



CULT WINES
SOLUTIONS FOR FINE WINE



Consulting
Wealth
Management

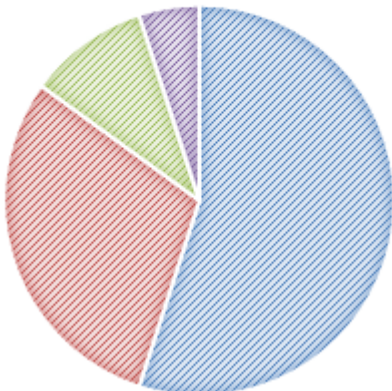
Client:

- Investment Level: GBP 35,000.00
- Term: 5 years (+)
- Management Fee Model: 15% Up-front
- Risk Profile: Low to Medium
- CAGR: 15 %

Portfolio Composition:

| Investment Sector | Key | % |
|-------------------|-----|----|
| Bordeaux | | 55 |
| Burgundy | | 30 |
| U.S.A | | 10 |
| Champagne | | 5 |

■ Bordeaux ■ Burgundy ■ U.S.A ■ Champagne



Portfolio Overview

| Wine | | | Unit Size | Region | Nb of Units | Unit Price | Total Unit Price | Management Fee (1 unit) | | Total Mgmt Fee | Sales Price |
|--------------|---|------|-----------|--------|-------------|------------|------------------|-------------------------|--------|-----------------|------------------|
| LAFIT14 | Château Lafite-Rothschild | 2014 | 6x75cl | BDX | 2.00 | 2,000.00 | 4,000.00 | 15.00% | 300.00 | 600.00 | 4,600.00 |
| PAVIE14 | Château Pavie | 2014 | 6x75cl | BDX | 2.00 | 975.00 | 1,950.00 | 15.00% | 146.25 | 292.50 | 2,242.50 |
| BEYCH14 | Château Beychevelle | 2014 | 12x75cl | BDX | 2.00 | 640.00 | 1,280.00 | 15.00% | 96.00 | 192.00 | 1,472.00 |
| ANGEL10 | Château Angelus | 2010 | 6x75cl | BDX | 1.00 | 1,500.00 | 1,500.00 | 15.00% | 225.00 | 225.00 | 1,725.00 |
| LYNCH09 | Château Lynch-Bages | 2009 | 12x75cl | BDX | 1.00 | 1,350.00 | 1,350.00 | 15.00% | 202.50 | 202.50 | 1,552.50 |
| CLINE09 | Château Clinet | 2009 | 6x75cl | BDX | 1.00 | 1,050.00 | 1,050.00 | 15.00% | 157.50 | 157.50 | 1,207.50 |
| PETRUS12 | Château Petrus | 2012 | 3x75cl | BDX | 1.00 | 4,800.00 | 4,800.00 | 15.00% | 720.00 | 720.00 | 5,520.00 |
| LEOVILC09 | Château Léoville-Las-Cases | 2009 | 12x75cl | BDX | 1.00 | 2,200.00 | 2,200.00 | 15.00% | 330.00 | 330.00 | 2,530.00 |
| LEROYNSGLL11 | Nuits-St.-Georges Les Lavieres, Leroy | 2011 | 6x75cl | BURG | 1.00 | 3,200.00 | 3,200.00 | 15.00% | 480.00 | 480.00 | 3,680.00 |
| LEFLACM14 | Chevalier-Montrachet, Domaine Leflaive | 2014 | 3x75cl | BURG | 1.00 | 1,500.00 | 1,500.00 | 15.00% | 225.00 | 225.00 | 1,725.00 |
| HARLAPR12 | Proprietary Red, Harlan Estate | 2012 | 6x75cl | U.S.A | 1.00 | 4,200.00 | 4,200.00 | 15.00% | 630.00 | 630.00 | 4,830.00 |
| SALONM02 | Salon, Le Mesnil Blanc de Blancs | 2002 | 6x75cl | CHAMP | 1.00 | 1,750.00 | 1,750.00 | 15.00% | 262.50 | 262.50 | 2,012.50 |
| CLERCM15 | Château Clerc-Milon | 2015 | 6x75cl | BDX | 2.00 | 260.00 | 520.00 | 15.00% | 39.00 | 78.00 | 598.00 |
| LIGBELLR04 | La Romanee, Domaine du Comte Liger-Belair | 2004 | 3x75cl | BURG | 1.00 | 3,500.00 | 3,500.00 | 15.00% | 525.00 | 525.00 | 4,025.00 |
| ROTYMC12 | Mazis-Chambertin, J. Roty | 2012 | 12x75cl | BURG | 1.00 | 2,450.00 | 2,450.00 | 15.00% | 367.50 | 367.50 | 2,817.50 |
| | | | | | | | 35,250.00 | | | 5,287.50 | 40,537.50 |

Strategy Overview

Bordeaux En Primeur 2014/2015:

The portfolio will feature exposure to the latest Bordeaux En Primeur campaigns; 2014 and 2015. It is widely accepted that 2014 was severely underestimated upon release and there are a number of wines that offer the best value for quality from their respective estates. These wines will be physical in Spring/Summer 2017 at which point they will awarded in bottle scores from all the major critics. Therefore we have selected the wines that we feel offer the most value and are the strongest candidates to be upgraded next year. Demand for 2014 will pick up as soon as these wines are bottled particularly as Asian markets looks to sweep up the best value wines for their cellars. For this section of the portfolio we have included wines that we know have a very active secondary market and can easily be disposed to our global network of trade customers.

The remainder of the Bordeaux portfolio will feature exposure to the highly acclaimed 2015 vintage where we have identified either landmark wines for each Chateau or wines where there is a very obvious price disparity between the EP prices and the physical back vintages. These selections have the ability to replicate the performance witnessed by some of our most exciting EP strategies over the past decade.

A key component in this strategy is your (our) ability to sell down on positions we have identified once they have reached their peak & then re-allocate the capital towards carefully selected wines from other strategies or the next relevant En Primeur campaign. The signs for EP 2016 (Summer 2017) are positive and therefore it would make sense to dispose of some of the 2014 purchases and re-allocate IF we see value.

Bordeaux Prime Vintage:

Part of the portfolio will feature exposure to the highly acclaimed, 2009 and 2010 vintages, focussing on wines with the highest ratings and strongest secondary market, minimalizing any potential downside risk. Robert Parker Jnr has already hailed 2009 as ‘the vintage of his lifetime’ and duly awarded 21 Chateaux the perfect 100pts rating. One shouldn’t forget that whilst 2010 cannot boast as many 100pt Parker wines, it is regarded by many as the superior vintage. As the Bordeaux market stabilised in 2015, it was no surprise to see 2009 and 2010 dominate the volume of trade, 2010 accounting for 16.06% and 2009 for 15.50%, significantly higher than any other vintage. This continued throughout 2016/2017, as these two vintages have yet again dominated the % share of Bordeaux.

| | |
|------|-------|
| 2009 | 15.2% |
| 2010 | 10.5% |
| 2005 | 9.9% |
| 2012 | 7.2% |
| 2008 | 6.8% |
| 2000 | 6.3% |
| 2006 | 6.3% |
| 2011 | 5.1% |
| 2003 | 4.0% |
| 1996 | 3.8% |

Bordeaux Relative Value:

This part of the portfolio focuses on the selections within Bordeaux's 'off-prime' vintages, which is obviously more speculative than the 2009 and 2010 positions. 2012 is not the most 'glamorous' of vintages but Bordeaux vintages tend to re-write their own stories as perceptions change over time, revisionism a common theme amongst the wine community. Petrus is one of the highest scoring wine from the 2012 vintage with 96+/100pts and many would argue is very close to the quality achieved in 2009 and 2010 yet trades at around half the price.

Burgundy:

Burgundy wines are often produced in the lowest quantities of any investment-grade wine region. It would not be unusual for a Domaine to produce only a couple of hundred cases each year of a particular wine. This scarcity means that the top Burgundy wines consistently trade for record prices, especially at auction. With this scarcity comes a smaller secondary market so liquidation can take 2-4 weeks longer than an equivalent Bordeaux wine. The focus here is of course on quality and the top tier of producers. However, there are also a handful of 'rising star' producers from this region who we argue have the ability to compete with the more traditional names at the very top of the market over the next few years. Notwithstanding, it is important investors hold exposure to the main producers and their flagship vineyards, therefore managing risk through robust exit routes. For those investors looking for longer term plays, Burgundy is another area of the market that can deliver very attractive returns. Since 2003 the Burgundy index has far outperformed all other wine market indices, with the lowest standard deviation and volatility. When matched up against Gold and the FTSE 100 over a 15 year period, it has generated higher and more consistent returns.

U.S.A:

Californian wines have always played a key role in our portfolios and we continue to adopt an aggressive strategy towards the Napa wine scene, focussing on the leading brands, such as Screaming Eagle, Harlan, Opus One & Dominus. With the exception of Opus One, all the aforementioned are produced in tiny quantities, and as their reputation continues to grow in new markets, we are bound to see prices climb further. In fact, in 2015 when Liv-ex released its latest edition (10th) of the Power 100, it compiled a table to show the strongest price performers, the top two spots were occupied by wines from California; Scarecrow and Screaming Eagle, gaining an average of 19.9% and 15.1% over the course of the year. We believe this is part of a wider trend of rising prices for the region that has largely contributed to the positive trajectory of the Rest of the World Index over the past decade, the same index is up 4% over the last quarter. International demand for the best wines from the U.S. is gathering pace as UK listings doubled in 2015. California has arguably been the most consistent region over the past 7 years, with the output of high scoring wines unrivalled. Much like Burgundy, the scarcity of these wines means a smaller secondary market and liquidation may take 2-4 weeks longer as a result.

Champagne:

Champagne is one of the most exciting and fastest growing areas of the market as consumer demand continues to increase year on year. The Champagne 50 Index is up over 150% since 2003 as the market for luxury champagne continues to boom. In 2015, 312 million bottles of Champagne were sold, the highest since 2007 (post credit crunch era). Champagne continues to see strong activity and in our opinion will assume a greater market share by volume and value over the next 5-10 years. The steady and consistent performance of this area of the market highlights the importance of including vintage champagne in any diverse portfolio.

Please refer to the individual wine analysis below.

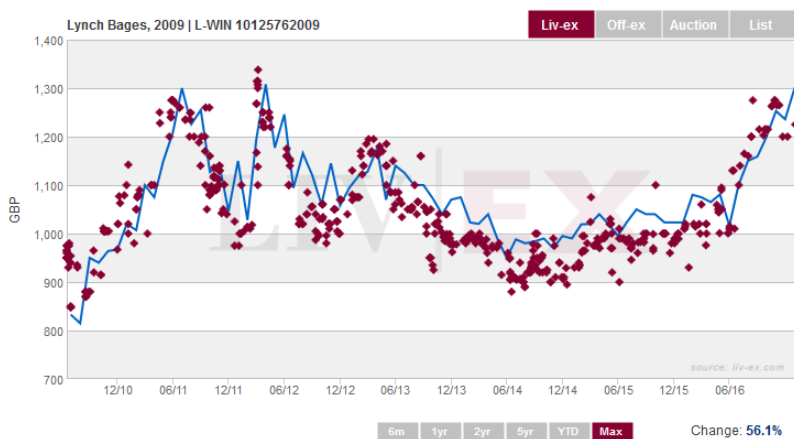
1. Bordeaux Prime Vintage 2009/2010

Lynch 2009 @ £1,350.00 per 12

Key Points:

- 2009 is the highest scored vintage of Lynch Bages since the legendary 1990 effort.
 - 1990 (99pts) trades at £3,200.00 per 12 – 137% premium on the next best scored 2009 (98pts)
- 1989 is rated at (95pts) and trades at £3,000.00 per 12 – 122.2% increase on 2009.
- 2009 stock is drying up and extremely difficult to purchase in good volume.
 - Negotiants completely sold out of stock.
- 2009 considered by Parker and other critics as the greatest vintage of the past 40 years.
 - Will rival 1982 and surpass previous iconic vintages such as 1986, 2000 and 2005.
- 2000 (97pts) @ £1,950.00 per 12 – 44.44% increase on 2009.
- Lynch one of the strongest brand in the wine market at present; hugely popular in North America, Europe and Asia.
 - Culminating in the following figures from last year's trading:
 - 14th strongest brand in Liv-ex Power 100 – ahead of LMHB, Montrose, Cos, Pichon Baron and Pontet
 - 4th /100 by value and volume traded – only surpassed by Lafite, Mouton and Pontet Canet.
- Increased 56% since release in 2010 – see graph below:
 - Dots represents trades and highlights the interest and liquidity of this vintage.
- Relative value Vs other Bordeaux 2009 wines with the same score and less market share.
- Forecast for growth 50-90% + over a 5 to 10 year hold.
-

Lynch Bages 2009 Performance Graph:



Tasting Notes:

"The highest levels of polyphenols ever measured at Lynch Bages (20% higher than any prior vintage) are found in the 2009, which achieved 13.4% natural alcohol, and a normal pH of 3.64. Composed of 76% Cabernet Sauvignon, 18% Merlot, and the rest Cabernet Franc and Petit Verdot, it is the greatest Lynch Bages since the outstanding duo of 1989 and 1990. The black/purple-tinged 2009 exhibits a glorious perfume of graphite, black currants, and subtle smoke, powerful, thick, unctuously textured flavours, huge yet sweet tannins, fabulous purity, and a finish that lasts 40-45 seconds. Five to eight years of patience will be required, but this is a 30-40-year wine from this popular estate run by the affable and highly respected Cazes family. (Tasted three times.) Drink 2010-2050."

Robert Parker, Wine Advocate #188, August 2010

| | | | |
|------------------|----------------|-------|--------|
| Lynch Bages 2009 | £1,350.00 (12) | 98pts | - |
| Lynch Bages 2000 | £1,950.00 | 97pts | 44.44% |
| Lynch Bages 1990 | £3,200.00 | 99pts | 177% |
| Lynch Bages 1989 | £3,000.00 | 95pts | 122.2% |

We believe that this is a portfolio staple and will prove itself to not only be revered as one of the greatest vintages of Lynch, but more pertinently the most consistent performer for our investors/collectors over the next 5 to 10 years.

