

Pension Balanced Fund

Quarterly Report, Q2 2021
Issue 36



June Net Asset Value:	\$2.4072
Assets:	\$18.311M
Inception:	Nov-12

PERFORMANCE

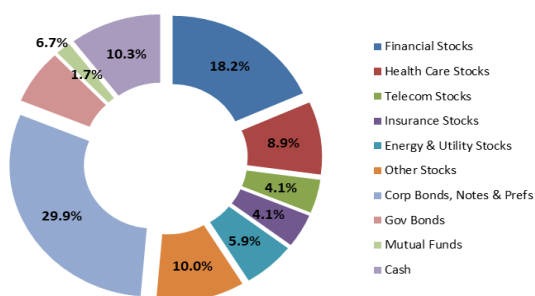
	Fund	Benchmark*
1 Month	0.74%	0.65%
3 Month	1.91%	0.82%
YTD	2.81%	-1.03%
1Yr	5.06%	-0.43%
3Yr	5.93%	3.86%

*Blended Index: 60% current Bahamas Prime Rate and 40% BISX All Share Index

INVESTMENT EXPOSURE

CORP. BONDS, NOTES & PREFS.	29.9%
FINANCIAL STOCKS	18.2%
HEALTH CARE STOCKS	8.9%
GOVERNMENT BONDS	6.7%
ENERGY & UTILITY STOCKS	5.9%

ALLOCATION



The Secure Balanced 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.

Positive Outlook in 2H 2021

The Fund's performance versus the benchmark has been strong since inception. During the second quarter and year-to-date, the fund has returned 1.91% and 2.81% vs the benchmark which returned 0.65% and -1.03%. Over the past 3 years, the Fund has averaged 5.93% per annum versus 3.86% for the benchmark.

Currently 51.3% of the Fund's portfolio is invested in equities, with the balance invested in fixed income. The target allocation is 40% equities and 60% fixed income, in 2021 reducing equity exposure and increasing fixed income holdings will be a priority.

The Fund's largest sector exposure is the financial services sector, with 18.2% of the total portfolio investing local banks. After taking significant loan loss provisions, banks have shown a strong comeback in the second quarter as losses were less than provisioned. The healthcare sector has experienced increased earnings during the past few quarters as a result of covid testing and other covid related services. The question they will face is will they be able to sustain such revenue when the pandemic begins to disappear.

We expect for the equity market to drive the fund forward through the end of the year as business return to normal pre-pandemic conditions and new private fixed income offering come into the mar-