

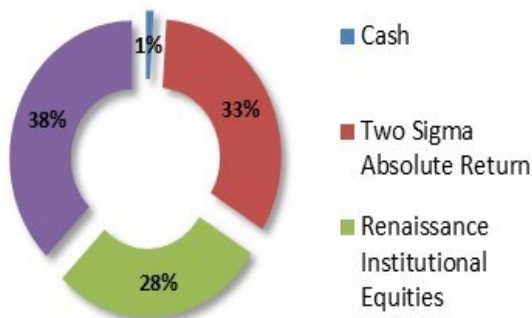
<b>Mar Net Asset Value:</b>	\$10.54
<b>Assets:</b>	\$3.29M
<b>Inception:</b>	Aug-14

**Performance:**

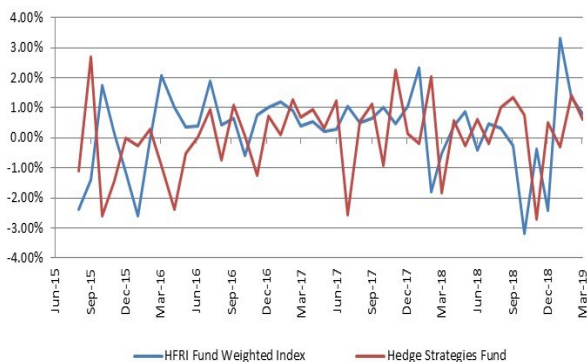
	<b>Fund</b>	<b>Benchmark*</b>
<b>1 Month</b>	0.58%	0.80%
<b>3 Month</b>	1.58%	5.53%
<b>1 Yr</b>	2.93%	0.73%

\* HFRI Fund Weighted Comp Index

**Allocation:**



**Volatility:**



*The Alternative Strategies Fund is a sub fund of the Royal Fidelity Bahamas International investment fund. The fund invests substantially all of its assets into the USD-denominated Hedge Strategies Fund. Performance shown above is for Series 1 shares and may differ for other Series. 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.*

**Time to Hedge Your Bets?**

The Fund underperformed the benchmark in March and this first quarter, but is ahead of the benchmark over the last 12 months. Given the strong recovery in the global equity markets in Q1, the Fund posted a healthy gain of 1.75%. The Fund is intended to provide investors with upside during up markets and limited downside during down markets. In the end, the Fund's performance should be more stable than the global equity markets.

Global equity markets turned 180-degrees in 1Q of 2019 and after a brutal December 2018, the S&P 500 Index was up 16.7%; the NASDAQ Composite was up 20.7%; and the MSCI All Country World Index was up 14.7%. One of the key reasons the markets are willing to take on risk is the 180-degree shift in the Fed policy. Please note that 100% of these gains have been fueled by an expansion in stock valuation multiples and not corporate fundamentals. This makes this rally susceptible to negative news like trade wars and hot wars.

The table below shows the performance of several major equity markets over the last 10, 20, 30 and 40 years. In addition the returns for 2018 and the 1Q2019 are noted.

These returns stress the importance of being invested in a diversified equity portfolio over the long-term, but also the short-term volatility the investor is exposed to as was the case in 2018.

Global Equity Market Returns						
Stock Exchange	Ann Rtn (40 years)	Ann Rtn (30 years)	Ann Rtn (20 years)	Ann Rtn (10 years)	2018	1Q19
USA (SPX)	11.8%	10.7%	7.2%	8.5%	-6.2%	13.1%
Germany (DAX)	8.9%	8.8%	6.2%	2.7%	-18.3%	9.2%
Japan (NKY)	6.7%	1.5%	4.2%	6.0%	-12.1%	6.0%
Canada (SPTSX)	8.2%	7.8%	7.7%	2.2%	-11.6%	12.4%
Gold (XAU)	11.7%	7.1%	17.2%	4.5%	-1.6%	0.8%

Notes: 1) All returns are in USD; 2) Data was sourced from Bloomberg;

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