

# Balanced Pension Fund

Quarterly Report, Q3 2024  
Issue 38—800685—BSD



Net Asset Value:	\$2.93
Assets:	\$28.02M
Inception:	Nov-12

## PERFORMANCE

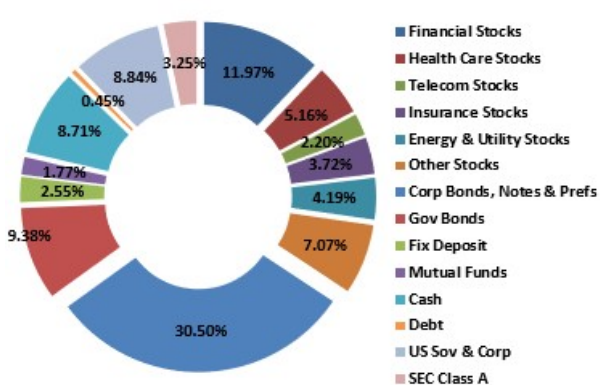
	Fund	Benchmark*
1 Month	0.41%	0.63%
3 Month	1.25%	1.22%
1Yr	4.48%	7.03%
3Yr	5.90%	7.81%
5yr	5.14%	5.39%

\*Blended Index: 60% current Bahamas Prime Rate and 40% BISX All Share Index

## INVESTMENT EXPOSURE

CORP. BONDS, NOTES & PREFS.	30.50%
FINANCIAL STOCKS	11.97%
GOVERNMENT BONDS	9.38%
CASH + Cash Equivalents	8.71%
HEALTH CARE STOCKS	5.16%

## ALLOCATION



*Fidelity Balanced Pension Fund is a sub fund of the Bahamas Opportunities umbrella investment 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. Past performance doesn't guarantee future success.*

## Diversify With Ease

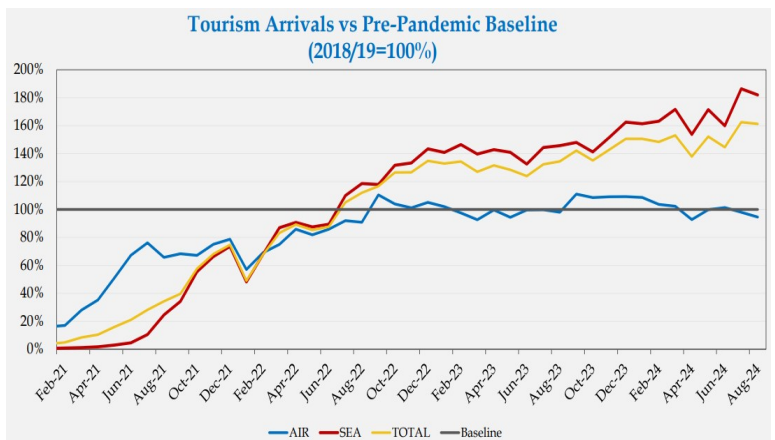
In Q3 2024 the Fund's NAV increased by 1.25% which overperformed benchmark at 1.22%. Over the last year the Fund returned 4.48% vs 7.03% for the benchmark, but over the last 5 years, the Fund has averaged 5.14% per annum versus 5.39% for the benchmark.

Currently 39.17% of the Fund's portfolio is invested in the Targeted Equity Fund, 60.52% in the Prime Income Fund, and 0.31% in cash. The target allocation is 40% equities and 60% fixed income, so the fund is effectively in line with the target.

The stars in Q3 were BPF, EMA, and CBB which increased by 20.00%, 19.70%, and 14.10% respectively. The underperformers in Q3 were CAB, BOB, and BFH which declined by -7.14%, -6.68% and -4.98% respectively.

The Prime Income Fund has been making major investments into investments such as U.S. Treasuries, U.S. investment-grade corporate bonds, Cable Bahamas preference shares, FOCOL Holdings preference shares, Bahamas Grid Company offering and, more recently, Aliv Preference Share Offering. We expect a significant increase in performance from the US fixed income in the fund as the FED decreased the interest rates by 0.5% in Q3 and another 0.25% so far in Q4. This trend is expected to continue into 2025 which is good news for our existing holdings.

Moving forward into the end of 2024 and into 2025 we are confident that the strength of the Bahamian economy along with equities will continue to perform. As shown in the chart below all areas of tourism continue to grow in all areas except for air which saw a slight decline into August. This bodes well for us as a booming tourism industry means more money coming into the country that can be invest into local companies driving our equity market.



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