

OWC Asset Management Limited

THE VINTAGE WINE FUND

Commentary

Levels of demand remained strong throughout January and although stock was available to meet this demand, we saw little evidence of any further profit-taking or fresh selling. Prices were, on the whole, unchanged on the month. Continued weakness of GBP vs EUR meant those UK based merchants lucky or wise enough to have stocked up while sterling was strong and prices were soft were able to take full advantage of demand from EUR based buyers.

Although the bulk of demand is coming from consumers, there are also a number of investment funds/groups, both new and old, on the hunt for stock and towards the end of the month, this solid underlying bid began to make itself more keenly felt with bid levels and quantities being gradually edged up. It seems clear that the approach of sitting on a low bid and waiting for an impatient seller to come down is no longer working and that to secure stocks before they disappear into the hands of end consumers, buyers will need to get more pro-active and aggressive.

Although prices were generally static there was a suggestion that the group of wines just below first growth level was perhaps having a turn in the limelight and wines such as Leoville Barton, Leoville Lascases, Grand Puy Lacoste and Lynch Bages all saw strong demand. The current love affair with Carruades de Lafite perhaps also showed hints of spreading to Pavillon Rouge de Chateau Margaux and Forts de Latour.

As one might expect, a lot of people have been asking us how a global recession would affect our market. It is our belief that although it may be at a steadier rate than we have enjoyed in the recent past, price appreciation will continue. Gains may also be a little more erratic on a month by month basis but demand would need to fall a long way before it was anywhere near being outweighed by the overall level of (rather than momentary blips up in) supply. We firmly believe that we can continue to provide investors with very respectable returns even if the worst fears of some economists prove accurate.

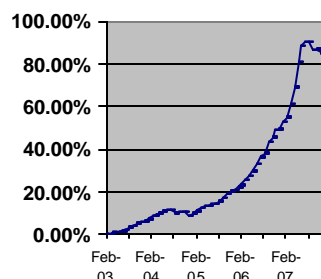
Portfolio Breakdown - % NAV

Cash – 3.4%	Up to 1990	1991 – 1999	2000 and later
First growths	11.8%	24.9%	32.6%
Other Bordeaux	5.0%	5.3%	16.2%
Other	0.0%	0.7%	0.1%
Wine – 96.6%	16.8%	30.8%	49.0%

January 2008

ORDINARY SHARES

Price (€):	185.74
P&L on month:	0.21%
Year to date:	0.21%
Since inception:	85.74%
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: Olympia Capital (Ireland) Limited

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%	0.21%							
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%												0.21%