



INDEX

JAN 2010



BORDEAUX

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STRONG PROSPECTS FOR THE FINE WINE MARKET IN 2010

Prospects for the luxury end of the wine market in 2010 are looking very healthy, according to Geraint Carter, our investment analyst. He says: "Despite the economic challenges of 2009, both fine wine prices and trading activity end the year in positive territory. As growth returns to the global economy in 2010 the outlook for fine wine is very strong."

KEY TRENDS TO WATCH IN 2010 ARE:

Chateau Lafite: "This has dominated the investment picture in 2009 and given the Asian-driven demand, could well do so this year. Some believe that prices have already over-reached but it would take a bold stance to bet against this iconic estate", says Geraint.

En primeur: "The spring campaign could well be a re-run of the last Vintage of the Century (2005) - but expect feverish competition for allocations."

Pick a bottle: Mouton Rothschild 1982. "The star of every horizontal tasting and it's only getting better. A bargain in comparison to Lafite and Latour and well-placed to benefit from the growing tide of Mouton interest."

Don't forget that our LiveTrade platform – the world's first two-way trading screen for fine wine – is the only internet trading platform that guarantees both buying and selling prices for the world's top 60 wines and allows bids and offers from private individuals as well as trade.

On the drinking front...

We recommend the following wines to uncork in 2010:

Red

Cos d'Estournel 1986
Gruaud Larose 1990
Haut Brion 1995
Pichon Lalande 1996
Grands Echezeaux 1995,
Domaine de la Romanée-Conti
Cote Rotie Ch. D'Ampuis 01, Guigal

White

Corton Charlemagne 1999, Louis Latour
Vouvray Le Mont Demi Sec 1985, Dom Huet

And finally....

Champagne

Krug 1990

Port

Warre 77

BORDEAUX INDEX TOASTS HAPPY BIRTHDAY WITH PERFECT WINE



We are celebrating our 13th birthday this month by offering one of the finest dessert wines in the world at a terrific price.

Chateaux Pajzos Esszencia 1993 was praised by Robert Parker as 'the perfect wine' and given the highest score of 100 points. In his tasting notes, Parker describes this as having, 'marmalade, a liqueur of nuts, fruitcake, plum, and caramelized tropical fruit characteristics present in this amber-coloured wine'. Wine Spectator too commends the sweet wine, awarding it a respectable 99 points saying: 'Like melted honey, with lime and pineapple, this is one of those marvellous gems that makes you swoon in delight.'

Gary Boom, BI's managing director, said: "We are delighted to celebrate our 13th year of successful trading, and are now one of the largest wine merchants in Europe. Our no-nonsense, unstuffy approach sets us apart from our competitors, and we are looking forward to another busy year."

We are offering a special price of £720 per case of 12 50cl bottles, or £695 when ordering three or more. In addition, we are offering taster-size 10cl bottles in cases of 12 for £175.

HIGHLIGHT

Michael Schuster at Bordeaux Index

Michael offers courses from beginners to advanced tasting techniques, which are held at our headquarters in Hatton Garden, London. The courses take place in a specially-designed tasting room, making for a relaxed and spacious environment in which to sample some of the best fine wines.

See p3 for 2010 dates and details...

BORDEAUX INDEX BURGUNDY



It is with great pleasure that we are able to announce for the first time Bordeaux Index are offering a range of Burgundy en-primeur. Our offer began at 4pm on Tuesday 12th January 2010.

The 2008 vintage has pleasantly surprised many wine merchants and growers alike as it has evolved in the barrel with good structure, maturity, freshness and acidity. But if you had asked many producers their thoughts at the end of August 2008, nearly all would have been rather concerned about the potential of the vintage for both red and white wines. The spring had been cool and at times wet and when this

weather remained much the same into June, the burgundians became restless. July, while not as wet as 2007 saw little sunshine and a hailstorm near the end of the month in parts of the Cotes de Beaune again 'dampened' hopes. August remained cool and wet (apart from a few days) and when it rained on 10th & 11th September the vintage appeared to be heading for a poor showing. Then (as so often in recent years) mother nature decided that the 'vignerons' needed some assistance.

The wind changed to the north east and the sun came out (both remaining for the next 2½ weeks) which saved the harvest and picking began on 21st September, although

most waited until 25/26th September to begin. One must not underestimate the importance of the work in the vineyards during the early signs of oidium and mildew. The vigilance of those who immediately tended the vines as soon as the early signs of any disease showed, has been rewarded, although yields are low.

Tasting of the 2008 vintage from the barrels has not been that easy and the wine writers who made early reports, displayed much pessimism, especially as the process of malolactic fermentation was extremely slow. Happily the early pessimism has proven to be markedly premature.

The white wines have plenty of aromatic expression, quite racy flavours, with medium to full body, fleshy fruit backed with fresh minerality and healthy acidity. We especially enjoyed the wines from Puligny Montrachet and Chassagne Montrachet.

The red wines show richness of crushed raspberry, red currant and strawberry fruits with again quite vibrant minerality, ripeness and good (but not excessive) acidity. In short plenty of complexity. Chambolle Musigny appears to have been especially blessed.

Our opinion is that these wines are for drinking in the near to medium term although some of the grand crus showed a healthy backbone of acidity which suggests they may well age gracefully in the long term. In all, this has turned out to be a very good vintage, one with admirable aromas & complexity which will be approachable in its youth. It will provide burgundy enthusiasts with a great deal of pleasurable drinking.

