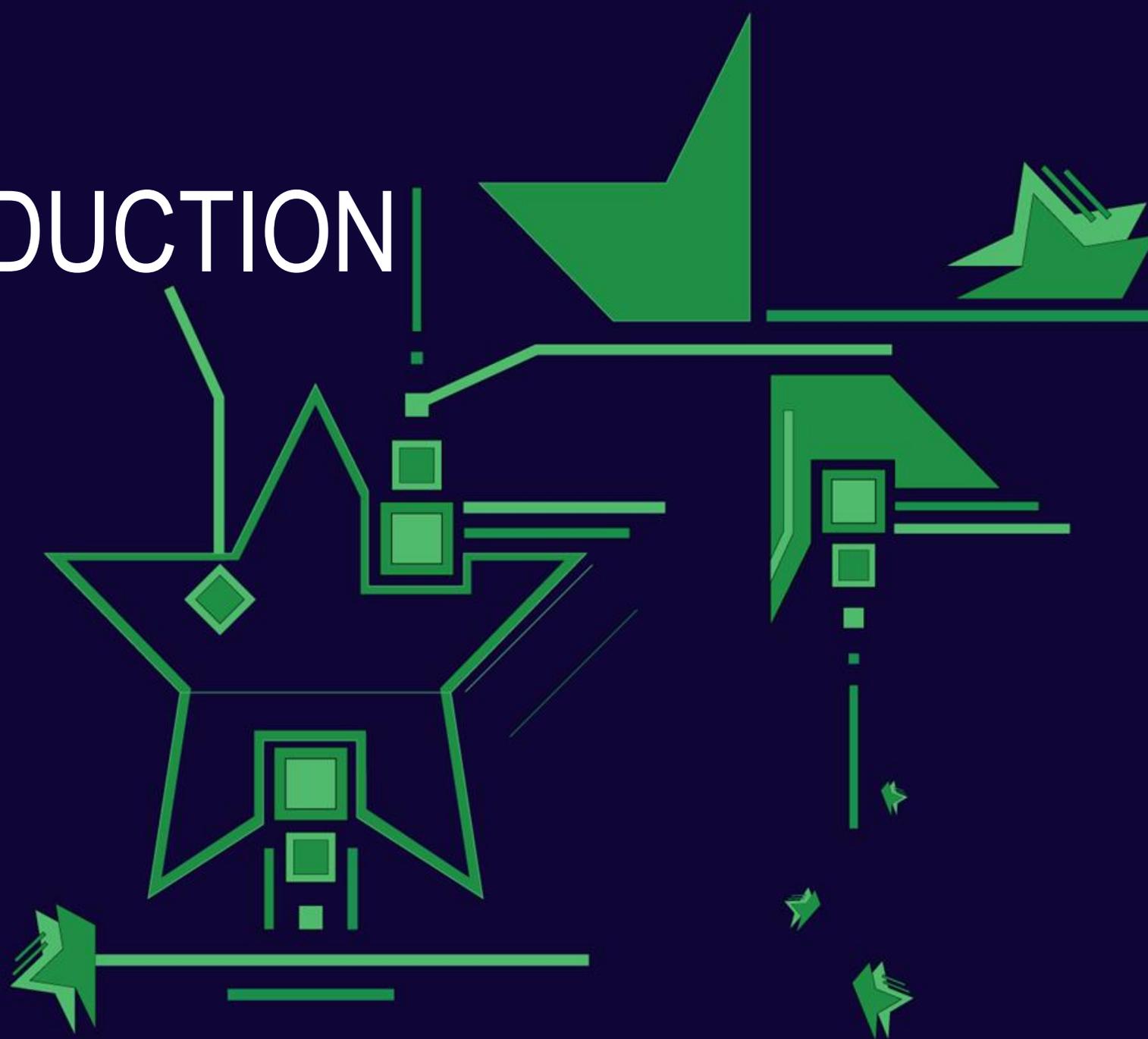
«

There's no doubt that Rare Digital Art is the next major art movement and the next Picasso, Van Gogh, Monet is a CryptoArtist.

»

Dannie Chu, Co-Founder and CEO, MakersPlace

INTRODUCTION



Forewords

For the first time in the nonfungible.com history, we propose you an exclusive report fully dedicated to Art!

In 2019, we noticed an **increase in activity** in the art sector, which is why we decided to offer a specific focus to this booming segment of the blockchain economy.

New projects have been created while others have strengthened their communities, and there is no doubt that **marketplaces and virtual galleries** have made it possible to increase the visibility of artists on a much larger scale!

We focused on projects whose **primary vocation is artistic** (artists, generative art, markets dedicated to art, etc.). Game projects / collectibles that can be assimilated to art such as CryptoKitties or Blockchain Cuties were not deliberately included in this study.

16 projects have been analyzed: 5 Marketplaces, 5 artists and 6 generative art projets.

This first Art report aims to highlight the major place art has taken in the non-fungible token sector, in this context our team analyzed more than 500,000 Ethereum transactions over the last two years.

We wish you a good reading,



Maxime Laglasse

Lead Author



Summary

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Milestones of 2018 & 2019

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Total USD volume

Number of Crypto Artists

Number of Crypto artworks

USD transferred over time

Transaction volume over time

Primary and Secondary sales

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SuperRare, Known Origin, Makersplace, Digital Art Chain & Blockchain Art Exchange: USD, Transactions, Artists & Artworks

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USD Traded

Transactions

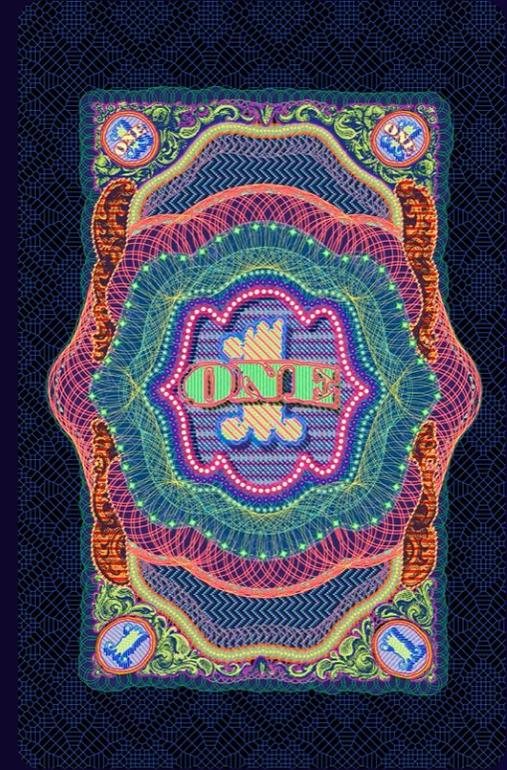
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What you'll find in this report

This report aims to answer, independently and objectively, some the 5 main questions we have been regularly asked about the Blockchain Art Ecosystem:

- 1 How is the Blockchain Art market evolving since its first steps in 2018?
- 2 What is the distribution between primary and secondary markets?
- 3 How many collectors and artists in the Blockchain Art space?
- 4 What are the exact role and importance of Art marketplaces ?
- 5 How big is Blockchain Art compared to the overall NFT space?



*Breathe In The Bottom And Blow Out
The Banks*

@MATT KANE



Projects analyzed



Blockchain Art Exchange is a Platform for Artist and Digital Art. Artworks can be created from any artwork even scans of physical works to create unique 1 of 1 digital print.



Clovers is an generative dApp to create, collect & trade cryptographic icons. All the creation process is completely random and automated



Connie Digital is a North American digital artist and an early figure in the tokenized art movement known as NFT Art. His works explore the relationship between color, motion and his fondness for retro tech.



CryptoArte is a project that blends together the Ethereum network, an art collection, a non-fungible token, and a decentralized application. Each painting represents 576 consecutive blocks of the Ethereum blockchain through a combination of shapes, colors, decorations, and more.



Projects analyzed



CryptoPunks was the first art project on the Ethereum Blockchain that inspired the modern CryptoArt movement. 10,000 unique collectible characters were created and given for free.



CryptoSkulls are 10,000 collectible Non-Fungible Tokens stored on Ethereum blockchain. Each CryptoSkull character is unique pixel art image with Uniqueness Index property.



Digital Art Chain was a marketplace to create, collect and buy digital and physical goods during 2018 and 2019. Today the project doesn't seem to be active anymore.



Ethmoji are provably unique, digital collectibles that live on the Ethereum blockchain. Each one is "composed" from Ethmoji bodies, eyes, ears, mouths, and accessories. When composing a new Ethmoji, all the owners of the Ethmoji used in the composition earn royalties.



Projects analyzed



Josie Bellini is an artist and designer who has been creating cryptoart since 2017. She creates art that tells the story of the crypto ecosystem, Not only does Josie utilize canvas and paint in her work, but she also releases digital art and augmented reality scenes to fully immerse her viewers.



A **JOY** is an original, virtual muse you can own and trade online. Ownership is verified on the Ethereum Blockchain so each JOY can only be owned by one person at a time



Known Origin is an Art Marketplace that integrates digital assets with the art world using the Ethereum blockchain to facilitate the production of proof of ownership, provenance, and authenticity. Known Origin also organizes pop-up exhibits on their online galleries from time to time, featuring a diverse range of artists and creative practitioners.



MakersPlace was the first marketplace to offer a platform for community to discover, collect and showcase rare digital art by the world's leading digital artists. It is today the biggest Art Marketplace



Projects analyzed



Pascal Boyart is an artist based in Paris. He creates Digital Collectibles from his Street Art murals. The original frescoes are animated and turned to immutable Digital Collectibles with Augmented Reality features. All the murals and NFTs are original creations signed by Pascal Boyart.



Skullys are reward-based digital collectibles featuring uniquely designed ghost pirate skulls on the Ethereum blockchain.



