

## INTERNATIONAL WINE FUND - 1 JANUARY 2014 TO 31 MARCH 2014

### OVERALL MARKET REVIEW

The first quarter of 2014 saw a fall in the Liv-ex Fine Wine 100 Index of 3% and similar decreases across the other indices. As in the previous quarter, spots of optimism remain in the market with some wines gaining such as affordable left bank Bordeaux from exceptional vintages and non-Bordeaux fine wines.

### QUARTERLY PORTFOLIO UPDATE

The IWF share value fell by just under 5% during the first quarter of 2014. Whilst this was a little worse than the market, the trend is consistent and new investment in the fund should see this reverse through 2014. Management made some changes to the existing portfolio in order to take advantage of favourable consumer demand and to improve the portfolio spread.

By region and in line with its investment objectives, the majority of the portfolio is in Bordeaux wines, with significant holdings of Ch. Lafite Rothschild and Petrus.

By vintage, holdings in the highly investable vintages of 1990 and 2000 make up the majority of the portfolio, totalling over 50% of the total. In addition, the investment manager added some 1986 (100-point Ch. Lafite Rothschild) during March.

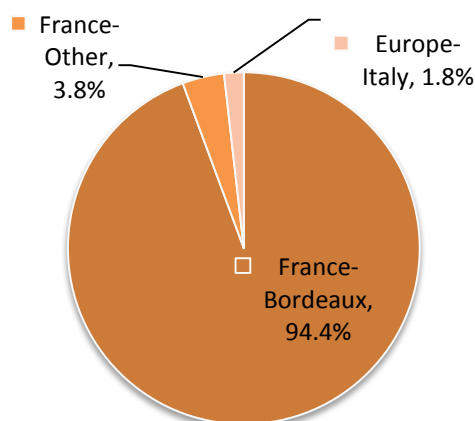
### ANNUAL FUND PERFORMANCE

Since March 2013, the fund share price has fallen 4.2%; however, this significantly outperforms the main market index, which dropped by over 10% in the same period. By taking advantage of consumer demand and its access to retail channels, the fund was able to outperform the market.

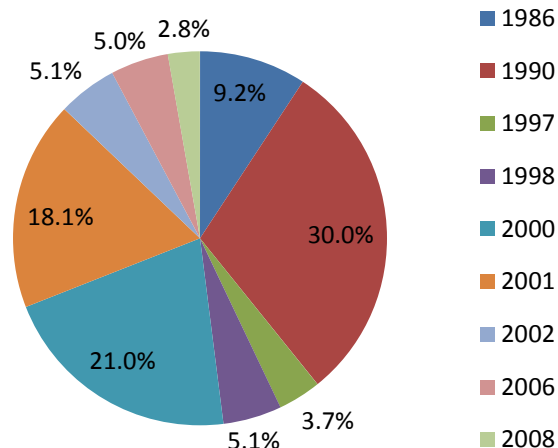
### SHARE PERFORMANCE

2009	2010	2011	2012	2013	2014
2.17%	20.54%	30.23%	-14.24%	1.83%	-4.96%

### PORTFOLIO BY REGION



### PORTFOLIO BY VINTAGE



	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Price (£)	1507.91	1558.23	1607.40	1596.62	1606.41	1593.16	1544.03	1529.82	1500.61	1520.13	1479.94	1430.92	1444.66
P&L on month	-1.07%	3.42%	3.16%	-0.70%	0.60%	-0.83%	-3.08%	-0.88%	-1.95%	1.68%	-2.64%	-3.31%	0.96%
P&L YTD	0.93%	4.38%	7.67%	6.92%	7.56%	6.67%	3.38%	2.48%	0.47%	2.17%	-2.64%	-5.87%	-4.96%

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