

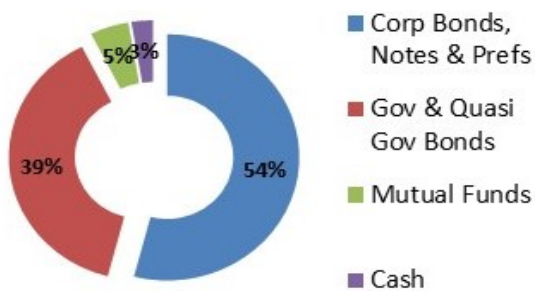
Dec Net Asset Value:	\$6.5950
Assets:	\$170.19M
Inception:	Nov-12

Performance:

	Fund	Benchmark*
1 Month	0.34%	0.35%
3 Month	1.06%	1.06%
1 Yr	4.43%	4.25%
3 Yr Ave Ann	4.57%	4.42%

* Bahamas Prime Rate

Allocation:



Top Holdings:

CABLE BAHAMAS PREF SHARES 6.25%	15%
NAD PARTICIPATING DEBT NOTES 7.5%	15%
BE ALIV FIXED RATE NOTES 8.5%	7%
BE ALIV SERIES 1 PREF SHARES 8.0%	7%
CABLE BAHAMAS PREF SHARES 5.75%	6%

The Prime Income Fund is a sub fund of the Bahamas Opportunities umbrella investment fund, which began in November 2012. Performance shown is for Series 1, 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.

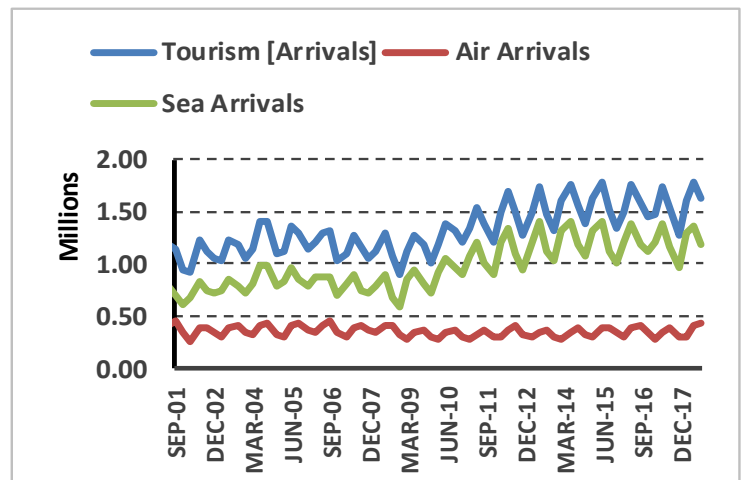
Looking for Diversification and Yield in Q4

In December, the Nassau Airport Development Company Limited (NAD) offered 7.50% fixed rate participating debt notes. This offering presented the Prime Income Fund (the "Fund") with a rare opportunity to improve the Fund's performance while adding diversification.

The cash flows of NAD are driven by passenger volumes at the Lynden Pindling International Airport (LPIA), which in turn is primarily supported by stopover tourists. Therefore, this investment is directly linked to the tourism industry of The Bahamas.

The chart below illustrates tourism arrivals over the last 18 years. As at September 2018, total arrivals for the last twelve months stood at 6.52 million, which represents an 8.4% increase over a year ago. The most important category, Air Arrivals, reached 1.51 million for the twelve months ended September 2018, which is 16.1% better a year earlier. Based on reservations/bookings, the outlook for 2019 is positive.

The Fund made an investment representing 15% of the portfolio in the NAD 7.5% paper. Net subscriptions in the Fund remain strong and in order to minimize the negative impact of cash drag on the Fund's performance, it is important that the Fund take advantage of quality new offerings, which come to market rarely.



Source: Central Bank Reports

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