

CANNON OFFSHORE FUNDS

Cannon Deposit Plus Fund August 2017



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

In the UK inflation and Brexit continue to impact growth which came in at only 0.3%. The US tensions with North Korea lead to a flight to safe assets and then Hurricane Harvey struck the Gulf of Mexico coast causing further risk off sentiment. Europe continues to experience further improvement of its economy across the board. In fixed income markets government bond yields fell due to uncertainty and somewhat favourable developments in Europe - lower inflation, stronger currency, weaker markets.

FUND FACTS

Price Date:	31-Aug-17
NAV price:	108.3907
Fund Currency:	Sterling
Fund size:	£10,292,550
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

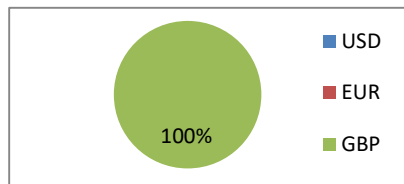
CHARGES

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

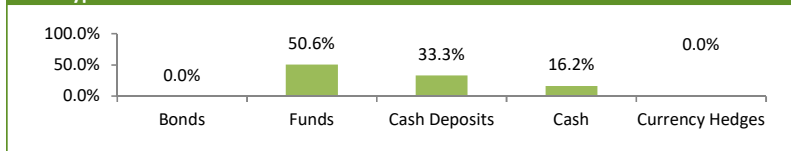


HOLDINGS ANALYSIS

Top Ten Investments, Deposits & Cash Positions

Kleinwort Benson 189 Day	13.8%	GAM FCM Cat Bond GBP	9.2%
Santander 95 Day Notice	13.3%	Muzinich LongShortCreditYield Hgc	9.1%
Skipton In'l Corp	12.8%	Carmignac Capital Plus I GBP Acc	5.3%
GAM Star Credit Opportunity	9.3%	Butterfield Bank 180 day Guernsey	5.2%
TCA Global Credit Master G£	9.2%	Kames Capital Absolute Return Bd	5.1%

Asset Type Allocation



BENCHMARK PERFORMANCE

2014	0.24%
2015	0.27%
2016	0.23%
2017 (YTD)	0.02%

MONTHLY PERFORMANCE (BID TO BID)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
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%	0.16%	0.12%	0.17%	0.02%	1.36%
2016	-0.11%	-0.04%	0.56%	0.27%	-0.01%	0.00%	0.55%	0.52%	0.11%	0.05%	-0.02%	0.27%	2.14%
2017	0.18%	0.30%	0.04%	0.13%	0.15%	0.12%	0.24%	0.23%					1.40%

YTD figures are based on compounded monthly returns

FUND PERFORMANCE

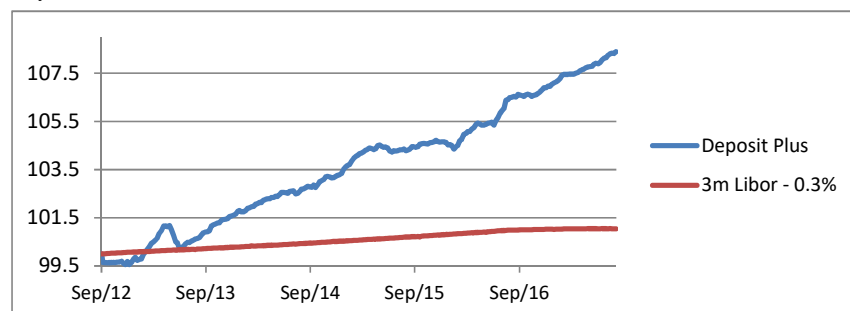
LARGEST MONTH GAIN/LOSS

Largest Month Gain*:	0.56%
Largest Month Loss*:	-0.78%

*All Performance figures calculated net of fees

Contact Us

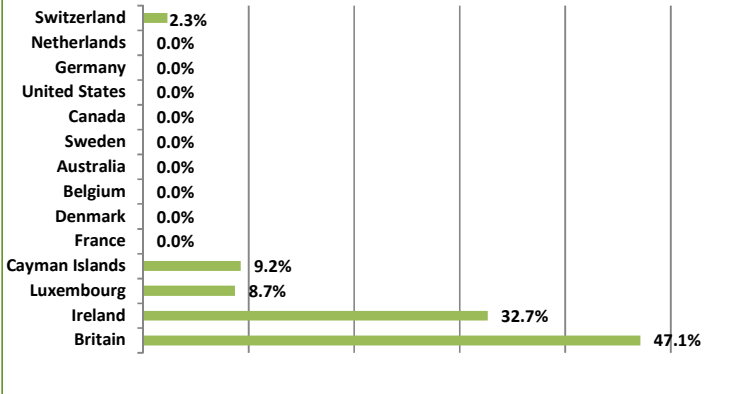
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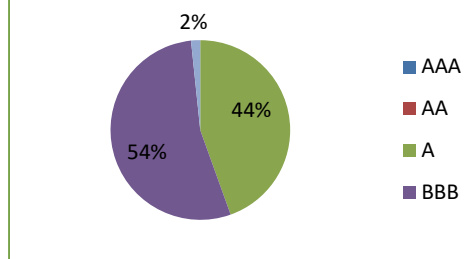


ASSET ALLOCATION

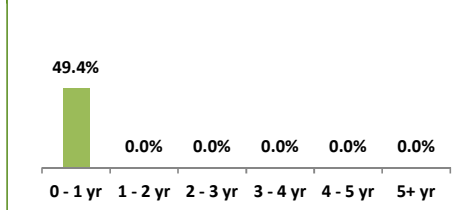
Geographic Analysis - Funds, Bonds, Cash & Deposits



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.

Downside Deviation	1 yr	2 yr	3 yr
Cannon Deposit Plus	0.11%	0.25%	0.25%
Benchmark*	0.02%	0.05%	0.05%

Sortino Ratio (MAR = 0)	1 yr	2 yr	3 yr
Cannon Deposit Plus	12.48	11.68	15.69
Benchmark*	4.25	6.30	11.71

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	0.29%	0.46%	0.43%
Benchmark*	0.01%	0.04%	0.02%

Sharpe Ratio	1 yr	2 yr	3 yr
Cannon Deposit Plus	4.86	6.45	9.15
Benchmark*	4.39	7.78	30.43

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

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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