



## Naples Winter Wine Festival: Stimulant or depressant? Both

The next chairman of the **Naples Winter Wine Festival** should pray to the stock-market gods for excellent returns.

We compared the festival's annual fundraising efforts since its first event in 2001 to results of the Standard & Poor's 500-stock index in the year prior to the exclusive gathering, which is usually held in late January. The S&P 500 index is a broad measure of the stock performance of large U.S. companies.

Not surprisingly, the festival's annual fundraising totals and the returns of the stock market in the prior year are closely correlated in recent times.

We suspect that's because most of the attendees are active investors too (it costs \$7,500 per couple to attend).

But as the results indicate, in recent years the wine festival proceeds swung more broadly depending on the direction of the market in the prior year.

For example, a nearly 22% jump in the S&P 500 index in 2003 led to a 65% increase in the festival's haul in 2004. By contrast, the 34% drop in stocks in 2008 led to a 64% drop in festival fundraising in early 2009.

Our unscientific conclusion: Wine acts as a depressant in bad stock-market years and a stimulant in good years.

### INFORMATION

#### WINE FEST FUNDRAISING TRACKS MARKETS

Year	Festival (\$ million)	% Change	S&P 500 (Prior year-end close)	%Change
2001	\$2		1320	
2002	\$2.40	20.0%	1173	-11.1%
2003	\$4	66.7%	909	-22.5%
2004	\$6.60	65.0%	1108	21.9%
2005	\$10.70	62.1%	1212	9.4%
2006	\$11.00	2.8%	1248	3.0%
2007	\$16	42.5%	1418	13.6%
2008	\$14	-10.7%	1412	-0.4%
2009	\$5	-63.9%	932	-34.0%
2010	\$8	52.6%	1115	19.6%
2011	\$12	54.1%	1258	12.8%