



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: \$26.157M

Net Asset Value/ Share: \$5.201

Currency: BSD

Fund Inception Date: Oct-31-1994

Management Fee: 1.00%

Subscription/ Redemption Fee: 0.00%

Expense Ratio (2022): 1.11%

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	(%)	2023 Return (%)
FCL	4.96	+22.69
CBL	4.17	+57.03
CHL	3.75	+22.95
JSJ	3.25	+4.79
CIB	2.47	-14.76

EQUITY SECTOR ALLOCATION

Sector	(%)
Financials	65.65
Energy	21.22
Consumer Staples	7.46
Utilities	2.76
Industrials	1.82
Consumer Discretionary	1.03
Health Care	0.05

PERFORMANCE SUMMARY (%)

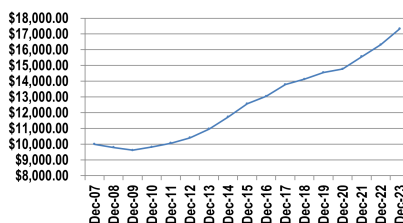
As at December 31, 2023

	Cumulative		Annualized					
	QTR4	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	Incept.
Fund	+2.38	+6.18	+6.18	+5.46	+4.16	+4.14	+4.68	+5.81
Benchmark	+3.53	+5.97	+5.97	+7.44	+5.13	+4.87	+5.53	n/a
+/- Benchmark	-1.15	+0.21	+0.21	-1.98	-0.97	-0.73	-0.85	n/a

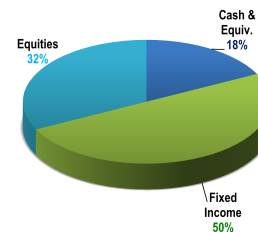
CALENDAR YEAR PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+6.18	+4.87	+5.32	+1.58	+2.93	+2.49	+5.68	+3.82
Benchmark	+5.97	+11.18	+5.28	-1.28	+4.88	+3.20	+6.59	+7.04
+/- Benchmark	+0.21	-6.31	+0.04	+2.86	-1.95	-0.71	-0.91	-3.22

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Balanced Fund, Ltd. rose +2.38 percent in Q4-2023 to end with a Net Asset Value of \$5.201 per share. Year to date, the fund gained +6.18 percent. The Fund underperformed its blended benchmark index by 1.15 percentage points during the quarter and outperformed the benchmark by 0.21 percentage points year to date. The local stock index, BISX, was up +6.14 percent in the fourth quarter and +7.81 percent year to date.

All asset classes posted positive returns during the quarter. Equities was the best performing asset class with gains of +6.34 percent while the fixed income portfolio earned +1.08 percent. Cash and equivalent holdings reported a return of +0.14 percent. During the quarter, the best common stock performers inclusive of dividends were Commonwealth Bank (+37.01%), AML Foods (+15.78%) and FOCOL Holdings (+15.19%). Bank of the Bahamas (-19.64%), CIBC FirstCaribbean (-7.70%) and Doctor's Hospital (-0.66%) were the only decliners. Overall, the common stock portfolio rose +9.17 percent for the quarter, outperforming BISX by 3.03 percentage points.

The Bahamas National Statistical Institute reported that year over year, the Bahamian economy grew by 8.6% in the first half of 2023. The IMF projects that real GDP will expand by 4.3% in 2023 and 1.8% in 2024. Ongoing gains in the tourism sector continued to support the economy, for the first nine months of the year tourist arrivals stood at 7.21M, a 50.4% increase from the same period in 2022. Notably, this figure was just under the pre-pandemic record of 7.25M for the full year 2019. Preliminary data for FY2022/23 indicates that the overall deficit declined by \$183.9M (or 25.6%) to \$533.5M compared to FY2021/22. Total revenues stood at \$2.86B, representing an increase of 9.4% or \$246.4M from the previous year. Meanwhile, total expenditure grew by \$62.5M (or 1.9%), to end the fiscal year at \$3.39B. Debt levels remained elevated, at the end of September 2023, the national debt stood at \$11.57B, increasing \$404.2M or 3.62% from the same period in 2022. This comprised of Direct Charge of \$11.21B, which grew by \$427.8M (or 4.06%) and Contingent Liabilities of \$358.4M which decreased \$33.6M (or 8.6%). The National Debt to GDP stood at 80.1% compared to 89.1% in September 2022 while the Direct Charge to GDP stood at 80.4% compared to 85.9% in the previous year. Inflation continued to moderate, as at September 2023 the Consumer Price Index rose 2.2% from the previous year, compared to August's reading of 2.3%. While the Bahamian economy continues to improve, it is expected that growth will slow in tandem with the global economy. During this time and in the absence of suitable equity investments, the CFAL Balanced Fund will remain overweight in cash and fixed income investments with a focus on acquiring short-duration issues. 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.