

US Balanced PPP Fund (USD)

Quarterly Report, Q2 2023
Issue 15



Inflation is Slowing Down

June Net Asset Value:	\$1.24
Assets:	\$429K
Inception:	May-18

PERFORMANCE

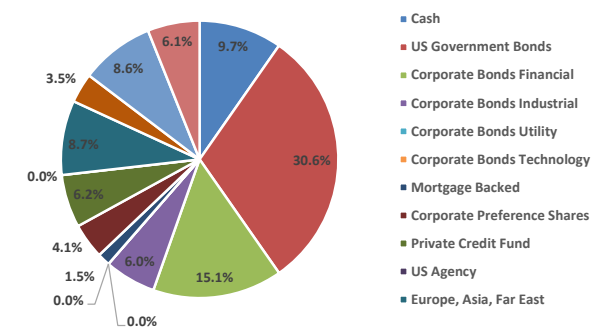
	Fund	Benchmark*
1 Month	0.17%	0.11%
3 Month	0.34%	0.14%
1Yr	-0.05%	1.90%
3Yr	7.84%	4.16%
5Yr	5.82%	2.95%

*MSCI All Country World Index (MXWD)

TOP FIVE HOLDINGS

US GOVERNMENT BONDS	30.6%
US CORPORATE BONDS	21.1%
STOCKS - EUROPE, ASIA, FAR EAST	8.7%
VALUE STOCKS—US	8.6%
GROWTH STOCKS—US	6.1%

ALLOCATION



The Fund was up 0.17% in June and 0.34% in Q2, and outperformed the benchmark across the same time period. The Fund significantly outperformed the benchmark over the last 3 year but outperformed over the last 5 year periods versus the benchmark.

During the first half of 2023 instead of the expected pull back in equity values, equity markets performed well while bond prices declined.

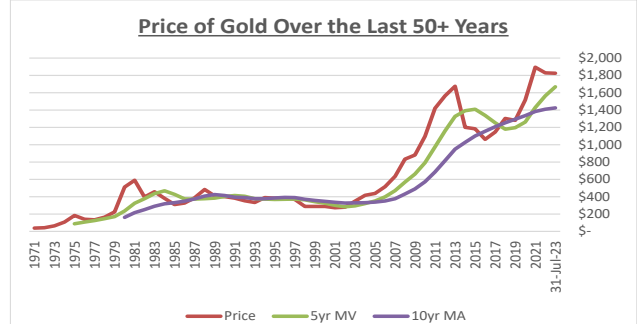
Regarding U.S. interest rates, the fed funds rate was raised by 0.25% in July as inflation remains above the target rate of 2%. We expect that the FED will likely hold interest rates steady into 2024 until inflation nears their inflation target.

The Bloomberg consensus forecasts for real GDP and CPI are detailed in the table below. Asian economies are expected to outperform while European and U.S. economies underperform the global economy. The yellow cells reflect decreasing forecasts while the green reflect increasing forecasts. Only India has 2024 GDP forecasts that trended upward.

Another asset class that we are considering adding to the Fund's portfolio is gold. The chart below shows the movement of the price of gold since 1970. In addition to potential gains, gold offers a god hedge against inflation and a weakening US dollar.

Real GDP (YoY%)	2023	2024	2025	CPI (YoY%)	2023	2024	2025
World	2.6	2.7	3.1	World	5.5	3.9	3.4
US	1.5	0.6	1.9	US	4.1	2.5	2.4
China	5.4	4.8	4.7	China	1.1	2.2	2.0
Euro Zone	0.5	1.0	1.6	Euro Zone	5.4	2.5	2.1
Asia ex Japan	4.8	4.7	4.7	Asia ex Japan	1.7	2.6	2.5
Canada	1.5	0.7	1.9	Canada	3.7	2.3	2.0
India	7.0	6.1	6.4	India	5.9	5.0	4.9
Latin America	1.3	1.6	2.3	Latin America	23.3	18.2	11.7
Africa	2.7	3.3	4.0	Africa	14.7	9.9	8.5

Source: Bloomberg Contributor Composite Forecasts July 24, 2023



The International Opportunities Fund is a sub fund of the RF International Investment fund. Performance shown is for Series 1 shares, and the asset allocation 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.