

RF Bank & Trust High Yield Income Fund

Fund Quarterly Report | Q2 2025



Key Information

Net Asset Value	13.18
Fund Type	Global Fixed Income
Benchmark	US Medium Term Corporate & Government Bonds*

*Bank of America U.S. Corporate & Government 5-7 Year AAA-A rated Index

Performance Statistics

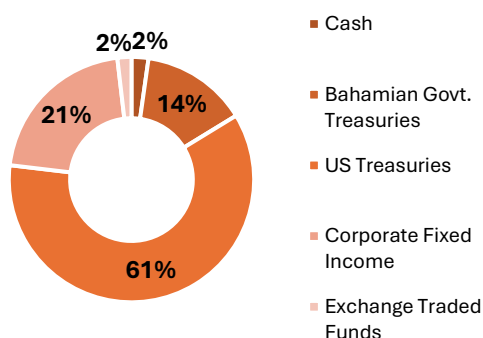
	RF Fund	Benchmark
1 Month	0.2%	2.1%
3 Months	0.6%	1.9%
Year to Date	1.2%	5.3%
1 Year	5.1%	7.2%
3 Years	2.8%	2.8%
5 Years	0.8%	-0.4%

Returns greater than 1 year are annualized.

Top 5 Holdings

Position	Weight
BSD T-BILLS 12/09/25	14.0%
Sol Ecolution Fund LP Pref 9%	5.3%
FBL Licensing 8.50% 2025	5.1%
eCapital Bond Corp 2027	3.3%
BNP Paribas 1.125% 2029 (Callable 2028)	3.2%

Fund Allocation



Fed Cuts... 2B or Not 2B

In Q2 2025, the fund returned 0.6% despite significant global market volatility, bringing year-to-date performance to 1.2%. This compares to benchmark returns of 1.9% and 5.3% over the same periods.

At the start of the quarter, President Trump’s “Liberation Day” announcement triggered a sharp steepening of the yield curve, which in turn prompted a temporary pause on tariffs. This development provided short-term relief to markets, but upward pressure on yields resumed in May as concerns mounted over the sustainability of U.S. national debt levels amid plans for continued tax cuts, compounded by Moody’s downgrade of the U.S. sovereign credit rating.

Treasury yields subsequently retreated in June as several members of the Federal Open Market Committee (FOMC) adopted a more dovish tone, signaling a willingness to support an interest rate cut as early as July should inflation remain subdued. However, Chair Powell maintained a cautious “wait and see” stance, emphasizing that tariff-related inflationary pressures were likely to emerge over the summer.

In global credit markets, high-yield bonds delivered strong performance, supported by tightening credit spreads following the “Liberation Day” announcement as investor confidence improved with the tariff pause. European high-yield debt similarly benefited from spread compression, reinforcing the broader risk-on sentiment across credit markets.

The High Yield Income Fund is a sub fund of the RF Bank & Trust (Bahamas) International umbrella investment fund and invests substantially all of its assets into the USD Targeted Income 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. Bloomberg Barclays Emerging Markets USD Sovereign Bond Index tracks fixed and floating-rate US dollar-denominated debt issued by EM governments. Past performance is not a guarantee of future results and all potential investors should consult with a trusted advisor before investing.