

# Market Report

## January 2021

Index 31/12/2020	Level	MOM	YTD	1yr	5yr
Liv-ex Fine Wine 50	347	0.3%	3.6%	3.6%	31.0%
Liv-ex Fine Wine 100	319	0.8%	5.4%	5.4%	33.9%
Liv-ex Bordeaux 500	319	0.5%	3.5%	3.5%	34.1%
Liv-ex Fine Wine 1000	355	0.7%	2.0%	2.0%	44.9%
Liv-ex Fine Wine Investables	350	0.5%	5.1%	5.1%	34.6%
FTSE 100	6,810	7.0%	-9.7%	-9.7%	9.1%
S&P 500	3,748	3.5%	16.0%	16.0%	83.4%
Gold	1,914	7.8%	25.4%	25.4%	80.6%

### A steady December

December saw a strong finish to an extraordinary year. Trade value and volumes were up 60% on 2019, as members committed stock (and bids) to the market - £80m of LIVE opportunities in total. Trade automation kept the pipeline open, contributing greatly to the traditionally slower holiday period.

In a Liv-ex first, a whisky was the most active tipple by value in the month - Macallan, Speyside Highland Single Malt Genesis Laliqne 72YO. It was followed closely by Wine Spectator's Wine of the Year, Marques de Murrieta, Castillo Ygay Gran Reserva Especial Rioja 2010. The market's reaction to the announcement can be seen in Chart 1.

Bordeaux market share remained under 40%, marking the fifth month of the past six that it has been under this threshold. Burgundy made up 19.9% of trade. Trade share for Italy and Champagne drifted slightly to 13.8% and 8.2%, respectively. The Rhone and Rest of the World both made gains. United States market share reached 8.8%, its second highest all-time.

Liv-ex indices continued their rally in the back half of the year. Both the Liv-ex 100 and Liv-ex 1000 posted gains in the month, up 0.75% and 0.71% respectively - both closed in positive territory for the year.

Liv-ex Fine Wine 50 Index



Liv-ex Fine Wine 100 Index



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## Major Market Movers - a humble vintage

The 2007 vintage does not jump to mind when searching for an excellent vintage (bar the southern Rhone perhaps). But December's major movers were dominated by the vintage. Gaja, Sperss 2007 led performance this month, up 12.2% to £2,000 per 12x75. It was joined by Super Tuscan Masseto 2007, which rose 6.0% in the month. Screaming Eagle 2007, which has received 100 points by a number of critics (LPB, AG), rose 8.9% in the month, marking a rise of more than 50% since it first traded on Liv-ex in 2012.

**Table 1: Top market movers in December**

Region	Wine	Vintage	November	December	Change
Italy	Gaja, Sperss	2007	£1,782	£2,000	12.2%
Rhone	Beaucastel, Chateauneuf Du Pape Homage J Perrin	2007	£4,230	£4,700	11.1%
Champagne	Perrier Jouet, Belle Epoque	2007	£1,051	£1,150	9.4%
United States	Screaming Eagle, Cabernet Sauvignon	2007	£28,080	£30,576	8.9%
Italy	Masseto	2007	£5,964	£6,322	6.0%

Source: Liv-ex.com / Mid Price per 12x75

## Critical Corner - Top ranked wines of 2020 in the trade media

December is always an exciting time as a number of publications and critics comb through their notes and scores and select their top wines of the year. James Suckling [released his rankings](#) first, awarding Argentinian Chacra Pinot Noir Treinta y dos the top wine of 2020. Neal Martin awarded his top spot to a Burgundy wine, Domaine Coche Dury Mearsault Rougeots 2010. However, it was in the less famous regions where he found value. Antonio Madeira Vinhas Velhas Branco 2017 was his top value white and La Rioja Alta Vina Ardanza Selection Especial Rioja Reserva 2010 was his top value red. A complete look at a selection of 2020's top wines can be seen in Table 2.

