

vino
vest

Burgundy and Bubbles

A toast to French wines and



The Vinovest Marketplace debuted at the end of January. Up to this point, things have gone well....with one exception. We can't put enough Burgundy and Champagne on it!

There's a good reason. The demand for the two regions has been stratospheric. According to Liv-ex, both have seen a greater than 50% return on investment in the last year. Those are excellent returns in any year. Considering the state of inflation and the stock market, they are truly worth raising a glass to.

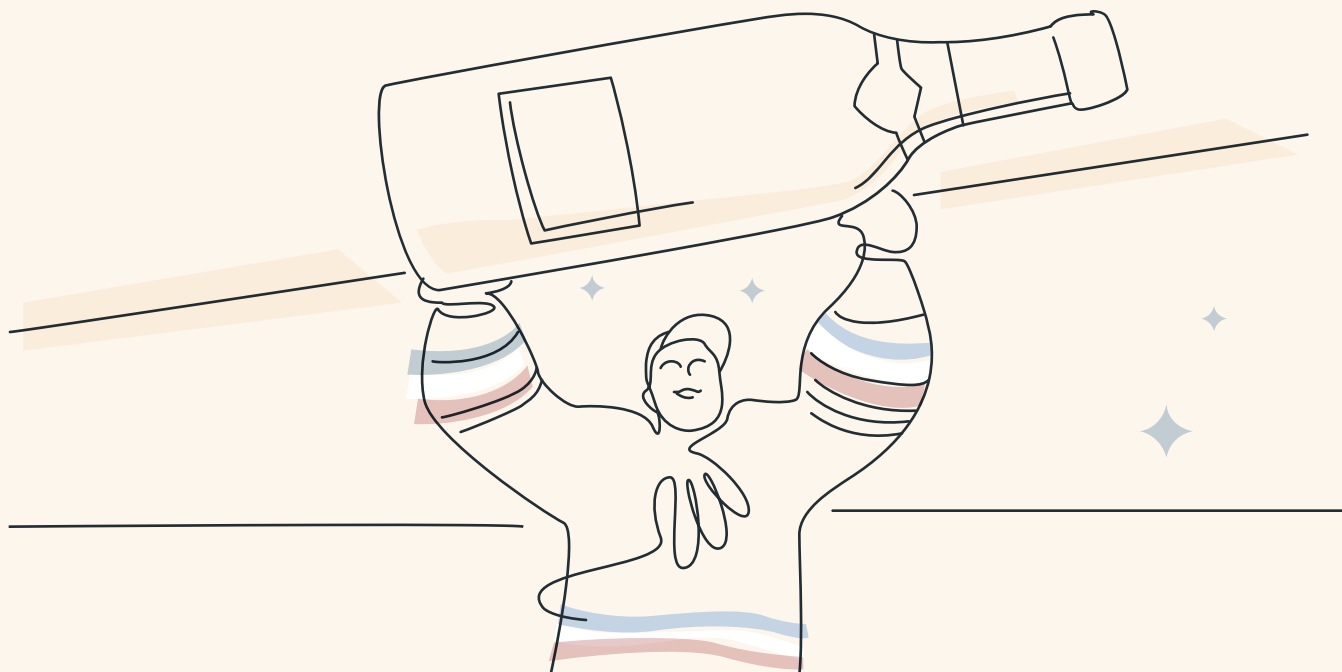


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Champagne and Burgundy provide a reason for optimism while the world economy is stuck in a quagmire. Even in these uncertain times, the regions offer smart investors a silver lining (or two). Here are five reasons we are raising a glass to Champagne and Burgundy.

Reason #1: Booming Market Share

The secondary market for Champagne and Burgundy is en feu. Or, “on fire” as they say stateside. According to Liv-ex, Burgundy accounted for **38.3% of fine wine traded** by value in June. That’s despite the usual number one, Bordeaux, producing four times more wine and being amid its en primeur campaign.

