

# CANNON OFFSHORE FUNDS



## Deposit Plus Fund September 2014

### INVESTMENT OBJECTIVE

The Fund seeks to achieve its investment objective by investing in deposits, short dated government bonds, short dated corporate bonds and selected funds with low portfolio duration where appropriate. Bonds will generally be of 5 year maturity or less and the average portfolio maturity will generally be 3 years or less. Substantial exposure to gilts and deposits may also be held from time to time.

### INVESTMENT COMMENT

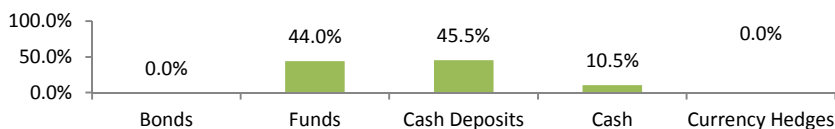
Economic weakness in Europe appears to be spreading to "core" countries including Germany and violence in the Ukraine, Middle East and Asia contributed to nervous markets. The ECB announced lower interest rates and loan purchases from banks to stimulate growth within its current mandate. In the US, economic data was encouraging which concerned markets about interest rate rises despite Federal Reserve assurances to the contrary. China was the focus of concerns that its economy is slowing and that it is a major source of global growth. Fixed income markets generally fell during the month but then rallied towards the its end on negative sentiment about growth. Interest rates for deposits and current accounts continue to drift downwards slowly for sterling. The fund returned 0.08% for the month taking the year to date figure to 1.18%.

### HOLDINGS ANALYSIS

#### Top Ten Holdings

Butterfield Bank 180 day	13.9%	Skipton 80 Day Call	6.3%
Rothschild CI	10.0%	Santander Call 1	4.0%
TCA Global Credit Master G£	8.8%	Carmignac Capital Plus I GBP Acc	4.0%
GAM FCM Cat Bond GBP	8.5%	Santander 95 Day Notice	3.9%
Muzinich LongShortCreditYield Hgd GBP	7.6%	Henderson Credit Alpha Acc	3.9%

#### Asset Type Allocation



### MONTHLY PERFORMANCE (BID TO BID)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012										-0.36%	0.02%	0.02%	-0.32%
2013	0.05%	0.36%	0.41%	0.45%	0.04%	-0.78%	0.27%	0.16%	0.27%	0.33%	0.18%	0.15%	1.90%
2014	0.16%	0.18%	0.16%	0.18%	0.12%	0.16%	0.07%	0.07%	0.08%				1.18%

YTD figures are based on compounded monthly returns

### LARGEST MONTH GAIN/LOSS

Largest Month Gain*:	0.45%
Largest Month Loss*:	-0.78%

\*All Performance figures calculated net of fees

### Contact Us

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### FUND FACTS

Price Date:	25-Sep-14
NAV price:	102.7793
Fund Currency:	Sterling
Fund size:	£13,281,361
Launch Date:	01 October 2012
Dealing:	Thursday, Weekly
Cut off time:	T-2, 5 pm, BST or GMT
Minimum investment:	GBP100,000
Minimum top up:	GBP5,000
Benchmark:	LIBOR GBP 3 M - 0.3%
Dividend Policy:	Accumulation

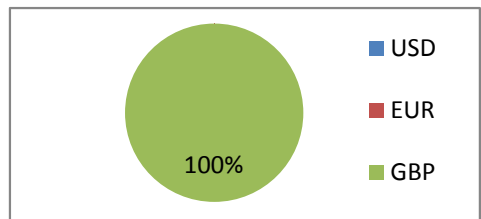
### CHARGES

Initial Fee:	Up to 5%
Annual Fee:	0.50%

### PRICING

Pricing is sourced from the Custodian. Subsequent calculations and production of performance graphs are dependent on this information.

