

Global Balanced Fund

Quarterly Report, Q1 2025

Issue 38



Net Asset Value:	\$14.74
Assets:	1.50M
Inception:	Aug-14

PERFORMANCE

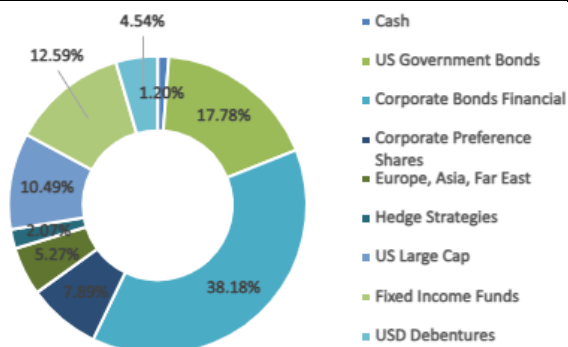
	Fund	Benchmark*
1 Month	-0.53%	-1.81%
3 Month	-0.29%	0.82%
1Yr	3.57%	5.68%
3Yr	0.60%	3.60%
5Yr	8.05%	6.97%

* Blended Index: 50% MSCI All-Country World Index (MXWD) and 50% * Bank of America/Merrill Lynch B310 U.S. Corp. & Govt. 5-7 year AAA-A rated Index

TOP FIVE ASSET CLASSES

CORPORATE BONDS	38.18%
US GOVERNMENT BONDS	17.78%
USD FIXED INCOME FUNDS	12.59%
U.S. LARGE CAP	10.49%
CORPORATE PREFERENCE SHARES	7.89%

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 re-

What Does Trump 2.0 Have in Store?

The Fund was down -0.53% and -0.29% in March and Q1 respectively. Over the last five years the fund average 8.05%. In early 2023 the decision was made to reduce downside exposure to equity markets based on expectations of a US recession. This tactical decision was made to reduce downside exposure and provide liquidity to take advantage of an expected equity market correction. While our decision was premature, we have reduced downside risk and the recent decrease in US interest rates is beneficial.

The trade war initiated by President Trump introduces a significant element of uncertainty and potential downside risk to the fund's equity holdings. The imposition and threat of tariffs can disrupt international trade and global supply chains, leading to decreased corporate earnings and overall market volatility. This directly impacts the value of equity holdings, particularly those of multinational corporations with significant international operations.

For the fund, this "higher-for-longer" rate environment presents both challenges and opportunities. Elevated rates continue to pressure longer-duration bond prices, potentially leading to mark-to-market losses. However, the fund benefits from higher reinvestment yields and attractive income opportunities across shorter-duration and higher-quality securities. As rate volatility persists, the fund is strategically positioned to manage duration risk while capturing enhanced yield in the front end of the curve.

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