

# US Fixed Income PPP Fund (USD)



Quarterly Report, Q1 2024  
Issue 16—103045

## Bond Markets are Making a Comeback

The Fund returned 0.59%, 0.84%, and 1.90% in March, Q1 and over the last 12 months, respectively. Other than March, the Fund outperformed the benchmark in all other periods.

The allocation chart at bottom left shows that the Fund is 39.23% allocated to US Government Bonds and primarily in short to medium duration paper. The second largest exposure is investment grade financial sector corporate paper, with investment grade industrial corporate paper being the third largest exposure. Together these three allocations account for 70% of the total portfolio.

In the first Quarter of 2024 we rolled over maturing T-Bills into new short-term T-Bills and medium-term treasuries and investment grade corporates where we feel the potential for capital gains in 2024 is highest.

Regarding U.S. interest rates, at the end of Q1 2024 the FED continues to hold the fed funds rate at 5.25%-5.5%. This decision is the result of persistent inflation and a resilient US economy. Rates are now expected to remain at this level until September with a potential of 2 rate cuts at in 2024.

The chart below illustrates the changes in U.S. prices and inflation adjusted spending from 2021 to February 2024. In the first quarter we see that spending decreased sharply at the start of the year but has been increasing into February. As long as levels of spending remain high so will inflation and as a result so will interest rates.

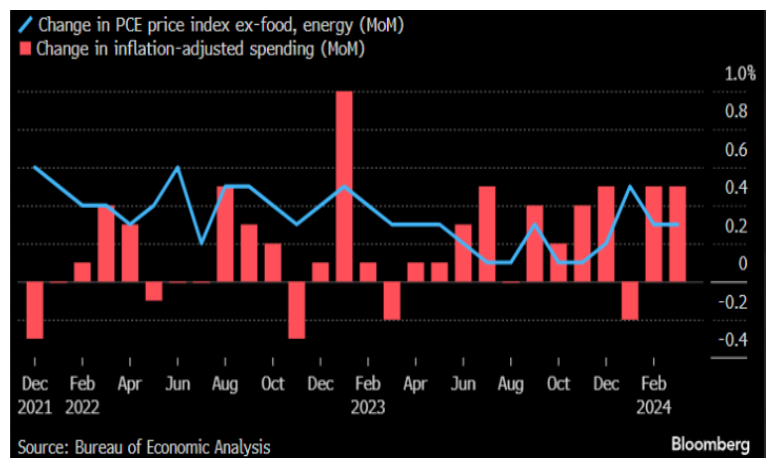
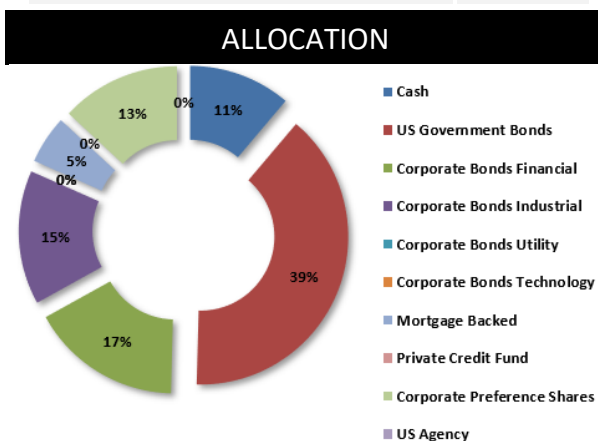
We had a strong first quarter in 2024 with the Targeted income fund increasing steadily. We anticipate that his should only be the start of what's to come for the year.

<b>Net Asset Value:</b>	\$0.94
<b>Assets:</b>	\$23K
<b>Inception:</b>	May-18

PERFORMANCE		
	Fund	Benchmark*
<b>1 Month</b>	0.59%	0.69%
<b>3 Month</b>	0.84%	-0.63%
<b>1Yr</b>	1.90%	1.24%
<b>3Yr</b>	-4.91%	-2.22%
<b>5Yr</b>	-1.09%	0.75%

\* Bank of America/Merrill Lynch B310 U.S. Corp. & Govt. 5-7 year AAA-A Rated Index

TOP FIVE HOLDINGS	
U.S. GOVERNMENT BONDS	39.23%
U.S. CORPORATE BONDS—FIN	16.53%
U.S. CORPORATE BONDS—IND	14.67%
CASH	11.19%
CORPORATE PREFERENCE	13.10%



*The US Fixed Income PPP Fund is a sub fund of the RF International Investment fund. Performance shown is for Series 1 shares, and the asset allocation 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.*