

# THE VINTAGE WINE FUND

## Commentary

Investors will have already read our separate circular going into detail on the essentially foreign exchange related reasons for our very disappointing performance in December so we will not repeat that explanation here.

We have seen in the first two weeks of January the enormous gap between prices in the UK and those in mainland Europe and the US begin to gradually close by a combination of UK prices edging up and a move back in the GBP/EUR rate. But with somewhat reduced volumes and very volatile foreign exchange markets the process of equalization may take some time and we may see some more sudden moves both up and down.

While demand from end users continues to be seen, the level of confidence amongst wine market traders fluctuates between non-existent and extremely fragile. Even a mere rumour of another seller is enough to send the professionals into a state of panic and there is still no appetite whatsoever for buying for stock. So it is still a little premature to make any sort of prediction on what the next few weeks and months hold.

The year of 2008 was desperately disappointing but we move into 2009 with confidence that we can recoup the recent losses and determined to repay the loyalty and patience of our investors.

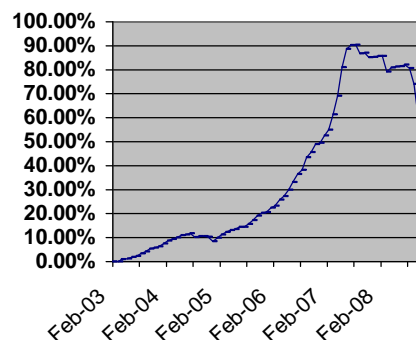
### Portfolio Breakdown - % NAV

	Up to 1990	1991 – 1999	2000 and later
<b>Cash: 5.0%</b>			
First growths	12.1%	25.4%	30.3%
Other Bordeaux	4.4%	4.6%	17.5%
Other	0.0%	0.7%	0.1%
<b>Wine: 95.0%</b>	<b>16.6%</b>	<b>30.7%</b>	<b>47.8%</b>

## December 2008

### ORDINARY SHARES

Price (€):	123.50
P&L on month:	-16.71%
Year to date:	-33.37%
Since inception:	23.50%
Leverage:	0.00%



### Investment Manager

OWC Asset Management Limited  
Mellwood House  
43 Falsgrave Road  
Scarborough, UK  
FSA reference number: 211721

Telephone: +44 (0) 1723 355962  
Email: [info@owcam.com](mailto:info@owcam.com)

### Fund Structure

Domicile: Cayman Islands  
Inception: 20<sup>th</sup> 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							
<b>ORD for Year</b>	<b>6.22%</b>	<b>2.12%</b>	<b>11.18%</b>	<b>23.97%</b>	<b>23.97%</b>	<b>-33.37%</b>							
<b>ORD</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>YTD</b>
<b>2007</b>	2.03%	1.57%	4.13%	4.81%	7.03%	4.20%	0.86%	0.05%	-1.86%	0.15%	-1.00%	0.08%	<b>23.97%</b>
<b>2008</b>	0.21%	0.01%	-3.60%	1.00%	0.20%	0.11%	0.33%	-0.77%	-3.59%	-8.56%	-6.88%	-16.71%	<b>-33.37%</b>