



Dear fellow investors,

The Fortress funds had a strong fourth quarter, ending 2023 with gains across the board. Global financial markets rallied in November and December on hopes interest rates would soon fall, and central bank policy would become more friendly. Since early 2022, rapidly rising interest rates aimed at fighting post-pandemic inflation had been a huge headwind for financial markets, so this shift in tone and the hope for lower rates were extremely welcome and cheered by investors.

After a world-leading rally, many of the leading U.S. stocks are now priced at unusually high valuations, leaving little room for error. This may be a problem for broad market returns going forward. We think the risk/reward prospects are far better elsewhere, in the quieter corners of the U.S. and in the lower priced shares in international and emerging markets. Here there is little excitement already priced in, and the return prospects for our portfolios are still substantial. We also continue to see good return potential in U.S. bonds, with yields near multi-year highs.

Please mark your calendar: We return to the Frank Collymore Hall for the annual **Fortress Investment Forum** on **March 7**, and you are invited. As in previous years, the free event will offer updates on the investment world and on the Fortress funds' performance, and we will answer your questions during the session, and afterwards over refreshments. Full event and RSVP details will follow by email, on our website and social media. We hope you can join us on March 7.

Thank you very much for investing with us.

Sincerely,
Fortress Fund Managers

OF INTEREST THIS QUARTER:

THE CARIBBEAN GROWTH FUND

gained 5.3% in the fourth quarter and is up 5.3% over the past year. Hopes for lower interest rates pushed global stocks higher while Caribbean shares were little changed.

THE CARIBBEAN HIGH INTEREST FUND

gained 2.9% in the fourth quarter and is up 4.3% over the past year. Inflation moderated and global interest rates fell, leading to a strong quarter in the bond market.

THE CARIBBEAN PENSION FUND

shares gained between 3.2% and 5.0% in the fourth quarter and are up between 4.2% and 5.6% over the past year. Stocks and bonds both rallied as inflation eased and interest rate fears abated.

Holidays are great, but not for your savings



Keep your savings working hard in 2024. Whether you've accumulated Barbados dollars or US dollars - or both - there's a long-term investment option for you.

BDS \$ STOCKS & BONDS

*Fortress Caribbean Growth Fund.
Fortress Caribbean High Interest Fund.*



US \$ STOCKS & BONDS

*Fortress World Growth Fund.
Fortress World Fixed Income Fund.*

All positioned for the long-term to keep your savings working in the years ahead.

www.fortressfund.com



Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund gained 5.3% in the fourth quarter and is up 5.3% over the past year.*
- *Global stocks rallied as inflation eased and led to hopes of interest rate cuts in the months ahead. Caribbean shares were little changed.*

The Fund gained 5.3% in the fourth quarter and is up 5.3% over the past year. The net asset value (NAV) per share as of December 29 was \$7.4253. Net assets of the Fund were \$641 million, up from \$605 million this time last year. The Fund's annual compound rate of return since inception in 1996 is 7.7% per year. Its portfolio remains well diversified by security, geography, and currency.

Global equities finished with meaningful gains for the quarter, despite having started on a less enthusiastic note. October saw weakness due to rising interest rates and geopolitical tensions. In November and December, though, moderating inflation readings in the U.S. prompted a sharp turnaround as investors began to anticipate not just an end to tightening by the Federal Reserve (Fed) but the advent of rate cuts. The year-over-year U.S. Consumer Price Index eased to 3.1% in November after peaking at a 9.1% rate in mid-2022. The Fed kept rates unchanged throughout the quarter and shifted to a softer tone in December, which reinforced expectations of future rate cuts and provided further support for equities. The more speculative segments of the market led the advance, with the largest U.S. technology stocks driving index returns as much of the rest of the U.S. market and international investments posted more modest gains. The Fund's core global investments via the Fortress Global Funds posted gains of between 8% and 12% for the quarter, while holdings in the U.S. biotech sector added between 11% and 22%, and our position in U.S. regional banks returned 26% in the quarter.

Performance in Caribbean equities by contrast was lacklustre in the fourth quarter, capping a mostly negative year in the region's markets. The Trinidad and Jamaica indices were flat while the Barbados index had a modest gain, driven by FirstCaribbean International Bank which advanced 6% over the quarter on improved results. In Trinidad, Massy Holdings declined 9% and we took the opportunity to add to the Fund's position at the lower levels. Shares in Guyana, which saw enormous strength back in 2022, were mostly unchanged for the quarter and remained down substantially for the full year.