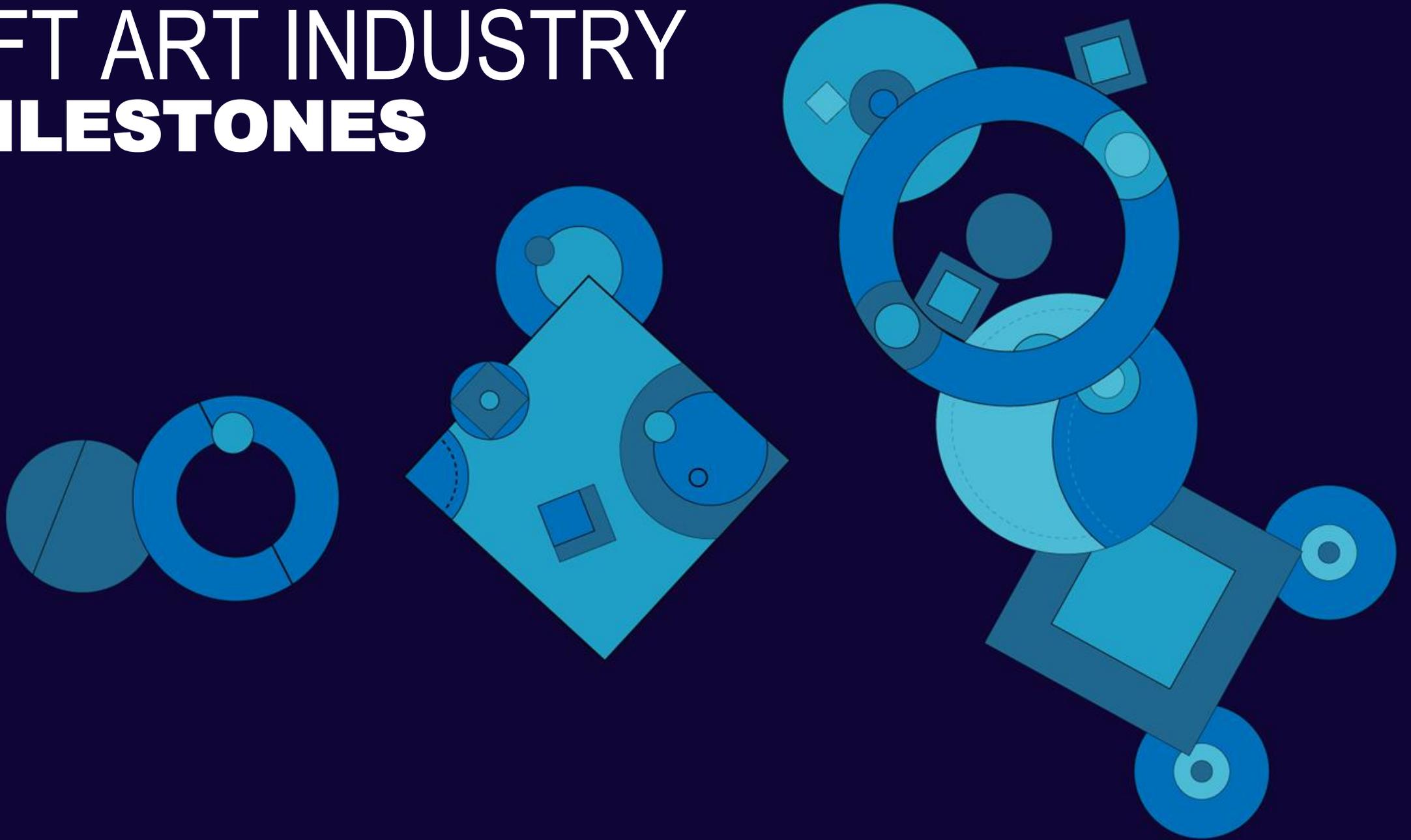
SuperRare is a marketplace to collect and trade unique, single-edition digital artworks. Each artwork is authentically created by an artist in the network, and tokenized as a scarce, single-edition digital item that you can own and trade.



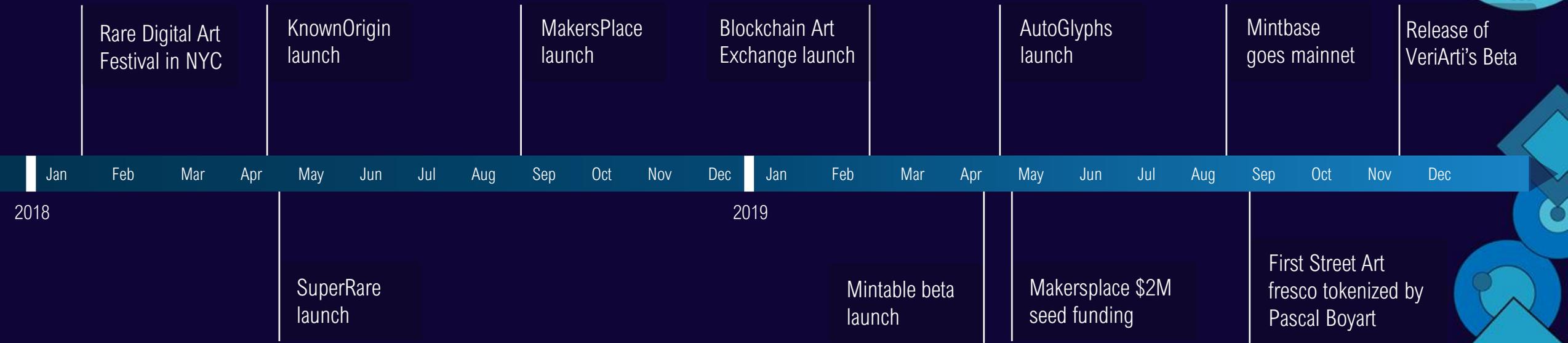
Yetepey is an artist that exposes his artworks in 3 virtual worlds that include Somnium Space, Sandbox Game and CryptoVoxels. He's developing a virtual empire that will include visual art, hiphop and NFT gaming.



NFT ART INDUSTRY MILESTONES



Events & milestones



GLOBAL TRENDS



Generative & Non-Generative Art

Generative art

Art generated by algorithms (coded by humans).

The code as the creations issued by the algorithm are considered as artworks. We classified “Generative Art” all artworks which were generated by an algorithm.



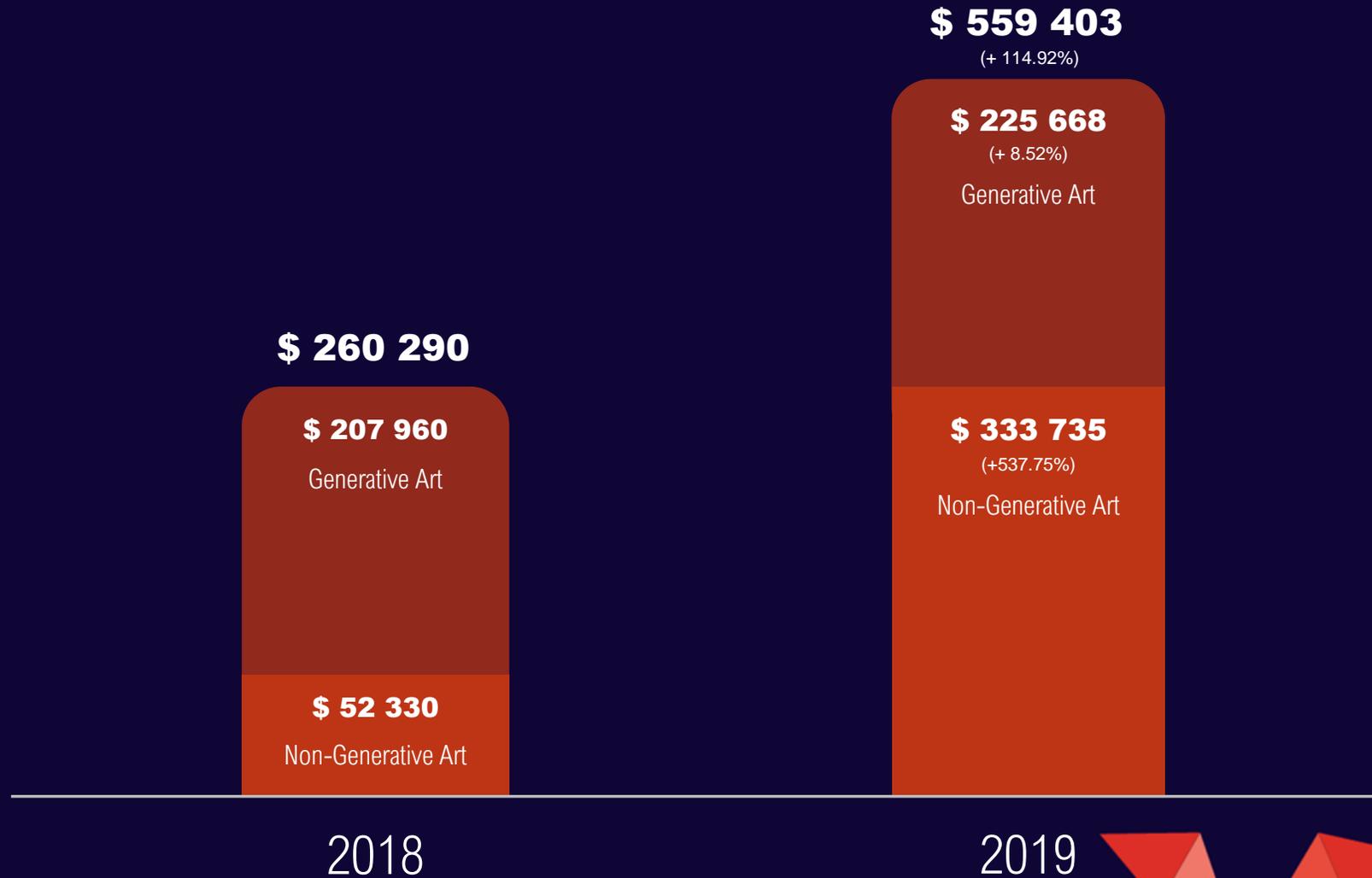
Non-Generative art

Art generated by humans from A to Z.

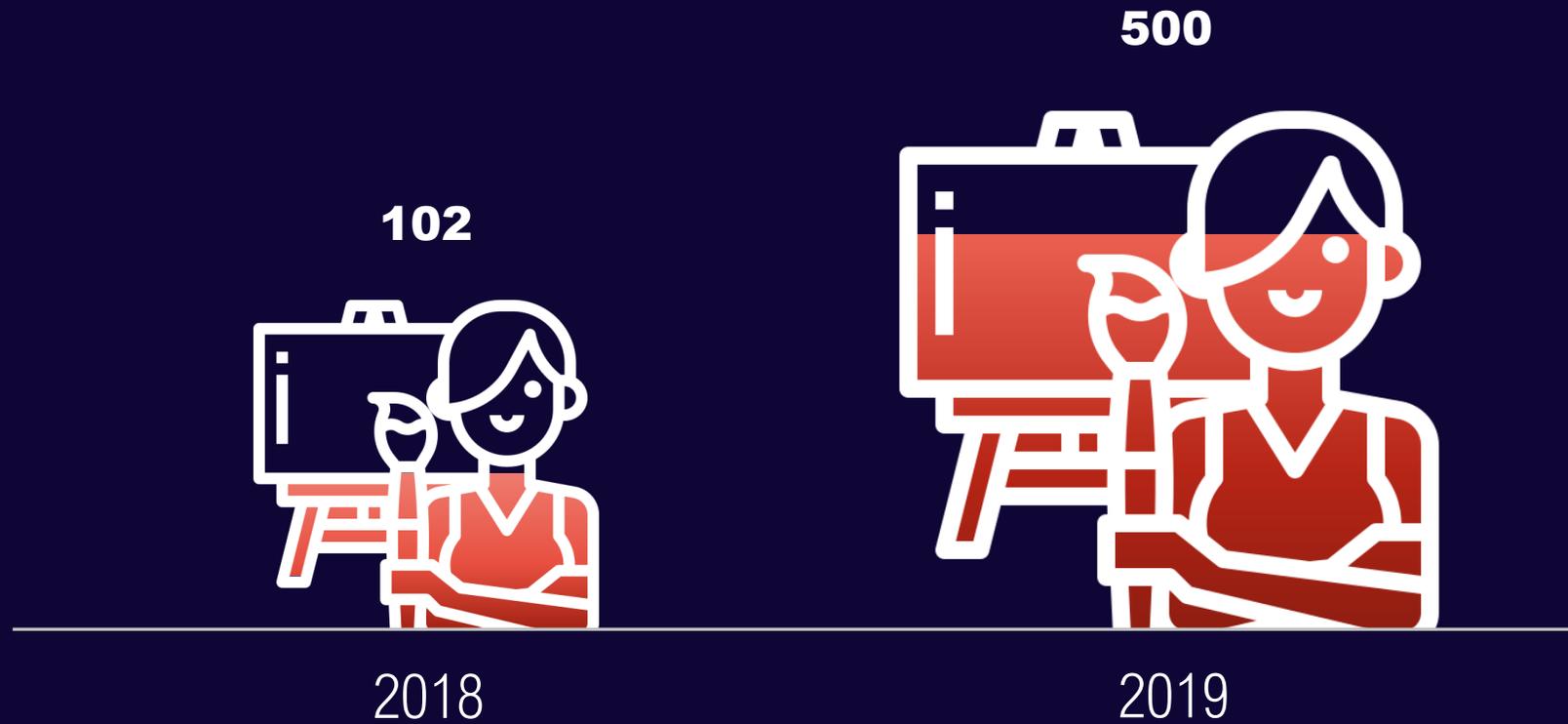
Whether the work is digital or physical, it was created by a human's hand. We classified as “Non-generative art” all artworks which were generated by human first, even if an algorithm were used after.