Champagne has been impressive as well, locking down the third spot for trade by value. Two standouts include **2008 Cristal** and **2012 Dom Pérignon**. Clients cannot get enough Cristal, as it was the most traded wine by value in the second quarter. Meanwhile, 2012 Dom Pérignon finished as the second most traded wine by volume during the span, behind only 2019 Tignanello.

Regional share of trade by value (July 1st - July 7th)

| REGION | SHARE OF TOTAL | PREVIOUS WEEK'S SHARE OF TOTAL | JUNE SHARE |
|-----------|----------------|--------------------------------|------------|
| Bordeaux | 27.3% | 39.5% | 37.9% |
| Burgundy | 27.5% | 20.9% | 27.9% |
| Champagne | 17.0% | 14.1% | 10.0% |
| Rhône | 2.0% | 2.1% | 4.5% |
| Tuscany | 5.6% | 6.8% | 6.5% |
| Piedmont | 3.3% | 3.8% | 2.4% |
| USA | 11.4% | 7.2% | 5.1% |
| Others | 5.9% | 5.6% | 5.7% |

Source: Liv-ex

Reason #2: Diminishing Supply

Champagne and Burgundy have roughly similar outputs (300 million bottles per year vs 200 million bottles per year.) However, this second point applies more so to Burgundy. While both regions have experienced devastating weather in recent years, only Champagne has a reserve system to offset potential losses.

Case and point: in the spring of 2021, severe frosts reduced production by 50% in Burgundy. Some vineyards, like Meursault Les Perrières and Puligny Les Folatières, lost all of their fruit. The smaller harvest meant that fewer wines got released that year. Additionally, demand for back vintages increased as collectors and connoisseurs scrambled to buy available bottles.

Best Performing Burgundies

| RANKING | WINE | 1-YEAR RETURN |
|---------|---|---------------|
| 1 | 2014 Domaine Armand Rousseau Chambertin | 171% |
| 2 | 2013 Domaine Leflaive Bâtard-Montrachet | 146% |
| 3 | 2011 Domaine Leflaive Bâtard-Montrachet | 141% |
| 4 | 2014 Domaine Bonneau du Martray Corton-Charlemagne | 141% |
| 5 | 2010 Domaine Leflaive Bâtard-Montrachet | 139% |
| 6 | 2016 Domaine Armand Rousseau Chambertin | 122% |

Liv-ex Burgundy 150 data from 7/13/2021 to 7/13/2022

Reason #3: Inflation-Resistance

You've probably noticed that the cost of living is skyrocketing. Wages have not kept up with inflation. And to make matters worse, US inflation hit 9.1%, it's highest rate in more than four decades.

Fortunately, **wine prices have far outpaced inflation**. According to Liv-ex, Champagne and Burgundy have returned 50.8% and 50.3% on investment in the last year, respectively. That's because winemakers have transferred the increased cost of living to the wine itself.

However, this isn't some fast cash grab. In the words of **Frédéric Drouhin**, the president of Burgundy grower and négociant Maison Joseph Drouhin, "Prices are not increasing because we are getting arrogant, or because we are generating more value, but because the average cost [of production] is increasing; the margins remain the same."

