

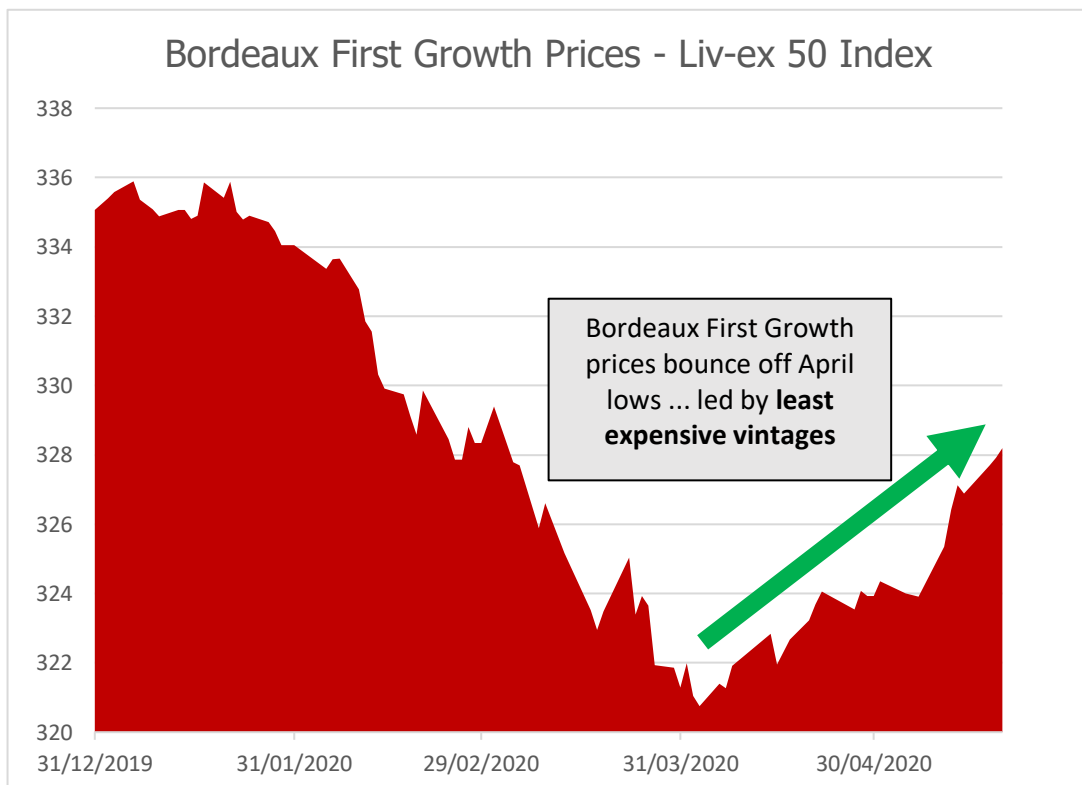


Bordeaux First Growths Prices Bounce Higher – What Comes Next?

- **Bordeaux First Growth** prices have bounced strongly off their April lows, with a number of wines **rising from +4% to +7.5%**.
- Some of the **best performers** have been in more affordable Bordeaux vintages like **2014** and **2012**.
- We believe this **First Growth rally can be sustained** for two reasons: 1) strength in Asian currencies and 2) First Growths are still a long way below their all-time highs.
- In the early phases of Bordeaux bull markets the **best performers** are often the **least expensive** vintages. We would be looking at wines from **2017, 2014, 2012** and **2011** as offering the **near-term investment potential**.

Bordeaux First Growths: Upwards Price Momentum

In our note on 1st March 2020 we speculated that strength of Asian currencies would lift **fine wine** prices. This prediction has been borne by **strong price increases** in a number of **Bordeaux First Growths** since the early April lows.



