



**FUND AIMS AND OBJECTIVES**

The Diversity Fund’s main objective is to generate capital growth with a lower volatility than equity markets. It is actively managed and not constrained by a benchmark; this allows the manager to allocate freely between asset classes. It is a multi strategy, multi asset class fund.

Cenkos Diversity 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 Services Commission.

**FUND MANAGER COMMENTARY**

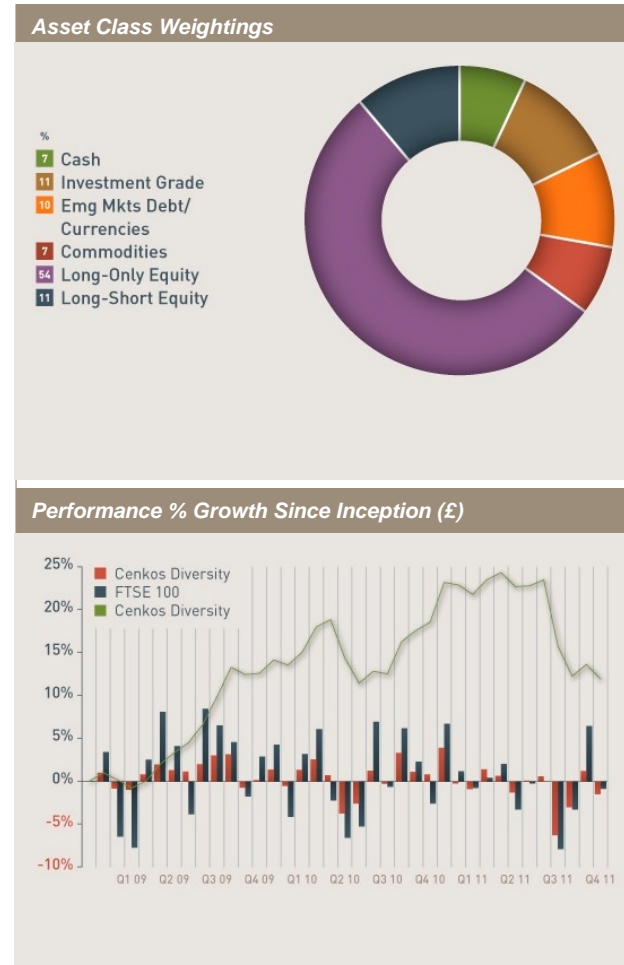
November was another rollercoaster month as markets reacted to news stories about the imminent collapse or redemption of the Eurozone. To add to the despond, after three months of lobbing stones across the Atlantic at inept European politicians unable to agree on a plan to exorcise Europe of its Sovereign debt crisis, Americans have themselves achieved a similar result by failing – to no one’s great surprise – to agree on how to go about reducing the US deficit by \$1.2 trillion.

All of this initially pushed markets lower, only to see them revitalized by a massive liquidity injection from a collection of central banks at the end of the month. This will be reflected in December’s performance.

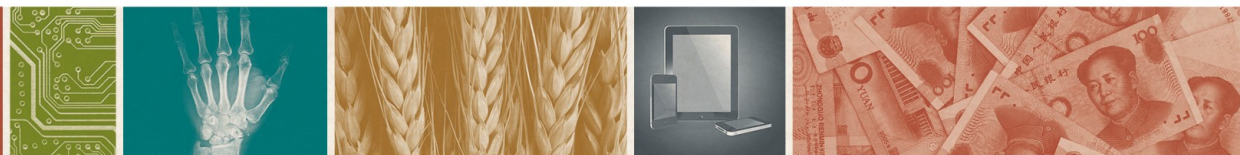
The Nobel-prize-winning physicist Niels Bohr once said that “prediction is very difficult, especially about the future”. There are always many unknowns, but one of the few things we do know about our immediate prospects is that investors will continue to worry and, as a consequence, that most asset classes will remain volatile. It’s merely a reflection of the world we now live in.

Equities continue to look attractively valued relative to high-grade sovereign bonds, particularly global brand-names with strong cash-flows and dividend streams. Ultimately, and particularly in the current economic environment, these types of stocks will be rewarded for their safe-harbour status and consistent earnings profile. Taken in combination with our long-term themes, such as healthcare, technology and emerging markets, we remain positive about the future. However, there’s no escape from short-term volatility; so while the road we’re on will eventually get us to where we want to go, it’s going to be a bumpy ride!

The Diversity Fund fell by 1.50% in November.



# CENKOS DIVERSITY FUND



## Key Points

### Annual Management Fee

1.5%

### 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

PO Box 222, Level 5, The Market Buildings,

Fountain Street, St Peter Port, Guernsey

T: 01481 732769

## Top 10 Holdings

Lindsell Train Global Equity	7.75%
Fundsmith Equity	7.09%
Cash	7.09%
M&G Corporate Bond	6.22%
Senhouse European Focus	5.88%
CZ Equilibria UK	5.82%
JO Hambro Japan	5.71%
First State Asia Pacific Leaders	5.47%
Investec Enhanced Natural Resources	5.43%
Thames River Longstone	5.37%
<b>Total</b>	<b>61.83%</b>

## Performance Analysis

<b>1 Month</b>	<b>-1.50%</b>
<b>3 Month</b>	<b>-3.30%</b>
<b>6 Month</b>	<b>-8.77%</b>
<b>1 Year</b>	<b>-5.57%</b>
<b>Inception</b>	<b>11.92%</b>
<b>Annual Compound Growth Rate</b>	<b>3.96%</b>

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>2008</b>	-	-	-	-	-	-	-	-	-	-	-	1.02%	1.02%
<b>2009</b>	-0.83%	-0.95%	0.80%	1.98%	1.31%	1.14%	2.01%	3.01%	3.15%	-0.74%	0.13%	1.38%	12.99%
<b>2010</b>	-0.53%	1.32%	2.56%	0.72%	-3.74%	-2.59%	1.25%	-0.27%	3.33%	1.12%	0.81%	3.92%	7.91%
<b>2011</b>	-0.24%	-0.89%	1.40%	0.66%	-1.30%	0.08%	0.57%	-6.26%	-3.01%	1.22%	-1.50%	-	-9.13%

**For further information, including the prospectus and application form, please see [www.cenkos-ci.com](http://www.cenkos-ci.com)**

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