

Key Information

Net Asset Value	24.74
Fund Assets	18,772,184
Inception	May-18

Performance Statistics

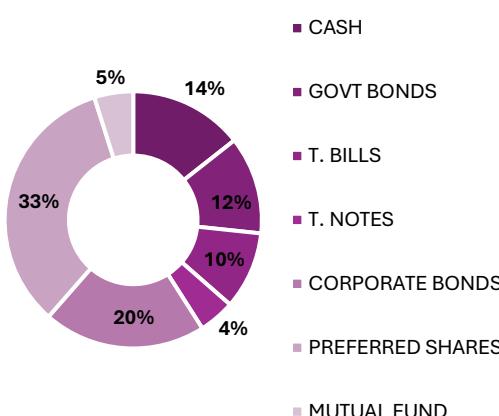
	RF Fund	Benchmark
1 Month	0.4%	0.3%
3 Months	1.1%	1.0%
Year to Date	3.3%	2.1%
1 Year	4.2%	4.3%
3 Years	3.5%	4.3%
5 Years	3.3%	4.3%

Returns greater than 1 year are annualized.

Top 5 Holdings

Position	Weight
Current Account	10.9%
CABLE BHS LTD SER 16 PRF SH 6%	10.0%
NAD LTD 7.5% PARTICIPATNG DBT NOTES	8.1%
CABLE BAHAMAS LTD S15 PREF 5.5%	7.9%
High Yield Income Fund	4.5%

Fund Allocation



Returns Continue to Improve

The Fund gained 1.1% in the third quarter, bringing year-to-date performance to 3.3%, in line with our benchmark. The results reflect the conviction we expressed last quarter regarding our underlying investments and their potential for improvement as the year progressed.

Approximately one-quarter of the portfolio is currently invested in U.S. dollar fixed income securities, offering attractive yields and high liquidity, as these positions can be exited quickly if needed. In the US, the yield curve initially steepened as shorter-dated bonds outperformed, driven by growing expectations of rate cuts and concerns about the Federal Reserve's policy independence. A softening labour market, combined with moderating inflation, despite ongoing concerns about tariff-driven price pressures, reinforced the case for monetary easing.

When the Federal Reserve delivered a 25 basis point rate cut in September (bringing the target range to 4.0%-4.25%), the move was largely anticipated by markets. Signs of softening labour markets combined with sticky inflation may limit the Fed's ability to lower rates as aggressively as expected.

Standard & Poor's upgraded the Bahamas' sovereign credit rating from B+ to BB- in late October, citing improved fiscal discipline and strong tourism performance. The sovereign debt-to-GDP ratio is projected to decline to 66.3% by year-end 2025 from 77.8% in 2020. While this upgrade is encouraging for the domestic fixed income market, we remain mindful of headwinds that could impact the growth outlook.

As cash balances increased during the quarter, we are actively managing excess liquidity through allocations to short-term government paper with maturities of 90 to 100 days. This strategy minimizes cash drag while preserving flexibility for upcoming investment opportunities, including anticipated participation in new private offerings that will support further capital deployment.