



Jaboulet La Chapelle 2017 – A Vintage to Rival 1990, 1978 and (even) 1961

- Great vintages of the Rhône's **Hermitage La Chapelle** can produce excellent investment returns.
- **La Chapelle 2017** scored **97-99** points in barrel tasting from *Wine Advocate* - with a *hint* that the score could possibly be upgraded to 100 points later. If it were, the 2017 would join only three other La Chapelles in scoring a perfect 100 (**1961, 1978** and **1990**).
- Even at 97-99 points, La Chapelle 2017 looks good value as this is clearly a **"great" vintage** (according to Wine Advocate's Joe Czerwinski).
- Prices for back vintages of great La Chapelles can be **astronomically high**. The market price of the legendary **La Chapelle 1961** (100 points) is over SG\$122,400 (6x75cl). This is higher than Petrus 1961. And there isn't a single investment grade case of the 1978 for sale anywhere in the world.
- Since 2006 La Chapelle has been climbing back into the pantheon of the world's great estates under the **Frey family's** ownership.
- This wine should not be passed up (at release) by serious collectors / investors. It is released at a reasonable price and the risk/reward is hugely skewed to the upside.
- At SG\$1,240 (6x75cl) in bond, La Chapelle 2017 is **excellent value**.

Jaboulet La Chapelle 2017 – Investment Potential

The 1961 La Chapelle is one of the most celebrated wines ever. This is important, because it sets a benchmark for what the terroir can achieve in both quality and price. La Chapelle 2017 looks like the best vintage since the 100-point 1990, and the best yet of the Frey era. Versus the other "great" vintages of this wine (1990, 1978 and 1961) it is very modestly priced at release. Only around 2,000 cases are now made.

Vintage	WA Score	Market Price (6x75cl) IB
2017	97-99	SGD 1,240
1990	100	SGD 4,860
1978	100	None available
1961	100	SGD 122,400

Like top Burgundy, older La Chapelle seems to disappear from the secondary market. There is not one single investment quality case of the 1978 or 1961 available anywhere in the world. The Liv-ex market price for the 1961 is derived from projected values of smaller quantities at auction.

Very, very few old wines are more expensive than Bordeaux legend **Château Petrus**. But look at this:

Vintage	Petrus (6x75cl)	La Chapelle (6x75cl)
2017	SGD 25,560	SGD 1,240
1961	SGD 114,300	SGD 122,400

The 1961 La Chapelle is worth more than 1961 Petrus. But for the 2017 La Chapelle you pay on SG\$1,240 (6x75cl), versus SG\$25,560 for the 2017 Petrus. Which wine is likely to perform best over the next 20 years?

Jaboulet La Chapelle 2017 – The Wine:

- Jaboulet Hermitage La Chapelle one of the Rhône’s most famous estates. It is also something of a rise / fall / rise story. Until the 1990s, this estate on the famed Hermitage hill produced some the Rhône’s most admired wines (the 1961 being widely regarded as one of the best wines ever made, anywhere). But in the 1990s, coinciding with the untimely death of Gérard Jaboulet in 1997, La Chapelle lost its way. Production quantities yoyoed and vintages were often described as lacking weight and concentration.
- The acquisition of the property by the Frey family in 2006 coincided with a change in its fortunes once again. Under the watchful eye of daughter Caroline Frey the estate has re-scaled its pre-1990s heights, with the 2017 seemingly the finest achievement of the Frey era. Yields and selection have been drastically reduced. The annual production is down to around just 2,000 cases (from as much as 7,000) which is in line with the production of legendary vintages like the 1961.
- La Chapelle is an excellent long-term investment wine in great years. The highest rated back vintages show enormous longevity and power. When rating the 1961 in 2015 Jeb Dunnuck gave it a drinking window to **2060** (100 points and 100 hundred years!).
- La Chapelle 2017 is definitely in the “great” category. Wine Advocate’s Joe Czerwinski gave it a **97-99 points** initial score. In his tasting note, he asked if the “great La Chapelle” will reach “that elusive triple-digit score” as it evolves in bottle. If it were to get 100 points the price would almost certainly rise significantly, but even in this range the wine looks undervalued versus similar wines of this stature.

Dr Jeremy Howard

Head of Investment Research

jeremy.howard@cruworldwine.com

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"). This report is intended for use by professional or business investors 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. © 2019.