

Cinnabar Global Balanced Fund of Funds (USD)



CINNABAR
INVESTMENTS

30 April 2023

Minimum Disclosure Document (MDD)

Inception Date: 4 February 2011, Fund Currency: USD
Investment Advisor: Cinnabar Investment Management (Pty) Ltd
Morningstar Category: EAA Fund USD Moderate Allocation
Class A - ISIN: GG00BMVVDW81, SEDOL: BMVVDW8, BLOOMBERG: CINGLFF GU
Class B - ISIN: GG00B5742R02, SEDOL: B5742R0, BLOOMBERG: GCIGLFF GU

Risk Level

1 2 3 4 5 6 **7** 8 9 10

Fund Information

AUM Class A	4 809 129
AUM Class B	17 281 863
NAV	0.9459
Pricing Frequency	Weekly
Domicile	Guernsey
Initial Subscription Amount (\$)	15 000
Additional Subscription Amount (\$)	2 000
Annual Management Fee - Class A (%)	0.75
Annual Management Fee - Class B (%)	1.5
Total Expense Ratio (TER) - Class A (%)	1.45
Total Expense Ratio (TER) - Class B (%)	3.26
Total Investment Cost (TIC) - Class A (%)	1.46
Total Investment Cost (TIC) - Class B (%)	3.28

Administrator JTC Fund Solutions (Guernsey) Limited, Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT

Custodian BNP Paribas Securities Services SCA – Guernsey Branch

Auditors BDO LLP

Benchmark EAA Fund USD Moderate Allocation
(This benchmark came into effect on the 6th August 2020)

Performance Fee The Fund's performance and benchmark performance will be measured over a rolling 12 month period. Should the Fund's performance exceed the benchmark performance, over the same rolling 12 month period, then a performance fee will become payable. The performance fee will be calculated as 20% of any performance above the benchmark. The performance fee (if any) will be crystallised at each Valuation Point and will normally be paid monthly in arrears.

Portfolio Holdings

Vanguard Global Stock Index	14.4
Vanguard U.S. 500 Stock Index	14.3
Artisan Developing World	9.4
Fundsmith Equity Fund	8.9
Pinebridge Global Dynamic	7.1
Fidelity Global Dividend	7.0
Coronation Global Strategic Income	6.3
iShares Core US Agg Bond	6.2
PIMCO Divs Inc	6.0
iShares Glb Corp Bond UCITS	6.0
BlackRock World Technology Fund	5.4
Orbis SICAV Global Balanced	5.2
BlackRock Sustainable Energy	2.5
Foreign Cash and Money Market	1.3
Total	100.0

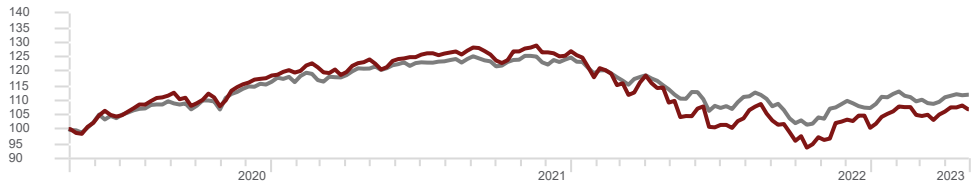
Top 10 Equity Holdings (%)

Apple Inc	2.39
Microsoft Corp	2.26
Nvidia Corp	1.28
Visa Inc	1.08
Amazon.com Inc	0.83
Alphabet Inc Class A	0.68
Airbnb Inc Ordinary Shares	0.63
Tesla Inc	0.62
MercadoLibre Inc	0.59
Mastercard Inc Class A	0.56

Cumulative 3 Year Performance Graph

Time Period: 2020/05/01 to 2023/04/30

Currency: US Dollar



— Cinnabar Global Balanced FoF USD 106.84 — EAA Fund USD Moderate Allocation 111.84

	1 M	3 M	6 M	1 Y	3 Y	5 Y	Inception
Cinnabar Global Balanced FoF USD	0.75	0.68	9.92	-2.10	2.23	1.24	-0.45
EAA Fund USD Moderate Allocation	0.79	0.04	7.53	-1.64	3.80	2.09	3.00

Highest Annual Return (2021) 32.66

Lowest Annual Return (2022) -22.37

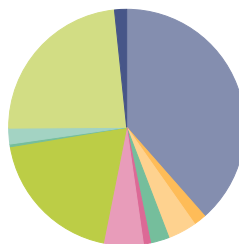
Risk Measures (3 Years)

Currency: US Dollar

	Std Dev	Max Drawdown	Sharpe Ratio	Sortino Ratio	Up Period Percent
Cinnabar Global Balanced FoF USD	12.15	-27.31	0.14	0.17	63.46
EAA Fund USD Moderate Allocation	8.43	-18.94	0.34	0.50	52.56