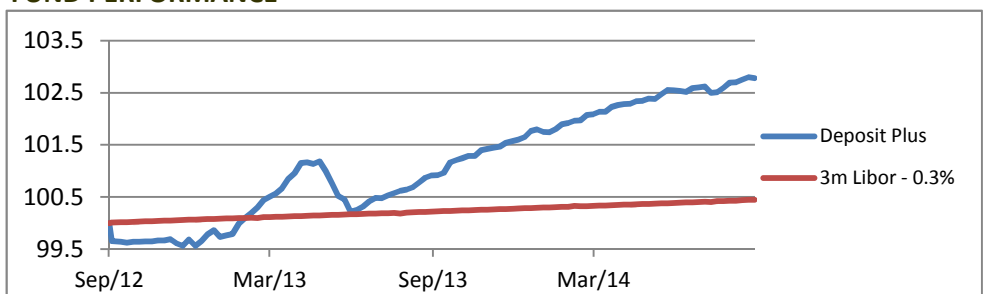
### CURRENCY BREAKDOWN



### BENCHMARK PERFORMANCE

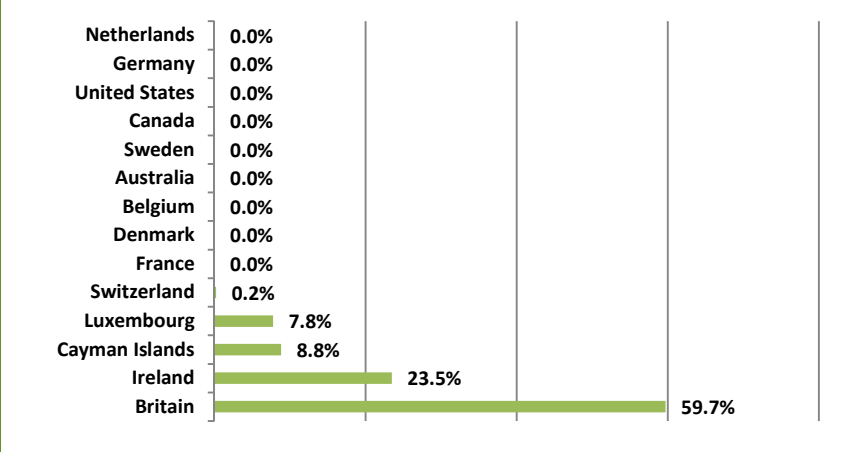
2011	0.54%
2012	0.59%
2013	0.21%
2014 (YTD)	0.17%

### FUND PERFORMANCE

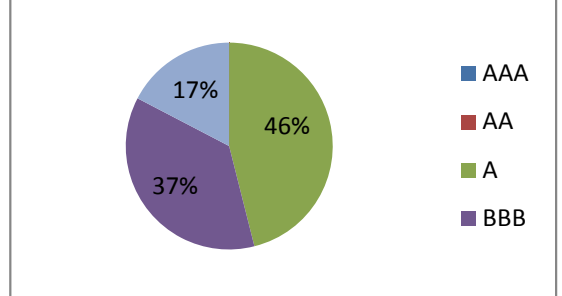


**ASSET ALLOCATION**

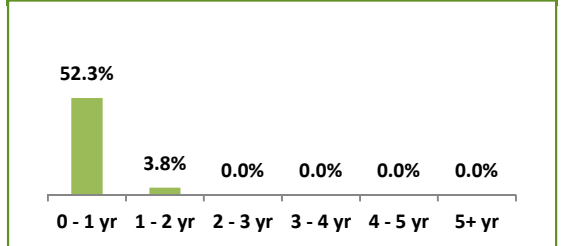
**Geographic Analysis - Funds, Bonds, Cash & Deposits**



**Credit Rating - Bonds, Cash & Deposits**



**Effective Duration - Bonds, Cash & Deposits**



**Industry Analysis - Bonds**



**Direct Bond Portfolio Characteristics**

Weighted Credit Quality	NA
Average Maturity (Yrs)	NA
Number of issues	0
Average Yield	NA

Standard Deviation	1 yr	2 yr	3 yr
Cannon Deposit Plus	0.34%	NA	NA
Benchmark*	0.02%	0.02%	0.14%

Sharpe Ratio	1 yr	3 yr	5 yr
Cannon Deposit Plus	0.48	NA	NA
Benchmark*	10.21	44.35	14.86

**FUND INFORMATION**

Structure	Cayman Open Ended Company	Investment Manager	Cannon Capital Advisors Limited
Regulation	Registered with the Cayman Islands Monetary Authority, Administrator and Adviser regulated by the Guernsey Financial Services Commission	Investment Sub Adviser	N/A
		Investment Advisory Fee	0.50% per annum
		Auditors	KPMG (Cayman Islands)
		Reporting	Audited annual accounts to 30 June
Administrator	Cannon Asset Management Limited	Price publication	Cannon Asset Management Limited
Custodian	Bank Morgan Stanley AG	Exchange	N/A

**FURTHER CONTACT DETAILS**

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**IMPORTANT INFORMATION**

Investment in the units of open-ended investment funds is generally a medium to long-term investment. The value of units may go down as well as up and investors may get back less cash than they originally invested. Past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The units of Cannon Deposit Plus Fund are traded at ruling prices and are priced weekly using the forward pricing method. A schedule of fees and charges and maximum commissions is available on request from Cannon Asset Management Limited, The Management Company. Cannon Deposit Plus is a collective investment scheme, which invests in other collective investment schemes, which levy their own charges, together with direct investment in investment grade bonds. Commission and incentives may be paid and if so, are included in the overall costs. Figures quoted are from Cannon Asset Management Limited for a lump sum investment using sell-sell prices, which exclude initial fees. Cannon Capital Advisors Limited funds and do not distribute income. Performance is quoted in sterling terms. Please refer to the prospectus of this scheme for more details, a copy of which is available on request from the Management Company, the registered office of which is Kingsway House, Havilland Street, St Peter Port, Guernsey, GY1 3FN. \*= Source Bloomberg, Cannon Asset Management Limited