



Select Balanced Fund

Q1 2020
Issue 30

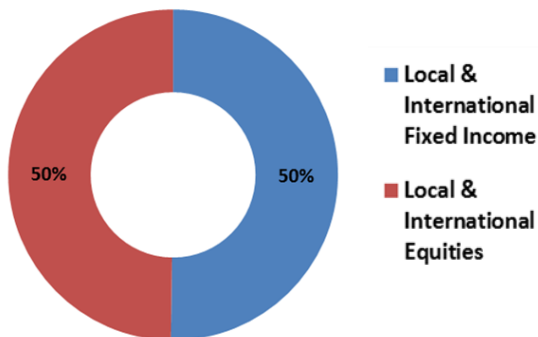
Mar Net Asset Value:	\$5.2504
Assets:	\$25.88M
Inception:	Aug-86

Performance:

	Fund	Benchmark*
1 Month	-5.21%	0.458%
3 Month	-7.71%	1.374%
1 Yr	-0.37%	5.5%
5 Yr	11.05%	30.69%

* Annual rate of return, 5.5%

Allocation:



Top Holdings:

RF BAHAMAS INT'L OPPS USD EQUITY FUND
RF BAHAMAS USD TARGETED INCOME FUND
NEEDHAM'S POINT HOLDINGS 6.75% 2021
N.S.R. LIMITED 5% 2029 BOND
GODDARD'S ENTERPRISES LIMITED

The Select Balanced 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.

Recession by Pandemic

Coverage of the COVID-19 pandemic (COVID-19) dominates mainstream media and social media. The constant flow of statistics and analysis is required to make informed decisions, but can be overwhelming at times. Well, as with all analysis one needs to step back and see the big picture.

Unfortunately we have a global recession on our hands the likes of which we haven't seen since the great depression over 90 years ago. While the event that triggers a recession is unique, the factor that usually determines its scale, leverage, is not.

According to Morgan Stanley, with the US consumer accounting for 70 percent of the economy and the banking sector unimpaired, this recession may end up being much less disruptive than 2008-2009.

The unprecedented fiscal response to COVID-19 is expected to stimulate inflation as economies recover. With inflation expected to increase, investors need to factor in increasing interest rate risk into their investment strategies. This can be done by purchasing debt instruments linked to inflation and also reducing duration.

US Real GDP decreased by 4.8% during the first quarter of 2020 and is expected to contract further in the second quarter. However, it is reasonable to assume that as COVID-19 case growth slows and economies gradually re-open, the pent-up demand and desire for self-gratification will result in a sharp jump in economic activity. The development of treatments and eventually vaccines are necessary to sustain this recovery.

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