

**REPUBLIC US\$ FIXED INCOME SECURITIES FUND**

 31<sup>th</sup> December 2021

**FUND SIZE**
**US \$ 21.2 Million**
**FUND STRATEGY**

The Fund invests primarily in fixed income securities, including sovereign and corporate debt, of issuers in various countries, with a view that such securities should provide a high income yield or have potential for capital appreciation.

**FUND FACTS**

Minimum Investment	Weighted Avg. maturity	Weighted Avg. Yield	Fund Credit Rating	Distribution (Last 12 months)
USD \$3,000.00	3.49 years	2.52%	BBB	\$0.5349

**TOP FIVE (5) HOLDINGS**

DESCRIPTION	COUPON	MATURITY	WEIGHT OF FUND
FCB US\$90.4M BOND	4.25%	25-Jan-23	5.22%
SOCGEN 4.25% BOND	4.25%	19-Aug-26	5.07%
SAGICOR US\$400M BOND	5.30%	13-May-28	4.84%
CAL US\$65.6M BOND	7.307%	24-Jun-25	4.76%
iSHARES US AGGREGATE BOND ETF	2.64%	14-Jun-30	4.29%

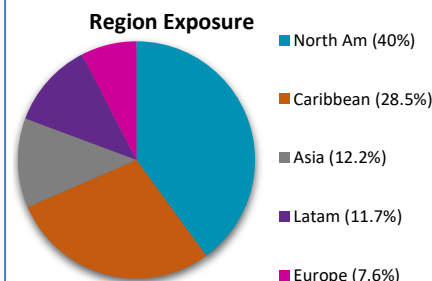
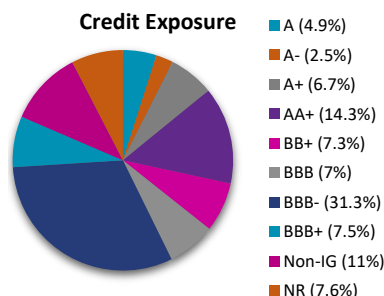
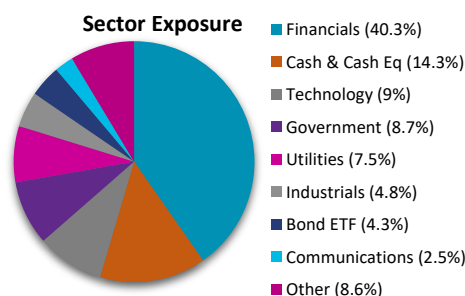
**PORTFOLIO PERFORMANCE**
**PERIOD ENDED DECEMBER- 2021**

1 Year	3 Year	5 year	Inception (15-8-2012)
-1.44%*	7.01%*	8.73%*	15.45%*

\*Assumes immediate reinvestment of all distribution

**ANNUAL RETURNS**

2017	2018	2019	2020	2021
2.82%	-1.17%	4.20%	4.22%	-1.44%

**RISK EXPOSURE - PERIOD ENDED DECEMBER 2021**

**MARKET REVIEW & OUTLOOK**

S&P Global Credit Outlook estimates the global economy to grow approx. 4.2% in 2022 before declining to around 3.5% in 2023 - 2024. The global economy is in the midst of a robust but uneven rebound from the pandemic, with demand growth overtaking supply growth and inflation rising. Although the spread of the virus is not fully contained, its economic impact has weakened.

On Dec 15, 2021, the Federal Open Market Committee decided to maintain its target for the federal funds rate between 0% - 0.25%. As a result of US inflation (6.8% for 12M ending Nov 2021) exceeding 2% for some time, the Committee expects it will be appropriate to maintain the target range until labour market conditions have reached levels consistent with its assessment of maximum employment.

The Committee also announced that it will double the speed of tapering, implying that the expansion of the Fed balance sheet will end in March 2022. The Fed's median rate hike projections now suggest three rate hikes in 2022.

Short term yields were fairly unchanged from the beginning of the year, with medium to long term yields experiencing increases from the previous year indicating anticipation of interest rate hikes in the near future. The US Treasury 5-Yr and 10-Yr yields ended FYE 2021 at 1.26% and 1.52% respectively, up from 0.36% and 0.93% in FYE 2020.

Given the market outlook for rising interest rates, focus remains on duration management to minimize market to market volatility of the portfolio.

For further information or to enquire about our other investment & retirement products, please contact us at:

Tel: (868) 625-4411 Ext. 69918/69903

Visit: [republicwealthmanagement.com](http://republicwealthmanagement.com)

Email: [invest@rfhl.com](mailto:invest@rfhl.com)