

REPUBLIC US\$ FIXED INCOME SECURITIES FUND

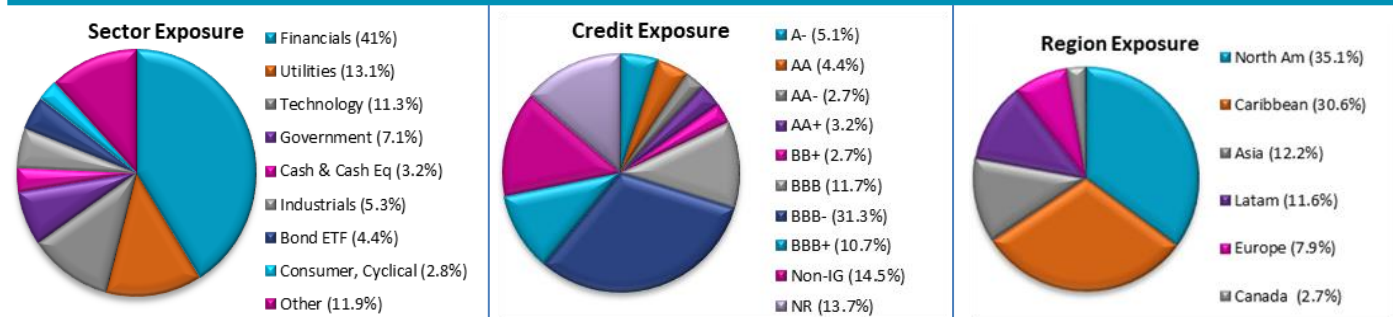
31st December, 2022

FUND SIZE	FUND STRATEGY
US \$18.1 Million	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	3.77 years	5.14%	BBB-	\$1.1003

TOP FIVE (5) HOLDINGS				PORTFOLIO PERFORMANCE				
DESCRIPTION	COUPON	MATURITY	WEIGHT OF FUND	PERIOD ENDED DECEMBER- 2022				
FCB US\$90.4M BOND	4.25%	25-Jan-23	6.06%	1 Year	3 Year	5 year	Inception (15-8-2012)	
WASA US\$100M BOND	5.60%	19-Feb-34	5.47%	-5.64%*	-3.97%*	-0.09%*	8.93%*	
CAL US\$65.6M BOND	7.31%	24-Jun-25	5.28%	*Assumes immediate reinvestment of all distribution				
SOCGEN 4.25% BOND	4.25%	19-Aug-26	5.14%	ANNUAL RETURNS				
SAGICOR US\$400M BOND	5.30%	13-May-28	5.11%	2018	2019	2020	2021	2022
				-1.17%	4.20%	4.22%	-1.44%	-5.64%

RISK EXPOSURE - PERIOD ENDED DECEMBER 2022



MARKET REVIEW & OUTLOOK

According to the S&P Global Ratings, it was forecasted that the global economy grew by 3.4% for 2022, reflecting a further downward revision from 3.60% as at September 2022. Similarly, the U.S. GDP growth rate was also revised and it is now estimated at 1.8% for 2022 with a shallow recession for 2023 of (0.10%). These adjustments reflect the expectation that prices and interest rates will continue to rise which will negatively impact household purchasing power and consumer confidence.

US inflation levels have been trending downwards since August 2022 and was last recorded at 7.1% in November 2022 owed to the Federal Open Market Committee's ongoing increases in the target range for the federal funds rate. The last rate hike was 50bps bringing it to a range of 4.25% to 4.50% as at 14th December 2022. It is anticipated that there will be two further rate hikes in 2023, moving the federal fund rate up to a peak of 5.00% by May 2023.

The US Treasury 1-Yr, 5-Yr and 10-Yr yields ended December 2022 at 4.73%, 3.99% and 3.88% respectively showing marginal fluctuations when compared to yields for September 2022 of 4.05%, 4.06% and 3.83% respectively. This resulted in increased prices and improved returns as shown in the Bloomberg US Aggregate Bond Index returning 1.87% for Q4 2022, pushing the index's YTD return up from -14.61% to -13.01%. RUSFIS return for quarter ended December 2022 was 1.67%.

It is expected that interest rates will continue to rise in the short term and as such, our focus remains on duration management and credit quality to minimize the mark to market volatility of the portfolio.

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

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Important information concerning the investment goals, risks, charges and expenses is contained in the prospectus, copies of which are available from any branch of Republic Bank Limited or from our website and should be read carefully before investing. This investment is not insured or guaranteed by the Central Bank of Trinidad & Tobago, Republic Bank Limited, its parent company Republic Financial Holdings Limited, any affiliates or subsidiaries of the Republic Financial Group or any person or corporation. Performance is subject to variation and is likely to change over time. Past performance is not necessarily a guide to future performance.