

# VINCULUM WINE FUND – 1 OCTOBER TO 31 DECEMBER 2016



VINCULUM WINE FUND

## OVERALL MARKET REVIEW

The Liv-Ex Fine Wine 100 Index continued to rise during the final quarter of 2016, increasing by 5.7%. The movement capped a very strong 2016 with the index reaching its highest level for 5 years, due in no small part to the UK's Brexit vote and subsequent sterling weakness making fine wine in the UK appear relatively good value to foreign buyers. The strength of the fine wine market has led commentators to highlight that it is currently outperforming the majority of major financial markets and commodities.

## QUARTERLY PORTFOLIO UPDATE

During the quarter the Fund's share price improved by 0.7%; the manager noted however that this growth was limited by a few lower than anticipated values provided via the independent valuation. Management figures suggested an increase closer to 2% and shareholders are likely to see this increase during early 2017.

The manager marginally increased the holdings in Bordeaux wines from 95 to 97%, reflecting the sustained strong market trends in the Bordeaux region, the sale of some non-Bordeaux wines, and acquisition of new stocks. The portfolio mix saw reductions in the holdings of the 1982 and 1989 vintages, and increases across 2009 & 2010 especially.

## FUND PERFORMANCE – YEAR TO DATE

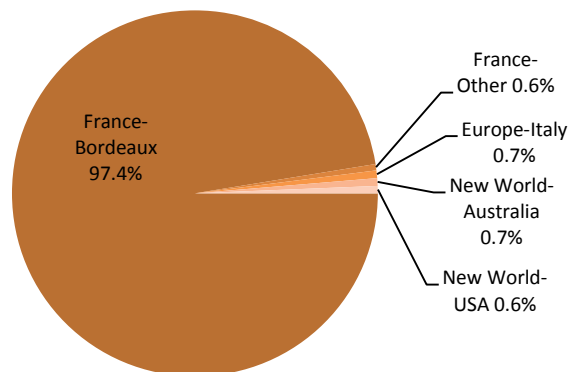
Over the calendar year the fund share price climbed by 12.3%. The investment manager has taken the opportunity in a market which has increased significantly, following 2 years of benign activity, to make revisions to the portfolio.

In addition, during the second half of 2016, the fund recruited additional resource to generate new investment, increase activity and provide enhanced expertise to improve the fund further for existing and new investors during 2017.

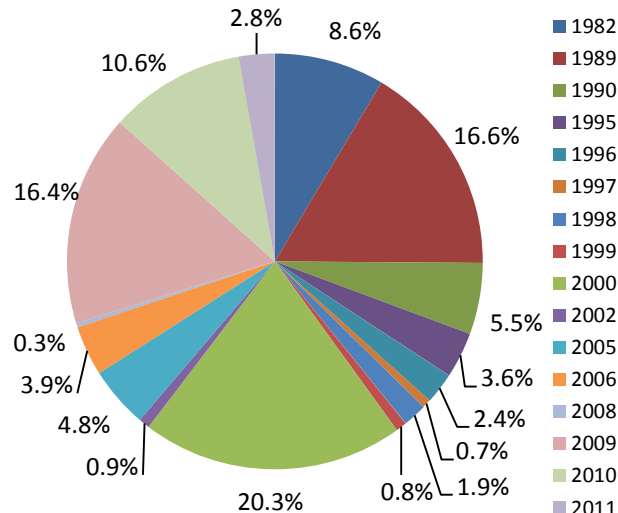
## SHARE PERFORMANCE

2010	2011	2012	2013	2014	2015	2016
20.5%	30.2%	-14.2%	1.8%	-9.5%	0.1%	12.3%

## PORTFOLIO BY REGION



## PORTFOLIO BY VINTAGE



	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
Price (£)	1377.91	1391.91	1405.17	1406.99	1418.95	1436.03	1431.17	1471.21	1531.82	1536.68	1549.62	1554.20	1547.43
P&L on month	-0.32%	1.07%	0.95%	0.13%	0.85%	1.20%	-0.34%	2.80%	2.90%	1.51%	0.84%	0.30%	-0.44%
P&L YTD	0.09%	1.07%	2.03%	2.16%	3.03%	4.27%	3.92%	6.82%	9.92%	11.58%	12.52%	12.85%	12.36%

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CADMAN WINE