

Key Information

Net Asset Value	2.19
Fund Assets	28,095,700
Inception	Nov-12

Performance Statistics

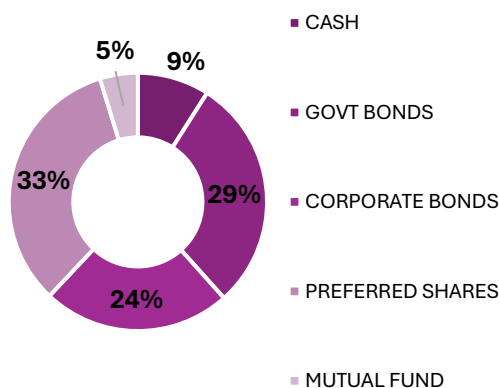
	RF Fund	Benchmark
1 Month	0.0%	0.3%
3 Months	0.6%	1.0%
Year to Date	3.3%	3.2%
1 Year	3.3%	4.3%
3 Years	2.8%	4.3%
5 Years	2.7%	4.3%

Returns greater than 1 year are annualized.

Top 5 Holdings

Position	Weight
CABLE BHS LTD SER 16 PRF SH 6%	9.6%
CABLE BAHAMAS LTD S15 PREF 5.5%	7.9%
NAD LTD 7.5% PARTICIPATNG DBT NOTES	7.8%
Current Account	6.2%
BSD T-BILLS 15/01/26	6.0%

Fund Allocation



Rates Fall, Quality Rises

In Q4 2025, the fund returned 0.6%, bringing full-year performance to 3.3%. This compares to benchmark returns of 1.0% and 3.2% over the same periods.

International fixed income markets posted strong returns in 2025 as borrowing costs fell and investors moved into riskier bonds seeking higher yields. Emerging market debt led the way with a 13.5% return, benefiting from solid economic growth and a weaker US dollar. Corporate bonds returned 10.3%, with currency moves adding 3.2% to returns for US investors holding unhedged international bonds. US high yield bonds delivered 8.6%, their third straight year of strong gains.

Government bonds showed mixed performance as concerns about rising debt levels pushed long-term interest rates higher in most countries. US Treasuries gained 6.3% as the Federal Reserve cut rates by 75 basis points in the second half of the year, responding to a softer job market and the absence of expected inflation from tariffs.

Tourism continued to underpin The Bahamas' economic momentum in 2025, with total arrivals rising 11.4% to 12.5 million, driven by another strong year for cruise travel even as stopover volumes eased slightly due to capacity constraints. Inflation remained marginally negative over the twelve months to July, helped by lower transportation and utility costs, offering households and businesses a relatively stable price environment. Labour market conditions improved as unemployment declined to 9.3% in the second quarter and overall employment surpassed 2024 levels.

Fiscal performance also strengthened. In the first quarter of FY2025/26, government revenues grew 15.7%, led by robust VAT receipts, helping to narrow the deficit to \$141.1 million despite moderate spending increases. Liquidity in the financial system remained sufficient, while private sector credit expanded and loan quality improved, with non-performing loans falling to 5.0%. External reserves continued to provide a solid buffer, rising \$170.6 million and ending the year at 6.3 months of import cover, which comfortably supports the dollar peg.