

Our Investment Portfolio rearranged in groups of Holding Periods

	<u>Mix of Stocks and Bonds</u>
Finishing Barrels (3 years)	80% Bonds. 20% Stocks.
Aging Barrels (next 7 years)	60% Stocks. 40% Bonds.
Lat Vat (>10 years)	100% stocks

Our actual overall mix is 85% stocks and 15% bonds.

Our mix is lower than 85% stocks and close to that one would derive with the wine barrels and vat when I include our mix Reserve, the wine we just bottled wine for 2020.

	Calculation Date					CAGR
	Dec-15 2015	Dec-15 2016	Nov-30 2017	Nov-30 2018	Nov-30 2019	
Nominal Returns						
Stocks	-1.53%	12.72%	21.52%	1.40%	14.71%	9.43%
Bonds	0.75%	3.02%	4.59%	-0.99%	10.49%	3.50%
Real Returns						
Stocks	-1.53%	12.38%	19.14%	-1.36%	12.90%	7.98%
Bonds	0.75%	2.71%	2.54%	-3.69%	8.75%	2.13%
Inflation in year	0.0%	0.3%	2.0%	2.8%	1.6%	1.3%
Memo: Real returns for our portfolio of 85% S & 15% B	-1.19%	10.93%	16.65%	-1.71%	12.28%	7.11%

Real Returns Rearranged by three mixes for three holding periods show lower returns for mixes with greater amounts of bonds:

Real Changes	Calculation Year					CAGR	
	2015	2016	2017	2018	2019		
Finishing Barrels (80% B; 20% S)	0.29%	4.65%	5.86%	-3.22%	9.58%	3.33%	} +2.35% } +2.30%
Aging Barrels (60%S; 40%B)	-0.62%	8.51%	12.50%	-2.29%	11.24%	5.69%	
Large Vat (all S)	-1.53%	12.38%	19.14%	-1.36%	12.90%	7.98%	

CAGR = compound annual growth rate

Lower range of returns or volatility with for mixes with more bonds

Investment Portfolio	Five-year CAGR	Annual Returns		Point Spread	
		Highest	Lowest		
Finishing Barrels	3.3%	9.6%	-3.2%	12.8	} Low to high
Aging Barrels	5.7%	12.5%	-2.3%	14.8	
Large Vat	8.0%	19.1%	-1.5%	20.7	

CAGR = compound average annual growth rate