



FUND INFORMATION

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.

Net Assets: \$492.496M

Net Asset Value/ Share: \$2.719

Currency: BSD

Fund Inception Date: Aug-31-03

Management Fee: 0.50%

Subscription/ Redemption Fee: 0.00%

Expense Ratio (2022): 0.53%

Early Withdrawal Fee: No early withdrawals permitted

Investment Manager: CFAL

Bloomberg Ticker: COLBOND BM

Benchmark: CFAL Local Prime Rate Index

FUND DATA

Avg. Current Yield	3.96%
Weighted Avg. Maturity	8.50 years
Average Duration	5.60

RATE EXPOSURE

	(%)
Variable Rate	17.07
Fixed Rate	82.93

TOP 5 SECURITY HOLDINGS

Nassau Cruise Port 6.00% Fixed Rate Bond due 06-30-40	6.82
Bahamas Govt. T-Bill due 05-14-24	4.00
BGRS 3.20% due 10-31-24	3.48
Bahamas Govt. T-Bill due 06-26-24	3.46
BGRS 4.09% due 10-16-28	3.17

*BGRS: Bahamas Government Registered Stock

PERFORMANCE SUMMARY (%)

As at March 31, 2024

	Cumulative		Annualized					Incept.
	QTR1	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	
Fund	+0.95	+0.95	+3.92	+4.00	+4.10	+4.09	+4.16	+4.98
Benchmark	+1.06	+1.06	+4.25	+4.25	+4.25	+4.25	+4.39	n/a
+/- Benchmark	-0.11	-0.11	-0.33	-0.25	-0.15	-0.16	-0.23	n/a

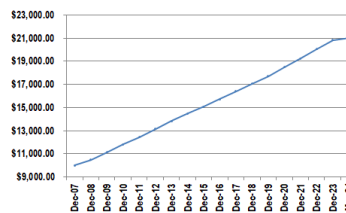
CALENDAR YEAR PERFORMANCE (%)

	YTD	2023	2022	2021	2020	2019	2018	2017
Fund	+0.95	+3.95	+3.87	+4.35	+4.55	+3.73	+3.97	+4.46
Benchmark	+1.06	+4.25	+4.25	+4.25	+4.25	+4.25	+4.25	+4.25
+/- Benchmark	-0.11	-0.30	-0.38	+0.10	+0.30	-0.52	-0.28	+0.21

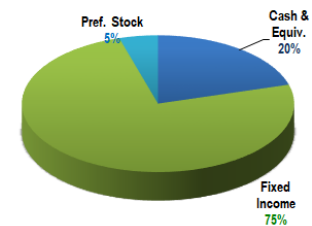
PORTFOLIO DURATION ALLOCATION

Duration	% of Bond Holdings	YTM	Avg. Duration
Under 1 year	26.70	1.30	0.30
1 – 3 years	12.00	3.80	1.80
3 – 5 years	12.90	4.60	3.90
5 – 7 years	5.70	4.80	6.10
7 – 10 years	13.90	5.00	8.90
Over 10 years	28.80	5.60	11.20

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Bond Fund, Ltd. returned +0.95 percent for the first quarter of 2024 to end at a Net Asset Value of \$2.719 per share. The Fund underperformed its benchmark, the Local Prime Rate Index, by 0.11 percentage points for the quarter. Asset allocation was similar to the previous quarter. Portfolio holdings by asset class included: cash and equivalents at 20.50 percent, fixed income holdings at 74.80 percent and perpetual preference shares at 4.60 percent. Cash and equivalent holdings comprised of cash at bank (4.90 percent), Government of the Bahamas Treasury Bills (13.10 percent) and term deposits (2.60 percent). The average yields on Treasury Bills and term deposits were 2.91 and 2.20 percent, respectively. Investment opportunities remain limited to Bahamas Government Registered Stock. At the end of the quarter, Bahamas Government Bond issues accounted for 59.90 percent of the portfolio. Sector returns remained positive over the quarter. Fixed income holdings rose +0.93 percent while perpetual preference shares gained +1.71 percent. Cash and equivalent holdings returned +0.40 percent.

An advanced estimate from the Bahamas National Statistical Institute, showed that the Bahamian economy experienced real GDP growth of 2.6% in 2023. This figure was lower than the IMF's projection of 4.3% and represents a significant slowdown from 2022, when the economy grew by 14.4%. Growth continued to be primarily driven by gains in the tourism sector. In 2023, the Bahamas saw a record 9.65M visitors compared to 7M in the previous year. The momentum continued in 2024, with 1.86M visitors year to date as at February, an increase of 11.7% over the same period in 2023. The Government's fiscal deficit saw a projected reduction of 6.8% to 258.7M for the first half of FY 2023/2024 compared to the prior year. During the same period, total revenues grew 3.5% to \$1.30B while expenditures rose 1.6% to 1.56B. At the end of December 2023, the Direct Charge stood at \$11.43B representing a year over year increase of 3.5% while the National Debt (inclusive of contingent liabilities), grew by 3.1% to end the year at \$11.78B. Direct Charge to GDP stood at 81.7% while National Debt to GDP stood at 84.2%. While local economic activity continues to be buoyed by gains in the tourism sector, it is likely that growth will continue to slow. Amidst this environment of slowing economic growth, the CFAL Bond Fund will continue to maintain a strategy of purchasing instruments with short to medium-term duration with the view of minimizing overall risk. The Fund will remain focused on capital preservation while pursuing high quality, attractive, income generating investments.

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 Bond Fund, Ltd. Past performance is not necessarily indicative of future results. For more information, email info@cfal.com.