

Welcome,

Fund overview

This is a wine investment fund that aims to achieve above average investment returns over the medium to long term. Medium term is defined as 3 - 5 years.

The Fund will trade in a diverse portfolio of fine and rare Bordeaux wines. The Managers will seek to strike a balance of holding stock long term and taking gains for re-investment / additional diversification. The Managers unrivalled network of specific buying opportunities will be identified for the benefit of the Fund.

Market commentary

“A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.” Sir Winston Churchill 1874 - 1965

No one can fail to be aware of the continuing debt, banking and associated financial crisis that is currently swamping mainly the Western economies.

In such an environment; Where do people invest? What is safe? Where will money retain or increase in value?

Historically wine has demonstrated an ability to out perform in falling markets together with much greater stability in value terms.

The Fund is demonstrating its resilience to the current environment with an increase of 1.53% during the month of August. This may not seem a major figure - but for a month that has proved difficult elsewhere, the progress and continuation of an upward climb is significant, currently the annualised growth rate stands at 24.58%. Further purchases of key investment wines at keen prices during the month will underpin the value and we expect to see the Fund continue to achieve incremental growth on a monthly basis.

Investment rationale

In the first month the Managers invested a little over £2 million and this has been spread as follows:

- 18 different Chateaux including Latour and D'Yquem
- 33 different Vintages from 1870-2004
- All 5 first growths represented
- 8 different Communes from the Medoc to Pomerol & St Emilion

The largest exposure to one chateau in vintages is 13. The single largest financial stake in one Chateau represents £225,000 spread across the 13 vintages.

We have taken a strategic stake in wines where we can perceive both demand and shortage of stock. This will ensure that gains can be taken from the holdings.

The objective of the Managers is to hold long term and not be a regular trader, other than to purchase as new monies flow in. Where appropriate, profits will be taken to create liquidity and allow other opportunities to be accessed.

Contact

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Bordeaux communes represented by value in the Fund