Global USD volume traded



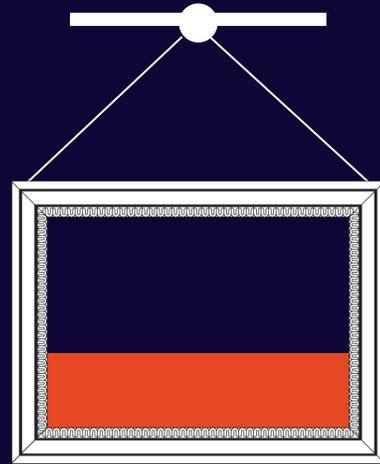
How many crypto artists?



These metrics have been calculated based on the data from the four largest Art marketplaces :
Known Origin, SuperRare, Blockchain Art Exchange and Makersplace

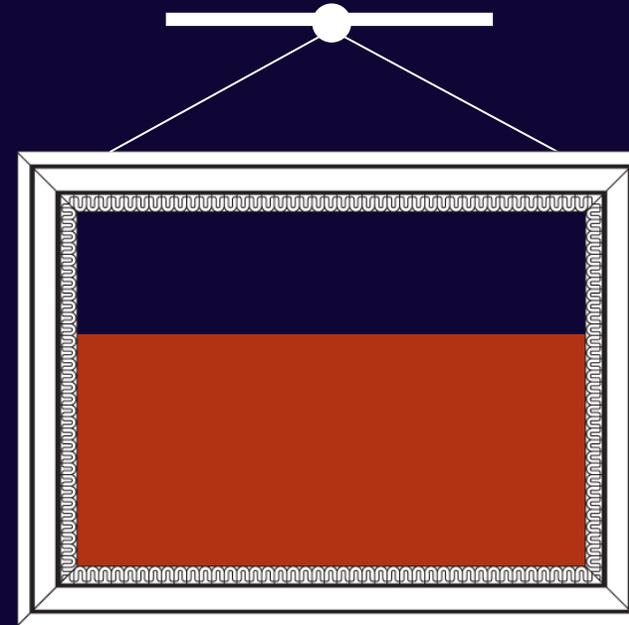


How many artworks?



2 146

2018



32 084

2019

These data are based on the volume of Primary Art Market sales to determine the volume of original artworks in circulation on the art marketplaces.



USD transferred over time*

*Global Dapp volume, not only sales

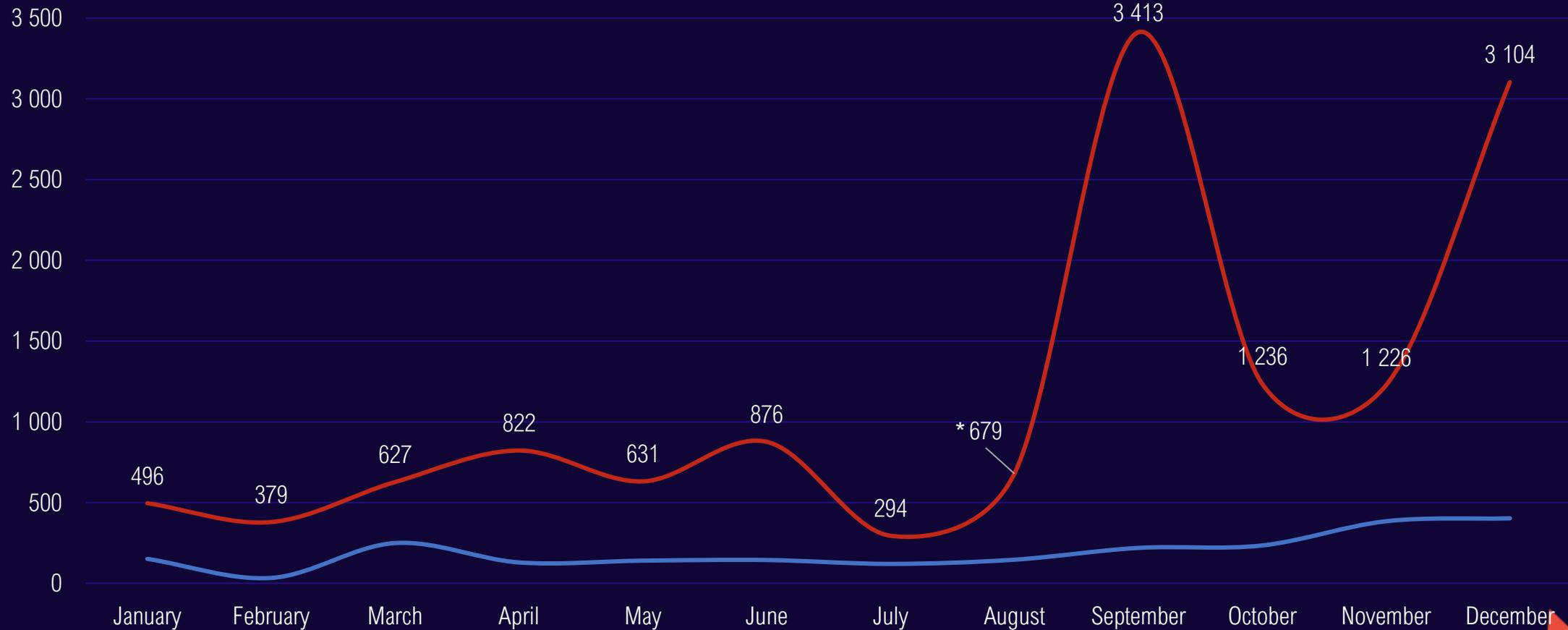


2018 2019



Transaction volume over time*

*Global Dapp volume, not only sales

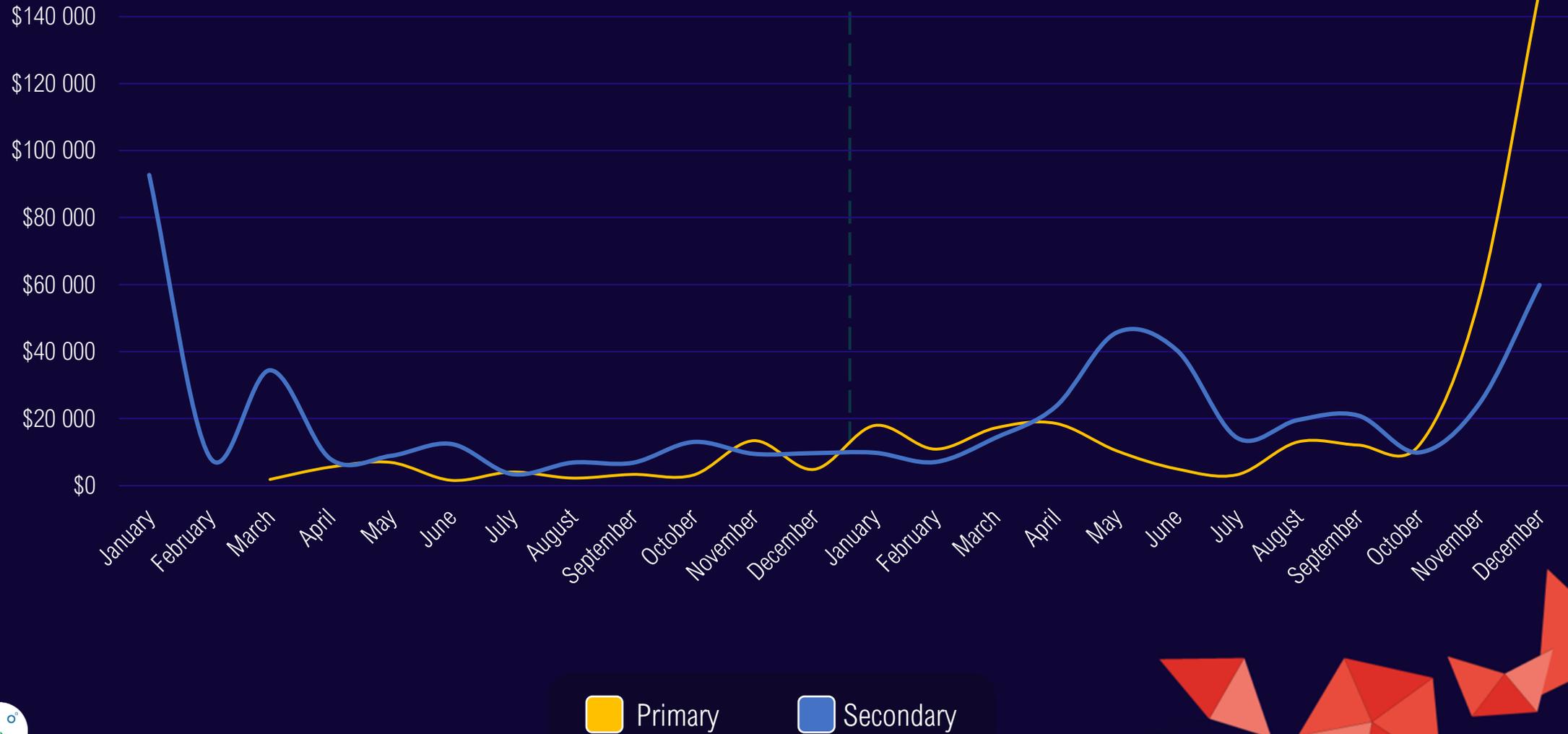


* For readability reasons, 19 176 transactions from Clovers are not displayed in August 2019