Leoville Las Cases (LLC) 2009 @ £2,200.00 RPJ 98+pts

“This remarkable St.-Julien should be accessible in 3-4 years, and will evolve for 40-50” RPJ

“This is a brilliant, full-throttle St.-Julien” RPJ

“This is Bordeaux at its finest and I only wish I could afford to fill the cellar with bottles.” JD

Key points

- Released at £2,450 ex-London, the LLC 2009 is available for 14.3% less than if bought en primeur.
 - Amongst a very small group of 2009 wines that is currently below its release price.
 - Previously traded at £2,600.00 per 12 (December 2011) +23.8% increase on current level.
- Joint best RPJ score along with the 1986 and 2000 (98+ pts).
 - Strong consensus amongst all main critics.
 - Rated ‘unofficially’ at 100 pts by Jeb Dunnuck in The Wine Advocate’s sister publication – The Hedonist’s Gazette
- 2000 vintage trades at £2,600 (a 30% premium to the 2009)
- Lowest POP value of the prime vintages at 113.5.
- Average 6 month performance of 18.2% for prime vintages of LLC.
- LLC now ranks in Liv-ex top 10 Power Brands: LLC is in very good company; DRC, Leflaive, Mouton and Margaux to name a few.
- As with many 2009s the Las Cases is approachable in its youth but as with any great LLC will reward those with patience.
 - Trading at a significant discount to its 2009 peers.
- 2009 Directly compared to the 1982 – which trades at £5,300.00 (106.2% premium to 2009)
 - Also compared to the 1986 (£3,800.00 per 12), previously 100pts from Parker now 98+pts
 - The consensus of high scores from all critics suggests that this could one day be a 100pt wine from one of the major writers.
 - Average price for 100pt Wine Advocate is over £10,000.00 per 12 (since 1982).

Critical Acclaim

LLC 2009 can boast consistently high scores from all key critics which is testament to the quality of the wine produced by Monsieur Delon and his team in 2009.

Robert Parker 98+pts (July 2012)

Jancis Robinson 18pts (April 2010)

Steven Spurrier 19pts Decanter (April 2010)

Neal Martin 97pts (July 2013)

Tim Atkin 98pts (April 2010)

James Suckling 99+pts (November 2011)

Jeb Dunnuck 100 pts (February 2015)

Tasting Notes

*The 2009 Château Leoville Las Cases was a blockbuster that gave the impression you throw as much air at it as you could muster, and it would just shrug and keep going. Deeply colored, full-bodied, ripe, unctuous, yet still structured and tannic, it had insane purity and focus, an incredible texture, sweet tannin, and sensational length. This is Bordeaux at its finest and I only wish I could afford to fill the cellar with bottles. **Jeb Dunnuck Feb 2015 100 pts***

Bottle: *The 2009 Leoville Las Cases may be the most open-knit and forward Las Cases I have tasted to date. Analytically, it is high in tannin and the alcohol is 13.8%, nearly a record at this estate. This blend of 76% Cabernet Sauvignon, 15% Merlot and the rest Cabernet Franc was showing brilliantly at the 2009 tasting I did in Hong Kong and at a later tasting. It boasts an inky/purple color, monumental concentration and lots of sweet, jammy black currant, black cherry and kirsch fruit intermixed with crushed rock and mineral notes. As always, proprietor Jean-Hubert Delon has built a massive wine with exceptional precision, unbelievable purity and aging potential of 40-50 years. I was surprised by the lushness of this cuvee on several occasions, and how much more forward it is given the fact that Las Cases can often be forebodingly backward and in need of 10-15 years of cellaring (at age 30, the 1982 is still a baby in terms of development!). The super-concentrated 2009 needs another 5-7 years before additional nuances emerge. This is a brilliant, full-throttle St.-Julien.*

Barrel: *The 2009 is one of the greatest Leoville Las Cases I have ever tasted, which is saying something given the many compelling wines that have been made at this estate. A final blend of 76% Cabernet Sauvignon, 15% Merlot, and 9% Cabernet Franc has resulted in a wine that appears to be a hypothetical blend of the 1982, 1986, and 1996. Its 13.8% alcohol is perhaps the only thing that sets it apart from those vintages, which had nearly a full percentage point less. The high alcohol is barely noticeable in this 2009, which boasts an inky/purple color, monumental concentration, and great clarity and purity of creme de cassis, black cherry, spice box, graphite, and wet rock characteristics. Extremely full-bodied with a boatload of sweet tannin nearly concealed by the wine's power, glycerin, and awesome fruit concentration, this intense effort never tastes heavy or tiring. This remarkable St.-Julien should be accessible in 3-4 years, and will evolve for 40-50. (Tasted once.)*

Winemaking process – pioneers of Bordeaux

Back in 1987 Leoville Las Cases began employing the use of a state of the art, reverse osmosis machine to help extract excess water from the grape must. When this was first brought in, it caused much controversy and there were many sceptics across Bordeaux. Nowadays, this technique is far more commonplace and Las Cases were actually shown to be well ahead of competition. The great vintages from the estate are testament to the beneficial effects of this process, each new 'great vintage' better than the last. According to Jean Hubert Delon, reverse osmosis is only used in select vintages and Leoville Las Cases continued their pioneering reputation by becoming one of the first Bordeaux producers to the first to begin rinsing the rinse their oak barrels with a sulfur solution, thus protecting their wine from spoiling during transport or aging. Their continued efforts to be at the forefront of ground-breaking techniques will surely be beneficial as they continue to develop their wines and ultimately their brand.

Brand Power

Some observers maybe interested if not a little surprised to find out that LLC accommodates a spot in the top 10 of Liv-ex's Power 100 (2015), currently 10th having moved up 15 places from 25th (2014). This reaffirms its position as one of the most celebrated estates in Bordeaux and the ability of this wine to captivate a global audience.

| Brand | 2015 | 2014 | Total | Rank | Share | Rank | Share | Rank | Price | Rank | Change | Rank | Number | Rank |
|--------------------|------|------|-------|------|-------|------|-------|------|---------|------|--------|------|--------|------|
| Mouton Rothschild | 1 | 4 | 49.5 | 1 | 9.77% | 2 | 3.96% | 3 | £3,037 | 15 | 4.44% | 25 | 40 | 8 |
| Haut Brion | 2 | 5 | 68.5 | 7 | 4.37% | 5 | 2.06% | 11 | £2,608 | 19 | 3.61% | 35 | 45 | 4 |
| Angelus | 3 | 28 | 80.5 | 17 | 2.08% | 14 | 1.16% | 24 | £2,211 | 27 | 7.62% | 12 | 25 | 16 |
| Pavie | 4 | 2 | 102 | 14 | 1.94% | 16 | 1.35% | 17 | £1,763 | 32 | 4.90% | 21 | 20 | 28 |
| DRC | 5 | 1 | 104 | 54 | 2.07% | 15 | 0.16% | 109 | £15,583 | 3 | 5.67% | 19 | 66 | 1 |
| Margaux | 6 | 8 | 118 | 6 | 4.48% | 4 | 2.23% | 9 | £2,472 | 24 | 0.29% | 82 | 50 | 3 |
| Mission Haut Brion | 7 | 25 | 136.5 | 11 | 3.01% | 8 | 1.67% | 14 | £2,215 | 26 | 0.22% | 83 | 27 | 11 |
| Cheval Blanc | 8 | 3 | 139 | 18 | 2.96% | 9 | 0.93% | 30 | £3,910 | 10 | -0.08% | 86 | 25 | 16 |
| Domaine Leflaive | 9 | 49 | 140.5 | 53 | 0.35% | 52 | 0.34% | 70 | £1,279 | 48 | 8.54% | 9 | 45 | 4 |
| Leoville Las Cases | 10 | 25 | 148 | 20 | 1.15% | 20 | 1.27% | 20 | £1,118 | 54 | 3.60% | 36 | 20 | 28 |

By way of comparison, we have priced up the 2009 efforts from the other Bordeaux estates which are amongst Liv-ex Power 100 top ten. The following results demonstrate that LLC's peers are trading at an average increase of 146.3%.

| Wine | RPJ Score | Current price (per 12) | % Difference |
|-------------------------|-----------|------------------------|--------------|
| Leoville Las Cases 2009 | 98+ | £2,200 | - |
| Haut Brion 2009 | 100 | £6,300 | 200.0% |
| Angelus 2009 | 99+ | £3,250 | 54.8% |
| Pavie 2009 | 100 | £3,100 | 47.6% |
| Mouton Rothschild 2009 | 99 | £5,350 | 154.8% |
| Margaux 2009 | 99 | £6,600 | 214.3% |
| LMHB 2009 | 100 | £4,800 | 128.6% |
| Cheval Blanc 2009 | 100 | £6,800 | 223.8% |

Prime vintage value

The table below is an extraction from our in-house price matrix (that updates daily). Essentially what is shown below is the prime vintages of Las Cases – the scores shown are the POP (price over points) values, see the description below; *A wine's POP score is its price-over-points ratio, our loose measure of value. It is calculated by dividing the price of a nine-litre case of wine by a shortened 20-point Parker score. We calculate this 20-point score by simply subtracting 80 from the official Parker rating, on the basis that any wine under 80 points is unlikely to attract a secondary market. It also gives more weight to each point than if we used Parker's official 50-point scale (he gives all wines a base score of 50). In theory, the lower the POP score the better value a wine is.*

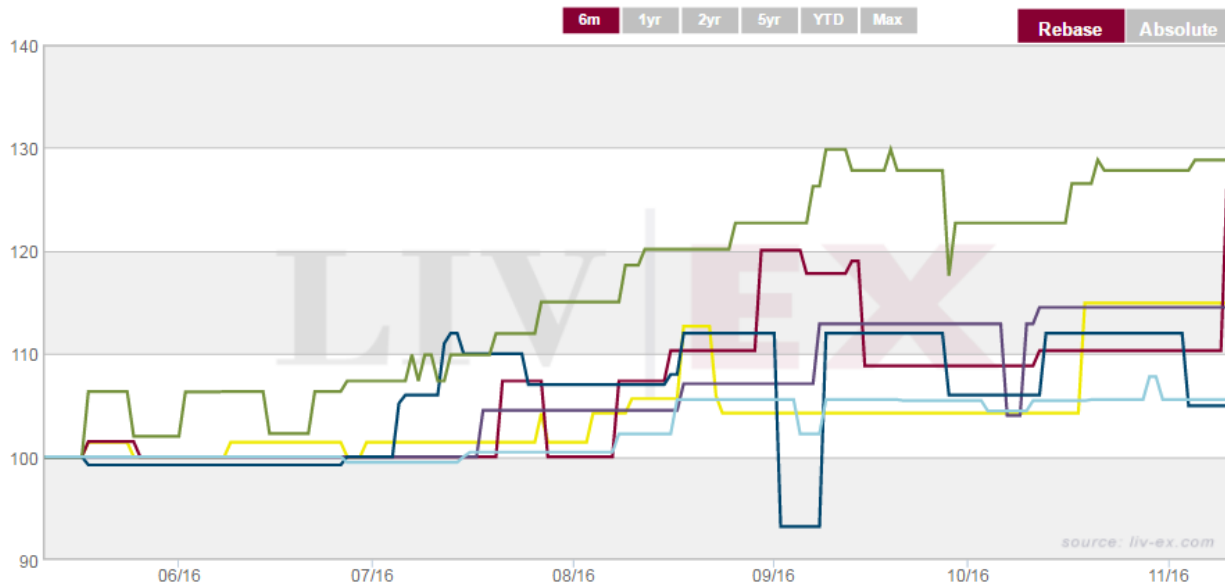
| Vintage | Price per 12 | RPJ Score | POP Score |
|---------|--------------|-----------|-----------|
| 2009 | £2,200 | 98+ | 113.5 |
| 2005 | £2,040 | 97+ | 116.6 |
| 2000 | £2,600 | 98+ | 140.5 |
| 1996 | £2,450 | 98 | 136.1 |
| 1990 | £2,800 | 96 | 175.0 |

| | | | |
|------|--------|-----|-------|
| 1986 | £3,800 | 98+ | 205.4 |
| 1982 | £5,312 | 96 | 332.0 |



It is amazing to see the 2009 is by far the best value from the prime category, but also carries the joint highest score from Robert Parker. This combination of value and quality is a profitable potion and inevitably a catalyst for growth. The investment case for LLC 2009 over the next 10 years is highly compelling.

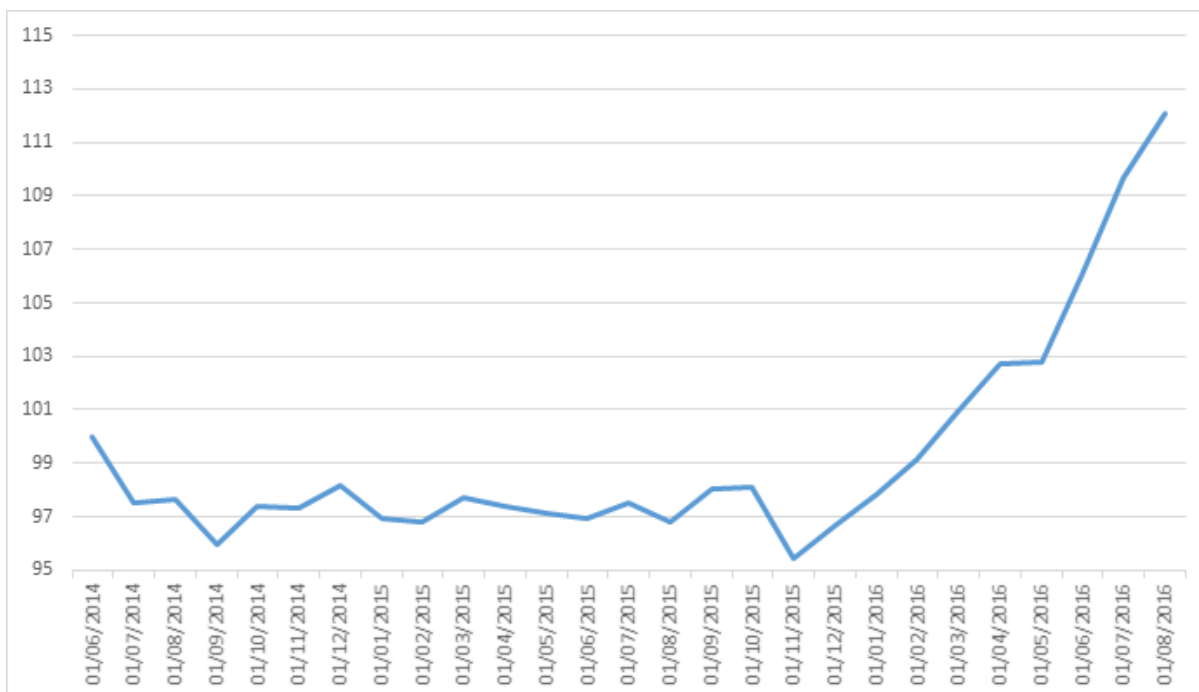
Prime Vintage – recent performance



| Series | 6m |
|--------------------------|-----|
| Leoville Las Cases, 2010 | 15% |
| Leoville Las Cases, 2005 | 15% |
| Leoville Las Cases, 1990 | 5% |
| Leoville Las Cases, 2009 | 6% |
| Leoville Las Cases, 2000 | 29% |
| Leoville Las Cases, 1982 | 27% |

The most interesting comparable above is between the 2000 and 2009 vintages. Both carry the same score and the 2009 is arguably a better vintage, yet the growth difference YTD (29% vs 6%) indicates that the youthful 2009 has yet to receive full market focus. However, it is clear that stock for older vintages is beginning to dry up and we anticipate demand to pick up for the 2009, as it approaches 5 years of bottle age.

