



Buy Lafite-Rothschild 2014 – The Most Attractive Current Lafite

Price (12x75cl)	\$52,800
Cru Investment Rating	"AAA"
Wine Advocate Score	95
Price per Point	\$555.8
Average Price per Point in comp. vintages	\$750.2
Price Target (12x75cl) over 36 months	\$66,770
Implied Price performance	+26%

- **Château Lafite-Rothschild** remains the world's premier fine wine investment, combining global appeal with excellent liquidity.
- **Lafite-Rothschild** topped Liv-ex's 'Power 100' list in 2017 for the second year running.
- We recommend **Lafite 2014** as the best current vintage for new investors.
- Offered at \$52,800 (12x75cl), and rated 95 points, it offers the best price / quality ratio of any recent vintage.

Château Lafite-Rothschild: "First" Among Equals

Lafite-Rothschild is the most collectable wine in the world. It has been owned by the Rothschild family since 1868. One of the five First Growths from the famous Bordeaux classification of 1855, Lafite is comfortably the most valuable of the 'famous five' Left Bank châteaux. Lafite-Rothschild is one of only a handful of producers whose wines score "AAA" investment ratings on Cru.

'First Growth' Wines	Average Market Price 1999-2016
Lafite-Rothschild	£6,810
Latour (2012-2016 not yet released)	£6,075
Margaux	£5,030
Mouton-Rothschild	£5,020
Haut-Brion	£4,245

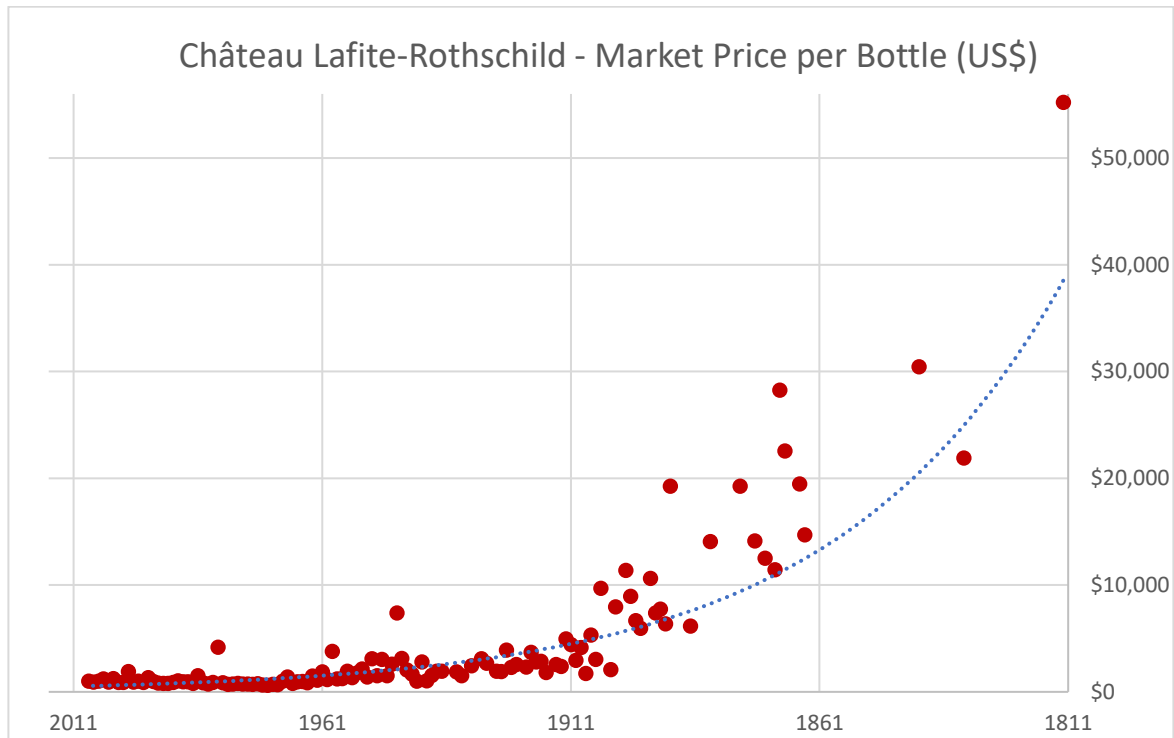
Excellent Liquidity

Lafite-Rothschild is the most liquid wine in the world. In the last 12 months turnover on the Liv-ex exchange for **Lafite 2014** is over £800,000. We estimate that Liv-ex represents less than 10% of total global trading, implying that Lafite 2014 alone has traded more than £8 million in the last 12 months. This makes it relatively easy to enter and exit positions.

Which Lafite to Buy?

Lafite is clearly a core holding for any serious fine wine portfolio. But for investors new to Lafite the question is: where do you start?

