

CHRISTMAS OFFICE DATES

Capital Vintners will close its office for the festive period on the 22nd of December 2015 and re-open on the 4th of January 2016.

If you have any urgent enquiries during this time, please email us on info@capitalvintners.com or leave a voicemail message by calling our office number on 0207 378 3500 / 0800 077 8007

BORDEAUX 2015 VINTAGE SET TO BE A CLASSIC

Bordeaux winemakers are confidently comparing their young vintages to the classic vintages 2009 and 2010. Harvesting for the whole region was well underway in early September and it has been confirmed that all major reds are strong performers as well as Sauvignon Blanc, a popular grape in most dessert wines.

Weather conditions throughout the year are said to have been 'ideal' amongst the Bordeaux vineyards. The great combination of a cool winter, warm spring and dry September have produced promising grapes as quality looks to be consistently high amongst reds. Though production is still in the early stages, there are great expectations over this year's vintage.



"2015 is going to be magnificent and the winemakers of Bordeaux and Bordeaux Superieur are very proud and happy. This level of quality acknowledges and rewards the hard work and investments made throughout the year." said Herve Grandeau, President of the Bordeaux & Bordeaux Superieur AOC Winemakers' Association.

Jean-Charles Cazes from the family owned Château Lynch Bages in Pauillac commented "we picked 150 acres of perfectly healthy Cabernet Sauvignon, filling 20 vats, which already show a very nice potential."

Renaud Ruer, once a winemaker himself, commented on the anticipated vintage potential. "What I heard from Palmer, Rauzan-Segla and Margaux itself sounds magic," he declared, adding that Angelus, Pavie and Cheval Blanc "looked amazing" as well.

FINE WINE OUTPERFORMS STOCKS AND SHARES

Following an assessment of the market's performance in 2015, fine wine has successfully upheld its status as the best performer for overall growth against all major asset classes since 1988. In this time period Fine Wine has increased in value by 1474%, almost doubling its closest competitor, the Dow Jones. The FTSE 100 index has only appreciated by 306% - considering the history of FTSE bull markets, it is clear that on average fine wine has consistently outperformed the FTSE by a considerable margin.

LATEST MARKET NEWS

Both trade value and volume were up 0.6% in the first week of December. This was largely dominated by Bordeaux accounting for 36% of trade value. Leading this activity were the First Growths, predominantly Lafite which represented almost a fifth of the overall trade. Other majorly featured wines were Pontet Canet 2010 and 2012.

Since the bull market of 2010, led by unprecedented Chinese demand in which Bordeaux accounted for 95.7% of trade value, it seems that there has been a de-concentration of region power. Bordeaux still remains notorious amongst investors however there has been a rise in market share for other regions; Champagne and Italy now grasp a market share of 6.1% and 7.1% respectively.

Bordeaux now accounts for 74.2% of the market, returning back to 2004 levels prior to the exceptional buying levels. As buyers' interests have broadened the market, they have taken a more balanced approach which in turn has strengthened portfolios and encouraged diversity across the Champagne, Burgundy and Italian regions.

"The last four years have clearly demonstrated that playing the fine wine market is not without its risks, but that those who use expert advice to identify good value, acquire and divest at the right times, diversify their collections and understand that this is not a short term, highly liquid investment, are likely to learn more about the sector and more fully profit from the potential benefits on offer."

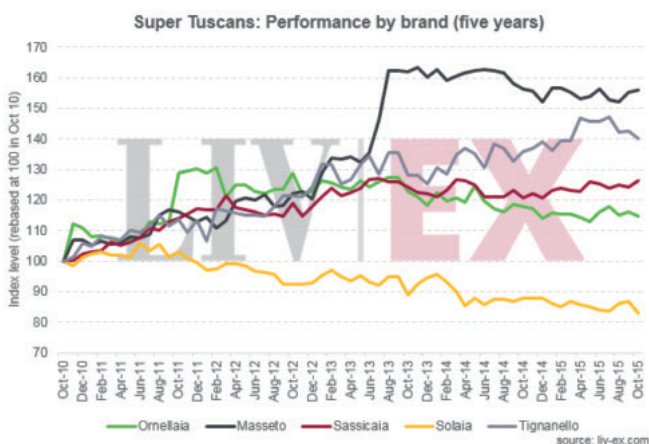
Guy Tolhurst,
Managing Director of Intelligent Partnership

ITALIAN FINE WINE ON THE UP

This year has been of great significance to Italian wine producers. In 2010 the region only accounted for 0.9% of total fine wine trade - this figure now stands at 7.1% showing a stable increase on earlier years. As 2015 comes to an end, so far 132 brands and 262 wines from over 20 vintages have been traded. As a result of this the benchmark index - Italy 100 - has elevated and subsequently seen over 20% in growth over the last 5 years.

Italy's younger vintages (2009-2012) have account for 80.1% of the value traded, whilst less than 6% of activity has been from vintages older than 2006. As 2015 comes to an end the increase in Italian wines, in absolute value, is now 34% up on last year.

The graph below shows the activity of the five Super Tuscan's indices and their price movements. Masseto over the past five years has exceeded the other Super Tuscan's by gaining 56%. The second best performer Tignanello has increased 40.2% over the last 5 years.



CHATEAU LAFITE TECHNICAL DIRECTOR, CHARLES CHEVALLIER, TO STEP DOWN IN THE NEW YEAR

Domaines Barons de Rothschild (DBR) have announced that their technical director, Charles Chevallier is to step down in the New Year to move into his newly created role as 'Senior Advisor'. His will be replaced by co-worker Eric Kohler who started working in quality control together with Chevallier in 1994. Since then he has spent some of his time working at DBR Lafite properties in Argentina, Chile and China.

Chevallier's new role, created specifically for him, will entail him serving as a global ambassador. This will include leading public and private institutions along with universities and educational centres. "We thought he would make a great spokesperson," said Christophe Salin, president and CEO of DBR.

CHAMPAGNE ON THE RISE

Vintage Champagne now accounts for 6.1% of market trade which is a jump from 2.8% in 2014. This growth can be justified by the increase in volume of its wines available in the market place following the release of numerous successful vintages such as Taittinger Comtes 2005 and Cristal 2007. With its limited production and rapidly increasing consumption, Champagne's steady returns are expected to continue and more than likely increase.



MESSAGE FROM THE CEO

Well now. Just as some of you may have thought the market was ending the year on a down, the top 50 traded wines are up! A 0.36% gain may not sound like much, but when put in the context of the year as a whole, it takes on far greater significance.

To all our customers, collectors and drinkers - it has been a very busy year to say the least at Capital Vintners, and with it has come the good news we needed following the climate of the last four years. The market seems to be steadily moving up, however slowly, but at long last it's finally creeping back up.

Putting this into context, if you are collecting, the market advice is still to hold for the minimum ten year period. If you are drinking, keep drinking as it will certainly help the collectors out there.

We have settled in to our new offices and have recruited a new team of buyers to help find those great opportunities out there for our customers. The sales team is still strong and we have delivered a staggering 5000 cases of wine this year into Vine at LCB to be stored for clients and have also shipped nearly 1500 cases out to various parts of the globe as far as our friends in Australia over the giant pond.

Our new website has really been a great achievement this year and has given us more access to buyers all over the world. Our delivery times are improving - we have delivered stock to doors all over London within two days from ordering and are now trying to improve on this. Next year we will be focussing on building and supplying more great wine to lovers of the great grape nectar! Watch this space and I wish you all a very heart felt Christmas and a prosperous 2016.

All the best

Christopher Burr Founder & CEO