Best Performing Champagnes

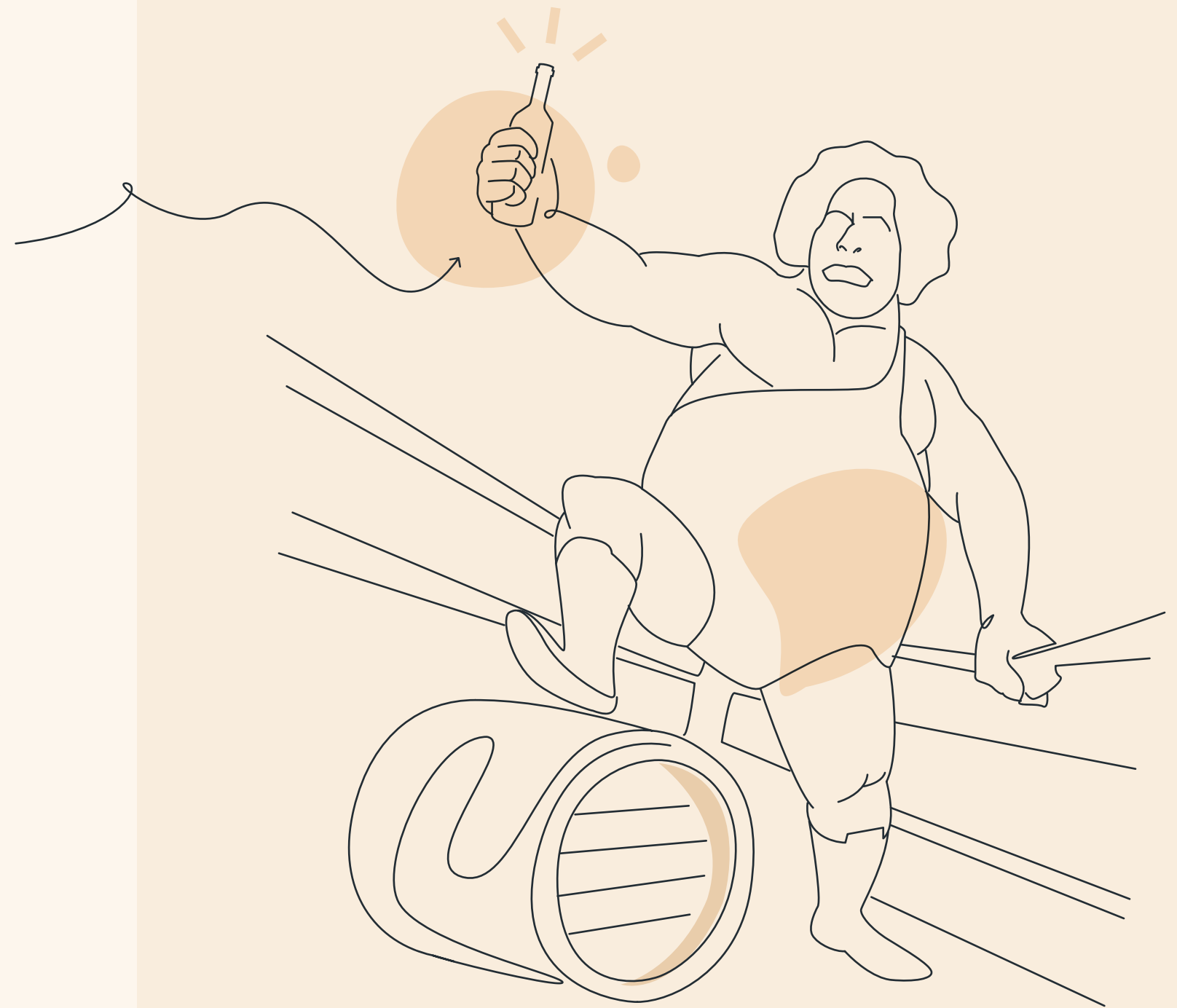
| RANKING | WINE | 1-YEAR RETURN |
|---------|---|---------------|
| 1 | 2004 Salon Le Mesnil-sur-Oger Grand Cru | 90% |
| 2 | 2006 Salon Le Mesnil-sur-Oger Grand Cru | 86% |
| 3 | 2007 Taittinger Comtes de Champagne Blanc de Blancs | 63% |
| 4 | 2003 Krug Vintage Brut | 63% |
| 5 | 2009 Louis Roederer Cristal | 63% |
| 6 | 2006 Krug Vintage Brut | 61% |

Liv-ex Burgundy 150 data from 7/13/2021 to 7/13/2022

Reason #4: Unparalleled Prestige

Any list of famous French things is incomplete without wine. (That and André the Giant). Beyond this collection, France is home to Bordeaux, Languedoc-Roussillon, the Rhône, and the Loire Valley, among others. It also has the most sub-regions represented on the Vinovest Marketplace (6) with Italy being the closest competitor (3).