CW 2009 performance since Bordeaux market low in June 2014.

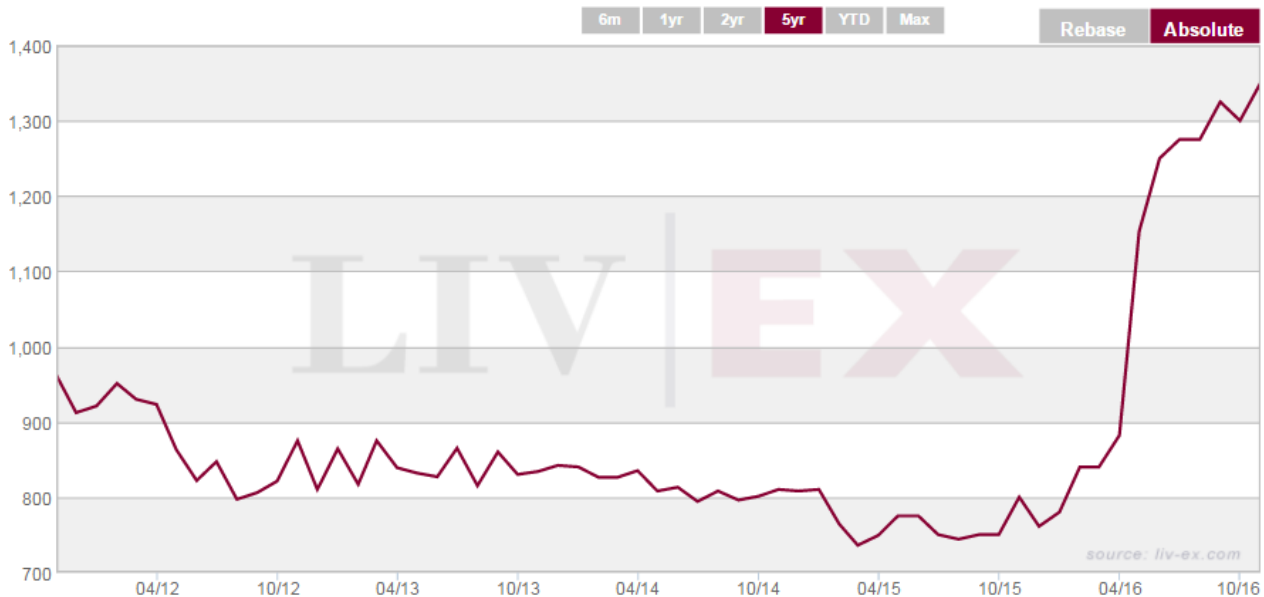


The graph above shows the CW 2009 Index YTD (up until end of August) and provides indication of a renewed focus and interest in Bordeaux 2009. The low acidity and ripe fruit of these wines will inevitably allow them to be consumed in their youth or aged for years – a very unique characteristic of this vintage. This rare combination means that large volumes of stock have already been taken off the market but the vintage remains a very attractive long term addition to cellars and investment portfolios. The continued strain on supply and growing global demand affords investors great confidence in the 2009 strategies we have in place.

Parker described 2009 as ‘unquestionable the greatest vintage I have ever tasted’, culminating in a record 21 x 100pts. Now that Parker has stepped aside and confidence has returned to the Bordeaux market, the case for investors and consumers to secure 2009s whilst they are affordable has never been so compelling. LLC 2009 is one of a number of wines that is available at a large discount to 1982, 1986 and 2000. This vintage is potentially a Parker Legacy and for many will be the flag bearer for Bordeaux over the next 25 years.

The 100 point effect?

As it stands, there are no plans for any critics to publish a re-score for LLC 2009 in the immediate future. Nonetheless, we believe that when this time comes, and it will, this has the potential to be awarded 100pts from any number of critics. Following Jeb Dunnuck's 100 point rating for the Hedonist's Gazette in February 2015, the potential for this to wine to be upgraded officially in the future is obvious. Whilst we have to consider that this was not a rating from Parker himself, the comparison with Pape Clement 2009 is clear.



| Series | Current value | 6m | 12m | 2y | 5y |
|--------------------|---------------|-----|-----|-----|-----|
| Pape Clement, 2009 | 1,435 | 20% | 84% | 84% | 40% |

Back in April of this year, Robert Parker awarded Pape Clement 2009 the 'unofficial' 100 points in his publication The Hedonist's Gazette. Any doubters of Parker's ability to move pricing were quickly silenced; this wine is now represents the biggest mover YTD up +84% since the re-rating only 6 months ago.

Much has been said and written on whether or not Neal Martin will have the same sway as Parker when rescoring and again, any doubters were also put to bed when he awarded the Margaux 1996 a 100 point score in the latest edition of The Wine Advocate. Having traded at £5,025 per 12 at the start of October, the 1996 traded at £6,150 last week – a price jump of 22.4% in a matter of two week. Prices are likely to settle at £6,500.00 by the end of the month. Since the 1986 LLC was downgraded from 100pts to 98+pts, this truly great Bordeaux estate does not have a 100pt rating from a major critic to boast the fruits of its terroir, you'd be hard pushed to find a vintage with a stronger possibility to achieving perfection than the 2009.

Summary Points:

- Best value prime vintage for LLC with huge scope for growth held over the medium to long term ; 2000, 1986 and 1982 all relevant benchmarks
 - 1-5 year : 40-50%
 - 5-10 year: 80-100%+
 - If upgraded to 100pts, expect an acceleration to the figures above.
- Bordeaux 2009 remains one of the most actively traded vintages as consumers and collectors hope to stock up whilst prices are soft.

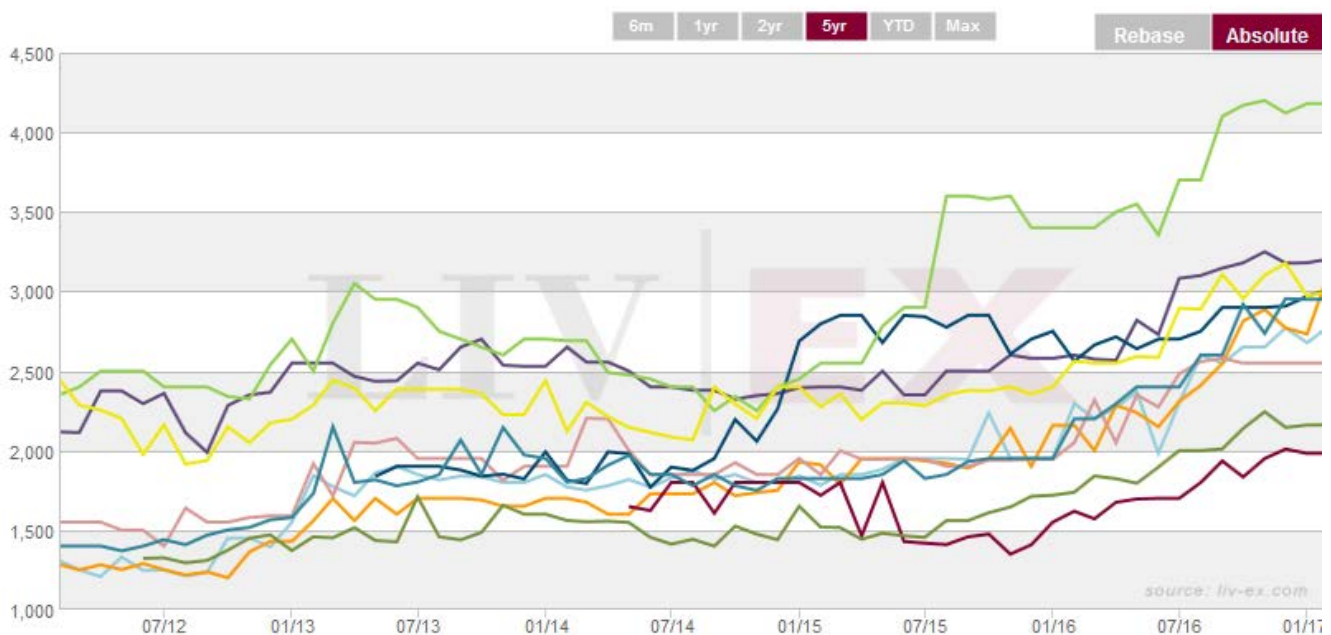
- Supply side of the market increasingly under pressure.
- One of the most consistent 2009 wines taking into account a cross section of critic scores.
- Potential 100 point wine in the future, particularly as it already unofficially rated perfectly by Jeb Dunnuck from The Wine Advocate.
- Similar status 2009 wines trade at twice the price.
 - Lowest POP value of Prime LLC vintages.
- Modern day equivalent to the 1982 which trades at £5,312.00 per 12
 - 153% increase on LLC 2009.
- Recommended hold 5-10 years.

Angelus 2010 @ £3,000.00 per 12

“This is the greatest Angelus ever for me” James Suckling

- 99+ score from Parker.
- Its original barrel rating was 94-96+, it was then given a rating of 98 when first bottled and Parker upgraded it to 99+ in August 2015 which shows its consistent improvement.
- Last 10 physical vintages have witnessed an average of 13.2% growth over the last 6 months
- Ranked 3rd in the 2015 Liv-ex Power 100, up from 28th place in 2014
- Comparable vintages:
 - 2009 99+ £3,150 (5% higher)
 - 2005 100 £4,150 (39%)
 - 2003 99 £3,125 (5%)
 - 2000 99 £4,950 (66.9%)
 - 1990 99 £5,400 (80%)
 - 1989 94 £4,150 (38.3%)

The chart below shows the price trajectory for the last 10 physical vintages of Angelus. Without question one of the best performing Bordeaux estates over the past 5 years, significantly outperforming the market over the same period.



Tasting Notes:

*This is another magnificent wine. How much fun will it be to have the 2000, 2005, 2009 and 2010 in future tastings to see which vintage comes out on top? They are all candidates that will flirt with perfection, depending on the state of their evolution. The 2010 has a similar color to the 2009, but is perhaps even more opaque, which seems almost impossible. Subtle barbecue smoke, graphite, blackberry liqueur, licorice and chocolate jump from the glass, and the wine hits the palate with a thunderous cascade of sweet, velvety, full-bodied, concentrated black fruits, nice definition from the tannins and decent acidity. The wine has a majestic, multilayered finish that goes on for a minute. This magnificent wine is still frightfully young and still somewhat unformed, but every bit as prodigious as its older sibling, the 2009. This will probably end up evolving on a slightly slower evolutionary track. However, it has 50 years of longevity in it. **Robert Parker, Aug 2015 99+***

2. Bordeaux Relative Value

The Best Value Petrus: Petrus 2012 @ £4,800.00 per 3

- 96 + pts from Parker, 18/20 from Jancis Robinson and 98 from Suckling.
- 2015 is trading at £15,900 per 6 – 65% + premium and is rated at 18.5/20 from Jancis, 100pts from Suckling & 98-100pts from Martin.
 - 2012 a very good year for Pomerol and largely remains underrated.
- 2012 liked to 1998 which is 95pts – trading at £13,500.00 per 6
 - This is a fairly soft benchmark given the superior score and overall quality for Pomerol in 2012
- Wine of the vintage
 - Trades 16% below its release price as was impacted by the Bordeaux correction.
- A lot of collectors will gravitate to 2012 once they realised they cannot get stock for 2015 or have been overpriced!

*Tasted blind at the Southwold 2012 tasting, the 2012 Petrus demonstrated a forward, fruit-driven, ripe raspberry and wild strawberry bouquet underneath which lies graphite and forest floor aromas. It seems refined, understated, nonchalant even. The palate is medium-bodied with a slightly savory opening, as if there was a tiny drop of Cabernet Franc. The tannins are fine but firm, the red fruit infused with cooked meat, black pepper and sage notes, although I was anticipating a finish armed with more body. That may well develop in time, yet it remains a regal Pomerol that will probably merit a higher score with bottle age, hence the plus-sign against the score. Tasted January 2016. **Neal Martin 96+pts***

One of the stars of the vintage, the wine (100% Merlot) has exceptional concentration, stunning purity, an inky purple color and a broad, expansive mouthfeel. Not a bit heavy, cloying or overwrought, this is a stunning Petrus (licorice, blackcurrants and truffles dominate) that will probably hit full maturity in 8-10 years and last 25-35. Another great example of this mythical wine that few can afford, virtually no one drinks, but everyone talks about! Relatively high in alcohol at 14.5%, the crop was tiny because of the spring's poor flowering in this sector of Pomerol. **Robert Parker 96+pts**

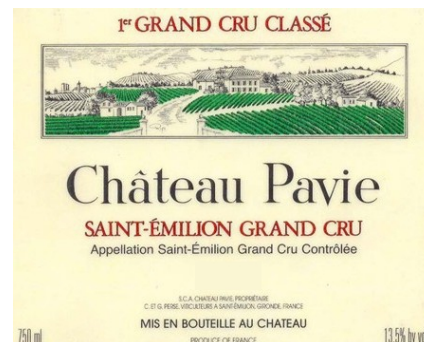
3. Bordeaux En Primeur 2014/2015

Pavie 2014 - £1,950.00 per 12

'This is one of the standout wines in Saint Emilion'

Key Points:

- 94-96 points NM, 17+ from JR
 - 3rd Highest rated Pavie by Neal Martin.
- 2nd lowest POP score across all vintages (1st Pavie 2011, which has seen growth of 30% in the last 12 months)
- Average 6 month performance across last 10 vintages is 14.5%
- Along with Angelus, Pavie is still reaping the benefits of the re-classification in 2012, however prices are still some way off parity with Cheval Blanc and Ausone.
- 2014 considered a very good year for Saint Emilion

