

OWC Asset Management Limited

THE VINTAGE WINE FUND

Commentary

It is not surprising that after all the activity of the en primeur campaign the market is enjoying something of a rest. Volumes have been much lower and some cheap offers in the merchants' customary summer sales has meant that, across the board, headline prices were a touch softer by the end of the month. But these cheap offers are in small volume and will have disappeared by the end of August, so this lull in price appreciation will be short-lived.

Although prices were generally a little softer, our own portfolio was slightly up. Our positioning during and after the en primeur campaign seems to be working well and the post primeur price realignments, which we have seen just the start of this month, will get underway in earnest after summer and this should generate further outperformance.

The thinner volumes produced a number of opportunities to capture some nice bid-offer spreads on quick trades. With many traders away on holiday, competition for deals was low. These were mostly in fairly small size but enough to make a positive contribution.

All in all a subdued month – but one in which our pro-active approach to portfolio management and our dealing screen helped us to keep moving upward. August looks like being fairly similar, but we look forward with anticipation to the busy autumn period.

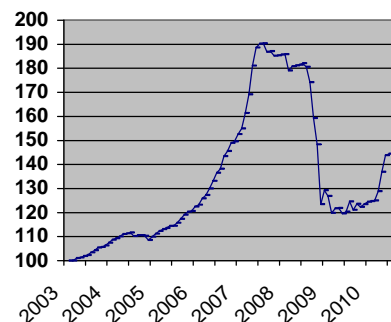
Portfolio Breakdown - % NAV

	Up to 1990	1991 – 1999	2000 and later
Cash: 3.0%			
First growths	14.1%	22.5%	34.0%
Other Bordeaux	2.6%	4.7%	17.8%
Other	0.0%	1.3%	0.0%
Wine: 97.0%	16.7%	28.5%	51.8%

July 2010

ORDINARY SHARES

Price (€):	144.43
P&L on month:	0.36%
Year to date:	16.85%
Since inception:	44.43%
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

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
Bloomberg: VWFUNDO:KY

For further information please contact the Investment Manager

	2003	2004	2005	2006	2007	2008	2009	2010 (YTD)					
ORD for Year	6.22%	2.12%	11.18%	23.97%	23.97%	-33.37%	0.02%	16.85%					
ORD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009	4.61%	-1.83%	-5.51%	1.53%	0.09%	-1.82%	0.61%	3.57%	-2.81%	2.04%	-0.93%	0.92%	0.02%
2010	0.72%	0.24%	0.18%	3.11%	6.24%	5.08%	0.36%						16.85%