

# THE VINTAGE WINE FUND

Paolo Cristofolini, a director of the Fund, died tragically in a mountain avalanche on 3<sup>rd</sup> January in Verbier. Paolo was an enthusiastic promoter of the Fund from its inception and a well known and popular personality in the Geneva alternative investment community. He was passionate about wine and a charming and knowledgeable companion with whom to share a great bottle. His advice, experience and friendship will be sorely missed.

## Commentary

The market remained well supported and although the usual lull in activity was seen around Christmas and New Year there was a sense that some people just could not quite stop trading. Although the demand is still predominantly from Asian buyers, it is extremely robust and the upward pressure on prices which will be exerted when buyers closer to home re-enter the fray could really be quite remarkable.

There was further evidence of the other first growths beginning to close the huge price gap which has opened up between them and Chateau Lafite Rothschild. Currently it seems that Mouton Rothschild and Haut Brion are receiving most attention but with Lafite now trading at twice the price (or more) of Latour and Margaux in many vintages, it cannot be long before they too join in the action.

For the moment however, we are heartily relieved to be at the end of what has been a very tricky year spent almost exclusively in servicing the major outflows which were triggered by the sharp drop in values at the end of 2008. Now that this process has run its course, the Fund is smaller, more manoeuvrable, and much healthier as a result and is emerging from this defensive period in time to take full advantage of what could be a fascinating year.

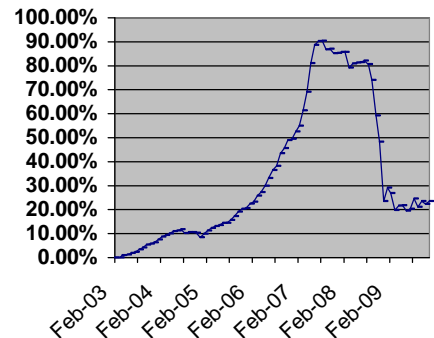
### Portfolio Breakdown - % NAV

	Up to 1990	1991 – 1999	2000 and later
<b>Cash: 0.2%</b>			
First growths	16.0%	22.0%	32.7%
Other Bordeaux	3.2%	4.6%	20.2%
Other	0.0%	1.1%	0.0%
<b>Wine: 99.8%</b>	<b>19.2%</b>	<b>27.7%</b>	<b>52.9%</b>

## December 2009

### ORDINARY SHARES

Price (€):	123.52
P&L on month:	0.92%
Year to date:	0.02%
Since inception:	23.52%
Leverage:	0.00%



### Investment Manager

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

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### 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	2009						
<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>0.02%</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>2008</b>	0.21%	0.01%	-3.60%	1.00%	0.20%	0.11%	0.33%	-0.77%	-3.59%	-8.56%	-6.88%	-16.7%	<b>-33.37%</b>
<b>2009</b>	4.61%	-1.83%	-5.51%	1.53%	0.09%	-1.82%	0.61%	3.57%	-2.81%	2.04%	-0.93%	0.92%	<b>0.02%</b>