



## Buy Vega Sicilia Unico 2006 – Robert Parker 98 Point Score Confirmed (Update 1)

Price (3x75cl)	<b>SG\$1,095</b>
Cru Investment Rating	<b>"AAA"</b>
James Suckling Score	<b>100</b>
Price per Point	<b>SG\$10.88</b>
Average Price per Point	<b>SG\$11.51</b>
Drinking Window	<b>"Forever" (JS)</b>
Price Target (3x75cl) over 2-4 years	<b>SG\$1,432</b>
Implied Price performance	<b>+32%</b>

- **Vega Sicilia** is Spain's most prestigious and recognised fine wine producer.
- **Unico** averages 6.7% CAGR for the previous 15 releases, rising to an average 8.4% after 10 years.
- **Unico 2006** is a hotly anticipated release, scoring its joint highest ever score of **100 points** (James Suckling)
- **Robert Parker's** Wine Advocate has just released a **98 score, the second highest ever score for Unico.**

**Vega Sicilia is widely regarded as Spain's "First Growth"**. It is the highest Spanish wine on Liv-ex.com's 'Power 100' list. The winery was founded in 1864 by Don Eloy Lecanda y Chaves, who arrived from Bordeaux with cuttings of Cabernet Sauvignon, Merlot and Malbec. These were planted amongst the local Tinto Fino, a clone of Tempranillo. **'Unico' (unique) is the flagship wine** of the estate and is typically released after 10 years of ageing. Vega Sicilia also makes a Reserva Especial in some years, which is a blend of top vintages. Unico can age beautifully for decades. The 100 point 1962 vintage will be drinking until at least 2020, according to Wine Advocate. Unico can also reach very high prices. The 1962 was selling for around SG\$214 per bottle 20 years ago. It will cost you over SG\$1870 per bottle today. The performance of older Vegas has earned it the right to be taken seriously as an investment wine, especially in flagship years

### Potential Surge in Demand on Imminent Wine Advocate Score

Vega Sicilia Unico is typically released after 10 years. However, the 2006 was not released in 2016 and has been held back for an additional two years of ageing at the winery. Instead, both the lighter 2007 and 2008 vintages have been released ahead of the 2006. This is because the 2006 is expected to be a more powerful and longer ageing wine. Will it even rival the monumental 1962? Critic James Suckling certainly thinks so, giving it a perfect 100 points. (The only other Unico to receive 100 points was the 1962). Our Cru Investment Rating algorithm assigns Unico 2006 a "AAA" rating.

Robert Parker has now confirmed a **98 point score** for Unico 2006, making this **the joint second highest scoring Unico ever** (the 1998 also scored 98 points and currently trades at SG\$1,565 (3x75cl)).

It is clear that Unico 2006 is a long-term investment wine. The 1962 shows the potential of great Vega Sicilias vintages to perform financially.

## Long-Term Excellent Returns from Unico ...

Vega Sicilia Unico typically lasts for at least 20+ years, with stronger vintages living even longer. The 56-year old 100-point 1962 vintage is still drinking well now. The table highlights how Vega Sicilia Unico provides consistently good Compound Annual Growth Rates (CAGRs) when held from release for an extended period.

Vintage	WA Score	Drink Date	Price (12x75cl)	CAGR (Price today versus release Price)	% diff to 2006
2006	98	2018-2021	\$ 4,380.00	-	-
2008	96	2015-2030	\$ 3,794.40	7.4%	-8.9%
2005	96	2017-2030	\$ 3,906.00	8.6%	-6.3%
2007	95	2015-2025	\$ 3,887.40	2.2%	-6.7%
2004	97	2016-2029	\$ 4,278.00	4.7%	2.7%
2003	94	2013-2023	\$ 4,278.00	4.2%	2.7%
2002	95	2020-2040	\$ 4,650.00	6.5%	11.6%
2000	93	2018-2030	\$ 4,836.00	4.7%	16.1%
1999	92	2016-2030	\$ 5,394.00	4.1%	29.5%
1998	98	2013-2040	\$ 6,249.60	8.0%	50.0%
1996	96	2020-2040	\$ 6,956.40	9.5%	66.9%
1995	97	2007-2047	\$ 7,224.24	9.6%	73.4%
1994	96	2019-2040	\$ 6,681.12	6.6%	60.4%
1991	95	2007-2029	\$ 7,006.62	9.1%	68.2%
1990	96	2012-2030	\$ 6,696.00	6.3%	60.7%
1989	93	2012-2035	\$ 8,699.22	9.5%	108.8%
1962	100	2012-2020	\$ 22,320.00	n/a	435.7%
				<b>Average</b>	<b>6.7%</b>
				<b>95+ pts Average</b>	<b>7.1%</b>
				<b>Average after 10+ years</b>	<b>8.4%</b>

