

## INTERNATIONAL WINE FUND - 1 APRIL 2014 TO 30 JUNE 2014

### OVERALL MARKET REVIEW

The Liv-ex Fine Wine 100 Index continued its recent downward movement with a further fall of 5% in the second quarter of 2014. Non-Bordeaux wines continue to provide the most optimism in the market with several wines gaining, contrary to the general trend.

### QUARTERLY PORTFOLIO UPDATE

In the second quarter of 2014, the share value fell by 2%. Performance was better than the market, driven by a previous improvement of the portfolio mix and gains in certain specific wines / vintages.

Management have taken advantage of recent investment in the fund to reduce the proportion of non-Bordeaux French wine and diversify into port and new world.

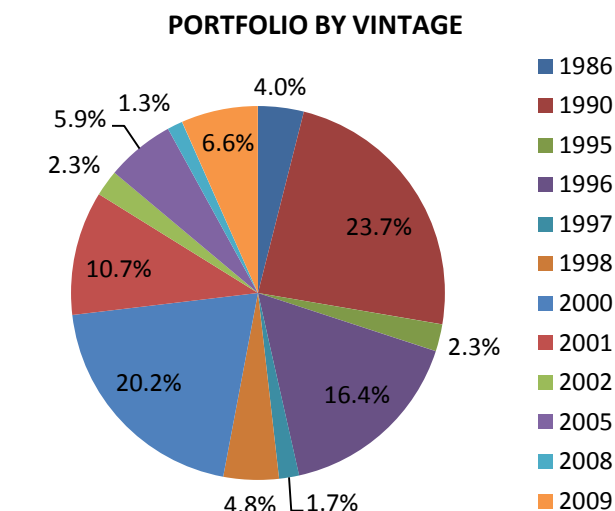
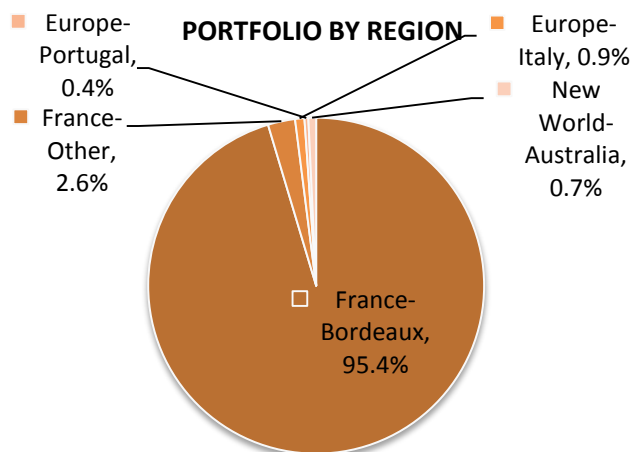
The portfolio continues to be dominated by wines from the 1990 and 2000 vintages (43.9% as opposed to 51.0% the previous quarter) but, in the last quarter the investment manager has further diversified, in particular wines from the excellent vintage of 1996, highly-acclaimed for left-bank Bordeaux, which form 16.4% of the portfolio.

### FUND PERFORMANCE – YEAR TO DATE

Since December 2013, the fund share price has fallen 6.8%. Whilst significant, the fund has still outperformed the main market index which fell by 8.2% in the same period.

### SHARE PERFORMANCE

2008	2009	2010	2011	2012	2013
8.54%	2.17%	20.54%	30.23%	-14.24%	1.83%



	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
Price (£)	1596.62	1606.41	1593.16	1544.03	1529.82	1500.61	1520.13	1479.94	1430.92	1444.66	1423.31	1407.29	1416.53
P&L on month	-0.70%	0.60%	-0.83%	-3.08%	-0.88%	-1.95%	1.68%	-2.64%	-3.31%	0.96%	-1.48%	-1.13%	0.66%
P&L YTD	6.92%	7.56%	6.67%	3.38%	2.48%	0.47%	2.17%	-2.64%	-5.87%	-4.96%	-6.37%	-7.42%	-6.40%

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