



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: \$21.683M

Net Asset Value/ Share: \$4.898

Currency: BSD

Fund Inception Date: Oct-31-1994

Management Fee: 1.00%

Subscription/ Redemption Fee: 0.00%

Expense Ratio (2021): 1.13%

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	(%)	2022 Return (%)
FCL	5.24	+3.06
JSJ	4.09	+5.78
CHL	3.96	+25.63
CIB	3.75	+36.72
CBL	3.46	+21.19

EQUITY SECTOR ALLOCATION

Sector	(%)
Financials	65.09
Energy	19.93
Consumer Staples	8.68
Utilities	3.11
Industrials	1.90
Consumer Discretionary	1.24
Health Care	0.06

PERFORMANCE SUMMARY (%)

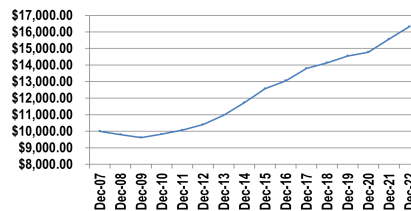
As at December 31, 2022

	Cumulative		Annualized					
	QTR4	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	Incept.
Fund	+0.61	+4.87	+4.87	+3.91	+3.43	+3.80	+4.60	+5.80
Benchmark	+0.70	+11.18	+11.18	+4.93	+4.56	+4.79	+5.66	n/a
+/- Benchmark	-0.09	-6.31	-6.31	-1.02	-1.13	-0.99	-1.06	n/a

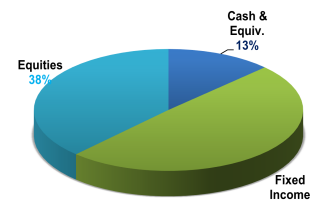
CALENDAR YEAR PERFORMANCE (%)

	2022	2021	2020	2019	2018	2017	2016	2015
Fund	+4.87	+5.32	+1.58	+2.93	+2.49	+5.68	+3.82	+7.13
Benchmark	+11.18	+5.28	-1.28	+4.88	+3.20	+6.59	+7.04	+12.17
+/- Benchmark	-6.31	+0.04	+2.86	-1.95	-0.71	-0.91	-3.22	-5.04

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Balanced Fund, Ltd. gained +0.61 percent in the fourth quarter to end with a Net Asset Value of \$4.898 per share. For the full year 2022, the Fund returned +4.87 percent. The Fund slightly underperformed its blended benchmark index by 0.09 percentage points for the quarter and 6.31 percentage points year to date. Investor optimism appeared to taper off in Q4 with the local stock index, BISX, reporting relatively muted returns of +0.44 percent. However, the index was up 18.71 percent year to date.

Most asset classes performed positively during the quarter. The fixed income portfolio reported the best performance with a gain of +1.18 percent while the equity holdings returned +1.15%. Cash and equivalent holdings were flat. During the quarter, the best common stock performers inclusive of dividends were Cable Bahamas (+15.45%), FamGuard Corporation (+5.27%) and Colina Holdings (+4.64%). Bank of the Bahamas (-8.42%), Emera Inc (-4.51%) and Commonwealth Brewery (-0.97%) were the only decliners. Overall, the common stock holdings gained +1.80 percent for the quarter, outperforming BISX by 1.36 percentage points.

The Bahamian economic recovery continued to be driven by strong gains in the tourism sector. Ministry of Tourism data showed that year to date as of October 2022, tourist arrivals grew to 5.3M compared to 1.2M in the same period of 2021, an increase of nearly 342 percent. These ongoing gains in the tourism sector boosted government finances. For the first quarter of FY2022/23 the government collected revenues of \$654.3M, an increase of 9.7 percent from the previous year. During the same period, expenditures fell by 7.9 percent to \$674.80M as the government continued to reduce spending on social assistance amidst better economic conditions. The fiscal deficit narrowed to \$20.6M million compared to \$136.4M in the first quarter of FY2021/22. Despite improving finances, government debt levels remained high. At the end of September 2022, the National Debt (inclusive of contingent liabilities) stood at \$11.167B or 89.3 percent of GDP. As well, high prices continued to persist; the Consumer Price Index rose 6.5 percent at the end of September from a year earlier. The IMF expects the Bahamian economy to grow by 8 percent in 2022 however, growth is projected to slow to 4.1 percent in 2023. At this time, the CFAL Balanced Fund will remain overweight in cash and fixed income investments due to the limited availability of attractive equity investments in the local market. In this environment, monitoring existing positions and divesting of under-performers remains key to protecting fund 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.