**Table 2: Top ranked wines of 2020 in the trade media**

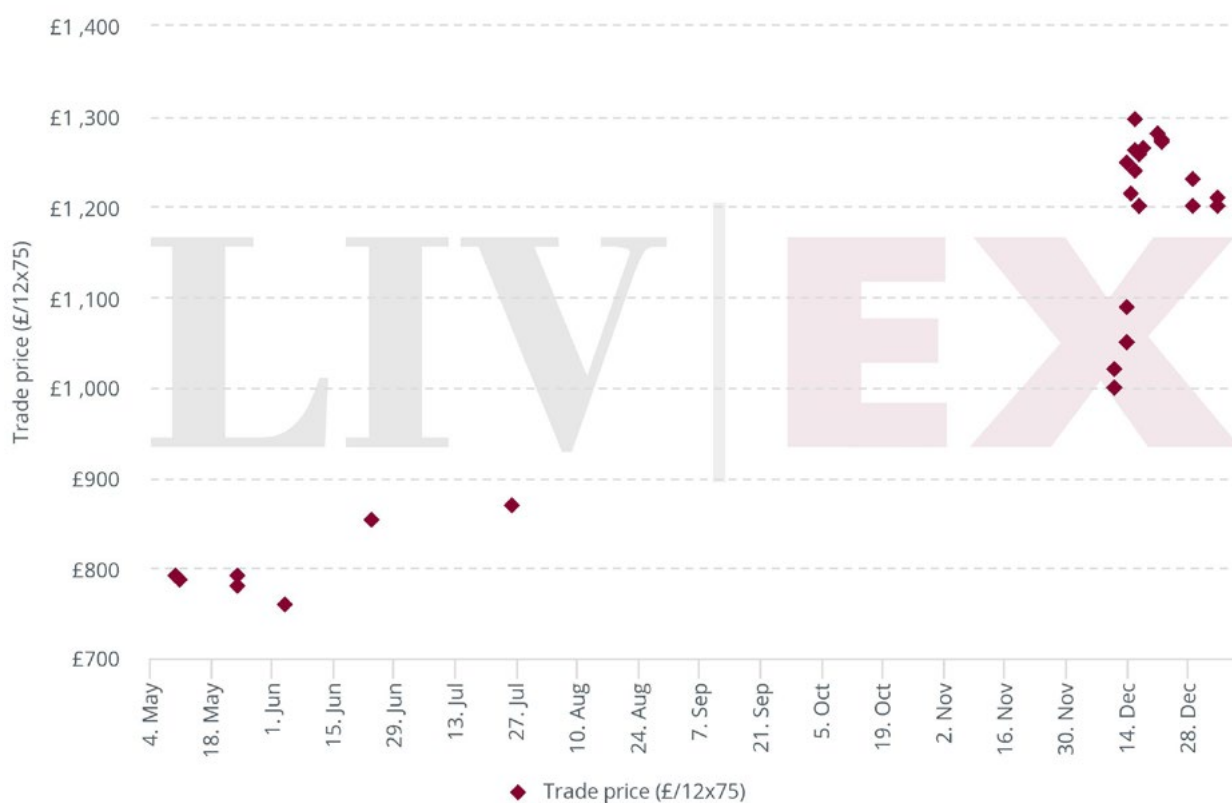
Publication/Critic	Wine	Vintage	Region
James Suckling (Overall)	Chacra, Treinta y Dos Pinot Noir, Rio Negro	2018	Argentina
James Suckling (France)	Domaine Weinbach, Riesling Sainte Catherine Grand Cru, 2018 Schlossberg		Alsace
James Suckling (Italy)	Pertimali (Livio Sasseti), Brunello di Montalcino	2016	Tuscany
Wine Enthusiast (Overall)	Lail Vineyards, Blueprint Cabernet Sauvignon, Napa Valley	2017	Napa Valley
Wine Enthusiast (Cellar selection)	Tignanello, Toscana	2016	Tuscany
Jeb Dunnuck (Overall)	Domaine de la Vieille Julienne, Chateauneuf-du-Pape, Les Hauts Lieux	2018	Rhone
Vinepair (Overall)	Alpha Estate, Xinomavro Single Block Reserve Vv	2016	Greece
Neal Martin (Overall)	Coche-Dury, Meursault, Les Rougeots	2010	Burgundy
Neal Martin (Value red)	La Rioja Alta, Vina Ardanza Selection Especial Reserva, Rioja	2010	Spain
Neal Martin (Value white)	Antonio Madeira, Vinhas Velhas Branco, Dao	2017	Portugal