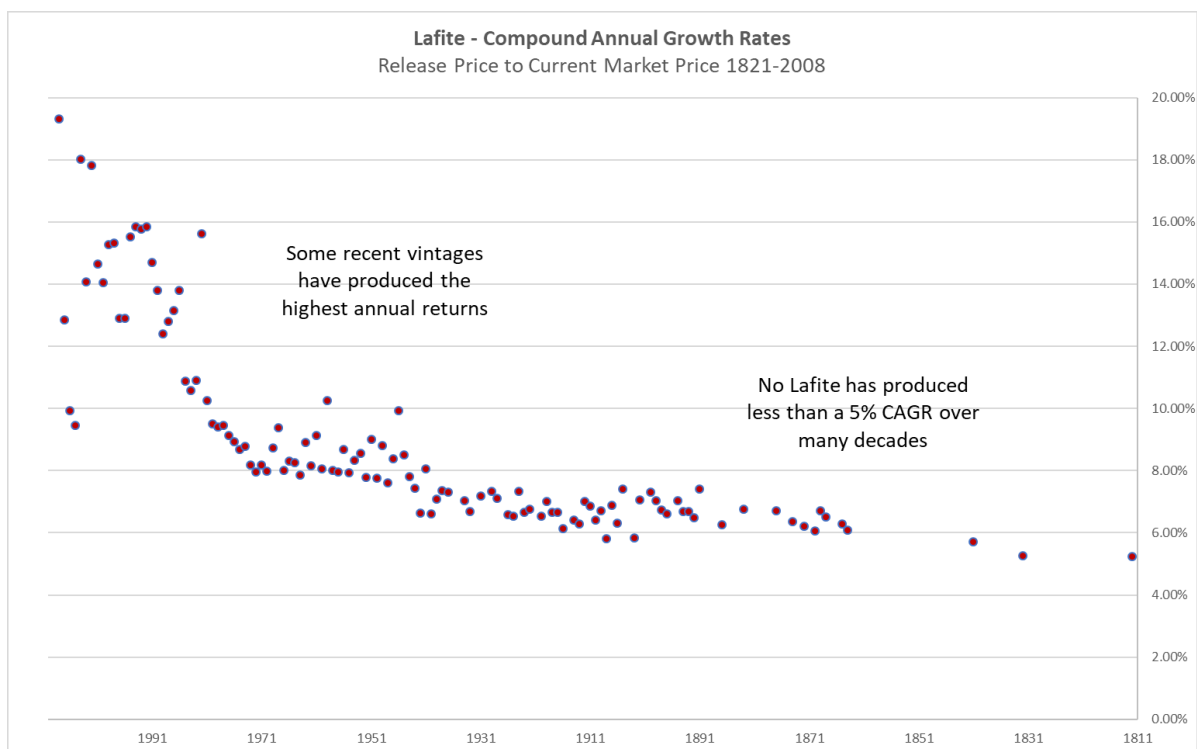
We answer this question with reference to the Lafite 'price curve':



Source: Wine-searcher.com

Plotting Lafite market prices from 2016 back to 1812 shows that Lafite appreciates on a fairly smooth upwards price curve over time.

But more interesting is the **compound annual growth rate** you would have received buying at release price and holding until today.



Source: Wine-searcher.com and Cru estimates

The more recent vintages of **Lafite-Rothschild** have produced some of the best CAGRs. **Every one of the wines produced between 1980 and 2008 has produced a CAGR of more than 10%** (if purchased on release and held until now). This is a pretty impressive performance.

Buy Lafite 2014 – Most Attractive Vintage based on Quality to Points Ratio

So the evidence suggests that as long as you don't overpay for your Lafite-Rothschild at the outset, you can rely on the wine's global appeal and decreasing supply to do the investment legwork for you.

We therefore recommend **Lafite 2014** as the most sensible current pick. It is offered at £4,900 (12x75cl) and scores 95 points from Robert Parker. Dividing the case price of £4,900 by 95 = £51.6 "price per point".

The Lafite 2014 'price per point' ratio is the lowest (which is good) of all the recent vintages of Lafite, and hence we believe that Lafite 2014 is currently the most attractively priced Lafite today.

Vintage	Market Price	Parker Score	Price per Point
2014	£ 4,900.00	95	£ 51.6
2012	£ 4,750.00	91	£ 52.2
2013	£ 4,700.00	90	£ 52.2
2011	£ 4,800.00	90-93	£ 52.5
2015	£ 5,200.00	94-96	£ 54.7
2016	£ 5,670.00	96-98	£ 58.5
2004	£ 6,350.00	95	£ 66.8
2006	£ 6,500.00	95	£ 68.4
2007	£ 6,450.00	94	£ 68.6
2002	£ 6,600.00	94	£ 70.2
2001	£ 6,700.00	94	£ 71.3
1999	£ 6,900.00	95	£ 72.6
2010	£ 7,200.00	98	£ 73.5
2009	£ 7,450.00	99+	£ 74.9
2008	£ 7,400.00	98	£ 75.5
2005	£ 7,700.00	96	£ 80.2
2003	£ 9,100.00	100	£ 91.0
2000	£ 13,900.00	98+	£ 141.1

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