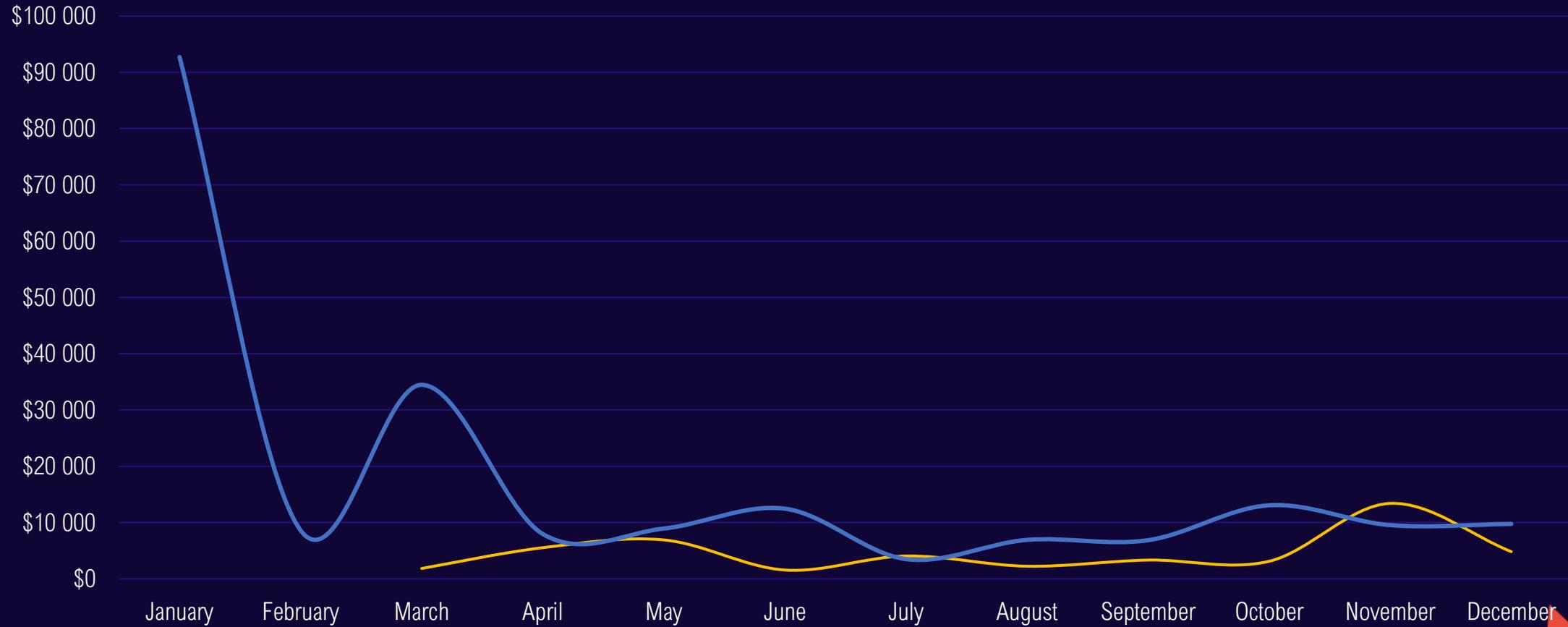
2018 2019



Primary and Secondary sales evolution



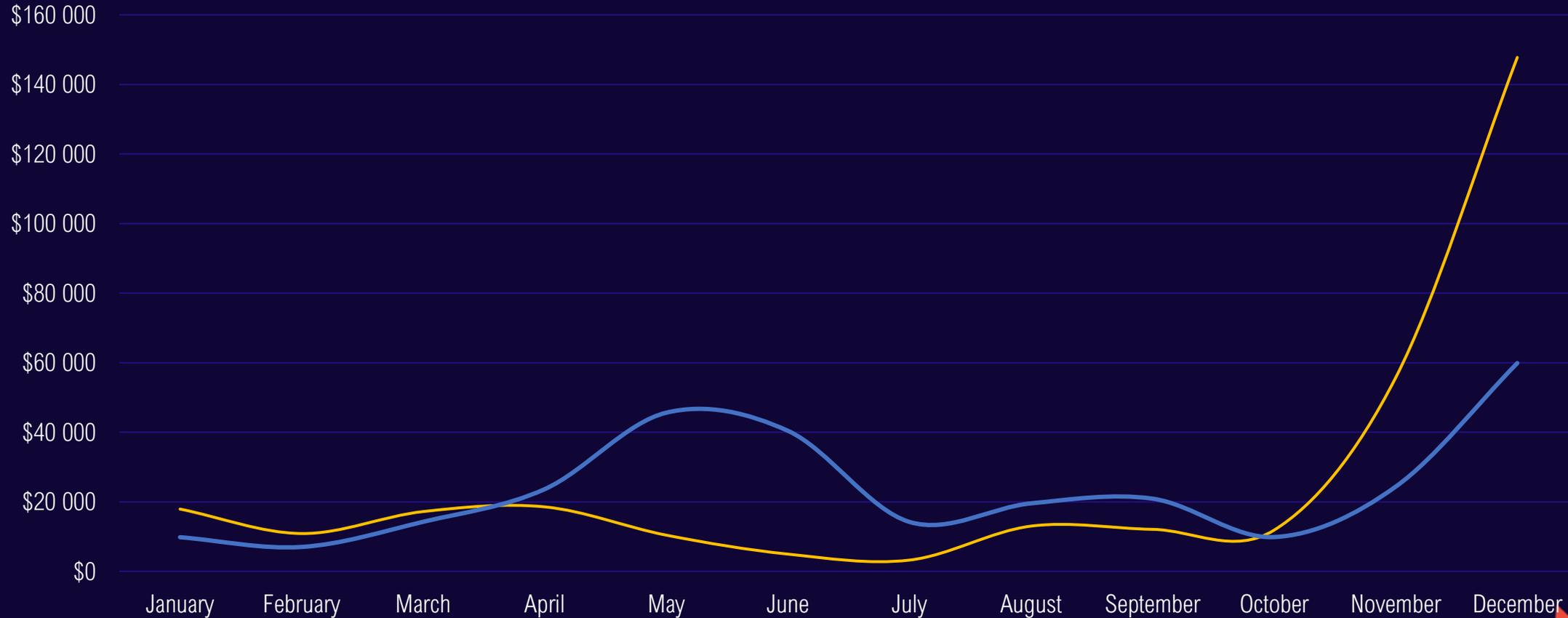
Primary and Secondary sales evolution [2018]



*CryptoPunks secondary market before March 2018

Primary Secondary

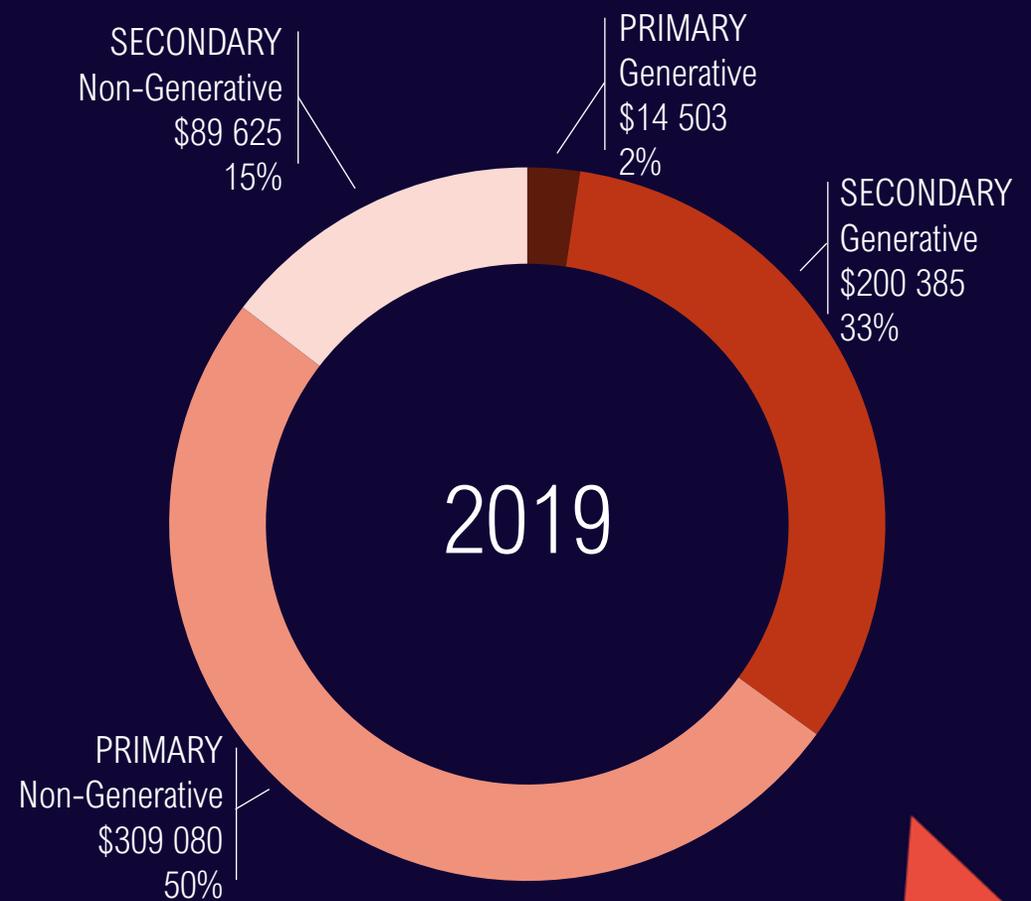
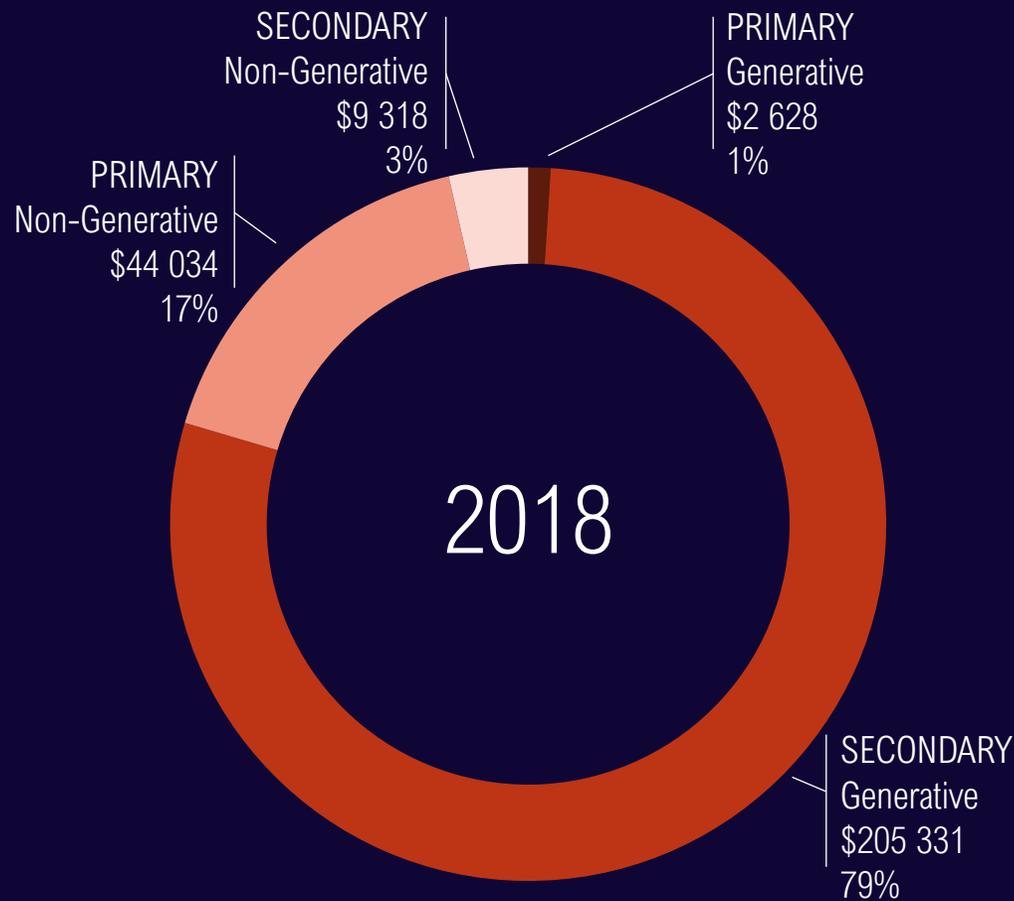
Primary and Secondary sales evolution [2019]



Primary Secondary



Primary and Secondary market distribution



Global Market Sales analysis

In 2018, due to the **difficult context** in the cryptocurrency universe, the market was mainly driven by CryptoPunks.

The **renewed interest** in art returned towards the end of 2018 and continued to grow during 2019.