## Chart of the Month

The Wine Spectator named Marques Murrieta, Castillo Ygay Gran Reserva Especial 2010 their 2020 *Wine of the Year*. The wine moved from being the 19th most traded wine from Spain in the first eleven months of the year, to the most traded in December, and third most in 2020. The wine traded as high as 47% above its pre-announcement level but has since settled at £1,200 per 12x75, seen in Chart 1 below.

“Great wineries are not made in a day” explained the Wine Spectator, adding “patience has paid off for Vicente Dalmau Cebrian-Sagarriga who steered the historic Rioja bodega to new heights over the past 20 years”

**Chart 1: Trade of Marques Murrieta Castillo Ygay Gran Reserva Especial 2010**



## In the news

### Near record breaking Hospices de Beaune

This year's Hospices de Beaune took place on 13th December and totalled £12,169,280, narrowly trailing the highly successful 2018 event. The event had been postponed from its traditional third Sunday of November due to covid-19 regulations. The auction set a record for the *Piece des Presidents* which sold for €660,000. In total, 474 barrels of red wine sold at an average of €20,321 while 156 barrels of white wine sold for an average of €25,797.

### 2019 Burgundy En Primeur begins

Domaine Leflaive released their stable of wines the first week of December, marking the beginning of the 2019 En Primeur campaign. Along with the releases came freshly scribed critical coverage. Jancis Robinson released her [complete coverage](#) and called the newest vintage “delightfully easy to like”. Neal Martin released a two part series ([Part 1](#) & [Part 2](#)) which he cumulated by proclaiming, “the bottom line

is that I love the 2019 vintage for both whites and reds, however, it is not a faultless vintage.” Jean Marc Boillot and Louis Jadot both released their fleet of wines mid-December.

## Final Thought - Regional Trade in 2020

The broadening of the fine wine market continued throughout 2020, principally at the expense of Bordeaux’s share of trade, which fell from an average of 54.4% in 2019 to 42.0% in 2020. The region has more than halved from its peak in 2010, when it accounted for 95.7% of secondary trade by value, driven by a near insatiable demand from China.

