



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: \$538.984M

Net Asset Value/ Share: \$2.797

Currency: BSD

Fund Inception Date: Aug-31-03

Management Fee: 0.50%

Subscription/ Redemption Fee: 0.00%

Expense Ratio (2023): 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	4.14%
Weighted Avg. Maturity	8.47 years
Average Duration	5.41

RATE EXPOSURE

	(%)
Variable Rate	14.27
Fixed Rate	85.73

TOP 5 SECURITY HOLDINGS

Nassau Cruise Port 6.00% Fixed Rate Bond due 06-30-40	7.39
Bahamas Grid 8.00% Senior Unsecured Bonds due 07-31-44	4.27
BGRS 3.31% due 10-31-25	4.04
Bahamas Govt. T-Bill due 03-24-25	3.63
Bahamas Govt. T-Bill due 04-17-25	3.31

*BGRS: Bahamas Government Registered Stock

PERFORMANCE SUMMARY (%)

As at December 31, 2024

	Cumulative		Annualized					Incept.
	QTR4	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	
Fund	+0.99	+3.85	+3.85	+3.89	+4.11	+4.04	+4.11	+4.94
Benchmark	+1.03	+4.25	+4.25	+4.25	+4.25	+4.25	+4.79	n/a
+/- Benchmark	-0.04	-0.40	-0.40	-0.36	-0.14	-0.21	-0.68	n/a

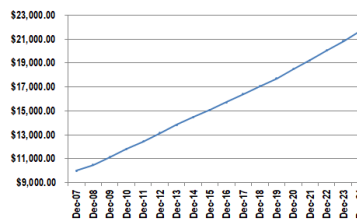
CALENDAR YEAR PERFORMANCE (%)

	2024	2023	2022	2021	2020	2019	2018	2017
Fund	+3.85	+3.95	+3.87	+4.35	+4.55	+3.73	+3.97	+4.46
Benchmark	+4.25	+4.25	+4.25	+4.25	+4.25	+4.25	+4.25	+4.25
+/- Benchmark	-0.40	-0.30	-0.38	+0.10	+0.30	-0.52	-0.28	+0.21

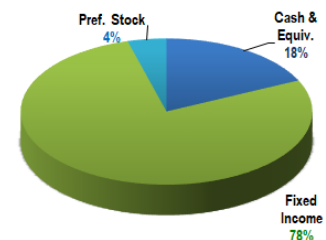
PORTFOLIO DURATION ALLOCATION

Duration	% of Bond Holdings	YTM	Avg. Duration
Under 1 year	32.40	1.70	0.40
1 – 3 years	7.80	4.00	2.00
3 – 5 years	9.60	4.70	3.70
5 – 7 years	7.40	4.70	6.00
7 – 10 years	20.70	5.80	9.00
Over 10 years	22.20	5.70	11.30

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Bond Fund, Ltd. returned +0.99 percent in the fourth quarter and +3.85 percent for the year to end at a Net Asset Value of \$2.797 per share. The Fund underperformed its benchmark, the Local Prime Rate Index, by 0.04 percentage points for the quarter or 0.40 percentage points for the year. Cash allocation increased over the quarter as the Fund had net subscriptions of \$12.49M. At the end of the quarter, portfolio holdings included: cash and equivalents at 18.00 percent, fixed income holdings at 77.70 percent and perpetual preference shares at 4.30 percent. Cash and equivalent holdings comprised of Government of the Bahamas Treasury Bills (12.50 percent), cash at bank (3.10 percent), and term deposits (2.40 percent). The average yields on Treasury Bills and term deposits were 2.96 and 2.20 percent, respectively. The local fixed income market remains dominated by Bahamas Government bond offerings however, during the quarter the Fund participated in a preference share offering of a local company. At the end of Q4 2024, Bahamas Government Bond issues accounted for 56.10 percent of the portfolio. Sector returns were positive over the quarter. Fixed income holdings earned +1.32 percent while perpetual preference shares returned +1.00 percent. Cash and equivalent holdings gained +0.55 percent.

The Bahamian economy continued its growth momentum, driven by a robust tourism sector and improving employment rates. As of September 2024, Gross Domestic Product was estimated at \$14.735B in nominal terms, reflecting a year-over-year increase of 3.52%. As of November 2024, total visitor arrivals equated to 10.06M, an increase of 16.43% from the same period in 2023. Sea arrivals remain predominant, representing 84.56% of total arrivals while air arrivals accounted for 15.44%. The unemployment rate improved to 8.7% in Q2 2024, down from 9.9% at the end of 2023.

Preliminary data for the first quarter of FY2024/25 revealed an increase in the overall deficit of \$123.9M (or 201.1%) to \$185.5M from the same period last year. This increase was primarily driven by higher expenditure that outpaced revenue growth. Total revenues grew by \$18.7M (or 2.8%) to \$682.2M while total expenditure expanded by or 19.6% to \$867.5M. As of September 2024, the Direct Charge was \$11.66B (79.1% of GDP) while the National Debt stood at \$11.99B (81.4% of GDP). Despite rising tourism numbers, the International Monetary Fund (IMF) projects a slight reduction in GDP growth from 1.9% in 2024 to 1.7% in 2025. The country's high debt levels and the interest expenses on public debt continue to pose challenges to economic growth. In this high-debt, low-growth environment, the CFAL Bond Fund will continue to purchase short to medium-term instruments to minimize risk. The Fund remains 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.



Contact CFAL today to discuss your financial goals
Nassau: 242.502.7010 | Freeport: 242.351.8928
www.cfal.com
Investments • Private Wealth • Retirement Planning