During the year, the U.S. economy avoided a long-feared recession as growth remained solid while inflation eased. With the Fed's target rate now at 5.25-5.5% there is significant room for rate cuts, when the time comes. The question is, will the cutting occur in a weakening economy with falling corporate profits? Some of the largest, most expensive stocks in the market are trading today at valuations so high that disappointment of any kind could be exceptionally painful. We continue to see far better risk/reward prospects where expectations, and prices, are much more down to earth in some parts of the U.S. market, but also in international and emerging markets where valuations are far better and return prospects for the Fund's investments remain substantial.

The Fund continues to be open to all new subscriptions.

FUND OBJECTIVE

Capital growth over the long term. The Fund uses a value approach to invest primarily in Caribbean and international equities.

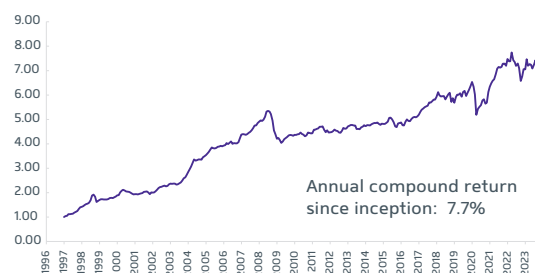
Net Asset Value per share	\$7.4253
Fund Net Assets	\$640,509,306
Fund Inception	Dec 9, 1996

INVESTMENT RETURNS

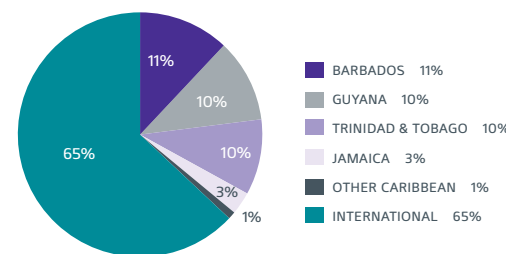
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept
Fortress	5.3%	5.3%	5.4%	5.5%	7.7%
Jamaica	-0.7%	-9.9%	-8.8%	-6.7%	5.8%
Trinidad	0.3%	-8.6%	-2.9%	-1.4%	7.2%
Barbados	3.3%	9.3%	1.9%	-4.2%	2.9%
MSCI World	11.5%	24.4%	7.8%	13.4%	7.5%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO DECEMBER 31ST, 2023



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country/Region
1 Fortress International Equity Fund	International
2 Fortress US Equity Fund	US
3 Fortress Emerging Markets Fund	International
4 Templeton Asian Smaller Companies	International
5 Goddard Enterprises	Barbados

EXPENSES

Manager:
1.75% per annum on the first \$500 million of net assets
1.50% per annum on remaining balance of net assets

Custodian:
0.0875% on first \$30M in net assets
0.075% on amounts over \$30M in net assets

Administrator:
0.10% on the first \$30M in net assets
0.0875% on amounts over \$30M in net assets

Redemption Charge: none

Initial Charges: 2%

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

Roger Cave, Chairman
Ruth Henry
John Howard
Greg McConnie
Maria Nicholls
Tracey Shuffler
John Williams

DEALING

Weekly on Fridays

Please see our **Fund Prospectus** for further important information.

Caribbean High Interest Fund

HIGHLIGHTS:

- *The Fund gained 2.9% in the fourth quarter and is up 4.3% over the past year.*
- *Global bond yields dropped during the quarter, pushing bond prices higher as inflation moderated and hopes grew there would soon be rate cuts.*

The Fund gained 2.9% in the fourth quarter and is up 4.3% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of December 29 was \$2.1634, while the Distribution share finished at \$1.0332. Net assets of the Fund were \$143 million, down from \$144 million this time last year. The Fund's annual compound rate of return since inception in 2002 is 3.6% per year. Its portfolio remains as diversified as possible across various issuers, industries, geographies, and terms to maturity.