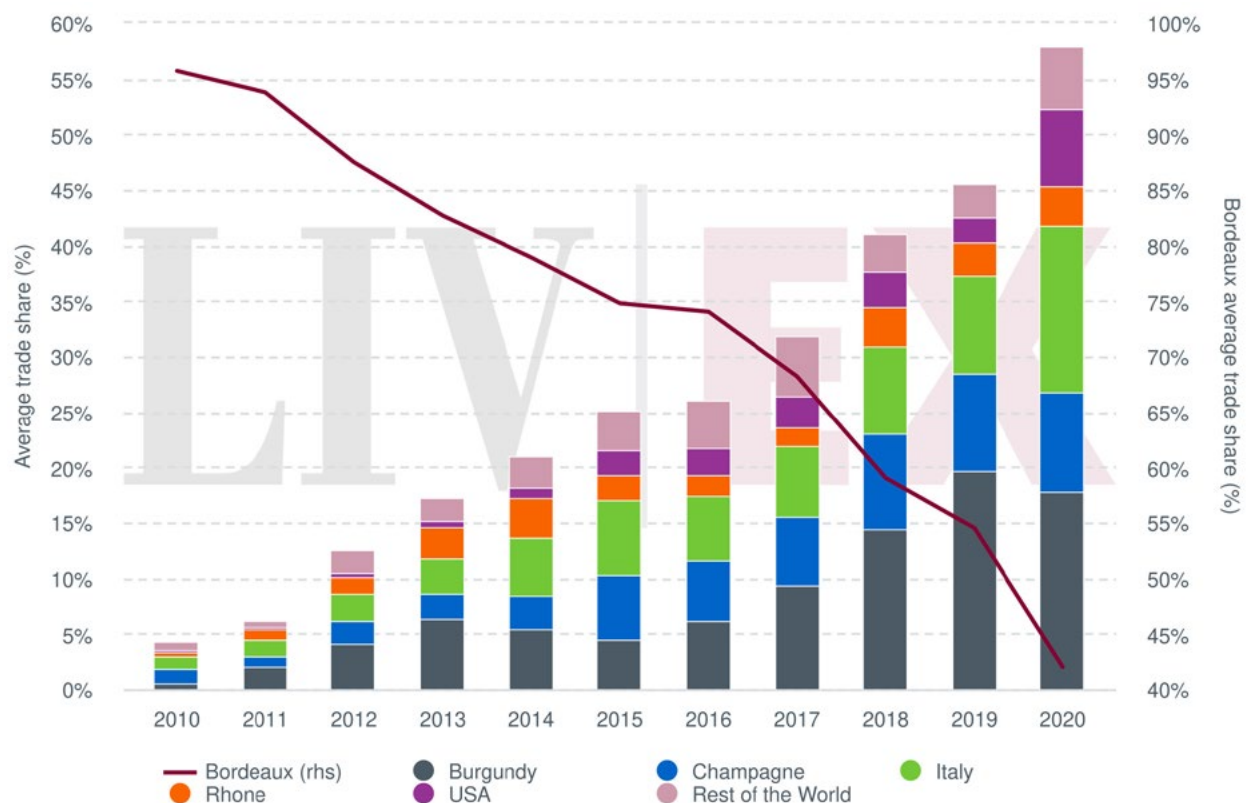
Burgundy was the first and main benefactor of Bordeaux’s decline; its trade share rising from 0.6% in 2010, to a record high of 19.6% in 2019. But it also dipped in 2020 to 17.9%. The Rhone and Champagne maintained their annual trade shares, at 3.4% and 8.9% respectively.

Italy was the big winner of 2020. Having taken a solid 8.8% in 2019, Italy’s trade share nearly doubled in 2020 to 15.1%. The USA also had a great year. It accounted for just 0.1% of trade in 2010. Last year, it reached 2.3%. It closed 2020 at 7.0%.

The increasingly diverse Rest of the World category also saw greater activity than ever before. Up from 0.8% in 2010 to 5.7% in 2020, ROW trade in 2020 was led by Australia (1.6%), Spain (1.4%) and Germany (0.9%), though wines from Argentina, Austria, Chile, and Portugal also saw increased interest.

Traded prices per bottle ranged from £4 up to £24,000 (Domaine Leroy, Musigny Grand Cru 1999).

Chart 2: Regional trade share on Liv-ex over ten years



Spirits also saw higher levels of demand than ever before, as the secondary market evolved. In 2020, the value of whisky trades on Liv-ex was ten times higher than 2019 while the number of unique buyers doubled. The whiskies on offer also expanded, with a 50% increase in distinct whiskies traded (LWIN11) this year.

As can be seen in Chart 3, a record number of wines and vintages traded in 2020. The number of unique wines traded (LWIN11 - wine and vintage) surpassed the 10k milestone. This is a 199% increase on just five years ago. Over the same period, the number of wine labels (LWIN7) traded rose 243%.

**Chart 3: Distinct LWIN7s and LWIN11s traded**

