

# CANNON OFFSHORE FUNDS



## Cannon Deposit Plus Fund August 2015

### 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

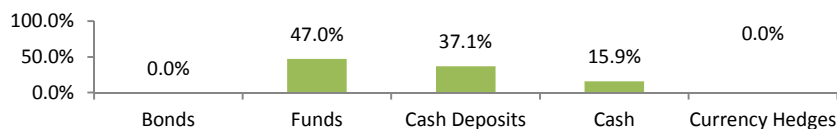
Globally markets were dominated by Chinese events, including the devaluation of its currency and equity market falls in the face of government action to arrest the declines. Exports were also down 8.3% in July. Global equity markets reacted poorly as did other risk assets such as corporate bonds by declining while government bond prices rose. The economies of the US, UK and Europe appeared to be fine or even improving despite worries about links to China, commodity prices and global trade. The fund was flat for the month with a return of 0.0% taking the year to date figure to 1.00%.

### HOLDINGS ANALYSIS

#### Top Ten Investments, Deposits & Cash Positions

Butterfield Bank 180 day Guernsey	14.6%	GAM STAR CREDIT OPP-GBP ACC	7.8%
Skipton Premier	10.7%	Skipton 80 Day Call	6.7%
TCA Global Credit Master G£	9.9%	Lloyds Bank	4.6%
GAM FCM Cat Bond GBP	9.1%	Carmignac Capital Plus I GBP Acc	4.2%
Muzinich LongShortCreditYield Hgd GBP	8.0%	Henderson Credit Alpha Acc	4.0%

#### 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%	0.21%	0.22%	0.03%	1.64%
2015	0.35%	0.35%	0.21%	0.17%	0.14%	-0.11%	-0.11%	0.00%					1.00%

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

Tel: +44 (0) 1481 726141  
 Fax: +44 (0) 1481 726142  
 Email: [cannonfunds@cannonhouse.com](mailto:cannonfunds@cannonhouse.com)  
 Website: [www.cannonhouse.com](http://www.cannonhouse.com)

### FUND FACTS

Price Date:	27-Aug-15
NAV price:	104.2820
Fund Currency:	Sterling
Fund size:	£12,806,742
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:	Not paid

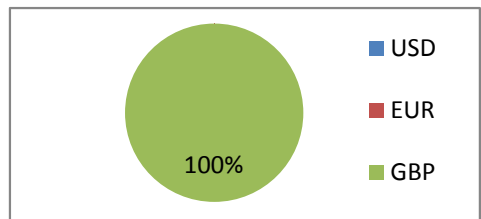
### CHARGES

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.

