



## BUY Château Brane-Cantenac 2016 – Still Playing ‘Catch Up’

Price (12x75cl)	<b>\$6,665</b>
Cru Investment Rating	<b>“AA”</b>
Wine Advocate Score	<b>96-98</b>
Price per Point (Brane-Cantenac 2016)	<b>\$68.71</b>
Price Target (12x75cl) over 24 months	<b>\$8,961</b>
Implied price performance	<b>+34%</b>

- **Château Brane-Cantenac** is a historic ‘**Second Growth**’ château which is now playing ‘catch up’ with much higher priced Bordeaux producers.

- Brane-Cantenac 2016 is **one of the top 30 scored wines** from 2016, and yet is **the cheapest of them all**.
- Brane-Cantenac has been **performing extremely well in the secondary market** in the last two years as quality has improved at the château.
- We expect its price to converge with other similarly scored Second Growth wines like **Cos d’Estournel, Leoville las Cases, and the Pichons**.

**Château Brane-Cantenac** was acquired by Baron Hector de Branne in 1833, who named the château after himself. He financed the purchase via the sale of his previous estate Château Brane-Mouton, (now Mouton-Rothschild). It is one of only 14 ‘Deuxieme Crus’ (“second growths”) from the famous classification of 1855, making this one of the most prestigious and historic names in Bordeaux. It is currently owned by **Henri Lurton** whose family are hugely influential in Bordeaux.

### Château Brane-Cantenac 2016 is Undervalued Compared to other 96-98 Plus Bordeaux 2016s

	Wine	Market Price	WA Score		Wine	Market Price	WA Score
1	Petrus 2016	\$ 360,177.00	96-98	16	La Conseillante 2016	\$ 18,176.00	96-98
2	Le Pin 2016	\$ 313,152.00	96-98	17	Figeac 2016	\$ 17,623.00	98-100
3	Ausone 2016	\$ 82,535.00	98-100	18	Le Tertre Rotebouef 2016	\$ 16,788.00	96-98
4	Lafleur 2016	\$ 78,361.00	96-98	19	Ducru Beaucaillou 2016	\$ 15,317.00	96-98
5	Cheval Blanc 2016	\$ 60,494.00	97-99	20	Montrose 2016	\$ 15,118.00	97-100
6	Lafite-Rothschild 2016	\$ 59,263.00	96-98	21	Cos d’Estournel 2016	\$ 15,014.00	98-100
7	Chateau Margaux 2016	\$ 51,582.00	97-99	22	Pichon Lalande 2016	\$ 14,576.00	96-98
8	Mouton-Rothschild 2016	\$ 51,227.00	98-100	23	Pichon Baron 2016	\$ 12,561.00	96-98
9	Haut Brion 2016	\$ 48,722.00	97-100	24	Canon 2016	\$ 12,092.00	97-99
10	La Mission Haut Brion 2016	\$ 36,857.00	98-100	25	Lynch Bages 2016	\$ 11,779.00	97-100
11	Pavie 2016	\$ 32,265.00	98-100	26	Haut Bailly 2016	\$ 9,932.00	96-98
12	Angelus 2016	\$ 32,265.00	96-98	27	Clinet 2016	\$ 8,731.00	96-98
13	L’Eglise Clinet	\$ 24,709.00	97-100	28	Smith Haut Lafitte 2016	\$ 8,491.00	96-98
14	Trotanoy 2016	\$ 24,114.00	96-98	29	Beychevelle 2016	\$ 7,385.00	96-98
15	Leoville Las Cases 2016	\$ 21,599.00	98-100	30	<b>Brane Cantenac 2016</b>	<b>\$ 6,665.00</b>	<b>96-98</b>

- Château Brane-Cantenac 2016 is one of **the Top 30** scored wines by *Wine Advocate* (Robert Parker) in 2016.

- Château Brane-Cantenac 2016 had the **lowest release price** of all the top 30 rated wines, and is still the cheapest. We think the window is closing to buy this wine around its low release price.
- The price of Château Brane-Cantenac 2016 is **\$6,665** (12x75cl). The average price amongst the other 27 wines that scored 96-98 points (or above) is \$28,366 – excluding the legendary Petrus and Le Pin. This is **over 326% higher** than Château Brane-Cantenac 2016.

### Chateau Brane-Cantenac has Great Price Momentum

- Château Brane-Cantenac is a property with **genuine momentum, in quality improvement and price appreciation**. The last four vintages (2016, 2015, 2014 and 2013) have been four of the scored best vintages for this estate in the last 28 years.
- The last 8 vintages of Château Brane-Cantenac have almost always continuously **outperformed the Liv-Ex Bordeaux 500 and Liv-Ex Fine Wine Investables indices**.
- **Château Brane-Cantenac is a 'Second Growth'** from the 1855 Classification. As such, it still has huge scope for further price appreciation versus other Second Growths: **Leoville Las Cases** (2016 price = \$21,599), **Ducru Beaucaillou** (2016 price = \$15,317), **Montrose** (2016 price = \$15,118), **Cos d'Estournel** (2016 price = \$15,014), **Pichon Lalande** (2016 price = \$14,576) and **Pichon Baron** (2016 price = \$12,561).

### Very Strong Price Performance over Past Two Years – Brane-Cantenac is 'Catching Up'

	6 months	12 months	2 years
<b>Brane Cantenac 2014</b>	21%	28%	59%
<b>Brane Cantenac 2012</b>	16%	24%	42%
<b>Brane Cantenac 2013</b>	12%	41%	83%
<b>Brane Cantenac 2016</b>	11%	-	-
<b>Brane Cantenac 2010</b>	9%	7%	38%
<b>Brane Cantenac 2011</b>	8%	23%	53%
<b>Brane Cantenac 2009</b>	4%	10%	54%
<b>Brane Cantenac 2015</b>	1%	8%	-
<b>Liv-ex Bordeaux 500</b>	4%	8%	33%
<b>Liv-ex Bordeaux Investables</b>	3%	6%	32%

Recent conversations with our contacts in Bordeaux have revealed that Château Brane-Cantenac **has taken a few hectares out of production**. This should help protect the quality of the wine but will also **decrease the available supply in coming vintages**.

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