Global bonds had an exceptional quarter as yields fell to reflect lower inflation and interest rate expectations. U.S. inflation, as measured by the Consumer Price Index, slowed to 3.1% year-over-year in November after two consecutive months of unchanged price levels. The U.S. Federal Reserve (Fed) kept its target rate range unchanged at 5.25-5.50% during the quarter and publicly shifted to a softer outlook. Growing expectations that the Fed was done raising interest rates and actively considering cuts led to lower bond yields in all maturities. The U.S. treasury 5-year note yield fell from 4.61% to 3.85% over the quarter, while the 10-year yield moved from 4.57% down to 3.88%. Lower yields pushed bond prices higher, erasing year to date losses, and leaving the main U.S. bond index with a 5.5% return for the year. Investment grade corporates outperformed both high yield and treasuries as credit spreads tightened. Emerging market bonds also gained in the quarter.

The Fund's core allocation to the US\$ Fortress Fixed Income Fund returned a solid 5.3% over the quarter. The Fund's allocations to specialist managers and emerging market bonds saw gains in the 6% to 8% range, consistent with these segments of the market. At this point, yields are still high by the standards of the last 20 years, even as the market has priced in rate cuts from early 2024. Rates will almost certainly fall one day, but no one knows when this will happen or how quickly they will fall. We continued to extend duration gradually as positions matured to benefit from higher yields but were also keen to keep shorter term positions and floating rate notes in the portfolio in case current expectations for rate cuts are overdone.

The local Barbados fixed income market was quiet in the quarter, except for the Government of Barbados (GOB) which continued to issue treasury bills. The Fund's GOB exposure is now 12% of the total portfolio. Corporate holdings performed as expected during the quarter. Cash in the Fund is 13%, lower this quarter due to the addition of a new short-term corporate position but still higher than we would like. The average term to maturity of the Fund's portfolio is just above six years and the gross yield is now 4.4%, a good estimate of its medium-term return potential.

The Fund is currently open only to monthly savings programmes and pensions. It remains closed to new lump sum investments.

FUND OBJECTIVE

Income and capital preservation over the medium term. The Fund actively invests in a diversified portfolio of primarily Caribbean and international debt securities.

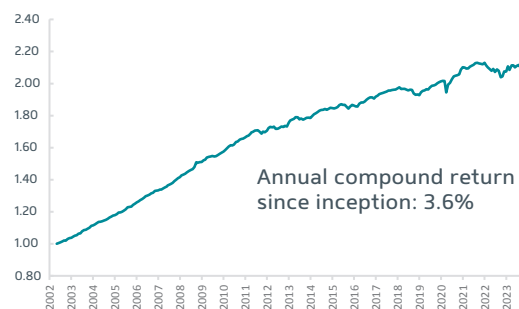
<i>Net Asset Value per share</i>	\$2.1634/ \$ 1.0332
<i>Fund Net Assets</i>	\$142,601,688
<i>Fund Inception</i>	May 17, 2002

INVESTMENT RETURNS

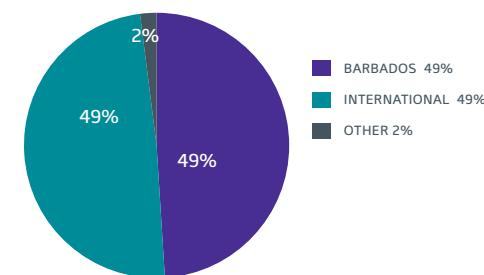
3 Months	1 Year	3 Years	5 Years	Inception
2.9%	4.3%	1.0%	2.3%	3.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO DECEMBER 31ST, 2023



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country
1 Fortress Fixed Income Fund	International
2 Deposits - CIBC FirstCaribbean Intl Bank	Barbados
3 Fortress World Fixed Income Fund	International
4 Barbados Series B Sep 30, 2033	Barbados
5 GEL Note Nov 30 2024	Barbados

EXPENSES

Manager: 0.75% per annum
Custodian & Administrator:
 0.20% on first \$30M in net assets
 0.175% on next \$50M in net assets
 0.15% on amounts over \$80M in net assets
Redemption Charge:
 2% for funds held less than 6 months
 Up to 1% for funds held less than 6 months - 2 years
 Nil after 2 years
Initial Charges: none

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

Roger Cave, Chairman
 Ruth Henry
 John Howard
 Greg McConnie
 Maria Nicholls
 Tracey Shuffler
 John Williams

DEALING

Weekly on Fridays

Please see our **Fund Prospectus** for further important information.