## ... Driven Partly by Limited Supply

Part of Unico's success as an investment wine lies in its relatively low production levels (generally only 5,500 – 6,500 cases). Hugh Johnson compared Vega Sicilia to Château Latour in his *Vintage: The Story of Wine*. But Latour will make 20,000 cases of Grand Vin in a great year, which underlines why Unico gets quite scarce quite quickly.

**We recommend Vega Sicilia Unico 2006 as a long-term core holding with fantastic aging (and hence price appreciation) potential.**

A little Spanish exposure assists with portfolio diversification and lessens reliance on Bordeaux / Burgundy / Champagne.

## IMPORTANT NOTICE

This report has been issued or approved for issue by an entity forming part of Cru (as defined below) and has been forwarded to you solely for your information and should not be considered as an offer or solicitation of an offer to sell, buy or subscribe to any securities or any derivative instrument or any other rights pertaining thereto ("financial instruments"). Cru is not authorised by the Financial Conduct Authority in the United Kingdom to offer investment advice or to make investment recommendations. This note does not represent investment advice or an investment recommendation.

This report is intended for use by professional or business clients only. This report may not be reproduced without the consent of Cru.

The information and opinions expressed in this report have been compiled from sources believed to be reliable, but, neither Cru, nor any of its directors, officers, or employees accepts liability from any loss arising from the use hereof or makes any representations as to its accuracy and completeness. Any opinions, forecasts or estimates herein constitute a judgement as at the date of this report. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied is made regarding future performance. This information is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the product or products mentioned. Cru is not agreeing to nor is it required to update the opinions, forecasts or estimates contained herein.

The value of any products mentioned in this report can fall as well as rise. Foreign currency denominated products are subject to fluctuations in exchange rates that may have a positive or adverse effect on the value, price or income of such products.

This report does not have regard to the specific instrument objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any products or investment strategies discussed in this report.

Cru (or its directors, officers or employees) may, to the extent permitted by law, own or have a position in the products of any company or related company or products referred to herein, and may add to or dispose of any such position or may make a market or act as a principal in any transaction in such products. Directors of Cru may also be directors of any of the companies mentioned in this report. Cru (or its directors, officers or employees) may, to the extent permitted by law, act upon or use the information or opinions presented herein, or research or analysis on which they are based prior to the material being published. Cru may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Those reports reflect the different assumptions, views and analytical methods of the analysts who prepared them.

For the purposes of this disclaimer, "Cru" shall mean: (i) Cru London Limited; (ii) Cru Asia Limited and (iii) from time to time, in relation to Cru London Limited and/or Cru Asia Limited, the ultimate holding company of that entity, a subsidiary (or a subsidiary of a subsidiary) of that entity, a holding company of that entity or any other subsidiary of that holding company, and any affiliated entity of any such entities.

This publication is confidential for the information of the addressee only and may not be reproduced in whole or in part, copies circulated, or disclosed to another party, without the prior written consent of an entity within Cru. Products referred to in this research report may not be eligible for sale in those jurisdictions where an entity within Cru is not authorised or permitted by local law to do so. In particular, Cru does not allow the redistribution of this report to non-professional investors or persons outside the jurisdictions referred to above and Cru cannot be held responsible in any way for third parties who effect such redistribution or recipients thereof. © 2018.