

Cinnabar Global Balanced Fund of Funds (USD)



CINNABAR
INVESTMENTS

30 November 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 (\$)	3 011 407
Fund Size - Class B (\$)	21 111 406
NAV	1.1195
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	14.4
Fundsmith Equity Fund	8.7
Artisan Developing World	8.2
Fidelity Global Dividend	6.8
Pinebridge Global Dynamic	6.7
iShares Core US Agg Bond	6.0
iShares Glb Corp Bond UCITS	6.0
Coronation Global Strategic Income	5.9
PIMCO Divs Inc	5.8
BlackRock World Technology Fund	5.7
Orbis SICAV Global Balanced	5.2
BlackRock Sustainable Energy	2.5
Foreign Cash and Money Market	3.7
Total	100.0

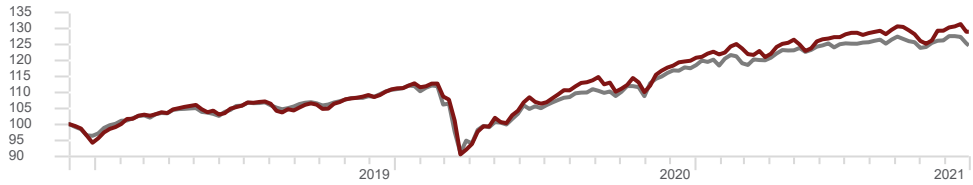
Top 10 Equity Holdings (%)

Microsoft Corp	2.63
Apple Inc	1.81
Visa Inc	1.10
Amazon.com Inc	1.09
Meta Platforms Inc	0.97
PayPal Holdings Inc	0.93
Nvidia Corp	0.80
Tesla Inc	0.77
Alphabet Inc	0.74
The Estee Lauder Companies Inc	0.67

Cumulative 3 Year Performance Graph

Time Period: 2018/12/01 to 2021/11/30

Currency: US Dollar



— Cinnabar Global Balanced FoF USD 128.99 — GIFS USD Moderate Allocation 124.68

	1 M	3 M	6 M	1 Y	3 Y	5 Y	Inception
Cinnabar Global Balanced FoF USD	-0.26	-0.47	2.40	9.54	8.85	6.34	1.05
GIFS USD Moderate Allocation	-1.27	-1.80	0.27	7.77	7.63	6.14	3.87

Highest Annual Return (2021) 32.66

Lowest Annual Return (2012) -11.08

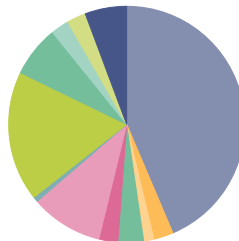
Risk Measures (3 Years)

Currency: US Dollar

	Std Dev	Max Drawdown	Sharpe Ratio	Sortino Ratio	Up Period Percent
Cinnabar Global Balanced FoF USD	10.90	-19.76	0.75	0.93	69.87
GIFS USD Moderate Allocation	9.94	-18.86	0.71	0.91	62.82

Asset Allocation

Portfolio Date: 2021/11/30



US Equity	43.60
UK Equity	2.70
Asia Equity	1.40
China Equity	3.50
Japan Equity	2.60
EU Equity	9.90
Equity Other	0.70
US Bond	17.80
Non-US Bond	7.00
China Bond	2.50
Other	2.60
Cash	5.70
Total	100.00

Equity Sectors (%)

Cyclical	29.40
Basic Materials	2.67
Consumer Cyclical	11.59
Financial Services	13.38
Real Estate	1.75
Sensitive	44.47
Communication Services	11.26
Energy	2.36
Industrials	8.39
Technology	22.46
Defensive	26.13
Consumer Defensive	10.48
Healthcare	12.72
Utilities	2.93

World Equity Regions (%)

North America	62.62
Latin America	1.38
United Kingdom	5.94
Europe Developed	14.95
Europe Emerging	0.26
Africa/Middle East	0.21
Japan	3.45
Australasia	0.75
Asia Developed	3.89
Asia emerging	6.57
Developed Markets	89.25
Emerging Markets	10.75

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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

The Cinnabar Global Balanced Fund of Fund USD ended the month ahead its peers, contracting 0.26%. The EAA USD Moderate Allocation peer group lost 1.27%. The major detractors for November were the Fidelity Global Dividend, Orbis Sicav Global Balanced and PineBridge.

United States of America

Economic data in the US continues to be positive. In October, personal spending and retail sales increased 1.3% and 1.7%, supported by the unwinding of household savings, which fell from 8.2% to 7.3% in October. Inflationary pressures remain strong, surging 0.9% for October, driven mainly by higher energy prices, and look to stay strong as producer prices continue to increase in October, rising 0.6% month on month following a 0.5% increase in September. Labour market recovery remains on course as unemployment fell further to 4.6% in November; however, there is room for improvement with the labour force participation rate only edging up 0.2%. Growth is anticipated to grow by 5.6% for the year before rising by 3.7% and 2.4% in 2022 and 2023, respectively. Consumer sentiment remains at its lowest level since 2011 at 67.4 for November, and the US trade deficit widened to \$80.9 billion in September as exports declined by 3% in August. On the 3rd of November, the FED decided to begin tapering quantitative easing by USD 15 billion per month, implying the program should end by June 2022.

