



|                             |          |
|-----------------------------|----------|
| <b>Dec Net Asset Value:</b> | \$5.2341 |
| <b>Assets:</b>              | \$1.36M  |
| <b>Inception:</b>           | Dec-99   |

**Performance:**

|                     | Fund   | Benchmark* |
|---------------------|--------|------------|
| <b>1 Month</b>      | 5.18%  | 1.28%      |
| <b>3 Month</b>      | 12.55% | 0.50%      |
| <b>1 Yr</b>         | 19.26% | 10.6%      |
| <b>3 Yr Ave Ann</b> | 6.03%  | 3.82%      |

\* BISX All Share Index

**Top Five Holdings:**

|                         |       |
|-------------------------|-------|
| FIDELITY BANK (BAHAMAS) | 23.8% |
| CABLE BAHAMAS           | 10.4% |
| FINCO                   | 9.9%  |
| COMMONWEALTH BANK       | 6.3%  |
| COLINA                  | 6.3%  |

**Top Five Industries:**

|                    |       |
|--------------------|-------|
| FINANCIAL SERVICES | 45.2% |
| TECHNOLOGY         | 10.4% |
| INSURANCE          | 7.7%  |
| HEALTHCARE         | 6.4%  |
| OIL & GAS          | 5.9%  |

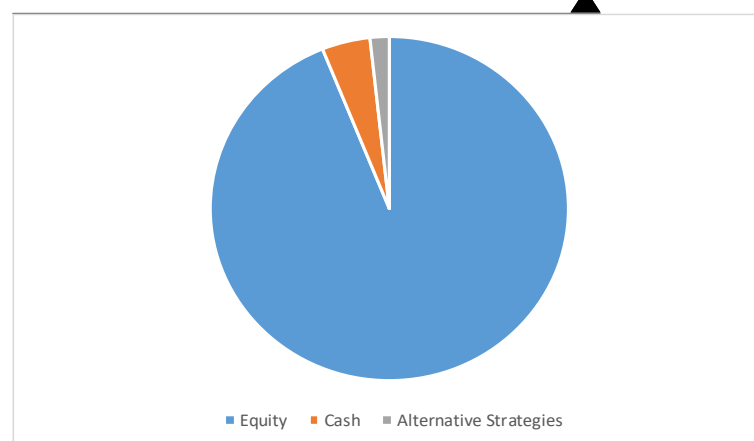
The Equity Fund is a pension-only pool of assets that invests in the pension-specific shares of other equity and fixed income funds. Performance shown does not include any fees associated with the administration of a pension plan and may differ from other shares offered in the fund as a result of different 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.

**Local Equity Market Overview**

The performance of local stocks primarily driven by the level of dividends paid. The ability of a company to maintain or increase its dividend payment depends on its level of earnings and cash generation. It is important for investors to analyze the past performance of a company and use this historical information plus industry and economic data in order to forecast future earnings and cash flow generation.

Over the last 12 months the share prices of CAB and DHS have increased by 109% and 82% respectively. In the case of CAB, the sale their U.S. subsidiary for a nine-figure gain, or approximately \$2.50 to \$3.00 per share, triggered a buying frenzy. Investors are expecting CAB to commence with the payment of dividends in 2020. The performance of DHS is a simple function on strong earning growth matched up with a low price-to-earning multiple. At the end of August, the share price was \$2.64, and the trailing twelve months EPS was \$0.57. The resulting P/E of 4.6 times earnings provided a great buying opportunity for value investors.

In both cases, strong investment fundamentals are supporting share price increases.

**Allocation:****Royal Fidelity Merchant Bank & Trust**

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