



July Market Report

JUNE TOP TRADED WINES BY VALUE & VOLUME, MARKET SHARE BY VALUE,
FINAL THOUGHT- HAVE THE BORDEAUX 2021S BOTTOMED OUT?



Executive Summary

- The Champagne 50 and Right Bank 100 were the only indices not to fall in June.
- The Italy 100, dragged down particularly by Barolos, was the worst performing sub-index of the Liv-ex 1000.
- US buying continues to fall, taking a 10.8% share in June.
- Asian buyer share continues to rise, up every month from December last year, and taking an 18.7% share in June.
- The weakening USD has led to Liv-ex indices rising in value for US buyers—the only currency in which indices have been appreciating.
- Sentiment remains weak, with the bid:offer ratio sitting at 0.15.
- The percentage of trades triggered by sellers rises again, hitting 46% in June, the highest it's been since 2020

June Top-Traded Wines by Value

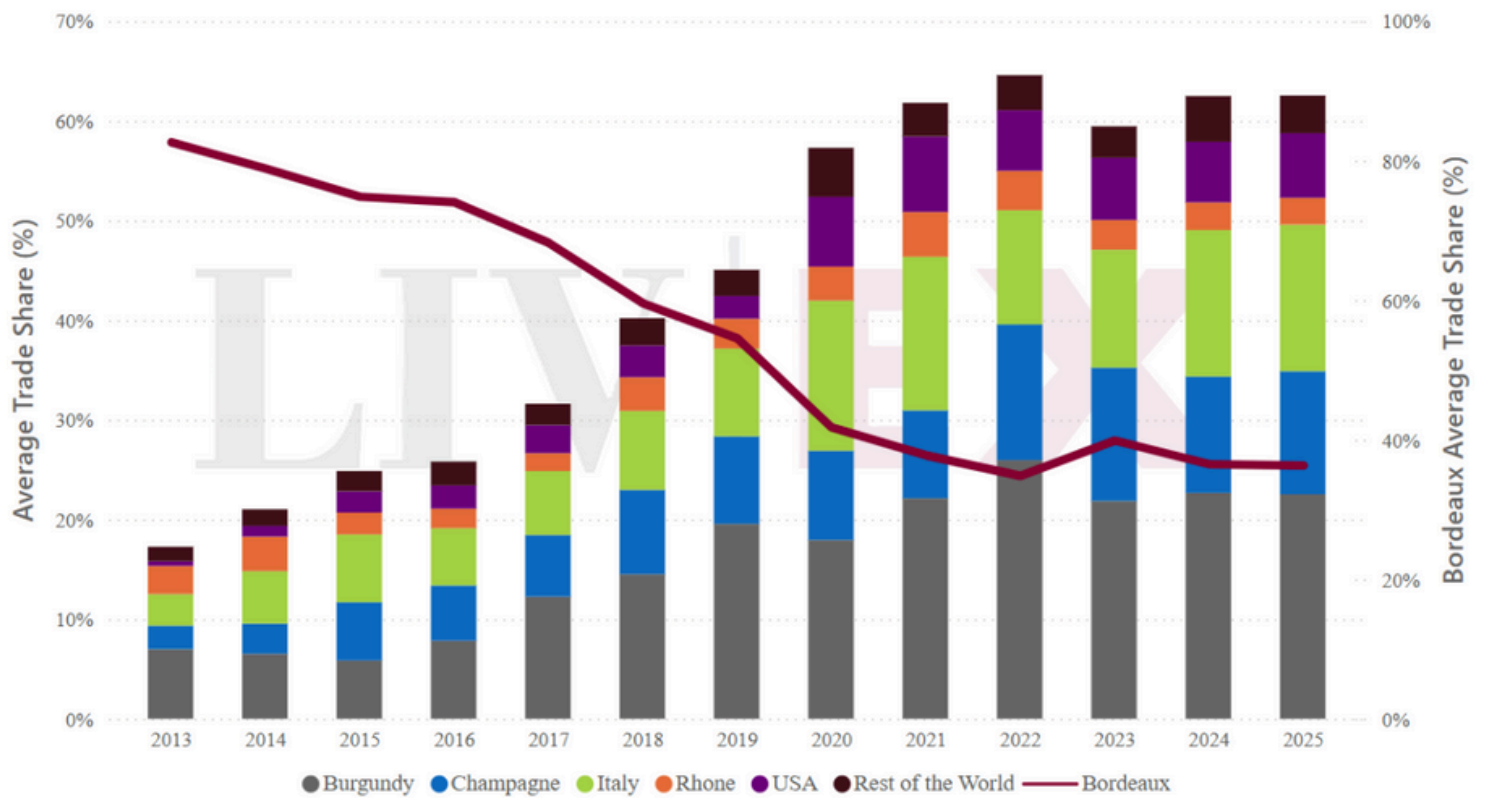
Wine	Vintage	Last Trade (GBP 12x75)	Last Trade (USD 12x75)	Last Trade (EUR/btt)	Last Trade Format
Screaming Eagle, Cabernet Sauvignon, Oakville	2022	£18,000	\$24,579	€1,736.0	3x75
Chateau Beychevelle 4eme Cru Classe, Saint-Julien	2022	£670	\$911	€64.7	6x75
Sassicaia, Tenuta San Guido, Bolgheri	2020	£1,712	\$2,300	€164.4	6x75
Sassicaia, Tenuta San Guido, Bolgheri	2022	£1,926	\$2,585	€187.6	6x75
Carruades de Lafite, Pauillac	2022	£1,432	\$1,947	€138.3	6x75
Petrus, Pomerol	2018	£33,306	\$45,353	€3,261.0	6x75
Domaine de la Romanee-Conti, Richebourg Grand Cru	2005	£19,200	\$25,565	€1,910.4	3x75
Salon, Le Mesnil Grand Cru	2007	£6,768	\$9,088	€659.9	1x75
Sassicaia, Tenuta San Guido, Bolgheri	2018	£1,998	\$2,684	€191.8	1x150
Petrus, Pomerol	2010	£34,400	\$46,448	€3,387.0	6x75

