

THE VINTAGE WINE FUND

Commentary

The fine wine market continued to be a haven of orderly conduct relative to events elsewhere and the incessant underlying demand carried on depleting merchants' inventories and volumes were remarkably high for the time of year.

When we look back over the last twelve months we realize we have been through an extremely valuable test for our market. Almost ten years ago exactly the market went through a similar bout of profit taking and the contrast between how prices were affected then and now could not be greater. Back in 1997 a fairly small number of large Far Eastern speculators were forced to sell and the market was unable to deal with it and consequently prices dropped considerably. This time around, the breadth and depth of consumer demand from all over the world - including many recently converted enthusiasts from countries where fine wine is a new and growing passion - has meant that the disposals from those collectors and investors who felt it was time to monetise their gains have been easily taken up and prices have been very resilient.

As we have stated before, this has turned out to be a most orderly and healthy transfer of significant volumes of fine wines from the hands of those who were essentially holding wine as an investment to those who are buying it for immediate or imminent consumption. Of course some new (and not so new) investors have also been among the buyers, but the proportion of recent trading volumes representing wines which are never again going to be re-sold - indeed are already destroyed - is a vital element in forming a view of the future.

This is something of a reiteration of previous analysis, and indeed we may have called an end to the market consolidation somewhat early but it seems clearer than ever that with global demand robust and continuing to grow the outlook for the coming months is very positive.

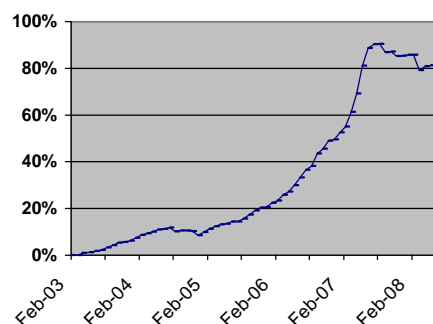
Portfolio Breakdown - % NAV

	Up to 1990	1991 - 1999	2000 and later
Cash - 0.2%			
First growths	11.9%	27.6%	35.5%
Other Bordeaux	4.7%	4.8%	14.4%
Other	0.0%	0.8%	0.1%
Wine - 99.8%	16.6%	33.2%	50.0%

July 2008

ORDINARY SHARES

Price (€):	182.02
P&L on month:	0.33%
Year to date:	-1.80%
Since inception:	82.02%
Leverage:	0.00%



Investment Manager

OWC Asset Management Limited
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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: Fastnet (Ireland) Ltd

ISIN: KYG9368H1103

For Further Information Contact

The Investment Manager (see above)

	2003	2004	2005	2006	2007	2008 (YTD)							
ORD for Year	6.22%	2.12%	11.18%	23.97%	23.97%	-1.80%							
ORD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007	2.03%	1.57%	4.13%	4.81%	7.03%	4.20%	0.86%	0.05%	-1.86%	0.15%	-1.00%	0.08%	23.97%
2008	0.21%	0.01%	-3.60%	1.00%	0.20%	0.11%	0.33%						-1.80%