UK

Economic momentum remained strong in the UK despite the latest Covid-19 wave. Consumption held up, with retail sales growing 0.8% month on month for October, and consumer spending increasing to 342 787 GBP Million in the third quarter, supported by the decline in household savings to 11.30% in the 2nd quarter from 18% in the 1st quarter. For October, the first month without the government's furlough scheme, labour market data continued to strengthen as the unemployment rate declined to 4.3% in the 3rd quarter. UK Manufacturing PMI stood at 58.1 in November compared with 57.8 in the previous month in terms of business activity. The UK trade deficit widened to GBP 2.8 billion in September, as new export sales fell for the third month in a row, amid reports of weaker demand from China and disruption to trade with the EU in part due to Brexit. Consumers are more optimistic as confidence increases by 3 points to -14. The annual inflation rate jumped to 4.2% in October as upward pressures came from the cost of housing and utilities; however, the Bank of England decided to keep rates on hold in November.

Europe

In Europe, economic data were mixed in November. On a positive note, consumer spending increased in the 2nd quarter while retail sales increased 0.2% for October, supported by a decline in household savings to 19.04% in the 2nd quarter from 21.48% in the 1st quarter. The labour market continued to recover from the pandemic hit as the seasonally-adjusted unemployment rate edged down to 7.3% in October. The highest jobless rates were recorded in Spain and Italy, 14.5% and 9.4% respectively. On the other side, manufacturing PMI came in at 58.4 in November, the second slowest expansion since February, amid reports of severe supply-related constraints. Due to the increase in energy prices, inflation increased by 0.5% for October, and consumer confidence came in lower at -6.8%, down from -4.8% in the previous month. On the political front, the leader of the German Social Democrats, Olaf Scholz, is set to replace Angela Merkel to become the new German chancellor.

Japan

Japan's economy contracted at an annualised 3.6% in the 3rd quarter as shoppers cut back further during the summer's COVID-19 surge. However, at the beginning of October, emergency restrictions were lifted on activity allowing more people to venture out and spend. Household spending declined 0.6% in October, a slower pace than the previous month. Inflation in Japan remains stubbornly low as October saw consumer prices decrease by 0.30%, but producer prices increased by 0.8% in October, mainly due to increases in petroleum and coal products. Meanwhile, supply chain issues have hit exporters as the trade deficit widened to JPY 67.37 billion in October. Japan's Manufacturing PMI was 54.5 in November, following a 53.2 reading a month earlier in business activity. In October, unemployment fell to 2.7%, and consumer confidence remained unchanged at 39.2 in November, the strongest reading since May 2019. On the monetary front, the Bank of Japan is likely to narrow the scope of its COVID-19 aid, but keep it in place for longer to focus the measures on businesses that still need help, says Eiji Maeda, a former top official.

China

October macroeconomic data for China showed an improvement in both external demand and domestic activity. China's trade surplus surged to a record high of USD 84.54 billion in October as exports continued to surprise on the upside for the third month in a row, with a growth of 27.1% year on year in October, primarily driven by strong demand in Europe. On the domestic front, retail sales beat market expectations rising 4.9% year on year in October, along with news of record sales being generated during Singles' Day. China's annual inflation rate accelerated sharply to 1.5% in October, driven mainly by increased non-food prices. The widening power shortage has led to a tenth straight month of rising factory prices, with producer prices surging 13.5% yearly. The Manufacturing PMI index plunged into contractionary territory, falling to 49.9 and missing market forecasts. Unemployment stood at 4.9% in October, unchanged from the previous month. Overall, China's growth momentum remained sluggish, as a rise in Covid-19 cases and continued deleveraging in the real estate sectors weighs on economic growth.

South Africa

At this year's medium-term budget policy statement, finance minister Enoch Godongwana reported better than expected finances for South Africa. The global economic recovery has boosted demand for commodities, which has given South Africa more room to work with in the budget. Further, real GDP is forecasted to grow by 5.1% this year, with output returning to pre-pandemic levels next year. South Africa's unemployment rose to 34.9% in the 3rd quarter, retail sales were up 2.1% in September, and its trade surplus narrowed to ZAR 19.8 billion in October. In October, inflation stood firm at 5%; however, the South African Reserve Bank (SARB) is expecting inflation to ease around 4.5% for 2022 and 2033. The SARB Monetary Policy Committee raised the repo rate by 0.25% to 3.75% at its November meeting. It also appears that the SARB is thinking along the lines of one hike per quarter for 2022, all depending on how both inflation and the SA economy perform over the coming months.

Sources: *Trading Economics, Businesstech, SCMP.com, 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.