

Cinnabar Global Balanced Fund of Funds (USD)



CINNABAR
INVESTMENTS

30 June 2021

Minimum Disclosure Document (MDD)

Inception Date: 4 February 2011, Fund Currency: USD
Investment Advisor: Cinnabar Investments
ISIN: GG00B5742R02, SEDOL: B5742R0, BLOOMBERG: GCIGLFF GU
Morningstar Category: GIFS USD Moderate Allocation

Risk Level

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

Fund Information

Fund Size - Class A (\$)	1 861 440
Fund Size - Class B (\$)	20 752 672
NAV	1.1126
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 B (%)	2.81
Pricing Frequency	Weekly

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

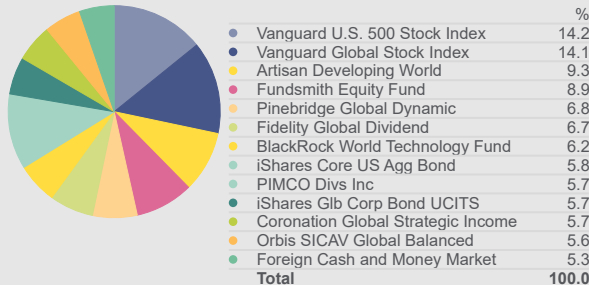
Custodian BNP Paribas Securities Services SCA – Guernsey Branch

Auditors BDO LLP

Benchmark GIFS 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



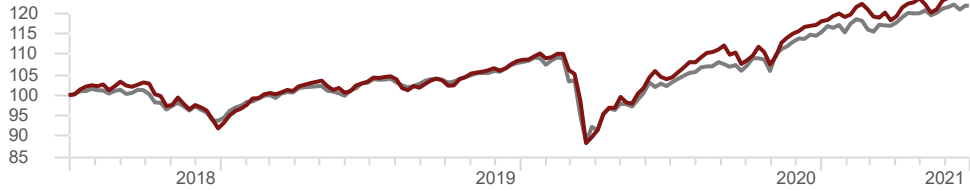
Top 10 Equity Holdings (%)

Microsoft Corp	2.24
Apple Inc	1.68
Amazon.com Inc	1.11
Visa Inc	1.02
PayPal Holdings Inc	1.02
Facebook Inc	1.01
The Estee Lauder Companies Inc	0.74
Nvidia Corp	0.68
Alphabet Inc	0.64
LVMH Moet Mennessy Louis Vuitton	0.61

Cumulative 3 Year Performance Graph

Time Period: 2018/07/01 to 2021/06/30

Currency: US Dollar



–Cinnabar Global Balanced FoF USD 125.13 –GIFS USD Moderate Allocation 121.66

	1 M	3 M	6 M	1 Y	3 Y	5 Y	Inception
Cinnabar Global Balanced FoF USD	1.77	5.01	6.08	20.45	7.76	6.83	1.03
GIFS USD Moderate Allocation	0.53	3.95	5.46	18.87	6.75	6.60	4.05

Highest Annual Return

18.12	18.12	18.12
-11.08	-11.08	-14.03

Lowest Annual Return

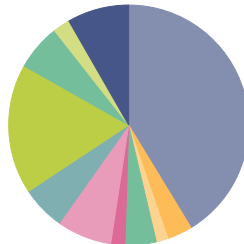
Risk Measures (3 Years)

Currency: US Dollar

	Std Dev	Max Drawdown	Sharpe Ratio	Sortino Ratio	Up Period Percent
Cinnabar Global Balanced FoF USD	11.07	-19.76	0.60	0.74	68.59
GIFS USD Moderate Allocation	10.04	-18.86	0.58	0.74	62.18

Asset Allocation

Portfolio Date: 2021/05/31



Asset Class	%
US Equity	41.30
UK Equity	3.40
Asia Equity	1.60
China Equity	4.20
Japan Equity	1.90
EU Equity	7.40
Equity Other	5.90
US Bond	17.50
Non-US Bond	6.20
Other	2.30
Cash	8.30
Total	100.00

Equity Sectors (%)

Cyclical	30.11
Basic Materials	2.68
Consumer Cyclical	11.46
Financial Services	14.15
Real Estate	1.82
Sensitive	42.25
Communication Services	10.75
Energy	2.48
Industrials	8.78
Technology	20.23
Defensive	27.64
Consumer Defensive	10.74
Healthcare	13.73

World Equity Regions (%)

North America	60.33
Latin America	1.33
United Kingdom	6.49
Europe Developed	15.87
Europe Emerging	0.22
Africa/Middle East	0.22
Japan	3.92
Australasia	0.75
Asia Developed	3.94
Asia emerging	6.96
Developed Markets	91.35
Emerging Markets	8.65

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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) 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 Cinnabar Global Balanced Fund of Funds (USD) is approved by the Financial Services Board under the Collective Investment Schemes Control Act, 2002. Cinnabar Investments, the Investment Advisor is licensed by the Financial Services Commission (FSC) in Mauritius with a Global Business Licence (Category 1 - authorised to conduct business outside Mauritius) and its licence number is C112011454 is responsible for managing the assets of this portfolio. Investments into the Cinnabar Global Balanced Fund of Funds (USD) 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. 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 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. 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.cinnabar.mu. 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.cinnabar.mu 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

US stocks prices moved higher in June as investors looked past accelerating inflation and the Fed's pivot monetary policy. The Dow Jones Industrial slipped 0.07% while the S&P 500 rose 2.22%. The Nasdaq ended the month gaining 5.49%

In international markets, the MSCI-EAFE index fell 0.33%. Germany's DAX index climbed 0.71% and France's CAC 40 rose 0.93%. Great Britain's FTSE index notched up 0.21%. On the far East China's Hang Seng index lost 1.11% whilst on the Pacific Rim, Japan's Nikkei down 0.53% and Australia's ASX ended the month 2.11% higher.

