



FUND INFORMATION

**Investment Objective:** CFAL Global Bond Fund, Ltd. ("Global Bond Fund") seeks a high total risk adjusted investment return by investing in a global portfolio of investment grade and non-investment grade fixed income securities. The Fund will be managed for return on principal and return of principal.

**Investment Strategy:** The Fund will pursue its objective by investing in U.S. Government Bonds and high-quality corporate bonds, U.S. dollar denominated debt and debt-like securities of issuers domiciled outside the U.S. In evaluating securities, the Investment Manager will utilize its internal credit analysis resources as well as financial and economic information obtained from other resources.

**Net Assets:** \$21.202M

**Net Asset Value/ Share:** \$195.653

**Currency:** USD

**Fund Inception Date:** Jun-30-2008

**Management Fee:** 0.10%

**Subscription/ Redemption Fee:** 0.00% (1.75% government taxes apply)

**Expense Ratio (2021):** 0.16%

**Early Withdrawal Fee:** No early withdrawals permitted

**Investment Manager:** CFAL

**Benchmark:** ICE BofAML 5 - 7 Year US Corporate & Government Index

\*Benchmark changed June 30, 2019

FUND DATA

|                        |            |
|------------------------|------------|
| Avg. Current Yield     | 3.82       |
| Weighted Avg. Maturity | 4.52 years |
| Average Duration       | 3.31       |

CREDIT QUALITY (%)

|                       |       |
|-----------------------|-------|
| <b>S&amp;P Rating</b> |       |
| AA+ – A-              | 46.80 |
| BBB+ – BBB-           | 30.20 |
| BB – B+               | 13.30 |
| Not Rated             | 9.70  |

TOP 5 SECURITY HOLDINGS (%)

|  |      |
|--|------|
| Nassau Cruise Port Limited<br>8.00% due 06-30-40 | 8.95 |
| US Treasury Bill due<br>02-16-23                 | 4.92 |
| NAD 8.50% due 12-31-31                           | 4.03 |
| US Treasury N/B 2.50%<br>due 03-31-23            | 4.01 |
| Com. of the Bahamas<br>6.95% due 11-20-29        | 3.98 |

PERFORMANCE SUMMARY (%)

As at December 31, 2022

|               | Cumulative |        | Annualized |        |        |        |         | Incept. |
|---------------|------------|--------|------------|--------|--------|--------|---------|---------|
|               | QTR4       | YTD    | 1 Year     | 3 Year | 5 Year | 7 Year | 10 Year |         |
| Fund          | +2.73      | -3.84  | -3.84      | +0.09  | +1.83  | +2.73  | +3.24   | +4.73   |
| Benchmark     | +1.92      | -11.41 | -11.41     | -1.91  | +0.71  | +1.35  | +1.37   | n/a     |
| +/- Benchmark | +0.81      | +7.57  | +7.57      | +2.00  | +1.12  | +1.38  | +1.87   | n/a     |

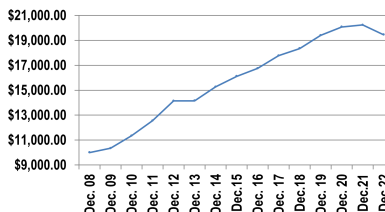
CALENDAR YEAR PERFORMANCE (%)

|               | 2022   | 2021  | 2020  | 2019  | 2018  | 2017  | 2016  | 2015  |
|---------------|--------|-------|-------|-------|-------|-------|-------|-------|
| Fund          | -3.84  | +0.78 | +3.47 | +5.76 | +3.26 | +6.08 | +3.95 | +5.54 |
| Benchmark     | -11.41 | -2.13 | +8.87 | +9.06 | -0.83 | +4.76 | +3.60 | +1.00 |
| +/- Benchmark | +7.57  | +2.91 | -5.40 | -3.30 | +4.09 | +1.32 | +0.35 | +4.54 |

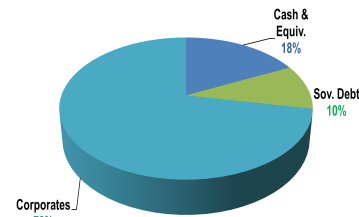
PORTFOLIO DURATION ALLOCATION

| Duration     | % of Bond Holdings | YTM  | Avg. Duration |
|--------------|--------------------|------|---------------|
| Under 1 year | 26.00              | 1.70 | 0.40          |
| 1 – 3 years  | 24.10              | 3.40 | 2.10          |
| 3 – 5 years  | 27.40              | 3.10 | 3.80          |
| 5 – 7 years  | 10.70              | 7.50 | 5.50          |
| 7 – 10 years | 11.80              | 7.80 | 9.00          |

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Global Bond Fund gained +2.73 percent in Q4 2022 to end with a Net Asset Value of \$195.653 per share. Year to date, the Fund was down -3.84 percent. The Fund outperformed the benchmark, the ICE BofAML 5-7 Year US Corporate and Government Index, by 0.81 percentage points for the quarter and 7.57 percentage points year to date.

At the end of the quarter, the Fund had a bond allocation of 82.21 percent. The bond portfolio included holdings in corporate issues and ETFs which represented 71.97 percent of the portfolio and sovereign debt issues which had an allocation of 10.24 percent. Cash and equivalent holdings including cash at bank and short-term US Treasury notes and bills totaled 17.78 percent. The portfolio holdings were mostly positive for the quarter. The Bahamas government bond issues surged +30.88 percent while corporate issues added +1.73 percent. Bond ETFs also rose +2.22 percent and US Treasury holdings were up +1.10 percent.

US bond markets were positive for the quarter even as the US Federal Reserve continued to raise rates in an effort to control inflation. As measured by ICE indices, US high yield issues (+3.98%) outperformed US corporate bonds (+3.52%), while US Treasuries 1-10 years (+1.02%) lagged. The benchmark 10-year US Treasury yield ended the quarter at 3.88 percent, slightly up from 3.83 percent at the end of September. The Fed increased rates twice during the quarter, by another 75 basis points in November and 50 basis points in December. These rate hikes bought the Fed's target rate to 4.50 percent, the highest level in fifteen years. Meanwhile, US inflation cooled to 7.1 percent in November from the previous year compared to 7.3 percent in October. The US economy grew at an annual rate of 3.2 percent in Q3 2022, however, growth was expected to slowdown in Q4 as the effects of increased interest rates materialize. The CFAL Global Bond Fund will continue to maintain a focus on selecting high-quality fixed income securities with appropriate duration given the current environment. As usual, the goal of preserving capital and protecting fund performance remains key.

*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 Global Bond Fund, Ltd. Past performance is not necessarily indicative of future results. For more information, email [info@cfal.com](mailto:info@cfal.com).*