

Fund Fact Sheet

May 2011

NAV £108.82 as at 25th May 2011

CENKOS CHANNEL ISLANDS INVESTMENT FUND CENKOS INCOME



PERFORMANCE

Fund Aims and Objectives

The investment objective of Cenkos Income is to provide investors with a total return and a focus on delivering an income yield that competes with prevailing cash rates while delivering some capital growth. The Fund will invest in a global portfolio comprising of a range of fixed, floating and inflation-linked debt securities, property and equities.

Cenkos Income is a sub-fund of the Cenkos Channel Islands Investment Fund; an open-ended, multi-class, Unit Trust authorised as a Class B Scheme by the Guernsey Financial Service Commission.

Fund Manager Commentary

May saw the market's attention shift once again to Europe and another round of commentary on the odds of the Euro surviving as a currency union. This prompted a reassessment of risk and investors opted, in typical fashion, for the door.

Unlike this time last year, however, the stampede has been less thunderous. This is due in part to the fact that investors are now more aware of the trouble Europe is really in. Most understand that some sort of restructuring needs to take place. With the risks better understood, those who wish to gamble are in and those who don't are almost certainly out.

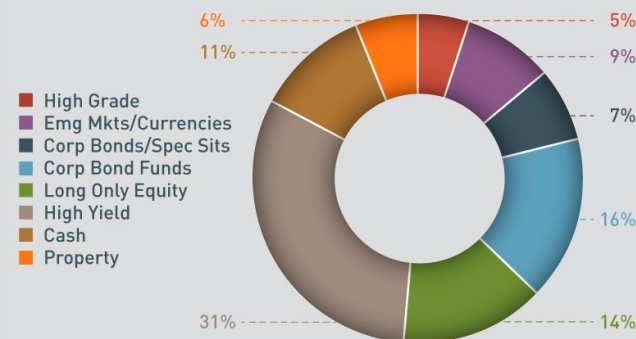
In line with our investment road map, the risks associated with peripheral Europe have forced us to reduce exposure to the Euro, which is trading

near to current highs versus the US Dollar. To this end, we sold a long-standing position in the Old Mutual Global Bond fund, which has a substantial pro-Euro position. The gap has been filled by the Thames River Global Bond fund which is positioned in US Treasuries, the antithesis to the risk-on trade. The position is deliberately smaller in anticipation that it will counteract, albeit to a small extent, the risk embedded elsewhere in the portfolio. Following this switch the cash position of the fund is at a temporary high and will be brought down over the coming weeks.

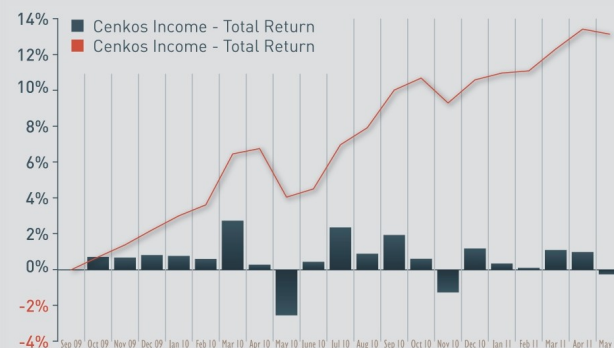
Our outlook remains the same: lower-for-longer interest rates pinning bond yields to the floor, which will in turn force investors to hold riskier assets in the search for real yields. We still believe corporate debt has further to run, emerging market currencies look attractive over the medium term and stock dividends are still being ignored.

Cenkos Income fell 0.25% in May.

Asset Class Weightings



Performance % Growth Since Inception (£)



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KEY POINTS

Annual Management Fee

0.75%

The Managers

Cenkos Channel Islands Investment Management Limited.

Administrators

Bordeaux Services (Guernsey) Limited.

Trustees

Kleinwort Benson (Guernsey) Limited.

Auditors

Saffery Champness Guernsey Audit & Tax Partnership.

Further information

A copy of the Trust Instrument and Scheme Particulars can be obtained by contacting:

Bordeaux Services (Guernsey) Limited

Bordeaux Court, Les Echelons,
St Peter Port, Guernsey
T: 01481 715167

Cenkos Channel Islands Investment Management Limited

P0 Box 222, Level 5, The Market Buildings, Fountain Street,
St Peter Port, Guernsey
T: 01481 732769

TOP 10 HOLDINGS		PERFORMANCE ANALYSIS	
Cash	10.86%	1 Month	-0.25%
Cazenove Strategic Debt	9.71%	3 Month	1.85%
Franklin Templeton Global Total Return	9.34%	6 Month	3.51%
Thames River High Income	7.10%	1 Year	8.74%
Veritas Global Equity Income	6.86%	Inception	13.14%
Aegon Strategic Global Bond	5.88%	Annual Compound Growth Rate	7.77%
M&G (Offshore) Property	5.80%	1YEAR DIVIDEND HISTORY	
M&G (Offshore) Optimal Income	5.32%	Quarter 2 2010	69.00p
New Capital Wealthy Nations Bond	5.26%	Quarter 3 2010	101.00p
Muzinich Europeyield	5.17%	Quarter 4 2010	83.00p
Total	71.30%	Quarter 1 2011	87.00p

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2009	-	-	-	-	-	-	-	-	-	0.71%	0.68	0.82%	2.22%
2010	0.78%	0.60%	2.74%	0.27%	-2.54%	0.44%	2.36%	0.89%	1.94%	0.61%	-1.26%	1.18%	8.19%
2011	0.35%	0.10%	1.10%	0.99%	-0.25%	-	-	-	-	-	-	-	2.30%

Please Note: Performance numbers reflect a total return inclusive of dividends
For further information, including the prospectus and application form,
Please see www.cenkos-ci.com

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