

## Gaining Momentum?

Following an unusually active month of trading in what is usually a calm month, the various Liv-ex indices have all pushed ahead [Fig 1], with the Liv-ex 50 close to a 20% growth YTD. It is not just the Liv-ex 50 that has moved ahead, all of the other, broader Bordeaux-based indices have gained between 16% to 17% this year. The Liv-ex 1000 has even reached an all time high [Fig 2].

There is a sense of building momentum and it is anticipated that volumes of trade will remain high in September. What is most encouraging is that the current movements are not related to one specific area in isolation. Mature First Growths from great vintages, more recent First Growths in vintages like 2009 and 2010 and off vintage First Growths that offer relative value certainly key in the mix, but Burgundy, Champagne, Barolo and a more diverse range of Bordeaux châteaux are all showing good activity.

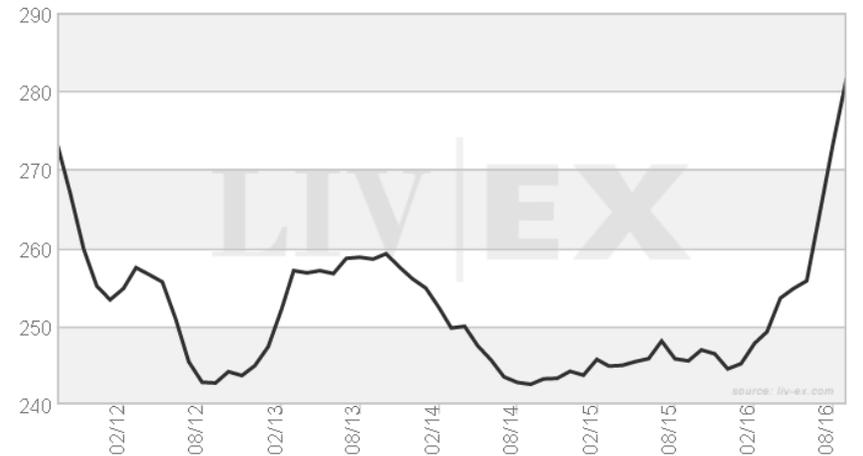
Could the currency impact have been the catalyst needed? The answer is simple: so far, so good. The value growth being registered is off of a lower volume base, but perhaps that could prove more sustainable. Certainly, the current lift is not showing signs of shelving just yet. Some have proclaimed a return to the heady years of 2008-2011; I think that is overstating it and talking the market up too far, but who amongst us, would not settle for steadier, more sustained growth spread across a broader base of wines? Count me in.

[Fig 1] Liv-ex Indices Monthly Close

Index 31/08/2016 (monthly close)	Level	MOM	YTD
Liv-ex Fine Wine 50	317.4	3.11%	19.82%
Liv-ex Fine Wine 100	276.8	2.88%	16.19%
Liv-ex Bordeaux 500	276.8	3.01%	16.21%
Liv-ex Fine Wine 1000	281.6	3.04%	14.84%
Liv-ex Fine Wine Investables	304.4	2.85%	17.06%

Source: Liv-ex

[Fig 2] Liv-ex 1000



Source: Liv-ex