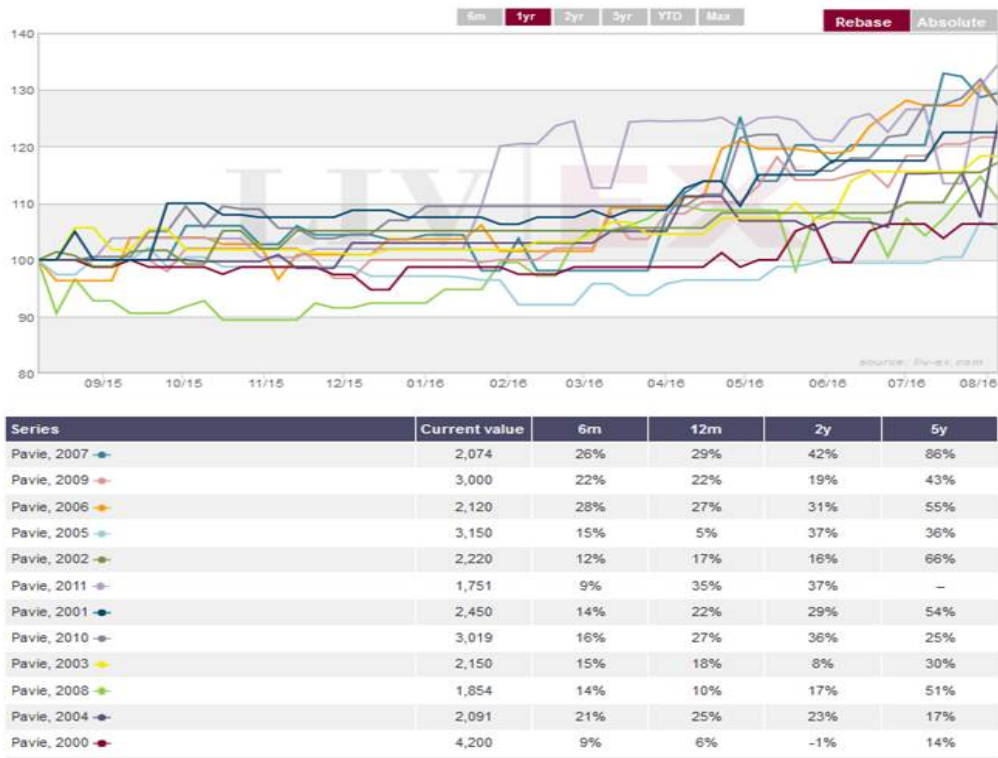


2014 Tasting Notes:

'The Château Pavie 2014 is a blend of 60% Merlot, 22% Cabernet Franc and 18% Cabernet Sauvignon picked between 3 and 10 October, a lower percentage of Merlot as the vineyard moves towards more Cabernet in the blend. Matured in 80% new oak and 20% one-year old, it has an opulent and delineated bouquet that is heads above the Bellevue-Mondotte. The palate is medium-bodied with fine tannin, the Cabernet in sync with the Merlot, silky smooth in the mouth with a plush but not cloying finish. The mineralité shows through nicely, partly because of that higher percentage of Cabernet. This is a different style of Pavie compared to previous vintages and the team were clear in their emphasis on more Cabernet and less oak. The result is a Pavie that really exploits its propitious terroir and a wine that even compared to Gérard Perse's other 2014s, demonstrates more complex, more class and classicism. This is one of the standout wines in Saint Emilion.'

Investment Analysis:

As outlined in the graph below, every vintage that been released since 2000 has performed well over the last 5 years. Most notably, the last 6 month performance figures have been very revealing of current market sentiment for Pavie, averaging just over 14%.



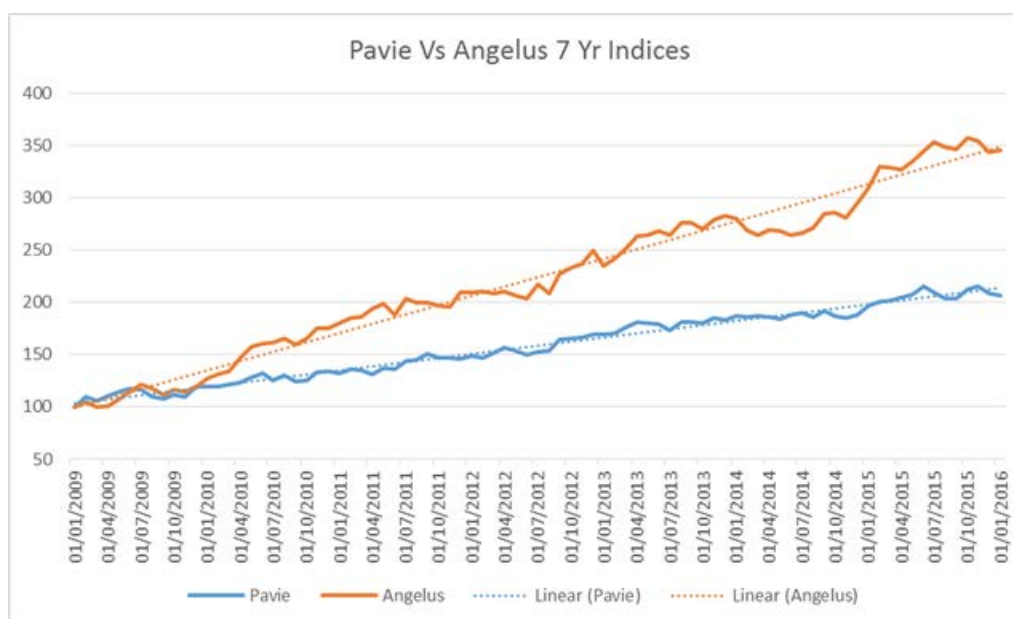
Comparable Vintage Table:

| Vintage | RP Score | NM Score | Current Price Per 12 | % Diff to 2014 |
|-------------|------------|--------------|----------------------|-----------------------------|
| 2015 | n/a | 96-98 | £2,700.00 | 38.46% |
| 2014 | n/a | 94-96 | £1,950.00 | - |
| 2013 | 92-94 | 91-93 | £1,792.00 | -8.10% |
| 2012 | 95 | 91-93 | £2,531.00 | 29.79% |
| 2011 | 95+ | 92-94+ | £1,830.00 | -6.15% |
| 2010 | 100 | 95 | £3,100.00 | 58.97% |
| 2009 | 100 | 92+ | £3,050.00 | 56.41% |
| 2008 | 94+ | 92+ | £1,850.00 | -5.13% |
| 2007 | 94 | 93 | £2,250.00 | 15.38% |
| 2006 | 95 | 95 | £2,260.00 | 15.90% |
| 2005 | 100 | 97+ | £3,250.00 | 66.67% |
| 2003 | 96 | 88 | £2,000.00 | 2.56% |
| 2000 | 100 | 99 | £2,250.00 | 15.38% |
| | | | | Average % Diff 23.3% |

What is clear from the table above is that NM once again seems to be far more reserved in his tastings for Pavie than his predecessor. The 2014 currently stands to be the third best vintage post millennium based on Neil Martin’s En Primeur scores. Whilst it would be unfair to suggest that the 2014 has the capacity to sit alongside the 2009 and 2010 vintages

upon physical release, we certainly expect that the 2014 will take up the middle ground within the next 18-24 months. Therefore, the most interesting benchmark is the 2012 at £2,530.00 per 12 – a 30% increase on the 2014.

Over recent years these two estates have been somewhat intertwined, whether it be their reclassification in the same year, matching EP release prices or special 'one off' 2012 bottle designs, it is difficult to mention one estate without a thought on the other. On one level the estates aren't quite aligned, and this is pricing.



Drawing closer comparisons to the similarly scored vintages of the established Ausone and Cheval Blanc, the value of the 2014 becomes clearer. These provide a solid long-term benchmark for the estate.

| Wine | Score | Price (£/12) | Difference |
|-------------------|--------------|--------------|------------|
| Pavie 2014 | 94-96 | 1,950 | 0.00% |
| Ausone 2014 | 93-95 | 3,425 | 75.64% |
| Ausone 2007 | 94 | 3,600 | 84.62% |
| Ausone 2006 | 93 | 4,200 | 115.38% |
| Ausone 2004 | 94+ | 3,200 | 64.10% |
| Ausone 2002 | 95 | 4,000 | 105.13% |
| Ausone 1999 | 95 | 4,150 | 112.82% |
| Cheval Blanc 2014 | 95-97 | 3,400 | 74.36% |
| Cheval Blanc 2011 | 95 | 3,650 | 87.18% |
| Cheval Blanc 2008 | 93 | 3,400 | 74.36% |
| Cheval Blanc 2003 | 92 | 3,550 | 82.05% |
| Cheval Blanc 2001 | 93 | 3,350 | 71.79% |
| Cheval Blanc 1998 | 96+ | 4,350 | 123.08% |

Summary Points:

- Best value for quality Pavie available.
- 3rd vintage under the Premier Grand Cru Classe A status.

- One of the highest quality wines on the right bank in 2014.
 - Same score as Lafleur and higher rating than Petrus by Neal Martin.
- Re-classification still not priced into the market
- To be rescored in spring 2017

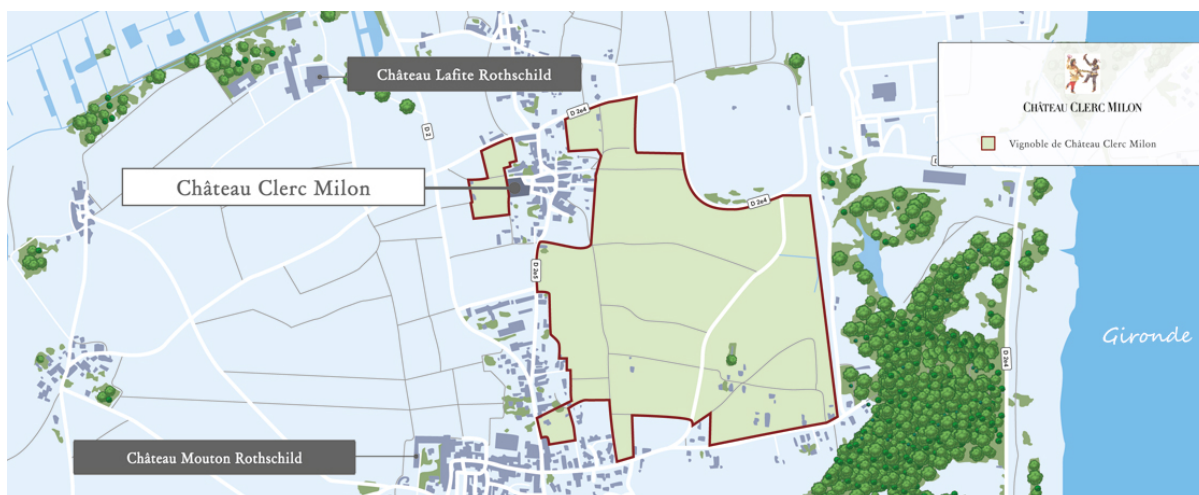
Château Clerc Milon

Key Points;

- Fifth growth estate owned by Mouton.
- Mouton brand remains very strong globally and Mouton's stable mates have proven to be a shrewd acquisition for investors and collectors.
 - One of the keys to this success of Mouton is clearly Dhaliun's stewardship, held in as high regard as the late Paul Pontallier (Margaux) / Frederic Engerer (Latour).
- Hugely popular in Asia – low availability as seriously buying into the consumption driven demand.
- Best performing wines in Bordeaux 500 Index in 2015.
 - Continued its positive performance across all vintages – last 10 vintages has increased by 42.1% over the last 12 months.
- Label known as 'the two dancing dolls' in Asia and this alongside the Mouton association has led to increased awareness and recognition.

Estate Overview

Originally owned by Jean-Baptiste Clerc, this estate situated on a gravel ridge in between First Growths Lafite and Mouton, was purchased in 1970 by Baron Philippe de Rothschild (also owners of Mouton).



Following their acquisition of the property, Baron Rothschild undertook a major redevelopment and renovation of the estate and its vineyards in order to ensure that the wine produced reflected the quality of the superb terroir in which it is located. In 1983 he redesigned the label and took inspiration from a piece of art held at the Mouton estate featuring two dancing clowns. Given his flamboyant and highly successful rebranding of Mouton, this was an important stage of the process, and is an aspect that certainly plays a role in the enormous global appeal of this wine; in China it is affectionately known as 'the two dancing dolls'. In 1988, after Baron Phillippe passed away, his daughter Baroness Philippine continued to the redevelopment of the property, and in 2007 built a brand new estate building and an entirely gravity-led vat room, designed by the same team as Mouton itself.

The head winemaker across all of the Baron Philippe de Rothschild estates is Philippe Dhalluin, and since he took over in 2003 the precision and quality of the wines at all of the estates is widely accepted to have increased significantly. In 2007 Jean-Emmanuel Danjoy took over the direct management of the estate following a hugely successful 10 year tenure at Opus One in California.

The 16,000 cases produced each year experience very high levels of demand from all over the world, however the strongest markets are unquestionably Russia and the Far East. Much like Duhart, Carruades or Petit Mouton the strength of the Clerc Milon brand has much to do with the estate owners and its close ties to one of the Medoc ‘heavyweights’ Mouton Rothschild.

Clerc Milon – Brand

The reputation of a brand is a fundamental aspect when considering the investment potential. This is arguably even more pertinent within the Asian market, and much like the First Growth second labels, the strength of Clerc Milon’s is undeniable. Due to the significance that this factor plays within strategies of this nature, below are some key points underlining why Clerc Milon is positioned so well within the global, and in particular the Asian market –

- Same owners and technical team as Mouton.
- Estate is located in between Mouton and Lafite – arguably the two most popular and recognisable estates in the Far Eastern market.
- Label and brand is very recognisable in Asia
 - Known affectionately as ‘the two dancing dolls’
 - Nickname has undoubtedly enabled this brand to penetrate the market more successfully than other estates of similar quality.

Investment Analysis

The strength of the Clerc Milon brand within key global markets, and the resulting high levels of demand led to it being the best performing estate within the Bordeaux 500 index in 2015, and it has certainly continued that trend, with the average growth across last 10 vintages standing at +42% over the past 12 months.

Based on current demand, we expect the average case of £700 to shift forward considerably over the next 1-5 years.

Below is a table detailing the current price, WA score, POP score* for each vintage produced since 2000.

| Vintage | £/12 | WA Score | POP |
|---------|------|----------|------|
| 2015 | 520 | 91-93 | 43.3 |
| 2014 | 620 | 90-92 | 55.5 |
| 2013 | 600 | 87-89 | 75 |
| 2012 | 650 | 92 | 51.7 |
| 2011 | 610 | 88 | 76.3 |
| 2010 | 775 | 94 | 55.6 |
| 2009 | 820 | 92 | 68.3 |
| 2008 | 620 | 90 | 62.0 |
| 2007 | 700 | 89 | 77.8 |
| 2006 | 750 | 90 | 75.0 |
| 2005 | 750 | 93 | 57.7 |
| 2004 | 700 | 90 | 70.0 |
| 2003 | 750 | 91+ | 65.2 |
| 2002 | 745 | 90 | 74.5 |
| 2001 | 750 | 88 | 93.8 |
| 2000 | 900 | 92 | 75.0 |

Wines with a strong presence within the Asian market tend to experience a spike in demand and therefore price in the 6 months prior to, and following their physical delivery from Bordeaux. With a buying culture that tends to lean away from purchasing wine En Primeur, and only purchasing wine when bottled, there are opportunities for investors and collectors to capitalise on the disparities in pricing.