June Top-Traded Wines by Volume

Wine	Vintage	Last Trade (GBP 12x75)	Last Trade (USD 12x75)	Last Trade (EUR/btt)	Last Trade Format
Chateau Beychevelle 4eme Cru Classe, Saint-Julien	2022	£670	\$911	€64.7	6x75
Domaines Leflaive, Macon, Verze	2023	£430	\$584	€41.5	6x75
Domaine Tempier, Rose, Bandol	2024	£235	\$317	€22.6	12x75
Sassicaia, Tenuta San Guido, Bolgheri	2020	£1,712	\$2,300	€164.4	6x75
Pol Roger, Reserve Brut NV	NV	£304	\$415	€29.4	6x75
Sassicaia, Tenuta San Guido, Bolgheri	2022	£1,926	\$2,585	€187.6	6x75
Domaines Leflaive, Macon, Verze	2022	£420	\$569	€41.5	6x75
Carruades de Lafite, Pauillac	2022	£1,432	\$1,947	€138.3	6x75
Tignanello, Toscana	2022	£1,040	\$1,428	€101.0	6x75
Chateau Les Carmes Haut-Brion, Pessac-Leognan	2022	£1,332	\$1,814	€128.8	6x75

Market Share By Value

Market Share by Value



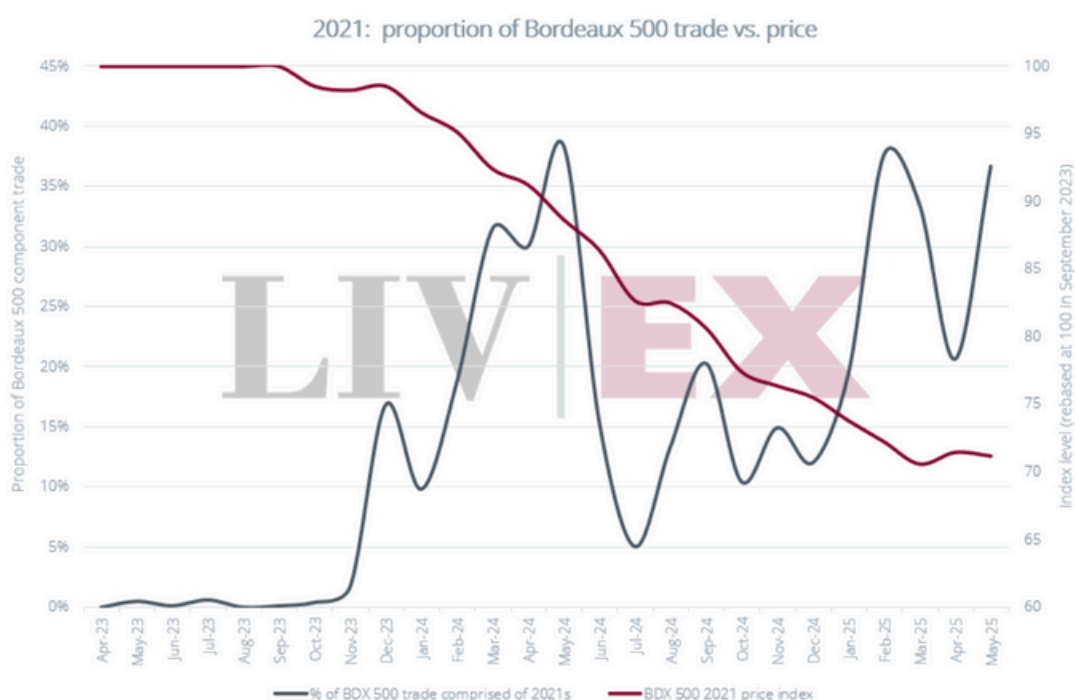
Source: Liv-ex.com

Final Thought – Have the Bordeaux 2021s bottomed out?

Sophia Gilmour - Liv-ex Market Analyst

The 2021 vintage has gained notoriety for its sharp decline in the market. Particularly given their relatively low scores, the 2021s were released at too-high prices across the board. The En Primeur campaign coincided unfortunately with the turn of the market in mid 2022, exacerbating the implausibility of their prices. They began to trade in Q4 2023, their prices falling quickly -- many by over 20% in their first physical year on the market. Until recently, price declines have showed no signs of letting up; of the 44 2021s included in the Bordeaux 500, 41 are available below their exLondon release price, 39 below their ex-negociant release price and 27 below their ex-chateau release price.

2021 vintage: proportion of Bordeaux 500 trade vs. price



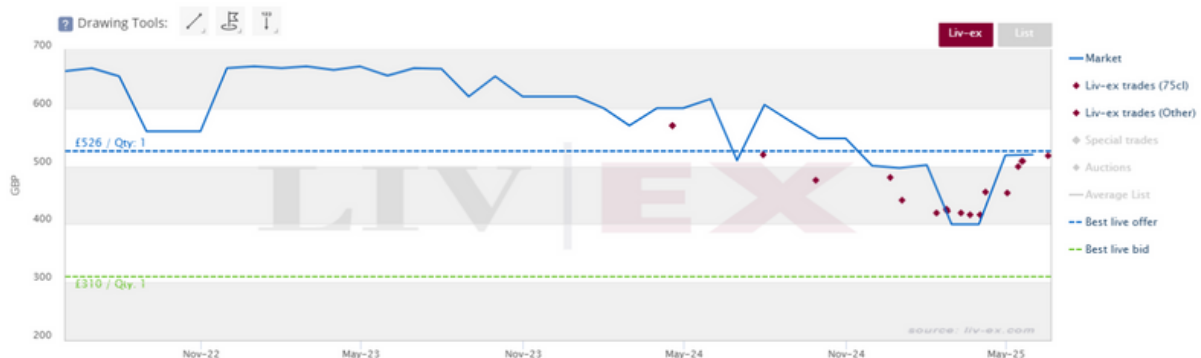
While the 2021s are continuing to trade actively, supply far outweighs demand. The stock overhang is apparent in the 2021's bid:offer ratio. While the Bordeaux 500's ratio (by value) sits at 0.27, the 2021 components' ratio has fallen to 0.11. Considering only Bordeaux 500 components, there are over 1,700 12x75 cases of 2021s on offer. This compares to 791 cases of 2020 on offer in May 2024 and just 390 of the 2019s in May 2023.