Caribbean Pension Fund

HIGHLIGHTS:

- The three classes of shares of the Pension Fund gained between 3.2% and 5.0% in the fourth quarter and are up between 4.2% and 5.6% over the past year. Global financial markets strengthened as inflation eased and bond yields fell in anticipation of central bank easing.
- Returns by class of share are shown in the table to the right.

Retirement...we all dream of this moment in our lives and want to ensure we prepare financially for it. We pay our NIS contributions, we join our employer sponsored pension plan (if there is one), and we put aside regular savings in an investment account like a mutual fund.

However, we should also take some time during our lives to ensure that the “other important things” are being taken care of as well. Failure to do so could impact the quality of your life and finances prior to and during retirement.

1. Are you married? If yes, do both of you have wills? Are all the investments and bank accounts in joint names? Do both parties have online access to them?
2. Do you both own a home? What is in place to ensure that the life insurance policies that are assigned to the mortgage remain in force?
3. Do both parties work? If there is a sole breadwinner, is sufficient life insurance in place on that person to ensure there will be funds from the policies in the event of premature death?
4. Is there a joint budget in place to ensure agreed upon financial priorities are being accomplished?

They stumble that run fast. Please remember to take time to assess where you and your family are along this journey from time to time, not just in financial terms, but in all the other ways that matter.

Investors in the Pension Fund typically select from three different classes of shares, based on personal circumstances and risk tolerance. These classes differ in how their assets are spread across the major asset classes of equities, bonds, and real estate and other assets. The graphs show how each of the classes (AA, CC, CS) is allocated currently. The reports on the Caribbean Growth Fund and Caribbean High Interest Fund on pages two and three of this quarterly report give you a direct look into the performance, positioning and outlook for the major underlying investments in the Pension Fund.

Fortress is a leading provider of investment management and pension administration services to defined contribution (DC) and defined benefit (DB) pension plans of all sizes.

In addition, our proprietary pension products serve companies and employees both before and after retirement:

Fortress Multi-Employer Pension Plan

- Complete outsourced solution helps companies bypass the expense and burden of maintaining a standalone pension plan.
- Each company selects their own suite of plan details including eligibility, vesting periods, contribution rates, and retirement age.
- As a participant, you select your own investment option from the three classes of the Fortress Caribbean Pension Fund.

Personal Pension (RRSP)

- Individual account for investing your own pension savings.
- If you change employers your accumulated pension savings can be transferred into an RRSP and remain invested as you select.

INNOVA Lifestage Income Plan

- An alternative to low rates on fixed annuities after retirement.
- You stay invested even in retirement and draw down a variable monthly pension from your own investment account.
- Any unwithdrawn amount forms part of your estate.

The Fortress Caribbean Pension Fund is the primary investment offering behind all our pension products and for company defined contribution pension plans.

EXPENSES

Manager: 0.50% per annum of net assets at the Fund level.
 Fees from the underlying Fortress funds in which the Fund invests are capped at between 0.25% and 0.50% per annum of net assets, depending on the fund.
Custodian: \$7,500 per year paid by the Fund as a whole.
Administrator: 0.03% per annum.
Sales Charge: None
Redemption Charge: none

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

FUND OBJECTIVE

Capital growth, income and security over the long term, as appropriate to each class of share. The Fund invests in equities, fixed income, and real estate assets primarily via the other Fortress funds.

Net Asset Value

Per Share: \$31.38 / \$29.74 / \$19.65
 (AA/CC/CS)

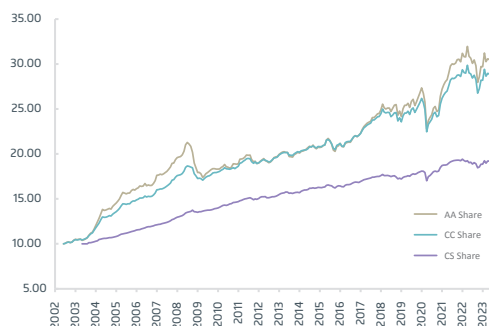
Fund Net Assets: \$422,762,690

INVESTMENT RETURNS

	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	5.0%	5.6%	4.9%	5.4%	5.4%
CC Share	4.6%	5.4%	4.3%	4.8%	5.2%
CS Share	3.2%	4.2%	1.7%	2.7%	3.3%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO DECEMBER 31ST, 2023



ASSET ALLOCATION

