

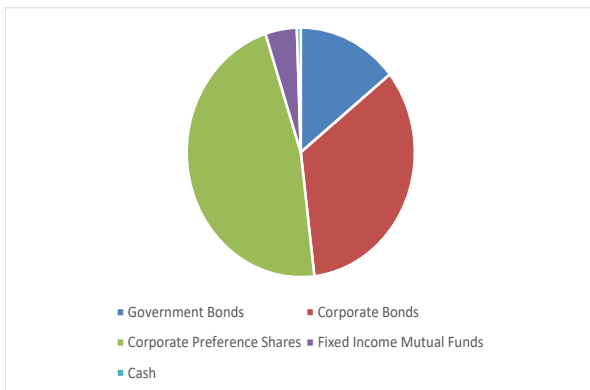
<b>Dec Net Asset Value:</b>	\$1.8321
<b>Assets:</b>	\$15.96M
<b>Inception:</b>	Nov-12

**Performance:**

	Fund	Benchmark*
<b>1 Month</b>	0.57%	0.35%
<b>3 Month</b>	1.12%	1.06%
<b>1 Yr</b>	5.42%	4.25%
<b>3 Yr Ave Ann</b>	5.12%	4.48%

\* Bahamas Prime Rate

**Allocation:**



**Top Holdings:**

CABLE BAHAMAS PREF SHARES 6.25%	13.8%
NAD PARTICIPATING DEBT NOTES 7.5%	13.0%
BE ALIV FIXED RATE NOTES 8.5%	6.5%
BE ALIV SERIES 1 PREF SHARES 8.0%	6.5%
CABLE BAHAMAS PREF SHARES 5.75%	5.0%

*The Prime Income 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.*

**Expectations for 2020**

In the fourth quarter of 2019 the Fund's assets under management (AUM) increased by \$2.9 million to \$85.2 million. Also, the Fund's net asset value (NAV) increased by 1.22% or \$0.08 from 6.8526 to 6.9360. The table to the left shows the Fund's performance over the last month, quarter, year and five years and for each period the Fund has outperformed the benchmark.

In 2019 bank liquidity remained high and interest rates low. These factors combined with the strong performance of the Fund resulted in AUM increasing by \$13.4 million in 2019. We expect this trend to continue in 2020.

A key challenge for the Fund's investment manager will be finding attractive investments for these strong inflows. During the first quarter of 2020, we don't see many new fixed income issues coming to market except for government bonds. Later in the year, especially in the second half of 2020, we expect a number of fixed income issues to come to market.

According to the Central Bank of The Bahamas, it is expected that most of the costs associated with the reconstruction of lost infrastructure, replacement of fixed assets and social welfare support following the storm will be born by the Government. Funding of these costs is expected to come from domestic and external borrowing.

In conclusion, we expect modest growth for the Bahamian economy in 2020 with inflation and interest rates remaining subdued. This bodes well for further strong inflows into the Fund in 2020. During the first half of the year the primary source of investment assets will be Government debt, but a number of private sector offerings are expected in the second half of 2020.

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