Is the end in sight?

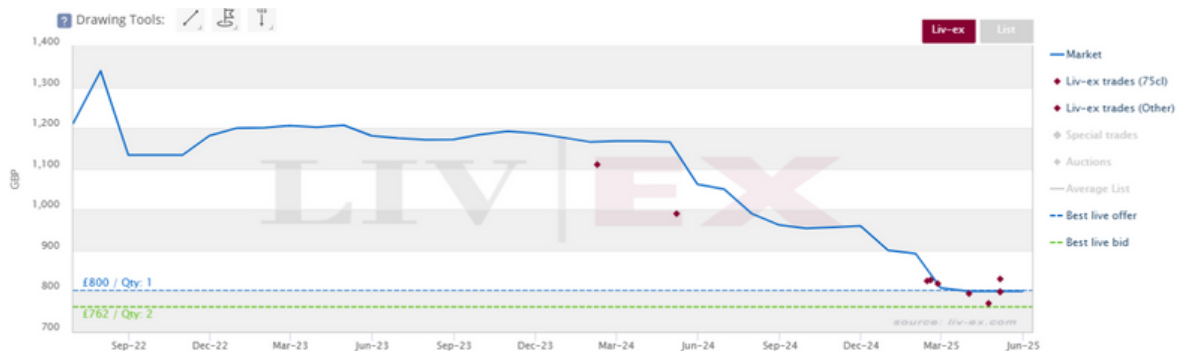
In the past two months, we have seen several 2021 trade prices converge and tick upwards, some even trading above their Market Prices. This tends to be a positive sign – where trades lead, Market Prices follow. In the case of Duhart-Milon 2021, for example, Market Price fell to £400 per 12x75, while trades took price slightly higher (around the £420 per 12x75 mark). In April, its Market Price rose to £519 and has sustained through May and June, with trades following suit.

