

# Global Balanced Fund

Quarterly Report, Q2 2023

Issue 38



Net Asset Value:	\$13.6408
Assets:	\$1.08 million
Inception:	Aug-14

## PERFORMANCE

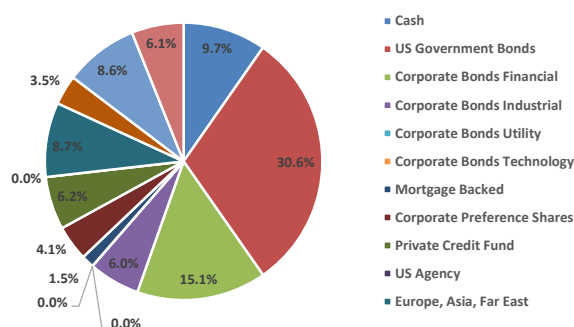
	Fund	Benchmark*
1 Month	0.64%	0.11%
3 Month	0.73%	0.14%
1Yr	-0.83%	1.90%
3Yr	5.72%	4.16%
5Yr	3.59%	2.95%

\* Blended Index: 50% MSCI All-Country World Index (MXWD) and 50% Bloomberg Barclays Emerging Markets USD Sovereign Bond Index (BSSUTRUU)

## TOP FIVE ASSET CLASSES

US GOVERNMENT BONDS	30.6%
US CORPORATE BONDS	21.1%
STOCKS - EUROPE, ASIA, FAR EAST	8.7%
VALUE STOCKS—US	8.6%
GROWTH STOCKS—US	6.1%

## ALLOCATION



The Global Balanced Fund is a sub fund of the RF International Investment Fund. The fund is new and has limited performance history. Performance shown is for Series I, 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.

## Inflation is Slowing Down

The Fund was up 0.64% in June and 0.73% in Q2, and outperformed the benchmark across the same time period. The Fund underperformed the benchmark over the last 3 year and 5 year periods versus the benchmark.

During the first half of 2023 instead of the expected pull back in equity values, equity markets performed well while bond prices declined.

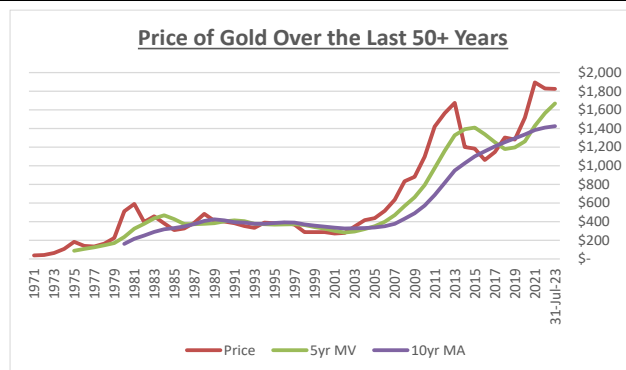
Regarding U.S. interest rates, the fed funds rate was raised by 0.25% in July as inflation remains above the target rate of 2%. We expect that the FED will likely hold interest rates steady into 2024 until inflation nears their inflation target.

The Bloomberg consensus forecasts for real GDP and CPI are detailed in the table below. Asian economies are expected to outperform while European and U.S. economies underperform the global economy. The yellow cells reflect decreasing forecasts while the green reflect increasing forecasts. Only India has 2024 GDP forecasts that trended upward.

Another asset class that we are considering adding to the Fund's portfolio is gold. The chart below shows the movement of the price of gold since 1970. In addition to potential gains, gold offers a god hedge against inflation and a weakening US dollar.

Real GDP (YoY%)	2023	2024	2025	CPI (YoY%)	2023	2024	2025
World	2.6	2.7	3.1	World	5.5	3.9	3.4
US	1.5	0.6	1.9	US	4.1	2.5	2.4
China	5.4	4.8	4.7	China	1.1	2.2	2.0
Euro Zone	0.5	1.0	1.6	Euro Zone	5.4	2.5	2.1
Asia ex Japan	4.8	4.7	4.7	Asia ex Japan	1.7	2.6	2.5
Canada	1.5	0.7	1.9	Canada	3.7	2.3	2.0
India	7.0	6.1	6.4	India	5.9	5.0	4.9
Latin America	1.3	1.6	2.3	Latin America	23.3	18.2	11.7
Africa	2.7	3.3	4.0	Africa	14.7	9.9	8.5

Source: Bloomberg Contributor Composite Forecasts July 24, 2023



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