



Buy Bollinger "RD" 2002 ahead of release of 2004

Price (6x75cl)	SG\$1,165
Cru Investment Rating	"A"
Score (James Suckling)	99
Drinking Window	2020-2030
Price per Point	SG\$11.57
Average Price per Point (scored vintages)	SG\$24.71
Price Target (6x75cl) over 24 months	SG\$1,465
Implied Price performance	+28%

- **Bollinger** is a historic Champagne house and one of the top five major Champagnes producers in the world.
- **2002 was one of the best vintages** in Champagne in the last 30 years. It will be an iconic year for decades to come.
- Bollinger "RD" 2002 gets its **highest ever score** for this wine: 99 points from James Suckling.
- "RD" 2002 is **significantly undervalued**. Buy ahead of the release of the 2004 in the coming months.

Bollinger "RD" ("*Récemment Dégorgé*" or "*recently disgorged*") is the **top wine** from the **famous Bollinger Champagne** house. It is James Bond's favourite Champagne! The Maison was founded in 1829 and in 1967 Madame Bollinger started creating the special "RD" cuvée. "RD" starts life as the same wine as Bollinger's "Grande Année" - both are aged under cork not crown (unlike other Champagnes). But the "RD" spends considerably longer ageing on the lees (dead yeast cells remaining after fermentation) – up to 8+ years. It also has a very low "dosage" (addition of a mixture of reserve wine and very pure cane sugar) giving it its 'Extra Brut' designation. "RD" is a highly collectable Champagne.

Limited Availability at Significant Discount to other Vintages

Bollinger "RD" is made in very small quantities and the maison is very selective about when they produce it. Since 1988, only seven vintages have been released. No vintage was produced in 2001, 1998, 1994, 1993, 1992, 1991 or 1989. And in 1999 and 2000 "RD" was only produced in large format bottles in tiny quantities (not scored by mainstream critics).

As with most top 2002 Champagnes, **Bollinger "RD" 2002** achieved serious critical acclaim. We use the Vinous scores in the table below, but it is worth noting that James Suckling scored Bollinger "RD" 2002 a huge **99 points**.

We see no valid reason for the "RD" 2002 trading at a **100% discount to the very similar 1996**. We have written in notes on other 'current release' Champagnes (like Cristal 2009) that there is a tendency for the current vintage to trade at a steep discount to the historic pricing curve, and for this to correct once a newer vintage is released.

Vintage	Wine Score (Vinous)	Market Price	Price/Point	% Diff. to 2002
2002	95	SG\$ 1,165	SG\$ 12.0	-
1997	94	SG\$ 1,605	SG\$ 17.1	41%
1996	96	SG\$ 2,277	SG\$ 23.7	100%
1995	91	SG\$ 2,345	SG\$ 25.8	106%
1990	94	SG\$ 3,095	SG\$ 32.9	171%
1988	92+	SG\$ 2,235	SG\$ 24.3	96%
Average	93.5	SG\$ 2,308	SG\$ 24.7	103%

The "RD" pricing curve suggests that the **"RD" 2002 is significantly undervalued at SG\$ 1,165 (6x75cl)** and is **well placed to realise significant gains once the new vintage is released**. The next vintage (2004) should be released in the next few months. 2004 is widely recognised as a lesser vintage to 2002, which is one of the best in Champagne in the last 30 years.

Vintage	Wine Score	Release Price	Price Increase over Previous Release	Market Price
2002	95	SG\$ 1,145	26.3%	SG\$ 1,165
1997	94	SG\$ 906	32.0%	SG\$ 1,605
1996	96	SG\$ 686	29.3%	SG\$ 2,277
1995	91	SG\$ 530	1.8%	SG\$ 2,345
1990	94	SG\$ 521	23.9%	SG\$ 3,095
1988	92+	SG\$ 421	-	SG\$ 2,235
Average	93.5		23.25%	SG\$ 2,308

This table above shows that **Bollinger usually increases the releases prices for the "RD"**, with an average release increase of over 20% since 1988. It is therefore likely that the release price of 2004 will higher than the 2002 price of SG\$1,145. If the 2004 is released significantly above SG\$1,145 this will make the 2002 appear even more undervalued.

Investors should therefore **buy Bollinger R.D. 2002 before the 2004 is released** in the next few months.

Bollinger "RD": Excellent Track Record of Compound Annual Growth

Vintage	Wine Score	Release Price	Market Price	Gain. Since Release	Release Date	CAGR since Release
2002	95	SG\$ 1,145	SG\$ 1,165	-	Mar. 2014	-
1997	94	SG\$ 906	SG\$ 1,605	77.3%	May 2008	6.1%
1996	96	SG\$ 686	SG\$ 2,277	231.7%	Nov. 2006	11.4%
1995	91	SG\$ 530	SG\$ 2,345	342.1%	Feb. 2004	11.4%
1990	94	SG\$ 521	SG\$ 3,095	492.3%	Oct. 2001	11.6%
1988	92+	SG\$ 421	SG\$ 2,235	431.3%	Feb. 2000	9.8%
Average	93.5		SG\$ 2,308			8.4%

Bollinger "RD" has richly rewarded investors buying at release and holding for an extended period. Compound Annual Growth Rates (CAGRs) for the vintages from the late 1980s and 1990s have been in the 10-12% CAGR range. With global demand for top Champagnes continuing to build around the world, and with top Champagnes still relatively cheap versus comparable iconic red and white still wines, we see no reason why the pattern of excellent returns can't continue for many years to come. Champagne still has a lot of catching up to do!

Last Chance to Buy Bollinger "RD" 2002 at Release Price?

The main distributors of Bollinger "RD" 2002 **have now sold out across the world**. Distributors have sold through stocks in anticipation of the imminent release of the 2004.

We have a limited parcel of **20 cases at SG\$1,165 (6x75cl)** and recommend a BUY at this time as we don't believe this Champagne will ever be available at this price again. With a drinking window until at least 2030, this wine has more than a decade of improvement and price appreciation ahead of it. We anticipate of **price of SG\$1,465 in 24 months, giving a return of almost 30%**.

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