Examples of 2021s exhibiting signs of bottoming out

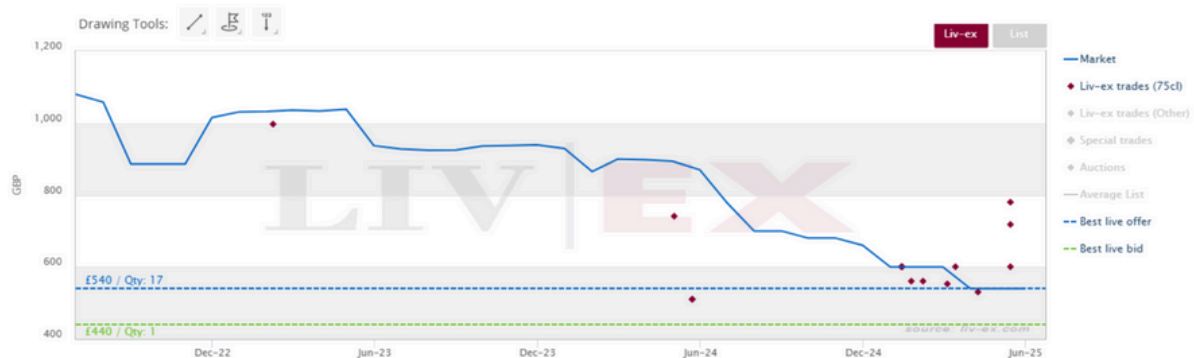
Liv-ex trades of Duhart-Milon 2021



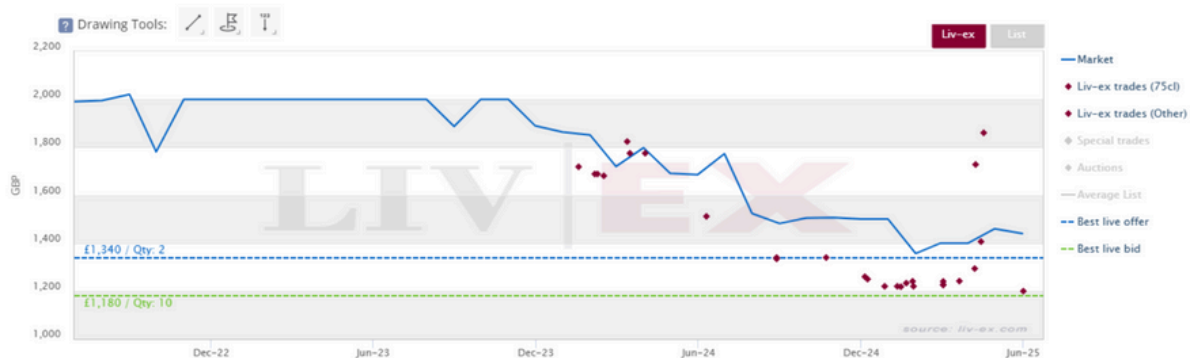
Liv-ex trades of Montrose 2021



Liv-ex trades of Canon 2021



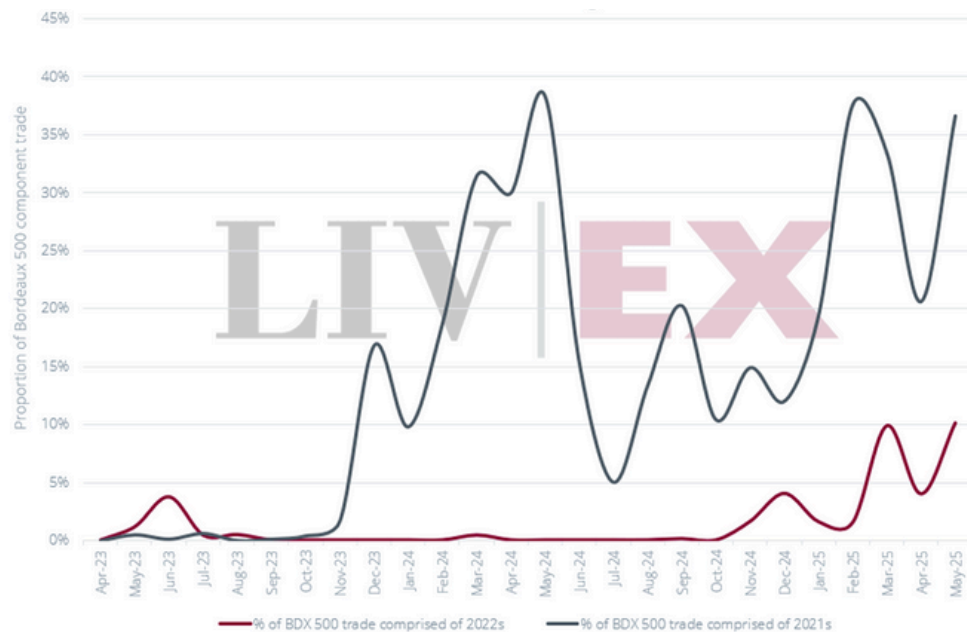
Liv-ex trades of Petit Mouton 2021



