



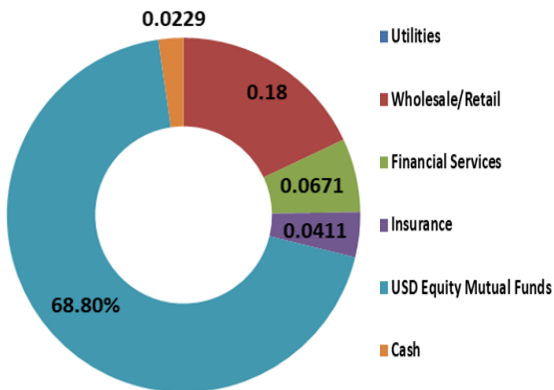
<b>June Net Asset Value:</b>	\$1.1292
<b>Assets:</b>	\$5.08M
<b>Inception:</b>	Dec 08

## Performance:

	Fund	Benchmark*
<b>1 Month</b>	2.76%	0.542%
<b>3 Month</b>	7.38%	1.625%
<b>1 Yr</b>	19.0%	6.5%
<b>5 Yr</b>	33.51%	37.0%

\* Annual rate of return, 6.5%

## Allocation:



## Top Hold-

RF USD INT'L OPPORTUNITIES FUND
MASSY HOLDINGS LIMITED
RF USD HEDGE FUND
GODDARD ENTERPRISES LIMITED
FIRST CARIBBEAN INTERNATIONAL BANK

*The Strategic Growth Fund is a sub fund of the Royal Fidelity Investment Fund the umbrella company. 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.*

## Two Steps Forward, One Step Back

The Fund and global equity markets had a strong June and Q2. The Fund outperformed the benchmark by 2.21% and 5.75% in June and Q2, respectively.

In Q2 we saw a continuation of the momentum from Quarter 1, and according to the World Bank the global economy has grown by 5.6% in 2021 YTD, the fastest post-recession pace in 80 years. The U.S. economy is projected to grow by 6.8% in 2021. This growth has been driven by the re-opening of economies as vaccinations increased globally and infection rates declined. The recent spread of the Delta variant in the U.K. and the U.S. is expected to slow the rate of economic growth in the short-term, but the re-instatement of major restrictive measures is not expected.

The major talking point has become the rise of inflation. Consumer prices rose in May at the fastest pace in almost 13 years according to the Department of Labor. The CPI (Consumer Price Index), which represents a basket of items including food, energy, groceries, housing costs and sales across a spectrum of goods, rose 5% from a year earlier. Economists surveyed by Dow Jones had been expecting a gain of 4.7%. This reading represents the largest CPI gain since August 2008, before the financial crisis.

Mid and small cap US stocks have outperformed their large cap cousins so far in 2021, with the Russell Mid Cap and Russell 2000 indices returning, 17.95% and 19.43%, respectively compared to 16.13% for the S&P 500. So far in 2021 value stocks have outperformed growth across the entire market cap range, however, this may be a short-term movement as growth not only out-performed value in 2020, which represents the fourth consecutive year in doing so.

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