As the most established and popular brands in the Far East, wines associated with Mouton and Lafite will always experience the highest levels of demand upon release; this is no different for Clerc Milon.

Below are graphs showing the growth trajectory since release for the two most recently bottled vintages (2012 & 2013), alongside the past 6 months for the soon to be delivered 2014 vintage.

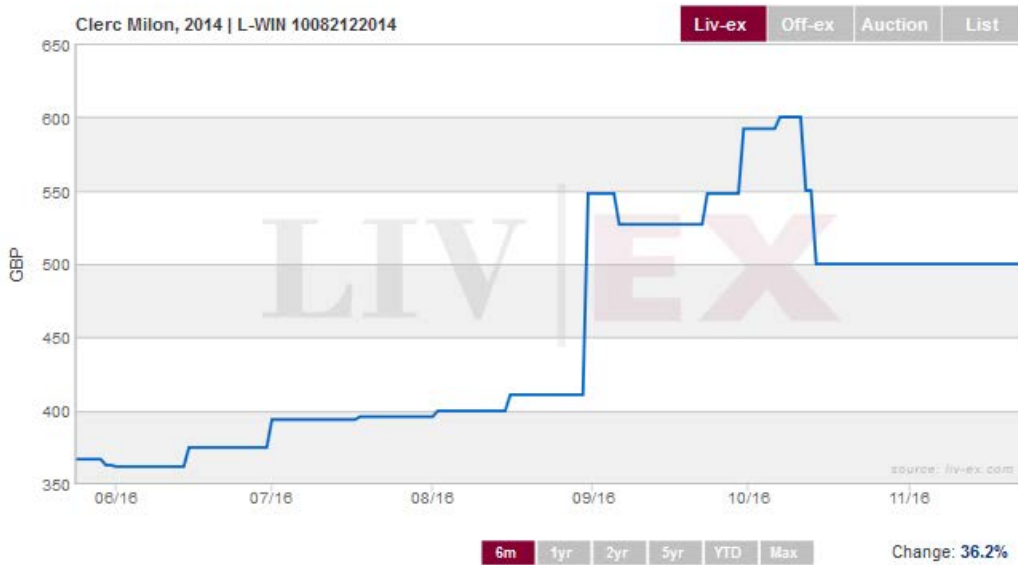
2012; +75.3% since spring 2015



2013; +56.5% over the past 12 months (released in early 2016)

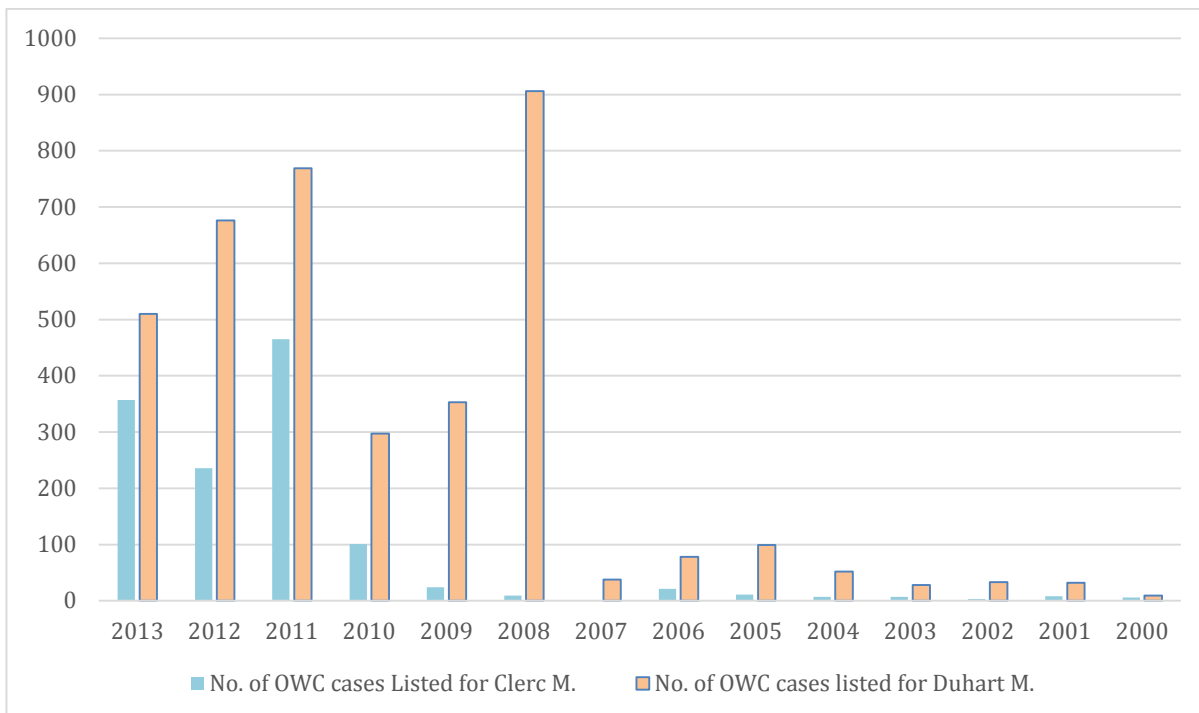


2014; +36.2% over the past 6 months (due to be delivered in spring 2016)



Market Availability

Due to the popularity of Clerc Milon in markets outside the UK and Europe, the availability for cases is very restricted for vintages physically delivered from Bordeaux. As a comparison, the data below compares the number of cases listed for Clerc Milon and Duhart Milon for bottled vintages released since 2000. Duhart is a suitable comparison as it is owned by a first growth (Lafite), has an average case price of c. £700, and a similar reputation within the Asian market. One aspect that is important to outline, is that the production level for Duhart is higher, 20-25k cases, however the differences in values to too large to ignore.



| Vintage | No. of OWC cases Listed for Clerc M. | No. of OWC cases listed for Duhart M. |
|---------|--------------------------------------|---------------------------------------|
| 2013 | 357 | 510 |
| 2012 | 236 | 676 |
| 2011 | 465 | 769 |
| 2010 | 101 | 297 |
| 2009 | 24 | 353 |
| 2008 | 9 | 906 |
| 2007 | 1 | 38 |
| 2006 | 21 | 78 |
| 2005 | 11 | 99 |
| 2004 | 7 | 52 |
| 2003 | 7 | 28 |
| 2002 | 3 | 33 |
| 2001 | 8 | 32 |
| 2000 | 6 | 9 |

Exit Strategy

Whilst it sounds obvious, a fundamental aspect associated with purchasing wines from this area of the market is the highly effective route to market that exists for them, arguably making it the most liquid area of the whole wine market. Over the past 3-5 years investors have enjoyed great success when purchasing wines such as Petit Mouton and Carruades whilst still en primeur, and the strategy for Clerc Milon is in fact very similar. Over the next 12-18 months we fully expect demand to begin to increase for the 2015 vintage in the lead up to it being bottled from Bordeaux. As a point of reference, please refer to the most recent vintages for Petit Mouton & Carruades, which have all been wines purchased by clients of Cult Wines.

| Wine | Purchase Price £/12 | Current Price | Difference |
|-------------------|---------------------|---------------|------------|
| Petit Mouton 2012 | 750 | 1600 | +113% |
| Petit Mouton 2013 | 750 | 1,500 | +100% |
| Petit Mouton 2014 | 750 | 1,540 | +105% |
| Carruades 2012 | 1200 | 1,800 | +50% |
| Carruades 2013 | 920 | 1,730 | +88% |
| Carruades 2014 | 920 | 1,700 | +84.8% |

The popularity of these wines in HK/China ensures the demand for these wines has been exceptionally high resulting in the very strong performance. Whilst it would be misguided to suggest that Clerc Milon will mirror this based on its association with Mouton, the current buying trends for this wine certainly suggest that there is a strong possibility of a similar pattern taking place.

Key Investment Points

- Fifth growth Pauillac estate owned by Mouton
- Hugely popular in Asia resulting in very low availability on the UK market.
- Every vintage purchased en primeur for the past 10 years has returned buyers a profit.
- Best performing wine in the Bordeaux 500 index in 2015 – set to continue in 2016.
 - avg. growth across the last 10 vintages has been 42.1% over the past 12 months

Ch. Lafite Rothschild 2014

One of two key considerations when looking at Lafite 2014, is that it is due to be bottled from Bordeaux in Spring, a time when there is renewed and sustained demand for the latest bottled vintage – particularly from Asia where the buying patterns lean away from purchasing wines En Primeur, and towards buying wines only when they are physical. Added to this, the current exchange rates are continuing to fuel aggressive purchasing from Asia and U.S, with Lafite still dominating the levels of trade particularly for the former. This is affirmed by Lafite regaining top spot as number one brand in the wine market and also the most traded wine by volume in 2016.

Soon after physical delivery, Lafite 14 will also be given its first in-bottle rating which is the second and arguably the most important consideration supporting the uplift in this strategy. An improvement in critical acclaim remains one of the best ways to extract maximum performance within this market, and our ability to identify wines with the strongest chance of a positive re-score, remains unrivalled. Following a recent visit to Bordeaux, our head of Fine Wine has confirmed that Lafite has improved tremendously during its time in barrel, and is a solid candidate for a strong uplift in score in the high 90's. The 'Bordeaux 2014 In Bottle' tastings and reviews have been confirmed in the Wine Advocate Editorial Calendar for the end of June.

Key Points

- (94-96) from Neal Martin, (97-98) from James Suckling
- Best value Vs quality vintage of Lafite.
- Strong chance of being upgraded upon re-score by the Wine Advocate.
- Already trading above £4,000.00 per 12 on Liv-ex.
 - Most traded wine on Liv-ex last week.
- Aside from the 2015, this is by far their best wine produced since 2010
- 2015 trades at a 20% premium with the same score!
- Joint most affordable vintage
- Best Value vintage by some distance using POP calculations
- Comparable vintages trade above £6.5k+ per 12 currently but previously between £7-8k for two years
 - 2012 (91 pts) £4,350
 - 2011 (91 pts) £4,780
 - 2008 (98 pts) £6,800
 - 2007 (94 pts) £6,100
 - 2005 (96 pts) £7,700
- Average growth for modern vintages of Lafite (2000-2014) over the last 12 months has been 32.3%
- Ranked #1 in the 2016 Liv-ex Power 100
- Ranked #1 in value and volume traded on Liv-ex in 2016
- Conservative forecast 50% over the next 5 years.
 - A positive re-score will inevitably accelerate growth.

As can be seen below, although Lafite 14 is up from initial release, it still remains by some distance the best value vintage.

| Vintage | Lafite | | |
|---------|-------------------------|------------------|--------|
| | Unit Price (12x75cl) | Wine Advocate | POP |
| 2015 | £4,800.00 | 94-96 | 320.00 |
| 2014 | £4,000.00 | 94-96 | 266.67 |
| 2013 | £4,000.00 | 90 | 400.00 |
| 2012 | £4,350.00 | 91 | 395.45 |
| 2011 | £4,780.00 | 91+ | 415.65 |
| 2010 | £6,750.00 | 98 | 375.00 |
| 2009 | £7,300.00 | 99+ | 374.36 |
| 2008 | £6,800.00 | 98 | 377.78 |
| 2007 | £6,100.00 | 94 | 435.71 |
| 2006 | £5,900.00 | 95 | 393.33 |
| 2005 | £7,700.00 | 96 | 481.25 |
| 2004 | £6,250.00 | 95 | 416.67 |
| 2003 | £9,000.00 | 100 | 450.00 |
| 2002 | £6,120.00 | 94 | 437.14 |
| 2001 | £6,200.00 | 94 | 442.86 |
| 2000 | £14,000.00 | 98+ | 756.76 |

Lafite is one of the estates that experiences the largest spike in demand upon physical release; a key factor being its enduring popularity in China and HK. Below are graphs showing the trajectory of the two most recently bottled vintages for the 6 months following their release.





Tasting notes – ‘The Château Lafite-Rothschild 2014 is a blend of 87% Cabernet Sauvignon, 10% Merlot and 3% Cabernet Franc, picked from 22 September until 10 October with the Petit Verdot, the Cabernet finished two days earlier. The Grand Vin is adorned with surprising richness and opulence on the nose: layers of ripe black plum and juniper, fine definition with even a hint of fig developing with continued aeration. After 5 minutes it turns volte face and becomes much more graphite and cedary - more Pauillac in essence. The palate is medium-bodied with ripe tannin, a potent core of black and blue fruit with a bullish (for Lafite) peacock’s tail on the finish. Very long in the mouth, this is a Lafite that yearns to compensate for last year and it accomplishes that with some panache.’



Beychevelle 2014 @ £640 per 12

Critic Scores: 93-94pts (JS), 91-94pts (WS) 16.5 (JR)

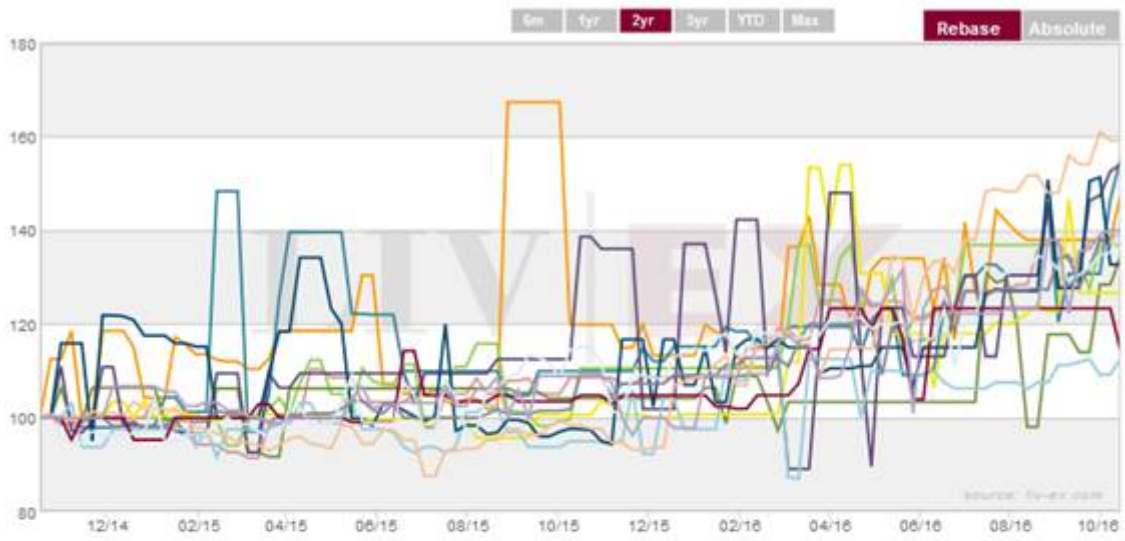
Outside of the usual suspects of Bordeaux – the wines which have proved popular so far in the Far East are those that have built brands quickly. Beychevelle has picked up notoriety because the label features a Chinese dragon boat – a hugely important symbol in Chinese culture and crucially considered lucky. Away from this, the Chateau have priced the 2014 at a fiercely competitive level, currently more affordable than any other physical vintage.