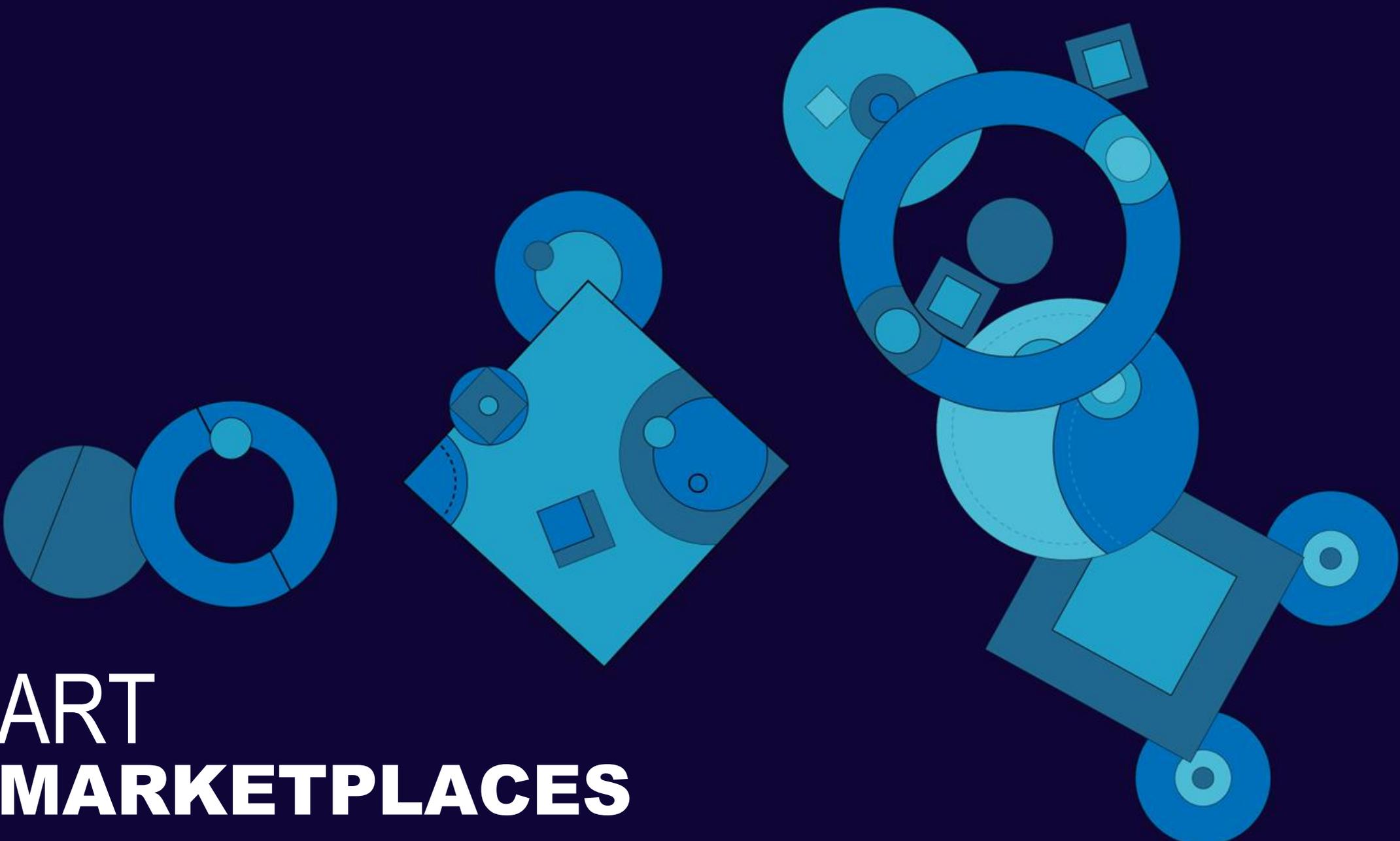
One of the interesting indicators to observe is **the evolution of secondary sales** in the Non-Generative art market. The latter has seen an **evolution of 537%** in one year!

It's not just the resale of works created by artists that has **been booming**: the number of artists, works, dollar volume traded and transactions also increased significantly in 2019.



CryptoKitty Mork
@hackatao





ART MARKETPLACES



Introduction

As expected, **marketplaces have played a major role** in the dissemination and visibility of digital art. True sanctuaries at the service of artists, their role has been decisive in ensuring artists' recognition and remuneration.

Art Marketplaces have also taken on the role of **gateways and evangelists**, allowing a whole community of artists to overcome the technical constraints of blockchain, and by offering a simplified user experience, accessible to everyone.

Their growing notoriety over the years has in the meantime **increased the visibility** of the artists they host.

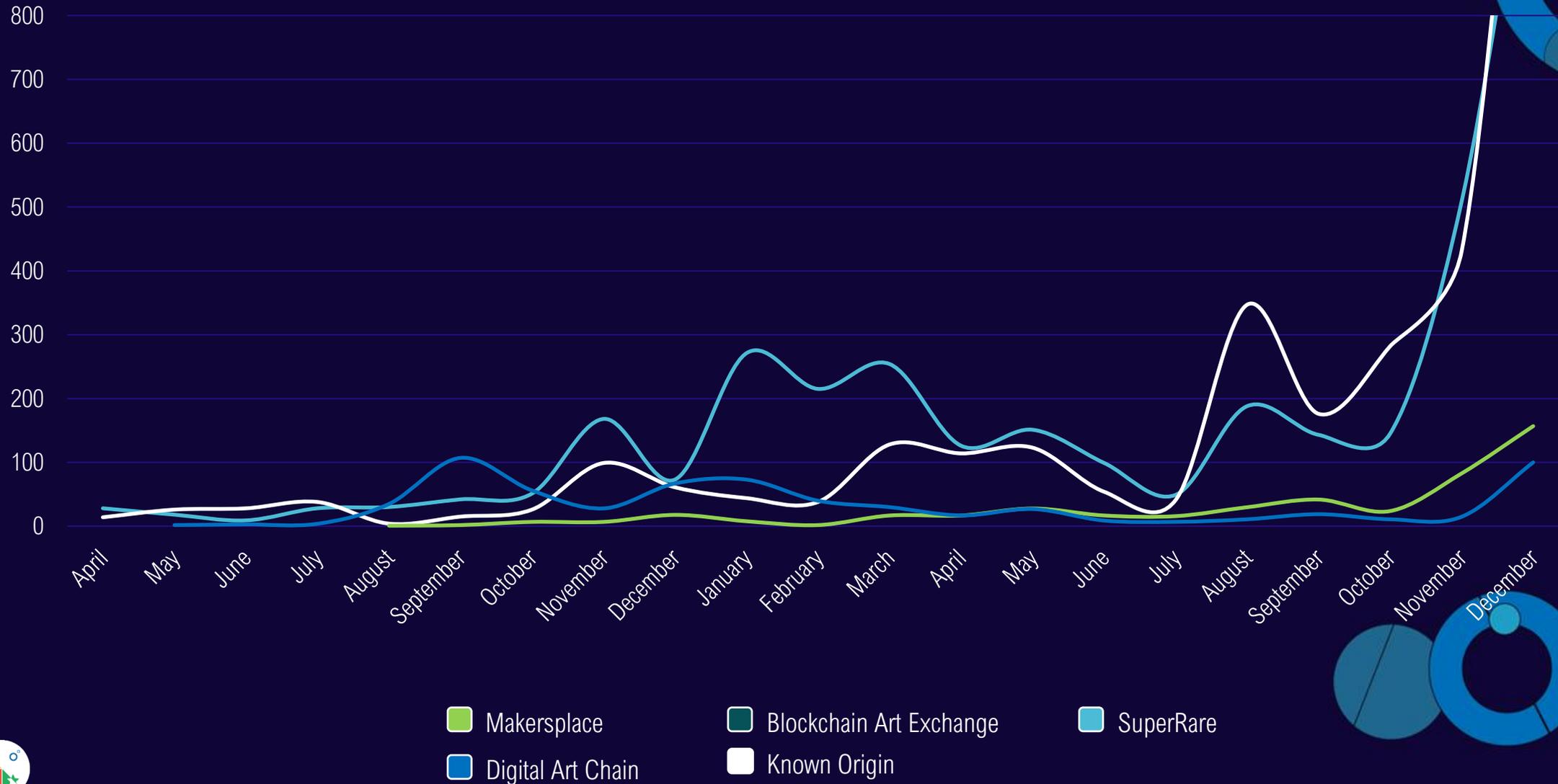
The constraints imposed by the blockchain do not allow a **universal cross-platform Royalties** system for now, the artists generated royalties incomes thanks to secondary sales that occurred on the same platform where the artworks were initially issued.

We can assert that without these marketplaces, most of these artists would never have issued a single piece of NFT artwork.

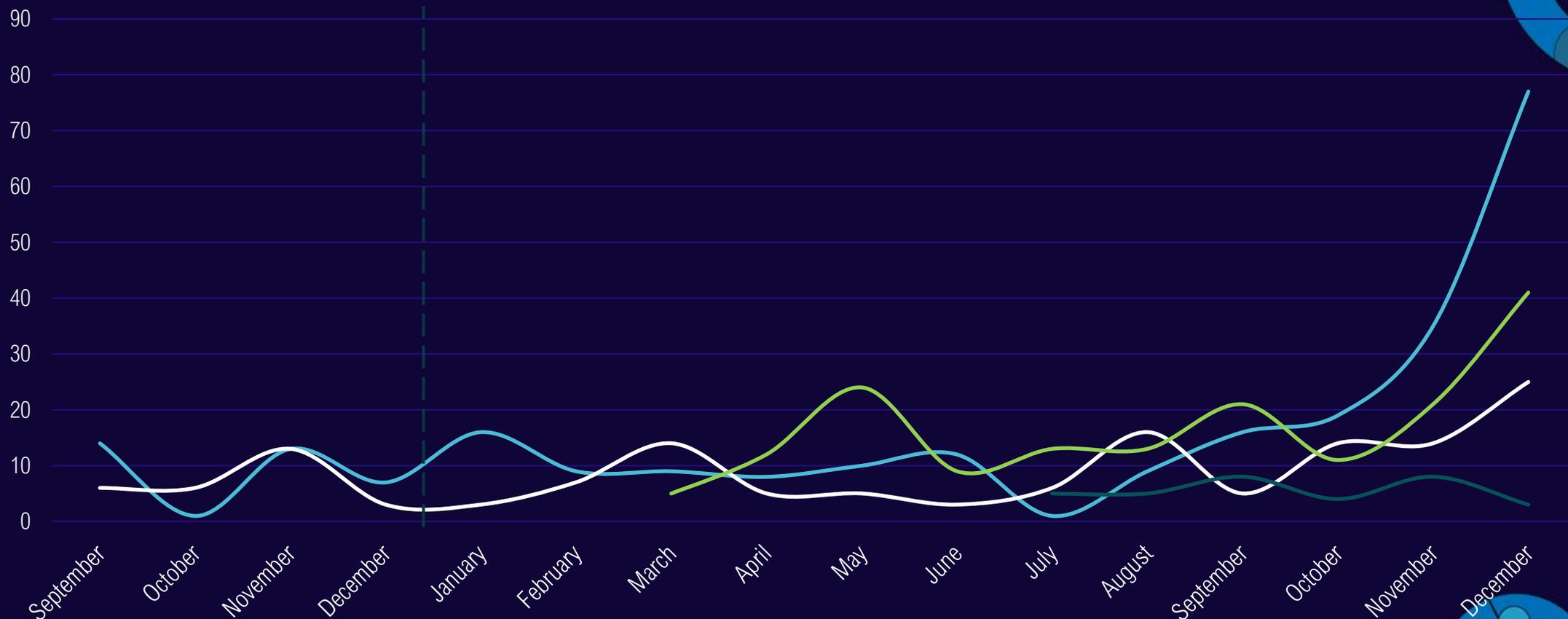
Please note that on the following slides, **SuperRare trends have been separated** from the other platforms due to their very large volumes.



