

RF Bank & Trust

Prime Income Fund

Fund Quarterly Report | Q2 2025



Key Information

Net Asset Value	8.41
Fund Type	Bahamian Fixed Income
Benchmark	Local Prime Rate

Performance Statistics

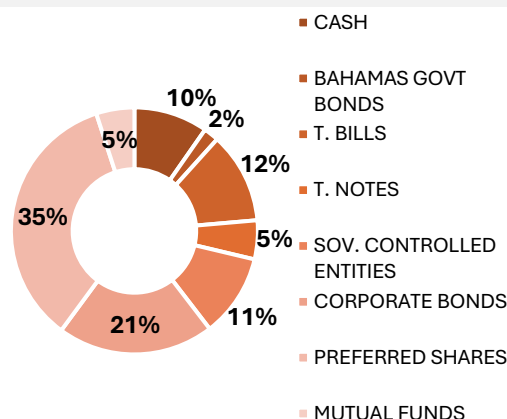
	RF Fund	Benchmark
1 Month	0.3%	0.3%
3 Months	1.0%	1.0%
Year to Date	2.1%	2.1%
1 Year	4.0%	4.3%
3 Years	3.4%	4.3%
5 Years	3.4%	4.3%

Returns greater than 1 year are annualized.

Top 5 Holdings

Position	Weight
CABLE BHS LTD SER 16 PRF SH 6%	10.4%
CABLE BAHAMAS LTD S15 PREF 5.5%	8.3%
NAD LTD 7.5% PARTICIPATNG DBT NOTES	8.3%
BSD T-BILLS 12/09/25	6.3%
Current Account	5.6%

Fund Allocation



Stability in a Shaky World

In Q2 the Fund gained 1.0%, continuing its strength from the first quarter. While this is just below benchmark performance of 1.1%, our conviction in the underlying investments remains high and we expect performance to reflect this as the year continues.

Approximately one-quarter of the portfolio is currently invested in U.S. dollar fixed income securities, offering attractive yields and high liquidity, as these positions can be exited quickly if needed. During the second quarter US fixed income markets posted gains, with the Treasury yield curve steepening as attention shifted away from monetary policy and towards fiscal policy risks. Specifically, concerns about the sustainability of US government debt following the introduction of the “One, Big, Beautiful Bill Act.” The Federal Reserve (Fed) left its policy rate unchanged in the second quarter. In the press conference following its June meeting, Fed Chair Jerome Powell said that uncertainty about the economic outlook has decreased but still remains high.

In April, the EA Energy Bond (8%) came to market and the Fund picked up over \$8 million. This was the only non-Government debt brought to market in Q2.

To reduce cash drag, excess liquidity was allocated to short-term government paper with maturities of 90 to 100 days. This provides modest yield while preserving flexibility for upcoming investment opportunities. We anticipate participating in new private offerings in the months ahead, which will support further deployment of capital.

Since the post-COVID market lows, the fund’s performance has steadily improved, now approaching an annualized return of 4.5%. Our objective over the next 12 months is to push this return above 5%, supported by active allocation and disciplined risk management.