

Strategic Growth Fund

Quarterly Report, Q2 2024
Issue 39



Chairman Powell Says...

The Fund was up 0.34% and -0.90% in June and Q2 respectively. Over the last 12 months the fund was up 4.49%. In early 2023 the decision was made to reduce downside exposure to equity markets based on expectations of a US recession. This tactical decision was made to reduce downside exposure and provide liquidity to take advantage of an expected equity market correction. While our decision was premature, we have reduced downside risk and the recent decrease in US government bond yield interest rates is currently benefiting the fund.

We expect fixed income to outperform equities in the second half of 2024, so maintaining some fixed income exposure remains prudent in our view.

The chart below shows consumer spending since Q1 2023 and includes projections of consumer spending to the end of the year and real GDP growth expectations. Consumer spending is slowing as is Real GDP growth.

Also, the US Consumer Price Index (inflation) continues to trend downward. Both equity markets and bond markets expect the Fed to start lowering rates in September and both markets have rallied on this expectation. The key question is whether the Fed is too late and given the lag between policy and economic impact, will the US economy fall into recession.

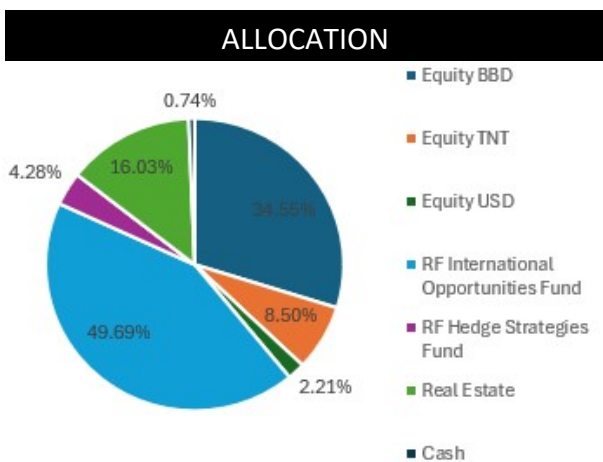
The Fund is positioned to benefit from upside in both markets and is partially hedged against an equity market correction.

Net Asset Value:	\$1.04
Assets:	\$4.18M
Inception:	Dec-08

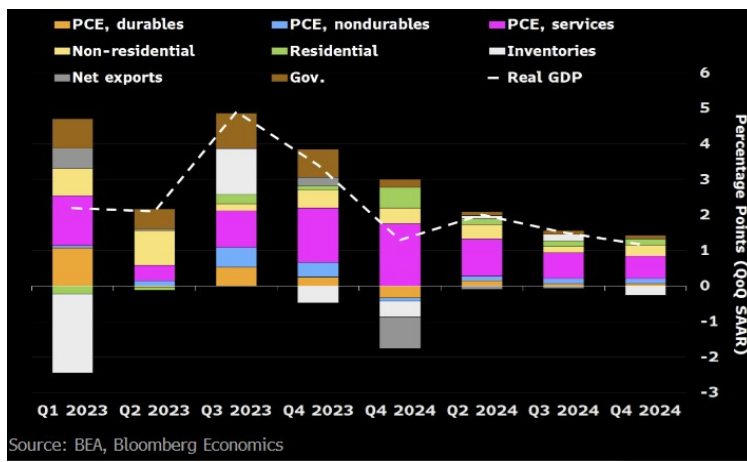
PERFORMANCE		
	Fund	Benchmark*
1 Month	0.34%	2.76%
3 Month	-0.90%	0.13%
1Yr	4.49%	11.65%
3Yr	-2.64%	3.96%
5Yr	1.09%	2.85%

* Index 50% MSCI All Country Index and 50% BSE Composite

TOP FIVE HOLDINGS	
RF US INT'L OPPORTUNITIES FUND	50.01%
REAL ESTATE	16.14%
MASSY HOLDINGS LIIMITED	6.74%
GODDARD ENTERPRISE LIMITED	5.73%
RF USD HEDGE FUND	4.31%



The Strategic Growth Fund is a sub fund of the RF Investment Fund the umbrella company. 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.



Source: BEA, Bloomberg Economics

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