The Cinnabar Global Balanced Fund of Fund USD ended the month in positive territory, gaining 1.77% in June, ahead its peers. The GIFS USD Moderate Allocation peer group ended the month up 0.53%. The major contributors for the month were Artisan, Fundsmith and BlackRock World Technology. The largest detractors were Orbis, Fidelity and PineBridge.

United States of America

In the US, economic data has been generally strong over the last three months. Vaccination campaigns continued to accelerate over the second quarter. Covid-related mobility restrictions continued to ease, and activity levels picked up. The US posted an annualised growth rate of 6.4% in the first quarter, following a 4.3% expansion in the previous three-month period. During May, the annual inflation rate accelerated to 5% from 4.2% in April, even though many investors believe current price rises are linked to the re-opening of the economy and will recede later this year. Personal Consumption Expenditure Index increased 3.4% in May, and unemployment edged up to 5.9% in June, with the labour force participation rate remaining at 61.6%. The US Manufacturing PMI index stood at 62.1 in June, pointing to a continued economic rebound. On the political front, a bipartisan infrastructure plan costing \$1.2 trillion was agreed with President Biden, who declared "we have a deal". The eight-year program includes funding for roads, bridges, the power grid, public transport and the internet.

The UK.

Britain's gross domestic product shrank by 6.1% year-on-year in the first quarter; however, growth picked up strongly in April as covid restrictions eased. The UK economy grew 2.3% in April, up from 2.1% in March, and is in a sweet spot right now with the boost from the release of pent-up demand and government support expected to drive economic activity in the second quarter. Consumer price inflation climbed to 2.1% in May from 1.5% in April, driven mainly by rising clothing and fuel prices. Inflation is expected to continue higher in the coming months as we see some base effects and supply chain disruptions coming through. The Bank of England voted unanimously to keep its benchmark interest rate on hold at a record low of 0.1% during its June meeting and, by a majority of 8-1, to leave its bond-buying programme unchanged. The labour market continued to show signs of recovery as the unemployment rate fell to 4.7% in the three months to April.

Europe

The eurozone economy contracted by 0.6% in the first quarter; however, the European Commission revised upwards its Eurozone GDP forecasts for 2021 and 2022 to 4.8% this year and 4.5% in 2022. The IHS Markit Eurozone Manufacturing PMI saw a new record high of 63.4 in June, from a preliminary estimate of 63.1, marking a twelfth successive month of expansion in the sector and pointing to a robust economic rebound. Consumers are more optimistic due to ongoing re-opening efforts and the rapid pace of COVID-19 vaccination. The annual inflation rate in the Euro Area eased to 1.9% in June as energy and service prices slowed. The European Central Bank left monetary policy unchanged during its June meeting, saying it expects net purchases under the PEPP over the coming quarter to continue. As the labour market shows signs of recovery amid the gradual easing of coronavirus-induced restrictions, the Euro Area seasonally-adjusted unemployment rate edged down to 7.9% in May.

Japan

Japan's economy is seen as having barely eked out growth last quarter amid stop-and-go restrictions to contain outbreaks. The economy shrank 1% in the first quarter after a 2.8% growth during the fourth quarter last year. However, Japan's government projected the economy would return to a pre-coronavirus pandemic level later this year, expecting a further acceleration of domestic vaccine rollouts and a strong recovery of the world economy. Japan Manufacturing PMI remains in an expansionary territory at 52.4 for June, down from 53.0 a month earlier. Consumer prices declined by 0.1% year-on-year in May, after a 0.4% drop in the prior month. The Bank of Japan left its key short-term interest rate unchanged at -0.1% and maintained the target for the 10-year Japanese government bond yield at around 0% during its June meeting. On the political front, Prime Minister Yoshihide Suga is likely to unveil another economic stimulus package worth at least ¥20 trillion within the next few months, according to a Bloomberg survey. Analysts said they see ¥1 trillion being earmarked for revitalising Japan's semiconductor industry, another ¥2 trillion for digitalisation and ¥2 trillion for helping meet climate change goals.

China

Economists are predicting an increase in downward pressure on China's economy in the second half of the year after leading indicators pointed towards an overall softening of business activity. China's General Manufacturing PMI fell to 51.3 in June 2021 from 52 in May, easing for a third straight month, primarily attributed to a shortage of semiconductors, coal and power and a coronavirus outbreak in the significant export province of Guangdong. China's Urban unemployment edged down to 5.0% in May, the lowest rate in two years, whilst the annual inflation rate jumped to 1.3% in May from 0.9% a month earlier. In politics, China's central bank stepped up its clampdown on bitcoin, drawing in officials from the country's biggest banks to discuss the problem of "cryptocurrency speculation".

South Africa

South Africa's economy contracted by 3.2% in the first quarter, with Manufacturing PMI weakening to 57.4 in June from 57.8 in the previous month amid fresh concerns over rising coronavirus cases and tighter restrictions. Businesses are more optimistic as the business confidence index rose to 50 in the second quarter, whilst consumers found themselves more pessimistic, with consumer confidence decreasing to -13 in the second quarter from -9 in the previous period. May saw CPI hit a 30-month high of 5.2%, above the 4.5% midpoint of the South African Reserve Bank's monetary policy target range of 3-6%. Most economists feel this is no reason to panic as "there's not all that much room for inflation to take hold in a sustained manner for a prolonged period of time". Further to this, core inflation is at 3.1%, lower than the 3.6% target and PPI in May rising 0.4% from April suggests that prices are hardly on the boil in the current environment.

Sources: Trading Economics, Economy.com, OECD.org, Cinnabar Investment Management

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.