

# Global Balanced Fund

Quarterly Report, Q1 2022

Issue 36



Mar Net Asset Value:	\$14.5334
Assets:	\$783K
Inception:	Aug-14

## PERFORMANCE

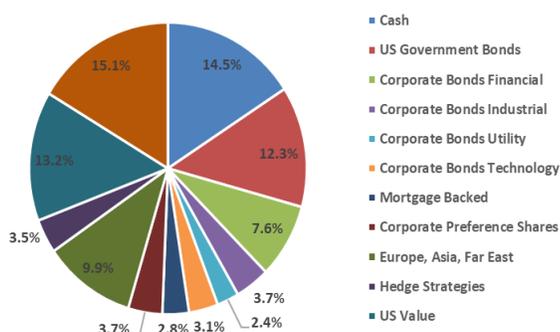
	Fund	Benchmark*
1 Month	-0.88%	-0.26%
3 Month	-7.17%	-4.99%
1Yr	7.48%	0.81%
3Yr	10.39%	11.13%
5Yr	6.84%	7.93%

\* Blended Index: 50% MSCI All-Country World Index (MXWD) and 50% Bloomberg Barclays Emerging Markets USD Sovereign Bond Index (BSSUTRUU)

## TOP FIVE ASSET CLASSES

GROWTH STOCKS—US	30.1%
VALUE STOCKS—US	26.4%
STOCKS - EUROPE, ASIA, FAR EAST	19.8%
CORPORATE DEBT—US	16.8%
ALTERNATIVE INVESTMENTS	7.5%

## ALLOCATION



*The Global Balanced Fund is a sub fund of the RF International Investment Fund. The fund is new and has limited performance history. Performance shown is for Series 1, or retail, shares, which may differ from other Series offered in the fund. 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 perfor-*

## Stimulus vs Strength

The Fund and global equity markets had a bad March and Q1. The Fund underperformed the benchmark by 0.62% and 2.18% basis points in March and Q1, respectively.

In the first quarter, the equity market were off to a rocky start with inflation, economic growth and the trajectory for higher policy interest rates remaining center stage. Russia's invasion of Ukraine and Omicron along with China's zero-COVID policy delayed supply chain normalization while impacting inflation and economic growth expectations. Inflation expectations have kept the Federal Reserve (Fed) center stage as they commenced their interest rate rising cycle in March

The first half of the year will likely to be volatile as markets navigate commodity and economic growth shocks while simultaneously shifting to a higher yield environment.

For major equity indexes, Q1 2022 was the worst quarter in 2 years. Risk off sentiment boosted the U.S. relative to global markets. The MSCI World ex U.S. returned -4.8%, weighed down by weakness in Europe while the MSCI Emerging Market Index returned -7.0%

Government bond yields rose sharply (bond prices and yields move in opposite directions). Central banks were surprisingly hawkish and markets priced in a faster pace of monetary normalization. The extent of yield moves differed across markets. The US Treasury market is in the midst of one of its worst sell-offs on record, but moves were less pronounced in core Europe and the UK.

The Fed is expected to move slowly, which would consequently cause higher bond volatility, and expect higher rates in the second half of 2022 as part of policy normalization