Select Balanced Fund

Quarterly Report, Q2 2022

Mar Net Asset Value:	$5.618
Assets:	$26.81M
Inception:	Aug-86

PEFORMANCE

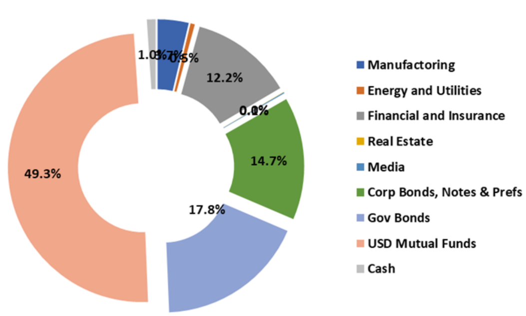
	Fund	**Benchmark***
1 Month	-1.81%	-0.68%
3 Month	-3.98%	1.52%
1Yr	-4.95%	1.68%
3Yr	3.60%	-1.70%
5Yr	1.41%	0.22%

** Index 25% BSE Index, 25% MSCI All Country and 50% Barbados Discount Rate*

TOP FIVE HOLDINGS

RF US INT'L OPPORTUNITLES FUND	51.80%
RF BAHAMAS USD TARGETED INCOME	16.13%
GOVERMENT OF BARBADOS BONDS	17.80%
CORPORATE BONDS	14.66%
FINANCE AND INSURANCE STOCKS	12.20%

ALLOCATION



Synchronized Downturn

The Fund and global equity markets had a disappointing June and Q2. The Fund underperformed the benchmark by 1.13% and 5.50% in June and Q2, respectively.

In the Q2 2022, developed market equities fell significantly, with the S&P 500 falling –16.1%. This is the worst quarter since the beginning of the pandemic. Investor's remained bearish on the economy as inflation concerns grew, monetary tightening by the Fed began, and the Russia/Ukrainian war continued.

Concerns about a cooling economy caused market volatility throughout Q2 2022. The Fed began their fight against inflation, hiking interest rates by 50bps in May and 75bpbs in June 2022, the largest increase since 1994. These hikes led to increases in Treasury yields, which led the U.S. Aggregate Bond Index to fall –4.69%.

Concerns about the Fed's ability to control inflation without causing a recession remain high. All eyes will be on them during the second half of this year, and as a result it is likely the market will remain volatile until investor's see signs of cooling inflation. Investors will continue to price in the increased interest rates and risk of recession throughout the remained of this year. The latest Bloomberg survey of leading economists suggests that they feel there is a 47.5% chance of a US recession in the next 12 months.

The US 10-year Treasury yield increased significantly in Q2, from 2.338% to 3.0129%. It peaked at 3.4980% in June amid the Fed's announcement of a 75bps hike in interest rates. Since then yields pulled back to close the quarter at 3.013% as investor's begin to fear the possibility of a recession more than inflation, thus viewing treasury bonds as a safer investment than US equities. The US 2-year yield increased from 2.286% to 3.248%, resulting in an inverted yield curve, which supports the recession narrative. Corporate bonds lagged government bonds for the quarter. High yield bonds experienced the largest losses amidst growing concerns of inflation and a recession.

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