

RF Bank & Trust

Premium Income Fund

Fund Quarterly Report | Q2 2025

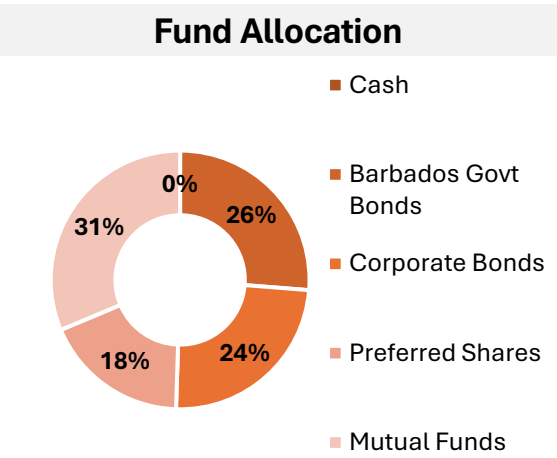


Key Information	
Net Asset Value	1.87
Fund Type	Barbados Fixed Income
Benchmark	Barbados Discount Rate

	RF Fund	Benchmark
1 Month	0.4%	0.2%
3 Months	0.6%	0.5%
Year to Date	1.6%	1.0%
1 Year	4.7%	2.0%
3 Years	3.0%	2.0%
5 Years	2.3%	2.0%

Returns greater than 1 year are annualized.

Top 5 Holdings	
Position	Weight
Targeted Income Fund S3	46.6%
Government of Barbados Debt Exchange	13.9%
WILLIAMS INDUSTRIES-TRANCHE 4	13.7%
SOL ECOLUTION CLASS B	12.4%
Government of Barbados Debt Exchange	5.8%



### Resilience in the Face of Uncertainty

In Q2 2025, the fund continued to outperform its benchmark, with a return of 0.6% bringing the year to date return to 1.6%. This compares to 0.5% and 1.0% respectively for the benchmark. This performance was driven by its holding of the Targeted Income Fund an offset price declines in Government of Barbados Debt holdings.

At the start of the quarter, President Trump’s “Liberation Day” announcement triggered a sharp steepening of the yield curve, which in turn prompted a temporary pause on tariffs. This development provided short-term relief to markets, but upward pressure on yields resumed in May as concerns mounted over the sustainability of U.S. national debt levels amid plans for continued tax cuts, compounded by Moody’s downgrade of the U.S. sovereign credit rating.

Treasury yields subsequently retreated in June as several members of the Federal Open Market Committee (FOMC) adopted a more dovish tone, signaling a willingness to support an interest rate cut as early as July should inflation remain subdued. However, Chair Powell maintained a cautious “wait and see” stance, emphasizing that tariff-related inflationary pressures were likely to emerge over the summer.

Amidst intensifying global risks the Barbadian economy sustained its growth momentum. The Central Bank of Barbados reported Real GDP expanded by 2.5% during the first half of 2025 driven by strong activity in construction, tourism, and retail trade. Importantly, increased foreign investment reflecting improved confidence and increased financing to both public and private sectors helped offset a widening current account deficit.

Stronger loan repayment and growth in private sector credit was a reflection of favourable economic conditions and accommodative lending policies. This trend strengthens the outlook for Barbadian debt and supports our funds positioning.

\*The Premium Income Fund is a sub fund of the RF Investment Fund the umbrella company. Performance shown above is for Series 1 shares and may differ for other Series. 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 is not a guarantee of future results and all potential investors should consult with a trusted advisor before investing.