Volume of sales per Art Marketplace



Number of artists per Art Marketplace*



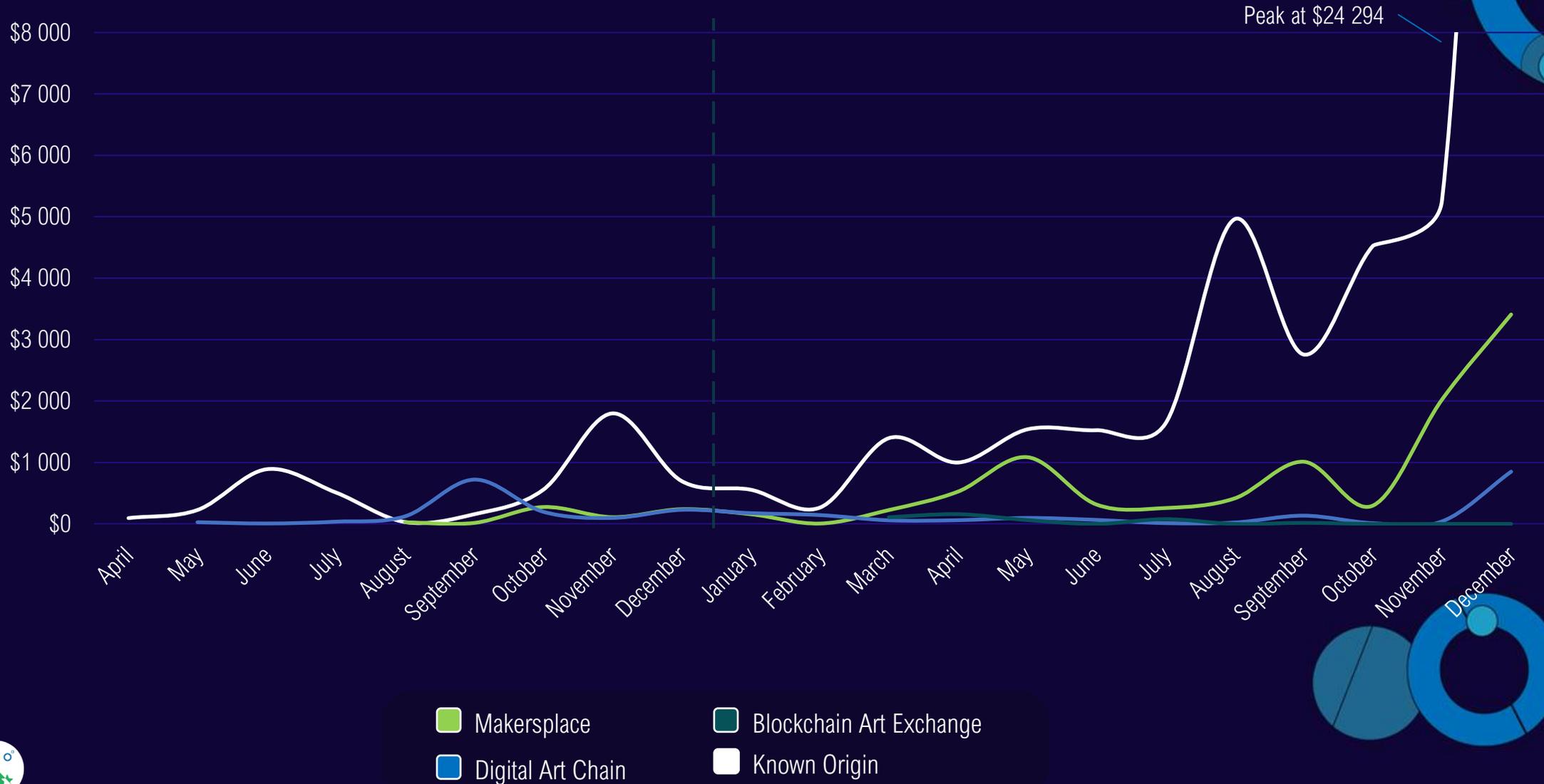
*Artists with at least one sale during the month, not the total cumulative volume of artists per platform