France's preeminent status in the world of fine wine is well-deserved. Millennia of winemaking history and rigorously refined practices have made it the standard by which all others are measured. Even though the secondary market has **diversified dramatically** over the last decade, France still has a stranglehold on the industry. Champagne, Burgundy, and Bordeaux alone consistently account for 70% to 75% of the secondary trade market by value.



Reason #5: Strong Historical Growth

This shouldn't come as a surprise to any wine investing veteran. Champagne and Burgundy are the **best performing wine regions**. It doesn't matter how you slice it - one year, five years, two decades. Their returns rank first and second time and again.

If you're on the fence about wine investing, these returns provide assurance. The steady growth year-over-year makes Champagne and Burgundy beacons of consistency, even during chaotic times. It's why these regions, and in particular this collection, make for the perfect entry point into wine investing.

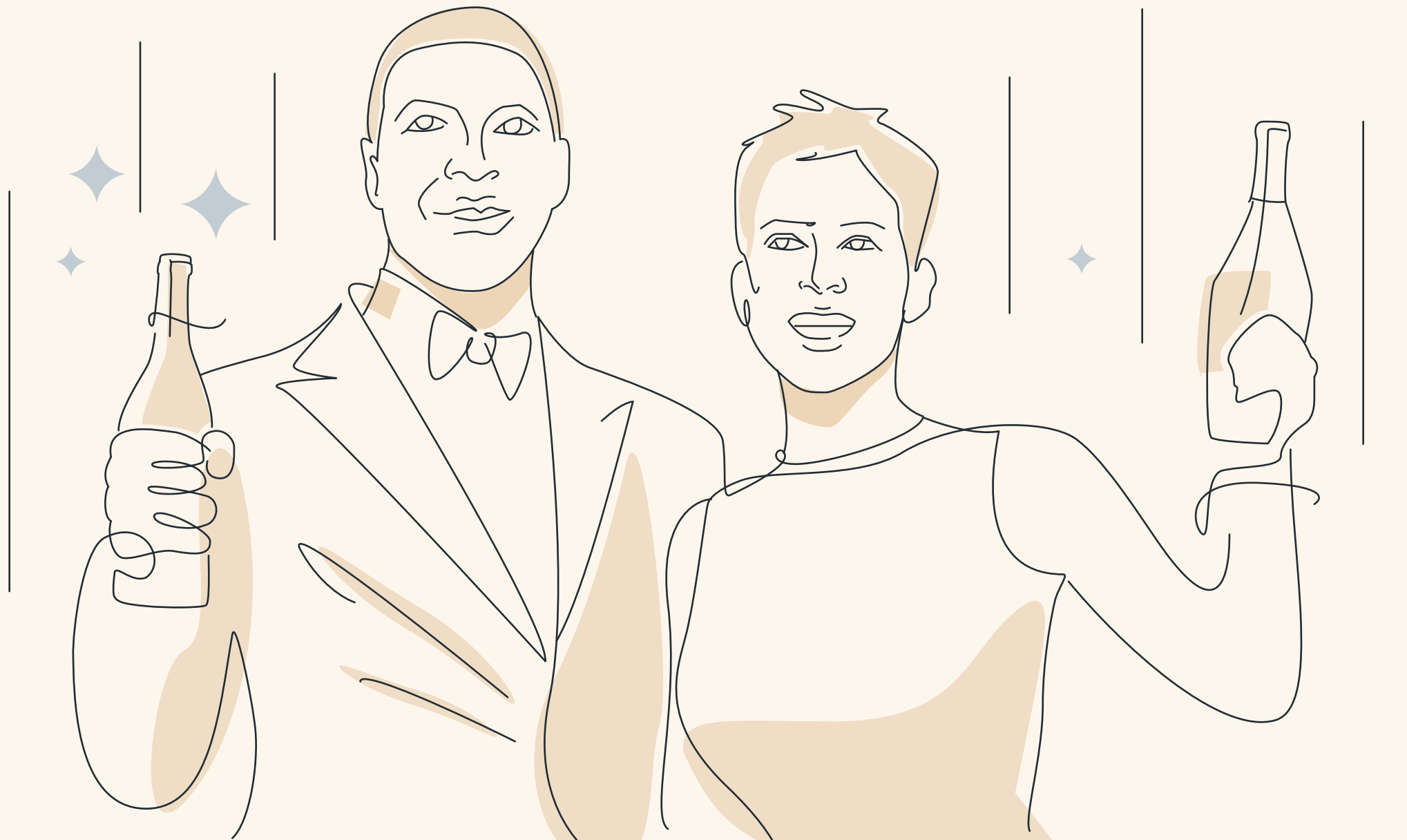
Going for Gold

Champagne and Burgundy rank first or second in returns over every time span

| RETURN | BURGUNDY | 1-YEAR RETURN |
|----------------|----------|---------------|
| Year-To-Date | 23.9% | 12.5% |
| 1-Year Return | 50.3% | 50.8% |
| 2-Year Return | 66.7% | 66.8% |
| 5-Year Return | 121.1% | 96.6% |
| 18-Year Return | 776.6% | 575.8% |

Liv-ex rankings are compared to Rhône, Italy, California, Port, Bordeaux, Bordeaux Legends, and the Rest of the World

6 wines worth celebrating





2007 Charles Heidsieck Blanc des Millénaires

VINTAGE QUALITY



ANNUAL RETURN 11.83%

ANNUAL PRODUCTION: 2,500 CASES

AGING WINDOW 2020 - 2035

RARITY ★ ★ ★

CRITICAL ACCLAIM

96 James Suckling

The annual return is based on the average performance of the last year across six vintages.

Charles Heidsieck Blanc des Millénaires is one of the rarest wines in the fine wine universe. Since the early 1980s, the house has only released seven vintages (1983, 1985, 1990, 1995, 2004, 2006, and 2007.) The exacting standards of its cellar masters ensure that consumers and connoisseurs receive only the most exceptional version of this 100% chardonnay cuvée possible.

