



Waddington's February 2016 Auction Results

Ontario's first live wine auction since 2014 occurred this past weekend in Toronto thanks to our friends at Waddington's. After a hiatus of that length there's a big hill to climb but Stephen Ranger and his team are certainly taking it on. This is great for Ontario buyers, particularly restaurants who have no other buying options for back vintage wine.

I'll provide the raw data below for those who were unable to attend and a few notes following:

	NUMBER	SOLD	PASSED	STR	LOW	HIGH	HAMMER	% TO LOW
TOTAL LOTS	428				\$590,555	\$690,610		
TOTAL SOLD LOTS		329	99	77%	\$345,855	\$407,510	\$359,370	103.91%
MIXED LOTS	99	81	18	82%	\$69,045	\$79,160	\$71,590	103.69%
SOLID LOTS	329	248	81	75%	\$276,810	\$328,350	\$287,780	103.96%
BORDEAUX SOLID	123	96	27	78%	\$124,890	\$145,240	\$130,750	104.69%
BORDEAUX MIXED	39	35	4	90%	\$33,595	\$38,360	\$35,250	104.93%
BURGUNDY SOLID	44	28	16	64%	\$32,180	\$41,100	\$32,940	102.36%
BURGUNDY MIXED	2	1	1	50%	\$600	\$700	\$550	91.67%
RHONE SOLID	57	32	25	56%	\$35,350	\$41,750	\$34,940	98.84%
RHONE MIXED	25	19	6	76%	\$19,300	\$22,100	\$18,560	96.17%
ITALY SOLID	23	20	3	87%	\$12,230	\$14,650	\$14,280	116.76%
ITALY MIXED	12	10	2	83%	\$6,500	\$7,500	\$7,680	118.15%
USA SOLID	43	37	6	86%	\$47,650	\$58,700	\$48,810	102.43%
USA MIXED	6	3	3	50%	\$3,600	\$4,100	\$3,860	107.22%

Typically I only report on the solid lots (exact same wine within the lot) because mixed lots are a bit of a wildcard and uncommon in wine auctions. What I did this time however is include the mixed lot data separate from the rest as I feel there's value in it, just not on a per wine basis.

The total auction had between \$590K and \$690K available of which \$359K sold representing a sell through rate (STR) of 77%. While this may be a low STR by world standards, Waddington's is making sure their consignors aren't selling too low. Sacrificing STR for a reasonable sale price is a smart move at this stage of the game.

As has always been the case in Ontario, the top end of the scale struggled. For example, 9 lots of Petrus were offered of which only one sold and that one was below the low estimate. When you look at the top 25 most expensive lots, only 7 sold and only one was above the low

estimate. The Ontario appetite at the moment is not at the high end even if the price is a bargain by world standards, as I'll show later.

On the flip side, the bottom 50 lots by value sold through at 100% and the overall total in aggregate was greater than the high estimate. So the lower end of the scale was clearly in demand.

One of the highlights of the day was 2 bottles of 1966 Salon Le Mesnil selling for \$3000 a bottle which was \$500 over the high estimate. I suspect there is a special 50th birthday or anniversary afoot.

So the question for our clients then is "do I buy?" and the answer is a resounding "yes". We took the top lots and compared them to the US auction market and show the following below.

These are real examples from this auction in the "PER BTL" column. Next to it we show the average cost in 2015 in US wine auctions and that amount converted to Canadian dollars (at 1.35) in the column on the far right.

What we see in almost every case is a bargain to be had, mostly at the top end. (Note that I didn't include all the Petrus and other wines that were passed). What I have not included is any tax or import duties as this is contingent upon the circumstances of the buyer.

	QTY	HAMMER	PER BTL	US\$ AUCTION	IN CDN\$
1982 LATOUR	6	\$7,800	\$1,300	\$1,186	\$1,601
1982 PETRUS	2	\$5,500	\$2,750	\$2,690	\$3,632
1982 MOUTON	6	\$5,000	\$833	\$827	\$1,116
1982 CHEVAL BLANC	6	\$4,000	\$667	\$590	\$797
1985 MOUTON	10	\$3,600	\$360	\$257	\$347
2000 PAVIE	6	\$2,600	\$433	\$363	\$490

The bottom line is that there are some great opportunities for Canadians to pick up wines at cheap prices compared to world markets. I would encourage all my clients to watch for the next online auction and consider making some bids.

* Note that mixed lots 285 and 306 were removed due to mixed countries. Mixed lots 429, 424 and 430 were also removed as crucial data from the errata was not available.