*Digital Art Chain isn't shown due to the lack of Metadata for artists

- Makersplace
- Known Origin
- Blockchain Art Exchange
- SuperRare

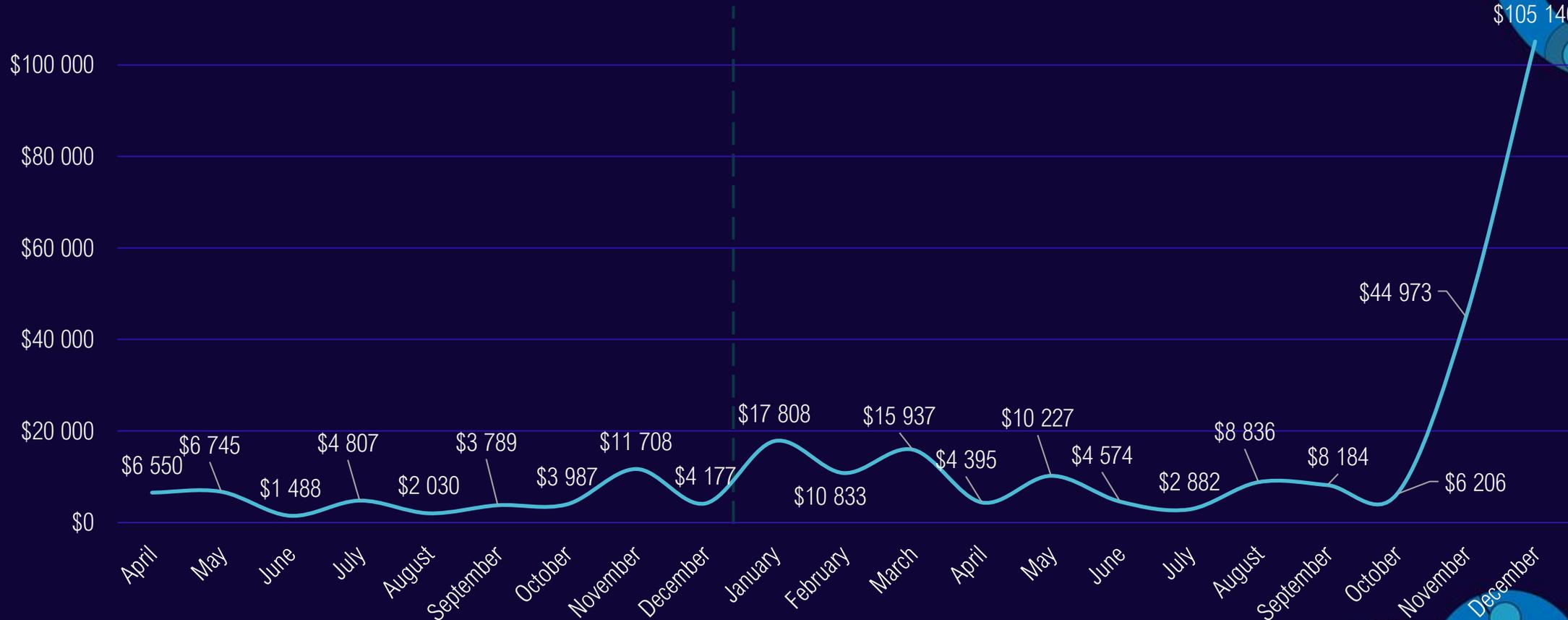
USD transferred per Marketplace*

*Global Dapp volume, not only sales

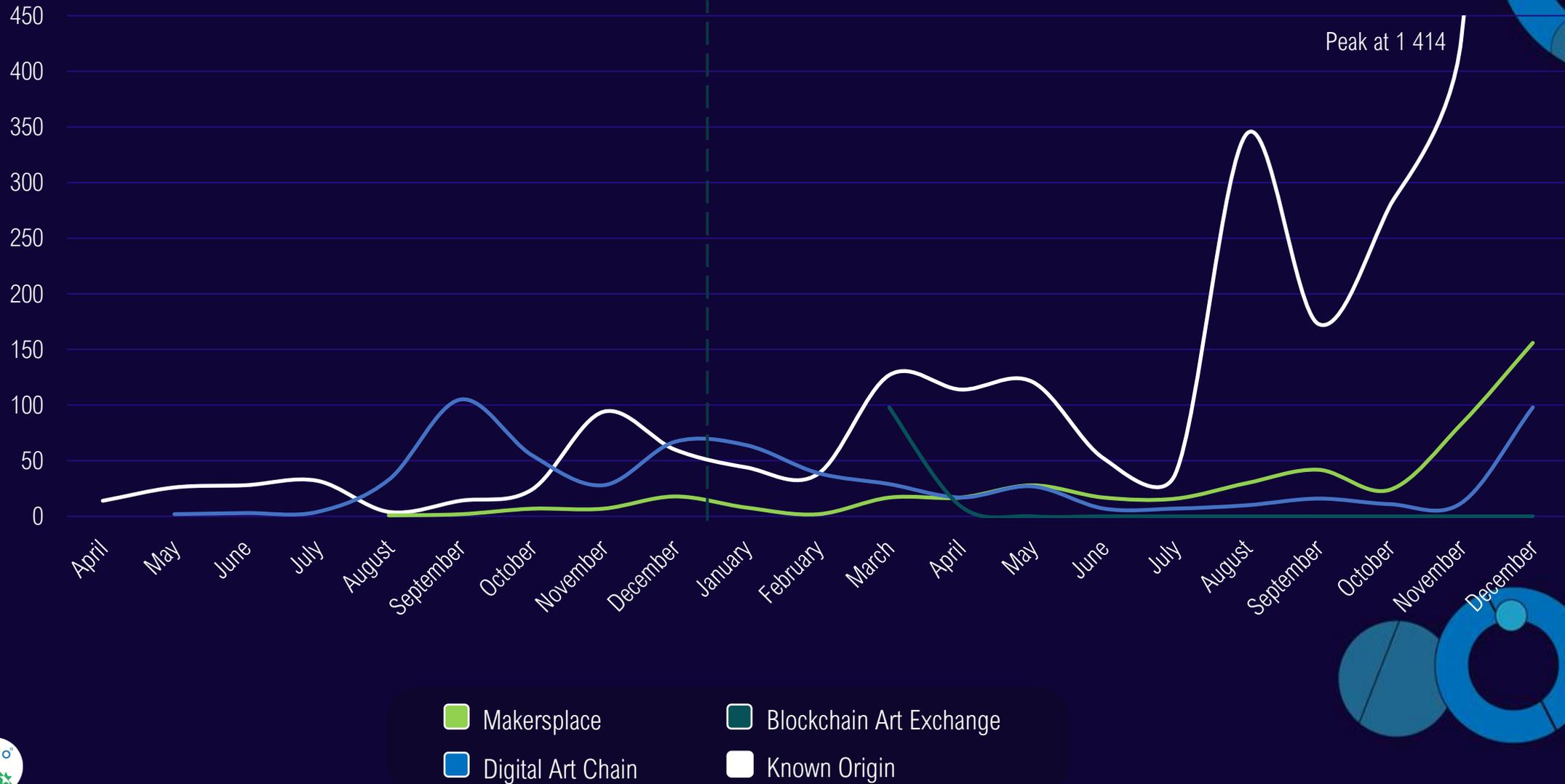


USD transferred (SuperRare)*

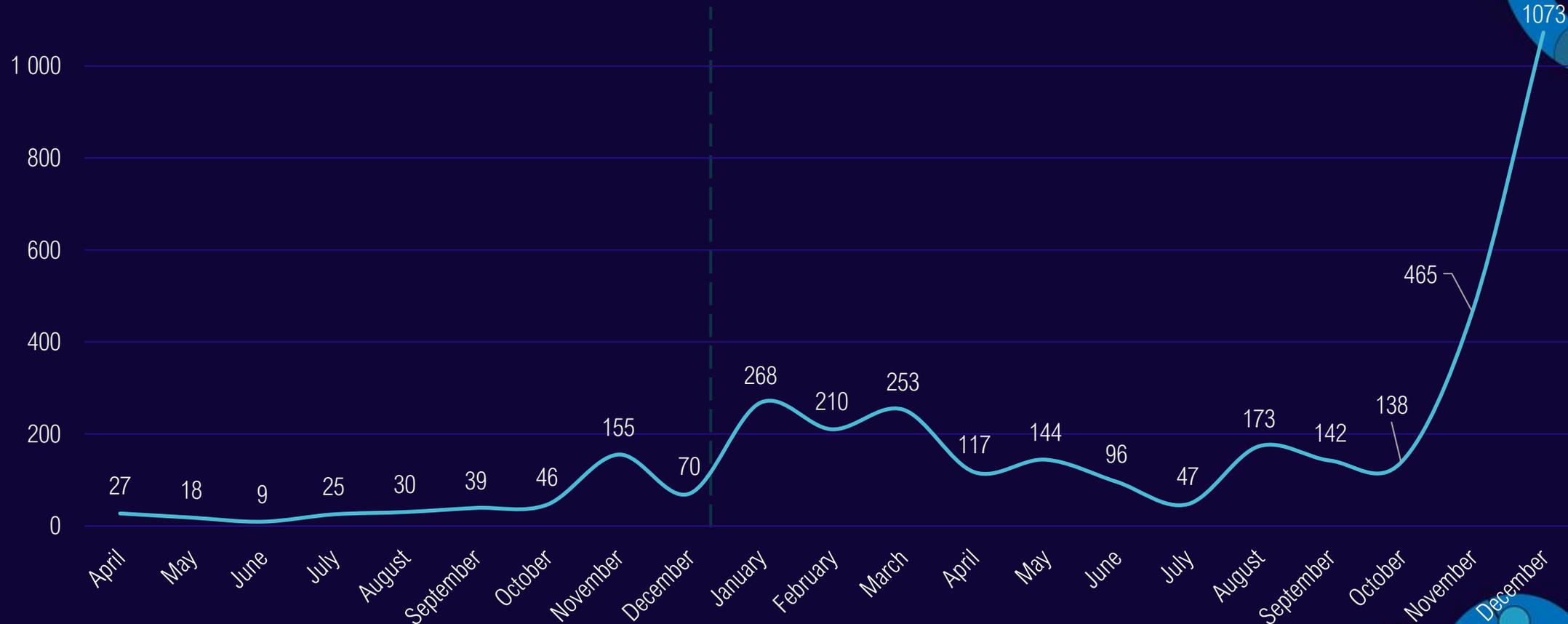
*Global Dapp volume, not only sales



Unique artworks sold per Marketplace



Unique artworks sold (SuperRare)



We separated the number of first sales from the rest of the total sales to determine how many artworks created were sold.



Marketplaces – Analysis

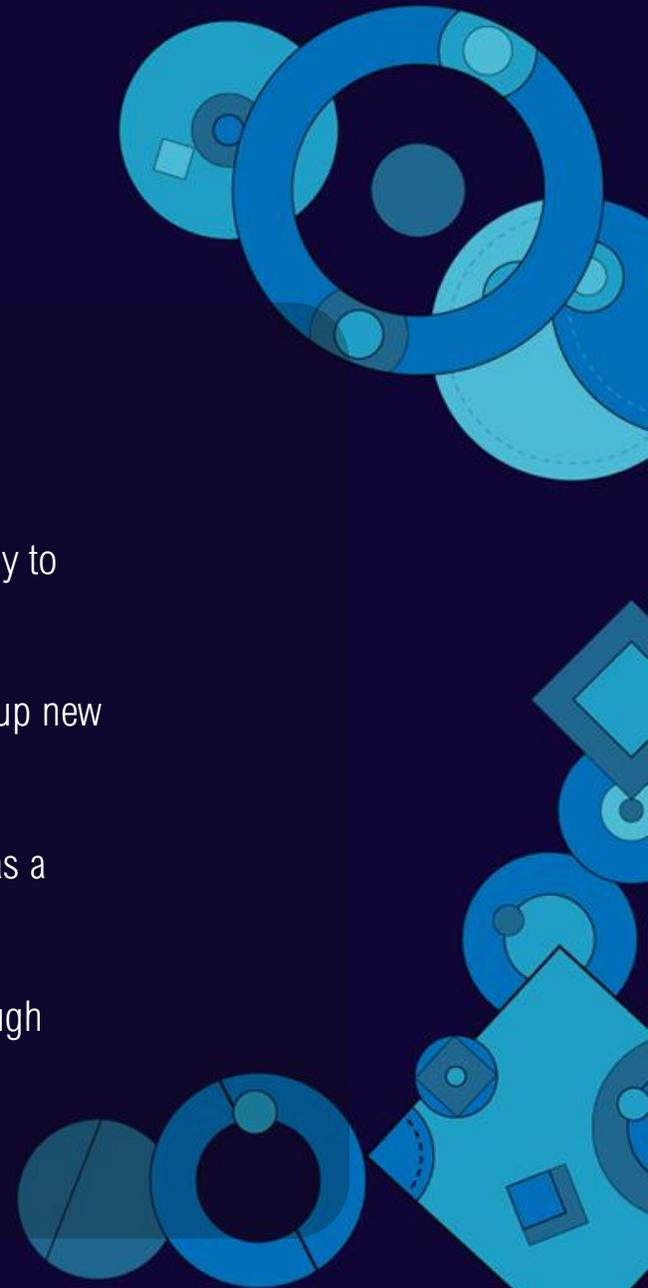
The end of 2019 saw a **huge peak** in volumes, across all platforms.

The growing interest in artistic works is closely linked to the development of NFTs in general, but it is still early to determine whether there will be a **bubble effect** or whether the trend will continue in 2020.

The number of artists is **constantly growing** and the arrival of video / audio support on platforms has opened up new worlds of expression!

SuperRare has achieved record sales thanks to its reputation and excellent communication, positioning itself as a **benchmark** in the artistic sector.

Other platforms are able to stand out by responding to other needs of the public and artists, in particular through access to their more **permissive platform**.



TOP BUYERS

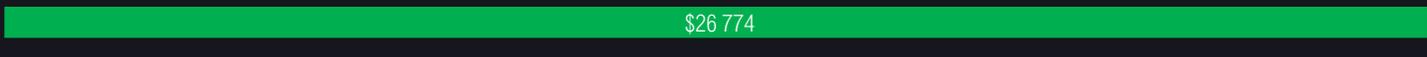
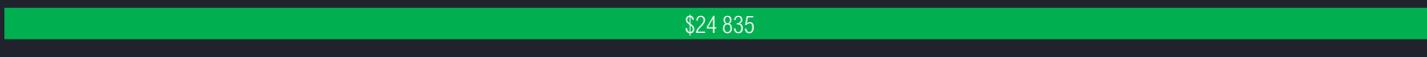
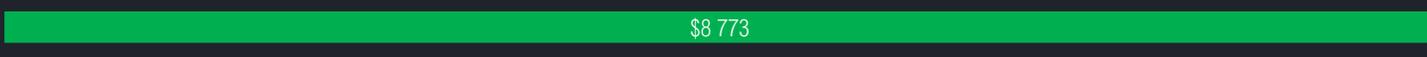
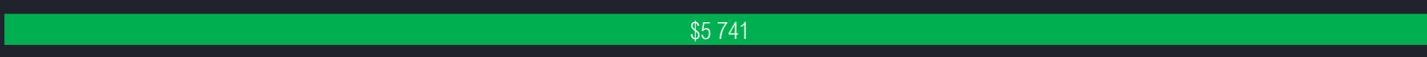
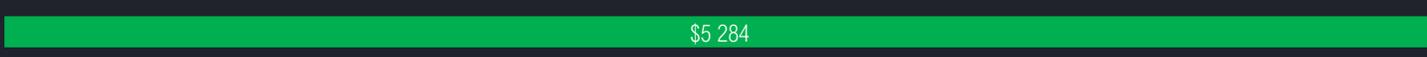


Top 2018 Buyers – Chart

Wallet Address

USD spent

Distribution per project

0x9aa6eb65f042e197d1293f36c5bb887dfb9e585c	\$26 774	 \$26 774
0x03911fecabd6b4809c88e2e6eb856ec932b2ee3e	\$24 835	 \$24 835
0xdde8df9a7dc9f68bdac815f493d1d731de911b5a	\$17 759	 \$17 759
0xf3860788d1597cecf938424baabe976fac87dc26	\$11 865	 \$11 865
0x287b1574aff39811c0b38fa24aafa7f0dfc1dbd1	\$11 542	 \$11 542
0x5bb35c9576ef6e42d4447adcb3272f0b8582e82e	\$8 773	 \$8 773
0x10017ca37b1257ac0771e24652aa28c758e378eb	\$8 707	 \$7 872 \$753
0x976b598539eef4e35297866ffce465d2e94b7cc7	\$5 741	 \$5 741
0x82f3d96ebf1e3e8ee3d8ea3c09a35d8a1b356b8e	\$5 334	 \$5 334
0xec6d36a487d85cf562b7b8464ce8dc60637362ac	\$5 284	 \$5 284

 Digital Art Chain

 CryptoPunks

 Superrare

 Known Origin



Top 2019 Buyers – Chart

Wallet Address

USD spent

Distribution per project

Wallet Address	USD spent	Distribution per project
0xf52393e120f918ffba50410b90a29b1f8250c879	\$60 362	
0xd2af803ad747ea12acf5ae468056703ae48785b5	\$35 049	
0x78f0269f5b1ca914c8c58993f41181f89e212b27	\$26 405	
0xdc19d539369c3da9172de453c05bc503c9ac6bc2	\$23 916	
0x7d438bf6567673867480b7923669bf349e6c8c12	\$21 877	
0xd387a6e4e84a6c86bd90c158c6028a58cc8ac459	\$20 531	
0x10017ca37b1257ac0771e24652aa28c758e378eb	\$18 460	
0x9af481276b075e036bc23e887a8bd275e69ef74c	\$6 781	
0xe83c750b2708320bb134796c555b80df39a3d97b	\$6 421	
0xedb7f337a3e4f1523a25d56e205a287168991f7c	\$6 079	



Top Buyers – Analysis



BANKSTA
@XCOPY

The artworks purchased between 2018 and 2019 saw a **greater diversification** thanks to the proliferation of artists and evolving marketplaces.

