

Cinnabar Global Balanced Fund of Funds (USD)



CINNABAR
INVESTMENTS

31 August 2021

Inception Date: 4 February 2011, Fund Currency: USD
Investment Advisor: Cinnabar Investments
Morningstar Category: GIFS USD Moderate Allocation
Class A - ISIN: GG00BMVVDW81, SEDOL: BMVVDW8, BLOOMBERG: CINGLFF GU
Class B - ISIN: GG00B5742R02, SEDOL: B5742R0, BLOOMBERG: GCIGLFF GU

Minimum Disclosure Document (MDD)

Risk Level

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

Fund Information

Fund Size - Class A (\$)	2 338 092
Fund Size - Class B (\$)	21 461 949
NAV	1.1247
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

	%
Vanguard U.S. 500 Stock Index	14.5
Vanguard Global Stock Index	14.5
Artisan Developing World	8.9
Fundsmith Equity Fund	8.8
Fidelity Global Dividend	6.8
Pinebridge Global Dynamic	6.8
BlackRock World Technology Fund	5.9
PIMCO Divs Inc	5.7
iShares Glb Corp Bond UCITS	5.7
iShares Core US Agg Bond	5.7
Coronation Global Strategic Income	5.7
Orbis SICAV Global Balanced	5.3
BlackRock Sustainable Energy	2.6
Foreign Cash and Money Market	3.1
Total	100.0

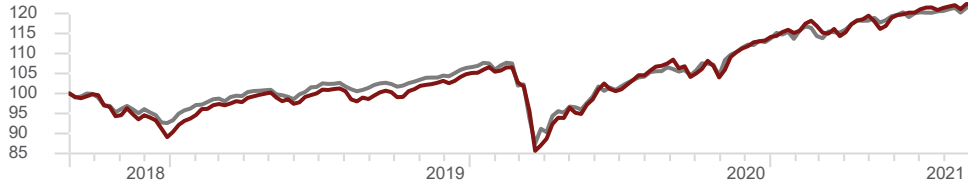
Top 10 Equity Holdings (%)

Microsoft Corp	2.37
Apple Inc	1.85
Visa Inc	1.12
Amazon.com Inc	1.10
Facebook Inc	1.03
PayPal Holdings Inc	1.01
Nvidia Corp	0.74
The Estee Lauder Companies Inc	0.72
Alphabet Inc	0.71
Unilever PLC	0.60

Cumulative 3 Year Performance Graph

Time Period: 2018/09/01 to 2021/08/31

Currency: US Dollar



— Cinnabar Global Balanced FoF USD 122.49 — GIFS USD Moderate Allocation 121.95

	1 M	3 M	6 M	1 Y	3 Y	5 Y	Inception
Cinnabar Global Balanced FoF USD	0.80	2.88	4.73	13.90	6.99	5.99	1.12
GIFS USD Moderate Allocation	1.00	2.10	6.58	14.39	6.84	6.21	4.14

Highest Annual Return (2021) 32.66

Lowest Annual Return (2012) -11.08

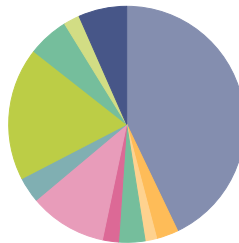
Risk Measures (3 Years)

Currency: US Dollar

	Std Dev	Max Drawdown	Sharpe Ratio	Sortino Ratio	Up Period Percent
Cinnabar Global Balanced FoF USD	11.03	-19.76	0.57	0.70	68.59
GIFS USD Moderate Allocation	10.05	-18.86	0.59	0.75	62.18

Asset Allocation

Portfolio Date: 2021/08/31



US Equity	42.90
UK Equity	3.00
Asia Equity	1.60
China Equity	3.60
Japan Equity	2.20
EU Equity	10.60
Equity Other	3.50
US Bond	18.20
Non-US Bond	5.60
Other	2.20
Cash	6.60
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
Utilities	3.17

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

Cinnabar Global Balanced Fund of Funds (USD)



CINNABAR
INVESTMENTS

31 August 2021

Minimum Disclosure Document (MDD)

Inception Date: 4 February 2011, Fund Currency: USD
Investment Advisor: Cinnabar Investments
Morningstar Category: GIFS USD Moderate Allocation
Class A - ISIN: GG00BMVVDW81, SEDOL: BMVVDW8, BLOOMBERG: CINGLFF GU
Class B - ISIN: GG00B5742R02, SEDOL: B5742R0, BLOOMBERG: GCIGLFF GU

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

Cinnabar Investments
Tel: +61 (0) 3 8376 6284
Fax: +61 (0) 3 8376 6284
Email: info@cinnabar.mu

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

The Cinnabar Global Balanced Fund of Fund USD ended the month behind its peers, gaining 0.80%. The EAA USD Moderate Allocation peer group ended the month up 1.00%. The major contributors for the month were Vanguard US 500, Vanguard Global Stock, Artisan and BlackRock World Technology. Detractors for August were the iShares Core US Aggregate and iShares Global Corp Bond.