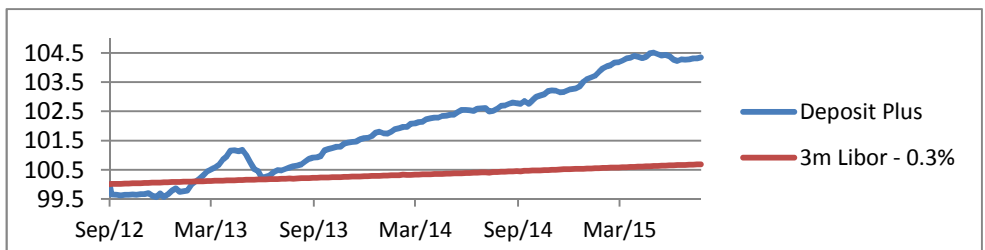
### CURRENCY BREAKDOWN



### BENCHMARK PERFORMANCE

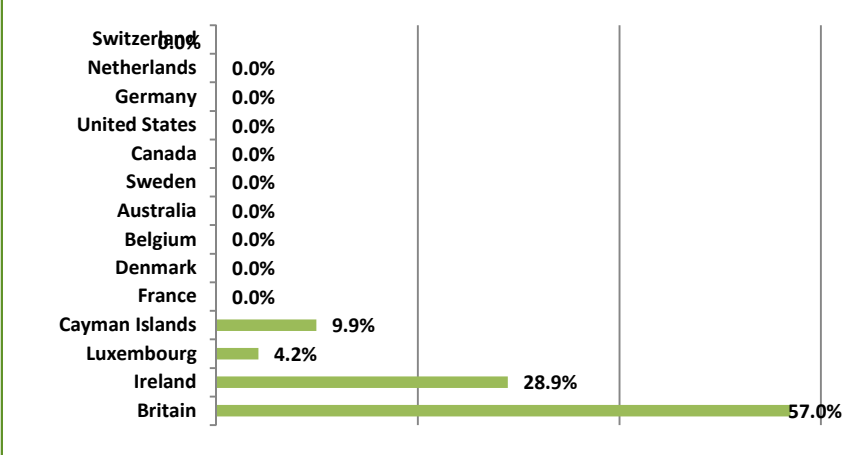
2012	0.59%
2013	0.21%
2014	0.24%
2015 (YTD)	0.18%

### FUND PERFORMANCE

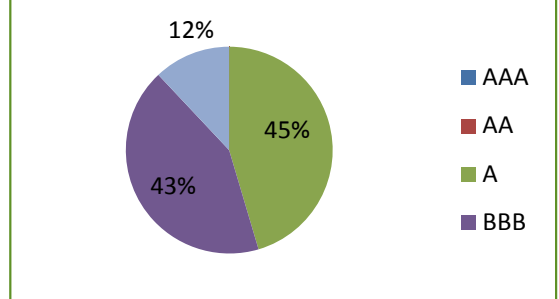


**ASSET ALLOCATION**

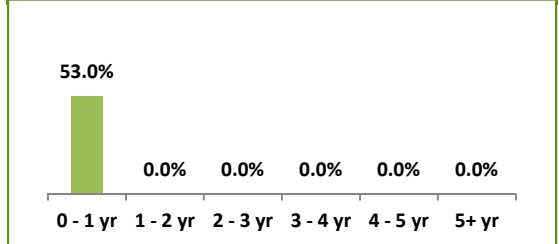
**Geographic Analysis - Funds, Bonds, Cash & Deposits**



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



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



**Risk & Efficiency Measures**

**Standard Deviation** - Volatility of returns in excess of the risk free rate of return.  
**Downside Deviation** - Volatility of returns in excess of the risk free rate of return but for any negative returns, measuring dispersion of negative returns.  
**Sharpe Ratio** - Returns in excess of the risk free return divided by the volatility of those returns. A measure of return per unit of risk.  
**Sortino Ratio** - Returns in excess of the risk free return divided by the volatility of negative returns. Measure of return vs volatility of losses.

**Direct Bond Portfolio Characteristics**

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

Downside Deviation	1 yr	2 yr	3 yr
Cannon Deposit Plus	0.25%	0.25%	NA
Benchmark*	0.00%	0.02%	0.00%

Standard Deviation	1 yr	2 yr	3 yr
Cannon Deposit Plus	0.43%	0.39%	NA
Benchmark*	0.02%	0.03%	0.06%

Sortino Ratio (MAR = 0)	1 yr	2 yr	3 yr
Cannon Deposit Plus	4.19	9.85	NA
Benchmark*	NA	33.21	NA

Sharpe Ratio	1 yr	2 yr	3 yr
Cannon Deposit Plus	2.45	6.45	NA
Benchmark*	13.70	20.42	12.41

**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	Deloitte (Cayman Islands)
Administrator	Cannon Asset Management Limited	Reporting	Audited annual accounts to 30 June
Custodian	Credit Suisse	Price publication	Cannon Asset Management Limited
		Exchange	N/A

**FURTHER CONTACT DETAILS**

Fund Administration  
 Cannon Asset Management Limited  
 PO Box 393  
 Kingsway House  
 Havilland Street  
 St Peter Port  
 Guernsey GY1 3FN  
 Tel: +44 (0) 1481 726141  
 Fax: +44 (0) 1481 726142  
 Email: depositplus@cannonhouse.com  
 Website: www.cannonhouse.com

Investment Manager  
 Cannon Capital Advisors Limited  
 PO Box 393  
 Kingsway House  
 Havilland Street  
 St Peter Port  
 Guernsey GY1 3FN  
 Tel: +44 (0) 1481 726141  
 Fax: +44 (0) 1481 726142  
 Email: investments@cannonhouse.com  
 Website: www.cannonhouse.com

**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