



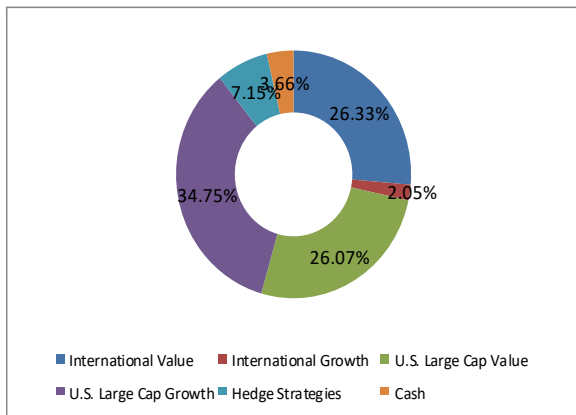
<b>Jun Net Asset Value:</b>	\$15.5249
<b>Assets:</b>	\$22.25M
<b>Inception:</b>	Nov-11

**Performance:**

	<b>Fund</b>	<b>Benchmark*</b>
<b>1 Month</b>	3.26%	6.36%
<b>3 Month</b>	3.26%	2.93%
<b>1 Yr</b>	1.68%	3.61%
<b>3 Yr Ave Ann</b>	7.47%	9.57%
<b>5 Yr Ave Ann</b>	3.12%	4.35%

\* MSCI All Country World Index (MXWD)

**Allocation:**



**Top Five Holdings:**

POLEN FOCUS GROWTH STRATEGY	30%
ARISTOTLE VALUE EQUITY	26%
OAM ASIAN RECOVERY FUND	12%
OAM EUROPEAN VALUE FUND	11%
HEDGE STRATEGIES FUND	7%

*The International Opportunities Fund is a sub fund of the Royal Fidelity International Investment fund. Performance shown is for Series 1 shares, and the asset allocation 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.*

## Which Direction Now?

Bloomberg reports on 12 global economic indicators that investors should watch. In their latest report 4 indicators are neutral while 8 have negative trends. The three U.S. indicators are neutral, the two Latin American and two European indicators are all negative. In Asia, three of the four indicators are negative. The 12th indicator is the Global Purchasing Manager's Index (PMI), which provides a snapshot of the health of manufacturing around the world. A number of 50 or higher signals expansion, while a figure below 50 signals contraction.

In May the Global PMI fell below 50 to 49.8 and in June it fell further to 49.4, which was the lowest level in six-and-a-half years. The July number decreased further to 49.3. The Governor of the Bank of England, Mark Carney, in his most recent speech started his discussion on the international economy by noting that the Global PMI had fallen further below 50, to its lowest level since 2012. Apparently this economic indicator is closely monitored.

In its latest report, the Global Investment Committee of Morgan Stanley stated that "the risk of a mild economic recession in the US has greatly increased during the past six months." They also note that the "good news is that the markets already know this, which is why long-term US treasury Yields are so low and defensive equity sectors like utilities, consumer staples and real estate investment trusts have performed so well in the past year."

The Bloomberg 12 global economic indicators support this view. Based on the above, we expect a market correction over the balance of 2019, which will create a good buying opportunity.

**Royal Fidelity Merchant Bank & Trust**

East Hill Street  
PO Box N 4853  
Nassau, Bahamas  
(242) 603-6000

[www.royalfidelity.com](http://www.royalfidelity.com)  
[info@royalfidelity.com](mailto:info@royalfidelity.com)