The salinity of Côte des Blancs makes its presence felt from the jump. The minerally tones integrate well with the juicy notes of grapefruit, yuzu, lemon, and quince, along with hints of caramel and freshly cut flowers. Pinpricks of acidity dot the generous body that should gain weight with time. Wine critic James Suckling awarded 2007 Charles Heidsieck Blanc des Millénaires a 96-point rating, and praised it as “a blanc de blancs from 5 top crus in the Côte des Blancs.”

THE FINAL SIP:

With Charles Heidsieck Blanc des Millénaires releases coming less frequently than snowstorms in Houston, this Champagne ranks among the rarest of its kind.

1-year returns:

| 1983 VINTAGE | 1985 VINTAGE | 1990 VINTAGE | 1995 VINTAGE | 2004 VINTAGE | 2006 VINTAGE |
|--------------|--------------|--------------|--------------|--------------|--------------|
| -39.90% | 12.90% | 7.30% | 65.20% | 69.50% | 27.00% |



2018 Domaine Méo-Camuzet Clos de Vougeot Grand Cru

VINTAGE QUALITY



ANNUAL RETURN 16.08%

ANNUAL PRODUCTION: 10,000 CASES

AGING WINDOW 2023 - 2040

RARITY ★ ★ ★ ★

CRITICAL ACCLAIM

95
Decanter

95
Wine Advocate

94
John Gilman

The annual return is based on the average performance of the last five years across ten vintages.

“This is one of the finest young vintages of Clos Vougeot I have tasted from the domaine in many, many years.” Those are the glowing opening words of wine critic John Gilman’s review, and with good reason. This acclaimed pinot noir lives up to its grand cru billing with style. It’s powerful, rich, and aromatic with a structure that promises decades of aging potential.

The 2018 Domaine Méo-Camuzet Clos de Vougeot Grand Cru opens with a lush nose of blackberries, red cherries, violets, blood oranges, dried wildflowers, spice, and earthiness. On the palate, the full body displays depth with a sapid core and refined tannins. Blessed with excellent tension and flawless balance, this red wine comes with all the power of an investment-worthy pinot noir and impressive grace.

