

International Equity Fund

Quarterly Report, Q32024
Issue 16—101089



Net Asset Value:	\$1.56
Assets:	\$1.23M
Inception:	May-18

PERFORMANCE

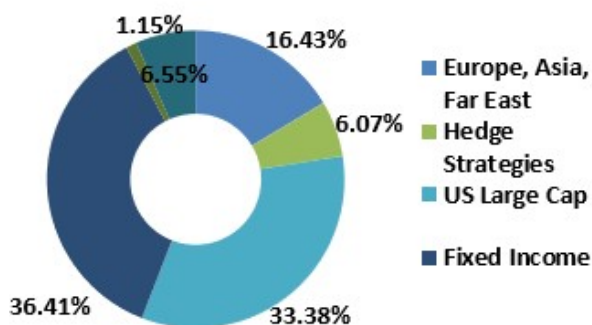
	Fund	Benchmark*
1 Month	1.10%	2.17%
3 Month	3.81%	6.21%
1Yr	11.14%	11.89%
3Yr	-2.84%	8.86%
5Yr	6.58%	12.13%

*MSCI (MXWD)

TOP FIVE HOLDINGS

Fixed Income	36.41%
US Large Cap	33.38%
Hedge Strategies	6.07%
Europe, Asia, Far East	16.43%
Cash	6.55%

ALLOCATION



The International Equity Fund is a sub fund of the RF International Investment fund. 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.

Republicans return to the Oval Office

The Fund was up 1.10% and 3.81% in September and Q3 respectively. Over the last 12 months the fund was up 11.14% vs the benchmark return of 11.89%. 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 interest rates is benefiting the fund.

We also expect fixed income to outperform equities into 2025. As such, maintaining some fixed income exposure remains prudent in our view, especially given the expectation that U.S. interest rate cuts will continue into 2025.

With the 2024 U.S. election nearing its conclusion, we anticipate increased volatility in equities in the short term, when Donald Trump takes office. He holds strong views on cutting corporate taxes and implementing tariffs on foreign imports. The tax cuts are likely to boost corporate profits and theoretically stimulate economic growth. However, the downside is that this could lead to higher inflation, similar to what we saw during the COVID-19 pandemic. Additionally, the tariffs could raise prices across the U.S., as the country is the world's largest importer—unless the Trump administration develops an effective plan for their implementation.

The Fund is positioned to benefit from upside in both markets and is partially hedged against potential equity market corrections through fixed income.