

RF Bank & Trust High Yield Income Fund

Fund Quarterly Report | Q1 2026



Key Information

Net Asset Value	13.45
Fund Type	Global Fixed Income
Benchmark	US Medium Term Corporate & Government Bonds*

*Bank of America U.S. Corporate & Government 5-7 Year AAA-A rated Index

Performance Statistics

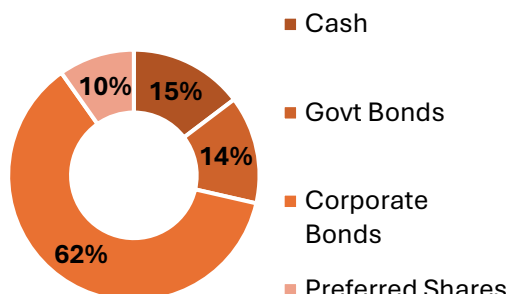
	RF Fund	Benchmark
1 Month	-1.0%	-1.9%
3 Months	0.2%	-0.2%
Year to Date	0.2%	-0.2%
1 Year	2.6%	4.5%
3 Years	3.5%	3.8%
5 Years	1.0%	0.6%

Returns greater than 1 year are annualized.

Top 5 Holdings

Position	Weight
Current Account	14.6%
SOL ECOLUTION FND LP CLS A PRF SH9%	5.0%
FBL LICENSING LTD 8.50% 12/31/25	4.8%
eCapital Income 2 11/25/28	3.3%
eCapital Bond Corp 25/02/27	3.0%

Fund Allocation



Holding Course

In Q1 2026, the fund returned 0.2%, bringing trailing twelve month performance to 2.6%. This compares to benchmark returns of -0.2% and 4.5% over the same periods.

Global government bond markets faced a turbulent quarter, with yields rising broadly as the Middle East conflict stoked inflation fears and prompted a significant repricing of interest rate expectations. US Treasuries proved the most resilient, benefiting from safe-haven demand and a more stable domestic backdrop. The Supreme Court ruled against the Trump administration's use of emergency powers to impose broad-based tariffs, with the administration subsequently signaling a 10% global tariff via temporary authority. President Trump also nominated Kevin Warsh to succeed Jerome Powell as Fed Chair, a choice generally perceived as market-friendly, though Warsh remains a proponent of balance sheet reduction alongside lower rates.

US rates were held steady at 3.5%–3.75% throughout the quarter. At the March meeting, Chair Powell noted the Fed would need to see further progress on inflation before cutting rates, in line with its dual mandate covering both price stability and employment. Nevertheless, signs of labor market softness and anxiety over AI-driven business disruption led markets to begin pricing in cuts later in the year.

European bonds underperformed the US as the region's dependence on energy imports amplified inflation concerns. The ECB held its deposit rate at 2%, with President Lagarde expressing confidence in the ECB's ability to manage a major shock. The reaction in UK gilts was more pronounced, with the Bank of England holding rates at 3.75% in a notably hawkish shift, dashing earlier expectations of a March cut. In credit markets, US corporate bonds outperformed European peers across both investment grade and high yield.

The fund maintains broad fixed income exposure, with a preference for corporate bonds across credit and currency markets.

The High Yield Income Fund is a sub fund of the RF Bank & Trust (Bahamas) International umbrella investment fund and invests substantially all of its assets into the USD Targeted Income 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. Bloomberg Barclays Emerging Markets USD Sovereign Bond Index tracks fixed and floating-rate US dollar-denominated debt issued by EM governments. Past performance is not a guarantee of future results and all potential investors should consult with a trusted advisor before investing.