**Abstract**

Auction houses started to make use of presale estimates in the 1970s, and they have since then become an integral component of the marketing of art, even if the process of setting presale estimates by in-house experts is shrouded in mystery. In theory, accurate presale valuations signal trust to potential buyers and sellers. Auction houses are therefore incentivized to be as truthful as possible.

A unique set of journals (referred to as day books) preserved at the Christie’s archives in London contain presale evaluations for over a dozen sales featuring paintings during the 1820s. As far as we know, these are the first know series of about 400 presale evaluations for paintings in the history of the art market. This paper explores the correlation between the estimates and the hammer price or highest bid in the subsequent public auction, and the reserve price when available. I ascertain the accuracy of the presale valuations and reflect on the degree of professionalization of the art trade in the early nineteenth century and the (extremely successful) business model of James Christie. Taking advantage of arbitrage opportunities for paintings from the continent – mostly Dutch, Flemish and Italian – afforded the company to become the leading auction house in London from the 1820s onwards. We argue that Christie’s developed the expertise and engendered the trust among sellers to secure consignments of desirable works of art (collections), which were estimated at realistic and attractive levels which gave the company a competitive advantage in the booming London art market of the early nineteenth century.