

## Key Information

Net Asset Value	2.22
Fund Assets	25,559,980
Inception	Nov-12

## Performance Statistics

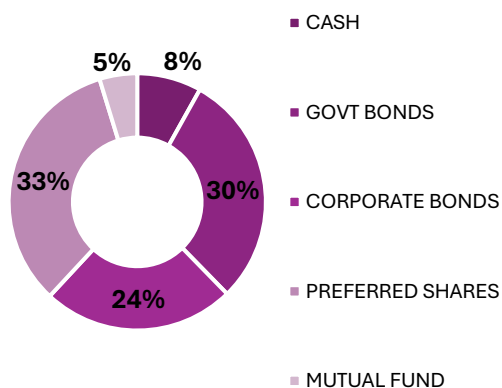
	RF Fund	Benchmark
1 Month	0.3%	0.4%
3 Months	1.2%	1.4%
Year to Date	1.2%	1.4%
1 Year	3.6%	4.3%
3 Years	3.0%	4.3%
5 Years	2.8%	4.3%

Returns greater than 1 year are annualized.

## Top 5 Holdings

Position	Weight
CABLE BHS LTD SER 16 PRF SH 6%	9.6%
NAD LTD 7.5% PARTICIPATNG DBT NOTES	8.0%
CABLE BAHAMAS LTD S15 PREF 5.5%	7.9%
Current Account	6.2%
BSD T-BILLS 16/04/26	6.1%

## Fund Allocation



## Steady Improvement in Returns

In Q1 2026, the fund returned 1.2% (4.8% annualized), bringing trailing twelve-month performance to 3.6%. This compares to benchmark returns of 1.4% and 4.3% over the same periods.

Global government bond markets faced a turbulent quarter, with yields rising broadly as the Middle East conflict stoked inflation fears and prompted a significant repricing of interest rate expectations. US Treasuries proved the most resilient, benefiting from safe-haven demand and a more stable domestic backdrop. The Supreme Court ruled against the Trump administration's use of emergency powers to impose broad-based tariffs, with the administration subsequently signaling a 10% global tariff via temporary authority. President Trump also nominated Kevin Warsh to succeed Jerome Powell as Fed Chair, a choice generally perceived as market-friendly, though Warsh remains a proponent of balance sheet reduction alongside lower rates.

The Bahamian economy maintained steady growth in March, supported by strong tourism performance, with total arrivals rising 15.7% year-over-year to 1.4 million visitors. External reserves strengthened to \$3.09 billion, well above international benchmarks and sufficient to sustain the currency peg, a positive signal for sovereign credit stability. The Central Bank retained its accommodative policy stance with its benchmark rate held at 4.0%, while weighted average loan rates declined 41 basis points to 10.9%. Banking sector liquidity remained elevated, with excess liquid assets rising to \$3.31 billion.

Credit quality showed gradual improvement, with non-performing loans declining to 4.7% of total loans, and private sector credit growth nearly doubling to \$46 million for the month. However, investors should note several headwinds including weakened US stopover demand, global tariff uncertainty, and a sharp rise in crude oil prices, up 67% in March to \$118.35 per barrel, all of which pose upside risks to near-term inflation and could pressure fiscal consolidation. The government's fiscal deficit widened to \$201 million in the October-December quarter, but recently the Moody's rating agency upgraded the Bahamas credit rating from B1 to Ba3, which equates to the S&P ratings of B+ to BB-.