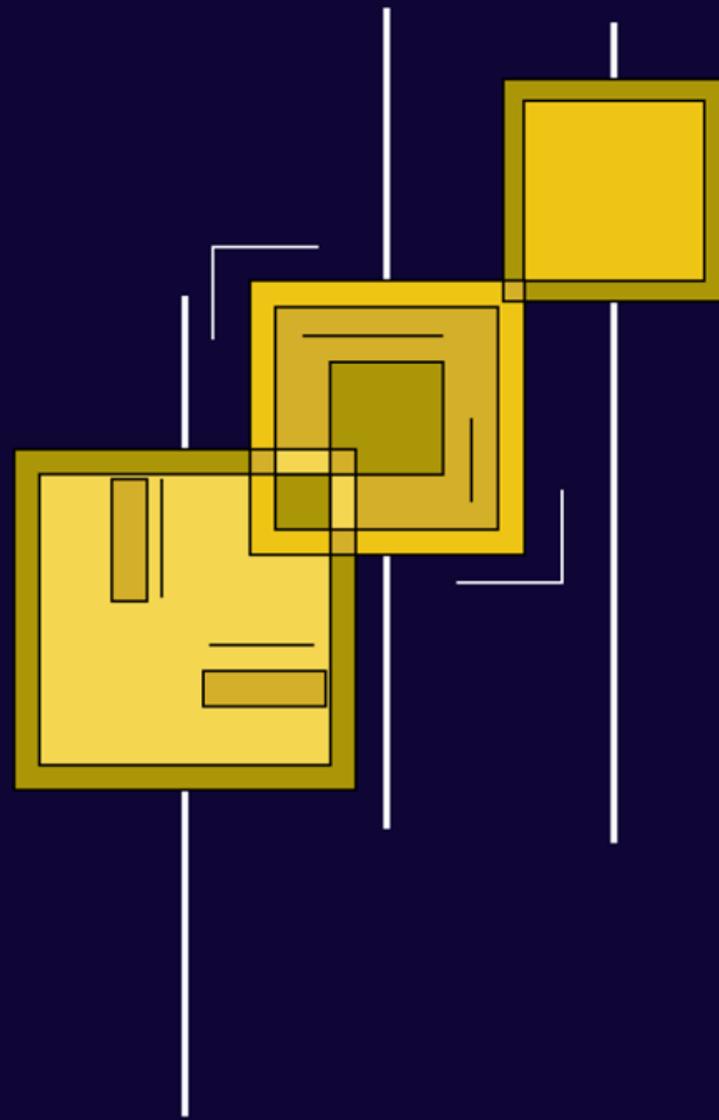
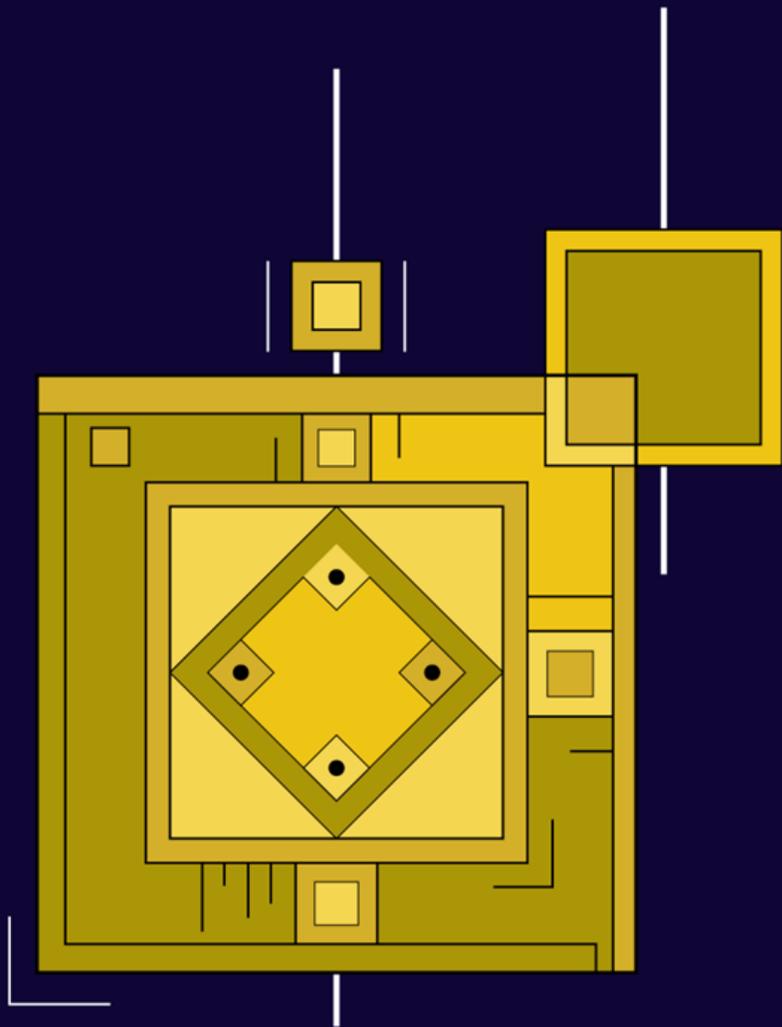
The **biggest buyers** have bet for the most part on artworks accessible via SuperRare, but it is fascinating to observe that the CryptoPunks which were initially donated in 2017, at the dawn of the NFT era, are **still very successful** this day. This is probably linked to their history and their **proven rarity**.

Known Origin comes in 3rd position, demonstrating the interest of buyers for the works available on the platform but also the **DAO system** it offers!

A trend emerging in 2019 is the interest in "individual" **artists particularly invested** in the cryptosphere. The cumulative sum of purchases allows them to arrive in 4th place among the 10 biggest collectors!



ART MARKET SIZE IN THE NFT SPACE



Art Market Size – USD Traded*

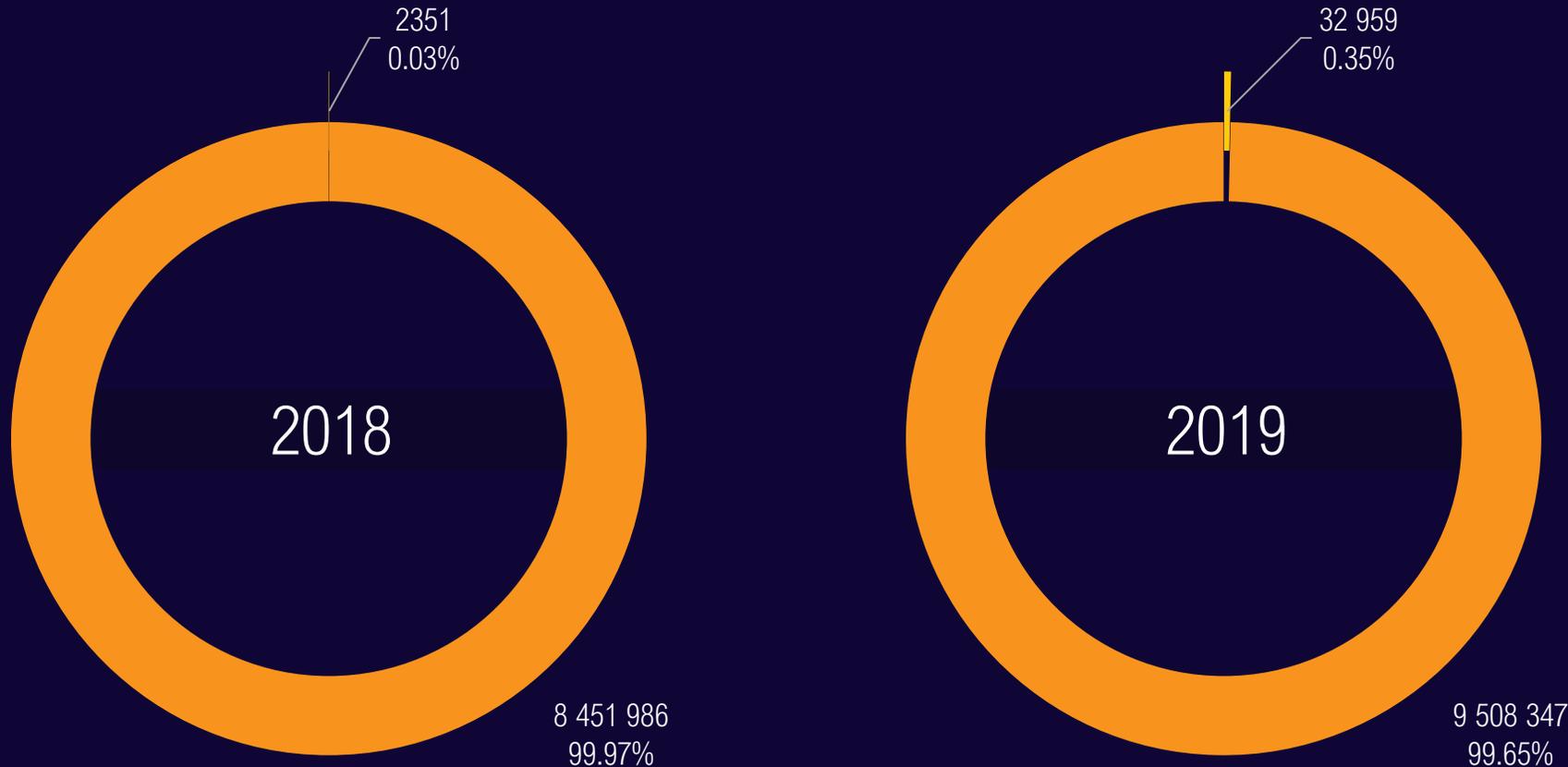
*Global Dapp volume, not only sales



Global NFTs Art NFTs

Art Market Size – Transaction Volume*

*Global Dapp volume, not only sales

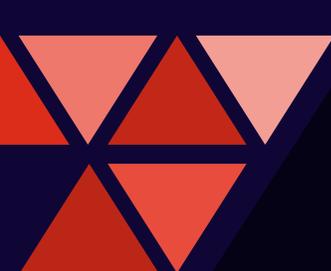


Global NFTs Art NFTs



GLOBAL CONCLUSIONS





Global Conclusions

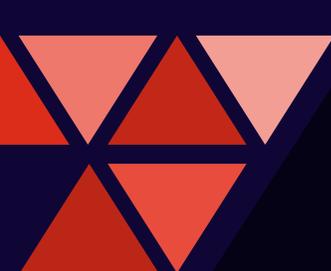
The NFT Art segment has several significant forces, which invite to consider it really seriously:

- ✓ Mature players (marketplaces, artists, ...)
- ✓ Attraction of new audiences outside the crypto-sphere
- ✓ A strong and natural fit between the technical medium and the Art Collection use case
- ✓ Marked interest by investors & Whales (WhaleShark, Winklevoss Twins,...)
- ✓ Three-digit growth over the period analyzed

In the meantime, the Art Ecosystem will have several main challenges to face to ensure its future growth:

- ✓ Develop a strong secondary market to ensure assets liquidity
- ✓ Continue to attract non-crypto artists
- ✓ Identify solutions to ensure royalties on secondary market sales





Global Conclusions

The goal of this report is to give a **clear and exhaustive overview** on the situation of the Blockchain Art Space.

As we noted during our NFT Yearly Report 2019, Art has undeniably become **one of the major Uses Cases in the NFT ecosystem**.

Although it is still today a tiny niche within the NFT environment, and more generally Blockchain, the growth of this segment suggests that Art can become **one of the main vectors of the NFT ecosystem growth**, alongside gaming.

Whether you are an artist, a newbie, a private investor, a Venture Capital or a traditional art collector, **you had better follow the Blockchain Art market very closely over the coming months and years...**





ARTISTICALLY YOURS

THE NONFUNGIBLE TEAM



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/NonFungibles



<https://discord.gg/pUv8kd7>