United States of America

August economic data pointed to a US economy that is still running hot, advancing at an annualised 6.6% on quarter in Q2. The August Markit Manufacturing PMI came in at 61.1, with the headline consumer price index delivering another bumper month at 5.4% for July. The US labour market went from strength to strength as unemployment decreased to 5.2% from 5.4% in August, the lowest level since March 2020, with a minor change in the labour force participation rate, at 61.7%. Federal Reserve (Fed) Chairman Jerome Powell highlighted the Fed was content with the progress made on inflation, which it still believes will be transitory, and expects the labour market to reach the bar for tapering shortly. In other indicators, corporate profits in the US jumped 9.7% in Q2, construction spending in the US went up 0.3% from the previous month, and the US trade deficit narrowed to USD 70 billion in July. The Senate passed a bipartisan infrastructure bill that contains USD 550 billion of new spending. The bill has now moved to the House of Representatives, where it faces a much tougher battle.

UK

During August, the UK economy lifted the last of its domestic Covid-19 restrictions, which means those fully vaccinated no longer have to isolate if they come into contact with someone who tests positive for Covid-19. There was an increase in COVID cases towards the backend of August, but for the time being, hospitalisations have remained stable as the vaccines reduce the numbers requiring treatment. In the economic indicators, UK Manufacturing PMI came in at 60.3 in August, down from 60.4 in July, whilst UK employment data was robust, adding 95 000 jobs in June with Q2 unemployment falling to 4.7%. UK CPI also softened slightly in August to 2.0% year on year; however, it is likely only a temporary pause. With inflation concerns rising, the Bank of England (BOE) said it would start reducing its stock of bonds when its policy rate reaches 0.5% by not reinvesting proceeds, and it would start considering selling bonds when the rate reaches at least 1%.

Europe

With its reopening starting later, Europe is slightly behind the US and the UK on the road to normalisation. Economic data is robust, with Manufacturing PMI standing at 61.4 and annual inflation jumping to 3% in August. The eurozone's quarterly economic growth was confirmed at 2% for the quarter, and the unemployment rate edged down to 7.6% in July. The spread of the Delta variant has caused cases in Europe to rise rapidly, denting consumer confidence, which was confirmed at -5.3 in August, down from -4.4 in the previous month. Economic sentiment was also affected by the Delta variant as sentiment in the Euro Area dropped to 117.5 in August. That said, Europe has now vaccinated over 70% of the population. Hospitalisation rates have remained much lower than in previous waves.

Japan

Japan's economy advanced 0.3% quarter on quarter in Q2, on a mere 0.8% growth in private expenditure. Further, the government has decided to expand and extend its COVID-19 state of emergency until September 12. According to chief economist Toshihiro Nagahama at Dai-ichi Life Research Institute Inc, the decision will lower private consumption by some ¥1.4 trillion and could cause a drop of ¥1.2 trillion in gross domestic product. Japan's Manufacturing PMI was at 52.7 in August after a final 53 a month earlier. In other indicators, Japan's consumer prices declined by 0.3% year on year in July, whilst consumers were less optimistic as its consumer confidence index inched down by 0.8 points to 36.7 in August. Unemployment was one notch lower in July at 2.7%, down from 2.8% in June. Economists expect Japan to maintain growth this quarter, after narrowly avoiding another technical recession in the three months ended June.

China

China's economic recovery continues to stall as China's General Manufacturing PMI falls to 49.2 in August from 50.3 in July, breaching the 50-mark that separates growth from contraction. Two separate official surveys released at the end of August showed China's factory activity grew slower due to worsening supply shortages amid the Delta variant outbreak. It has responded with its proven strategy of mass testing and mobility controls, which thus far appear to have contained the outbreak at the cost of mobility and some economic activity. China's annual inflation rate edged down to 1.0% in July from 1.1% a month earlier, and China's surveyed urban unemployment rate inched up to a three-month high of 5.1% in July. Surging commodity prices helped China's trade surplus rise above market consensus at USD 56.58 billion for July.

South Africa

South Africa's daily Covid cases started to decline as the third wave seems to have peaked with vaccinations opening to those 18 years and older; however concerns remain high as new variants have been identified. On the economic front, South Africa's PMI Index rebounded to 57.9 in August, following a record single-month decline to 43.5 in July. Both the business activity and new sales orders recovered sharply. The annual inflation rate eased to 4.6% in July from 4.9% in June. Unemployment rose to 34.4% in the second quarter from 32.6% in the previous period, the expanded definition of unemployment, including people who have stopped looking for work, was at 44.4%, and the youth unemployment rate, measuring job-seekers between 15 and 24 years old, hit a new record high of 64.4%. South Africa's trade surplus shrank to ZAR 36.96 billion in July, and business confidence fell to 93.2 from 96.2 in June.

Sources: *Trading Economics, Economy.com, IMF, Japan Times, 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.