THE FINAL SIP:

One of six grand cru wines from Domaine Méo-Camuzet, this pinot noir delivers on its prestigious classification and then some.

5-year returns:

| 2006 VINTAGE | 2007 VINTAGE | 2008 VINTAGE | 2009 VINTAGE | 2010 VINTAGE | 2011 VINTAGE | 2012 VINTAGE | 2013 VINTAGE | 2014 VINTAGE | 2015 VINTAGE |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| -19% | 72% | 226.70% | 177.80% | 66% | 32.00% | 72.60% | 78.80% | 36.30% | 61.20% |



2016 Louis Latour Corton Charlemagne

VINTAGE QUALITY



ANNUAL RETURN 19.11%

ANNUAL PRODUCTION: 3,400 CASES

AGING WINDOW 2018 - 2028

RARITY ★ ★ ★

CRITICAL ACCLAIM

| | | |
|----------------------|----------------------|----------------|
| 96 James Suckling | 93 Wine Spectator | 92 Decanter |
|----------------------|----------------------|----------------|

The annual return is based on the average performance of the last five years across ten vintages.

The phylloxera epidemic raged through vineyards until the end of the 19th century. With dead aligoté and pinot noir vines, the Latour family faced a difficult decision. Ultimately, they replaced the vines and planted chardonnay in their place. The decision proved fortuitous, giving wine lovers Louis Latour Corton Charlemagne, one of Burgundy’s most beloved white wines.

The 100% chardonnay comes from grand cru terroir that sits on the southeastern facing slopes of Aloxe-Corton. The fruit is aged in 100% new oak from the estate’s own cooperage, delivering a touch of wood flavor to the rich and creamy body. Stone fruit, Meyer lemons, lime zest, and freshly baked pastries form a powerful centerpiece, while the long, penetrating finish leaves the palate with a kiss of salinity.

THE FINAL SIP:

Louis Latour is one of the best-known wine houses in Burgundy, and this full, focused, and fruity chardonnay underscores why.

5-year returns:

| 2006 VINTAGE | 2007 VINTAGE | 2008 VINTAGE | 2009 VINTAGE | 2010 VINTAGE | 2011 VINTAGE | 2012 VINTAGE | 2013 VINTAGE | 2014 VINTAGE | 2015 VINTAGE |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 170.00% | 198% | 35.30% | 44% | 142% | 50.80% | 118.90% | -8.10% | 32.80% | 171.50% |



2016 Louis Latour Corton Grancey

VINTAGE QUALITY



ANNUAL RETURN

9.39%

ANNUAL PRODUCTION:

1,500 CASES

AGING WINDOW

2023 - 2045

RARITY



CRITICAL ACCLAIM

99

James Suckling

93

Wine Spectator

93

Wine Advocate

The annual return is based on the average performance of the last five years across ten vintages.

Wine lovers save space in their cellars for Louis Latour Corton Grancey for two reasons: the terroir and winemaking. Locals have known about Corton hill’s remarkable terroir for more than a millennium. Its perfect orientation combined with marl and limestone soil yields grand cru caliber fruits. Second, Grancey’s pinot noir is a unique blend of four areas and only made in the best vintages. From there, the estate only uses the best barrels to create this wine.

The 2016 vintage shows well in youth, but offers an even more promising future. Dense layers of red cherries, wild strawberries, black currants, spice, wood, and earthiness form a tantalizing center, while polished tannins contribute to a refined mouthfeel. All the components of 2016 Louis Latour Corton Grancey are in the right place. Like first-time parents on a night out, this pinot noir just needs some time to unwind.

THE FINAL SIP:

2016 Louis Latour Corton Grancey screams investment-worthy with its historic terroir, unique winemaking, and positive critic scores.

