

# Targeted Equity Fund

Quarterly Report, Q1 2025

Issue 38



Net Asset Value:	\$15.14
Assets:	\$132.26M
Inception:	Nov-12

## PERFORMANCE (Net)

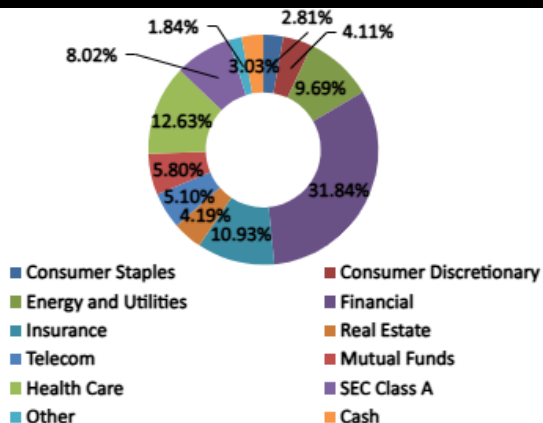
	Fund	Benchmark*
1 Month	-0.42%	0.79%
3 Month	0.26%	-1.53%
1Yr	4.53%	4.58%
3Yr	8.52%	10.38%
5Yr	9.13%	7.85%

\*BISX All share Index

## TOP FIVE HOLDINGS

FIDELITY BANK (BAHAMAS)	12.80%
DOCTORS HOSPITAL	12.63%
FINCO	8.44%
SEC CLASS A (Private Equity)	8.02%
FOCOL	7.82%

## ALLOCATION



The Targeted Equity Fund is a sub fund of the Bahamas Opportunities umbrella investment fund, which began in November 2012. 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 performance doesn't guarantee future success.

## Bright Future for Bahamian Equity

In Q1 the Fund returned -0.26% versus 0.79% for the BISX All Share Index (BISX). Over the last year the Fund returned 4.53% versus the 4.58% generated by BISX,

Over the last 3 years and 5 years, the Fund's average annual return was 8.52% and 9.13%, respectively. The fund outperformed the benchmark in every period except for the 3 year period.

The stars in Q1 were EMA, FAM, and BOB which increased by 10.71%, 6.09%, and 4.65% respectively. The underperformers in Q1 were BWL, CWCB, and FCL which declined by -14.47%, -5.11% and -4.69% respectively.

Moody's upgrade of The Bahamas' credit outlook from "stable" to "positive" is a significant win for the country's financial reputation and a promising sign for Bahamian equity markets. This marks the first such upgrade in nearly two decades, reflecting growing investor confidence in The Bahamas' fiscal consolidation, improved revenue collection, and economic reform efforts. A more positive outlook can attract greater interest in local stocks, particularly those listed on the Bahamas International Securities Exchange (BISX), as investors seek stable, growth-oriented markets.

Stronger fiscal management, including projected budget surpluses and reduced debt-to-GDP ratios, improves the country's investment appeal. In turn, Bahamian companies may benefit from greater access to capital, enhanced valuations, and increased trading activity. Additionally, government initiatives like energy sector reform and the new corporate tax on large multinationals could improve long-term business performance. Overall, this credit outlook upgrade signals brighter prospects for equity investors and a more resilient local market.

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