[Click here to view our offer and list of wines](#)

FIRST GROWTHS IN DEMAND FOR CHINESE NEW YEAR

From [Decanter.com](#)

"Far East tipped for en primeur surge

Demand in Asia for first growth Bordeaux is soaring in the run-up to the Chinese New Year – amid signs that China will become a serious buyer of en primeur in 2010.

Gary Boom, managing director of fine wine trader Bordeaux Index, said the company was currently receiving orders from Asia worth up to £500,000 a day because of the celebrations on 14 February, when the Year of the Tiger begins.

That included a single order for Château Lafite worth £200,000 last week, he told [decanter.com](#).

'It really is the first growths they're after. Giving these top wines as a gift has become a big thing over the last two years, and this is now our busiest time of year outside en primeur.'

Don St Pierre Jr, CEO of ASC Fine Wines in China, said the trend was not confined to first growth Bordeaux, but there was a jump in sales for 'just about all' the company's wines.

'We expect to see a big increase in buying from both private clients and restaurants,' he added.

'Normally Chinese New Year and Autumn Festival are the biggest sales times of the year for us – bigger than December/Christmas and the Western New Year.'

The surge in interest in Bordeaux suggests that China might become a serious player in the en primeur market during 2010, Boom added.

'This could be the first great en primeur campaign for the Far East,' he said. 'They've never bought sizeable quantities, but I think they're ready for this one.'

St Pierre said there had already been 'a big jump' in demand for 2008 en primeur.

'If the 2009 prices are not beyond reason, then we should continue to see growing awareness and interest,' he said."

January 11, 2010 Richard Woodard

www.decanter.com

Zero Corkage at Le Café Anglais

We are also running a restaurant offer with 'Le Café Anglais', London – offering our customers zero corkage for the month of January.

On how to book, contact gareth.birchley@bordeauxindex.com

WHAT A DIFFERENCE A YEAR MAKES...

The dawning of 2009 in the wine market, as for just about every other, was shrouded with gloom and foreboding. The once fanciful Crisis of Capitalism appeared to have arrived with a vengeance and its consequences would scar the world economy for decades to come. In the rarefied niche of fine wine the much trumpeted claim of asset diversification stood for nought as the core Bordeaux Index fell by over 15% and prices in the much speculated 2005s slumped by up to 50%. Even the thoroughbreds that represented the core of so many portfolios (prime vintages of Latour, Margaux and Cheval Blanc) were nursing declines of around a quarter from just 3 months earlier. Perhaps more depressing than the violence of the post-Lehman declines was the complete unwillingness of even the bullish to call bottom. The oft heard refrain "if the worst happens one can always drink it" was offering little by way of comfort and less still by amusement.

Indeed, for many it was the broader market context that looked the most troubling. As the 'wise heads' of the City are wont to observe, investors cope well with bad news, very well with good news but appallingly with uncertainty. As rumours swirled of major redemptions from prominent wine funds and large private investors liquidating 'at any price', there was genuine fear that the very infrastructure of the market could fail. And what did we have to look forward to?

An inevitably over-priced, mediocre 2008 En Primeur campaign destined to follow in the ignominious footsteps of 1997.

Yet here we stand in 2010 with our tails up admiring an Index showing an increase of nearly 15% for the year just gone, tight stock positions across multiple brands/vintages, a well priced and (consequently) wildly successful En Primeur campaign under our belts and the prospects of a bun-fight for the forthcoming 'Vintage of the Century' 2009s.



The reasons for the strong recovery – deep and persistent Asian demand, stimulus/cheap money and the return of risk appetite – have been covered here previously and we stand by this analysis. Similarly we have commented extensively on the inconsistent nature of the recovery – take out Lafite and Mouton from 2009 activity and you're left with a very different picture – and the impressive depth of the wine market - effectively transferring many tens of £millions of wine from one set of investors to another - but as space is short we thought it most interesting to pose some questions, the answers to which will determine the direction of the fine wine market in 2010 and beyond.

Hong Kong Phooey? – Will Chinese demand continue a pace or will bubble concerns curb interest? Will Lafite continue to out-perform or will traditional relative value measures reassert themselves?

2005 Friend or Foe? – Having largely missed out on the 2009 recovery are these feted wines set to rebound? Or given the large tradable positions and speculative nature of so many purchases could the 2005s be in line for a renewed bout of selling?

EP 2009 Midas touch? – Will Parker lean towards 2005 austerity or 2008 generosity? Will the Bordelaise look to claw back some of the rewards 'lost' to the market in 2008?

2010 is set to be a fascinating year in the fine wine market and we look forward to helping chart your way through it.

[Click here to read our 10 lighthearted predictions for the 2010 market](#)

Happy New Year.

JAN 2010

2010 DATES AND DETAILS

The next available **Beginners Course** is in the Summer:
Tuesday June 8 / July 13 2010 – Price £279

- o Tue 8 June 2010
- o Tue 15 June 2010
- o Tue 22 June 2010
- o Tue 29 June 2010
- o Tue 6 July 2010
- o Tue 13 July 2010

The next **Fine Wine Course** is in the autumn: **Monday Sept 13 / Oct 18 2010 – Price £399**

- o Mon 13 September 2010
- o Mon 20 September 2010
- o Mon 27 September 2010
- o Mon 4 October 2010
- o Mon 11 October 2010
- o Mon 18 October 2010

Two Individual Fine Wine Tastings priced at £95 each

- o Wed 10 February 2010 Barolo / Barbaresco
- o Wed 10 March 2010 1998 Claret

Coming up: Chablis & Seafood tasting: June 2010

Please share this information by forwarding it to friends, family or wine lovers alike or to anyone that you may feel could be interested.

HIGHLIGHT

