

CFAL GLOBAL EQUITY FUND LTD.

LETTER TO INVESTORS | MARKET UPDATE

Dear Investor,

We are currently in unprecedented times. COVID-19 was declared a pandemic on March 11 by the World Health Organization and led governments around the world to implement quarantines and close borders. Economic activity has come to a halt as countries worldwide experience “The Great Lockdown”. In the initial days of COVID-19, the impact on markets and the global economy appeared to be muted but as the virus spread outside of Asia and the number of cases climbed, investors started to panic. The uncertainty led investors to flee to cash which caused global financial markets to experience massive selloffs and unprecedented volatility. Global risk assets suffered even worse declines than seen in the Global Financial Crisis of 2008 as fears of a global recession increased. In an attempt to alleviate the damage, central banks and governments took drastic, emergency measures by cutting rates and rolling out record breaking stimulus packages. However, by the end of the quarter trillions of dollars in market value had been erased, millions of jobs had been lost and analysts concluded that a global economic recession was inevitable. We thought it necessary to address our investors and provide insight on how these market developments affect your investment in the CFAL Global Equity Fund.

Fund Performance

The market selloff in Q1 2020 caused a 10-year bull market to come to an end. In the US, the three major indices including the Dow Jones Industrial Average (-23.20%), S&P 500 Index (-20.00%) and Nasdaq (-14.18%) all saw double digit declines as uncertainty surrounding the virus spread. These gains wiped out a large chunk of the double digit gains realized in 2019 by the Dow Jones Industrial Average (22.34%), the S&P 500 (28.88%) and Nasdaq (35.23%). The market turmoil from the coronavirus pandemic negatively impacted the CFAL Global Equity Fund which declined 12.71% in Q1 2020. However, the Fund benefitted from its fixed income investments and investments in Gold which cushioned losses. In addition, the Fund reduced its exposure to oil stocks in January, which protected the Fund from the huge declines seen in oil prices in March. As at March 31, 2020, the Fund held 9.90% in cash and equivalents, 21.00% in fixed income, 65.60% in equities, and 3.60% in alternative investments. The Fund outperformed its blended benchmark by 2.12% and outperformed the S&P 500 by 7.29%. Fixed income and alternative investments provided positive returns of 0.51% and 3.70% while equities declined by 18.38%.

The following were the best performing and worst performing individual stock holdings for the quarter:

<i>Best Performers</i>			<i>Worst Performers</i>		
Company	Q1 Return	Exposure	Company	Q1 Return	Exposure
Amazon.com Inc.	+5.51%	2.58%	Royal Caribbean Cruises	-75.75%	0.59%
Microsoft Corp.	+0.23%	3.45%	Valero Energy Corp.	-50.98%	0.20%
Roche Holdings Ltd. ADR	+0.03%	2.39%	Fleetscor Technologies Inc.	-35.17%	1.59%
Wal-Mart Stores Inc.	-4.09%	3.02%	JP Morgan Chase & Co.	-34.66%	2.01%
Intel Corp.	-9.20%	3.27%	Nextera Energy Partners	-31.80%	1.46%

Fund Outlook

The International Monetary Fund (IMF) expects that the pandemic will negatively impact all regions across the world, with global growth for 2020 projected as -3.00%. The IMF reported that for the first time since the Great Depression both advanced economies and emerging market and developing economies are in recession. We expect that markets will experience continued volatility as countries deal with the economic fallout from the virus and company earnings take a hit. The path to recovery is uncertain, however the IMF forecasts that if the pandemic fades by the second half this year global growth will rebound in 2021 at 5.80%.

The CFAL Global Equity Fund maintains a long term outlook. We remain confident that the majority of the companies held in the Fund are fundamentally strong. Some companies will experience price declines due to general market movements, some will experience temporary losses in earnings, and some companies may never recover. We will continue to monitor the effect of the pandemic on the companies held, and will divest if necessary. We will also use this opportunity to take advantage of large market declines by purchasing companies which we feel are undervalued at deep discounts. Now, more than ever, a well-diversified portfolio is essential. The CFAL Global Equity Fund will continue to invest across a variety of asset classes and sectors to protect your investment with us.

Our regular quarterly performance report is also attached for your perusal. Should you have any questions, feel free to contact us via email at investments@cfal.com or via telephone at (242) 502-7010.

Kind Regards,

The CFAL Global Equity Fund Ltd. Investment Committee

Market Returns – Q1 2020

	As at 31 March 2020			
	MTD	QTD	YTD	1 year
Equity Indices (% local currency)				
S & P 500	-12.51	-20.00	-20.00	-8.81
Dow Jones Industrial Average	-13.74	-23.20	-23.20	-15.47
NASDAQ	-10.12	-14.18	-14.18	-0.38
FTSE 100	-13.81	-24.80	-24.80	-22.08
DJ Euro Stoxx 50	-16.30	-25.59	-25.59	-16.85
Shanghai SE Composite	-4.51	-9.83	-9.83	-11.02
Nikkei 225	-10.53	-20.04	-20.04	-10.79
MSCI Emerging Markets	-15.61	-23.87	-23.87	-19.80
MSCI World	-13.47	-21.44	-21.44	-12.10

	As at 31 March 2020			
	MTD	QTD	YTD	1 year
ICE BofAML Bond Indices (% local currency)				
US Treasuries 0-3 months	0.20	0.46	0.46	2.08
US Treasuries 3-5 years	2.25	5.36	5.36	9.14
US Treasuries 1-10 years	2.17	5.26	5.26	8.98
Corporates & Govt 7-10 years	-2.92	1.87	1.87	9.55
Global Broad Market Index	-1.95	0.28	0.28	4.81
Commodities (% USD)				
Gold	-0.54	3.95	3.95	22.04
WTI Crude Oil	-54.43	-65.85	-65.85	-65.33
Alternatives (% USD)				
Credit Suisse Hedge Fund Index	-7.28	-8.98	-8.98	-4.32
HFRX Global Hedge Fund	-5.88	-6.85	-6.85	-1.39