Where do the 2022s stand?

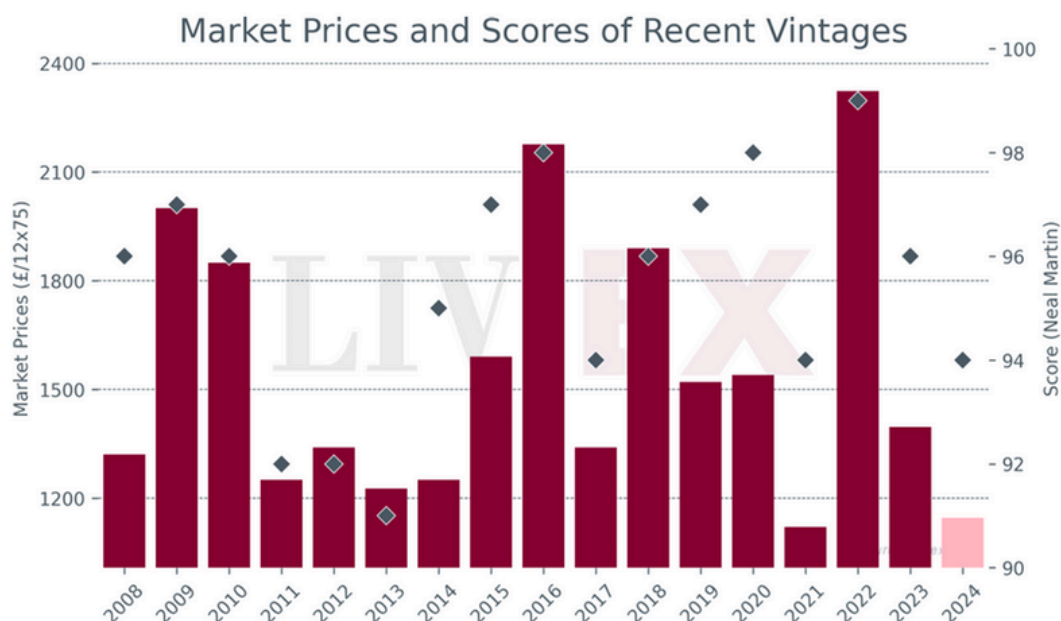
With the market well into the third year of its downturn, buyers are understandably cautious. The 2022s – many of which were priced higher than the majority of physical vintages – are off to a much slower start than the 2021s.

