



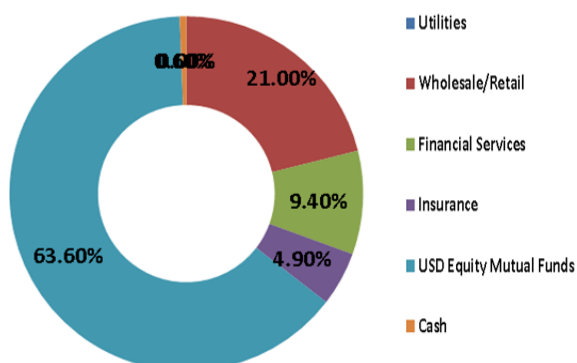
Dec Net Asset Value:	\$1.0241
Assets:	\$4.51M
Inception:	Dec 08

Performance:

	Fund	Benchmark*
1 Month	4.26%	0.542%
3 Month	4.86%	1.625%
1 Yr	0.00%	6.5%
5 Yr	28.52%	37.0%

* Annual rate of return, 6.5%

Allocation:



Top Holdings:

RF USD INT'L OPPORTUNITIES FUND
MASSY HOLDINGS LIMITED
RF USD HEDGE FUND
GODDARD ENTERPRISES LIMITED
FIRST CARIBBEAN INTERNATIONAL BANK

The Strategic Growth Fund is a sub fund of the Royal Fidelity Investment Fund the umbrella company. The asset allocation shown is subject to change without notice and at the discretion of the investment manager, subject to the restrictions outlined in the fund's offering documents. Past performance doesn't guarantee future success.

The Finish Line is in Sight!

While global equity markets, and by extension the fund, had a strong December and Q4, for the year the fund's return was relatively flat. During Q1 we saw a deep low in March due to markets reaction to the current pandemic. Although the USD side (about 60% of portfolio) recovered and hit record highs, local and regional shares continued to dampen returns. Many of our local equity positions such as Goddard Enterprises (-34%), ICBL which was subject to an attempted takeover bid (-45%) and First Caribbean (-24%) saw negative returns.

According to Morgan Stanley (MS), the US economy is expected to grow by 7.6% in 2021 and 2.9% in 2022.. MS also expect the Chinese economy to grow by 9.0% in 2021 and 5.4% in 2022. Regarding emerging markets, MS fore-casts GDP growth in 2021 and 2022 of 7.4% and 4.7%, respectively.

The key challenge for the US over the next few months is to continue to drive down new COVID-19 cases and continue to accelerate the rate of vaccinations. Based on current trends, it is reasonable to expect the US to achieve herd immunity by Q3 2021.

US equity markets have already factored in most of the expected economic recovery discussed above. It is for this reason that we expect the Fund to generate single digit returns in 2021 barring any negative returns on the local side.

2021 is expected to be a year of recovery with growing economies, reduced unemployment, and an increasing sense of normality. That said, we feel much of this positive news is already factored into equity prices, but for long-term investors, the equity markets remain the best alternative.

RF Merchant Bank & Trust (Barbados) Limited

27 Pine Road

St. Michael

Barbados

(246) 435-1955

www.rfgroup.com

info@rfgroup.com

