

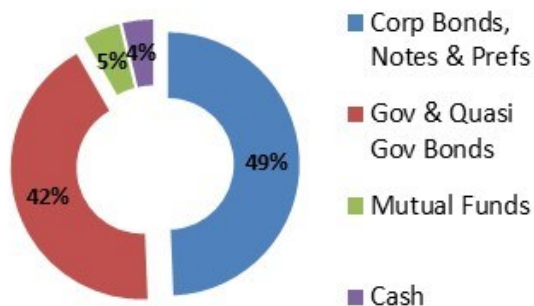
Jun Net Asset Value:	\$6.7658
Assets:	\$188.93M
Inception:	Nov-12

Performance:

	Fund	Benchmark*
1 Month	0.46%	0.35%
3 Month	1.26%	1.06%
1 Yr	4.81%	4.25%
3 Yr Ave Ann	4.67%	4.33%

* Bahamas Prime Rate

Allocation:



Top Holdings:

CABLE BAHAMAS PREF SHARES 6.25%	14%
NAD PARTICIPATING DEBT NOTES 7.5%	14%
BE ALIV FIXED RATE NOTES 8.5%	7%
BE ALIV SERIES 1 PREF SHARES 8.0%	7%
CABLE BAHAMAS PREF SHARES 5.75%	5%

The Prime Income 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.

Bahamas Government Bonds— Recent Developments

Subsequent to the end of the 2Q2019, the Central Bank of The Bahamas (CBOB) offered for sale two government bonds for sale on the secondary market. The table below includes key details from the term sheets released by the CBOB.

Bond	Amount	Maturity	Coupon	Price	Yield
BRS 2027	\$5.56 M	15/12/27	4.82%	\$104.31	4.21%
BRS 2036	\$2.38 M	03/10/36	5.40%	\$104.56	5.00%

The CBOB has made a market in government bonds for decades at the par price of \$100.00, but these bonds were offered at \$104.31 and \$104.56 or premiums of 4.31% and 4.56% respectively. The debt market in The Bahamas is entering a new phase in its development.

Once government debt is listed on BISX, the market place along with the CBOB will play a leading role in pricing both government bonds and other debt securities in the market.

The two key factors that influence Bahamian interest rates will be US interest rates and the sovereign credit risk spread between the US and The Bahamas.

The US Federal Reserve is expected to make several rate cuts during the 2H19. Also, in 2019 YTD the prices of Bahamian USD government bonds have increased nearly 9%. This is a clear sign that the global bond market views Bahamian sovereign debt more favourably and may expect a rating upgrade.

In conclusion, with decreasing US rates and a possible rating upgrade, we may see further increases in local government bond prices.

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