

OWC Asset Management Limited

THE VINTAGE WINE FUND

Commentary

We continued to see high levels of demand throughout November from both European and Far Eastern customers but this was met with profit taking from private investors. Prices were slightly softer over the month in particular for the second tier vintages of 1999, 2001, 2002. The performance was also dampened a little by the sharp decline in the value of GBP vs EUR.

It is clearly a time when some patience is required – it is vital to bear in mind that the underlying demand is still very strong and that significant volumes of wine are trading with there being no shortage of consumers and collectors wishing to take advantage of the increased supply. It is only natural that with the uncertain economic outlook that some investors feel it is prudent to leave the market. While that is keeping a cap on prices at the moment, it does **not** mean that the underlying imbalance between demand and supply has permanently altered. As well as the core demand from consumers, there are also new investors gradually coming into the market and new Funds due to launch in the New Year.

We continue to make the most of the opportunities created by the current conditions. We are selectively taking profits on some positions while buying up the cheaper stock which has been appearing on the market. E.g. the price of Carruades de Lafite 2003 pushed higher this month and began to look very fully priced when compared to the level at which we were being offered parcels of core first growths. Switching opportunities like this are plentiful at the moment and allow for efficient fine-tuning of the portfolio.

December is generally a quieter month in the fine wine market and there are usually reduced price offerings made by merchants in the run up to year-end, so it is fair to say that we would not expect a resumption of the upward trend before January. However, we are confident that as the sellers are ultimately exhausted of stock – and we complete this healthy consolidation - the upward pressure on prices will naturally return.

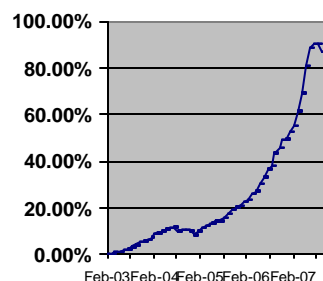
Portfolio Breakdown - % NAV

Cash – 4.4%	Up to 1990	1991 – 1999	2000 and later
First growths	12.0%	24.6%	31.6%
Other Bordeaux	5.1%	4.8%	16.8%
Other	0.0%	0.7%	0.1%
Wine – 95.6%	17.1%	30.1%	48.5%

November 2007

ORDINARY SHARES

Price (€):	185.20
P&L on month:	-1.00%
Year to date:	23.87%
Since inception:	85.20%
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 (YTD)								
ORD for Year	6.22%	2.12%	11.18%	23.97%	23.87%								
ORD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2006	1.50%	0.69%	2.06%	1.13%	2.15%	2.47%	2.50%	1.22%	3.80%	1.51%	2.31%	0.37%	23.97%
2007	2.03%	1.57%	4.13%	4.81%	7.03%	4.20%	0.86%	0.05%	-1.86%	0.15%	-1.00%		23.87%