5-year returns:

| 2005 VINTAGE | 2006 VINTAGE | 2008 VINTAGE | 2009 VINTAGE | 2010 VINTAGE | 2011 VINTAGE | 2012 VINTAGE | 2013 VINTAGE | 2014 VINTAGE | 2015 VINTAGE |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 80.10% | 122.50% | 125.60% | 66.90% | 59.50% | 6.30% | -5.70% | -8.20% | 2.60% | 20.00% |



2017 Domaine Rossignol-Trapet Chambertin Grand Cru

VINTAGE QUALITY



ANNUAL RETURN 21.49%

ANNUAL PRODUCTION: 1,250 CASES

AGING WINDOW 2022 - 2042

RARITY ★ ★ ★ ★

CRITICAL ACCLAIM

96

Vinous

93

Burghound

The annual return is based on the average performance of the last five years across ten vintages.

Brothers David and Nicolas Rossignol have run Domaine Rossignol-Trapet since 1990. In that time, they've earned a reputation for nuanced, lightly extracted wines with dazzling aromatics. Each of their three grand crus (Chambertin, Latricières, and La Chappelle) displays exquisite tension and subtle textures that reinforce what makes this estate investment-worthy.

The 2017 Domaine Rossignol-Trapet Chambertin Grand Cru has superior intensity and vibrancy compared to its siblings. The medium body features fine-grained tannins, firm muscularity, and superb mid-palate density. Black currants, black raspberries, wet stones, and underbrush form a cornucopia of notes that lead into a mineral-rich finish. With an austere complexion, this pinot noir will need upward of two decades to reach its full potential.

THE FINAL SIP:

This classically-styled Burgundy might just be the most coveted of Domaine Rossignol-Trapet's three grand cru offerings from 2017.

5-year returns:

| 2006 VINTAGE | 2007 VINTAGE | 2008 VINTAGE | 2009 VINTAGE | 2010 VINTAGE | 2011 VINTAGE | 2012 VINTAGE | 2013 VINTAGE | 2014 VINTAGE | 2015 VINTAGE |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 75.90% | 275.20% | 48.90% | 292.70% | 103.10% | 81.80% | 47.80% | 38.1% | 47.50% | 63.50% |



2010 Dom Ruinart Blanc de Blancs

VINTAGE QUALITY



ANNUAL RETURN 13.07%

ANNUAL PRODUCTION: 6,000 CASES

AGING WINDOW 2020 - 2028

RARITY ★ ★ ★

CRITICAL ACCLAIM

93/100 Average historical ratings

The annual return is based on the average performance of the last five years across ten vintages.

Ruinart has long been a trailblazer in Champagne. Founded in 1729, Nicolas Ruinart recognized the potential of this now-famous fizz long before others. In 1730, he became the first person to ship Champagne in bottles, making his wine widely accessible to distant markets. (Previously, Champagne could only be transported in barrels, making it impossible to send abroad.) Ruinart’s cutting-edge approach has never waned, and its wines remain prized for their elegance, purity, and modern sensibilities.

The 2010 Dom Ruinart Blanc de Blancs is the, ahem, gold standard of the estate. It contains 100% chardonnay from renowned vineyards from Montagne and Côte de Blancs. The result is a quintessential blanc de blancs with outstanding aromatic finesse and remarkable complexity, thanks to 10 years of cellaring in chalky rock cellars. Soft floral notes compose the nose while the body reveals layers of stone fruit, black tea, toasted nuts, spice, and a hint of coffee. In the words of Ruinart chef de caves Frédéric Panaïotis, “This is a combination of a vintage with great tension and a major turning point in winemaking, with bottling aged under cork.”

THE FINAL SIP:

2010 Dom Ruinart Blanc de Blancs marks peak quality from the oldest established Champagne house in the world

5-year returns:

| 2005 VINTAGE | 2006 VINTAGE | 2008 VINTAGE | 2009 VINTAGE | 2010 VINTAGE | 2011 VINTAGE | 2012 VINTAGE | 2013 VINTAGE | 2014 VINTAGE | 2015 VINTAGE |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 80.10% | 122.50% | 125.60% | 66.90% | 59.50% | 6.30% | -5.70% | -8.20% | 2.60% | 20.00% |

Let's make a French toast

The Burgundy and Bubbles goes live on

Tuesday, July 19, 2022

1 PM EST / 10 AM PST

