

CFAL BOND FUND LTD.

QUARTERLY REPORT :: JUNE 2017

PERFORMANCE ANALYSIS

All returns longer than 1 year are annualized

* YTD Return

	QTR2	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception
Fund	+1.13%	+2.34%	+4.55%	+4.30%	+4.64%	+4.94%	+5.15%	+5.42%
Benchmark	+1.06%	+2.13%	+4.25%	+4.65%	+4.86%	+5.00%	+5.28%	
+/- Benchmark	+0.07%	+0.21%	+0.30%	-0.35%	-0.22%	-0.06%	-0.13%	
	2017*	2016	2015	2014	2013	2012	2011	2010
Fund	+2.34%	+4.30%	+4.07%	+4.61%	+5.18%	+5.67%	+5.39%	+6.08%
+/- Benchmark	+2.13%	+4.75%	+4.75%	+5.12%	+5.12%	+5.12%	+5.13%	+5.88%
+/- Benchmark	+0.21%	-0.45%	-0.68%	-0.51%	+0.06%	+0.55%	+0.26%	+0.20%

Investment Objective: CFAL Bond Fund, Ltd. ("the Fund") seeks to preserve the principal value of the investment while returning a yield approximately equal to the local prime rate (currently 4.25%).

Investment Strategy: The Fund will pursue its objective by investing primarily in a diversified mix of high yield, high quality short-term and long-term fixed income securities. These investments may include corporate bonds and commercial papers, mortgage-related and asset backed securities, government registered stocks and preferred stock investments.

June 2017 Performance Review: The CFAL Bond Fund, Ltd. Net Asset Value per share increased to \$2.077 over the quarter, generating gains of 1.13 percent, net of fees. Year to date the Fund has had a return of 2.34 percent. The Fund has outperformed the benchmark, the local prime rate, by 0.07 percent for the quarter and 0.21 percent for the year. Asset allocation changed slightly over the quarter. The Fund attracted a large number of subscriptions over the period as net additions to the fund were \$4.65 million increasing cash and equivalents by 2.20 percent to 23.60 percent. Fixed income declined by 1.80 percent to 63.00 percent and perpetual preference share allocation fell by 0.40 percent to 13.30 percent. The fixed income segment provided a return of 1.73 percent over the period while perpetual preference shares and cash and equivalents generated gains of 1.13 and 0.46 percent respectively.

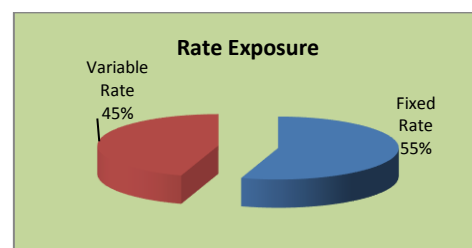
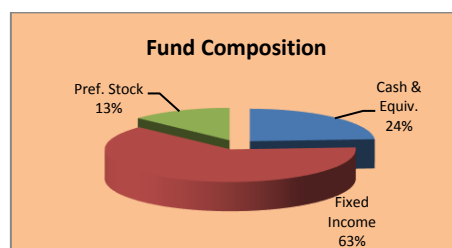
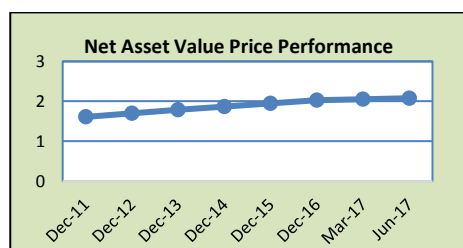
The local economy experienced flat growth for the year 2016 representing the fourth consecutive year of no growth (2013: 0.00%, 2014: -0.52%, 2015: -1.66%). The CFAL Bond remains affected by this lackluster growth as the local market continues to be characterized by limited investment opportunities and high liquidity. However, the Fund continues to grow in value as conservative investors seek investments which preserve their principal while also providing attractive returns. The Fund remains focused on reducing the cash allocation by selecting prudent investments which can provide long term benefits for shareholders while minimizing risk.

QUARTERLY TRACK RECORD

Year	Mar	Jun	Sep	Dec	Ann. Return
2017	+1.20%	+1.13%	n/a	n/a	+2.34%*
2016	+1.02%	+1.06%	+1.00%	+1.15%	+4.30%
2015	+0.97%	+1.02%	+0.98%	+1.03%	+4.07%
2014	+1.23%	+1.17%	+1.08%	+1.06%	+4.61%

PORTFOLIO DURATION ALLOCATION

Duration	% of Bond Holdings	YTM	Avg. Duration
Under 1 year	31.80%	3.00%	0.2
1 - 3 years	10.10%	4.60%	2.2
3 - 5 years	9.40%	4.70%	4.2
5 - 7 years	13.90%	8.50%	6.3
7 - 10 years	7.50%	5.80%	8.5
Over 10 years	27.30%	4.90%	11.3



Investment Manager	CFAL		
Analysis Period	Start: 31 Aug 03	End: 30 Jun 17	
Benchmark	Local Prime Rate (4.25%)		

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 Bond Fund, Ltd. Past performance is not necessarily indicative of future results.

For more information, email info@cfal.com or visit <http://cfal.com>

CFAL BOND FUND, LTD FUND SNAPSHOT

Investment Manager: **CFAL**
Sub-advisors: **None**
Inception Date: **2003**
Net Assets: **BSD\$191.502Mil**
Bloomberg Ticker: **COLBOND BM**
Currency: **BSD**

Expense Ratio*: **0.60%**
Front Load Fee: **0.00%**
Manager Fee: **0.50%**
Backload Fee: **0.00%**
Distribution Rate: **0.00%**
Early Withdrawal Fee: **No early withdrawals allowed**

*2016



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In every direction, every day.