

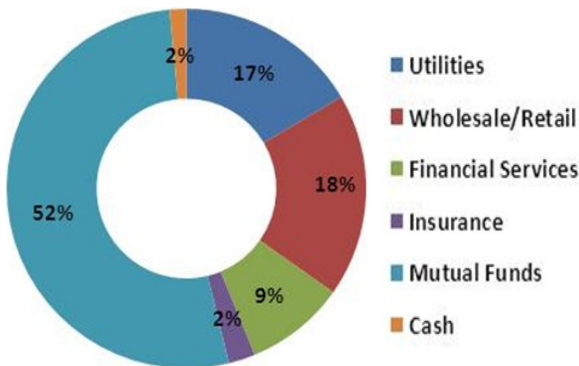
Sept Net Asset Value:	\$0.8525
Assets:	\$0.73M
Inception:	Dec 08

Performance:

	Fund	Benchmark*
1 Month	-0.58%	0.542%
3 Month	0.79%	1.625%
1 Yr	7.19%	6.5%
5 Yr	0.65%	37.0%

* Annual rate of return, 6.5%

Allocation:



Top Holdings:

ROYAL FIDELITY USD INT'L OPPORTUNITIES
EMERA DEPOSIT RECEIPTS
GODDARD ENTERPRISES LIMITED
CASH
MASSY HOLDINGS LTD

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.

US, UK create volatility, but opportunities still remain

2016 is shaping up to be a good year for local equities, as the Local BSE index has reported a YTD return of 7.58%. However, the Composite index remains flat.



The announcement that Massy would be delisting locally had a negative impact on its share price, as it lost almost one third of its value to date since the announcement. While this will affect the portfolio in the short term, we believe it's a great buying opportunity, and expect prices to normalize post transfer. Massy currently represents just over 6% of our portfolio. Significant positive market movers YTD were Goddard (25.42%), ICBL (25%), Cave Shepard (14.62%) and Sagicor (11.73%).



Following an offer at the end of 2015, the fund opted to convert its Light and Power shares to Emera Deposit Receipts and, ultimately, to convert the Emera Deposit Receipts into Emera shares. This allowed us to externalize a further 10% of our portfolio. As of August, just over 55% of our portfolio consisted of international investments.

While we expect global uncertainty to continue, as a result of events in the US and UK, the fund's investment philosophy dictates a broad, largely passive, exposure to global equities for diversification and protection against shocks in one particular area. Volatility may raise the caution flag, but it also creates opportunity! ♦

Royal Fidelity Merchant Bank & Trust

27 Pine Road
St. Michael
Barbados
(246) 435-1955

www.royalfidelity.com
info@royalfidelity.bb