

OWC Asset Management Limited

THE VINTAGE WINE FUND

Commentary

The market continued its steady rise over the course of February with across the board price increases. Amongst the first growths, Haut Brion and Mouton Rothschild both continued their strong rally with the 2000 and 1995 Haut Brion doing particularly well. But Lafite did not get left out and the 2000 and 1998 both pushed considerably higher. There were some very good performances amongst the second growths with Leoville Poyferre 2003, Montrose 2000 and Pichon Baron 2000 amongst the biggest movers.

However it is fair to say that overall activity was somewhat more subdued, particularly towards the end of the month, and it does seem that the tumultuous events around the globe are encouraging a certain amount of caution on the part of buyers. Celebrations for Chinese New Year getting underway at the beginning of the month were also probably something of a distraction as well as thoughts beginning to turn to the 2010 Bordeaux vintage which will be tasted for the first time by the general wine trade early in April. Setting prices for a new vintage is never an easy task - although one at which Bordeaux has become increasingly adept - and it is possible that we may see this lull in activity continue until we have a clearer picture of what the new vintage means for the wider market.

Foreign exchange markets are in turmoil at the moment with a debate running on exactly what the catastrophe in Japan means for western economies and in particular the US dollar. Fears of a large repatriation of Japanese funds currently invested in US treasuries back into Yen sparked a flight to the Yen and the Swiss Franc has rallied out of sight as the only currency which anyone feels comfortable holding. No doubt we will see some more large swings as news and analysis develops. Since our valuation involves translating prices quoted in various currencies into Euros, exchange rates do have an impact on valuations; generally these effects are short term and last only as long as it takes prices around the world to realign to take account of changes in exchange rates but some FX related volatility in our share price over the next few months is only to be expected.

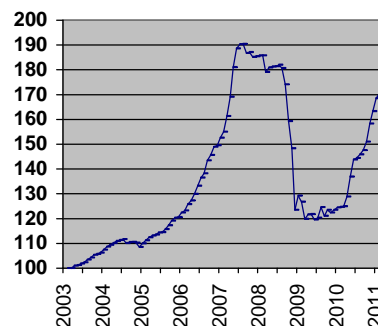
Portfolio Breakdown - % NAV

	Cash: 8.4%	Up to 1996	1997 – 2000	2001 and later
First growths		23.7%	19.9%	23.2%
Other Bordeaux		5.9%	7.3%	10.4%
Other		0.0%	1.2%	0.0%
Wine: 91.6%		29.6%	28.4%	33.6%

February 2011

ORDINARY SHARES

Price (€):	170.58
P&L on month:	1.27%
Year to date:	4.45%
Since inception:	70.58%
Leverage:	0.00%



Investment Manager

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Fund Structure

Domicile: Cayman Islands
Inception: 20th February 2003
Denomination: Euro (€)
Subscription: Monthly
Redemption: Quarterly
NAV: Month end by Administrator
Administrator: CACEIS Fastnet Ireland

ISIN: KYG9368H1103
Bloomberg: VWFUNDO:KY

For further information please contact the Investment Manager

	2003	2004	2005	2006	2007	2008	2009	2010	2011 YTD				
ORD	6.22%	2.12%	11.18%	23.97%	23.97%	-33.37%	0.02%	32.21%	4.45%				
ORD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	0.72%	0.24%	0.18%	3.11%	6.24%	5.08%	0.36%	1.06%	1.15%	2.32%	4.86%	3.17%	32.21%
2011	3.14%	1.27%											4.45%