Beychevelle is a well-recognised primeur purchase outside of the demand from new areas of ‘wine wealth’. The table below shows a price comparison for the last 15 vintages, which highlights the impact this high demand has had on the availability of physical vintages.

| Beychevelle | | | |
|-------------|------------|-----------|-------|
| | Unit Price | RP Rating | POP |
| 2015 | £550.00 | 93 | 41.15 |
| 2014 | £640.00 | 92 | 51.7 |
| 2013 | £564.00 | 89 | 62.67 |
| 2012 | £594.00 | 92+ | 49.50 |
| 2011 | £630.00 | 87 | 90.00 |

| | | | |
|-------------|-----------|-----|--------|
| 2010 | £772.00 | 94 | 55.14 |
| 2009 | £799.00 | 93 | 61.46 |
| 2008 | £789.00 | 89+ | 87.67 |
| 2007 | £890.00 | 89 | 98.89 |
| 2006 | £900.00 | 90 | 90.00 |
| 2005 | £900.00 | 93 | 69.23 |
| 2004 | £1,014.00 | 89 | 112.67 |
| 2003 | £880.00 | 92 | 73.33 |
| 2002 | £886.00 | 86 | 147.67 |
| 2001 | £796.00 | 88 | 99.50 |
| 2000 | £1,200.00 | 91 | 109.09 |

- 91-93 from Neal Martin
- Considerably more affordable than physical vintages, previous 15 vintages average price of £795.00 per 12.
- Quality arguably better than previous years with the exception of 2010, 2009 & 2005.
- Strong demand in Asia – Dragon Boat label.
- 40-60% growth anticipated over the next 5 years.
- Expect the price to spike for this position as the wine is released from Bordeaux, much like many of the First Growth second labels.
- Beychevelle one of the best performing estate over the past 12 months; the average growth across each vintage produced since 2000 has been 32.4%, please see below;



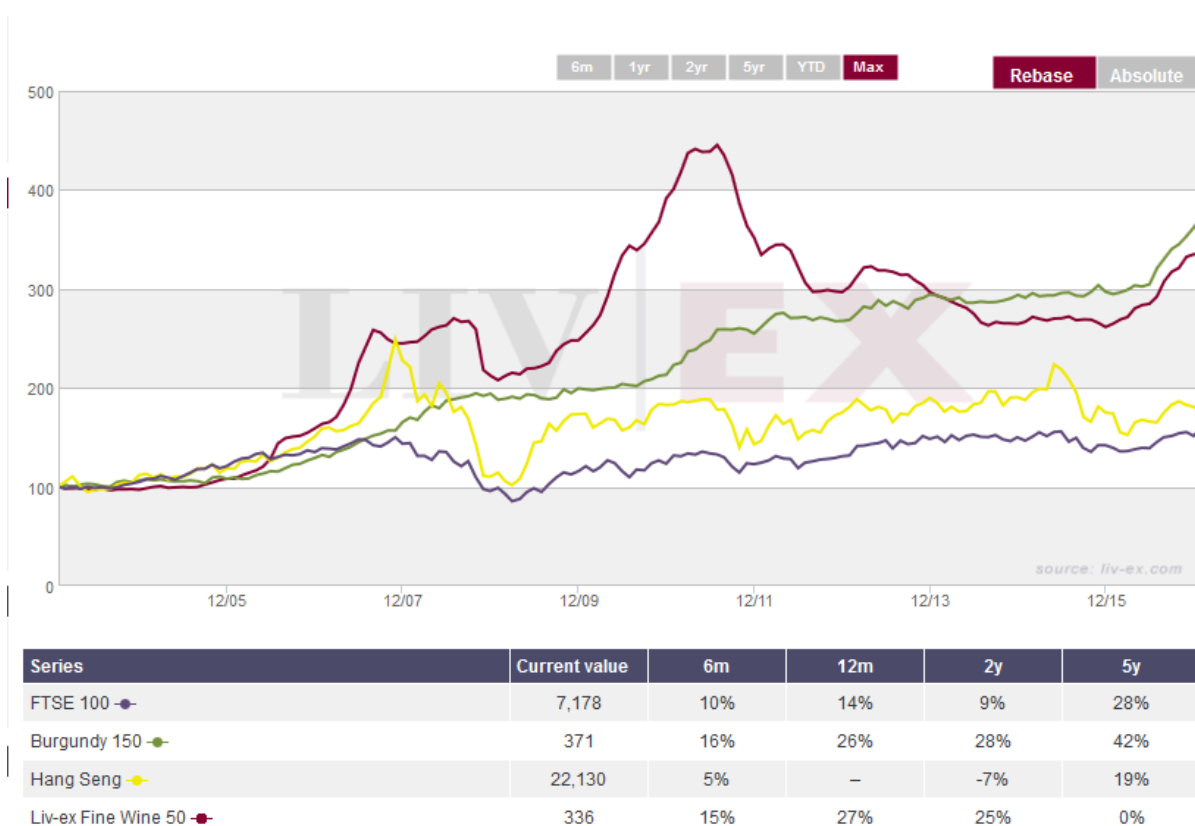
| Series | Current value | 6m | 12m | 2y | 5y |
|-------------------|---------------|------|-----|-----|------|
| Beychevelle, 2000 | 1,200 | 4% | 9% | 14% | -12% |
| Beychevelle, 2012 | 594 | 16% | 23% | 41% | - |
| Beychevelle, 2006 | 900 | 22% | 23% | 48% | 24% |
| Beychevelle, 2002 | 886 | 30% | 29% | 35% | 17% |
| Beychevelle, 2010 | 772 | 17% | 29% | 40% | 9% |
| Beychevelle, 2003 | 850 | -21% | 26% | 27% | 17% |
| Beychevelle, 2007 | 890 | 30% | 41% | 55% | 14% |
| Beychevelle, 2001 | 796 | 20% | 36% | 33% | 21% |
| Beychevelle, 2008 | 789 | 1% | 24% | 37% | 15% |
| Beychevelle, 2005 | 900 | 0% | 18% | 12% | 15% |
| Beychevelle, 2004 | 1,014 | 37% | 11% | 54% | 35% |
| Beychevelle, 2009 | 799 | 15% | 29% | 40% | 13% |
| Beychevelle, 2011 | 630 | 8% | 29% | 40% | - |
| Beychevelle, 2013 | 564 | 30% | 62% | 59% | - |

4. Burgundy

Burgundy wines are often produced in the lowest quantities of any investment-grade wine region. It would not be unusual for a Domaine to produce only a couple of hundred cases each year of a particular wine. This scarcity means that the top Burgundy wines consistently trade for record prices, especially at auction. With this scarcity comes a smaller secondary market so liquidation can take 2-4 weeks longer than an equivalent Bordeaux wine. There are also a handful of 'rising star' producers from this region who we argue have the ability to compete with the more traditional names at the very top of the market. Notwithstanding, it is important investors hold exposure to the main producers and their flagship vineyards, therefore managing risk through robust exit routes.

From an investment perspective, it is important to reference the stability and consistency of this area of the market. Even during the 2008 financial crisis, Burgundy wines showed remarkable resilience, and have continued to develop as more and more collectors are introduced to the region. These ultra-rare Burgundy positions represent an area of the market that is almost 'bubble proof'. Over the past 15 years, the wine market has encountered both micro and macro shocks yet this area has remained resistant (see graph below). The fundamentals that support this market are arguably the most sustainable; unprecedented quality, reputation of wine makers, tiny production, restricted access to stock through tight allocations & a truly international appetite.

For any fully balanced investment portfolio exposure to Grand Cru and Premier Cru from the most exclusive producers is imperative. The tier of producers that sit below the likes of DRC, Leroy, Liger Belair and Rousseau et al. should also be considered. Burgundy is a complex region, and as more individual enter this area of the market, it is only natural that the more and more producers will begin to gain a foothold in key markets resulting in a strain on the already greatly restricted supply associated with these wines.



Please also refer to our detailed Burgundy report for more detailed information

http://www.wineinvestment.com/docs/pdf/Burgundy_Report_2015.pdf

Leroy Nuits St Georges Les Lavieres 2011 @ £3,200.00 per 6

Key Points:

- 95 Pts from WA, highest scoring vintage (92 next best in bottle score)
- This offer is currently the only OWC listing across all vintages
- Only single loose bottle listings for 10 vintages in total since 1988.
- Typically less than 100 cases produced per annum
- 1990 vintage @ £8,556.00 per 12 based on single bottle listing, only scored 90pts WA. Significant premium for OWC 3,6 & 12 format cases.

Neal Martin on Leroy's 2011 - *'Did the wines stand up to their reputations and let us face it, stratospheric price? The answer is "Yes." Of course, one must always remain objective, and I have been around the block enough times to simply relate precisely what I find within the radius of a wineglass. And in 2011, it was clear that the wines of Lalou Bize-Leroy seemed to deliver a sensational level of quality that would make most winemakers curl up and weep, asking: "How does she do it?"'*

Burghound on 2011 - *'It's not so much that the wines are powerhouses of exceptional concentration, so much as they are just so harmonious and seamless that you can't help but admire their grace and inner beauty. The descriptor "stunning" isn't praise enough when you put this kind of quality in the context of the 2011 vintage. If you can find them, and then afford them, don't miss them.'*

Leroy Overview:

- Miniscule production of only 500-600 cases.
- Whilst somewhat macabre speculation, it is unavoidable that Madame Leroy will pass away in the near(ish) future and throw her wines into a whole new sphere altogether. Already rare as hen's teeth, her passing will mean that finite production will become final production and the few cases available globally will hike in demand as highly collectible historical artefacts.
- Previously a co-owner of the famous Domaine de la Romanee Conti (50% stake purchased by her father Henri Leroy back in 1942) , Leroy is akin to biodynamic means of production. She was 'kicked out' of DRC in 1992 as her side business of Domaine Leroy quickly became a direct rival. It is widely noted that Madame Leroy makes her best wines in Musigny, with the aura of exclusivity and perfect finesse surrounding them making the price palatable for those consumers wealthy enough to consider such a wine.
- By means of illustrating the meritorious position the Leroy wines hold, consider that as of 2012, within the Top 50 most expensive wines in the world, ten are Domaine Leroy productions. These ten wines represent every one of the Leroy Grand Cru holdings, each expressing the true, unadulterated voice of its terroir and in doing so attaining the most impressive prices anywhere, with her Musigny and Clos de La Roche considered the 'jewel in her crown' – these wines trade at 3 or 4 times the Premier Cru.
- Her annual production is only 16 hectolitres per hectare – whereas the regional norm within Burgundy is closer to 40. In what is already a region with the most limited supply in the world, Leroy has perhaps the most limited supply within Burgundy...the scarcity of her wines cannot be underestimated.
- A number of the best performing wines have been the 1er Crus.
- In fact Leroy's 1er Cru wines would almost certainly be considered Grand Cru for any other producer with exception of maybe Mayer – who's wines are now the most expensive in the world.

I've attached an old article from the LA Times and one from Wine Spectator both of which give you a good idea of how Lalou is considered on the global wine scene. Excuse the orientation of the latter. Here are some other key links:

<http://www.decanter.com/features/lalou-bize-leroy-burgundys-grande-dame-246673/>

<http://www.ft.com/cms/s/2/0fcb1584-7dee-11e1-bfa5-00144feab49a.html>

I'll close on Leroy with a few soundbites from the most influential critics in the game:

"Domaine Leroy brings to mind the difference between good wines and the very best; it is, in fact, the absolute summit of Burgundy."

"Lalou Bize-Leroy. The controversial Lalou must drive many Burgundians crazy given the extraordinary quality of her wines, and the high prices they fetch. She is an uncompromising winemaker, with a portfolio of red and white Burgundies that qualitatively have no peers."

"This is the greatest estate in Burgundy...

How do you determine great? Is it size? Is it quality? Is it price? Is it "reputation" (whatever that is)? Is it the amount of media coverage? However you do compute it, the greatest Domaines of Burgundy today must be those under the control of Lalou Bize : The Domaine Leroy and her own Domaine d'Auvenay. The estates of Jadot, Faiveley and Bouchard Père & Fils are far larger, that of Romanée-Conti the most splendid in terms of percentage of grand terroir; but for nobility of its wines, pride of place must go to Leroy and to the Domaine d'Auvenay. The sheer concentration, depth and intensity Lalou Bize-Leroy manages to squeeze into her bottles is breathtaking."

Joseph Roty

Joseph Roty was notorious for being the stand-out among Burgundy producers, for his eccentric and perfectionistic dedication to the craft of winemaking. Joseph Roty passed away in 2008 and the domaine is now in the capable hands of his son, Philippe, who makes wine in the manner of his father. The words Burgundy and value do not appear in the same sentence together very often, particularly when it comes to the Cote D'Or. For those who are put off by spending thousands of pound a bottle on DRC or Leroy, we have identified Domaine Joseph Roty's wines as the best value reds.

"Roty wines are very distinctive. They are full, very intense, very perfumed and very harmonious. They are certainly immensely seductive." - **Clive Coates**

"This is winemaking of exceptional quality at every level." - **Remington Norman**

"Roty is one of the great names of Gevrey and Philippe Roty and his team continues to quietly produce wines from the top-drawer"- **Neal Martin**

Key Points

- One of the longest standing winemaking families in Burgundy, now into the 11 generation making wine in Gevrey since the time of Louis XIV.
- One of the great names of Gevrey – global reputation for quality.
- The wines are released a vintage behind the rest of the region after a year in bottle.
- Joseph Roty passed away in 2008, and more recently his son Philippe lost his battle with cancer. The wines are now looked after by younger brother Pierre-Jean and his mother and sister. The same stringent techniques have remained consistent throughout the Roty generations.
- Praise is frequently heaped upon the Domaine Roty stable of wines by critics worldwide.
- Stylistically more robust and powerful than typical wines from the region – longer age ability is typical for their stable. Particularly in the Grand Cru's.