Asset Allocation

Portfolio Date: 2023/03/31



	%
US Equity	38.51
UK Equity	1.73
Asia Equity	3.93
China Equity	2.58
Japan Equity	0.98
EU Equity	5.43
US Bond	19.20
UK Bond	0.37
China Bond	2.16
Other	23.46
Cash	1.65
Total	100.00

Equity Sectors (%)

Cyclical	30.56
Basic Materials	2.99
Consumer Cyclical	12.06
Financial Services	13.27
Real Estate	2.24
Sensitive	45.80
Communication Services	7.13
Energy	3.48
Industrials	9.10
Technology	26.09
Defensive	23.64
Consumer Defensive	7.95
Healthcare	12.38
Utilities	3.30

World Equity Regions (%)

North America	72.61
Latin America	1.61
United Kingdom	3.12
Europe Developed	12.83
Europe Emerging	0.01
Africa/Middle East	0.08
Japan	2.90
Australasia	1.03
Asia Developed	2.65
Asia emerging	5.16
Developed Markets	93.21
Emerging Markets	9.79

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Fund Objective and Strategy

The primary investment objective of the Fund is to achieve enhanced growth of capital over the longer term at the risk of moderate short term volatility of capital values. The Fund is aimed at investors with medium to long term investment horizon.

Contact Details

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Disclosures

The Cinnabar Global Balanced Funds of Funds USD (the "Fund") is a cell of The Offshore Mutual Fund PCC Limited (the "Manager") Registration Number 51900. The Company is an open-ended investment company, which was registered with limited liability in Guernsey on 20 May 2010. The Company is an umbrella company constituted as a Protected Cell Company under the Companies Law. The provisions of the Companies Law enable a company to which it applies to create one or more cells for the purpose of segregating and protecting the assets within those cells so that, on the basis that the company complies with the conditions laid down by the Companies Law, liabilities of the company attributable to one cell can only be satisfied out of the assets of that cell and even if those assets are insufficient, recourse cannot be had to the assets of any other cell. The Company is registered with Limited Liability in Guernsey and authorized by the Guernsey Financial Services Commission as a Collective Investment Scheme of Class B. The Fund is approved by the Financial Sector Conduct Authority (FSCA) under the Collective Investment Schemes Control Act, 2002. Cinnabar Investment Management (Pty) Ltd, the Investment Advisor is licensed by the South African Financial Sector Conduct Authority as a financial services provider and its licence number is 45402. By an investment Advisory agreement dated 21 April 2021, between the Company, the Manager and Cinnabar Investment Management (Pty) Ltd (the "Investment Advisory Agreement") the Investment Advisor was appointed as investment advisor of the Fund with effect from 12 March 2021. Investments into the Fund should be a medium to long-term investment. The value of the shares may go down as well as up and past performance is not necessarily a guide to the future. The Fund is traded at ruling prices and can engage in borrowing and scrip lending. Short term borrowing will be allowed to the amount of 10% of the value of the cell and will only be permitted for purposes of the redemption of Participating Shares. The Fund is permitted to invest in foreign securities which, within portfolios, may have additional material risks, such as: Potential constraints on liquidity and the repatriation of funds; Macroeconomic risks; Political risks; Foreign Exchange Risks; Tax Risks; Settlement Risks; and Potential limitations on the availability of market information. The Fund may enter into hedging transactions where it has acquired investments not denominated in its base currency. Currency risk may be hedged, at the discretion of the Manager. The margins and premiums payable for such transactions shall not exceed the Net Asset Value of the Fund. As the Fund is a Fund of Funds, the Fund invests in other funds that levy their own charges, this could result in a higher fee structure for a Fund of Funds. A schedule of fees and charges and maximum commissions is available on request from the Manager. The cell is valued weekly at 23h00, on the business day preceding dealing day. The latest prices may be viewed at www.cinnabarim.com. Instructions must reach the Manager before 10h00 of the first business day of the week. The Manager does not provide any guarantee, either with respect to the capital or the return of this cell. Additional information on the portfolio can be obtained, free of charge from www.cinnabarim.com or may be requested from the Manager. The cell complies and is managed within the investment restrictions and guidelines for Foreign Collective Investment Schemes. The Cinnabar Global Balanced Fund of Funds (USD) is approved in terms of Section 65 of the Collective Investment Schemes Control Act, No 45 of 2002 ("the Act"); Notice 2076 of 2003 as amended by notice 1502 of 2005 ("the conditions"). The Total Expense Ratio (TER) is disclosed as the percentage of the average NET Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio and underlying portfolios. The TER is calculated quarterly. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment or income and withholding tax. Annualized returns, also known as Compound Annualized Growth Rates, are calculated from cumulative returns; they provide an indication of the average annual return achieved from an investment that was held for the stated time period. Actual annual figures are available from the Manager on request. Performance figures quoted are from Morningstar, for a lump sum investment, using NAV-NAV prices with income distributions reinvested. The performance is calculated for the portfolio and individual performance may differ. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing in this fund.

