

# Wine and Rare Spirits: Investment and pleasure

The Oracle Paradis Wine Fund was established in late 2012 by Oracle Capital Group, a global multifamily office and wealth consultancy, based in London. The Fund has attracted nearly \$4 million in new investment over the last few months. Oracle Paradis Wine Fund offers to investors two share classes – Fine Wine and Rare Spirits. The unique Investment Strategy of the Fund is to balance the two share classes, creating a perfect safety net from flat markets and capital losses.

The Oracle Paradis Wine Fund appeals to sophisticated investors who understand and appreciate both the intrinsic and investment value of top quality fine wines and carefully selected vintage spirits. The Fund is taking advantage of this value in order to create a relatively low risk alternative asset investment, less vulnerable than many other asset classes to flat markets but nonetheless with the potential to provide inflation-beating returns for savvy investors.

Fine wine has generally been a sound investment over the past decade, with very substantial across the board price increases driven by ever growing Asian demand. Price levels for Bordeaux wines declined after the 2008 financial crash, although other categories – fine Burgundy in particular - have shown significant increases in the last two years. Given careful selection and the ability to purchase at “first buyer” prices, the fund’s managers believe the time is now ripe to increase investment.



**"Fine wines have fallen as a consequence of the overall global economic downturn, but our active trading strategy gives us the potential to make profits even in a flat market",**

**David Nathan-Maister,  
Director,  
Oracle Paradis Wine Fund**

According to Martin Graham, chairman of Oracle Advisory Board said: “Wine is a unique asset offering intrinsic value much like property and commodities. When you take a three to five year view, prices appreciate and can yield 10-percent annual returns depending on your investment.”

Apart from the extensive knowledge and decades of professional experience of the Oracle Paradis directors, what separates them from their competitors is the Fund’s move into vintage spirits, particularly rare early 20th century whiskies and 18th and 19th century cognacs. This is a highly specialized field, which the fund managers and some other industry experts believe to be substantially undervalued at present in comparison to fine wines. They suggest that this represents a tremendous opportunity for investors.

One particular market which Oracle Paradis has invested in is pre-phylloxera cognac - or simply - cognac dated pre-1878.



This type of cognac is keenly sought by collectors and aficionados not only because of its age but for the variety of grape used to make this type of cognac - Folle Blanche - which was mostly lost due to the phylloxera plague in the 1860’s, and never replanted in the region afterwards.

Today, less than 5% of Cognac vineyards are of Folle Blanche, despite almost all connoisseurs agreeing that it produced an incomparably more perfumed and finer brandy than the lesser varieties that subsequently took its place. Oracle Paradis Rare Spirits Fund believes that pre-phylloxera cognacs are a significantly undervalued asset class which investors can profitably take advantage of.

The rapid increase in number of Ultra High Net Worth (UHNW) Individuals from China and the former USSR in particular has had a profound influence on wine and other high-end luxury collectibles. This boom in the worldwide luxury goods market is particularly significant for fine wines and rare spirits due to their strictly limited supply, which cannot be increased to meet rising demand, in the way that say the production of a Hermes scarf or a Birkin bag can. While Oracle Paradis Wine Fund’s investors so far have mostly been from Europe, Russia and the former Soviet countries, the emerging classes in Asia and especially the newly wealthy Chinese are likely to continue pushing demand higher.

**For more details contact:  
Yana Sofovich, Investor Relations & Business  
Development Manager, OracleParadis Wine Fund  
T: +44(0)2077256900 F: +44(0)2077256979  
M: +44 (0) 790 028 5168  
E: [yana@oracleparadis.com](mailto:yana@oracleparadis.com)**