Background

Joseph Roty seemed to build two very interesting reputations in his long standing career at the helm of Domaine Roty, an empire that has been in the family since 1710. The first was for his personality – an exasperating, eccentric and by all accounts annoyingly difficult individual to deal with. The second and the more important was for his wine – exceptional, unique and almost always featuring in the most exclusive collections of connoisseurs around the globe. There are many Burgundian families that have century old tenures at their respective estates, but few can boast the accolade of having worked on the same vines for over 300 years.

It is this heritage of a staggering 11 generations along with the mysterious nature of their techniques and processes that create such an attractive aura around their stable of wines. The quality of the wines carry synonymous characteristics unique to the Domaine and are repeatedly acclaimed as superb in many aspects by the world's leading critics.

Joseph Roty's awkward and aggressive nature was highlighted perfectly when he clashed famously with MW Clive Coates. During an intimate and typically understated tasting, Coates to a disliking to Joseph's perpetual chain smoking and after suffering in silence for a time he decided to voice his distaste with it. This proved a very bad move and Roty was said to be so offended and angered by Coates' request that he smoked elsewhere, that he banished him from the cellar without hesitation telling him never to return!

Comte du Liger-Belair, La Romaneé 2004

Key points:

- The domaine was originally started in 1815, but was sold off at auction in 1933.
- In 2000 Louis Michel Liger Belair resurrected the estate and has received huge critical acclaim ever since.
- La Romanee is a monopole vineyard that is situated directly next to Romanee Conti; separated only by a path.
- Extremely low production; less than 300 cases produced each year

A quote from the leading Bordeaux and Burgundy critic Neal Martin gives some further background:

‘Over the years, Louis-Michel has matured into an assured vigneron, applied his own tenets and successfully installed the domaine within the top tier of growers. Let’s not beat around the bush: these are not wines for those counting the pennies. There is no avoiding the fact that they are expensive and virtually unobtainable on the secondary market. You get an allocation of Comte du Liger-Belair – you have to be either a fool or bankrupt to sell your cache.’

A recent Q&A with Louis Michel provides some further insight. His response to the last question is particularly interesting from our side of things.

<http://www.wine-searcher.com/m/2016/02/q-a-louis-michel-liger-belair>

Please also refer to the below article that provides an overview of an auction held in HK in mid 2015, detailing that a superlot of a bottle of each of the vintages that Louis-Michel has produced since 2002 sold for a world record sum; underlining how high the demand for these wines is amongst the top tier of collectors.

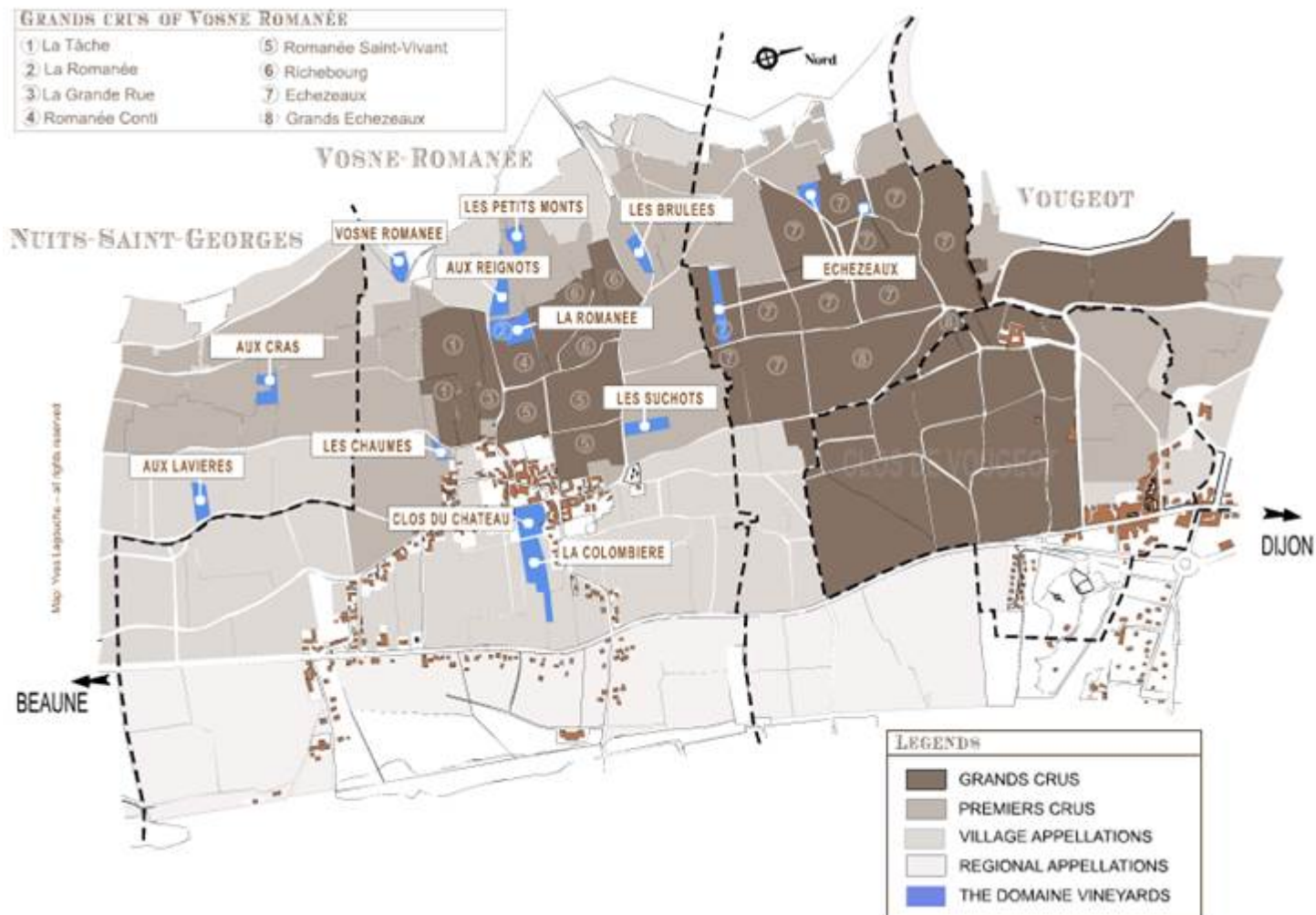
<http://www.thedrinksbusiness.com/2015/06/burgundy-takes-the-lead-in-acker-auction/>

Liger belair, La Romanee

| Vintage | Price per case (6x75cl) | Burghound | Neal Martin |
|-------------|-------------------------|-----------|-------------|
| 2013 | £14,615.50 | 96 | 98 |
| 2012 | £19,950.00 | 96 | 99+ |
| 2011 | £11,500.00 | 94 | 95 |
| 2010 | £17,768.00 | 97 | 97 |
| 2009 | £19,950.00 | 97 | 95 |
| 2008 | £15,840.00 | 96 | 96 |
| 2007 | £14,500.00 | 95 | |
| 2006 | £12,500.00 | 95 | 95 |
| 2005 | £29,750.00 | 97 | 95 |
| 2004 | £7,000.00 | 92 | 94 |
| 2003 | £13,000.00 | 94 | 90 |
| 2002 | £17,500.00 | 96 | 94 |

The key to buying La Romanee now is the relative value in comparison to other the top level Burgundy producers. Although Louis-Michel has only been making wines since 2002, they are already being compared to DRC and Leroy, and the fact that he was tutored by Henri Jayer this should be no surprise.

The Romanee vineyard is situated directly next to Romanee-Conti (see map below) so it is only natural that collectors and critics alike have begun to compare the two wines. Below is a table showing each vintage for DRC Romanee Conti since 2002 and how their prices compare to those of its neighbour.



DRC, Romanee Conti

| Vintage | Price per case (6x75cl) | Burghound | Neal Martin | % Difference to La Romanee |
|---------|-------------------------|-----------|-------------|----------------------------|
| 2013 | £58,374.00 | 96 | 97 | 299.40% |
| 2012 | £59,700.00 | 98 | 99 | 199.25% |
| 2011 | £54,000.00 | 96 | 96 | 369.57% |
| 2010 | £65,000.00 | 99 | 98 | 265.83% |
| 2009 | £64,440.00 | 98 | 98+ | 223.01% |
| 2008 | £58,884.00 | 95 | 97 | 271.74% |
| 2007 | £60,000.00 | 94 | 96 | 313.79% |

| | | | | |
|------|------------|----|----|---------|
| 2006 | £57,726.00 | 97 | 98 | 361.81% |
| 2005 | £85,896.00 | 99 | 99 | 188.73% |
| 2004 | £60,000.00 | 94 | | 380.00% |
| 2003 | £65,718.00 | 96 | 95 | 459.30% |
| 2002 | £67,500.00 | 97 | 90 | 285.71% |

It is also important to note that the annual production of Romanee Conti is 600 cases per year, and in contrast 300 cases are produced by Liger Belair for La Romanee.

Although we do not expect the prices to converge immediately, there is clearly significant scope for growth for Liger Belair and its monopole; La Romanée. Amongst the very top level of collectors, the price at which these wines are trading represents discount in value terms but not in quality by comparison to DRC in particular. This comparison is also based on the Romanee Conti prices remaining at their current levels, and judging by the huge global demand for these wines, there is certainly potential for further appreciation.

The graph below shows the price appreciation of a selection of Romanee Conti vintages for the five year period following the time that they traded at a similar level to the current Romanee prices; circa £25,000 for a case of 12.







Due to the similarities between Romanee Conti and La Romanee it is fair to assume that given the growing global demand La Romanee has the potential to illustrate similar performance witnessed by Romanee Conti over the past 5-10 years.

These wines are naturally right at the top of our buying team's list, and they do not become available very often. We have a number of clients that have given us a clear mandate to ensure they are informed when these wines are available, and I therefore want to ensure you are in tune with the investment merit associated with them hence the dissertation style analysis.

5. Champagne

Salon Le Mesnil, Blanc de Blancs, 2002 @ £1,750 per 6

| | |
|--------------------------------|---|
| <u>Owner</u> | Laurent-Perrier Group |
| <u>President</u> | Didier Depond |
| <u>Production</u> | 40 – 60,000 bottles Only 37 vintages ever released |
| <u>Appellation</u> | Le Mesnil-sur-Oger |
| <u>Interesting Fact</u> | One bottle of the 1955 vintage of Salon was sold for a world record price of £3925 in 2011. |



Key Investment Points

- 3,500 – 5,000 case average production
- 62,000 bottles made for the 2002 – total production is 1% of Dom Perignon & 10% of Louis Roederer Cristal.
- 99 points from James Suckling
- Comparable vintages: per 12
 - 1996 96pts - £4,750 (35.7%)
 - 1990 97pts - £5,876 (67.9%)
 - 1988 94 pts - £7,500 (114.3%)
 - 1985 95 pts - £7,500 (167.9%)
 - 1982 95 pts (RPJ) – price n/a
- Tom Stevenson MW, and world renowned Champagne expert recently named 3 different vintages of Salon Le Mesnil in his 5 Greatest Blanc de Blancs Champagnes ever. (Mar '14)

Estate background

Only 37 vintages have ever been produced since wealthy furrier Eugène-Aimé Salon first began production of this original Blancs de Blancs Champagne in 1911. Given that Salon is 100% Chardonnay, the volume produced each year is restricted, which alongside the infrequency of production compounds how rare this Champagne is.

Connoisseurs consider Salon to be the quintessential Blancs-de-Blancs Champagne. Something that stuck with the late president of Laurent-Perrier, Bernard de Nonancourt. During the Second World War he was one of the first allied soldiers to reach Hitler's eagle's nest where he had the opportunity to taste one of the 200 or so stolen bottles of the 1928 vintage. In 1988 he fulfilled a lifelong ambition and bought the Champagne house.

Tasting notes

The 2002 Salon is phenomenal quality. I tasted it in New York City yesterday. I was mesmerized. It is a subtle and intense Champagne that shows complex character of lilac, minerals, sliced lemon, apple, and white pepper. It is full body and dense yet racy and agile with a lightness and freshness. It has a gloriously long finish. It changes every moment in the glass. It has such clarity. It's magnificent to drink now, but shows great texture and structure for aging. Best since 1982. 99 points.

James Suckling, JamesSuckling.com, October 28th, 2014

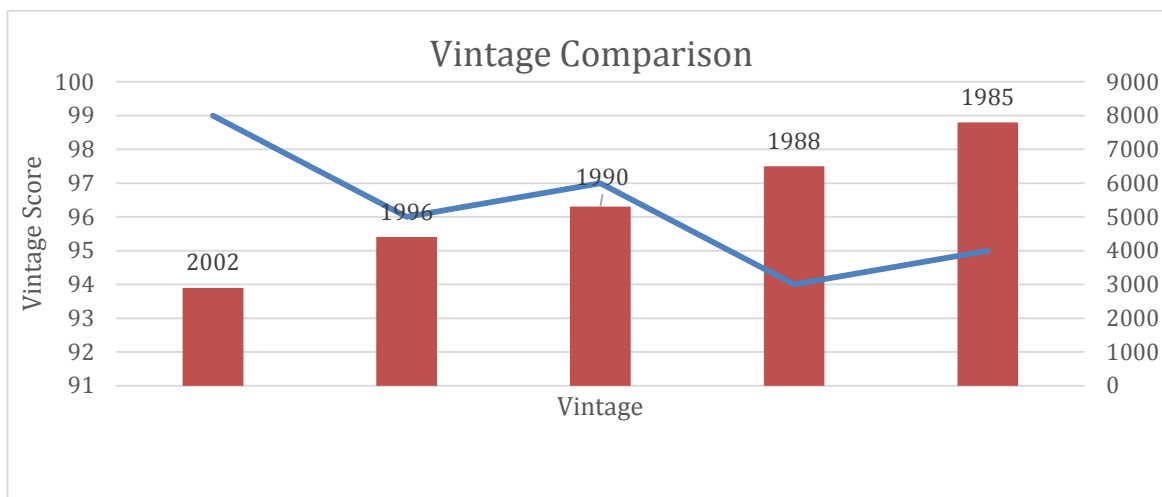
James Suckling directly compares the 2002 to the 1982 which is becoming increasingly difficult to acquire and is only available in single bottles at £860.00 per bottle.

