

RF Bank & Trust Targeted Equity Fund

Fund Quarterly Report | Q3 2025



Key Information

Net Asset Value	15.84
Fund Type	Bahamian Equity
Benchmark	BISX All Share Index

Performance Statistics

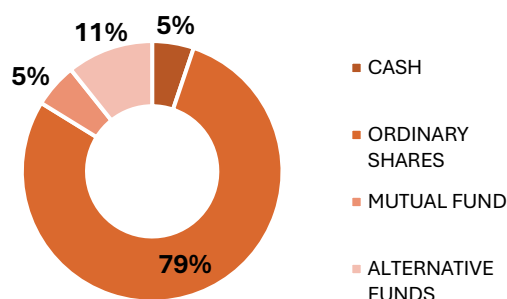
	RF Fund	Benchmark
1 Month	1.1%	1.1%
3 Months	1.6%	0.8%
Year to Date	4.9%	1.9%
1 Year	6.5%	2.6%
3 Years	5.9%	5.2%
5 Years	9.9%	7.9%

Returns greater than 1 year are annualized.

Top 5 Holdings

Position	Weight
DOCTORS HOSPITAL HEALTH	11.1%
FIDELITY BANK (BAHAMAS) LTD	10.9%
SEF Class A	10.7%
FOCOL HOLDINGS LTD ORDINARY SHARES	7.9%
FINANCE CORPORATION OF BAHAMAS LTD	7.7%

Fund Allocation



An Attractive Risk & Return Profile

In the third quarter, the Fund gained 1.6%, bringing year-to-date performance to 4.9%. Strong performance from Focol and Bahamas Property Fund offset weakness in larger positions including Doctors Hospital and Fidelity Bank. The Fund continues to outperform the BISX All Share Index, which rose 0.8% for the quarter and 1.9% year to date.

Top performers in Bahamian equities for the quarter were Bank of the Bahamas (+20.3%), Consolidated Water BDRs (+17.7%), and Focol (+12.5%), while laggards included Commonwealth Bank (-7.9%), Doctors Hospital (-6.4%), and Bahamas Waste (-4.7%).

Several companies announced dividends during the quarter, including AML, Cable Bahamas, Commonwealth Bank, J S Johnson, and CIBC. Cable Bahamas also relaunched its share buyback program through June 2026, leveraging strong cash flow generation to return value to shareholders.

In a significant development for the domestic economy, Standard & Poor's upgraded the Bahamas' sovereign credit rating from B+ to BB- in late October, citing strong economic fundamentals and improved fiscal discipline. The upgrade reflects the country's robust tourism performance, with total arrivals reaching 11.2 million in 2024, representing a 153% increase from pre-pandemic levels, and continued momentum into 2025. Importantly, the sovereign debt-to-GDP ratio is projected to decline to 66.3% by year-end 2025 from 77.8% in 2020. While this improving report is encouraging, we remain mindful of headwinds that could temper growth prospects in the near term.

In this environment, our portfolio strategy remains centered on diversification, with continued emphasis on positions offering attractive valuations and sustainable dividend yields. Given our expectations for moderating growth, we are prioritizing high-quality, defensive businesses with proven track records of resilience across varying market conditions.