2022 vintage: proportion of Bordeaux 500 trade vs. price



This year's En Primeur campaign brought attention to the price disparity between the 2021s (usually the cheapest on the market) and the 2022s (usually one of the most expensive). While buyers wait for prices of the 2022s to reflect market realities, the 2021s look increasingly attractive, explaining the recent uptick in the proportion of Bordeaux trade accounted for by the 2021s. Market Prices of Leoville Las Cases serve as an example of this pattern.

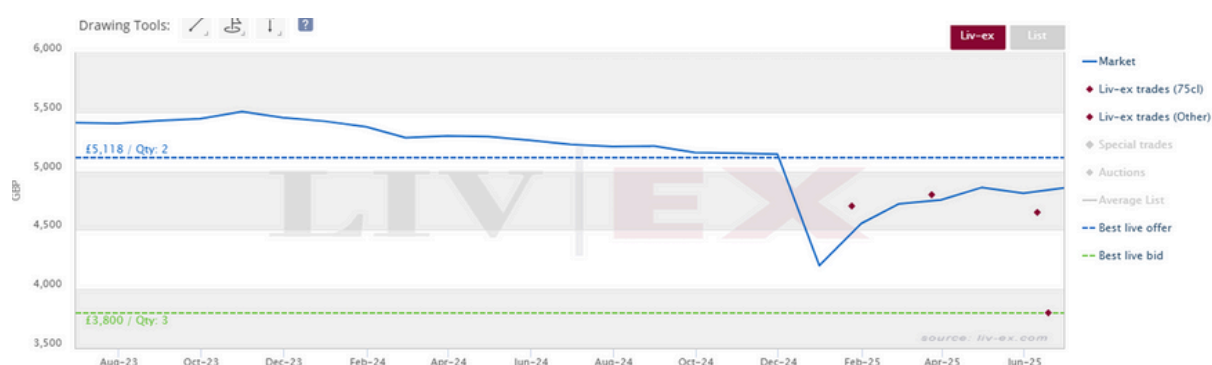
Leoville Las Cases Market Prices vs Neal Martin Scores



While the 2022 vintage received a better critical reception than the 2021s, this will likely not afford much protection to their prices. Having just entered the market, six large brands have already changed hands below their ex-chateau release prices – Palmer, Haut-Brion, Duhart-Milon, Pavie, Leoville Poyferre, d'Issan, and d'Armailhac.

Haut-Brion 2022 traded in June at £3,800 per 12x75/€ 370.5/btl -- 13.8% below its ex-chateau release price. Its Market Price now sits at £4,876 per 12x75, 8.0% below its ex-negociant release price, with over 200 more bottles for sale at similar price by several merchants. By listing below their own cost price, stockholders are betting that prices will continue to fall, pricing attractively now to minimise further losses. Many merchants will still be holding their stock of 2009s and 2010s, wishing that they had sold them off closer to their peak rather than waiting for more favourable market conditions. Memories of these vintages and growing pressure to generate cash flows may be influencing the decision to reduce prices so soon after stock has landed.

Liv-ex trades of Haut-Brion 2022



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