

Equity Pension Fund—PRA

Quarterly Report, Q2 2023
Issue 40

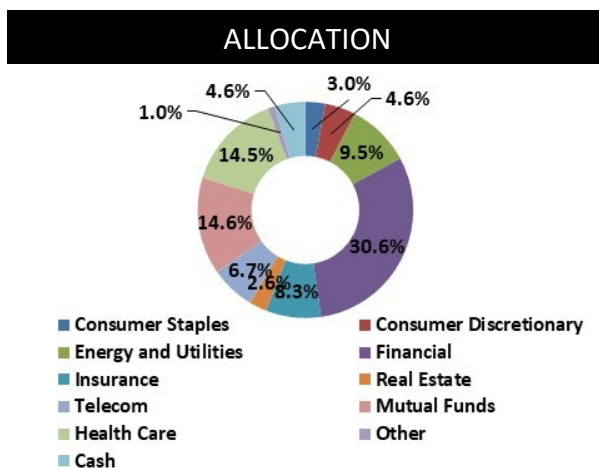


June Net Asset Value:	\$1.77
Assets:	\$387k
Inception:	Nov-12

PERFORMANCE		
	Fund	Benchmark*
1 Month	0.55%	2.40%
3 Month	1.30%	6.67%
1YR	7.23%	-1.03%
3Yr	14.31%	6.79%
5Yr	11.99%	5.94%

*BISX All share Index

TOP FIVE HOLDINGS	
FIDELITY BANK (BAHAMAS)	15.04%
DOCTORS HOSPITAL	14.53%
SEC CLASS A (Private Equity)	8.88%
FINCO	7.84%
CABLE BAHAMAS	6.67%



The Targeted Equity 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.

Improving The Risk/Return Profile

In Q2 the Fund returned 1.30% versus 6.67% for the BISX All Share Index (BISX). Over the last year the Fund returned 7.23% versus the -1.03% generated by BISX, which is heavily weighted (33% of the total index) towards CIBC shares, which returned 12.68% in Q2 but -14.34% YTD.

Over the last 3 years and 5 years, the Fund's average annual return was 14.31% and 11.99%, respectively. Over both periods the Fund significantly outperformed BISX.

The stars in Q2 were Consolidated Water, Bank of the Bahamas, CIBC, and FOCOL which increased by 61.67%, 17.65%, 12.68%, and 12.50%, respectively. The dogs in Q2 were AML, Bahamas First, Cable Bahamas, and Fidelity Bank which declined by 15.46%, 8.89%, 7.11%, and 2.78%, respectively.

The mixed performance of Bahamian equities during the first half of 2023 slowed the performance of the Fund, but we expect a stronger second half for 2023.

The Fund's exposure to Fidelity Bank and Doctors Hospital continued to decrease as intended. Their decrease as a percentage of the total portfolio is a result of total Asset Under Management increasing versus active selling of shares.

The Fund recently made an investment in the SEC CLASS A private equity offering. The underlying investment of this fund is Easy Car Sales. We expect this investment and future private equity offering to provide diversification and attractive medium to long term returns for the Fund.

The Fund is reducing exposure to individual holdings and adding some private equity exposure, which we expect will reduce volatility and improve returns over the medium to long-term.

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