



CFAL

BALANCED FUND LTD.

Q2 2025 REPORT

FUND INFORMATION

Investment Objective: CFAL Balanced Fund, Ltd. ("the Fund") seeks to achieve diversified above-average risk adjusted returns consistent with the Fund's risk tolerance.

Investment Strategy: The Fund will pursue its objective by investing primarily in a blend of equities which possess strong long-term value and growth and high-quality fixed income securities. These investments may include common stock, preference shares corporate and government bonds and cash equivalents.

Net Assets: \$45.128M

Net Asset Value/ Share: \$5.614

Currency: BSD

Fund Inception Date: Oct-31-1994

Management Fee: 1.00%

Subscription/Redemption Fee: 0.00%

Expense Ratio (2024): 0.97%

Early Withdrawal Fee: No early withdrawals permitted

Investment Manager: CFAL

Bloomberg Ticker: COLMSIP BM

Benchmark: Blended Index
(BISX/ Local Prime Rate/ Weighted Avg. Deposits)

*Benchmark changed December 31, 2019

TOP 5 COMMON STOCK HOLDINGS

Holdings	(%)	YTD 2025 Return (%)
FCL	4.07	-3.93
CHL	3.20	+7.97
JSJ	2.34	+3.64
CBL	2.26	-2.38
CIB	1.75	+9.96

EQUITY SECTOR ALLOCATION

Sector	(%)
Financials	54.94
Energy	19.26
Utilities	18.72
Consumer Staples	5.17
Industrials	1.24
Consumer Discretionary	0.64
Health Care	0.04

PERFORMANCE SUMMARY (%)

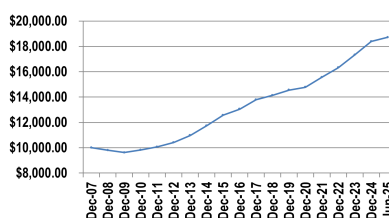
As at June 30, 2025

	Cumulative		Annualized					
	QTR2	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	Incept.
Fund	+0.93	+1.79	+5.04	+5.21	+4.97	+4.52	+4.42	+5.78
Benchmark	+0.69	+1.51	+3.59	+4.78	+5.72	+5.20	+4.95	n/a
+/- Benchmark	+0.24	+0.28	+1.45	+0.43	-0.75	-0.68	-0.53	n/a

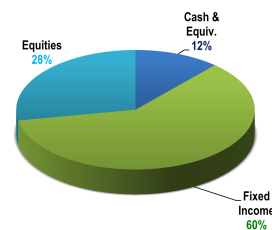
CALENDAR YEAR PERFORMANCE (%)

	YTD 2025	2024	2023	2022	2021	2020	2019	2018
Fund	+1.79	+6.06	+6.18	+4.87	+5.32	+1.58	+2.93	+2.49
Benchmark	+1.51	+4.69	+5.97	+11.18	+5.28	-1.28	+4.88	+3.20
+/- Benchmark	+0.28	+1.37	+0.21	-6.31	+0.04	+2.86	-1.95	-0.71

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Balanced Fund, Ltd. rose +0.93 percent in the second quarter of 2025 to end the first half of the year with a Net Asset Value per share of \$5.614. Year to date, the Fund gained +1.79 percent. The Fund outperformed its blended benchmark index by 0.24 percentage points during the quarter and 0.28 percentage points year to date. The local stock index, BISX, gained +0.42 percent in Q2 2025, and +1.02 percent year to date.

All asset classes saw positive returns during the quarter. Once again, equities were the best performing asset class with returns of +1.32 percent while fixed income holdings rose +1.05 percent. Cash and equivalent investments added +0.17 percent. During the quarter, the best common stock performers inclusive of dividends were Bahamas Waste (+13.36%), Cable Bahamas (+10.03%) and FINCO (+9.83%). Commonwealth Brewery (-5.23%), Bahamas First (-2.27%), and Commonwealth Bank (-1.61%) were the largest decliners. The common stock portfolio gained +2.32 percent for the quarter, outperforming BISX.

The Bahamian economy continued to expand, though at a moderated pace compared to the prior year. Economic activity was supported by sustained growth in the tourism sector and steady foreign direct investment, which boosted construction. Preliminary data as of May 2025 indicated total visitor arrivals reached 5.327 million year to date, a 10.7% increase from the previous year. Sea arrivals remained dominant, accounting for nearly 85% of total visitors and increasing by 12.9%, while air arrivals declined slightly by 0.1% due to capacity constraints. On the fiscal front, data for the first nine months of FY2024/25 showed total revenue rose by 12.2% to \$2.46 billion, driven by higher tax collections. Total expenditure increased by 9.6% to \$2.64 billion, reflecting greater outlays on goods, services, and capital projects. Consequently, the overall deficit narrowed to \$178.9 million, down from \$214.4 million in the previous year. Debt levels remains elevated, as of March 2025, the national debt (inclusive of contingent liabilities) stood at \$12.039 billion or 78.4% of GDP, while the Direct Charge on the Government was \$11.709 billion or 74.0% of GDP. The Government continued with its debt management efforts, conducting a buyback of USD-denominated debt in June. The buyback effectively extended the maturity profile of the existing debt portfolio and was financed by an oversubscribed new bond issuance. Inflation continued to ease, with the BNSI reporting a 0.4% year-over-year decline in the CPI for April. Despite global uncertainties, the IMF raised its 2025 growth forecast for The Bahamas to 1.8%, underscoring the resilience of the tourism-led recovery, though fiscal vulnerabilities remain. As the Bahamian economy continues to transition to pre-pandemic growth levels, the CFAL Balanced Fund will strategically focus on cash and fixed income investments, while selectively adding equities to optimize performance.

Disclaimer: This performance report is for informational purposes only. Only the Offering Memorandum, of which the present document is not a part, should be relied upon for the purpose of considering an investment in the CFAL Balanced Fund, Ltd. Past performance is not necessarily indicative of future results. For more information, email info@cfal.com.



Contact CFAL today to discuss your financial goals
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