Consensus Critic View

Over and above the opinion of one particular critic, the one thing that the 2002 Salon le Mesnil has garnered is universal critic appraisal. Across four of the most respected wine publications, JancisRobinson.com, Wine Spectator Magazine, JamesSuckling.com and Antonio Galloni’s vinousmedia.com it has achieved an average score of 97.75 pts.

| Critic | Score | (actual) |
|--------|-------|----------|
| JS | 99 | n/a |
| AG | 96+ | n/a |
| WS | 98 | n/a |
| JR | 98 | (19/20) |
| | 97.75 | |

Investment Analysis



A simple comparison between the great Salon vintages over the past 30 years clearly shows that due to its high quality the 2002 is significantly undervalued. With an average difference of 103.5%, this is option will add instant value to any portfolio.

| Vintage | Release price | Price after 5 years on market | % growth |
|---------|---------------|-------------------------------|------------|
| 1996 | £1,200 | £2,200 | 83% |
| 1990 | £704 | £1,056 | 49% |
| 1988 | £630 | £1,467 | 132% |
| 1985 | £580 | £840 | 44% |
| | | Average: | 77% |

Interestingly, a common theme with the best vintages of Salon is the rate at which they appreciate during the first five years that they are available on the market. As shown in the above table the average growth for the initial 5 years on the market is at 77%. The 2002 vintage is rated as arguably the highest quality that Salon have produced for the past 30 years so it is widely expected that this will follow suit.

The reason being that every vintage of Salon produced is aged for a minimum of 10 years before release onto the market, meaning that immediate consumption and a reduction in the availability will immediately impact the price of Salon vintages. This point is well emphasised as per James Suckling’s comment in his tasting note in October 2014 that the 2002 is ‘magnificent to drink now’.

1990 (97 points) - A Vintage Comparison

The closest comparable vintage in terms of quality is the 1990, with 97 points, which has appreciated 58.6% over the last three years, or 638.6% since release.



Key Points

- Highest rated vintage for Salon (99 points) in the past 30 years
- 2002 is the pinnacle for Salon.
- In terms of Champagne, it has micro production – 5,000 cases
- Compared with '96 which has appreciated 175% over past 7 years
- Growth prediction of 70-100% over next 5-7 years. If held for longer returns could eclipse 150% in line with previous vintages.
- Demand for Champagne growing at a fast pace – with annual sales increasing year on year.

6. U.S.A

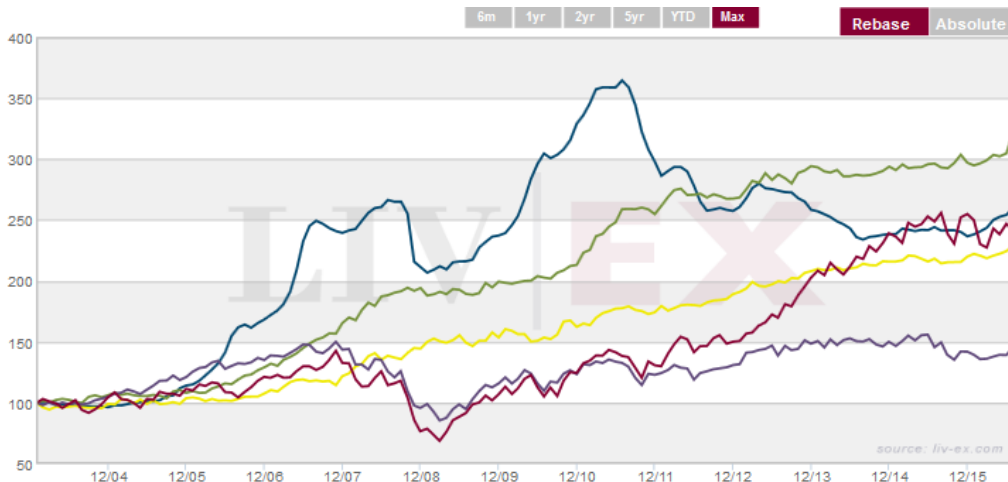
When analysing the performance of this area of the market using the Sharpe Ratio calculation, we uncovered that Opus One, Dominus and Screaming Eagle are amongst the top 20 wines ranked by risk adjusted returns.

| Wine Brand | Average Annualised Return (06-15) | Average Annual Sharpe Ratio (06-15) | Average Volatility (Standard Deviation) |
|------------------------------|-----------------------------------|-------------------------------------|---|
| Sassicaia | 16.10% | 2.44 | 6.61% |
| Tignanello | 18.45% | 2.01 | 9.19% |
| Opus One | 17.64% | 1.86 | 9.50% |
| Angelus | 13.33% | 1.66 | 8.05% |
| DRC, Romanee Saint Vivant | 20.84% | 1.65 | 12.67% |
| Penfolds, Grange | 22.17% | 1.63 | 13.60% |
| Omellaia | 17.54% | 1.41 | 12.48% |
| Screaming Eagle | 21.21% | 1.37 | 15.46% |
| Solaia | 13.26% | 1.33 | 9.96% |
| Pavie | 7.39% | 1.32 | 5.59% |
| Smith Haut Lafitte | 9.72% | 1.31 | 7.42% |
| Dominus | 24.70% | 1.28 | 19.23% |
| DRC, Tache | 23.66% | 1.27 | 18.65% |
| DRC, Romanee Conti | 21.82% | 1.17 | 18.58% |
| Cantemerle | 6.65% | 1.09 | 5.88% |
| Masseto | 22.73% | 1.04 | 21.84% |
| Moet & Chandon, Dom Perignon | 34.99% | 1.03 | 33.96% |
| Guigal, Cote Rotie Landonne | 16.42% | 1.02 | 16.11% |
| Louis Roederer, Cristal | 19.42% | 1.01 | 19.28% |
| Average | 18.32% | 1.42 | 13.90% |

SHARPE RATIO

The Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. The greater the value of the Sharpe ratio, the more attractive the risk-adjusted return.

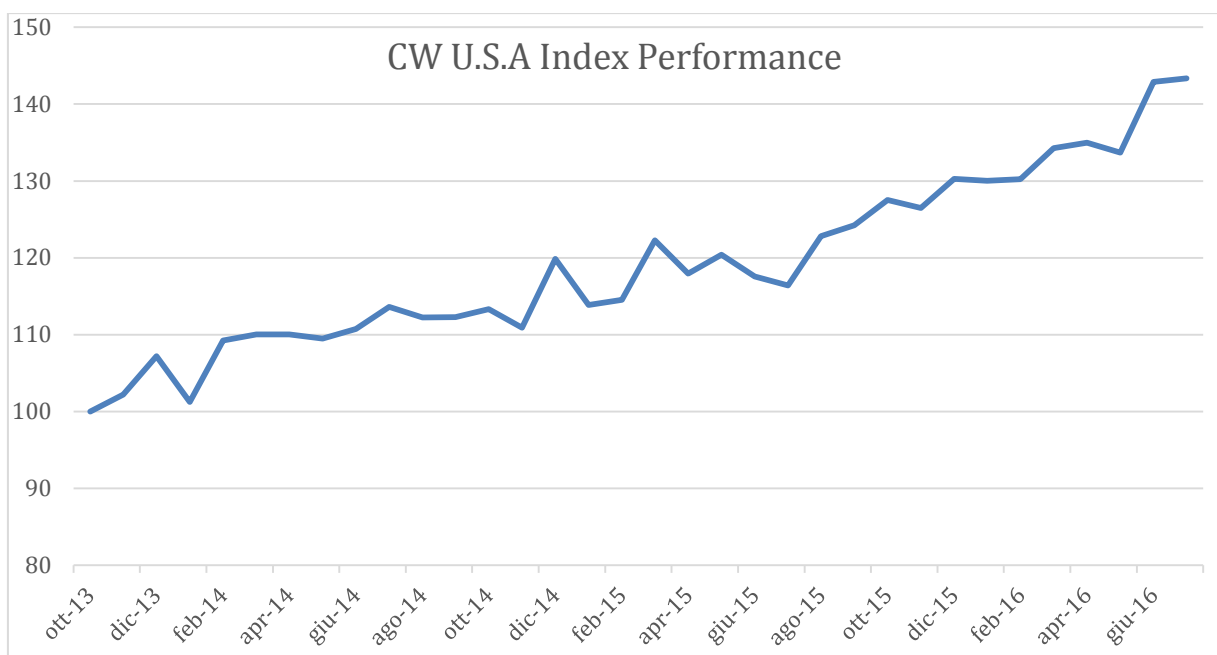
Much like the Burgundy side of the market the rest of the world 50 has proved extremely resilient during difficult periods for both the wine market and the wider economy, graph below;



| Series | Current value | 6m | 12m | 2y | 5y |
|----------------------|---------------|-----|-----|-----|------|
| FTSE 100 | 6,740 | 15% | 0% | 1% | 16% |
| NASDAQ | 5,166 | 18% | 1% | 19% | 87% |
| Burgundy 150 | 331 | 11% | 13% | 15% | 28% |
| Rest of the World 50 | 233 | 5% | 8% | 9% | 30% |
| Liv-ex Fine Wine 100 | 269 | 12% | 11% | 15% | -25% |

Investment Case for U.S Wines:

We've compiled a Cult Wines mini-index of U.S. wines which we have traded over the past three years. This index features wines such as Dominus, Screaming Eagle, Harlan, Scarecrow & Opus One. The wines enter the index at the date of acquisition for our client portfolios and leave at the date of sale.



Cult Wines USA Index (traded wines)

| | | | | | |
|---------------------------|------|--------------------------------|------|--------------------------------|------|
| Dominus Estate, C. Moueix | 2001 | Opus One, Mondavi | 2010 | Scarecrow, Cabernet Sauvignon | 2005 |
| Dominus Estate, C. Moueix | 2002 | Opus One, Mondavi | 2011 | Scarecrow, Cabernet Sauvignon | 2006 |
| Dominus Estate, C. Moueix | 2005 | Opus One, Mondavi | 2012 | Scarecrow, Cabernet Sauvignon | 2007 |
| Dominus Estate, C. Moueix | 2006 | Poker Face Syrah, Sine Qua Non | 2004 | Scarecrow, Cabernet Sauvignon | 2010 |
| Dominus Estate, C. Moueix | 2008 | Proprietary Red, Continuum | 2013 | Scarecrow, Cabernet Sauvignon | 2012 |
| Dominus Estate, C. Moueix | 2009 | Proprietary Red, Harlan Estate | 2012 | Scarecrow, Cabernet Sauvignon | 2013 |
| Dominus Estate, C. Moueix | 2010 | Proprietary Red, Harlan Estate | 1997 | Screaming Eagle | 1994 |
| Dominus Estate, C. Moueix | 2012 | Proprietary Red, Harlan Estate | 1998 | Screaming Eagle | 1995 |
| Insignia, Joseph Phelps | 2013 | Proprietary Red, Harlan Estate | 2001 | Screaming Eagle | 1996 |
| La Joie, Vérité | 2012 | Proprietary Red, Harlan Estate | 2002 | Screaming Eagle | 1997 |
| La Muse, Vérité | 2008 | Proprietary Red, Harlan Estate | 2003 | Screaming Eagle | 2003 |
| La Muse, Vérité | 2012 | Proprietary Red, Harlan Estate | 2004 | Screaming Eagle | 2005 |
| Le Désir, Vérité | 2008 | Proprietary Red, Harlan Estate | 2005 | Screaming Eagle | 2006 |
| Le Désir, Vérité | 2012 | Proprietary Red, Harlan Estate | 2006 | Screaming Eagle | 2007 |
| Monte Bello Red, Ridge | 2010 | Proprietary Red, Harlan Estate | 2007 | Screaming Eagle | 2009 |
| Monte Bello Red, Ridge | 2011 | Proprietary Red, Harlan Estate | 2008 | Screaming Eagle | 2010 |
| Monte Bello Red, Ridge | 2012 | Proprietary Red, Harlan Estate | 2009 | Screaming Eagle | 2012 |
| Monte Bello Red, Ridge | 2013 | Proprietary Red, Harlan Estate | 2010 | Screaming Eagle | 2013 |
| Monte Bello Red, Ridge | 2014 | Proprietary Red, Harlan Estate | 2011 | Second Flight, Screaming Eagle | 2012 |

Harlan Estate (Proprietary Red) 2012 @ £4,200 per 6 (99+pts)

Below is a brief introduction to the producer and the investment merit associated with these ultra-rare wines.

- Second highest rated wine across all vintages (average score 98.6pts) by Robert Parker

(Second only to Screaming Eagle)

- Since its first commercial vintage in 1991, it has received 5 x 100 point scores (2013 and 2012 potentially 100 pts as well which would be 7 out of 22) .
- 1,200 – 2,000 cases produced annually
- Michel Rolland brought on as consultant since day 1 – Rolland holds a decisive influence in a number of Bordeaux and New World estates.
- Bill Harlan aimed to create a Californian first growth in quality, price, prestige and status.



- Recognized as one of THE ‘Cult Wines’
- USA one of the strongest performing regions within the Liv-ex 1000 index
- Parker refers to Harlan as a visionary who has "raised the goal post" in Napa Valley, producing vintages that rival "the greatest wines in France, Italy, wherever."
- Harlan Estate has over the years become a mythical California Cabernet. Only Screaming Eagle is held in higher esteem.
- The wines are auction staples and the estate’s annual production of <2,000 cases are sold into 45 international markets.
- Value Vs Screaming Eagle which averages over £22k per 12 across the last 12 vintages.
- This will reward the patient investor who is willing to hold for a 5-7 year term. The pinnacle of Californian will be reflected in price over this period.

Key Investment Points on Harlan 2012:

- Offering a sizeable discount on the 2013 recently released, 40% premium to 2012.
- Very little difference in quality between both vintages.
- Value against other landmark vintages for Harlan (see below)
- 99+ suggests that Parker is likely to revisit this, a potential upgrade in the future?
 - ‘probably another candidate for perfection.
- Directly compared to the 2002, 71% premium to 2012.
 - See tasting note below.

| Vintage | Harlan Score | Harlan Price /12 |
|---------|--------------|------------------------------------|
| 2013 | (99-100) | 10,695 |
| 2012 | 99+ | 8,400 |
| 2007 | 100 | 10,500 |
| 2002 | 100 | 13,000 |
| 2001 | 100 | 8,400 |
| Average | 99.75 | Average price without 2012 £10,650 |

The 2012 Harlan Estate is reminiscent of their 2002. Probably a candidate for perfection with another 4-5 years of bottle age, the wine is inky plum/purple to the rim and offers a gorgeous nose of scorched earth, blackberry and cassis, forest floor, and a floral, lavender-like component followed by deep, opulent, majestic flavors that caress the palate with high but sweet tannin. This is relatively evolved, and supple and voluptuous for a young Harlan estate – hence the comparison with their compelling 2002. This wine can be drunk in several years and is likely another candidate for 30-50 years of cellaring.

Parker October 2015 99+pts

