

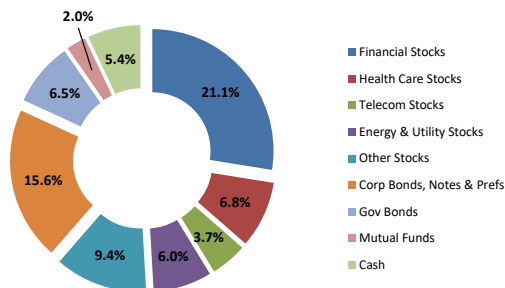


Dec. Net Asset Value:	\$1.7030
Assets:	\$2.48M
Inception:	Jul-98

Performance:

	Fund	Benchmark*
1 Month	0.63%	0.23%
3 Month	1.63%	0.62%
1 Yr	1.63%	0.99%
3 Yr Ave Ann	5.80%	3.99%

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

Allocation:**Asset Allocation****Top Holdings:**

CABLE BAHAMAS PEF SHARES	6.25%
NAD PARTICIPATING DEBT NOTES	7.5%
BE ALIV FIXED RATE NOTES	8.5%
FIDELITY BANK (BAHAMAS)	
DOCTORS HOSPITAL	
FINCO	

The Balanced Fund is a pension-only pool of assets that invests in the pension-specific shares of other equity and fixed income funds. Performance shown does not include any fees associated with the administration of a pension plan and may differ from other shares offered in the fund as a result of different fee structures. The asset allocation shown is subject to change without notice and at the discretion of the investment manager, subject to any restrictions outlined in the fund's offering documents. Past performance doesn't guarantee future success.

The Glass is Half Full!

The Pension's performance versus the benchmark has been strong since inception. The local equity market as measured by BISX, lost 6.23% in 2020, but the Plan's equity holdings decreased by only 1.97%. Over the past three years the fund averaged a return of 5.80%.

Currently 51.1% 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.

As this report was being prepared, the roll-out of vaccines in the U.S. and U.K. were gaining momentum with 14.7% of the U.K. population and 10.0% of the U.S. population have received at least one dose. The U.S. is on pace to have 70% of the total population (232 million people) vaccinated by July. This is important because some studies predict herd immunity will be achieved when 60% to 70% of the population is vaccinated. In the case of The Bahamas, 275,000 people will need to be vaccinated. Despite a late start, it is feasible for The Bahamas to achieve herd immunity by mid summer as well.

We expect the recovery of the Bahamian economy to commence during the second half of 2021. Also, we expect a number of new fixed income offerings will come to market which may boost the performance of the Fund's fixed income portfolio.

Despite the obvious challenges we are currently facing, we feel having cautious optimism about the second half of 2021 is warranted.

During the first half of 2021 we will look to position the Fund to benefit from the better days ahead.

RF Bank & Trust (Bahamas) Limited

Providence House, East Hill Street

PO Box N 4853

Nassau, Bahamas

(242) 603-6000

www.rfgroup.cominfo@rfgroup.com