Lowest Priced First Growths Among the Best Performers

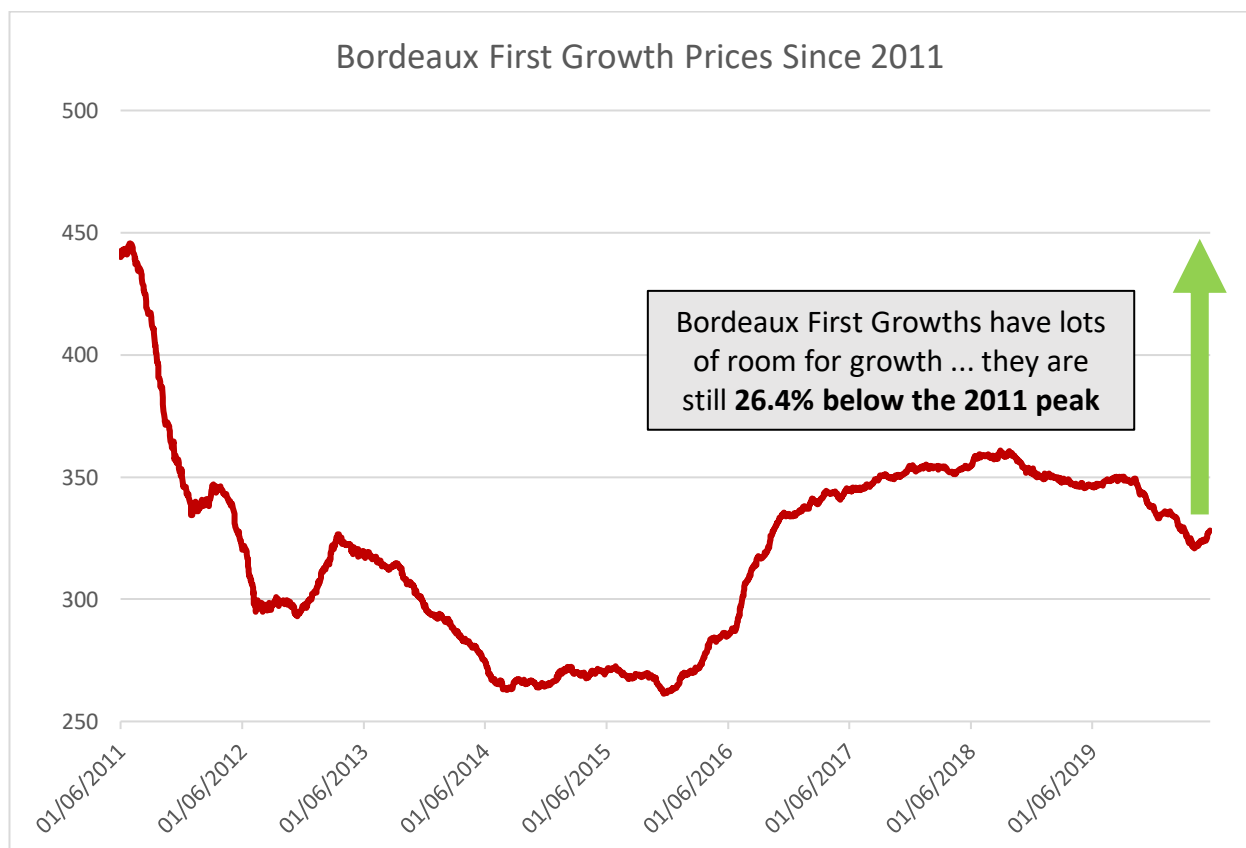
In the past two months the best returning vintages have been (in this order): **2014, 2015, 2010** and **2012**. A number of wines have bounced quite strongly, the best performers being:

Wine Name	Vintage	Price Change: 3 April 2020 - Present
Lafite Rothschild	2016	7.6%
Mouton Rothschild	2012	7.0%
Latour	2010	6.9%
Lafite Rothschild	2014	6.5%
Mouton Rothschild	2014	6.3%
Margaux	2014	5.5%
Latour	2004	5.5%
Lafite Rothschild	2012	5.3%
Lafite Rothschild	2015	5.2%
Lafite Rothschild	2009	5.1%
Mouton Rothschild	2013	4.6%
Haut Brion	2010	4.1%
Haut Brion	2016	4.1%
Lafite Rothschild	2011	4.0%

First Growths Have Plenty of Room for Appreciation

Bordeaux First Growths (as measured by the Liv-ex 50 Index) are still **-26.4% below** their peak of June 2011 (following the Chinese demand bubble).

This suggests that these wines have **potentially significantly upside** as valuations no longer look as stretched versus the rest of the market.



Time to Buy Value?

In previous bull markets for First Growths, the **best performers in the early stages** have often been the **lowest priced vintages**. This is because new collectors coming to the market focus not so much on scores and vintages but on their desire to 'own a First Growth'.

We highlight the **least expensive three vintages** of each First Growth below, and suggest these are likely outperformers if, as we expect, the current positive sentiment towards First Growths – driven by Asian currency strength – is sustained.

Bordeaux First Growths Prices (Cheapest in Green) – per (6x75cl In Bond)

Year	Latour	Lafite Rothschild	Mouton Rothschild	Margaux	Haut-Brion
2018	-	SGD 5,425	SGD 4,113	SGD 4,418	SGD 3,948
2017	-	SGD 4,186	SGD 3,239	SGD 3,106	SGD 3,203
2016	-	SGD 5,040	SGD 4,375	SGD 4,069	SGD 4,085
2015	-	SGD 4,419	SGD 3,719	SGD 8,488	SGD 3,798
2014	-	SGD 4,244	SGD 3,203	SGD 3,028	SGD 2,713
2013	-	SGD 4,288	SGD 3,290	SGD 3,084	SGD 2,669
2012	-	SGD 4,200	SGD 3,281	SGD 3,128	SGD 2,713
2011	SGD 3,850	SGD 4,156	SGD 3,238	SGD 3,077	SGD 2,783
2010	SGD 9,188	SGD 5,863	SGD 4,725	SGD 5,163	SGD 5,556
2009	SGD 8,050	SGD 6,125	SGD 4,463	SGD 5,294	SGD 5,053
2008	SGD 3,911	SGD 6,059	SGD 3,675	SGD 3,172	SGD 2,931
2007	SGD 3,864	SGD 4,988	SGD 3,413	SGD 3,150	SGD 2,931
2006	SGD 3,763	SGD 5,206	SGD 3,658	SGD 3,176	SGD 2,975
2005	SGD 5,381	SGD 5,863	SGD 4,550	SGD 5,031	SGD 5,250
2004	SGD 3,719	SGD 5,206	SGD 3,566	SGD 3,098	SGD 2,870
2003	SGD 5,688	SGD 7,700	SGD 4,008	SGD 4,058	SGD 3,238
2002	SGD 4,025	SGD 5,250	SGD 3,413	SGD 3,276	SGD 2,931
2001	SGD 3,885	SGD 5,250	SGD 3,653	SGD 3,614	SGD 3,141
2000	SGD 7,306	SGD 11,375	SGD 16,188	SGD 6,606	SGD 5,425

If you are interested in purchasing any of these vintages or want any further guidance on building your collection in Bordeaux First Growths, please contact your account manager.

Alternatively, why not bid for some First Growths today using our online Bid for Wine facility:

<https://sg.cruworldwine.com/live-markets>

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