Fund Manager Commentary

The Cinnabar Global Balanced Fund of Fund USD ended the month behind its peers, gaining 0.75% for the month. The EAA USD Moderate Allocation peer group ended 0.79% higher in April. The major contributors for the month were the Vanguard funds, FundsSmith and Fidelity. The detractors for the month were, Artisan and BlackRock World Technology.

SA Market Drivers

South African (SA) asset classes performed well over the month with a strong rally in local property and reasonable returns from the local equity market. Offshore asset classes benefited from a weaker rand and reasonable performance in hard currency. The local bond market, as measured by the All-Bond Index, struggled however as yields continued to rise resulting in capital losses for the asset class.

The annual rate of inflation increased to 7.1% in March and rose a full 1% month on month. The contributors to inflation were broad based but of concern was food inflation at 14.4%, the highest level since early 2009. Core inflation remained unchanged at 5.2% in line with market expectations.

Recent results from retailers are showing the extent of the damage directly attributable to loadshedding. Pick n Pays share price tumbled after releasing their results as the market was left disappointed. The group spent just over half a billion rand on diesel, only slightly less than its competitor, Shoprite, that spent R560 million.

Retail sales contracted 0.8% in January year-on-year following a revised fall of 0.5% in December. The number demonstrates the pressures consumers are under in a likely scenario of bleak economic growth for the year.

Manufacturing output declined 5.2% year-on-year in February. The reasons for the decline are broad-based and include power outages, disruptions to rail and port infrastructure, a general lack of fixed investment activity, rising import intensity, higher interest rates and weak business confidence. Shockingly, output remains 13% less than what it was pre-Covid and 13.5% less than that recorded at the end of 2018.

Global Market Drivers

April was a quieter month than March from a news flow and market activity perspective. Lower energy prices resulted in falling inflation globally, although perhaps not as much as expected and there were indications that inflation may continue to be a bit 'stickier' at these elevated levels for some time. Economic data pointed to underlying strength globally, although this masked an emerging divergence between the strength in services sectors and weakness in manufacturing sectors. Earnings in the US were down, but better than expected. Markets generally drifted upwards over the month.

April was a relatively good month for equity investors with UK equities the best performing equity asset class, closely followed by mainland European equities. Emerging market equities struggled, however, driven by underperformance in China. Emerging Europe followed suit with broader developed European equities with very strong performance over the month.

Fixed income performance was steady. Government bond yields in the US fell a little, causing prices to rise slightly in April. The best performing bond asset class was global corporate bonds as credit spreads tightened over the month. Inflation linked bonds underperformed as inflation surprised to the downside.

Real assets generally held up a bit better with both infrastructure and property delivering positive returns, whilst commodities fell.

Falling energy and food prices pulled down headline inflation, which fell to 5% in March from 6% the previous month (below expectations of 5.2%). Somewhat concerning, the cost of shelter (housing) continued to rise as it makes-up over 30% of the inflation basket. But what helped consumers was the labour markets maintaining their relative strength as 236,000 new jobs were created in March (in-line with expectations). Unemployment edged down to 3.5%.

Falling inflation was also the central talking point in mainland Europe. March inflation was 6.9%, a sharp fall from 8.5% in February, driven by falling energy prices – the first time in 2 years that energy prices declined. Unfortunately core inflation nudged up again from 5.6% in February to 5.7% in March, perhaps a sign that further headline inflation falls may be more muted in the near term – indeed there are expectations of a further 0.75% of rate rises by the European Central Bank over the next 6 months or so.

In Emerging Markets, China's economic activity is still eagerly watched. Year-on-year growth for Q1 2023 was recorded at 4.5%, above estimates of 4%. Composite PMI also remained strong at 54.5 for March as services rose and just about offset a very disappointing fall in manufacturing to 50.0 in March, below expectations of 51.7. Inflation continues to fall in the second biggest economy to 0.7% for March, the lowest level since September 2021.

First Republic Bank was taken over by JPMorgan Chase as depositors fled the bank following the collapse of SVB in March. The bank started the year with a deposit base of \$176bn which sunk to \$104bn by the end of March. First Republic's share price tanked 89% between March 8th and 20th, however, the share price continued to sink deeply after releasing a dismal set of quarterly earnings on April 24th.

House Republicans narrowly passed sweeping legislation that would raise the government's legal debt ceiling by \$1.5 trillion in exchange for steep spending restrictions. Biden has threatened to veto the Republican package, which has almost no chance of passing the Democratic Senate anyway. The Republicans want Democrats to negotiate and prevent a catastrophic federal default which may come as soon as June this year

Sources: PortfolioMetrix Asset Management SA (Pty) Ltd

Portfolio Manager: Cinnabar Investment Management Team

Benefits of Multi-Managed Portfolios (Fund of Funds)

In-depth research: Research team spends hundreds of hours researching managers, ensuring that a thorough due diligence is conducted before any investment into a fund is undertaken.

Lower risk through diversification: Different styles of funds with low correlations to each other, which reduces volatility and other risks and hence helps protect investors from capital loss and produces more consistent performance.

Best of breed: Investors have access to the best managers in the industry no matter the size of the investment.