



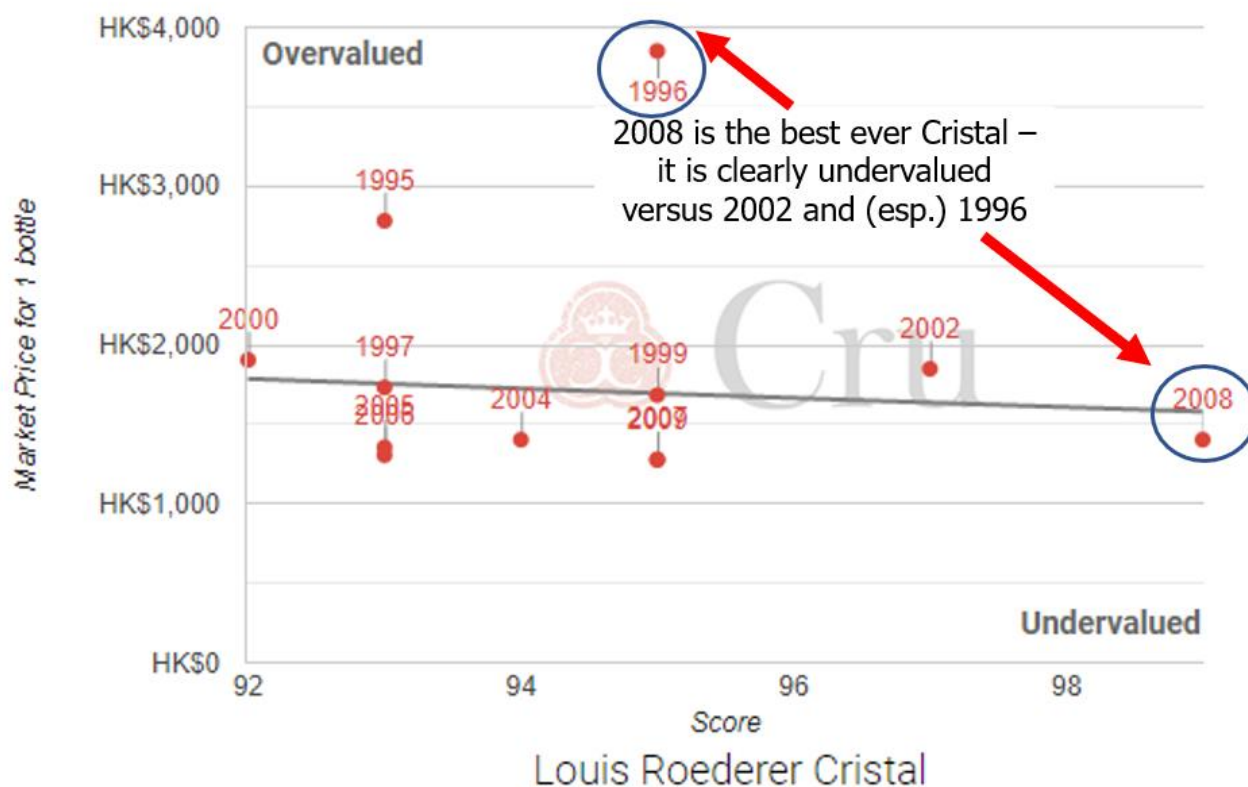
Louis Roederer Cristal 2008

Strong Buy Ahead of the 'Roll' to the Cristal 2012

- The **primary market** in Cristal 2008 is coming to an end.
- Investors need to **position themselves now** for the 'roll' to the new vintage (Cristal 2012).
- Cristal 2008 is already the **best modern Cristal** (99.2 average score), yet it is **much cheaper** than the **2002** and (especially) the **1996**. The 2008 has a **30 year drinking window** ahead of it.
- We believe that investors purchasing the Cristal 2008 now will see a **significant price uplift over the next 3-5 years** as a **major global demand / supply imbalance** develops in Cristal.
- We have placed Cristal 2008 on our **Global Recommended List** for long-term investment.

1. Louis Roederer Cristal 2008: Best Ever Cristal, Very Undervalued

Cristal 2008 is the **finest modern Cristal** (average score) and is destined to be a legendary wine with 30 years of improvement in the bottle ahead. Yet it is trading well below lesser vintages like 2002 and 1996.



With an average score of 99.2 (including two **100-point** scores from influential critics **Jeb Dunnuck** and **Antonio Galloni** (Vinous)), Cristal 2008 is much higher scoring than the 2002 or 1996.

Champagne	Average Score	Price (6x75cl)	Drinking Window (Critic Average)	Premium to 2008	Market Availability
Cristal 2008	99.2	HK\$9,450	2048	-	<i>Primary market ending now.</i>
Cristal 2002	97.25	HK\$12,000	2030	27.0%	<i>A handful of cases available.</i>
Cristal 1996	95.75	HK\$24,000	2022	154.0%	<i>Almost no stock on secondary market.</i>

2. Longest Drinking Window / High Consumption Curve

Cristal 2008 has a **much longer drinking window** than either the 2002 or 1996 (see above). It will last for at least another 30 years; which means in ten years' time it will be: a) still top quality, b) still young, and 3) properly scarce, all at the same time! In fine wine, this is a recipe for **significant price appreciation**.

Cristal 2008 is already over a decade old. Even today it is being **consumed** daily around the world at a **significant rate**. History shows us that this consumption will not slow down until the 2008 becomes almost impossible to buy - like the 1996 is now. The 1996 is +154% more expensive than the 2008, with much lower scores and only 3 years of drinking window left.

3. In Champagne the Rule is: "As the Primary Market Ends ... Buy"

Cristal 2008 was released in May 2018 and has been sold by producer Louis Roederer in the primary market since then. Louis Roederer have told us that the primary market stock is now **almost all gone**, and they will move the primary market on to the **2012 vintage** in the next few months. In our experience, Louis Roederer do not hold back stocks to drip feed into the market later. Once 2008 has gone, it will be gone (from the House at least).

So once the primary stock of 2008 is sold through, market supply will tighten sharply, as merchants do not hold much inventory. Now is therefore the optimal time to purchase this wine for investment purposes.

4. Is there a Cristal Shortage Ahead?

Louis Roederer took the unprecedented step of releasing Cristal 2009 ahead of the 2008 in the middle of 2016. This has long since sold out in the primary market. They have already announced that the **next vintage will be the 2012** and we believe there will be no 2010 or 2011 vintages.

Given that Cristal spends almost 7 years at Louis Roederer post-harvest, this means that supply of Cristal could become very tight indeed if the 2012 sells rapidly. In order to prevent a complete drought of Cristal, it is possible that the 2012 will be priced higher than expected, further exposing the current **undervaluation of the 2008**.

5. Why is Cristal so Special?

Louis Roederer's most famous 'Cristal' wine was created in 1876 to satisfy the demanding tastes of **Tsar Alexander II**. The emperor asked Louis Roederer to reserve the House's best cuvée for him every year. To distinguish this cuvée, this exceptional champagne came in a flat-bottomed, transparent lead-crystal bottle. The new brand was named after this precious material, which is particularly transparent and luminous.

Produced only in the best years, when the Chardonnay (around 40%) and Pinot noir (around 60%) grapes have attained perfect maturity, Cristal is aged for 6 years in Louis Roederer's cellars and left for a further 8 months after dégorgement.

Cristal 2008 is composed of Grand Crus from the Montagne de Reims, the Marne Valley and the Côte des Blancs. Cristal 2008 was bottle-aged for 8 years before being left to rest for at least 8 months after disgorging in order to attain perfect maturity. The dosage is 8 g/l.

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