

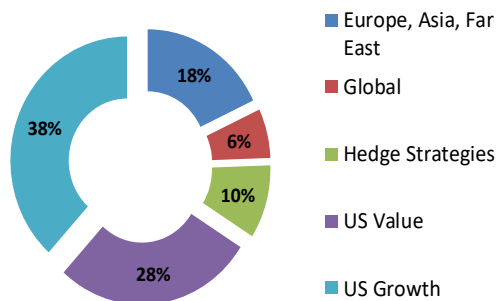
<b>June Net Asset Value:</b>	\$11.53
<b>Assets:</b>	\$11.1M
<b>Inception:</b>	May-08

**Performance:**

	<b>Fund</b>	<b>Benchmark*</b>
<b>1 Month</b>	2.31%	3.03%
<b>3 Month</b>	12.45%	18.66%
<b>1 Yr</b>	2.57%	-0.63%
<b>3 Yr Ave Ann</b>	2.89%	4.18%
<b>5 Yr Ave Ann</b>	3.33%	4.66%

\* MSCI All Country World Index (MXWD)

**Allocation:**



POLEN FOCUS GROWTH STRATEGY	33.0%
ARISTOTLE VALUE EQUITY	27.3%
OAM ASIAN RECOVERY FUND	9.8%
HEDGE STRATEGIES FUND	9.6%
OAM EUROPEAN VALUE FUND	8.2%

*The International Equities Sub Fund is a sub fund of the Royal Fidelity (Bahamas) umbrella investment fund and allocates substantially all of its assets in the USD International Opportunities 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.*

**Stick to the Process!**

In 1934 Benjamin Graham and David Dodd published a book called Security Analysis. Up to this point, most people viewed stocks as purely speculative investments, but in Security Analysis, Graham and Dodd introduced the concept of value investing. The idea is that stocks have an intrinsic value that can be estimated to determine whether a stock is under, over, or correctly valued. Estimating the intrinsic value of a stock requires, at a minimum, analysis of the company's assets (net), cashflow, earnings and dividend history.

This tried and proven process is relevant when the economy is booming and especially relevant during economic downturns, like the unprecedented economic slowdown caused by the COVID-19 pandemic.

Prudent investors need to analyse a company's balance sheet to estimate whether it has enough cash or access to cash to operate. The analysis of earnings and earning potential will highlight whether its operations are generating cash or burning cash. The ability of the company to continue paying dividends will depend on cash levels as well. It is often said that "Cash is King" and this is especially true during recessions. The companies that survive and eventually prosper will be those with sufficient liquidity to operate and in some cases expand market share as competitors close or are acquired.

The Fund has remained consistent with a focus on diversification across geographies, industries, and strategies. In Q2 the Fund increased by 12.71%, recovering most of the loss in Q1.

According to Morgan Stanley, US equity markets have effectively priced in a v-shaped recovery and over the next 12 months they see the S&P 500 moving sideways. The Fund is actively managed and has non-US exposure, so we expect the Fund to outperform the S&P 500 during the second half of 2020.

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